



**Attachment 14.07.24.03A – Draft
2024/25 Statutory Budget**

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

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

a well-recognised business and agricultural hub, a flourishing stop-over destination, and a celebrated place to live.

SHIRE OF BROOKTON
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)	2,874,905	2,717,312	2,711,103
Grants, subsidies and contributions		1,513,445	1,563,166	2,199,065
Fees and charges	15	910,585	954,355	846,688
Interest revenue	10(a)	347,470	625,024	161,449
Other revenue		2,049,227	370,208	237,641
		7,695,632	6,230,065	6,155,946
Expenses				
Employee costs		(2,623,566)	(2,405,706)	(2,425,436)
Materials and contracts		(4,288,616)	(1,422,094)	(3,876,751)
Utility charges		(267,774)	(205,801)	(225,310)
Depreciation	6	(2,297,086)	(2,339,276)	(2,176,012)
Finance costs	10(c)	(65,317)	(45,256)	(72,257)
Insurance		(228,961)	(229,697)	(233,965)
Other expenditure		(125,302)	(64,650)	(76,305)
		(9,896,622)	(6,712,480)	(9,086,036)
		(2,200,990)	(482,415)	(2,930,090)
Capital grants, subsidies and contributions		3,508,256	1,943,655	4,343,445
Profit on asset disposals	5	12,042	92,946	845
Loss on asset disposals	5	(64,405)	(9,021)	(82,068)
		3,455,893	2,027,580	4,262,222
Net result for the period		1,254,903	1,545,165	1,332,132
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		1,254,903	1,545,165	1,332,132

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

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

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		\$ 2,862,427	\$ 2,705,186	\$ 2,690,347
Grants, subsidies and contributions		1,503,324	1,679,432	2,182,652
Fees and charges		910,585	954,355	846,688
Interest revenue		347,470	625,024	161,449
Goods and services tax received		539,642	482,648	446,441
Other revenue		2,049,227	370,208	237,641
		8,212,675	6,816,853	6,565,218
Payments				
Employee costs		(2,642,302)	(2,391,479)	(2,454,407)
Materials and contracts		(4,392,152)	(1,549,407)	(3,721,409)
Utility charges		(267,774)	(205,801)	(225,310)
Finance costs		(59,019)	(38,958)	(157,947)
Insurance paid		(228,961)	(229,697)	(233,965)
Goods and services tax paid		(539,642)	(539,642)	(446,441)
Other expenditure		(125,302)	(64,650)	(76,305)
		(8,255,152)	(5,019,634)	(7,315,784)
Net cash provided by (used in) operating activities	4	(42,477)	1,797,219	(750,566)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(5,065,337)	(2,695,440)	(7,045,621)
Payments for construction of infrastructure	5(b)	(3,961,673)	(1,906,665)	(3,445,635)
Capital grants, subsidies and contributions		3,508,256	1,943,044	4,343,445
Proceeds from sale of property, plant and equipment	5(a)	260,000	262,545	180,000
Proceeds on financial assets at amortised cost - self supporting loans	7(a)	29,967	27,989	27,988
Net cash (used in) investing activities		(5,228,787)	(2,368,527)	(5,939,823)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(210,570)	(151,836)	(202,168)
Payments for principal portion of lease liabilities	8	(1,568)	(1,515)	(1,515)
Proceeds from new borrowings	7(a)	600,000	0	600,000
Net cash provided by (used in) financing activities		387,862	(153,351)	396,317
Net (decrease) in cash held		(4,883,402)	(724,659)	(6,294,072)
Cash at beginning of year		14,503,393	15,228,052	15,029,902
Cash and cash equivalents at the end of the year	4	9,619,991	14,503,393	8,735,830

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

SHIRE OF BROOKTON
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)	\$ 2,829,182	\$ 2,674,311	\$ 2,668,102
Rates excluding general rates	2(a)	45,723	43,001	43,001
Grants, subsidies and contributions		1,513,445	1,563,166	2,199,065
Fees and charges	15	910,585	954,355	846,688
Interest revenue	10(a)	347,470	625,024	161,449
Other revenue		2,049,227	370,208	237,641
Profit on asset disposals	5	12,042	92,946	845
		7,707,674	6,323,011	6,156,791

