

Financial Statements



SHIRE OF WAROONA
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

The Shire of Waroona will create a sense of place and identity, embracing creativity, our natural environment and a strong and diverse economy.

SHIRE'S MISSION

We will be an organisation with a can-do attitude that strives for service excellence, continued improvement and a commitment to outcomes.

SHIRE'S VALUES

Our values are **A REALITY**

Accountable

Respect

Excellence

Accessible

Leadership

Innovative

Transparent

Yours

SHIRE OF WAROONA
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
Revenue				
		\$	\$	\$
Rates	2(a)	6,313,648	5,800,712	5,812,751
Grants, subsidies and contributions		695,796	1,833,176	547,585
Fees and charges	15	849,886	937,675	727,599
Service charges	2(d)	1,093,794	1,050,247	1,034,466
Interest revenue	10(a)	220,720	290,852	200,750
Other revenue		327,000	119,099	179,700
		9,500,844	10,031,761	8,502,851
Expenses				
Employee costs		(5,090,680)	(4,541,053)	(4,192,034)
Materials and contracts		(3,916,155)	(3,557,349)	(4,162,700)
Utility charges		(408,427)	(403,458)	(430,915)
Depreciation	6	(2,699,258)	(2,699,248)	(3,444,024)
Finance costs	10(c)	(55,202)	(64,885)	(59,765)
Insurance		(307,158)	(227,587)	(269,610)
Other expenditure		(234,679)	(223,476)	(232,623)
		(12,711,559)	(11,717,056)	(12,791,671)
		(3,210,715)	(1,685,295)	(4,288,820)
Capital grants, subsidies and contributions		3,522,033	6,677,853	7,253,961
Profit on asset disposals	5	39,208	48,864	92,269
Loss on asset disposals	5	(2,797)	(10,864)	(9,450)
Non-cash contribution excluded from investing activities		0	704,100	0
Fair value adjustments to financial assets at fair value through profit or loss		0	1,261	0
		3,558,444	7,421,214	7,336,780
Net result for the period		347,729	5,735,919	3,047,960
Total comprehensive income for the period		347,729	5,735,919	3,047,960

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

SHIRE OF WAROONA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
		\$	\$	\$
Rates		6,363,648	5,754,632	5,705,751
Grants, subsidies and contributions		300,452	2,692,508	88,226
Fees and charges		849,886	937,675	1,762,065
Service charges		1,093,794	1,050,247	0
Interest revenue		220,720	290,852	200,750
Goods and services tax received		0	180,748	1,248
Other revenue		327,000	119,099	179,700
		9,155,500	11,025,761	7,937,740
Payments				
Employee costs		(5,280,680)	(4,318,164)	(4,218,566)
Materials and contracts		(3,907,708)	(4,625,600)	(4,352,509)
Utility charges		(408,427)	(403,458)	(430,915)
Finance costs		(55,202)	(65,284)	(59,765)
Insurance paid		(307,158)	(227,587)	(269,610)
Other expenditure		(234,679)	(223,476)	(232,623)
		(10,193,854)	(9,863,569)	(9,563,988)
Net cash provided by (used in) operating activities	4	(1,038,354)	1,162,192	(1,626,248)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(1,125,642)	(2,111,025)	(1,924,528)
Payments for construction of infrastructure	5(b)	(4,466,738)	(6,366,809)	(7,788,646)
Capital grants, subsidies and contributions		3,522,033	6,677,853	7,253,961
Proceeds from sale of property, plant and equipment	5(a)	141,000	195,759	323,182
Recognition of non-cash contribution - property	7(a)	0	704,100	0
Net cash (used in) investing activities		(1,929,347)	(900,122)	(2,136,031)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(94,441)	(133,705)	(133,706)
Payments for principal portion of lease liabilities	8	(121,217)	(110,240)	0
Proceeds from new borrowings	7(a)	0	0	100,000
Net cash (used in) financing activities		(215,658)	(243,945)	(33,706)
Net increase (decrease) in cash held		(3,183,359)	18,125	(3,795,985)
Cash at beginning of year		6,780,019	6,761,894	6,942,669
Cash and cash equivalents at the end of the year	4	3,596,660	6,780,019	3,146,684

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

SHIRE OF WAROONA
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025

OPERATING ACTIVITIES

Revenue from operating activities

General rates	2(a)(i)	6,088,648	5,800,712	5,812,751
Rates excluding general rates	2(a)	225,000	0	0
Grants, subsidies and contributions		695,796	1,833,176	547,585
Fees and charges	15	849,886	937,675	727,599
Service charges	2(d)	1,093,794	1,050,247	1,034,466
Interest revenue	10(a)	220,720	290,852	200,750
Other revenue		327,000	119,099	179,700
Profit on asset disposals	5	39,208	48,864	92,269
Fair value adjustments to financial assets at fair value through profit or loss		0	1,261	0

Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
	9,540,052	10,081,886	8,595,120

Expenditure from operating activities

Employee costs		(5,090,680)	(4,541,053)	(4,192,034)
Materials and contracts		(3,916,155)	(3,557,349)	(4,162,701)
Utility charges		(408,427)	(403,458)	(430,915)
Depreciation	6	(2,699,258)	(2,699,248)	(3,444,024)
Finance costs	10(c)	(55,202)	(64,885)	(59,765)
Insurance		(307,158)	(227,587)	(269,610)
Other expenditure		(234,679)	(223,476)	(232,623)
Loss on asset disposals	5	(2,797)	(10,864)	(9,450)

