



## CONFIRMED MINUTES

Shire of West Arthur  
Special Council Meeting  
Thursday 29 August 2024

These Minutes were confirmed at the Ordinary council meeting on: 26 September 2024

Signed:

Presiding Member at the meeting at which the Minutes were Confirmed.

**DISCLAIMER**

*No responsibility whatsoever is implied or accepted by the Shire of West Arthur for any act, omission or statement or intimation occurring during Council or Committee meetings or during formal/informal conversations with staff. The Shire of West Arthur disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee meetings or discussions. Any person or legal entity that act or fails to act in reliance upon any statement does so at the person's or legal entity's own risk.*

*The purpose of this council meeting is to discuss and, where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on basis of such decision or on any advice or information provided by a member or officer, or on the content of any discussion occurring, during the course of the meeting.*

*In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of West Arthur during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of West Arthur. The Shire of West Arthur warns that anyone who has an application lodged with the Shire of West Arthur must obtain and only should rely on WRITTEN CONFIRMATION of the outcome of the application, and any conditions attaching to the decision made by the Shire of West Arthur in respect of the application.*

*Persons should be aware that the provisions of the Local Government Act 1995 (section 5.25 (e)) establish procedures for revocation or rescission of a Council decision.*

*The Shire of West Arthur expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a member or officer, or the content of any discussion occurring, during the course of the Council meeting*

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**MINUTES OF SHIRE OF WEST ARTHUR  
SPECIAL COUNCIL MEETING  
HELD IN THE COUNCIL CHAMBERS  
ON THURSDAY, 29 AUGUST 2024 AT 6.00PM**

**1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

The Presiding Member declared the meeting open at 6.05pm.

**2 ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE**

|              |                     |                                 |
|--------------|---------------------|---------------------------------|
| COUNCILLORS: | Cr Neil Morrell     | (Shire President)               |
|              | Cr Karen Harrington | (Deputy Shire President)        |
|              | Cr Graeme Peirce    |                                 |
|              | Cr Robyn Lubcke     |                                 |
|              | Cr Duncan South     |                                 |
|              | Cr Adam Squires     |                                 |
|              | Cr Russell Prowse   |                                 |
| STAFF:       | Vin Fordham Lamont  | (Chief Executive Officer)       |
|              | Rajinder Sunner     | (Manager Corporate Services)    |
|              | Gary Rasmussen      | (Manager Works and Services)    |
|              | Sharon Bell         | (Community Development Officer) |
|              | Kerryn Chia         | (Projects Officer)              |
| APOLOGIES:   | Gary Rasmussen      | (Manager Works and Services)    |
|              | Sharon Bell         | (Community Development Officer) |
|              | Kerryn Chia         | (Projects Officer)              |

ON LEAVE OF ABSENCE:

ABSENT:

MEMBER OF THE PUBLIC:

**3 PUBLIC QUESTION TIME**

Nil

**4 DISCLOSURES OF INTEREST**

Nil

**5 CORPORATE SERVICES****5.1 ADOPTION OF 2024/2025 BUDGET**

|                                |   |
|--------------------------------|---|
| <b>File Reference:</b>         | <b>ADM130</b>   |
| <b>Location:</b>               | <b>N/A</b>  |
| <b>Applicant:</b>              | <b>N/A</b>  |
| <b>Author:</b>                 | <b>Rajinder Sunner, Manager Corporate Services</b>                          |
| <b>Authorising Officer:</b>    | <b>Vin Fordham Lamont, Chief Executive Officer</b>                          |
| <b>Date:</b>                   | <b>26/08/2024</b>   |
| <b>Disclosure of Interest:</b> | <b>Nil</b>  |
| <b>Attachments:</b>            | <b>1. Shire of West Arthur Statutory Budget 2024 2025 <a href="#">↓</a></b> |

**SUMMARY:**

The *Local Government Act 1995*, section 6.2, requires a local government to prepare and adopt a budget before 31 August each year. The attached draft 2024/2025 Annual Budget is recommended to Council for adoption.

**BACKGROUND:**

The draft 2024/2025 budget has been compiled based on the principles in Council's Strategic Community Plan, the information contained in its Long Term Financial Plan and on the presentations made to Council at budget workshops.

**COMMENT:**

The major items of income in the draft 2024/2025 Annual Budget are as follows:

- Rates \$2,118,003
- Operating Grants \$ 530,744
- Non-operating Grants \$1,750,780
- Fees & Charges \$ 353,890
- Other Revenue \$ 352,388

The proposed capital expenditure of \$3,498,206 is funded as follows:

- Reserve funded \$1,236,222
- Non-operating grants \$1,750,780
- Proceeds from sales \$ 195,000
- Own source (Municipal fund) \$ 316,204

The capital works include:

- a. Roads program totalling \$1,577,058 funded from:
- Roads to Recovery \$580,535
  - Regional Road Group \$485,400
  - LRCIP Phase 4 \$140,500
  - Shire funded road projects \$260,561
  - WSN (Wheatbelt Secondary Freight Network) \$110,062

These works are principally funded via federal and state government grants. Delivery of this work will require \$260,561 to be funded from general revenue.

- b. Plant replacement of \$1,161,116, of which the major components are as follows:
- Excavator, including attachment \$380,000
  - 3 Tonne Tipper \$ 90,000
  - 6 Wheeler 3-way Tip \$300,000
  - 3T Flatbed \$ 90,000
  - Light Vehicles (3) \$194,200
  - Others \$ 97,916
  - Fast Fill Trailer for VBFB \$ 9,000 (Fully funded by FPC)

The Plant replacement budget for 2024-2025 is funded by \$1,007,116 from the Plant Reserve, \$145,000 from trade-ins and \$9,000 from Forest Product Commission (FPC).

- c. Other infrastructure projects totalling \$236,514 which include the following projects:
- Community Water Supply Program \$ 50,000
  - Playground Equipment for Kids – Railway Reserve \$ 106,460
  - Shade over Kids playground \$ 16,288
  - Upgrade Water Infrastructure - Town Dam \$ 28,000
  - Town Heritage Trail \$ 35,766

These projects are directly funded by grant funding provided by the Federal Government (Local Roads and Community Infrastructure (LRCI) Program Phase 4 (\$150,748), other grants (\$19,123), Economic Development Reserve (\$50,000), and general revenue (\$16,643).

- d. Land and buildings expenditure of \$444,871, which includes the following projects:
- New staff house (10 King Street) Carry over project \$191,106
  - Renovation (10 Gibbs Street) \$ 50,000
  - Burrowes Street and Old Bowling Green Sub-Division \$176,765
  - Industrial Land at Growden Place \$ 27,000

These projects will be directly funded by the Building Reserve (\$179,106) from Industrial Land sales (\$50,000), the Housing Support Program Stream 1 (\$176,765) and general revenue (\$39,000).

1. At the Ordinary Council Meeting held on 27 June 2024, resolution Number CO-2024-078, the Council pre-approved \$219,000 for the new CEO house. The amount has now been reduced to \$191,106 to finish the new home on 10 King Street, Darkan.
2. Simultaneously, the council pre-approved \$20,000 to fix the slippery floor at the Darkan Swimming pool at the Ordinary Council Meeting held on 27 June 2024, resolution Number CO-2024-078.

The above items are now included in the 2024-2025 statutory budget.

The estimated brought forward balance is \$1,426,117. This figure is unaudited and may change once the annual accounts are finalised. The major contributor to this carried forward amount is the advance payment of the Commonwealth Financial Assistance Grants (\$1,273,287) for 2024/2025, which was received on 28 June 2024.

**CONSULTATION:**

Councillors  
Chief Executive Officer  
Manager Works and Services  
Manager Financial Reporting  
Other Staff Members

**STATUTORY ENVIRONMENT:**

*Local Government Act 1995*

*“6.2. Local government to prepare annual budget.*

*(1) During the period from 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, each local government is to prepare and adopt\*, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the 30 June next following that 31 August.*

*\* Absolute majority required.*

*(2) In the preparation of the annual budget the local government is to have regard to the contents of the plan for the future of the district made in accordance with section 5.56 and to prepare a detailed estimate for the current year of —*

- (a) the expenditure by the local government; and*
- (b) the revenue and income, independent of general rates, of the local government; and*
- (c) the amount required to make up the deficiency, if any, shown by comparing the estimated expenditure with the estimated revenue and income.*

*(3) For the purposes of subsections (2)(a) and (b) all expenditure, revenue and income of the local government is to be considered unless otherwise prescribed.*

*(4) The annual budget is to incorporate —*

- (a) particulars of the estimated expenditure proposed to be incurred by the local government; and*
- (b) detailed information relating to the rates and service charges which will apply to land within the district including —*
  - (i) the amount it is estimated will be yielded by the general rate; and*
  - (ii) the rate of interest (if any) to be charged by the local government on unpaid rates and service charges; and*
- (c) the fees and charges proposed to be imposed by the local government; and*
- (d) the particulars of borrowings and other financial accommodation proposed to be entered into by the local government; and*
- (e) details of the amounts to be set aside in, or used from, reserve accounts and of the purpose for which they are to be set aside or used; and*
- (f) particulars of proposed land transactions and trading undertakings (as those terms are defined in and for the purpose of section 3.59) of the local government; and*
- (g) such other matters as are prescribed.*

*(5) Regulations may provide for —*

- (a) the form of the annual budget; and*
- (b) the contents of the annual budget; and*
- (c) the information to be contained in or to accompany the annual budget*

**POLICY IMPLICATIONS:**

The 2024/2025 Annual Budget considers Policy C8 - Council Member Entitlements.

