

**SHIRE OF DOWERIN**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**LOCAL GOVERNMENT ACT 1995**

**TABLE OF CONTENTS**

Statement of Comprehensive Income	2
Statement of Cash Flows	3
Statement of Financial Activity	4
Index of Notes to the Budget	5

**SHIRE'S VISION**

Dowerin will be a thriving and growing rural community which offers lifestyle choice for all generations, is progressive in environmental management and is a preferred location for business development.

**SHIRE OF DOWERIN**  
**STATEMENT OF COMPREHENSIVE**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2023/24 Budget	2022/23 Actual	2022/23 Budget
		\$	\$	\$
<b>Revenue</b>				
Rates	2(a)	1,561,417	1,510,346	1,514,214
Grants, subsidies and contributions	10	968,914	3,087,599	1,252,739
Fees and charges	14	830,409	826,136	669,810
Interest revenue	11(a)	146,488	51,520	47,000
Other revenue	11(a)	78,912	94,304	84,500
		3,586,140	5,569,905	3,568,263
<b>Expenses</b>				
Employee costs		(1,966,082)	(1,558,888)	(1,796,711)
Materials and contracts		(1,875,967)	(1,726,020)	(1,651,443)
Utility charges		(179,196)	(155,365)	(179,674)
Depreciation	6	(2,185,601)	(2,542,408)	(2,135,767)
Finance costs	11(c)	(30,120)	(46,300)	(32,281)
Insurance		(185,189)	(167,905)	(164,857)
Other expenditure		(90,409)	(53,846)	(107,925)
		(6,512,564)	(6,250,732)	(6,068,658)
		(2,926,424)	(680,827)	(2,500,395)
Capital grants, subsidies and contributions	10	4,191,215	3,294,061	3,470,765
Profit on asset disposals	5(b)	35,122	68,707	42,120
Loss on asset disposals	5(b)	0	0	0
		4,226,337	3,362,768	3,512,885
<b>Net result for the period</b>		<b>1,299,913</b>	<b>2,681,941</b>	<b>1,012,490</b>
<b>Total comprehensive income for the period</b>		<b>1,299,913</b>	<b>2,681,941</b>	<b>1,012,490</b>

This statement is to be read in conjunction with the accompanying notes.

**SHIRE OF DOWERIN**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2023/24 Budget	2022/23 Actual	2022/23 Budget
		\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		1,596,417	1,465,527	1,514,214
Grants, subsidies and contributions		1,158,157	3,098,040	1,516,345
Fees and charges		830,409	826,136	669,810
Interest revenue		146,488	51,520	47,000
Goods and services tax received		500,000	584,916	500,000
Other revenue		78,912	94,304	84,500
		4,310,383	6,120,443	4,331,869
<b>Payments</b>				
Employee costs		(1,966,082)	(1,562,948)	(1,796,711)
Materials and contracts		(1,875,967)	(1,979,128)	(1,551,443)
Utility charges		(179,196)	(155,365)	(179,674)
Finance costs		(30,120)	66,660	(32,281)
Insurance		(185,189)	(167,905)	(164,857)
Goods and services tax paid		(500,000)	(500,000)	(500,000)
Other expenditure		(90,409)	(53,846)	(107,925)
		(4,826,963)	(4,352,532)	(4,332,891)
<b>Net cash provided by (used in) operating activities</b>	4	(516,580)	1,767,911	(1,022)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	5(a)	(404,783)	(189,431)	(72,000)
Payments for construction of infrastructure	5(a)	(4,631,329)	(3,650,499)	(3,928,142)
Capital grants, subsidies and contributions		4,191,215	3,294,061	3,470,765
Proceeds from sale of property, plant and equipment	5(b)	56,000	134,646	121,000
<b>Net cash provided by (used in) investing activities</b>		(788,897)	(411,223)	(408,377)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	7(a)	(106,134)	(161,392)	(113,975)
Proceeds on disposal of financial assets at amortised cost - term deposits		(179,916)	(508,316)	(379,677)
<b>Net cash provided by (used in) financing activities</b>		(286,050)	(669,708)	(493,652)
<b>Net increase (decrease) in cash held</b>		(1,591,527)	686,979	(903,051)
Cash at beginning of year		1,729,393	1,042,414	1,139,395
<b>Cash and cash equivalents at the end of the year</b>	4	<b>137,866</b>	<b>1,729,393</b>	<b>236,344</b>

This statement is to be read in conjunction with the accompanying notes.