	(12,714,356)	(11,727,920)	(12,801,122)
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Non cash amounts excluded from operating activities

Amount attributable to operating activities

3(c)	2,662,847	2,884,090	3,319,673
	(511,457)	1,238,056	(886,329)

INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions		3,522,033	6,677,853	7,253,961
Proceeds from disposal of assets	5	141,000	195,759	323,182

	3,663,033	6,873,612	7,577,143
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Outflows from investing activities

Right of use assets recognised	5(c)	(214,515)	(112,421)	0
Payments for property, plant and equipment	5(a)	(1,125,642)	(2,111,025)	(1,924,528)
Payments for construction of infrastructure	5(b)	(4,466,738)	(6,366,809)	(7,788,646)

	(5,806,895)	(8,590,255)	(9,713,174)
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Non-cash amounts excluded from investing activities

Amount attributable to investing activities

3(d)	214,515	816,521	0
	(1,929,347)	(900,122)	(2,136,031)

FINANCING ACTIVITIES

Inflows from financing activities

Proceeds from new borrowings	7(a)	0	0	100,000
Leases liabilities recognised	8	214,515	112,421	0
Transfers from reserve accounts	9(a)	270,040	256,740	383,000

	484,555	369,161	483,000
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Outflows from financing activities

Repayment of borrowings	7(a)	(94,441)	(133,705)	(133,706)
Payments for principal portion of lease liabilities	8	(121,217)	(110,240)	0
Transfers to reserve accounts	9(a)	(508,931)	(321,980)	(193,538)

	(724,589)	(565,925)	(327,244)
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Non-cash amounts excluded from financing activities

Amount attributable to financing activities

3(e)	(214,515)	(112,421)	0
	(454,549)	(309,185)	155,756

MOVEMENT IN SURPLUS OR DEFICIT

Surplus at the start of the financial year

Amount attributable to operating activities		(511,457)	1,238,056	(886,329)
Amount attributable to investing activities		(1,929,347)	(900,122)	(2,136,031)
Amount attributable to financing activities		(454,549)	(309,185)	155,756

3	2,895,353	2,866,604	2,866,604
	(0)	2,895,353	0

Surplus/(deficit) remaining after the imposition of general rates

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

**SHIRE OF WAROONA
FOR THE YEAR ENDED 30 JUNE 2025
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1 BASIS OF PREPARATION

The annual budget is a forward looking document and has 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 Shire 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 12 to the annual budget.

2023/24 actual balances

Balances shown in this budget as 2023/24 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.

Statement of Cashflows

Investing and financing transactions that do not require the use of cash or cash equivalents shall be excluded from a statement of cash flows. Such transactions shall be disclosed elsewhere in the financial statements in a way that provides all the relevant information about these investing and financing activities.

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 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- *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 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements*
- *AASB 2023-3 Amendments to Australian Accounting Standards - Disclosure of Non-current Liabilities with Covenants: Tier 2*

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

- *AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*, became mandatory during the budget year. Amendments to *AASB 13 Fair Value Measurement* impacts the future determination of fair value when revaluing assets using the cost approach. Timing of future revaluations is defined by regulation 17A of *Local Government (Financial Management) Regulations 1996*. Impacts of this pronouncement are yet to be quantified and are dependent on the timing of future revaluations of asset classes. No material impact is expected in relation to the 2024-25 statutory 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 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 2022-9 Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector*
- *AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability*

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
- estimation of provisions
- estimation of fair value of leases

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2024/25 Budgeted rate revenue	2024/25 Budgeted interim rates	2024/25 Budgeted total revenue	2023/24 Actual total revenue	2023/24 Budget total revenue
		\$		\$	\$	\$	\$	\$	\$
(i) General rates									
GRV General	Gross rental valuation	0.10917	1,539	27,386,827	2,989,820	225,000	3,214,820	2,752,331	2,726,171
UV General	Unimproved valuation	0.00641	511	284,425,000	1,823,164	0	1,823,164	1,738,807	1,743,157
UV Industry & Mining	Unimproved valuation	0.01282	4	23,062,000	295,540	0	295,540	352,057	385,906
UV Intensive Agriculture	Unimproved valuation	0.00962	4	4,442,000	42,710	0	42,710	39,757	39,757
Total general rates			2,058	339,315,827	5,151,234	225,000	5,376,234	4,882,952	4,894,991
		Minimum							
(ii) Minimum payment		\$							
GRV General	Gross rental valuation	1,343	607	4,553,896	815,201	0	815,201	766,720	766,720
UV General	Unimproved valuation	1,343	91	10,515,050	122,213	0	122,213	151,040	151,040
UV Industry & Mining	Unimproved valuation	1,343	0	0	0	0	0	0	0
UV Intensive Agriculture	Unimproved valuation	1,343	0	0	0	0	0	0	0
Total minimum payments			698	15,068,946	937,414	0	937,414	917,760	917,760
Total general rates and minimum payments			2,756	354,384,773	6,088,648	225,000	6,313,648	5,800,712	5,812,751
Total rates					6,088,648	225,000	6,313,648	5,800,712	5,812,751

The Shire did not raise specified area rates for the year ended 30th June 2025.

All rateable properties within the district used predominately for non-rural purposes are rated according to their Gross Rental Valuation (GRV), all other properties are rated according to their Unimproved Valuation (UV).