**FINANCIAL IMPLICATIONS:**

Budgeted income and expenditure for the 2024/2025 financial year.

**STRATEGIC IMPLICATIONS:**

The Shire's Corporate Business Plan 2021-25 was used to develop the Shire's 2024/2025 Annual Budget.

**RISK IMPLICATIONS:**

**Risk management is the removal of uncertainty from business decisions. Risk is expressed in terms of likelihood it may occur and the consequences that may flow from it.** The consequences may be positive or negative or simply a deviation from the expected. The risk or consequence may be related to health and safety; financial; business or service interruption; compliance; reputation; or the environment. **Reference to the risk matrix below will generate a risk rating by assessing the likelihood and consequence and multiplying these scores by each other.** The greater the risk rating, the greater the risk and the higher the need for specific plans to be developed. All items with a risk rating greater than 10 should be added to the Risk Register and specific controls developed.

**Risk Themes:**

A risk theme is the categorising of risk. For example, the collection of risks that represent compliance failure. The risk themes in the shire Risk Register include:

- Business Disruption
- Community Disruption
- IT or Communications Failure
- External Threat or Fraud
- Misconduct
- Inadequate safety or security practices
- Inadequate project or change management
- Errors Omissions or Delays
- Inadequate Document Management Processes
- Inadequate supplier / contract management
- Providing inaccurate advice / information
- Ineffective Employment practices
- Compliance failure
- Inadequate asset management
- Inadequate engagement practices
- Ineffective facility or event management
- Inadequate environmental management

**Risk Matrix:**

| Consequence    |   | Insignificant | Minor      | Moderate   | Major        | Catastrophic |
|----------------|---|---------------|------------|------------|--------------|--------------|
| Likelihood     |   | 1             | 2          | 3          | 4            | 5            |
| Almost Certain | 5 | Medium (5)    | High (10)  | High (15)  | Extreme (20) | Extreme (25) |
| Likely         | 4 | Low (4)       | Medium (8) | High (12)  | High (16)    | Extreme (25) |
| Possible       | 3 | Low (3)       | Medium (6) | Medium (9) | High (12)    | High (15)    |
| Unlikely       | 2 | Low (2)       | Low (4)    | Medium (6) | Medium (8)   | High (10)    |
| Rare           | 1 | Low (1)       | Low (2)    | Low (3)    | Low (4)      | Medium (5)   |



|   |  |
|---|--|
| Description of Key Risk   | Failure to adopt the 2024-25 budget on time will result in the non-functioning of the council. |
| Risk Likelihood (based on history and with existing controls)         | (5) Almost Certain   |
| Risk Consequence  | (4) Significant  |
| Risk Rating (Prior to Treatment or Control): Likelihood x Consequence | (20) Extreme   |
| Principal Risk Theme  | Compliance Failure   |
| Risk Action Plan (Controls or Treatment Proposed)                     | Adopt the 2024-25 Annual budget as presented.  |

**VOTING REQUIREMENTS:**

Absolute Majority

**RESOLUTION SCM-2024-091**

Moved: Cr Robyn Lubcke

Seconded: Cr Adam Squires

1. That, in accordance with Section 6.2 of the Local Government Act 1995 and Part 3 of the Local Government (Financial Management) Regulations 1996, Council adopt the Shire of West Arthur 2024/2025 Annual Budget, as attached.
2. That, in accordance with Sections 6.32, 6.33, 6.34 and 6.35 of the Local Government Act 1995, the Council, for the purpose of yielding the deficiency disclosed by the 2024/2025 Budget adopted in Part 1 above, imposes the following general rates and minimum payments on Gross Rental and Unimproved Values.

| Unimproved                        | Rate in \$ | Minimum Rate |
|-----------------------------------|------------|--------------|
| Residential (GRV) Darkan Townsite | 0.088276   | \$632.00     |
| Residential (GRV) Other Townsite  | 0.088276   | \$442.00     |
| UV Properties                     | 0.003254   | \$632.00     |

3. That, in accordance with Section 6.45 of the Local Government Act 1995 and Regulation 64(2) of the Local Government (Financial Management) Regulations 1996, the Council nominates the following due dates for the payment in full by instalments:

**One Instalment Option:**

To pay the total rates and charges included on the rate notice in full by the 35<sup>th</sup> day after the rate notice issue.

|              |                 |
|--------------|-----------------|
| Full payment | 1 November 2024 |
|--------------|-----------------|

**Four Instalments Option:**

|                         |                  |
|-------------------------|------------------|
| 1st Instalment due date | 1 November 2024  |
| 2nd Instalment due date | 31 December 2024 |
| 3rd Instalment due date | 3 March 2025     |
| 4th Instalment due date | 2 May 2025       |

4. That, in accordance with Section 6.45 of the Local Government Act 1995 and Regulation 67 of the Local Government (Financial Management) Regulations 1996, the Council adopts an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$7.00 for each instalment after the initial instalment is paid.
5. That, in accordance with Section 6.45 of the Local Government Act 1995 and Regulation 68 of the Local Government (Financial Management) Regulations 1996, the Council adopts an interest rate of 3.0% where the owner has elected to pay rates and service charges through an instalment option.
6. That, in accordance with Section 6.45 of the Local Government Act 1995 and Regulation 70 of the Local Government (Financial Management) Regulations 1996, the Council adopts an interest rate of 7% for rates and other charges and costs of proceedings to recover such charges that remain unpaid after becoming due and payable.
7. That, in accordance with Section 67 of the Waste Avoidance and Resources Recovery Act 2007, the Council adopts the following charges for the removal and deposit of domestic and commercial waste:

|  |           |
|--|-----------|
| Residential and Commercial Premises Include one general refuse bin/one recycling bin | \$ 305.00 |
|--|-----------|

8. That, in accordance with Section 5.99 of the Local Government Act 1995 and Regulation 34 of the Local Government (Administration) Regulations 1996, the Council adopts the following annual fees and allowances for elected members:

|   |                   |
|---|-------------------|
| Allowance: Shire President                            | \$6,240 per annum |
| Allowance: Deputy Shire President                     | \$1,560 per annum |
| Councillor – Council meeting (OCM, SCM, and ARC)      | \$210 per meeting |
| Councillor – Shire Committee and external meeting fee | \$105 per meeting |
| Independent Member Sitting fees                       | \$105 per meeting |
| Communications Allowance                              | \$520 per annum   |
| Travel reimbursement per km                           |                   |
| • 1600 cc and under                                   | 0.6510 cents/km   |
| • 1601-2600 cc  | 0.7855 cents/km   |
| • 2601 cc and over                                    | 1.0929 cents/km   |

9. That, in accordance with Section 6.11 of the Local Government Act 1995, the Council adopts transfers/movements to and from Reserve Accounts as detailed in Note 8 of the Statutory Statements.

