

SHIRE OF KENT
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2025
LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

A proud, inclusive and growing community.

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

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
Revenue		\$	\$	\$
Rates	2(a)	2,612,637	2,548,863	2,567,065
Grants, subsidies and contributions		427,512	2,560,269	406,800
Fees and charges	15	890,693	752,733	860,978
Interest revenue	10(a)	248,298	342,346	294,022
Other revenue		81,000	114,710	69,900
		4,260,140	6,318,921	4,198,765
Expenses				
Employee costs		(2,680,825)	(2,291,884)	(2,499,761)
Materials and contracts		(1,581,651)	(929,638)	(1,484,935)
Utility charges		(190,700)	(192,630)	(211,758)
Depreciation	6	(2,742,500)	(1,117,288)	(2,626,500)
Finance costs	10(c)	(12,777)	(18,044)	(16,085)
Insurance		(210,379)	(185,687)	(186,673)
Other expenditure		(382,811)	(314,456)	(417,961)
		(7,801,643)	(5,049,627)	(7,443,673)
		(3,541,503)	1,269,294	(3,244,908)
Capital grants, subsidies and contributions		2,238,494	1,185,301	2,093,001
Profit on asset disposals	5	266,451	38,677	27,000
Loss on asset disposals	5	(3,815)	(53,548)	(80,000)
		2,501,130	1,170,430	2,040,001
Net result for the period		(1,040,373)	2,439,724	(1,204,907)
Other comprehensive income for the period				
<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
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(1,040,373)	2,439,724	(1,204,907)

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

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

CASH FLOWS FROM OPERATING ACTIVITIES

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
Receipts		\$	\$	\$
Rates		2,632,637	2,526,638	2,573,065
Grants, subsidies and contributions		814,365	2,817,641	926,099
Fees and charges		890,693	752,733	860,978
Interest revenue		248,298	342,346	294,022
Goods and services tax received		5,000	27,533	10,000
Other revenue		81,000	114,710	69,900
		4,671,993	6,581,601	4,734,064
Payments				
Employee costs		(2,615,825)	(2,273,628)	(2,466,761)
Materials and contracts		(1,485,651)	(995,664)	(1,504,935)
Utility charges		(190,700)	(192,630)	(211,758)
Finance costs		(11,277)	(16,441)	13,915
Insurance paid		(210,379)	(185,687)	(186,673)
Goods and services tax paid		0	0	(1,500)
Other expenditure		(382,811)	(314,456)	(417,961)
		(4,896,643)	(3,978,506)	(4,775,673)
Net cash provided by (used in) operating activities	4	(224,650)	2,603,095	(41,609)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(2,705,480)	(1,028,552)	(2,575,000)
Payments for construction of infrastructure	5(b)	(3,561,904)	(1,796,250)	(3,668,395)
Capital grants, subsidies and contributions		2,288,494	1,559,652	2,092,511
Proceeds from sale of property, plant and equipment	5(a)	673,000	262,500	239,000
Proceeds on disposal of financial assets at fair value through profit and loss		0	(774)	0
Net cash (used in) investing activities		(3,305,890)	(1,003,424)	(3,911,884)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(70,472)	(138,097)	(138,453)
Payments for principal portion of lease liabilities	8	0	0	(314)
Proceeds on disposal of financial assets at amortised cost - term deposits		(210,286)	(109,934)	568,478
Proceeds from new borrowings	7(a)	0	0	500,000
Net cash provided by (used in) financing activities		(280,758)	(248,031)	929,711
Net increase (decrease) in cash held		(3,811,298)	1,351,640	(3,023,782)
Cash at beginning of year		4,591,952	3,240,312	3,240,559
Cash and cash equivalents at the end of the year	4	780,654	4,591,952	216,777

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

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

OPERATING ACTIVITIES

Revenue from operating activities

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
General rates	2(a)(i)	\$ 2,527,946	\$ 2,464,337	\$ 2,483,412
Rates excluding general rates	2(a)	84,691	84,526	83,653
Grants, subsidies and contributions		427,512	2,560,269	406,800
Fees and charges	15	890,693	752,733	860,978
Interest revenue	10(a)	248,298	342,346	294,022
Other revenue		81,000	114,710	69,900
Profit on asset disposals	5	266,451	38,677	27,000
		4,526,591	6,357,598	4,225,765