The general rates detailed for the 2024/25 financial year have been determined by Council on the basis of raising the revenue required to meet the estimated deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than general 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.

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

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.

Option 1 (Full Payment)

20th September 2024

Option 2 (Two Instalments)

20th September 2024

20th November 2024

Option 3 (Four Instalments)

20th September 2024

20th November 2024

20th January 2025

20th March 2025

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment		0	0.0%	11.0%
Option two				
First instalment		0	0.0%	11.0%
Second instalment		10	5.5%	11.0%
Option three				
First instalment		0	0.0%	11.0%
Second instalment		30	5.5%	11.0%
Third instalment		30	5.5%	11.0%
Fourth instalment		30	5.5%	11.0%
		2024/25 Budget revenue	2023/24 Actual revenue	2023/24 Budget revenue
		\$	\$	\$
Instalment plan admin charge revenue		18,500	17,670	17,200
Instalment plan interest earned		16,500	17,584	15,200
Unpaid rates and service charge interest earned		38,000	41,180	25,000

**SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025**

2. RATES AND SERVICE CHARGES (CONTINUED)

73,000 76,434 57,400

(c) Objectives and Reasons for Differential Rating

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

Differential general rate

Description	Characteristics	Objects	Reasons
GRV General	Properties that are used primarily for residential purposes and located within a townsite.	The objective of this category is to ensure that all residential ratepayers make a reasonable contribution towards the services and facilities provided and maintained by the Shire for the benefits of the residents.	Revenue derived from this category assists in funding the service levels expected by the community, achieving the Strategic Community Plan and minimum standards of performance to which the Council will be measured by the State Government and others.
UV General	Properties that are used primarily for rural and farming purposes.	The objective of this category is to ensure that all residential ratepayers make a reasonable contribution towards the services and facilities provided and maintained by the Shire for the benefits of the residents.	Revenue derived from this category assists in funding the service levels expected by the community, achieving the Strategic Community Plan and minimum standards of performance to which the Council will be measured by the State Government and others.
UV Industry, Mining and Intensive Agriculture (excludes activities where a contribution agreement is in place under the Road Traffic Act 1974).	Properties that are located outside of a townsite that are held for light or heavy industry, mining, exploration, extractive industry or intensive agriculture use.	The object of this category is to raise additional revenue to offset the costs associated with increased maintenance of infrastructure and higher levels of service provided to properties in this category.	The reason for this rate is the need to offset the higher level of costs associated in servicing these properties, including the costs of transport infrastructure maintenance and renewal/refurbishment, and costs relating to monitoring of land use and environmental impacts.
UV Intensive Agriculture	Properties that are located outside of a townsite that are held for intensive agriculture use.	The object of this category is to raise additional revenue to offset the costs associated with increased maintenance of infrastructure and higher levels of service provided to properties in this category.	The reason for this rate is the need to offset the higher level of costs associated in servicing these properties, including the costs of transport infrastructure maintenance and renewal/refurbishment, and costs relating to monitoring of land use and environmental impacts.

**SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025**

2. RATES AND SERVICE CHARGES (CONTINUED)

**SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025**

2. RATES AND SERVICE CHARGES (CONTINUED)

(d) Service Charges

	Amount of charge	2024/25 Budgeted revenue	Budget amount to be applied to costs	Budget amount to be set aside to reserve	Reserve amount to be applied to costs	2023/24 Actual revenue	2023/24 Budget revenue
	\$	\$	\$	\$	\$	\$	\$
Service charge							
Rubbish Collection Charge	168	384,720	384,720	0	0	360,733	352,320
Additional 240L Waste Charge	168	1,848	1,848	0	0	0	
Additional 240L Recycling Charge	132	660	660	0	0	252	252
Waste Operations Levy	238	655,452	529,316	126,136	0	627,814	627,912
Bulk Bin 1.5m Once/Week	3,132	0	0	0	0	2,969	2,969
Bulk Bin 1.5m Twice/Week	6,267	0	0	0	0	0	0
Bulk Bin 3.0m Once/Week	3,526	7,052	7,052	0	0	6,684	6,684
Bulk Bin 3.0m Twice/Week	7,052	7,052	7,052	0	0	6,684	6,684
Bulk Bin 4.5m Once/Week	3,927	15,708	15,708	0	0	14,884	14,884
Bulk Bin 4.5m Twice/Week	7,853	0	0	0	0	0	0
Bulk Bin 3.0m Recycle/Fortnightly	3,652	3,652	3,652	0	0	3,479	3,479
Bulk Bin 4.5m Recycle/Fortnightly	4,671	0	0	0	0	0	0
Bulk Bin 1.5m Recycle/Fortnightly	2,615	2,615	2,615	0	0	4,982	4,982
Commercial 1.5m Weekly + 1.5m Recyc	5,645	0	0	0	0	0	0
Commercial 3m Weekly + 3m Recycle	6,837	6,837	6,837	0	0	6,472	6,472
Commercial 4.5m Weekly + 4.5m Recyc	8,198	8,198	8,198	0	0	7,828	7,828
		1,093,794	967,658	126,136	0	1,042,781	1,034,466