In Favour: Crs Neil Morrell, Karen Harrington, Graeme Peirce, Robyn Lubcke, Duncan South, Adam Squires and Russell Prowse

Against: Nil

**CARRIED 7/0 BY ABSOLUTE MAJORITY**

**SHIRE OF WEST ARTHUR**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2025**  
**LOCAL GOVERNMENT ACT 1995**  
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**SHIRE OF WEST ARTHUR  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2025**

|   | <b>Note</b> | <b>2024/25<br/>Budget</b> | <b>2023/24<br/>Actual</b> | <b>2023/24<br/>Budget</b> |
|---|-------------|---------------------------|---------------------------|---------------------------|
| <b>Revenue</b>  |             | \$                        | \$                        | \$                        |
| Rates   | 2(a)        | 2,118,003                 | 1,997,367                 | 1,998,156                 |
| Grants, subsidies and contributions   |             | 530,944                   | 1,677,502                 | 417,215                   |
| Fees and charges  | 14          | 353,890                   | 338,311                   | 336,840                   |
| Interest revenue  | 9(a)        | 185,748                   | 204,389                   | 201,900                   |
| Other revenue   |             | 166,640                   | 178,625                   | 109,470                   |
|   |             | <b>3,355,225</b>          | <b>4,396,194</b>          | <b>3,063,581</b>          |
| <b>Expenses</b>   |             |                           |                           |                           |
| Employee costs  |             | (2,222,894)               | (2,147,250)               | (2,169,272)               |
| Materials and contracts   |             | (1,509,750)               | (1,324,388)               | (1,416,780)               |
| Utility charges   |             | (153,690)                 | (139,983)                 | (118,152)                 |
| Depreciation  | 6           | (3,077,887)               | (3,075,045)               | (2,269,487)               |
| Finance costs   | 9(c)        | (25,446)                  | (26,790)                  | (27,016)                  |
| Insurance   |             | (134,430)                 | (122,840)                 | (130,039)                 |
| Other expenditure   |             | (66,300)                  | (102,776)                 | (65,800)                  |
|   |             | <b>(7,190,397)</b>        | <b>(6,939,072)</b>        | <b>(6,196,546)</b>        |
|   |             | <b>(3,835,172)</b>        | <b>(2,542,878)</b>        | <b>(3,132,965)</b>        |
| Capital grants, subsidies and contributions                                       |             | 1,750,780                 | 938,684                   | 1,310,628                 |
| Profit on asset disposals   | 5           | 14,339                    | 196,978                   | 11,124                    |
| Loss on asset disposals   | 5           | (16,137)                  | (14,873)                  | (5,034)                   |
|   |             | <b>1,748,982</b>          | <b>1,120,789</b>          | <b>1,316,718</b>          |
| <b>Net result for the period</b>  |             | <b>(2,086,190)</b>        | <b>(1,422,089)</b>        | <b>(1,816,247)</b>        |
| <b>Other comprehensive income for the period</b>                                  |             |                           |                           |                           |
| <i>Items that will not be reclassified subsequently to profit or loss</i>         |             |                           |                           |                           |
| Changes in asset revaluation surplus  |             | 0                         | 0                         | 0                         |
| Share of comprehensive income of associates accounted for using the equity method |             | 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>(2,086,190)</b>        | <b>(1,422,089)</b>        | <b>(1,816,247)</b>        |

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

**SHIRE OF WEST ARTHUR  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2025**

|  | Note | 2024/25<br>Budget | 2023/24<br>Actual | 2023/24<br>Budget |
|--|------|-------------------|-------------------|-------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                            |      |                   |                   |                   |
| <b>Receipts</b>  |      |                   |                   |                   |
| Rates  |      | \$ 2,135,003      | \$ 1,977,684      | \$ 2,028,156      |
| Grants, subsidies and contributions                                    |      | 470,356           | 1,879,029         | 530,465           |
| Fees and charges   |      | 353,890           | 338,311           | 336,840           |
| Interest revenue   |      | 185,748           | 204,389           | 201,900           |
| Goods and services tax received  |      | 223,000           | 246,402           | 300,000           |
| Other revenue  |      | 166,640           | 178,625           | 109,470           |
|  |      | 3,534,637         | 4,824,440         | 3,506,831         |
| <b>Payments</b>  |      |                   |                   |                   |
| Employee costs   |      | (2,222,894)       | (2,148,229)       | (2,169,272)       |
| Materials and contracts  |      | (1,420,172)       | (1,354,453)       | (1,391,349)       |
| Utility charges  |      | (153,690)         | (139,983)         | (118,152)         |
| Finance costs  |      | (25,446)          | (26,790)          | (27,016)          |
| Insurance paid   |      | (134,430)         | (122,840)         | (130,039)         |
| Goods and services tax paid  |      | (223,000)         | (223,778)         | (270,000)         |
| Other expenditure  |      | (66,300)          | (102,776)         | (65,800)          |
|  |      | (4,245,932)       | (4,118,849)       | (4,171,628)       |
| <b>Net cash provided by (used in) operating activities</b>             | 4    | (711,295)         | 705,591           | (664,797)         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                            |      |                   |                   |                   |
| Payments for purchase of property, plant & equipment                   | 5(a) | (1,684,634)       | (1,005,548)       | (1,419,371)       |
| Payments for construction of infrastructure                            | 5(b) | (1,813,572)       | (1,168,878)       | (1,564,245)       |
| Capital grants, subsidies and contributions                            |      | 1,603,169         | 1,079,545         | 1,310,628         |
| Proceeds from sale of property, plant and equipment                    | 5(a) | 195,000           | 452,205           | 125,000           |
| Proceeds on financial assets at amortised cost - self supporting loans | 7(a) | 31,016            | 30,007            | 30,007            |
| <b>Net cash (used in) investing activities</b>                         |      | (1,669,021)       | (612,669)         | (1,517,981)       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                            |      |                   |                   |                   |
| Repayment of borrowings  | 7(a) | (137,156)         | (124,763)         | (125,119)         |
| Proceeds from new borrowings   | 7(a) | 0                 | 150,000           | 150,000           |
| <b>Net cash provided by (used in) financing activities</b>             |      | (137,156)         | 25,237            | 24,881            |
| <b>Net increase (decrease) in cash held</b>                            |      | (2,517,472)       | 118,159           | (2,157,897)       |
| Cash at beginning of year  |      | 4,375,428         | 4,257,269         | 4,257,269         |
| <b>Cash and cash equivalents at the end of the year</b>                | 4    | <b>1,857,956</b>  | <b>4,375,428</b>  | <b>2,099,372</b>  |

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

**SHIRE OF WEST ARTHUR  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2025**

**OPERATING ACTIVITIES**

**Revenue from operating activities**

|                                     |         |                  |                  |                  |
|-------------------------------------|---------|------------------|------------------|------------------|
| General rates                       | 2(a)(i) | 2,010,668        | 1,901,488        | 1,901,685        |
| Rates excluding general rates       | 2(a)    | 107,335          | 95,879           | 96,471           |
| Grants, subsidies and contributions |         | 530,944          | 1,677,502        | 417,215          |
| Fees and charges                    | 14      | 353,890          | 338,311          | 336,840          |
| Interest revenue                    | 9(a)    | 185,748          | 204,389          | 201,900          |
| Other revenue                       |         | 166,640          | 178,625          | 109,470          |
| Profit on asset disposals           | 5       | 14,339           | 196,978          | 11,124           |
|                                     |         | <b>3,369,564</b> | <b>4,593,172</b> | <b>3,074,705</b> |

**Expenditure from operating activities**

|                         |      |                    |                    |                    |
|-------------------------|------|--------------------|--------------------|--------------------|
| Employee costs          |      | (2,222,894)        | (2,147,250)        | (2,169,272)        |
| Materials and contracts |      | (1,509,750)        | (1,324,388)        | (1,416,780)        |
| Utility charges         |      | (153,690)          | (139,983)          | (118,152)          |
| Depreciation            | 6    | (3,077,887)        | (3,075,045)        | (2,269,487)        |
| Finance costs           | 9(c) | (25,446)           | (26,790)           | (27,016)           |
| Insurance               |      | (134,430)          | (122,840)          | (130,039)          |
| Other expenditure       |      | (66,300)           | (102,776)          | (65,800)           |
| Loss on asset disposals | 5    | (16,137)           | (14,873)           | (5,034)            |
|                         |      | <b>(7,206,534)</b> | <b>(6,953,945)</b> | <b>(6,201,580)</b> |

Non cash amounts excluded from operating activities

|  |      |           |           |           |
|--|------|-----------|-----------|-----------|
|  | 3(c) | 3,079,685 | 2,835,009 | 2,263,397 |
|--|------|-----------|-----------|-----------|

**Amount attributable to operating activities**

|  |  |                  |                |                  |
|--|--|------------------|----------------|------------------|
|  |  | <b>(757,285)</b> | <b>474,236</b> | <b>(863,478)</b> |
|--|--|------------------|----------------|------------------|

**INVESTING ACTIVITIES**

**Inflows from investing activities**

|  |      |                  |                  |                  |
|--|------|------------------|------------------|------------------|
| Capital grants, subsidies and contributions                              |      | 1,750,780        | 938,684          | 1,310,628        |
| Proceeds from disposal of assets   | 5    | 195,000          | 452,205          | 125,000          |
| Proceeds from financial assets at amortised cost - self supporting loans | 7(a) | 31,016           | 30,007           | 30,007           |
|  |      | <b>1,976,796</b> | <b>1,420,896</b> | <b>1,465,635</b> |