Expenditure from operating activities

Employee costs		(2,623,566)	(2,405,706)	(2,425,436)
Materials and contracts		(4,288,616)	(1,422,094)	(3,876,751)
Utility charges		(267,774)	(205,801)	(225,310)
Depreciation	6	(2,297,086)	(2,339,276)	(2,176,012)
Finance costs	10(c)	(65,317)	(45,256)	(72,257)
Insurance		(228,961)	(229,697)	(233,965)
Other expenditure		(125,302)	(64,650)	(76,305)
Loss on asset disposals	5	(64,405)	(9,021)	(82,068)
		(9,961,027)	(6,721,501)	(9,168,104)

Non cash amounts excluded from operating activities

	3(c)	2,349,449	2,255,703	2,257,235
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Amount attributable to operating activities

96,096 **1,857,213** **(754,078)**

INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions		3,508,256	1,943,655	4,343,445
Proceeds from disposal of assets	5	260,000	262,545	180,000
Proceeds from financial assets at amortised cost - self supporting loans	7(a)	29,967	27,989	27,988
		3,798,223	2,234,189	4,551,433

Outflows from investing activities

Payments for property, plant and equipment	5(a)	(5,065,337)	(2,695,440)	(7,045,621)
Payments for construction of infrastructure	5(b)	(3,961,673)	(1,906,665)	(3,445,635)
		(9,027,010)	(4,602,105)	(10,491,256)
Amount attributable to investing activities		(5,228,787)	(2,367,916)	(5,939,823)

FINANCING ACTIVITIES

Inflows from financing activities

Proceeds from new borrowings	7(a)	600,000	0	600,000
Transfers from reserve accounts	9(a)	4,377,069	12,872,509	16,616,616
		4,977,069	12,872,509	17,216,616

Outflows from financing activities

Repayment of borrowings	7(a)	(210,570)	(151,836)	(202,168)
Payments for principal portion of lease liabilities	8	(1,568)	(1,515)	(1,515)
Transfers to reserve accounts	9(a)	(1,446,331)	(11,998,570)	(11,821,760)
		(1,658,469)	(12,151,921)	(12,025,443)

Amount attributable to financing activities

3,318,600 **720,588** **5,191,173**

MOVEMENT IN SURPLUS OR DEFICIT

Surplus at the start of the financial year

Amount attributable to operating activities	3	1,814,091	1,604,206	1,502,728
Amount attributable to investing activities		96,096	1,857,213	(754,078)
Amount attributable to financing activities		(5,228,787)	(2,367,916)	(5,939,823)
Amount attributable to financing activities		3,318,600	720,588	5,191,173
Surplus/(deficit) remaining after the imposition of general rates	3	0	1,814,091	0

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

**SHIRE OF BROOKTON
FOR THE YEAR ENDED 30 JUNE 2025
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SHIRE OF BROOKTON
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.

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 BROOKTON
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	Gross rental valuation	0.10550	250	2,986,366	315,062	0	315,062	295,265	294,450
GRV - Industrial	Gross rental valuation	0.10550	5	78,870	8,321	0	8,321	7,832	7,832
GRV - Commercial	Gross rental valuation	0.10550	19	641,536	67,682	0	67,682	63,705	64,717
GRV - GRV	Unimproved valuation	0.10550	2	392,500	41,409	0	41,409	40,531	30,138
UV - Unimproved	Unimproved valuation	0.00604	201	337,966,003	2,042,667	0	2,042,667	1,932,291	1,937,990
Total general rates			477	342,065,275	2,475,141	0	2,475,141	2,339,624	2,335,127
(j) Minimum payment									
		\$							
GRV - Residential	Gross rental valuation	939	66	184,411	61,974	0	61,974	59,295	59,295
GRV - Industrial	Gross rental valuation	939	2	9,280	1,878	0	1,878	1,770	1,770
GRV - Commercial	Gross rental valuation	939	11	60,396	10,329	0	10,329	9,735	9,735
GRV - GRV	Unimproved valuation	939	2	7,825	1,878	0	1,878	885	885
UV - Unimproved	Unimproved valuation	1,569	178	24,594,994	279,282	0	279,282	263,440	263,440
Total minimum payments			259	24,856,906	355,341	0	355,341	335,125	335,125
Total general rates and minimum payments			736	366,922,181	2,830,482	0	2,830,482	2,674,749	2,670,252
(k) Ex-gratia rates									
Ex Gratia Rates					45,723	0	45,723	43,001	43,001
					2,876,205	0	2,876,205	2,717,750	2,713,253
Concessions (Refer note 2(e))					(1,300)	0	(1,300)	(438)	(2,150)
Total rates					2,874,905	0	2,874,905	2,717,312	2,711,103

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 BROOKTON
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)

Full amount of rates and charges including arrears, to be paid on or before 4 September 2024 or 35 days after the date of issue appearing on the rate notice whichever is the later.