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

	2024/25 Budget	2023/24 Actual	2023/24 Budget
Note	30 June 2025	30 June 2024	30 June 2024
Current assets	\$	\$	\$
Cash and cash equivalents	4 3,596,660	6,780,019	3,146,684
Receivables	283,530	333,530	1,737,454
Contract assets	239,518	239,518	0
Inventories	14,500	22,947	33,236
Other assets	19,405	19,405	9,107
	4,153,613	7,395,419	4,926,481
Less: current liabilities			
Trade and other payables	(1,471,077)	(1,471,077)	(2,336,508)
Contract liabilities	(297,000)	(692,344)	(489,105)
	(1,768,077)	(2,163,421)	(2,825,613)
Net current assets	2,385,536	5,231,998	2,100,868
Less: Total adjustments to net current assets	3(b) (2,575,536)	(2,336,645)	(2,100,868)
Net current assets used in the Statement of Financial Activity	(190,000)	2,895,353	0
(b) Current assets and liabilities excluded from budgeted deficiency			
<p>The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.</p>			
Adjustments to net current assets			
Less: Cash - reserve accounts	9 (2,594,461)	(2,355,570)	(2,100,868)
Add: Current liabilities not expected to be cleared at end of year			
- Deferred pensioners	18,925	18,925	
Total adjustments to net current assets	(2,575,536)	(2,336,645)	(2,100,868)

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

3. NET CURRENT ASSETS

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.

(c) 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 Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

Adjustments to operating activities

Less: Profit on asset disposals
 Less: Fair value adjustments to financial assets at fair value through profit and loss
 Add: Loss on asset disposals
 Add: Depreciation
 Non-cash movements in non-current assets and liabilities:
 - Employee provisions

Non cash amounts excluded from operating activities

	2024/25 Budget	2023/24 Actual	2023/24 Budget
Note	30 June 2025	30 June 2024	30 June 2024
	\$	\$	\$
5	(39,208)	(48,864)	(92,269)
	0	(1,261)	0
5	2,797	10,864	9,450
6	2,699,258	2,699,248	3,444,024
		224,103	(41,532)
	2,662,847	2,884,090	3,319,673

(d) Non-cash amounts excluded from investing activities

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

Adjustments to investing activities

Property, plant and equipment received for substantially less than fair value
 Right of use assets recognised

Non cash amounts excluded from investing activities

	2024/25 Budget	2023/24 Actual	2023/24 Budget
Note	30 June 2025	30 June 2024	30 June 2024
	\$	\$	\$
	0	704,100	0
	214,515	112,421	0
	214,515	816,521	0

(e) Non-cash amounts excluded from financing activities

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

Adjustments to financing activities

Less: Lease liability recognised

Non cash amounts excluded from financing activities

	2024/25 Budget	2023/24 Actual	2023/24 Budget
Note	30 June 2025	30 June 2024	30 June 2024
	\$	\$	\$
	(214,515)	(112,421)	0
	(214,515)	(112,421)	0

3. NET CURRENT ASSETS

(f) MATERIAL ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

The 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 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. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

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 contributes to a number of superannuation funds on behalf of employees. All funds to which the Shire 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.

Land held for resale is classified as current except where it is held as non-current based on the Shire's intentions to release for sale.

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.

CONTRACT LIABILITIES

Contract liabilities represent the Shire's obligation to transfer goods or services to a customer for which the Shire has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

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 grants, contributions, reimbursements, and goods sold and services performed in the ordinary course of business.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Trade receivables are held with the objective to collect the contractual cashflows and therefore the Shire 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 determination of the net current asset position.

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the determination of the net current asset position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

CONTRACT ASSETS

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at the end of the period.

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

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	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Cash at bank and on hand	1,002,199	4,424,449	856,354
Term deposits	2,594,461	2,355,570	2,290,330
Total cash and cash equivalents	3,596,660	6,780,019	3,146,684
Held as			
- Unrestricted cash and cash equivalents	1,002,199	3,974,449	1,045,816
- Restricted cash and cash equivalents	2,594,461	2,805,570	2,100,868
3(a)	3,596,660	6,780,019	3,146,684
Restrictions			
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	2,594,461	2,805,570	2,100,868
	2,594,461	2,805,570	2,100,868
The assets are restricted as a result of the specified purposes associated with the liabilities below:			
Reserve accounts	9 2,594,461	2,355,570	2,100,868
Unspent borrowings	7(c) 0	450,000	0
	2,594,461	2,805,570	2,100,868
Reconciliation of net cash provided by operating activities to net result			
Net result	347,729	5,031,819	3,309,599
Depreciation	6 2,699,258	2,699,248	3,444,024
(Profit)/loss on sale of asset	5 (36,411)	(38,000)	(82,819)
Adjustments to fair value of financial assets at fair value through profit and loss	0	(1,261)	0
(Increase)/decrease in receivables	50,000	1,267,921	(688,639)
(Increase)/decrease in contract assets	0	(239,518)	
(Increase)/decrease in inventories	8,447	(3,411)	(13,700)
(Increase)/decrease in other assets	0	(10,298)	0
Increase/(decrease) in payables	0	(1,094,115)	(189,861)
Increase/(decrease) in contract liabilities	(395,344)	(15,478)	(109,359)
Increase/(decrease) in other provision	0	19,035	
Increase/(decrease) in employee provisions	(190,000)	224,103	(41,532)
Capital grants, subsidies and contributions	(3,522,033)	(6,677,853)	(7,253,961)
Net cash from operating activities	(1,038,354)	1,162,192	(1,626,248)

MATERIAL 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 WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

5. PROPERTY, PLANT AND EQUIPMENT

The following assets are budgeted to be acquired and/or disposed of during the year.