**Outflows from investing activities**

|   |      |                    |                    |                    |
|---|------|--------------------|--------------------|--------------------|
| Payments for property, plant and equipment  | 5(a) | (1,684,634)        | (1,005,548)        | (1,419,371)        |
| Payments for construction of infrastructure | 5(b) | (1,813,572)        | (1,168,878)        | (1,564,245)        |
|   |      | <b>(3,498,206)</b> | <b>(2,174,426)</b> | <b>(2,983,616)</b> |

**Amount attributable to investing activities**

|  |  |                    |                  |                    |
|--|--|--------------------|------------------|--------------------|
|  |  | <b>(1,521,410)</b> | <b>(753,530)</b> | <b>(1,517,981)</b> |
|--|--|--------------------|------------------|--------------------|

**FINANCING ACTIVITIES**

**Inflows from financing activities**

|                                 |      |                  |                  |                  |
|---------------------------------|------|------------------|------------------|------------------|
| Proceeds from new borrowings    | 7(a) | 0                | 150,000          | 150,000          |
| Transfers from reserve accounts | 8(a) | 1,469,241        | 855,747          | 1,146,546        |
|                                 |      | <b>1,469,241</b> | <b>1,005,747</b> | <b>1,296,546</b> |

**Outflows from financing activities**

|                               |      |                  |                    |                  |
|-------------------------------|------|------------------|--------------------|------------------|
| Repayment of borrowings       | 7(a) | (137,156)        | (124,763)          | (125,119)        |
| Transfers to reserve accounts | 8(a) | (479,505)        | (929,514)          | (478,654)        |
|                               |      | <b>(616,661)</b> | <b>(1,054,277)</b> | <b>(603,773)</b> |

**Amount attributable to financing activities**

|  |  |                |                 |                |
|--|--|----------------|-----------------|----------------|
|  |  | <b>852,580</b> | <b>(48,530)</b> | <b>692,773</b> |
|--|--|----------------|-----------------|----------------|

**MOVEMENT IN SURPLUS OR DEFICIT**

|  |   |             |                  |             |
|--|---|-------------|------------------|-------------|
| <b>Surplus at the start of the financial year</b>                        | 3 | 1,426,115   | 1,753,939        | 1,688,686   |
| Amount attributable to operating activities                              |   | (757,285)   | 474,236          | (863,478)   |
| Amount attributable to investing activities                              |   | (1,521,410) | (753,530)        | (1,517,981) |
| Amount attributable to financing activities                              |   | 852,580     | (48,530)         | 692,773     |
| <b>Surplus/(deficit) remaining after the imposition of general rates</b> | 3 | <b>0</b>    | <b>1,426,115</b> | <b>0</b>    |

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

**SHIRE OF WEST ARTHUR  
FOR THE YEAR ENDED 30 JUNE 2025  
INDEX OF NOTES TO THE BUDGET**

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

**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 11 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 WEST ARTHUR  
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 |
|---|--------------------|----------------|----------------------|--------------------|-------------------------------|--------------------------------|--------------------------------|------------------------------|------------------------------|
|   |                    | \$             |                      | \$                 | \$                            | \$                             | \$                             | \$                           | \$                           |
| <b>(i) General rates</b>                        |                    |                |                      |                    |                               |                                |                                |                              |                              |
| GRV Townsite                                    |                    | 0.088276       | 85                   | 744,156            | 65,691                        |                                | 65,691                         | 61,973                       | 61,973                       |
| GRV Commercial                                  |                    | 0.088276       | 12                   | 232,024            | 20,482                        |                                | 20,482                         | 19,951                       | 19,951                       |
| GRV Industrial                                  |                    | 0.088276       | 7                    | 112,580            | 9,938                         |                                | 9,938                          | 9,376                        | 9,376                        |
| GRV Other Townsite                              |                    | 0.088276       | 15                   | 95,888             | 8,465                         |                                | 8,465                          | 7,986                        | 7,986                        |
| UV Rural  |                    | 0.003254       | 366                  | 585,789,000        | 1,906,092                     |                                | 1,906,092                      | 1,802,202                    | 1,802,399                    |
| <b>Total general rates</b>                      |                    |                | <b>485</b>           | <b>586,953,648</b> | <b>2,010,668</b>              | <b>0</b>                       | <b>2,010,668</b>               | <b>1,901,488</b>             | <b>1,901,685</b>             |
| <b>(ii) Minimum payment</b>                     |                    |                |                      |                    |                               |                                |                                |                              |                              |
|   |                    | <b>Minimum</b> |                      |                    |                               |                                |                                |                              |                              |
|   |                    | <b>\$</b>      |                      |                    |                               |                                |                                |                              |                              |
| GRV Townsite                                    |                    | 632.00         | 47                   | 179,944            | 29,704                        |                                | 29,704                         | 28,059                       | 28,059                       |
| GRV Commercial                                  |                    | 632.00         | 9                    | 22,440             | 5,688                         |                                | 5,688                          | 5,373                        | 5,373                        |
| GRV Industrial                                  |                    | 632.00         | 3                    | 9,690              | 1,896                         |                                | 1,896                          | 1,791                        | 1,791                        |
| GRV Other Townsite                              |                    | 442.00         | 19                   | 20,820             | 8,398                         |                                | 8,398                          | 7,923                        | 7,923                        |
| UV Rural  |                    | 632.00         | 69                   | 9,599,800          | 43,608                        |                                | 43,608                         | 35,820                       | 35,820                       |
| UV Industrial                                   |                    | 632.00         | 5                    | 227,000            | 3,160                         |                                | 3,160                          | 2,985                        | 2,985                        |
| UV Mining                                       |                    | 632.00         | 17                   | 182,914            | 10,744                        |                                | 10,744                         | 9,998                        | 10,748                       |
| <b>Total minimum payments</b>                   |                    |                | <b>169</b>           | <b>10,242,608</b>  | <b>103,198</b>                | <b>0</b>                       | <b>103,198</b>                 | <b>91,949</b>                | <b>92,697</b>                |
| <b>Total general rates and minimum payments</b> |                    |                | <b>654</b>           | <b>597,196,256</b> | <b>2,113,866</b>              | <b>0</b>                       | <b>2,113,866</b>               | <b>1,993,437</b>             | <b>1,994,382</b>             |
| <b>(iii) Ex-gratia rates</b>                    |                    |                |                      |                    |                               |                                |                                |                              |                              |
| Ex-gratia rates                                 |                    |                |                      |                    | 4,137                         | 0                              | 4,137                          | 3,930                        | 3,774                        |
|   |                    |                |                      |                    | <b>2,118,003</b>              | <b>0</b>                       | <b>2,118,003</b>               | <b>1,997,367</b>             | <b>1,998,156</b>             |
| <b>Total rates</b>                              |                    |                |                      |                    | <b>2,118,003</b>              | <b>0</b>                       | <b>2,118,003</b>               | <b>1,997,367</b>             | <b>1,998,156</b>             |

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 WEST ARTHUR  
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)**

|                     |           |   |       |       |
|---------------------|-----------|---|-------|-------|
| Single full payment | 1/11/2024 | 0 | 3.00% | 7.00% |
|---------------------|-----------|---|-------|-------|

**Option 2 (Four Instalments)**

|                   |            |   |       |       |
|-------------------|------------|---|-------|-------|
| First instalment  | 1/11/2024  | 0 | 3.00% | 7.00% |
| Second instalment | 31/12/2024 | 7 | 3.00% | 7.00% |
| Third instalment  | 3/03/2025  | 7 | 3.00% | 7.00% |
| Fourth instalment | 2/05/2025  | 7 | 3.00% | 7.00% |

|   | <b>2024/25<br/>Budget<br/>revenue</b> | <b>2023/24<br/>Actual<br/>revenue</b> | <b>2023/24<br/>Budget<br/>revenue</b> |
|---|---------------------------------------|---------------------------------------|---------------------------------------|
|   | \$                                    | \$                                    | \$                                    |
| Instalment plan admin charge revenue            | 3,500                                 | 1,143                                 | 750                                   |
| Instalment plan interest earned                 | 1,800                                 | 2,124                                 | 1,800                                 |
| Unpaid rates and service charge interest earned | 17,700                                | 19,223                                | 15,200                                |
|   | <b>23,000</b>                         | <b>22,490</b>                         | <b>17,750</b>                         |

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

**2. RATES AND SERVICE CHARGES (CONTINUED)**

**(c) Service Charges**

The Shire did not raise service charges for the year ended 30th June 2025.

**(d) Waivers or concessions**

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2025.