**SHIRE OF DOWERIN**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 30 JUNE 2024**

		<b>2023/24</b>	<b>2022/23</b>	<b>2022/23</b>
	<b>NOTE</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
		\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates	2(a)	1,503,992	1,454,652	1,458,570
Specified area and ex gratia rates	2(a)(ii)	57,425	55,694	55,644
Grants, subsidies and contributions	10	968,914	3,087,599	1,252,739
Fees and charges	14	830,409	826,136	669,810
Interest revenue	11(a)	146,488	51,520	47,000
Other revenue	11(a)	78,912	94,304	84,500
Profit on asset disposals	5(b)	35,122	68,707	42,120
		<b>3,621,262</b>	<b>5,638,612</b>	<b>3,610,383</b>
<b>Expenditure from operating activities</b>				
Employee costs		(1,966,082)	(1,558,888)	(1,796,711)
Materials and contracts		(1,875,967)	(1,726,020)	(1,651,443)
Utility charges		(179,196)	(155,365)	(179,674)
Depreciation	6	(2,185,601)	(2,542,408)	(2,135,767)
Finance costs	11(c)	(30,120)	(46,300)	(32,281)
Insurance		(185,189)	(167,905)	(164,857)
Other expenditure		(90,409)	(53,846)	(107,925)
Loss on asset disposals	5(b)	0	0	0
		<b>(6,512,564)</b>	<b>(6,250,732)</b>	<b>(6,068,658)</b>
Non-cash amounts excluded from operating activities	3(b)	2,155,449	2,489,917	2,108,647
<b>Amount attributable to operating activities</b>		<b>(735,853)</b>	<b>1,877,797</b>	<b>(349,628)</b>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions	10	4,191,215	3,294,061	3,470,765
Payments for property, plant and equipment	5(a)	(404,783)	(189,431)	(72,000)
Payments for construction of infrastructure	5(a)	(4,631,329)	(3,650,499)	(3,928,142)
Proceeds from disposal of assets	5(b)	56,000	134,646	121,000
<b>Amount attributable to investing activities</b>		<b>(788,897)</b>	<b>(411,223)</b>	<b>(408,377)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Repayment of borrowings	7(a)	(106,134)	(161,392)	(113,975)
Transfers from cash backed reserves	8(a)	218,510	370,620	102,561
		112,376	209,228	(11,414)
<b>Outflows from financing activities</b>				
Transfers to cash backed reserves	8(a)	(398,426)	(878,936)	(482,238)
		(398,426)	(878,936)	(482,238)
<b>Amount attributable to financing activities</b>		<b>(286,050)</b>	<b>(669,708)</b>	<b>(493,652)</b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	3	1,810,800	1,013,935	1,251,657
Amount attributable to operating activities		(735,853)	1,877,797	(349,628)
Amount attributable to investing activities		(788,897)	(411,223)	(408,377)
Amount attributable to financing activities		(286,050)	(669,708)	(493,652)
<b>Surplus or deficit at the end of the financial year</b>	3	<b>0</b>	<b>1,810,800</b>	<b>0</b>

## INDEX OF NOTES TO THE BUDGET

Note 1	Basis of Preparation	6
Note 2	Rates	9
Note 3	Net Current Assets	12
Note 4	Reconciliation of cash	15
Note 5	Fixed Assets	16
Note 6	Asset Depreciation	18
Note 7	Borrowings	19
Note 8	Reserves	21
Note 9	Revenue Recognition	22
Note 10	Other Information	23
Note 11	Program Information	24
Note 12	Elected Members Remuneration	25
Note 13	Joint Arrangements	26
Note 14	Fees and Charges	27

**SHIRE OF DOWERIN**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**1 (a) BASIS OF PREPARATION**

The annual budget for the Shire of Dowerin is a forward looking document and been prepared in accordance with the Local Government Act 1995 and accompanying regulations.

**Local Government Act 1995 requirements**

Section 6.4(2) of the Local Government Act 1995 read with the Local Government (Financial Management) Regulations 1996 prescribe that the annual budget be prepared in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The Local Government (Financial Management) Regulations 1996 specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the City to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this annual budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the annual budget has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**The local government reporting entity**

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this annual budget.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 4 to the annual budget.

**2022/23 actual balances**

Balances shown in this budget as 2022/23 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

**Budget comparative figures**

Unless otherwise stated, the budget comparative figures shown in the budget relate to the original budget estimate for the relevant item of disclosure.

**Comparative figures**

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

**Rounding off figures**

All figures shown in this statement are rounded to the nearest dollar.

**Initial application of accounting standards**

During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.

- AASB 2021-2 Amendments to Australian Accounting Standards
  - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-6 Amendments to Australian Accounting Standards
  - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

It is not expected these standards will have an impact on the annual budget.

**New accounting standards for application in future years**

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 Amendments to Australian Accounting Standards
  - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards
  - Classification of Liabilities as Current or Non-current
- AASB 2021-7c Amendments to Australian Accounting Standards
  - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards
  - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards
  - Non-current Liabilities with Covenants
- AASB 2022-10 Amendments to Australian Accounting Standards
  - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

It is not expected these standards will have an impact on the annual budget.

**Judgements, estimates and assumptions**

The preparation of the annual budget in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- estimation of fair values of land and buildings and investment property
- impairment of financial assets
- estimation uncertainties and judgements made in relation to lease accounting
- estimated useful life of assets

**SHIRE OF DOWERIN**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**1 (b) KEY TERMS AND DEFINITIONS - NATURE OR TYPE**

**REVENUES**

**RATES**

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

**SERVICE CHARGES**

Service charges imposed under Division 6 of Part 6 of the *Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services.

Excludes rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**PROFIT ON ASSET DISPOSAL**

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

**GRANTS, SUBSIDIES AND CONTRIBUTIONS**

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

**CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS**

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

**FEES AND CHARGES**

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

**INTEREST REVENUE**

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**OTHER REVENUE**

Other revenue, which can not be classified under the above headings, includes dividends, discounts, and rebates. Reimbursements and recoveries should be separated by note to ensure the correct calculation of ratios.

**EXPENSES**

**EMPLOYEE COSTS**

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences safety expenses, medical examinations, fringe benefit tax, etc.

**MATERIALS AND CONTRACTS**

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

**UTILITIES (GAS, ELECTRICITY, WATER, ETC.)**

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

**INSURANCE**

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

**LOSS ON ASSET DISPOSAL**

Loss on the disposal of fixed assets includes loss on disposal of long term investments.

**DEPRECIATION**

Depreciation and amortisation expense raised on all classes of assets.