Option 2 (Two Instalments)

First instalment to be made on or before 4 September 2024 or 35 days after the date of issue appearing on the rate notice whichever is later including all arrears and half the the current rates and service charges: and Second instalment to be made on or before 08 January 2025, or 2 months after the due date of the first instalment, whichever is later.

Option 3 (Four Instalments)

Full amount of rates and charges including arrears, to be paid on or before 4 September 2024 or 35 days after the date of issue appearing on the rate notice whichever is the later including all arrears and a quarter of the current rates and service charges. Second instalment to be made on or before 06 November 2024 , or 2 months after the due date of the first instalment, whichever is later; Third instalment to be made on or before 08 January 2025, or 2 months after the due date of the second instalment, whichever is later; and Fourth instalment to be made on or before 12 March 2025, or 2 months after the due date of the third instalment, whichever is later.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	4/09/2024	0	0.00%	7.00%
Option two				
First instalment	4/09/2024	0	5.50%	7.00%
Second instalment	8/01/2025	10	5.50%	7.00%
Option three				
First instalment	4/09/2024	0	5.50%	7.00%
Second instalment	6/11/2024	10	5.50%	7.00%
Third instalment	8/01/2025	10	5.50%	7.00%
Fourth instalment	12/03/2025	10	5.50%	7.00%

	2024/25 Budget revenue	2023/24 Actual revenue	2023/24 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	3,000	3,440	3,000
Instalment plan interest earned	10,000	9,465	10,000
Unpaid rates and service charge interest earned	7,025	10,253	7,025
	20,025	23,158	20,025

**SHIRE OF BROOKTON
 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) Early payment discounts

Rate, fee or charge to which discount is granted	Type	Discount %	Discount (\$)	2024/25 Budget	2023/24 Actual	2023/24 Budget	Circumstances in which discount is granted
Contiguous Rating Discount				\$ 1,300	\$ 438	\$ 2,150	Properties adjoining and owned by same ratepayer
				1,300	438	2,150	

(e) Waivers or concessions

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

SHIRE OF BROOKTON
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

Less: current liabilities

Trade and other payables
 Contract liabilities
 Lease liabilities
 Long term borrowings
 Employee provisions
 Other 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
 - Current portion of lease liabilities

Total adjustments to net current assets

Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
	\$	\$	\$
4	9,619,991	14,503,393	8,735,830
	29,967	29,967	27,988
	380,423	357,824	235,970
	18,721	25,544	52,809
	10,049,102	14,916,728	9,052,597
	(112,917)	(235,714)	(388,358)
	(603,813)	(603,813)	(477,426)
8	0	(1,568)	0
7	(551,264)	(161,834)	(549,668)
	(313,598)	(313,598)	(199,079)
	(38,883)	(38,883)	0
	(1,620,475)	(1,355,410)	(1,614,531)
	8,428,627	13,561,318	7,438,066
3(b)	(8,428,627)	(11,747,227)	(7,438,066)
	0	1,814,091	0
9	(8,949,925)	(11,880,663)	(7,959,746)
	(29,966)	(29,966)	(27,988)
	551,264	161,834	549,668
	0	1,568	0
	(8,428,627)	(11,747,227)	(7,438,066)

SHIRE OF BROOKTON
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

Non-cash movements in non-current assets and liabilities:

- Pensioner deferred rates

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	(12,042)	(92,946)	(845)
5	64,405	9,021	82,068
6	2,297,086	2,339,276	2,176,012
	0	352	0
	2,349,449	2,255,703	2,257,235

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.

SHIRE OF BROOKTON
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	670,066	2,622,728	776,084
Term deposits	8,949,925	11,880,665	7,959,746
Total cash and cash equivalents	9,619,991	14,503,393	8,735,830
Held as			
- Unrestricted cash and cash equivalents	670,066	2,622,730	776,084
- Restricted cash and cash equivalents	8,949,925	11,880,663	7,959,746
3(a)	9,619,991	14,503,393	8,735,830
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	8,949,925	11,880,663	7,959,746
	8,949,925	11,880,663	7,959,746
The assets are restricted as a result of the specified purposes associated with the liabilities below:			
Financially backed reserves	9 8,949,925	11,880,663	7,959,746
	8,949,925	11,880,663	7,959,746
Reconciliation of net cash provided by operating activities to net result			
Net result	1,254,903	1,545,165	1,332,132
Depreciation	6 2,297,086	2,339,276	2,176,012
(Profit)/loss on sale of asset	5 52,363	(83,925)	81,223
(Increase)/decrease in receivables	(22,599)	(79,241)	(37,169)
(Increase)/decrease in inventories	6,823	6,823	(20,442)
Increase/(decrease) in payables	(122,797)	(122,797)	0
Increase/(decrease) in contract liabilities	0	126,387	61,123
Increase/(decrease) in other provision	0	(611)	0
Increase/(decrease) in employee provisions	0	9,186	0
Capital grants, subsidies and contributions	(3,508,256)	(1,943,044)	(4,343,445)
Net cash from operating activities	(42,477)	1,797,219	(750,566)