**SHIRE OF WEST ARTHUR**  
**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**

**Current assets**

Cash and cash equivalents  
 Financial assets  
 Receivables  
 Inventories  
 Other assets

**Less: current liabilities**

Trade and other payables  
 Contract liabilities  
 Capital grant/contribution liability  
 Long term borrowings  
 Employee provisions

**Net current assets**

**Less: Total adjustments to net current assets**

**Net current assets used in the Statement of Financial Activity**

**(b) 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 Statement of Financial Activity 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 - reserve accounts  
 Less: Current assets not expected to be received at end of year  
 - Current financial assets at amortised cost - self supporting loans  
 Add: Current liabilities not expected to be cleared at end of year  
 - Current portion of borrowings  
 - Employee benefit provisions

**Total adjustments to net current assets**

| Note | 2024/25<br>Budget<br>30 June 2025 | 2023/24<br>Actual<br>30 June 2024 | 2023/24<br>Budget<br>30 June 2024 |
|------|-----------------------------------|-----------------------------------|-----------------------------------|
|      | \$                                | \$                                | \$                                |
| 4    | 1,857,956                         | 4,375,428                         | 2,099,372                         |
|      | 31,016                            | 31,016                            | 31,016                            |
|      | 197,081                           | 214,081                           | 178,809                           |
|      | 18,855                            | 21,855                            | 13,485                            |
|      | 11,579                            | 91,157                            | 0                                 |
|      | 2,116,487                         | 4,733,537                         | 2,322,682                         |
|      | (310,130)                         | (303,130)                         | (260,094)                         |
|      | 0                                 | (60,588)                          | 0                                 |
|      | 0                                 | (147,611)                         | 0                                 |
| 7    | (92,358)                          | (137,156)                         | (135,795)                         |
|      | (309,447)                         | (309,447)                         | (316,845)                         |
|      | (711,935)                         | (957,932)                         | (712,734)                         |
|      | 1,404,552                         | 3,775,605                         | 1,609,948                         |
| 3(b) | (1,404,552)                       | (2,349,490)                       | (1,609,948)                       |
|      | 0                                 | 1,426,115                         | 0                                 |
| 8    | (1,838,909)                       | (2,828,645)                       | (2,086,986)                       |
|      | (31,016)                          | (31,016)                          | (31,016)                          |
|      | 92,358                            | 137,156                           | 135,795                           |
|      | 373,015                           | 373,015                           | 372,259                           |
|      | (1,404,552)                       | (2,349,490)                       | (1,609,948)                       |

**SHIRE OF WEST ARTHUR**  
**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

Add: Loss on asset disposals

Add: Depreciation

Movement in assets held for sale

Movement in accrued wages

**Non cash amounts excluded from operating activities**

| Note | 2024/25<br>Budget<br>30 June 2025 | 2023/24<br>Actual<br>30 June 2024 | 2023/24<br>Budget<br>30 June 2024 |
|------|-----------------------------------|-----------------------------------|-----------------------------------|
|      | \$                                | \$                                | \$                                |
| 5    | (14,339)                          | (196,978)                         | (11,124)                          |
| 5    | 16,137                            | 14,873                            | 5,034                             |
| 6    | 3,077,887                         | 3,075,045                         | 2,269,487                         |
|      | 0                                 | (65,107)                          | 0                                 |
|      | 0                                 | 7,176                             | 0                                 |
|      | <b>3,079,685</b>                  | <b>2,835,009</b>                  | <b>2,263,397</b>                  |

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

**3. NET CURRENT ASSETS**

**(d) 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.

**SHIRE OF WEST ARTHUR  
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<br>Budget | 2023/24<br>Actual | 2023/24<br>Budget |
|--|-------------------|-------------------|-------------------|
|  | \$                | \$                | \$                |
| Cash at bank and on hand   | 1,857,956         | 4,375,428         | 2,099,372         |
| <b>Total cash and cash equivalents</b>   | 1,857,956         | 4,375,428         | 2,099,372         |
| Held as  |                   |                   |                   |
| - Unrestricted cash and cash equivalents   | 19,047            | 1,399,172         | 12,386            |
| - Restricted cash and cash equivalents   | 1,838,909         | 2,976,256         | 2,086,986         |
| 3(a)   | 1,857,956         | 4,375,428         | 2,099,372         |
| <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  | 1,838,909         | 2,976,256         | 2,086,986         |
|  | 1,838,909         | 2,976,256         | 2,086,986         |
| The assets are restricted as a result of the specified purposes associated with the liabilities below:   |                   |                   |                   |
| Reserve accounts   | 8                 | 1,838,909         | 2,828,645         |
| Unspent capital grants, subsidies and contribution liabilities   |                   | 0                 | 147,611           |
|  |                   | 1,838,909         | 2,976,256         |
|  |                   | 2,976,256         | 2,086,986         |
| <b>Reconciliation of net cash provided by operating activities to net result</b>   |                   |                   |                   |
| <b>Net result</b>  | (2,086,190)       | (1,422,089)       | (1,816,247)       |
| Depreciation   | 6                 | 3,077,887         | 3,075,045         |
| (Profit)/loss on sale of asset   | 5                 | 1,798             | (182,105)         |
| (Increase)/decrease in receivables   |                   | 17,000            | 144,466           |
| (Increase)/decrease in inventories   |                   | 3,000             | (6,870)           |
| (Increase)/decrease in other assets  |                   | 79,578            | (91,157)          |
| Increase/(decrease) in payables  |                   | 7,000             | 67,962            |
| Increase/(decrease) in contract liabilities  |                   | (60,588)          | 60,002            |
| Increase/(decrease) in unspent capital grants  |                   | (147,611)         | 140,861           |
| Increase/(decrease) in employee provisions   |                   | 0                 | (979)             |
| Capital grants, subsidies and contributions  |                   | (1,603,169)       | (1,079,545)       |
| <b>Net cash from operating activities</b>  |                   | (711,295)         | 705,591           |
|  |                   |                   | (664,797)         |

**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 WEST ARTHUR  
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 |
| <b>(a) Property, Plant and Equipment</b> | \$               | \$                         | \$                        | \$                 | \$               | \$               | \$                         | \$                        | \$                 | \$               | \$               | \$                         | \$                        | \$                 | \$               |
| Land - freehold land                     | 203,765          | (64,059)                   | 50,000                    | 0                  | (14,059)         | 39,397           | 0                          | 0                         | 0                  | 0                | 120,620          | (46,000)                   | 50,000                    | 4,000              | 0                |
| Buildings - non-specialised              | 241,106          | 0                          | 0                         | 0                  | 0                | 496,986          | 0                          | 0                         | 0                  | 0                | 606,000          | 0                          | 0                         | 0                  | 0                |
| Buildings - specialised                  | 0                | 0                          | 0                         | 0                  | 0                | 18,134           | 0                          | 0                         | 0                  | 0                | 25,000           | 0                          | 0                         | 0                  | 0                |
| Furniture and equipment                  | 78,647           | 0                          | 0                         | 0                  | 0                | 133,892          | 0                          | 0                         | 0                  | 0                | 188,000          | 0                          | 0                         | 0                  | 0                |
| Plant and equipment                      | 1,161,116        | (132,739)                  | 145,000                   | 14,339             | (2,078)          | 317,139          | (270,100)                  | 452,205                   | 196,978            | (14,873)         | 479,751          | (72,910)                   | 75,000                    | 7,124              | (5,034)          |
| <b>Total</b>                             | <b>1,684,634</b> | <b>(196,798)</b>           | <b>195,000</b>            | <b>14,339</b>      | <b>(16,137)</b>  | <b>1,005,548</b> | <b>(270,100)</b>           | <b>452,205</b>            | <b>196,978</b>     | <b>(14,873)</b>  | <b>1,419,371</b> | <b>(118,910)</b>           | <b>125,000</b>            | <b>11,124</b>      | <b>(5,034)</b>   |
| <b>(b) Infrastructure</b>                |                  |                            |                           |                    |                  |                  |                            |                           |                    |                  |                  |                            |                           |                    |                  |
| Infrastructure - roads                   | 1,577,058        | 0                          | 0                         | 0                  | 0                | 1,084,796        | 0                          | 0                         | 0                  | 0                | 1,153,551        | 0                          | 0                         | 0                  | 0                |
| Infrastructure - Other                   | 236,514          | 0                          | 0                         | 0                  | 0                | 84,082           | 0                          | 0                         | 0                  | 0                | 410,694          | 0                          | 0                         | 0                  | 0                |
| <b>Total</b>                             | <b>1,813,572</b> | <b>0</b>                   | <b>0</b>                  | <b>0</b>           | <b>0</b>         | <b>1,168,878</b> | <b>0</b>                   | <b>0</b>                  | <b>0</b>           | <b>0</b>         | <b>1,564,245</b> | <b>0</b>                   | <b>0</b>                  | <b>0</b>           | <b>0</b>         |
| <b>Total</b>                             | <b>3,498,206</b> | <b>(196,798)</b>           | <b>195,000</b>            | <b>14,339</b>      | <b>(16,137)</b>  | <b>2,174,426</b> | <b>(270,100)</b>           | <b>452,205</b>            | <b>196,978</b>     | <b>(14,873)</b>  | <b>2,983,616</b> | <b>(118,910)</b>           | <b>125,000</b>            | <b>11,124</b>      | <b>(5,034)</b>   |