Expenditure from operating activities

Employee costs		(2,680,825)	(2,291,884)	(2,499,761)
Materials and contracts		(1,581,651)	(929,638)	(1,484,935)
Utility charges		(190,700)	(192,630)	(211,758)
Depreciation	6	(2,742,500)	(1,117,288)	(2,626,500)
Finance costs	10(c)	(12,777)	(18,044)	(16,085)
Insurance		(210,379)	(185,687)	(186,673)
Other expenditure		(382,811)	(314,456)	(417,961)
Loss on asset disposals	5	(3,815)	(53,548)	(80,000)
		(7,805,458)	(5,103,175)	(7,523,673)

Non cash amounts excluded from operating activities

	3(c)	2,484,864	1,140,065	2,666,180
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Amount attributable to operating activities

(794,003) 2,394,488 (631,728)

INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions		2,238,494	1,185,301	2,093,001
Proceeds from disposal of assets	5	673,000	262,500	239,000
Proceeds on disposal of financial assets at fair value through profit and loss		0	(774)	0
		2,911,494	1,447,027	2,332,001

Outflows from investing activities

Payments for property, plant and equipment	5(a)	(2,705,480)	(1,028,552)	(2,575,000)
Payments for construction of infrastructure	5(b)	(3,561,904)	(1,796,250)	(3,668,395)
		(6,267,384)	(2,824,802)	(6,243,395)

Amount attributable to investing activities

(3,355,890) (1,377,775) (3,911,394)

FINANCING ACTIVITIES

Inflows from financing activities

Proceeds from new borrowings	7(a)	0	0	500,000
Transfers from reserve accounts	9(a)	883,000	440,000	940,000
		883,000	440,000	1,440,000

Outflows from financing activities

Repayment of borrowings	7(a)	(70,472)	(138,097)	(138,453)
Transfers to reserve accounts	9(a)	(1,093,288)	(549,934)	(371,522)
		(1,163,760)	(688,031)	(510,289)

Amount attributable to financing activities

(280,760) (248,031) 929,711

MOVEMENT IN SURPLUS OR DEFICIT

Surplus at the start of the financial year	3	4,430,653	3,661,975	3,613,411
Amount attributable to operating activities		(794,003)	2,394,488	(631,728)
Amount attributable to investing activities		(3,355,890)	(1,377,775)	(3,911,394)
Amount attributable to financing activities		(280,760)	(248,031)	929,711
Surplus/(deficit) remaining after the imposition of general rates	3	0	4,430,653	0

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

**SHIRE OF KENT
FOR THE YEAR ENDED 30 JUNE 2025
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SHIRE OF KENT
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 12 to the annual budget.

2023/24 actual balances

Balances shown in this budget as 2023/24 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

Budget comparative figures

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

Comparative figures

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

Rounding off figures

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

Statement of Cashflows

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

Initial application of accounting standards

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

- AASB 2020-1 Amendments to Australian Accounting Standards
 - Classification of Liabilities as Current or Non-current
 - AASB 2022-5 Amendments to Australian Accounting Standards
 - Lease Liability in a Sale and Leaseback
 - AASB 2022-6 Amendments to Australian Accounting Standards
 - Non-current Liabilities with Covenants
 - AASB 2023-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements
 - AASB 2023-3 Amendments to Australian Accounting Standards
 - Disclosure of Non-current Liabilities with Covenants: Tier 2
- It is not expected these standards will have an impact on the annual budget.

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

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

- AASB 2014-10 Amendments to Australian Accounting Standards
 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2021-7c Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-9 Amendments to Australian Accounting Standards
 - Insurance Contracts in the Public Sector
- AASB 2023-5 Amendments to Australian Accounting Standards
 - Lack of Exchangeability