**FINANCE EXPENSES**

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

**OTHER EXPENDITURE**

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

SHIRE OF DOWERIN  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2024

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2023/24 Budgeted rate revenue	2023/24 Budgeted interim rates	2023/24 Budgeted back rates	2023/24 Budgeted total revenue	2022/23 Actual total revenue	2022/23 Budget total revenue
		\$		\$	\$	\$	\$	\$	\$	\$
<b>(i) Differential general rates or general rates</b>										
Residential	GRV	0.10300	113	1,126,451	116,024	0	0	116,024	132,877	132,647
Commercial	GRV	0.10300	15	256,474	26,417	0	0	26,417	26,802	26,802
Town Rural	GRV	0.10300	12	138,892	14,306	0	0	14,306	14,514	14,514
Other Town	GRV	0.10300	8	33,384	3,439	0	0	3,439	3,489	3,489
Rural Farmland	UV	0.005620	226	211,886,000	1,190,799	(251)	0	1,190,548	1,142,463	1,146,611
<b>Sub-Total</b>			374	213,441,201	1,350,985	(251)	0	1,350,734	1,320,145	1,324,063
		<b>Minimum</b>								
		\$								
<b>Minimum payment</b>										
Residential	GRV	849	66	445,279	56,034	0	0	56,034	39,552	39,552
Commercial	GRV	849	17	65,470	14,433	0	0	14,433	14,008	14,008
Town Rural	GRV	849	16	38,685	13,584	0	0	13,584	13,184	13,184
Other Town	GRV	248	20	7,974	4,960	0	0	4,960	4,820	4,820
Rural Farmland	UV	849	63	5,135,300	53,487	0	0	53,487	52,736	52,736
Commercial	UV	849	4	500	3,396	0	0	3,396	3,296	3,296
Town Rural	UV	849	4	137,000	3,396	0	0	3,396	3,296	3,296
Mining	UV	248	16	130,350	3,968	0	0	3,968	3,615	3,615
<b>Sub-Total</b>			206	5,960,558	153,258	0	0	153,258	134,507	134,507
			580	219,401,759	1,504,243	(251)	0	1,503,992	1,454,652	1,458,570
<b>Total amount raised from general rates</b>								1,503,992	1,454,652	1,458,570
<b>(ii) Specified area and ex gratia rates</b>										
<b>Ex-gratia rates</b>										
CBH					57,425	0	0	57,425	55,694	55,644
<b>Total specified area and ex gratia rates</b>								57,425	55,694	55,644
<b>Total rates</b>								1,561,417	1,510,346	1,514,214

All land (other than exempt land) in the Shire of Dowerin is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire of Dowerin.

The general rates detailed for the 2023/24 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of local government services/facilities.



## 2. RATES AND SERVICE CHARGES (CONTINUED)

### (b) Interest Charges and Instalments - Rates and Service Charges

The following instalment options are available to ratepayers for the payment of rates and service charges.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
<b>Option one</b>				
Single full payment	14/09/2023	n/a	n/a	n/a
<b>Option two</b>				
First instalment	14/09/2023	0	5.0%	5.0%
Second instalment	15/01/2024	0	5.0%	5.0%
<b>Option three</b>				
First instalment	14/09/2023	0	5.0%	5.0%
Second instalment	16/11/2023	0	5.0%	5.0%
Third instalment	15/01/2024	0	5.0%	5.0%
Fourth instalment	23/03/2024	0	5.0%	5.0%

	2023/24 Budget revenue	2022/23 Actual revenue	2022/23 Budget revenue
	\$	\$	\$
Instalment plan interest earned	3,996	2,836	4,000
Unpaid rates and service charge interest earned	9,996	6,784	10,000
Pensioner Deferred Interest Received	0	0	500
	13,992	9,620	14,500

## 2. RATES AND SERVICE CHARGES (CONTINUED)

### (c) Specified Area Rate

The Shire did not raise a specified area rate for the year ended 30th June 2024.

### (d) Service Charges

The Shire did not raise a service charge for the year ended 30th June 2024.

### (e) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2024.

SHIRE OF DOWERIN  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2024

3. NET CURRENT ASSETS

	2023/24 Budget 30 June 2024	2022/23 Actual 30 June 2023	2022/23 Budget 30 June 2023
Note	\$	\$	\$
<b>(a) Composition of estimated net current assets</b>			
<b>Current assets</b>			
Cash and cash equivalents - unrestricted	4	137,866	1,498,369
Cash and cash equivalents - restricted	4	0	231,024
Financial assets - restricted	4	3,164,196	2,984,280
Receivables		268,531	503,531
Contract assets		0	220,267
Inventories		23,825	23,825
		<b>3,594,418</b>	<b>5,461,296</b>
			<b>3,335,659</b>
<b>Less: current liabilities</b>			
Trade and other payables		(346,994)	(346,994)
Contract liabilities		0	(231,024)
Long term borrowings	7	0	(83,711)
Employee provisions		(202,298)	(202,298)
		<b>(549,292)</b>	<b>(864,027)</b>
			<b>(656,391)</b>
<b>Net current assets</b>		<b>3,045,126</b>	<b>4,597,269</b>
			<b>2,679,268</b>
<b>Less: Total adjustments to net current assets</b>	3.(c)	<b>(3,045,126)</b>	<b>(2,786,469)</b>
<b>Net current assets used in the Rate Setting Statement</b>		<b>0</b>	<b>1,810,800</b>
			<b>0</b>

### 3. NET CURRENT ASSETS (CONTINUED)

#### EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

##### Items excluded from calculation of budgeted deficiency

When calculating the budget deficiency for the purpose of Section 6.2 (2)(c) of the Local Government Act 1995 the following amounts have been excluded as provided by Local Government (Financial Management) Regulation 32 which will not fund the budgeted expenditure.