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 BROOKTON
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	In-kind Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	In-kind Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	In-kind Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	0	0	0	0	0	0	0	0	40,360	45,000	4,640	0	0	0	0	0	0	0
Buildings - specialised	4,252,494	0	0	0	0	0	1,483,769	0	0	0	0	0	6,011,341	0	0	0	0	0
Furniture and equipment	65,356	0	0	0	0	0	34,208	0	0	0	0	0	29,188	0	0	0	0	0
Plant and equipment	747,487	0	312,363	260,000	12,042	(64,405)	662,576	0	138,261	217,545	88,306	(9,021)	1,005,092	0	261,223	180,000	845	(82,068)
Other property, plant and equipment - Plant and equipment Bushfire	0	0	0	0	0	0	9,362	0	0	0	0	0	0	0	0	0	0	0
Work in progress property plant and equipment	0	0	0	0	0	0	505,525	0	0	0	0	0	0	0	0	0	0	0
Total	5,065,337	0	312,363	260,000	12,042	(64,405)	2,695,440	0	178,621	262,545	92,946	(9,021)	7,045,621	0	261,223	180,000	845	(82,068)
(b) Infrastructure																		
Infrastructure - roads	3,201,621	0	0	0	0	0	1,544,651	0	0	0	0	0	2,634,253	0	0	0	0	0
Infrastructure - sewerage	700,052	0	0	0	0	0	0	0	0	0	0	0	600,000	0	0	0	0	0
Other infrastructure water	0	0	0	0	0	0	304,421	0	0	0	0	0	211,382	0	0	0	0	0
Work in progress infrastructure	0	0	0	0	0	0	57,593	0	0	0	0	0	0	0	0	0	0	0
Total	3,961,673	0	0	0	0	0	1,906,665	0	0	0	0	0	3,445,635	0	0	0	0	0
Total	9,027,010	0	312,363	260,000	12,042	(64,405)	4,602,105	0	178,621	262,545	92,946	(9,021)	10,491,256	0	261,223	180,000	845	(82,068)

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

6. DEPRECIATION

By Class

Buildings - specialised
Furniture and equipment
Plant and equipment
Other property, plant and equipment -
Plant and equipment Bushfire
Infrastructure - roads
Infrastructure - footpaths
Infrastructure - sewerage
Infrastructure - parks and gardens
Right of use - land

By Program

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

2024/25 Budget	2023/24 Actual	2023/24 Budget
\$	\$	\$
255,896	259,898	249,898
24,497	21,849	15,790
192,266	246,903	137,826
112,014	112,066	111,851
1,480,956	1,468,427	1,429,365
33,081	32,802	32,784
29,244	28,996	29,057
168,871	167,442	167,350
261	893	2,091
2,297,086	2,339,276	2,176,012
42,596	59,461	39,021
119,692	119,737	111,851
34,919	34,888	34,868
32,568	32,539	32,521
63,860	64,811	41,472
306,575	310,132	297,843
1,500,558	1,501,228	1,462,148
21,651	21,641	21,140
174,667	194,839	135,148
2,297,086	2,339,276	2,176,012

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 - specialised	50 to 80 years
Furniture and equipment	2 to 50 years
Plant and equipment	2 to 100 years
Other property, plant and equipment -	
Plant and equipment Bushfire	2 to 100 years
Infrastructure - roads	0 to 100 years
Infrastructure - footpaths	2 to 60 years
Infrastructure - sewerage	0 to 100 years
Infrastructure - parks and gardens	0 to 100 years
Right of use - land	Based on the remaining lease