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

Judgements, estimates and assumptions

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

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

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

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

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

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2024/25 Budgeted rate revenue	2024/25 Budgeted interim rates	2024/25 Budgeted total revenue	2023/24 Actual total revenue	2023/24 Budget total revenue
		\$		\$	\$	\$	\$	\$	\$
(i) General rates									
GRV - Residential/Commercial	Gross rental valuation	0.09000	75	700,558	63,050	0	63,050	61,776	61,756
UV - Rural	Unimproved valuation	0.00487	328	505,826,000	2,465,396	(500)	2,464,896	2,402,561	2,421,656
Mining	Unimproved valuation	0.00487	0	0	0	0	0	0	0
Total general rates			403	506,526,558	2,528,446	(500)	2,527,946	2,464,337	2,483,412
(j) Minimum payment									
		\$							
GRV - Residential/Commercial	Gross rental valuation	565	17	30,469	9,605	0	9,605	8,800	8,800
UV - Rural	Unimproved valuation	565	12	862,000	6,780	0	6,780	6,600	6,600
Mining	Unimproved valuation	565	41	349,389	23,165	0	23,165	25,300	25,300
Total minimum payments			70	1,241,858	39,550	0	39,550	40,700	40,700
Total general rates and minimum payments			473	507,768,416	2,567,996	(500)	2,567,496	2,505,037	2,524,112
(k) Ex-gratia rates									
CBH ex-gratia rates					45,141		45,141	43,826	42,953
Total ex-gratia rates			0	0	45,141	0	45,141	43,826	42,953
					2,613,137	(500)	2,612,637	2,548,863	2,567,065
Total rates					2,613,137	(500)	2,612,637	2,548,863	2,567,065

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 KENT
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.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	13/09/2024	0	0.00%	7.00%
Option two				
First instalment	13/09/2024	0	5.50%	7.00%
Second instalment	17/01/2025	10	5.50%	7.00%
Option three				
First instalment	13/09/2024	0	5.50%	7.00%
Second instalment	15/11/2024	10	5.50%	7.00%
Third instalment	17/01/2025	10	5.50%	7.00%
Fourth instalment	21/03/2025	10	5.50%	7.00%

	2024/25 Budget revenue	2023/24 Actual revenue	2023/24 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	2,000	1,750	2,000
Instalment plan interest earned	3,500	427	7,000
Unpaid rates and service charge interest earned	2,500	2,888	2,500
	8,000	5,065	11,500

(c) Waivers or concessions

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

SHIRE OF KENT
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
 Contract assets
 Inventories

Less: current liabilities

Trade and other payables
 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

Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
	\$	\$	\$
4	780,654	4,591,952	216,777
	4,850,416	4,640,130	3,961,717
	123,769	143,971	100,251
	0	391,651	0
	89,542	139,542	85,125
	5,844,381	9,907,246	4,363,870
	(227,721)	(150,221)	(206,620)
	(524,517)	(474,517)	0
7	(73,377)	(70,472)	(571,908)
	(241,725)	(211,725)	(183,213)
	(1,067,340)	(906,935)	(961,741)
	4,777,041	9,000,311	3,402,129
3(b)	(4,777,041)	(4,569,658)	(3,402,129)
	0	4,430,653	0
	(4,850,418)	(4,640,130)	(3,961,717)
9	73,377	70,472	571,908
	0	0	(12,320)
	(4,777,041)	(4,569,658)	(3,402,129)

(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
 Add: Current liabilities not expected to be cleared at end of year
 - Current portion of borrowings
 - Current portion of employee benefit provisions held in reserve

Total adjustments to net current assets

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

Items excluded from calculation of budgeted deficiency

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

(c) Non-cash amounts excluded from operating activities

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

Adjustments to operating activities

Less: Profit on asset disposals
 Less: Movement in liabilities associated with restricted cash
 Add: Loss on asset disposals
 Add: Depreciation
 Movement in current employee provisions associated with restricted cash
 Non-cash movements in non-current assets and liabilities:
 - Pensioner deferred rates
 - Employee provisions

Non cash amounts excluded from operating activities

Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
	\$	\$	\$
5	(266,451)	(38,677)	(27,000)
	0	0	(8,000)
5	3,815	53,548	80,000
6	2,742,500	1,117,288	2,626,500
	0	0	(12,320)
	0	0	4,000
	5,000	7,906	3,000
	2,484,864	1,140,065	2,666,180

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

3. NET CURRENT ASSETS

(e) MATERIAL ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

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

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

PREPAID RATES

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

INVENTORIES

General

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

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

Superannuation

The Shire contributes to a number of superannuation funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

LAND HELD FOR RESALE

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

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

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

GOODS AND SERVICES TAX (GST)

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

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

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

CONTRACT LIABILITIES

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

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

TRADE AND OTHER RECEIVABLES

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

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

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

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

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

PROVISIONS

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

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the determination of the net current asset position.