##### (b) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with *Financial Management Regulation 32*.

	Note	2023/24 Budget 30 June 2024	2022/23 Actual 30 June 2023	2022/23 Budget 30 June 2023
		\$	\$	\$
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	5(b)	(35,122)	(68,707)	(42,120)
Add: Depreciation on assets	6	2,185,601	2,542,408	2,135,767
Movement in current employee provisions associated with restricted cash		4,970	16,216	15,000
<b>Non cash amounts excluded from operating activities</b>		<b>2,155,449</b>	<b>2,489,917</b>	<b>2,108,647</b>

##### (c) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with Financial Management Regulation 32 to agree to the surplus/(deficit) after imposition of general rates.

##### Adjustments to net current assets

Less: Cash - restricted reserves	8	(3,164,196)	(2,984,280)	(2,793,368)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		0	83,711	0
- Current portion of employee benefit provisions held in reserve		119,070	114,100	114,100
<b>Total adjustments to net current assets</b>		<b>(3,045,126)</b>	<b>(2,786,469)</b>	<b>(2,679,268)</b>

3 (d) NET CURRENT ASSETS (CONTINUED)

**SIGNIFICANT ACCOUNTING POLICIES**

**CURRENT AND NON-CURRENT CLASSIFICATION**

An asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

**TRADE AND OTHER PAYABLES**

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire of Dowerin becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

**PREPAID RATES**

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

**INVENTORIES**

**General**

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**Superannuation**

The Shire of Dowerin contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Dowerin contributes are defined contribution plans.

**LAND HELD FOR RESALE**

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

**GOODS AND SERVICES TAX (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

**TRADE AND OTHER RECEIVABLES**

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

**PROVISIONS**

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**EMPLOYEE BENEFITS**

**Short-term employee benefits**

Provision is made for the Shire's obligations for short-term employee benefits. Short term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

**CONTRACT LIABILITIES**

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

**CONTRACT ASSETS**

A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

**SHIRE OF DOWERIN**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**4. RECONCILIATION OF CASH**

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

Note	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
Cash at bank and on hand	137,866	1,729,393	236,344
<b>Total cash and cash equivalents</b>	<b>137,866</b>	<b>1,729,393</b>	<b>236,344</b>
Held as			
- Unrestricted cash and cash equivalents	3(a) 137,866	1,498,369	236,344
- Restricted cash and cash equivalents	3(a) 0	231,024	0
	137,866	1,729,393	236,344
<b>Restrictions</b>			
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	0	231,024	0
- Restricted financial assets at amortised cost - term deposits	3(a) 3,164,196	2,984,280	2,793,368
	3,164,196	3,215,304	2,793,368
The restricted assets are a result of the following specific purposes to which the assets may be used:			
Financially backed reserves	8 3,164,196	2,984,280	2,793,368
Contract liabilities	0	231,024	0
	3,164,196	3,215,304	2,793,368
<b>Reconciliation of net cash provided by operating activities to net result</b>			
<b>Net result</b>	1,299,913	2,681,941	1,012,490
Depreciation	6 2,185,601	2,542,408	2,135,767
(Profit)/loss on sale of asset	5(b) (35,122)	(68,707)	(42,120)
Share of profit or (loss) of associates accounted for using the equity method	0	0	0
(Increase)/decrease in receivables	235,000	448,958	700,000
(Increase)/decrease in contract assets	220,267	(195,675)	
(Increase)/decrease in inventories	0	(18,559)	0
Increase/(decrease) in payables	0	(125,649)	100,000
Increase/(decrease) in contract liabilities	(231,024)	(202,745)	(436,394)
Non-operating grants, subsidies and contributions	(4,191,215)	(3,294,061)	(3,470,765)
<b>Net cash from operating activities</b>	<b>(516,580)</b>	<b>1,767,911</b>	<b>(1,022)</b>

**SIGNIFICANT ACCOUNTING POLICES**

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 3 - Net Current Assets.

**FINANCIAL ASSETS AT AMORTISED COST**

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

SHIRE OF DOWERIN  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2024

5. FIXED ASSETS

(a) Acquisition of Assets

The following assets are budgeted to be acquired during the year.

Asset class	Reporting program					2023/24 Budget total	2022/23 Actual total	2022/23 Budget total
	Governance	Recreation and culture	Transport	Economic services	Other property and services			
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Property, Plant and Equipment</i>								
Buildings - non-specialised	0	180,114	0	0	0	180,114	702	10,000
Furniture and equipment	12,000	0	0	0	40,000	52,000	0	0
Plant and equipment	0	0	111,359	0	61,310	172,669	188,730	62,000
	12,000	180,114	111,359	0	101,310	404,783	189,431	72,000
<i>Infrastructure</i>								
Infrastructure - roads	0	0	4,410,569	0	0	4,410,569	3,453,712	3,710,766
Infrastructure - parks and ovals	0	0	0	0	0	0	36,168	122,000
Other infrastructure - sewerage	0	0	0	0	0	0	74,959	0
Other infrastructure - other	0	40,000	0	180,760	0	220,760	85,661	95,376
	0	40,000	4,410,569	180,760	0	4,631,329	3,650,499	3,928,142
<b>Total acquisitions</b>	12,000	220,114	4,521,928	180,760	101,310	5,036,112	3,839,930	4,000,142

A detailed breakdown of acquisitions on an individual asset basis can be found in the within this budget document.

**SIGNIFICANT ACCOUNTING POLICIES**

**RECOGNITION OF ASSETS**

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

SHIRE OF DOWERIN  
 NOTES TO AND FORMING PART OF THE BUDGET  
 FOR THE YEAR ENDED 30 JUNE 2024

5. FIXED ASSETS

(b) Disposals of Assets

The following assets are budgeted to be disposed of during the year.