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 BROOKTON
 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	2024/25 Budget New	2024/25 Budget Principal	Budget Principal	2024/25 Budget Interest	Actual Principal	2023/24 Actual New	2023/24 Actual Principal	Actual Principal	2023/24 Actual Interest	Budget Principal	2023/24 Budget New	2023/24 Budget Principal	Budget Principal	2023/24 Budget Interest
				1 July 2024	Loans	Repayments	30 June 2025	Repayments	1 July 2023	Loans	Repayments	30 June 2024	Repayments	1 July 2023	Loans	Repayments	30 June 2024	Repayments
Kalkarni Residency	Loan 80	WATC	5.6%	23,593	0	(11,469)	12,124	(1,169)	34,443	0	(10,850)	23,593	(1,536)	34,443	0	(10,850)	23,593	(1,789)
Staff Housing	Loan 80	WATC	5.6%	38,930	0	(18,924)	20,006	(1,929)	56,833	0	(17,903)	38,930	(2,535)	56,833	0	(17,902)	38,931	(2,951)
Sewerage	Loan 80	WATC	5.6%	16,515	0	(8,029)	8,486	(818)	24,110	0	(7,595)	16,515	(1,075)	24,110	0	(7,595)	16,515	(1,252)
Effluent Loan				0	600,000	(48,736)	551,264	(26,399)	0	0	0	0	0	0	600,000	(50,332)	549,668	(22,385)
Sport & Recreation	Loan 81	WATC	7.0%	284,695	0	(74,520)	210,175	(18,514)	354,293	0	(69,598)	284,695	(23,186)	354,293	0	(69,599)	284,694	(23,435)
Grader	Loan 80	WATC	5.6%	38,930	0	(18,925)	20,005	(1,930)	56,831	0	(17,901)	38,930	(2,535)	56,831	0	(17,902)	38,929	(2,951)
				402,663	600,000	(180,603)	822,060	(50,759)	526,510	0	(123,847)	402,663	(30,867)	526,510	600,000	(174,180)	952,330	(54,763)
Self Supporting Loans																		
Country Club	Loan 82	WATC	7.0%	114,484	0	(29,967)	84,517	(7,445)	142,473	0	(27,989)	114,484	(8,806)	142,473	0	(27,988)	114,485	(9,424)
				114,484	0	(29,967)	84,517	(7,445)	142,473	0	(27,989)	114,484	(8,806)	142,473	0	(27,988)	114,485	(9,424)
				517,147	600,000	(210,570)	906,577	(58,204)	668,983	0	(151,836)	517,147	(39,673)	668,983	600,000	(202,168)	1,066,815	(64,187)

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

7. BORROWINGS

(b) New borrowings - 2024/25

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
					\$	\$	\$	\$
Upgrade Effluent Network	WATC	P & I	10	4.5%	600,000	176,645	600,000	0
					600,000	176,645	600,000	0

(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			
Bank overdraft at balance date			
Credit card limit	21,500	21,500	21,500
Credit card balance at balance date	0	2,196	0
Total amount of credit unused	21,500	23,696	21,500
Loan facilities			
Loan facilities in use at balance date	906,577	517,147	1,066,815

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 BROOKTON
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
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Re-Use Water Dam	LE-03	Seabrook Aboriginal Corporation	3.4%	300	19,037	0	(1,568)	17,469	(614)	20,552	0	(1,515)	19,037	(667)	20,552	0	(1,515)	19,037	(664)
					19,037	0	(1,568)	17,469	(614)	20,552	0	(1,515)	19,037	(667)	20,552	0	(1,515)	19,037	(664)