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

Other long-term employee benefits

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

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

CONTRACT ASSETS

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

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

4. RECONCILIATION OF CASH

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

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
Cash at bank and on hand		\$ 780,654	\$ 4,591,952	\$ 216,777
Total cash and cash equivalents		780,654	4,591,952	216,777
Held as				
- Unrestricted cash and cash equivalents		256,135	4,117,435	216,777
- Restricted cash and cash equivalents		524,519	474,517	0
	3(a)	780,654	4,591,952	216,777
Restrictions				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents		524,519	474,517	0
- Restricted financial assets at amortised cost - term deposits		4,850,416	4,640,130	3,961,717
		5,374,935	5,114,647	3,961,717
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Financially backed reserves	9	4,850,418	4,640,130	3,961,717
		5,374,935	5,114,647	3,961,717
Reconciliation of net cash provided by operating activities to net result				
Net result		(1,040,373)	2,439,724	(1,204,907)
Depreciation	6	2,742,500	1,117,288	2,626,500
(Profit)/loss on sale of asset	5	(262,636)	14,871	53,000
(Increase)/decrease in receivables		20,202	3,427	46,000
(Increase)/decrease in contract assets		391,651	259,253	489,299
(Increase)/decrease in inventories		50,000	(69,153)	20,000
Increase/(decrease) in payables		77,500	(6,103)	(11,500)
Increase/(decrease) in unspent capital grants		50,000	374,351	(490)
Increase/(decrease) in employee provisions		35,000	29,089	33,000
Capital grants, subsidies and contributions		(2,288,494)	(1,559,652)	(2,092,511)
Net cash from operating activities		(224,650)	2,603,095	(41,609)

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

5. PROPERTY, PLANT AND EQUIPMENT

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

	2024/25 Budget					2023/24 Actual					2023/24 Budget				
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	0	0	20,000	10,500	0	7,400	0	0	0	0	0	0	0	0	0
Buildings - non-specialised	1,191,000	(144,820)	260,000	124,680	0	37,372	0	0	0	0	1,178,000	0	0	0	0
Buildings - specialised	190,000	0	0	0	0	102,021	0	0	0	0	196,000	0	0	0	0
Furniture and equipment	50,000	0	0	0	0	9,130	0	0	0	0	50,000	0	0	0	0
Plant and equipment	1,274,480	(265,544)	393,000	131,271	(3,815)	872,629	232,458	262,500	38,677	(53,548)	1,151,000	292,000	239,000	27,000	(80,000)
Total	2,705,480	(410,364)	673,000	266,451	(3,815)	1,028,552	232,458	262,500	38,677	(53,548)	2,575,000	292,000	239,000	27,000	(80,000)
(b) Infrastructure															
Infrastructure - roads	3,298,904	0	0	0	0	1,473,709	0	0	0	0	3,172,795	0	0	0	0
Other infrastructure-other	263,000	0	0	0	0	322,541	0	0	0	0	495,600	0	0	0	0
Total	6,267,384	(410,364)	673,000	266,451	(3,815)	2,824,802	232,458	262,500	38,677	(53,548)	6,243,395	292,000	239,000	27,000	(80,000)

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 KENT
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-other

By Program

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

2024/25 Budget	2023/24 Actual	2023/24 Budget
\$	\$	\$
443,000	396,942	383,500
179,000	165,247	173,000
17,500	11,103	17,500
381,500	349,016	321,000
1,500,000	0	1,500,000
221,500	194,980	231,500
2,742,500	1,117,288	2,626,500
46,000	37,365	47,000
56,500	47,924	56,500
330,000	303,825	275,000
73,000	62,769	76,000
328,500	300,258	343,500
1,528,500	22,188	1,528,500
52,000	39,657	35,000
328,000	303,302	265,000
2,742,500	1,117,288	2,626,500

MATERIAL ACCOUNTING POLICIES

DEPRECIATION

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

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

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

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

Buildings - non-specialised	50 Years
Buildings - specialised	50 Years
Furniture and equipment	10 Years
Plant and equipment	12 years (heavy) 7 years (light)
Sealed Roads and Streets	
-formation	not depreciated
-payment	50 years
-bituminous seals	20 years
-asphalt surfaces	25 years
Gravel Roads	
-formation	not depreciated
-pavement	50 years
Footpaths (slab)	20 years
Sewerage piping	100 years
Water supply piping and drainage system	75 years