	2023/24 Budget Net Book Value	2023/24 Budget Sale Proceeds	2023/24 Budget Profit	2023/24 Budget Loss	2022/23 Actual Net Book Value	2022/23 Actual Sale Proceeds	2022/23 Actual Profit	2022/23 Actual Loss	2022/23 Budget Net Book Value	2022/23 Budget Sale Proceeds	2022/23 Budget Profit	2022/23 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>By Asset</b>												
Dual Cab 4x2; D002; Team Leader	0	0	0	0	0	0	0	0	20,000	20,000	0	0
Single Cab - Light Utility - 1GIL668	0	0	0	0	625	1,637	1,012	0	650	1,000	350	0
Toyota Hilux SR5 4WD Turbo Diesel	0	0	0	0	20,414	52,273	31,859	0	36,500	50,000	13,500	0
Passenger Vehicle; CEO	20,878	56,000	35,122	0		0	0	0	0	0	0	0
Passenger Vehicle; MCCC	0	0	0	0	25,231	47,954	22,723	0	21,730	50,000	28,270	0
Light Hino Truck 300 Series	0	0	0	0	19,669	28,182	8,513	0	0	0	0	0
Ford Ranger Crew Cab D002	0	0	0	0	0	0	0	0	0	0	0	0
Totota Hilux	0	0	0	0		4,600	4,600	0	0	0	0	0
	20,878	56,000	35,122	0	65,939	134,646	68,707	0	78,880	121,000	42,120	0
<b>By Program</b>												
Transport	0	0	0	0	20,294	34,419	14,125	0	650	1,000	350	0
Other property and services	20,878	56,000	35,122	0	45,645	100,227	54,582	0	78,230	120,000	41,770	0
	20,878	56,000	35,122	0	65,939	134,646	68,707	0	78,880	121,000	42,120	0
<b>By Class</b>												
<u>Property, Plant and Equipment</u>												
Plant and equipment	20,878	56,000	35,122	0	65,939	134,646	68,707	0	78,880	121,000	42,120	0
	20,878	56,000	35,122	0	65,939	134,646	68,707	0	78,880	121,000	42,120	0

SIGNIFICANT ACCOUNTING POLICIES

GAINS AND LOSSES ON DISPOSAL

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.



## 6. ASSET DEPRECIATION

### By Program

Law, order, public safety
Education and welfare
Housing
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

### By Class

Buildings - Non Specialised
Plant & Equipment
Infrastructure Roads
Infrastructure Drainage
Infrastructure Footpaths
Infrastructure Parks & Ovals
Other Infrastructure - Sewerage
Infrastructure Other

2023/24 Budget	2022/23 Actual	2022/23 Budget
\$	\$	\$
56,160	65,745	65,826
19,824	20,772	20,797
125,088	124,936	125,091
159,720	195,577	82,593
596,952	690,128	410,983
908,556	1,119,855	1,106,648
106,860	106,840	74,274
212,441	218,555	249,555
2,185,601	2,542,408	2,135,767
502,949	506,264	501,960
266,604	287,951	318,137
800,004	988,131	980,621
65,004	80,447	80,547
109,992	137,366	108,422
247,944	314,860	75,048
129,996	162,951	55,738
53,508	64,439	15,294
2,185,601	2,542,408	2,135,767

## SIGNIFICANT ACCOUNTING POLICIES

### DEPRECIATION

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Major depreciation periods used for each class of depreciable asset are:

Asset Class	Useful life
Buildings	15 to 61 years
Furniture and equipment	4 to 10 years
Tools	10 to 20 years
Plant and equipment	10 to 27 years
Roads and streets	
- Formation	not depreciated
- Pavement	17 years
- Bridges	50 years
- Kerbing	25 years
Footpaths	25 years
Other Infrastructure	8 - 40 years
Parks & Ovals Infrastructure	17 years
Drainage Infrastructure	50 years
Wastewater infrastructure	20 years

### AMORTISATION

The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The assets residual value of intangible assets is considered to be zero and useful live and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

**SHIRE OF DOWERIN**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**7. INFORMATION ON BORROWINGS**

**(a) Borrowing repayments**

Movement in borrowings and interest between the beginning and the end of the current financial year.

Purpose	Loan Number	Institution	Interest Rate	Budget	2023/24	2023/24	Budget	2023/24	Actual	2022/23	Actual	2022/23	Budget	2022/23	Budget	2022/23
				Principal	Budget	Budget	Budget	Actual		Actual	Principal	Principal	Principal	Principal	Principal	Principal
				1 July 2023	New Loans	Principal Repayments	Principal outstanding 30 June 2024	Interest Repayments	1 July 2022	Principal Repayments	Principal outstanding 30 June 2023	Interest Repayments	1 July 2022	Principal Repayments	Principal outstanding 30 June 2023	Interest Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Housing</b>																
Loan 100 - GROH	100	WATC*	3.57%	227,550	0	(11,489)	216,061	(8,218)	244,135	(16,586)	227,550	(12,975)	244,135	(11,090)	233,045	(8,618)
<b>Recreation and culture</b>																
Loan 101 - Swimming Pool	101	WATC*	1.80%	133,849	0	(19,795)	114,054	(2,149)	153,293	(19,444)	133,849	(2,500)	153,293	(19,444)	133,849	(2,500)
DEM Loan - Swimming Pool	LP000	DEM**	0.0%	0	0	0	0	0	35,000	(35,000)	0	0	35,000	(10,000)	25,000	0
<b>Transport</b>																
Multi Tyre Roller	103	WATC*	0.8%	108,846	0	(21,070)	87,776	(941)	129,895	(21,049)	108,846	(1,162)	129,895	(21,048)	108,847	(1,117)
Smooth Drum Tyre Roller	102	WATC*	0.8%	113,432	0	(18,591)	94,841	(830)	131,716	(18,284)	113,432	(938)	131,716	(18,284)	113,432	(984)
<b>Economic services</b>																
Loan 99 - Accommodation	99	WATC*	3.1%	564,486	0	(35,189)	529,297	(17,982)	615,517	(51,031)	564,486	(28,725)	615,517	(34,109)	581,408	(19,062)
				1,148,164	0	(106,134)	1,042,030	(30,120)	1,309,556	(161,392)	1,148,164	(46,300)	1,309,556	(113,975)	1,195,581	(32,281)