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

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2024/25 Budget				2023/24 Actual				2023/24 Budget			
	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	152,717	4,088	0	156,805	146,464	6,253	0	152,717	146,463	1,493	0	147,956
(b) Plant and vehicle reserve	616,660	641,506	(700,000)	558,166	774,793	487,643	(645,776)	616,660	774,794	596,669	(975,776)	395,687
(c) Land and housing development reserve	0	0	0	0	1,785,748	0	(1,785,748)	0	1,785,748	0	(1,785,748)	0
(d) Furniture and equipment reserve	115,326	100,087	(104,356)	111,057	30,256	100,376	(15,306)	115,326	30,256	97,308	(33,300)	94,264
(e) Municipal building and facility reserve	0	0	0	0	508,351	0	(508,351)	0	508,351	0	(508,351)	0
(f) Townscape and footpath reserve	0	0	0	0	131,025	0	(131,025)	0	131,025	0	(131,025)	0
(g) Sewerage scheme reserve	518,155	33,494	(157,645)	394,004	449,016	69,139	0	518,155	449,016	54,545	0	503,561
(h) Road and bridges infrastructure reserve	0	0	0	0	452,381	0	(452,381)	0	452,381	0	(452,381)	0
(i) Sport and recreation reserve	0	0	0	0	32,719	0	(32,719)	0	32,719	0	(32,719)	0
(j) Rehabilitation and refuse reserve	0	0	0	0	279,411	0	(279,411)	0	279,411	0	(279,411)	0
(k) Caravan park reserve	0	0	0	0	373,341	0	(373,341)	0	373,341	0	(373,341)	0
(l) Brookton museum/heritage reserve	0	0	0	0	48,777	0	(48,777)	0	48,777	0	(48,777)	0
(m) Kweda hall reserve	0	0	0	0	19,025	0	(19,025)	0	19,025	0	(19,025)	0
(n) Railway station reserve	0	0	0	0	526,287	0	(526,287)	0	526,287	0	(526,287)	0
(o) Madison square units reserve	33,945	1,206	0	35,151	32,351	1,594	0	33,945	32,351	538	0	32,889
(p) Cemetery reserve	0	0	0	0	84,276	0	(84,276)	0	84,276	0	(84,276)	0
(q) Water reserve	0	0	0	0	65,683	0	(65,683)	0	65,683	0	(65,683)	0
(r) Developer contribution reserve	0	0	0	0	2,891	0	(2,891)	0	2,891	0	(2,891)	0
(s) Brookton aquatic reserve	0	0	0	0	387,599	0	(387,599)	0	387,599	0	(387,599)	0
(t) Cash contingency reserve	0	0	0	0	138,858	0	(138,858)	0	138,858	0	(138,858)	0
(u) Future fund reserve	0	0	0	0	4,206,439	0	(4,206,439)	0	4,206,439	0	(4,206,439)	0
(v) Innovations fund reserve	0	0	0	0	2,056,957	0	(2,056,957)	0	2,056,957	0	(2,056,957)	0
(w) Brookton community resource centre	231,318	6,191	(10,000)	227,509	221,954	9,364	0	231,318	221,954	2,262	0	224,216
(x) Building and facility reserve	5,371,134	473,710	(1,006,452)	4,838,392	0	6,260,512	(889,378)	5,371,134	0	6,030,368	(1,575,864)	4,454,504
(y) Infrastructure reserve	563,091	15,072	(355,916)	222,247	0	785,372	(222,281)	563,091	0	892,389	(474,707)	417,682
(z) Waste reserve	733,151	50,220	0	783,371	0	733,151	0	733,151	0	710,872	0	710,872
(aa) Aged housing reserve	417,078	37,030	0	454,108	0	417,078	0	417,078	0	404,155	0	404,155
(ab) Innovations and development reserve	3,128,088	83,727	(2,042,700)	1,169,115	0	3,128,088	0	3,128,088	0	3,031,161	(2,457,201)	573,960
	11,880,663	1,446,331	(4,377,069)	8,949,925	12,754,602	11,998,570	(12,872,509)	11,880,663	12,754,602	11,821,760	(16,616,616)	7,959,746