AMORTISATION

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

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

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

SHIRE OF KENT
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 Principal 1 July 2024	2024/25 Budget New Loans	2024/25 Budget Principal Repayments	Budget Principal outstanding 30 June 2025	2024/25 Budget Interest Repayments	Actual Principal 1 July 2023	2023/24 Actual New Loans	2023/24 Actual Principal Repayments	Actual Principal outstanding 30 June 2024	2023/24 Actual Interest Repayments	Budget Principal 1 July 2023	2023/24 Budget New Loans	2023/24 Budget Principal Repayments	Budget Principal outstanding 30 June 2024	2023/24 Budget Interest Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing																		
Various duplexes	91	WATC	3.15%	0	0	0	0	0	63,924	0	(63,924)	0	(3,036)	63,924	0	(63,924)	0	(3,036)
Teacher Housing	94	WATC	2.03%	576,809	0	(70,472)	506,337	(12,777)	646,925	0	(70,116)	576,809	(14,737)	646,926	0	(70,472)	576,454	(12,777)
New Housing	95	WATC		0	0	0	0	0	0	0	0	0	0	0	500,000	0	500,000	0
Community amenities																		
Nyabing Effluent	54	WATC	4.45%	0	0	0	0	0	4,057	0	(4,057)	0	(271)	4,057	0	(4,057)	0	(271)
				576,809	0	(70,472)	506,337	(12,777)	714,906	0	(138,097)	576,809	(18,044)	714,907	500,000	(138,453)	1,076,454	(16,084)
				576,809	0	(70,472)	506,337	(12,777)	714,906	0	(138,097)	576,809	(18,044)	714,907	500,000	(138,453)	1,076,454	(16,084)

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

(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 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Undrawn borrowing facilities			
credit standby arrangements			
Bank overdraft limit	100,000	100,000	100,000
Bank overdraft at balance date	0	0	0
Credit card limit	16,000	16,000	16,000
Credit card balance at balance date	(2,000)	(74)	(5,000)
Total amount of credit unused	114,000	115,926	111,000
Loan facilities			
Loan facilities in use at balance date	506,337	576,809	1,076,454

MATERIAL ACCOUNTING POLICIES

BORROWING COSTS

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

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

8. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease Principal 1 July 2024	2024/25 Budget New Leases	2024/25 Budget Lease Principal Repayments	Budget Lease Principal outstanding 30 June 2025	2024/25 Budget Lease Interest Repayments	Actual Principal 1 July 2023	2023/24 Actual New Leases	2023/24 Actual Lease Principal repayments	Actual Lease Principal outstanding 30 June 2024	2023/24 Actual Lease Interest repayments	Budget Principal 1 July 2023	2023/24 Budget New Leases	2023/24 Budget Lease Principal repayments	Budget Lease Principal outstanding 30 June 2024	2023/24 Budget Lease Interest repayments
Governance					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Photocopier			2.10%		0	0	0	0	0	0	0	0	0	0	314		(314)	0	0
					0	0	0	0	0	0	0	0	0	0	314	0	(314)	0	0