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.

\*\* DEM Loan Retired by agreement.

**SHIRE OF DOWERIN**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**7. INFORMATION ON BORROWINGS**

**(b) New borrowings - 2023/24**

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2024

**(c) Unspent borrowings**

The Shire had no unspent borrowing funds as at 30th June 2023 nor is it expected to have unspent borrowing funds as at 30th June 2024.

**(d) Credit Facilities**

	<b>2023/24 Budget</b>	<b>2022/23 Actual</b>	<b>2022/23 Budget</b>
	\$	\$	\$
<b>Undrawn borrowing facilities credit standby arrangements</b>			
Bank overdraft limit	60,000	60,000	60,000
Bank overdraft at balance date	0	0	0
Credit card limit	18,000	18,000	18,000
Credit card balance at balance date	(5,000)	(2,157)	(5,000)
<b>Total amount of credit unused</b>	<b>73,000</b>	<b>75,843</b>	<b>73,000</b>
<b>Loan facilities</b>			
Loan facilities in use at balance date	1,042,030	1,148,164	1,195,581

<b>Overdraft details</b>	<b>Purpose overdraft was established</b>	<b>Year overdraft established</b>	<b>Amount b/fwd 1 July 2023</b>	<b>2023/24 Budgeted Increase/ (Decrease)</b>	<b>Amount as at 30th June 2024</b>
NAB	Cashflow	1980	\$ 60,000	\$ 0	\$ 60,000
			60,000	0	60,000

**SIGNIFICANT ACCOUNTING POLICIES**

**BORROWING COSTS**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

**SHIRE OF DOWERIN**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**8. FINANCIALLY BACKED RESERVES**

**(a) Financially Backed Reserves - Movement**

	2023/24 Budget Opening Balance	2023/24 Budget Interest Transfer to	2023/24 Budget Transfer to	2023/24 Budget Transfer (from)	2023/24 Budget Closing Balance	2022/23 Actual Opening Balance	2022/23 Actual Transfer to	2022/23 Actual Transfer (from)	2022/23 Actual Closing Balance	2022/23 Budget Opening Balance	2022/23 Budget Transfer to	2022/23 Budget Transfer (from)	2022/23 Budget Closing Balance
	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by council</b>													
(a) Employee Entitlement Reserve	114,100	4,970	0	0	119,070	97,883	16,217	0	114,100	97,883	16,217	0	114,100
(b) Plant Replacement Reserve	464,535	20,236	0	(35,310)	449,461	487,477	227,117	(250,059)	464,535	487,477	138,617	(32,000)	594,094
(c) Sewerage Asset Preservation Reserve	907,424	39,529	0	(12,000)	934,953	912,088	45,336	(50,000)	907,424	912,075	45,336	0	957,411
(d) Information Technology Reserve	60,144	2,620	0	(40,000)	22,764	39,651	20,493	0	60,144	39,651	20,493	0	60,144
(e) Land & Building Reserve	363,390	15,830	252,426	0	631,646	349,816	13,574	0	363,390	287,543	13,574	0	301,117
(f) Swimming Pool Reserve	0	0	0	0	0	40,561	0	(40,561)	0	40,561	0	(40,561)	0
(g) Recreation Reserve	229,175	9,983	0	(41,200)	197,958	206,109	53,066	(30,000)	229,175	206,122	53,066	(30,000)	229,188
(h) Community Housing Reserve	60,751	2,646	0	0	63,397	60,005	746	0	60,751	60,005	746	0	60,751
(i) Economic Reserve	67,803	2,954	0	(30,000)	40,757	66,971	832	0	67,803	66,971	832	0	67,803
(j) Bowling Green Reserve	128,702	5,606	10,000	0	144,308	117,245	11,457	0	128,702	117,245	11,457	0	128,702
(k) Tennis Court Reserve	64,850	2,825	6,000	0	73,675	58,128	6,722	0	64,850	58,128	6,722	0	64,850
(l) Depot Reserve	70,264	3,061	0	0	73,325	20,015	50,249	0	70,264	20,015	50,249	0	70,264
(m) Waste Reserve	40,264	1,754	0	0	42,018	20,015	20,249	0	40,264	20,015	20,249	0	40,264
(n) Roads and Infrastructure	412,878	17,986	0	(60,000)	370,864	0	412,878	0	412,878	0	104,680	0	104,680
	2,984,280	130,000	268,426	(218,510)	3,164,196	2,475,964	878,936	(370,620)	2,984,280	2,413,691	482,238	(102,561)	2,793,368