	2024/25 Budget					2023/24 Actual					2023/24 Budget				
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	0	0	0	0	0	0	0	0	0	0	100,000	0	0	0	0
Buildings - non-specialised	640,177	0	0	0	0	1,450,423	0	0	0	0	787,149	0	0	0	0
Furniture and equipment	29,665	0	0	0	0	21,245	0	0	0	0	38,500	0	0	0	0
Plant and equipment	455,800	(104,589)	141,000	39,208	(2,797)	639,357	(157,760)	195,759	48,864	(10,865)	998,879	(240,363)	323,182	82,919	(100)
Total	1,125,642	(104,589)	141,000	39,208	(2,797)	2,111,025	(157,760)	195,759	48,864	(10,865)	1,924,528	(240,363)	323,182	82,919	(100)
(b) Infrastructure															
Infrastructure - roads	1,536,352	0	0	0	0	2,246,855	0	0	0	0	2,226,827	0	0	0	0
Infrastructure - footpaths	196,000	0	0	0	0	77,134	0	0	0	0	0	0	0	0	0
Infrastructure - drainage	85,000	0	0	0	0	46,804	0	0	0	0	5,561,819	0	0	0	0
Infrastructure - bridges	0	0	0	0	0	138,200	0	0	0	0	0	0	0	0	0
Infrastructure - parks and ovals	2,529,386	0	0	0	0	3,788,041	0	0	0	0	0	0	0	0	0
Infrastructure - other	120,000	0	0	0	0	69,775	0	0	0	0	0	0	0	0	0
Total	4,466,738	0	0	0	0	6,366,809	0	0	0	0	7,788,646	0	0	0	0
(c) Right of Use Assets															
Right of use - plant and equipment	214,515	0	0	0	0	112,421	0	0	0	0	0	0	0	0	0
Total	214,515	0	0	0	0	112,421	0	0	0	0	0	0	0	0	0
Total	5,806,895	(104,589)	141,000	39,208	(2,797)	8,590,255	(157,760)	195,759	48,864	(10,865)	9,713,174	(240,363)	323,182	82,919	(100)

MATERIAL 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.

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.

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

6. DEPRECIATION

By Class

Buildings - non-specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Other infrastructure [describe]
Right of use - [describe]

By Program

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

2024/25 Budget	2023/24 Actual	2023/24 Budget
\$	\$	\$
590,658	590,649	555,815
76,067	57,942	52,359
297,135	315,260	375,910
913,826	913,825	1,737,215
711,333	711,332	724,049
110,239	110,238	0
2,699,258	2,699,246	3,445,348
205,540	205,541	181,877
159,731	159,730	140,592
32,591	32,588	34,879
25,644	25,645	25,591
7,934	7,934	7,934
337,178	337,177	324,616
655,708	655,707	691,041
1,204,151	1,204,150	1,971,805
53,447	53,447	49,689
17,334	17,327	16,000
2,699,258	2,699,246	3,444,024

MATERIAL 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:

Buildings - non-specialised	40 to 60 years
Furniture and equipment	3 to 20 years
Plant and equipment	5 to 20 years
Infrastructure - footpaths	20 to 50 years
Infrastructure - bridges	60 to 90 years
Sealed Roads and Streets	
Construction	45 to 55 years
Bituminous Seals	15 to 25 years
Asphalt Seals	25 to 30 years
Uniformed Roads	
Formed	10 to 15 years
Gravel	12 to 15 years

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

7. 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	2024/25	2024/25	Budget	2024/25	Actual	2023/24	2023/24	Actual	2023/24	Budget	2023/24	2023/24	Budget	2023/24
				Principal 1 July 2024	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2025	Budget Interest Repayments	Principal 1 July 2023	Actual New Loans	Actual Principal Repayments	Principal outstanding 30 June 2024	Actual Interest Repayments	Principal 1 July 2023	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2024	Budget Interest Repayments
Basketball Stadium	117	WATC		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 18,564	\$ 0	\$ (18,564)	\$ 0	\$ (907)	\$ 18,564	\$ 0	\$ (18,564)	\$ 0	\$ (906)
Rec Centre Upgrade	120	WATC		0	0	0	0	0	23,659	0	(23,659)	0	(696)	23,660	0	(23,660)	0	(696)
Memorial Hall Upgrade	121	WATC	2.97%	31,159	0	(31,159)	(0)	(696)	61,414	0	(30,255)	31,159	(1,601)	61,413	0	(30,254)	31,159	(1,601)
Town Centre Land Purchas	122	WATC	1.60%	559,115	0	(29,871)	529,244	(8,809)	588,515	0	(29,400)	559,115	(9,280)	588,514	0	(29,400)	559,114	(9,280)
Railside Park Development	123	WATC	4.92%	422,034	0	(15,035)	406,999	(20,564)	436,356	0	(14,322)	422,034	(21,277)	436,357	0	(14,322)	422,035	(21,277)
Town Centre Land Purchas	124	WATC	4.92%	515,820	0	(18,376)	497,444	(25,134)	533,325	0	(17,505)	515,820	(26,005)	533,325	0	(17,505)	515,820	(26,005)
Preston Beach Land	125	WATC		0	0	0	0	0	0	0	0	0	0	0	100,000	0	100,000	0
				1,528,128	0	(94,441)	1,433,687	(55,202)	1,661,833	0	(133,705)	1,528,128	(59,766)	1,661,833	100,000	(133,705)	1,628,128	(59,765)

All borrowing repayments will be financed by general purpose revenue.