MATERIAL ACCOUNTING POLICIES

LEASES

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

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

LEASE LIABILITIES

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

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

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2024/25				2023/24				2023/24			
	Opening Balance	Transfer to	Budget Transfer (from)	Closing Balance	Opening Balance	Transfer to	Actual Transfer (from)	Closing Balance	Opening Balance	Transfer to	Budget Transfer (from)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	144,043	36,351	0	180,394	107,550	36,493	0	144,043	107,550	35,378	0	142,928
(b) Plant reserve	1,116,243	98,567	(350,000)	864,810	1,396,867	114,376	(395,000)	1,116,243	1,396,866	119,846	(395,000)	1,121,712
(c) Land & Building reserve	1,344,218	602,014	(500,000)	1,446,232	1,107,531	236,687	0	1,344,218	1,107,532	55,380	(500,000)	662,912
(d) Sewerage reserve	566,082	54,826	0	620,908	537,694	28,388	0	566,082	537,694	26,886	0	564,580
(e) Nyabing Recreation reserve	71,229	9,131	0	80,360	61,803	9,426	0	71,229	61,803	9,090	0	70,893
(f) Pingrup Recreation reserve	46,768	8,058	0	54,826	38,569	8,199	0	46,768	38,569	7,928	0	46,497
(g) Water Provision reserve	56,701	52,487	0	109,188	53,858	2,843	0	56,701	53,857	2,693	0	56,550
(h) Cemetery reserve	49,724	2,181	0	51,905	47,230	2,494	0	49,724	47,231	2,362	0	49,593
(i) Refuse Disposal Facility Reserve	207,834	39,115	0	246,949	197,412	10,422	0	207,834	197,412	9,871	0	207,283
(j) Admin Vehicle Reserve	45,061	46,926	(33,000)	58,987	86,706	3,355	(45,000)	45,061	86,705	4,336	(45,000)	46,041
(k) Road reserve	942,227	91,323	0	1,033,550	894,976	47,251	0	942,227	894,976	44,752	0	939,728
(l) IT Software, Hardware & Development Rese	50,000	52,309	0	102,309	0	50,000	0	50,000	0	53,000	0	53,000
	4,640,130	1,093,288	(883,000)	4,850,418	4,530,196	549,934	(440,000)	4,640,130	4,530,195	371,522	(940,000)	3,961,717

(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	<i>All reserves</i>	Funds to be used to fund employee leave requirements.
(b) Plant reserve	<i>are not</i>	Funds to be used for the purchase of major plant and equipment.
(c) Land & Building reserve	<i>expected to</i>	Funds to be set aside for the construction and/or capital maintenance of building infrastructure, land acquisitions and development.
(d) Sewerage reserve	<i>be used within</i>	Funds to be used for upgrading and/or major maintenance of townsite sewerage schemes.
(e) Nyabing Recreation reserve	<i>a set period</i>	Funds to be used to promote participation in sport and provide sporting facilities in Nyabing
(f) Pingrup Recreation reserve	<i>as further</i>	Funds to be used for the upgrade of sporting facilities in Pingrup.
(g) Water Provision reserve	<i>transfers to</i>	Funds to be used for the provision of water services to rural areas of the Shire.
(h) Cemetery reserve	<i>the reserve</i>	Funds to be used for the upgrading of the Nyabing and Pingrup cemeteries.
(i) Refuse Disposal Facility Reserve	<i>accounts are</i>	Funds to be used for the rehabilitation of the Nyabing and Pingrup rubbish sites.
(j) Admin Vehicle Reserve	<i>expected as</i>	Funds to be used for the provision of vehicle changeovers for the CEO, DCEO and Works Manager.
(k) Road reserve	<i>funds are</i>	Funds to be used for capital and maintenance works on roads within the Shire of Kent for future years.
(l) IT Software, Hardware & Development Rese	<i>utilised</i>	Funds to be used for major purchases of IT software, hardware and/or development.

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

10. OTHER INFORMATION

	2024/25 Budget	2023/24 Actual	2023/24 Budget
The net result includes as revenues	\$	\$	\$
(a) Interest earnings			
Investments	242,298	339,031	284,522
Other interest revenue	6,000	3,315	9,500
	248,298	342,346	294,022
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	50,000	43,225	40,000
	50,000	43,225	40,000
(c) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	12,777	18,044	16,084
Interest on lease liabilities (refer Note 8)	(0)	0	0
	12,777	18,044	16,084
(d) Write offs			
General rate	1,000	382	1,000
	1,000	382	1,000