9. RESERVE ACCOUNTS

(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		This reserve is for the funding of annual and long service leave requirements.
(b) Plant and vehicle reserve		This reserve is for the purchase of major items in the Shire's plant and vehicle replacement program. Inclusive of the Community Bus.
(c) Land and housing development reserve	30/06/2024	This reserve is for the construction, acquisition, renewal or upgrading of housing and land development to meet present and future requirements.
(d) Furniture and equipment reserve		This reserve is for the replacement of major items of furniture and equipment.
(e) Municipal building and facility reserve	30/06/2024	This reserve is for the construction, demolition, acquisition, renewal or upgrade of Shire owned Public and Community buildings and facilities.
(f) Townscape and footpath reserve	30/06/2024	This reserve is for the cost of major works to construct and upgrade footpaths and general townscape works.
(g) Sewerage scheme reserve		This reserve is to fund the expansion, ongoing renewal, maintenance and asset management needs of the Brookton Sewerage Scheme.
(h) Road and bridges infrastructure reserve	30/06/2024	This reserve is for the construction and upgrade of roads and bridges within the Shire.
(i) Sport and recreation reserve	30/06/2024	This reserve is to fund new, renewal, upgrades, or major maintenance of sporting and recreation infrastructure.
(j) Rehabilitation and refuse reserve	30/06/2024	This reserve is to fund the rehabilitation or major upgrades of the Brookton Refuse Site and or to rehabilitate former Gravel Pits.
(k) Caravan park reserve	30/06/2024	This reserve is to be used to fund any upgrades or major maintenance at the Brookton Caravan Park.
(l) Brookton museum/heritage reserve	30/06/2024	This reserve is to be used to fund any upgrades or major maintenance of the Brookton Historical Museum.
(m) Kweda hall reserve	30/06/2024	This reserve is to be used to fund any upgrades or major maintenance on the Kweda Hall.
(n) Railway station reserve	30/06/2024	This reserve is to be used to fund any upgrades or major maintenance on the Brookton Railway Station and/or Platform.
(o) Madison square units reserve		This reserve is to be used to fund any upgrades or major maintenance on the Madison Square Units.
(p) Cemetery reserve	30/06/2024	This reserve is to be used to fund any upgrades or major maintenance on the Brookton Cemetery.
(q) Water reserve	30/06/2024	This reserve is to fund renewal, upgrades or major maintenance of the water scheme infrastructure under the control of the Shire.
(r) Developer contribution reserve	30/06/2024	This reserve is to hold contributions applied to a development via a Development Application or Subdivision Approval pending determination by council of its application to the specific works.
(s) Brookton aquatic reserve	30/06/2024	This reserve is to fund the renewal, replacement, upgrades or major maintenance of the Brookton Aquatic Centre.
(t) Cash contingency reserve	30/06/2024	This reserve is to cover unexpected shortfalls in operational funding should the need arise.
(u) Future fund reserve	30/06/2024	This reserve is primarily set aside for investment. It is anticipated this fund will be preserved in perpetuity.
(v) Innovations fund reserve	30/06/2024	This reserve is to support and complement the Integrated Planning and Reporting (IPR) framework.
(w) Brookton community resource centre		This reserve is to be used to fund any upgrades and services for the Brookton Community Resource Centre.

9. RESERVE ACCOUNTS

- (x) Building and facility reserve
This reserve is for the construction, demolition, acquisition, renewal or upgrade of Shire owned Public and Community buildings and facilities.
- (y) Infrastructure reserve
This reserve is for the construction and upgrade of roads, bridges, paths and water infrastructure within the Shire.
- (z) Waste reserve
This reserve is to fund the compliant management and future rehabilitation of the Brookton Refuse Site.
- (aa) Aged housing reserve
This reserve is to be used to fund any upgrades or major maintenance on the Independent Living Units.
- (ab) Innovations and development reserve
This reserve is to fund inovative projects, identified in the Intregrated Planning and Reporting (IPR) framework, to grow and develop the Shire of Brookton.

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

10. OTHER INFORMATION

The net result includes as revenues

(a) Interest earnings

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Investments reserve	318,000	544,565	130,000
Investment other funds	12,445	60,741	14,424
Other interest revenue	17,025	19,718	17,025
	347,470	625,024	161,449

* The Shire has resolved to charge interest under section 6.13 for the late payment of any amount of money at 7%.

The net result includes as expenses

(b) Auditors remuneration

Audit services	69,000	53,986	78,400
	69,000	53,986	78,400

(c) Interest expenses (finance costs)

Borrowings (refer Note 7(a))	58,204	39,673	64,187
Interest on lease liabilities (refer Note 8)	614	667	664
Other finance costs	6,499	4,916	7,406
	65,317	45,256	72,257

(d) Write offs

General rate	800	3,505	800
Fees and charges	2,689	6,701	0
	3,489	10,206	800

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

11. ELECTED MEMBERS REMUNERATION

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Elected member 1			
President's allowance	7,500	1,500	1,500
Meeting attendance fees	7,000	8,400	5,229
Travel and accommodation expenses	589	204	589
	15,089	10,104	7,318
Elected member 2			
Deputy President's allowance	0	188	375
Meeting attendance fees	0	1,100	5,229
Travel and accommodation expenses	0	255	589
	0	1,543	6,193
Elected member 3			
Deputy President's allowance	1,875	281	0
Meeting attendance fees	3,884	4,368	5,229
Travel and accommodation expenses	589	269	589
	6,348	4,918	5,818
Elected member 4			
Meeting attendance fees	3,884	4,412	5,228
Travel and accommodation expenses	589	254	588
	4,473	4,666	5,816
Elected member 5			
Meeting attendance fees	0	400	5,229
Travel and accommodation expenses	0	62	589
	0	462	5,818
Elected member 6			
Meeting attendance fees	3,884	3,300	5,228
Travel and accommodation expenses	589	0	588
	4,473	3,300	5,816
Elected member 7			
Meeting attendance fees	3,884	2,910	5,228
Travel and accommodation expenses	589	309	588
	4,473	3,219	5,816
Elected member 8			
Meeting attendance fees	0	100	0
	0	100	0
Elected member 9			
Meeting attendance fees	3,884	1,500	0
Travel and accommodation expenses	589	0	0
	4,473	1,500	0
Elected member 10			
Meeting attendance fees	3,884	1,720	0
Travel and accommodation expenses	589	92	0
	4,473	1,812	0
Total Elected Member Remuneration	43,802	31,624	42,595
President's allowance	7,500	1,500	1,500
Deputy President's allowance	1,875	469	375
Meeting attendance fees	30,304	28,210	36,600
Travel and accommodation expenses	4,123	1,445	4,120
	43,802	31,624	42,595