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 WEST ARTHUR  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2025**

**6. DEPRECIATION**

**By Class**

|                                 |
|---------------------------------|
| Buildings - non-specialised     |
| Buildings - specialised         |
| Furniture and equipment         |
| Plant and equipment             |
| Infrastructure - roads          |
| Other infrastructure [describe] |
| Other infrastructure [describe] |

**By Program**

|                             |
|-----------------------------|
| Governance                  |
| General purpose funding     |
| Law, order, public safety   |
| Health                      |
| Housing                     |
| Community amenities         |
| Recreation and culture      |
| Transport                   |
| Economic services           |
| Other property and services |

|                                 | 2024/25<br>Budget | 2023/24<br>Actual | 2023/24<br>Budget |
|---------------------------------|-------------------|-------------------|-------------------|
|                                 | \$                | \$                | \$                |
| Buildings - non-specialised     | 34,726            | 31,880            | 34,726            |
| Buildings - specialised         | 216,121           | 203,443           | 212,802           |
| Furniture and equipment         | 6,373             | 7,482             | 5,937             |
| Plant and equipment             | 375,099           | 386,672           | 375,077           |
| Infrastructure - roads          | 1,763,490         | 1,763,490         | 1,003,050         |
| Other infrastructure [describe] | 182,237           | 182,237           | 138,054           |
| Other infrastructure [describe] | 499,841           | 499,841           | 499,841           |
|                                 | <b>3,077,887</b>  | <b>3,075,045</b>  | <b>2,269,487</b>  |
| Governance                      | 0                 | 2,032             | 0                 |
| General purpose funding         | 437               | 0                 | 0                 |
| Law, order, public safety       | 78,313            | 71,901            | 78,313            |
| Health                          | 44,700            | 41,036            | 50,655            |
| Housing                         | 11,892            | 10,918            | 11,892            |
| Community amenities             | 8,053             | 7,935             | 16,046            |
| Recreation and culture          | 270,390           | 264,140           | 227,007           |
| Transport                       | 2,286,284         | 2,286,661         | 1,519,129         |
| Economic services               | 35,744            | 34,056            | 24,394            |
| Other property and services     | 342,074           | 356,366           | 342,051           |
|                                 | <b>3,077,887</b>  | <b>3,075,045</b>  | <b>2,269,487</b>  |

**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                                | 30 to 100 years |
| Furniture and equipment                  | 4 to 10 years   |
| Plant and equipment                      | 5 to 15 years   |
| Sealed roads and streets                 |                 |
| formation                                | not depreciated |
| pavement                                 | 70 years        |
| seal                                     |                 |
| bituminous seals                         | 15 to 25 years  |
| asphalt surfaces                         | 15 to 25 years  |
| Gravel roads                             |                 |
| formation                                | not depreciated |
| pavement                                 | 50 years        |
| gravel sheeting                          | 10 to 15 years  |
| Formed roads (unsealed)                  |                 |
| formation                                | not depreciated |
| pavement                                 | 50 years        |
| Footpaths - slab                         | 20 years        |
| Sewerage piping                          | 100 years       |
| Water supply piping and drainage systems | 75 years        |
| Bridges                                  | 60 to 90 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 life 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 WEST ARTHUR  
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<br>1 July 2024 | Budget<br>New<br>Loans | Budget<br>Principal<br>Repayments | Principal<br>outstanding<br>30 June 2025 | Budget<br>Interest<br>Repayments | Principal<br>1 July 2023 | Actual<br>New<br>Loans | Actual<br>Principal<br>Repayments | Principal<br>outstanding<br>30 June 2024 | Actual<br>Interest<br>Repayments | Principal<br>1 July 2023 | Budget<br>New<br>Loans | Budget<br>Principal<br>Repayments | Principal<br>outstanding<br>30 June 2024 | Budget<br>Interest<br>Repayments |
|                              |             |             |               | \$                       | \$                     | \$                                | \$                                       | \$                               | \$                       | \$                     | \$                                | \$                                       | \$                               | \$                       | \$                     | \$                                | \$                                       | \$                               |
| GROH Housing                 | 70          | WATC        | 6.6%          | 42,521                   | 0                      | (42,521)                          | 0  | (1,402)                          | 96,079                   | 0                      | (53,558)                          | 42,521                                   | (5,003)                          | 96,079                   | 0                      | (53,558)                          | 42,521                                   | (5,003)                          |
| Industrial Land              | 72          | WATC        | 3.3%          | 17,109                   | 0                      | (11,312)                          | 5,797                                    | (421)                            | 28,059                   | 0                      | (10,950)                          | 17,109                                   | (784)                            | 28,059                   | 0                      | (10,950)                          | 17,109                                   | (784)                            |
| ERP                          | 75          | WATC        | 4.1%          | 143,575                  | 0                      | (27,518)                          | 116,057                                  | (5,940)                          | 0                        | 150,000                | (6,425)                           | 143,575                                  | (1,345)                          | 0                        | 150,000                | (6,781)                           | 143,219                                  | (1,571)                          |
| Loader                       | 74          | WATC        | 4.0%          | 228,923                  | 0                      | (24,789)                          | 204,134                                  | (8,791)                          | 252,746                  | 0                      | (23,823)                          | 228,923                                  | (9,758)                          | 252,746                  | 0                      | (23,823)                          | 228,923                                  | (9,758)                          |
|                              |             |             |               | 432,128                  | 0                      | (106,140)                         | 325,988                                  | (16,554)                         | 376,884                  | 150,000                | (94,756)                          | 432,128                                  | (16,890)                         | 376,884                  | 150,000                | (95,112)                          | 431,772                                  | (17,116)                         |
| <b>Self Supporting Loans</b> |             |             |               |                          |                        |                                   |  |                                  |                          |                        |                                   |  |                                  |                          |                        |                                   |  |                                  |
| WA Cottage Homes             | 73          | WATC        | 3.3%          | 279,367                  | 0                      | (31,016)                          | 248,351                                  | (8,892)                          | 309,374                  | 0                      | (30,007)                          | 279,367                                  | (9,900)                          | 309,374                  | 0                      | (30,007)                          | 279,367                                  | (9,900)                          |
|                              |             |             |               | 279,367                  | 0                      | (31,016)                          | 248,351                                  | (8,892)                          | 309,374                  | 0                      | (30,007)                          | 279,367                                  | (9,900)                          | 309,374                  | 0                      | (30,007)                          | 279,367                                  | (9,900)                          |
|                              |             |             |               | 711,495                  | 0                      | (137,156)                         | 574,339                                  | (25,446)                         | 686,258                  | 150,000                | (124,763)                         | 711,495                                  | (26,790)                         | 686,258                  | 150,000                | (125,119)                         | 711,139                                  | (27,016)                         |

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.  
The self supporting loan(s) repayment will be fully reimbursed.

**SHIRE OF WEST ARTHUR  
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**

The Shire had no unspent borrowing funds as at 30th June 2024 nor is it expected to have unspent borrowing funds as at 30th June 2025.