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

11. ELECTED MEMBERS REMUNERATION

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Cr KV Johnston			
President's allowance	21,000	13,750	0
Deputy President's allowance	0	1,250	5,000
Meeting attendance fees	10,000	9,000	9,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Annual allowance for travel and accommodation expenses	800	0	900
	32,800	25,000	15,900
Cr DP Gray			
Deputy President's allowance	5,250	3,333	0
Meeting attendance fees	10,000	9,000	9,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Annual allowance for travel and accommodation expenses	800	833	800
	17,050	14,166	10,800
Cr SR Crosby			
Meeting attendance fees	10,000	9,000	9,000
President's allowance	0	6,666	20,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Annual allowance for travel and accommodation expenses	800	1,046	900
	11,800	17,712	30,900
Cr GW Hobley			
Meeting attendance fees	10,000	9,000	9,000
Annual allowance for ICT expenses	1,000	500	1,000
Annual allowance for travel and accommodation expenses	800	382	800
	11,800	9,882	10,800
Cr SM Reid			
Meeting attendance fees	10,000	6,000	0
Annual allowance for ICT expenses	1,000	750	0
Annual allowance for travel and accommodation expenses	800	1,334	0
	11,800	8,084	0
Cr D Harris			
Meeting attendance fees	10,000	6,000	0
Annual allowance for ICT expenses	1,000	500	0
Annual allowance for travel and accommodation expenses	800	764	0
	11,800	7,264	0
Cr RA Jury			
Meeting attendance fees	0	2,250	9,000
Annual allowance for ICT expenses	0	0	1,000
Annual allowance for travel and accommodation expenses	0	168	800
	0	2,418	10,800
Cr TD Borgward			
Meeting attendance fees	0	0	9,000
Annual allowance for ICT expenses	0	0	1,000
Annual allowance for travel and accommodation expenses	0	0	800
	0	0	10,800
Total Elected Member Remuneration	97,050	84,526	90,000
President's allowance	21,000	20,416	20,000
Deputy President's allowance	5,250	4,583	5,000
Meeting attendance fees	60,000	50,250	54,000
Annual allowance for ICT expenses	6,000	4,750	6,000
Annual allowance for travel and accommodation expenses	4,800	4,527	5,000
	97,050	84,526	90,000

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

12. TRUST FUNDS

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

Detail	Balance 30 June 2024	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2025
	\$	\$	\$	\$
Housing bonds	160	0	0	160
Other	3,416	0	0	3,416
	<u>3,576</u>	<u>0</u>	<u>0</u>	<u>3,576</u>

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

13. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

RATES

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

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

GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

REVENUE FROM CONTRACTS WITH CUSTOMERS

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

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. Regulation 54 of the Local Government (*Financial Management*) *Regulations 1996* identifies the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services and water.

Exclude rubbish removal charges which should not be classified as a service charge. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST REVENUE

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

OTHER REVENUE / INCOME

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

PROFIT ON ASSET DISPOSAL

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

EXPENSES

EMPLOYEE COSTS

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

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

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses (such as telephone and internet charges), advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc.

Local governments may wish to disclose more detail such as contract services, consultancy, information technology and rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water.

Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

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

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expenses raised on all classes of assets.

FINANCE COSTS

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

OTHER EXPENDITURE

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

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13. REVENUE AND EXPENDITURE

(b) Revenue Recognition

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of Revenue recognition
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
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	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared

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14. PROGRAM INFORMATION

Key Terms and Definitions - Reporting Programs

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

OBJECTIVE

ACTIVITIES

Governance

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

Includes the administration and operation of facilities and services to members of the Shire of Kent; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Shire of Kent services.

General purpose funding

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and interest revenue.

Law, order, public safety

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

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

Health

To provide an operational framework for environmental and community health.

Food quality and pest control, immunisation services, operation of child health clinics etc.

Education and welfare

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

Operation of pre-school facilities, assistance to playgroups and other voluntary services.

Housing

To provide and maintain staff and other community housing.

Provision and maintenance of staff housing and provision to other community housing if there is an overflow of housing that is surplus to Council's requirement for staff.

Community amenities

To provide services required by the community.

Rubbish collection services, operation of tips, administration of the town planning scheme, maintenance of cemeteries and townsite sewerage schemes.

Recreation and culture

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

Maintenance of halls, recreation centres and various reserves; operation of libraries.

Transport

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

Constructions and maintenance of streets, roads, cleaning and lighting.

Economic services

To help promote the Shire of Kent and its economic wellbeing.

The regulation and provision of tourism, building control, noxious weeds, vermin control and standpipes.

Other property and services

To monitor and control operating accounts.

Private works operations, plant repairs and operation costs.

SHIRE OF KENT
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15. FEES AND CHARGES

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
By Program:			
Governance	500	577	500
General purpose funding	7,500	2,436	7,500
Law, order, public safety	48,011	47,782	49,269
Health	300	236	300
Housing	249,714	231,608	219,060
Community amenities	99,748	89,687	95,049
Recreation and culture	2,700	2,934	3,700
Transport	300,500	216,358	300,500
Economic services	125,000	116,736	125,000
Other property and services	56,720	44,379	60,100
	890,693	752,733	860,978

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