**(b) Financially Backed Reserves - Purposes**

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Anticipated date of use	Purpose of the reserve
(a) Employee Entitlement Reserve	Ongoing	- To cash back the cost of Long Service, Annual and Sick Leave where the Leave cannot be absorbed within the Annual budget.
(b) Plant Replacement Reserve	Ongoing	- To ensure the cost of additional new plant and refurbishment or replacement can be met as per the Plant Replacement Program
(c) Sewerage Asset Preservation Reserve	Ongoing	- To provide for the replacement and development of sewerage and stormwater infrastructure throughout the Shire.
(d) Information Technology Reserve	Ongoing	- To be used for the renewal & upgrade of Shire of Dowerin Information Technology
(e) Land & Building Reserve	Ongoing	- To assist with funding the development and purchase of land and building assets.
(f) Swimming Pool Reserve	30/06/2023	- To be closed and transferred to the Recreation reserve
(g) Recreation Reserve	Ongoing	- To fund future maintenance, upgrades and developments of recreation facilities, including the swimming pool.
(h) Community Housing Reserve	Ongoing	- To enable participation in community housing projects such as independent living units for seniors
(i) Economic Reserve	Ongoing	- To maintain a reserve to fund economic development initiatives
(j) Bowling Green Reserve	Ongoing	- To be used for the replacement of the bowling greens.
(k) Tennis Court Reserve	Ongoing	- To be used for the replacement of the Tennis Courts
(l) Depot Reserve	Ongoing	- To be used for the purpose of construction of a new Shire of Dowerin Works Depot facility
(m) Waste Reserve	Ongoing	- To be used for the renewal & development of the Shire of Dowerin Waste Facility
(n) Roads and Infrastructure	Ongoing	- To be used for the new construction, maintenance, renewal or upgrade of drainage, footpaths, streets and roads

## 9. REVENUE RECOGNITION

### SIGNIFICANT ACCOUNTING POLICIES

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Sewerage Rates & Charges	Charge for Town Sewerage service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Operating Grants with commitments	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Operating Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Non- Operating Grants	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Fees & Charges	Sale of general goods & services	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Other Revenue	Reimbursements, Donations, Insurance claims and Other revenue	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled

## 10. KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Shire's Community Vision, and for each of its broad activities/programs.

### OBJECTIVE

### ACTIVITIES

#### Governance

To provide a decision making process for the efficient allocation of scarce resources.

Includes the activities of members of council and the administrative support available to the council for the provision of governance to the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

#### General purpose funding

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and interest revenue.

#### Law, order, public safety

To provide services to help ensure a safer and environmentally conscious community.

Supervision of various by-laws, fire prevention, emergency services and animal control

#### Health

To provide an operational framework for environmental and community health.

Food quality and pest control, operation of child health clinic, dental surgery and medical centre.

#### Housing

The provision of housing to staff.

Maintenance of staff and rental housing.

#### Community amenities

The provision of services required by the community.

Rubbish collection services, operation of tip, noise control, administration of town planning scheme, maintenance of cemetery, conveniences, storm water drainage, protection of the environment and Community Resource Centre operations.

#### Recreation and culture

To establish and effectively manage infrastructure and resources that help to maintain the social well being of the community.

Maintenance of public halls, aquatic centre and various sporting facilities. Provision and maintenance of parks, gardens, reserves and playgrounds. Operation of library and maintenance of museums and other cultural facilities

#### Transport

To provide safe, effective and efficient transport services to the community.

Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, depot maintenance and airfield maintenance

#### Economic services

To help promote the Shire and its economic wellbeing.

The regulation and provision of tourism, area promotion, building control, saleyards, noxious weeds, vermin control, plant nursery and standpipes

#### Other property and services

To monitor and control Council's overheads operating account.

Private Works operations, plant repairs and operation costs. Maintenance of commercial buildings

## 10. PROGRAM INFORMATION

Income and expenses	2023/24 Budget	2022/23 Actual	2022/23 Budget
<b>Income excluding grants, subsidies and contributions</b>	\$	\$	\$
Governance	0	27	0
General purpose funding	1,741,865	1,585,586	1,596,014
Law, order, public safety	4,716	4,719	3,356
Health	3,300	2,647	3,300
Education and welfare	16,000	7,651	18,000
Housing	161,992	141,273	131,081
Community amenities	288,941	278,072	270,973
Recreation and culture	28,008	26,580	24,200
Transport	17,004	25,047	17,850
Economic services	301,600	237,806	213,100
Other property and services	88,922	241,605	79,770
	<b>2,652,348</b>	<b>2,551,013</b>	<b>2,357,644</b>
<b>Operating grants, subsidies and contributions</b>			
Governance	1,500	4,000	3,000
General purpose funding	0	2,160,812	0
Law, order, public safety	30,000	24,902	34,000
Education and welfare	636,572	498,710	779,481
Housing	0	24,837	0
Community amenities	504	273	0
Recreation and culture	22,172	39,469	23,450
Transport	164,000	326,634	401,808
Economic services	106,366	404	0
Other property and services	7,800	7,558	11,000
	<b>968,914</b>	<b>3,087,599</b>	<b>1,252,739</b>
<b>Non-operating grants, subsidies and contributions</b>			
General purpose funding	577,376	762,077	764,276
Recreation and culture	279,723	49,760	70,000
Transport	3,334,116	2,482,224	2,636,489
	<b>4,191,215</b>	<b>3,294,061</b>	<b>3,470,765</b>
<b>Total Income</b>	<b>7,812,477</b>	<b>8,932,673</b>	<b>7,081,148</b>
<b>Expenses</b>			
Governance	(560,449)	(471,502)	(594,780)
General purpose funding	(197,452)	(167,570)	(207,328)
Law, order, public safety	(164,240)	(155,883)	(151,556)
Health	(61,229)	(46,977)	(60,504)
Education and welfare	(590,578)	(456,269)	(585,233)
Housing	(269,675)	(276,518)	(307,140)
Community amenities	(533,678)	(591,726)	(394,647)
Recreation and culture	(1,278,073)	(1,222,370)	(983,900)
Transport	(2,069,507)	(2,093,435)	(2,174,714)
Economic services	(741,131)	(517,124)	(536,244)
Other property and services	(46,552)	(251,358)	(72,612)
<b>Total expenses</b>	<b>(6,512,564)</b>	<b>(6,250,732)</b>	<b>(6,068,658)</b>
<b>Net result for the period</b>	<b>1,299,913</b>	<b>2,681,941</b>	<b>1,012,490</b>