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

7. BORROWINGS

(b) New borrowings - 2024/25

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2025

(c) Unspent borrowings

Loan Details	Purpose of the loan	Year loan taken	Amount b/fwd.	Amount used 2024/25 Budget	New loans unspent at 30 June 2025	Amount as at 30 June 2025
Railside Park	Park development	2,023	\$ 450,000	\$ 450,000	\$ 0	\$ 0
			450,000	450,000	0	0

(d) Credit Facilities

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	500,000	0	500,000
Bank overdraft at balance date	0	0	0
Credit card limit	57,000	57,000	57,000
Credit card balance at balance date	0	0	0
Total amount of credit unused	557,000	57,000	557,000
Loan facilities			
Loan facilities in use at balance date	1,433,687	1,528,128	1,628,128
Unused loan facilities at balance date	450,000	450,000	0

MATERIAL ACCOUNTING POLICIES

BORROWING COSTS

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate.

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

8. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2024/25 Budget	2024/25 Budget Lease	Budget Lease	2024/25 Budget Lease	Actual Principal	2023/24 Actual	2023/24 Actual Lease	Actual Lease	2023/24 Actual Lease	Budget Principal	2023/24 Budget	2023/24 Budget Lease	Budget Lease	2023/24 Budget Lease
					Principal 1 July 2024	New Leases	Principal Repayments	Principal outstanding 30 June 2025	Repayments		Principal 1 July 2023	New Leases	Principal repayments	Principal outstanding 30 June 2024	Repayments	Principal 1 July 2023	New Leases	Principal repayments	Principal outstanding 30 June 2024
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Server	SOW01042021A	Vestone	1.70%	60 months	62,281	0	(36,139)	26,142	0	97,045	0	(34,764)	62,281	(1,375)	97,045	0	(36,139)	60,906	0
Spin Bike's	E6N0163401	Maia Financial	1.10%	48 months	3,917	0	(3,917)	0	0	11,684	0	(7,767)	3,917	(89)	11,686	0	(7,858)	3,828	0
Gym Equipment 1	E6N0160721	Maia Financial	2.10%	60 months	0	0	0	0	0	(1,515)	1,515	0	0	0	0	0	0	0	0
CCTV	E6N0160761	Maia Financial	2.10%	60 months	0	2,143	(2,143)	0	0	(1,055)	3,174	(2,119)	0	(24)	0	0	(2,143)	(2,143)	0
Photocopiers	E6N0162301	Vestone	2.20%	60 months	0	0	0	0	0	10,377	0	(10,377)	0	(94)	10,375	0	(14,062)	(3,687)	0
PC Lease	SOW020120	Vestone	1.10%	48 months	0	0	0	0	0	10,354	9,581	(19,935)	0	(126)	10,352	0	(24,507)	(14,155)	0
Bushfire Brigade Latops	SOW011020	Vestone	1.20%	48 months	723	0	(1,452)	(729)	0	3,600	0	(2,877)	723	(27)	3,601	0	(2,903)	698	0
Rec Centre Solar Panels	SOW01072020	Vestone	1.50%	60 months	7,208	0	(7,263)	(55)	0	14,305	0	(7,097)	7,208	(165)	14,304	0	(7,263)	7,041	0
Admin Solar Panels	SOW01042042A	Vestone	1.80%	60 months	5,358	0	(4,268)	1,090	0	9,437	0	(4,079)	5,358	(349)	12,459	0	(4,269)	8,190	0
Admin Laptops	SOW01072022	Vestone	4.40%	48 months	9,450	0	(3,359)	6,091	0	12,460	0	(3,010)	9,450	(190)	9,437	0	(3,359)	6,078	0
Gym Equipment 2	SOW03012023	Vestone	4.90%	48 months	34,224	0	(14,555)	19,669	0	46,802	0	(12,578)	34,224	(1,977)	46,802	0	(14,555)	32,247	0
New PC & Laptop Lease	SOW010423	Vestone	4.80%	60 months	92,514	87,924	(21,981)	158,457	0	0	98,151	(5,637)	92,514	(1,102)	0	0	0	0	0
Photocopiers 2	SOW010724	Vestone	4.80%	60 months	0	69,388	(13,878)	55,510	0	0	0	0	0	0	0	0	0	0	0
Spin Bikes 2	New	Vestone			0	30,060	(6,012)	24,048	0	0	0	0	0	0	0	0	0	0	0
Chambers IT	New	Vestone			0	25,000	(6,250)	18,750	0	0	0	0	0	0	0	8,500	(2,125)	6,375	0
					215,675	214,515	(121,217)	308,973	0	213,494	112,421	(110,240)	215,675	(5,518)	216,061	8,500	(119,183)	105,378	0

MATERIAL ACCOUNTING POLICIES

LEASES

At the inception of a contract, the Shire assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and a lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