**(d) Credit Facilities**

|   | 2024/25<br>Budget | 2023/24<br>Actual | 2023/24<br>Budget |
|---|-------------------|-------------------|-------------------|
|   | \$                | \$                | \$                |
| <b>Undrawn borrowing facilities<br/>credit standby arrangements</b> |                   |                   |                   |
| Bank overdraft limit  | 150,000           | 150,000           | 150,000           |
| Bank overdraft at balance date                                      | 0                 | 0                 | 0                 |
| Credit card limit   | 15,000            | 15,000            | 15,000            |
| Credit card balance at balance date                                 | 0                 | 5,336             | (6,089)           |
| <b>Total amount of credit unused</b>                                | <b>165,000</b>    | <b>170,336</b>    | <b>158,911</b>    |
| <b>Loan facilities</b>  |                   |                   |                   |
| Loan facilities in use at balance date                              | 574,339           | 711,495           | 711,139           |

**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 WEST ARTHUR  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2025**

**8. 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 |
|  | \$              | \$          | \$              | \$              | \$              | \$          | \$              | \$              | \$              | \$          | \$              | \$              |
| <b>Restricted by council</b>                 |                 |             |                 |                 |                 |             |                 |                 |                 |             |                 |                 |
| (a) Leave Reserve                            | 131,460         | 5,686       | 0               | 137,146         | 125,105         | 6,355       | 0               | 131,460         | 125,105         | 5,972       | 0               | 131,077         |
| (b) Plant Reserve                            | 1,037,504       | 344,878     | (1,007,116)     | 375,266         | 556,752         | 751,299     | (270,547)       | 1,037,504       | 556,751         | 326,576     | (376,926)       | 506,401         |
| (c) Building Reserve                         | 176,231         | 7,623       | (179,106)       | 4,748           | 691,759         | 34,672      | (550,200)       | 176,231         | 691,759         | 33,021      | (694,620)       | 30,160          |
| (d) Town Development Reserve                 | 1,658           | 72          | 0               | 1,730           | 1,578           | 80          | 0               | 1,658           | 1,578           | 75          | 0               | 1,653           |
| (e) Recreation Reserve                       | 177,182         | 7,664       | (143,019)       | 41,827          | 168,617         | 8,565       | 0               | 177,182         | 168,617         | 8,049       | 0               | 176,666         |
| (f) Heritage Reserve                         | 7,047           | 455         | 0               | 7,502           | 6,564           | 483         | 0               | 7,047           | 6,563           | 463         | 0               | 7,026           |
| (g) Community Housing Reserve                | 200,920         | 9,691       | (50,000)        | 160,611         | 191,208         | 9,712       | 0               | 200,920         | 191,208         | 10,127      | (1,000)         | 200,335         |
| (h) Waste Management Reserve                 | 122,945         | 5,318       | 0               | 128,263         | 117,002         | 5,943       | 0               | 122,945         | 117,002         | 5,585       | (35,000)        | 87,587          |
| (i) Darkan Swimming Pool Reserve             | 63,662          | 7,754       | (30,000)        | 41,416          | 55,826          | 7,836       | 0               | 63,662          | 55,826          | 7,665       | 0               | 63,491          |
| (j) Information Technology Reserve           | 35,654          | 1,542       | 0               | 37,196          | 57,723          | 2,931       | (25,000)        | 35,654          | 57,723          | 2,755       | (25,000)        | 35,478          |
| (k) Darkan Sport and Community Centre Reser  | 240,632         | 50,409      | 0               | 291,041         | 184,875         | 55,757      | 0               | 240,632         | 184,875         | 38,825      | 0               | 223,700         |
| (l) Arthur River Country Club Reserve        | 55,871          | 8,417       | 0               | 64,288          | 47,461          | 8,410       | 0               | 55,871          | 47,461          | 8,266       | 0               | 55,727          |
| (m) Museum Reserve                           | 134,654         | 5,825       | (5,000)         | 135,479         | 132,904         | 6,750       | (5,000)         | 134,654         | 132,904         | 6,344       | (5,000)         | 134,248         |
| (n) Moodiarrup Sports Club Reserve           | 28,281          | 6,223       | 0               | 34,504          | 22,156          | 6,125       | 0               | 28,281          | 22,156          | 6,058       | 0               | 28,214          |
| (o) Landcare Reserve                         | 25,543          | 1,105       | (5,000)         | 21,648          | 29,067          | 1,476       | (5,000)         | 25,543          | 29,067          | 1,388       | (5,000)         | 25,455          |
| (p) Corporate Planning and Valuation Reserve | 4,829           | 209         | 0               | 5,038           | 4,596           | 233         | 0               | 4,829           | 4,596           | 219         | 0               | 4,815           |
| (q) Kids Central Reserve                     | 7,866           | 340         | 0               | 8,206           | 7,088           | 778         | 0               | 7,866           | 7,088           | 338         | (2,000)         | 5,426           |
| (r) The Shed Reserve                         | 14,130          | 611         | 0               | 14,741          | 13,103          | 1,027       | 0               | 14,130          | 13,103          | 625         | 0               | 13,728          |
| (s) Recreation Trails Reserve                | 2,712           | 117         | 0               | 2,829           | 1,257           | 1,455       | 0               | 2,712           | 1,258           | 60          | 0               | 1,318           |
| (t) Community Gym Reserve                    | 11,336          | 490         | 0               | 11,826          | 8,558           | 2,778       | 0               | 11,336          | 8,558           | 409         | (2,000)         | 6,967           |
| (u) Economic Development Reserve             | 94,451          | 4,086       | (50,000)        | 48,537          | 89,885          | 4,566       | 0               | 94,451          | 89,885          | 4,291       | 0               | 94,176          |
| (v) Road Reserve                             | 254,077         | 10,990      | 0               | 265,067         | 241,794         | 12,283      | 0               | 254,077         | 241,795         | 11,543      | 0               | 253,338         |
|  | 2,828,645       | 479,505     | (1,469,241)     | 1,838,909       | 2,754,878       | 929,514     | (855,747)       | 2,828,645       | 2,754,878       | 478,654     | (1,146,546)     | 2,086,986       |

**(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) Leave Reserve                            | Ongoing                 | To be used to fund long service leave and annual leave requirements                       |
| (b) Plant Reserve                            | Ongoing                 | To be used for the purchase of major plant  |
| (c) Building Reserve                         | Ongoing                 | To be used for the construction and maintenance of Council buildings                      |
| (d) Town Development Reserve                 | Ongoing                 | To be used to enhance town infrastructure   |
| (e) Recreation Reserve                       | Ongoing                 | To be used to enhance recreation infrastructure   |
| (f) Heritage Reserve                         | Ongoing                 | To be used to maintain and improve the heritage buildings of the Shire                    |
| (g) Community Housing Reserve                | Ongoing                 | To be used for the maintenance and provision of housing within the Shire                  |
| (h) Waste Management Reserve                 | Ongoing                 | To be used to assist with funding future infrastructure requirements for waste management |
| (i) Darkan Swimming Pool Reserve             | Ongoing                 | To be used to assist with funding works at the Darkan swimming pool                       |
| (j) Information Technology Reserve           | Ongoing                 | To be used for upgrades to computers and office equipment                                 |
| (k) Darkan Sport and Community Centre Reser  | Ongoing                 | To be used to maintain and improve the Darkan Sport and Community Centre                  |
| (l) Arthur River Country Club Reserve        | Ongoing                 | To be used to maintain and improve the Arthur River Country Club                          |
| (m) Museum Reserve                           | Ongoing                 | To be used to maintain and to provide new displays in the Museum                          |
| (n) Moodiarrup Sports Club Reserve           | Ongoing                 | To be used to maintain and improve the Moodiarrup Sports Club Reserve                     |
| (o) Landcare Reserve                         | Ongoing                 | To be used to fund the landcare expenditure of the Shire                                  |
| (p) Corporate Planning and Valuation Reserve | Ongoing                 | To be used to fund the corporate planning and valuation expenditure of the Shire          |
| (q) Kids Central Reserve                     | Ongoing                 | To be used to fund the renewal of equipment and infrastructure                            |
| (r) The Shed Reserve                         | Ongoing                 | To be used to fund the renewal of equipment and infrastructure                            |
| (s) Recreation Trails Reserve                | Ongoing                 | To be used for the construction and maintenance of recreation trails                      |
| (t) Community Gym Reserve                    | Ongoing                 | To be used for the renewal of gym equipment and activities                                |
| (u) Economic Development Reserve             | Ongoing                 | To be used for economic development initiatives that benefit the Shire                    |
| (v) Road Reserve                             | Ongoing                 | To be used to fund road improvements or urgent repairs                                    |

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

**9. OTHER INFORMATION**

|  | <b>2024/25<br/>Budget</b> | <b>2023/24<br/>Actual</b> | <b>2023/24<br/>Budget</b> |
|--|---------------------------|---------------------------|---------------------------|
| <b>The net result includes as revenues</b>   | \$                        | \$                        | \$                        |
| <b>(a) Interest earnings</b>                 |                           |                           |                           |
| Investments                                  | 166,248                   | 183,042                   | 184,900                   |
| Other interest revenue                       | 19,500                    | 21,347                    | 17,000                    |
|  | 185,748                   | 204,389                   | 201,900                   |
| <b>The net result includes as expenses</b>   |                           |                           |                           |
| <b>(b) Auditors remuneration</b>             |                           |                           |                           |
| Audit services                               | 47,000                    | 33,390                    | 33,600                    |
|  | 47,000                    | 33,390                    | 33,600                    |
| <b>(c) Interest expenses (finance costs)</b> |                           |                           |                           |
| Borrowings (refer Note 7(a))                 | 25,446                    | 26,790                    | 27,016                    |
|  | 25,446                    | 26,790                    | 27,016                    |