## 11. OTHER INFORMATION

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
<b>The net result includes as revenues</b>			
<b>(a) Interest earnings</b>			
Investments			
- Reserve funds	130,000	8	30,000
- Other funds	2,496	41,891	2,500
Other interest revenue (refer note 1b)	13,992	9,620	14,500
	146,488	51,520	47,000
<b>(a) Other revenue</b>			
Reimbursements and recoveries	78,912	94,304	84,500
	78,912	94,304	84,500
<b>The net result includes as expenses</b>			
<b>(b) Auditors remuneration</b>			
Audit services	34,500	31,950	33,000
	34,500	31,950	33,000
<b>(c) Interest expenses (finance costs)</b>			
Borrowings (refer Note 7(a))	30,120	46,300	32,281
	30,120	46,300	32,281
<b>(d) Write offs</b>			
General rate	2,496	571	5,000
	2,496	571	5,000



## 12. ELECTED MEMBERS REMUNERATION

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
<b>Elected member Cr Trepp</b>			
President's allowance	7,500	7,500	7,500
Meeting attendance fees	3,125	9,485	2,904
Travel and accommodation expenses	0	171	0
	10,625	17,156	10,404
<b>Elected member Cr Ward</b>			
Deputy President's allowance	1,875	1,876	1,875
Meeting attendance fees	3,125	3,962	2,904
	5,000	5,838	4,779
<b>Elected member Cr Allsopp</b>			
Meeting attendance fees	3,125	2,750	2,904
	3,125	2,750	2,904
<b>Elected member Cr Hagboom</b>			
Meeting attendance fees	3,125	1,800	2,904
	3,125	1,800	2,904
<b>Elected member Cr Hudson</b>			
Meeting attendance fees	3,125	2,625	2,904
	3,125	2,625	2,904
<b>Elected member Cr McMorrان</b>			
Meeting attendance fees	3,125	3,100	2,904
	3,125	3,100	2,904
<b>Elected member Cr Metcalf</b>			
Meeting attendance fees	3,125	2,450	2,904
	3,125	2,450	2,904
<b>Elected member Cr Sewell</b>			
Meeting attendance fees	3,125	2,975	2,904
	3,125	2,975	2,904
<b>Elected member Budgeted Expenditure</b>			
Travel and accommodation expenses	1,500	0	2,002
	1,500	0	2,002
<b>Total Elected Member Remuneration</b>	35,875	38,694	34,605
President's allowance	7,500	7,500	7,500
Deputy President's allowance	1,875	1,876	1,875
Meeting attendance fees	25,000	29,147	23,228
Travel and accommodation expenses	1,500	171	2,002
<b>Total Elected Member Remuneration</b>	35,875	38,694	34,605

### 13. JOINT ARRANGEMENTS

The Shire of Dowerin entered into joint arrangements with the State Housing Commission - Homeswest for construction of:

(1) - 4 x 2 Bedroom Units for small families (Memorial Street Units) in 1996 of which the Shire has 19% interest in the joint arrangement; and

(2) - 4 x Independent Living Units for Seniors (Lot 27 Goldfields Road - Hilda Street Units) in 2006 of which the Shire has a 21% interest in the joint arrangement.

Assets associated with the joint venture agreements are included in Council's Property, Plant & Equipment Register.

<b>Statement of Financial Position</b>	<b>2023/24 Budget</b>	<b>2022/23 Actual</b>	<b>2022/23 Budget</b>
	\$	\$	\$
Property, plant and equipment	1,155,947	1,155,947	1,115,947
Less: accumulated depreciation	(169,493)	(139,493)	(141,594)
<b>Total assets</b>	<b>986,454</b>	<b>1,016,454</b>	<b>974,353</b>
<b>Statement of Comprehensive income</b>			
Other revenue	27,898	33,728	24,064
Other expenditure	(53,174)	(41,040)	(69,666)
<b>Net result for the period</b>	<b>(25,276)</b>	<b>(7,312)</b>	<b>(45,602)</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Changes in asset revaluation surplus	0	0	0
<b>Total other comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>	<b>(25,276)</b>	<b>(7,312)</b>	<b>(45,602)</b>

#### SIGNIFICANT ACCOUNTING POLICIES

##### Joint operations

A joint operation is a joint arrangement where the Shire has joint control with another party to the joint arrangement. All parties to joint arrangements have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standard.

## 14. FEES AND CHARGES

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
<b>By Program:</b>			
General purpose funding	3,960	3,962	4,800
Law, order, public safety	4,716	4,306	3,356
Health	3,300	2,647	3,300
Education and welfare	15,000	6,694	15,000
Housing	161,992	140,253	131,081
Community amenities	288,941	270,934	270,973
Recreation and culture	22,500	12,080	18,200
Transport	0	0	500
Economic services	290,000	235,940	211,100
Other property and services	40,000	149,320	11,500
	830,409	826,136	669,810

The subsequent pages detail the fees and charges proposed to be imposed by the local government.