LEASE LIABILITIES

The present value of future lease payments not paid at the reporting date discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2024/25 Budget				2023/24 Actual				2023/24 Budget			
	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Sporting reserve	78,787	0	0	78,787	74,849	3,938		78,787	74,849		0	74,849
(b) Council Building Maintenance Reserve	149,579	50,000	0	199,579	102,203	47,376		149,579	102,203	42,000	0	144,203
(c) Rec Centre Building Maintenance Reserve	76,729	25,000	0	101,729	75,895	3,834		76,729	72,895		0	72,895
(d) Preston Beach Volunteer Reserve	86,342	13,345	(44,100)	55,587	69,789	16,553		86,342	69,789	12,882	0	82,671
(e) Emergency Assistance Reserve	116,194	0	0	116,194	110,387	5,806		116,194	110,387		0	110,387
(f) Works Depot Redevelopment Reserve	88,017	0	0	88,017	83,618	4,399		88,017	83,618		0	83,618
(g) Council Building Construction Reserve	159,132	0	(92,940)	66,192	172,137	9,056	(22,060)	159,132	172,137		(15,000)	157,137
(h) Information Technology Reserve	106,201	20,000	0	126,201	100,887	5,314		106,201	100,887		0	100,887
(i) Footpath Construction Reserve	34,936	0	0	34,936	33,190	1,746		34,936	33,190		0	33,190
(j) Plant Replacement Reserve	251,242	269,000	(113,000)	407,242	238,681	12,561		251,242	238,681		(113,000)	125,681
(k) Staff Leave Reserve	24,160	5,000	0	29,160	15,408	8,752		24,160	15,408		0	15,408
(l) Strategic Planning Reserve	21,889	0	(20,000)	1,889	20,795	1,094		21,889	20,795		(20,000)	795
(m) Waste Management Reserve	1,095,531	126,136	0	1,221,667	1,099,481	196,050	(200,000)	1,095,531	1,099,481	138,206	(200,000)	1,037,687
(n) History Book Reprint Reserve	11,869	450	0	12,319	10,848	1,021		11,869	10,848	450	0	11,298
(o) Risk & Insurance Reserve	10,106	0	0	10,106	9,601	505		10,106	9,601		0	9,601
(p) Drakesbrook Cemetery Reserve	44,856	0	0	44,856	75,561	3,975	(34,680)	44,856	75,561		(35,000)	40,561
	2,355,570	508,931	(270,040)	2,594,461	2,293,330	321,980	(256,740)	2,355,570	2,290,330	193,538	(383,000)	2,100,868

(b) Reserve Accounts - 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) Sporting reserve	Ongoing	To provide funds for sporting facilities and equipment as determined by Council together with low interest loans applications
(b) Council Building Maintenance Reserve	Ongoing	To provide funds for future building maintenance.
(c) Rec Centre Building Maintenance Reserve	Ongoing	To be used for future building asset maintenance items at the Recreation Centre, particularly items of plant.
(d) Preston Beach Volunteer Reserve	Ongoing	To provide funds to assist in the operations of the volunteer ranger functions including replacement of equipment.
(e) Emergency Assistance Reserve	Ongoing	To provide funds to assist in emergency situations eg. major fire.
(f) Works Depot Redevelopment Reserve	Ongoing	To provide funds for the provision of vehicle storage bays at Works Depot.
(g) Council Building Construction Reserve	Ongoing	To provide funds for future capital construction works in accordance with Council's Long Term Financial & Community Strategic Plan
(h) Information Technology Reserve	Ongoing	To be used to ensure that the network computer system is maintained including external site connections.
(i) Footpath Construction Reserve	Ongoing	To provide funds for future extension of dual use path network.
(j) Plant Replacement Reserve	Ongoing	To be used for the purchase and replacement of major plant.
(k) Staff Leave Reserve	Ongoing	To be used to fund annual and long service leave requirements.
(l) Strategic Planning Reserve	Ongoing	To provide funds for the future requirements of Council's Strategic Planning.
(m) Waste Management Reserve	Ongoing	To be used to maintain operations at Buller Road Refuse Site.
(n) History Book Reprint Reserve	Ongoing	To be used to fund the update reprint of the 'Drakesbrook days and Waroona years' historical book.
(o) Risk & Insurance Reserve	Ongoing	To be used for expenses associated with risk assessments and insurance adjustments or unforeseen expenses.
(p) Drakesbrook Cemetery Reserve	Ongoing	To be used for future upgrades of the Drakesbrook Public Cemetery.

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

10. OTHER INFORMATION

The net result includes as revenues

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
(a) Interest earnings			
- Reserve accounts	100,000	120,514	90,000
- Other funds	120,000	170,338	110,750
Other interest revenue	54,500	58,764	40,200
	274,500	349,616	240,950

* The Shire has resolved to charge interest under section 6.13 for the late payment of any amount of money at 11%.