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

12. INVESTMENT IN ASSOCIATES

(a) Investment in associate

The Shire together with the State Housing Commission have a joint venture arrangement with regard to the provision of low cost housing. The only assets are four (4) residential units. The Shire's equity of the units is 13.40%.

(b) Share of Investment in Country Regional Council

Summarised statement of comprehensive income

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Other revenue	29,727	33,296	26,001
Total operating revenue	29,727	33,296	26,001
Depreciation	(1,877)	(1,876)	(1,875)
Other expenses	(62,780)	(59,969)	(86,333)
Total operating expenses	(64,657)	(61,845)	(88,208)
Profit/(loss) from continuing operations	(34,930)	(28,549)	(62,207)
Other comprehensive income			
Total comprehensive income for the period	(34,930)	(28,549)	(62,207)

Reconciliation to carrying amounts

MATERIAL ACCOUNTING POLICIES

Investments in associates

An associate is an entity over which the Shire has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss. recognised.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Shire's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Investments in associates (continued)

Profits and losses resulting from transactions between the Shire and the associate are eliminated to the extent of the Shire's interest in the associate. When the Shire's share of losses in an associate equals or exceeds its interest in the associate, the Shire discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Shire will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

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

13. REVENUE AND EXPENDITURE

(b) Revenue Recognition

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of Revenue recognition
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
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
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
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
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	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	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
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
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
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

SHIRE OF BROOKTON
NOTES TO AND FORMING PART OF THE BUDGET
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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 resources.

Administration and operations of facilities and services to members of Council. Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.

General purpose funding

To collect revenue to allow for the provision of services.

Rates, general purpose grants and interest revenue.

Law, order, public safety

To provide services to help ensure a safer community.

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

Health

To provide an operational framework for good community health.

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.

Education and welfare

The Shire of Brookton provides low cost housing and Seniors accommodation units.

Support and provide assistance to senior citizens and other voluntary services.

Housing

Provision and maintenance of rental housing to staff and non-staff tenants.

Provision and maintenance of rental housing to staff and non-staff tenants.

Community amenities

Provision and maintenance of a sewerage overflow system; street; household and commercial refuse collection; refuse disposal site; administration of a town planning scheme; public conveniences and Brookton cemetery.

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

Recreation and culture

To establish and manage efficiently infrastructure and resources which will help the social well being of the community.

Maintenance of halls, aquatic centre, recreation centre and reserves, parks and gardens, library service, cultural and heritage services and facilities.

Transport

Construction and maintenance of RAV network including traffic signs, footpaths, bridges, culverts and other drains, street cleaning and lighting of streets. Townscape projects and the maintenance of a works depot.

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

Economic services

Tourism and promotion of Brookton, operation of Brookton Caravan Park, building control and land care development of the Brookton district.

Tourism and area promotion including the maintenance and operation of a caravan park. Operation of Brookton Community Resource Centre. Provision of rural services including weed control, vermin control and stand pipes. Building control.

Other property and services

Private works and indirect cost allocation pools for plant operation and public works.

Private works operations, public works operation, plant operation costs, gross salaries and wages.

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

15. FEES AND CHARGES

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
By Program:			
Governance	10	0	10
General purpose funding	9,000	10,853	6,200
Law, order, public safety	5,169	4,381	3,919
Health	300	347	300
Education and welfare	49,920	54,009	46,425
Housing	98,687	121,189	113,137
Community amenities	499,802	444,242	438,067
Recreation and culture	28,437	37,470	29,870
Economic services	217,160	264,581	206,660
Other property and services	2,100	17,283	2,100
	910,585	954,355	846,688

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