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

**10. ELECTED MEMBERS REMUNERATION**

|  | 2024/25<br>Budget | 2023/24<br>Actual | 2023/24<br>Budget |
|--|-------------------|-------------------|-------------------|
|  | \$                | \$                | \$                |
| <b>Cr Neil Morrell</b>                   |                   |                   |                   |
| President's allowance                    | 6,240             | 6,000             | 6,000             |
| Meeting attendance fees                  | 4,700             | 4,600             | 4,200             |
| Annual allowance for ICT expenses        | 500               | 500               | 500               |
| Travel and accommodation expenses        | 1,900             | 1,881             | 1,220             |
|  | 13,340            | 12,981            | 11,920            |
| <b>Cr Graeme Peirce</b>                  |                   |                   |                   |
| Deputy President's allowance             | 0                 | 481               | 1,500             |
| Meeting attendance fees                  | 3,000             | 2,900             | 3,000             |
| Annual allowance for ICT expenses        | 500               | 500               | 500               |
| Travel and accommodation expenses        | 1,100             | 1,076             | 694               |
|  | 4,600             | 4,957             | 5,694             |
| <b>Cr Adam Squires</b>                   |                   |                   |                   |
| Meeting attendance fees                  | 2,650             | 2,500             | 2,500             |
| Annual allowance for ICT expenses        | 500               | 500               | 500               |
|  | 3,150             | 3,000             | 3,000             |
| <b>Cr Neil Manuel</b>                    |                   |                   |                   |
| Meeting attendance fees                  | 0                 | 400               | 2,700             |
| Annual allowance for ICT expenses        | 0                 | 125               | 500               |
| Travel and accommodation expenses        | 0                 | 91                | 365               |
|  | 0                 | 616               | 3,565             |
| <b>Cr Karen Harrington</b>               |                   |                   |                   |
| Deputy President's allowance             | 1,560             | 1,019             | 0                 |
| Meeting attendance fees                  | 5,750             | 5,700             | 3,100             |
| Annual allowance for ICT expenses        | 500               | 500               | 500               |
| Travel and accommodation expenses        | 500               | 435               | 251               |
|  | 8,310             | 7,654             | 3,851             |
| <b>Cr Robyn Lubcke</b>                   |                   |                   |                   |
| Meeting attendance fees                  | 3,600             | 3,500             | 3,200             |
| Annual allowance for ICT expenses        | 500               | 500               | 500               |
| Travel and accommodation expenses        | 900               | 840               | 732               |
|  | 5,000             | 4,840             | 4,432             |
| <b>Cr Duncan South</b>                   |                   |                   |                   |
| Meeting attendance fees                  | 2,650             | 2,400             | 2,600             |
| Annual allowance for ICT expenses        | 500               | 500               | 500               |
| Travel and accommodation expenses        | 300               | 219               | 238               |
|  | 3,450             | 3,119             | 3,338             |
| <b>Cr Lucy Hall</b>                      |                   |                   |                   |
| Meeting attendance fees                  | 0                 | 1,200             | 0                 |
| Annual allowance for ICT expenses        | 0                 | 235               | 0                 |
| Travel and accommodation expenses        | 0                 | 305               | 0                 |
|  | 0                 | 1,740             | 0                 |
| <b>Cr Russell Prowse</b>                 |                   |                   |                   |
| Meeting attendance fees                  | 2,650             | 0                 | 0                 |
| Annual allowance for ICT expenses        | 500               | 0                 | 0                 |
| Travel and accommodation expenses        | 300               | 0                 | 0                 |
|  | 3,450             | 0                 | 0                 |
| <b>Total Elected Member Remuneration</b> | 41,300            | 38,907            | 35,800            |
| President's allowance                    | 6,240             | 6,000             | 6,000             |
| Deputy President's allowance             | 1,560             | 1,500             | 1,500             |
| Meeting attendance fees                  | 25,000            | 23,200            | 21,300            |
| Annual allowance for ICT expenses        | 3,500             | 3,360             | 3,500             |
| Travel and accommodation expenses        | 5,000             | 4,847             | 3,500             |
|  | 41,300            | 38,907            | 35,800            |

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

**11. 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:

| <b>Detail</b>                  | <b>Balance<br/>30 June 2024</b> | <b>Estimated<br/>amounts<br/>received</b> | <b>Estimated<br/>amounts<br/>paid</b> | <b>Estimated<br/>balance<br/>30 June 2025</b> |
|--------------------------------|---------------------------------|---|---------------------------------------|---|
|                                | \$                              | \$  | \$                                    | \$  |
| Councillor nomination deposits | 0                               | 100                                       | (100)                                 | 0   |
|                                | 0                               | 100                                       | (100)                                 | 0   |

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

**12. 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 WEST ARTHUR  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2025**

**12. 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:

| <b>Revenue Category</b>   | <b>Nature of goods and services</b>  | <b>When obligations typically satisfied</b> | <b>Payment terms</b>   | <b>Returns/Refunds/Warranties</b>           | <b>Timing of Revenue recognition</b>   |
|---|--|---|--|---|--|
| 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 | Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared |
| Grants, subsidies or contributions for the construction of non-financial assets | 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 | Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared |
| Grants with no contractual commitments  | General appropriations and contributions with no specific contractual commitments                                | No obligations                              | Not applicable   | Not applicable                              | When assets are controlled   |
| 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  | On payment and issue of the licence, registration or approval  |
| Waste management collections  | Kerbside collection service  | Over time                                   | Payment on an annual basis in advance                                  | None  | Output method based on regular weekly and fortnightly period as proportionate to collection service                      |
| Fees and charges for other goods and services                                   | Cemetery services, reinstatements and works  | Single point in private time                | Payment in full in advance   | None  | Output method based on provision of service or completion of works   |

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

**13. 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 set and achieve Council's goals and objectives for the ratepayers by providing high level direction, co-ordination and management policy.

Cost associated with meetings, elections, preparing annual reports and other statutory reporting requirements, public relations and policy development and review.

**General purpose funding**

To collect revenue to allow for the provision of services.

Costs associated with raising and collecting rates, rate enquiries, preparing general purpose grant returns and investing the Shire's surplus funds.

**Law, order, public safety**

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

Fire control and prevention, and animal control.

**Health**

To provide an operational framework for environmental and community health.

Provision and maintenance of medical buildings and subsidies to health services, services of an Environmental Health Officer including food control.

**Education and welfare**

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

School bus routes, support to families and childrens services including schools, support for seniors and welfare services.

**Housing**

To provide housing for employees of local industry and government departments.

Maintenance and provision of GROH and community housing.

**Community amenities**

To provide services required by the community.

Rubbish collection services, operation of refuse site, administration of the town planning scheme, storm water drainage, protection of the environment, cemetery maintenance.

**Recreation and culture**

To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.

Maintenance of halls, provision of library services, maintenance of historical buildings and maintenance of reserves and recreation facilities.

**Transport**

To provide a smooth, safe, efficient and clearly defined road network that is environmentally acceptable and which enhances travels throughout the Shire.

Maintenance of roads, drainage works, footpaths, street lighting, median strips, traffic management, parking facilities and roadworks program.

**Economic services**

To help promote the local government and its economic wellbeing.

Tourism and area promotion, caravan park, standpipes, pest control services and implementation of building controls.

**Other property and services**

To monitor and control operating accounts.

Public works overheads, plant/vehicle operations, stock and materials, depot operations and private works.

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

**14. FEES AND CHARGES**

|                             | <b>2024/25<br/>Budget</b> | <b>2023/24<br/>Actual</b> | <b>2023/24<br/>Budget</b> |
|-----------------------------|---------------------------|---------------------------|---------------------------|
|                             | \$                        | \$                        | \$                        |
| <b>By Program:</b>          |                           |                           |                           |
| Governance                  | 0                         | 77                        | 0                         |
| General purpose funding     | 6,200                     | 3,726                     | 2,800                     |
| Law, order, public safety   | 1,700                     | 2,919                     | 2,700                     |
| Health                      | 1,000                     | 1,038                     | 1,250                     |
| Education and welfare       | 11,400                    | 11,684                    | 13,500                    |
| Housing                     | 97,000                    | 92,264                    | 97,700                    |
| Community amenities         | 81,890                    | 71,229                    | 66,790                    |
| Recreation and culture      | 13,750                    | 13,748                    | 12,400                    |
| Economic services           | 101,100                   | 114,220                   | 116,600                   |
| Other property and services | 39,850                    | 27,406                    | 23,100                    |
|                             | <b>353,890</b>            | <b>338,311</b>            | <b>336,840</b>            |

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

**6 CLOSURE OF MEETING**

The Presiding Member declared the meeting closed at 6.16pm.