The net result includes as expenses

(b) Auditors remuneration

Audit services	44,880	35,940	37,750
	44,880	35,940	37,750

(c) Interest expenses (finance costs)

Borrowings (refer Note 7(a))	55,202	59,766	59,765
Interest on lease liabilities (refer Note 8)	0	5,518	0
Accrued loan interest	0	(399)	0
	55,202	64,885	59,765

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

11. ELECTED MEMBERS REMUNERATION

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Elected member 1			
President's allowance	11,250	10,816	10,816
Meeting attendance fees	10,668	10,258	10,258
Annual allowance for ICT expenses	1,530	1,471	1,471
Travel and accommodation expenses	1,429	1,717	1,429
	24,877	24,262	23,974
Elected member 2			
Deputy President's allowance	2,813	2,704	2,704
Meeting attendance fees	10,668	10,258	10,258
Annual allowance for ICT expenses	1,530	1,471	1,471
Travel and accommodation expenses	1,429	1,709	1,429
	16,440	16,142	15,862
Elected member 3			
Meeting attendance fees	10,668	10,258	10,258
Annual allowance for ICT expenses	1,530	1,471	1,471
Travel and accommodation expenses	1,429	448	1,429
	13,627	12,177	13,158
Elected member 4			
Meeting attendance fees	10,668	5,157	10,258
Annual allowance for ICT expenses	1,530	740	1,471
Travel and accommodation expenses	1,429	0	1,429
	13,627	5,897	13,158
Elected member 5			
Meeting attendance fees	10,668	10,258	10,258
Annual allowance for ICT expenses	1,530	1,471	1,471
Travel and accommodation expenses	1,429	448	1,429
	13,627	12,177	13,158
Elected member 6			
Meeting attendance fees	10,668	7,091	10,258
Annual allowance for ICT expenses	1,530	1,017	1,471
Travel and accommodation expenses	1,429	0	1,429
	13,627	8,108	13,158
Elected member 7			
Meeting attendance fees	10,668	7,091	10,258
Annual allowance for ICT expenses	1,530	1,017	1,471
Travel and accommodation expenses	1,429	0	1,429
	13,627	8,108	13,158
Elected member 8			
Meeting attendance fees	0	3,167	0
Annual allowance for ICT expenses	0	454	0
Travel and accommodation expenses	0	448	0
	0	4,069	0
Elected member 9			
Meeting attendance fees	0	3,167	0
Annual allowance for ICT expenses	0	454	0
	0	3,621	0
Total Elected Member Remuneration	109,452	94,561	105,626
President's allowance	11,250	10,816	10,816
Deputy President's allowance	2,813	2,704	2,704
Meeting attendance fees	74,676	66,705	71,806
Annual allowance for ICT expenses	10,710	9,566	10,297
Travel and accommodation expenses	10,003	4,770	10,003
	109,452	94,561	105,626

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

12 TRUST FUNDS

Funds held at balance date which are required by legislation to be credited to the trust fund and which are not included in the financial statements are as follows:

Detail	Balance 30 June 2024	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2025
	\$	\$	\$	\$
Alcoa Waroona Sustainability Fund	2,182,700	310,000	(290,371)	2,202,329
Public Open Space	135,852	470	0	136,322
Extractive Industry	18,816	55	0	18,871
Commercial Bond	14,874	40	0	14,914
	2,352,242	310,565	(290,371)	2,372,436

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

13. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specific area rates, minimum payment, interim rates, back rates, ex-gratia rates, less discounts offered.

Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

GRANTS, SUBSIDIES AND CONTRIBUTIONS

All amounts received as grants, subsidies and contributions that are not capital 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.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

FEES AND CHARGES

Revenues (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.

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 the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services and water.

Exclude rubbish removal charges which should not be classified as a service charge. 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.

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 / INCOME

Other revenue, which cannot be classified under the above headings, includes dividends, discounts, rebates etc.

PROFIT ON ASSET DISPOSAL

Gain on the disposal of assets including gains on the disposal of long-term investments.

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.

Note *AASB 119 Employee Benefits* provides a definition of employee benefits which should be considered.

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 (such as telephone and internet charges), 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 and rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

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.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expenses raised on all classes of assets.

FINANCE COSTS

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 levies including DFES levy and State taxes. Donations and subsidies made to community groups.

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

13. REVENUE AND EXPENDITURE

(b) Revenue Recognition

Recognition of revenue from contracts with customers 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	Timing of Revenue recognition
Grant contracts with customers	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
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	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
Sale of stock	Fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

14. PROGRAM INFORMATION

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 of 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 and enforcement of various local laws relating to fire prevention, animal control, and other aspects of public safety including emergency services.

Health

To provide an operational framework for environmental and community health.

Food control, operation of Child Health Clinic and general health services. Operation of Community Health Resource Centre.

Education and welfare

To provide services to disadvantaged persons, the elderly, children and youth.

Maintenance of child minding centre, playground, senior citizens centre and aged care centres. Provision and maintenance of home and community care programs and youth services.

Housing

To provide and maintain staff and elderly residents housing.

Provision and maintenance of staff and elderly residents housing.

Community amenities

To provide services required by the community.

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban stormwater drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.

Recreation and culture

To establish and effectively manage infrastructure and resource which will help the social well-being of the community.

Maintenance of public halls, civic centres, aquatic centres, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.

Transport

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

Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

Economic services

To help promote the shire and its economic wellbeing.

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes.

Other property and services

To monitor and control the Shire's overhead operating accounts.

Private works operation, plant repair and operation costs and engineering operating costs.

SHIRE OF WAROONA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

15. FEES AND CHARGES

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
By Program:			
Governance	45,650	44,772	41,000
General purpose funding	53,000	53,179	49,000
Law, order, public safety	38,700	39,745	32,650
Health	65,750	63,646	55,500
Education and welfare	310	310	310
Housing	22,500	22,596	20,800
Community amenities	221,050	275,705	154,700
Recreation and culture	238,950	251,784	216,850
Transport	250	442	450
Economic services	154,226	172,028	151,339
Other property and services	9,500	13,469	5,000
	849,886	937,676	727,599

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