

BUDGET

2023 - 2024



FOREWORD



Introduction

It is with great pleasure to be presenting the Shire of Kent Budget for the 2023 - 2024 financial year. This year's Budget has been prepared taking into consideration the current economic climate in Australia. Keeping in line with Council's Community Strategic Plan, this Budget continues to maintain balance with a solid commitment to governance and planning principles.

Economic Background

At the time of this budget preparation, the Consumer Price Index (CPI) was measured at 7% (Reserve Bank of Australia). This is an increase of just under 2% from the same period last year.

The current high inflation contributes to cost increases in wages, materials and products and services bringing many challenges for Council to consider.

Major Features of this Budget

In the capital works budget just over 60% has been allocated to upgrades to the road network. This includes Roads to Recovery works on Range Road; Regional Road Group works on North Needilup, Rasmussen, North Kuringup and Lake Magenta Roads; and gravel sheeting across 6 roads within the Shire. The Local Roads and Community Infrastructure Program Phase 4 have committed to funding of \$790,851 which is yet to be allocated to proposed works. Other Infrastructure projects include footpath upgrades in both Nyabing and Pingrup; installation of a gazebo and seating at the Pingrup Cemetery; installation of acoustics at the Pingrup Hall; replacement ceiling at the Pingrup Pavilion; and landscaping works at the Nyabing Caravan Park.

Rates

This budget includes a 4% yield increase from the previous year for rates. This increase applies to the General Rate and Minimum Rates. There is also an increase in services such as rubbish, recycling and sewerage to cover increased contract costs.

Reserves

Council Reserve funds remain healthy at just under \$4mil to provide long term asset replacement/preservation funding for major assets such as sewer systems, waste landfill sites, plant and machinery, road infrastructure, land and buildings and fully cash backed leave liabilities for staff.

Conclusion

In delivering this budget appreciation is extended to all Councillors, Executive Team, Works Crew, Gardeners, Cleaners and Administration staff for their valuable input. Whilst delivering this budget Council will continue to strive to meet community aspirations and expectations.



Cr Scott Crosby
SHIRE PRESIDENT

OUR VISION



“A community that places a high value on essential services; communications and technology infrastructure, improved social connectedness; community involvement and participation, a need to retain and grow the population, and to strengthen economic prosperity through the diversification of the local economy.”

The Shire in the future is described as:

- *A place with a sense of community, one that is thriving, vibrant, engaging and connected.
- *A place that nurtures its youth and aging population;
- *A place that has a range of services and facilities meeting our needs.
- *A place that is growing and has employment opportunities, through local industry, which is based on the Shires local comparative advantages."

KEY OBJECTIVES AND OUTCOMES as outlined in Community Strategic Plan 2017 - 2027

	Objectives	Outcomes
ECONOMIC	<i>Support growth and progress, locally and regionally</i>	<ul style="list-style-type: none"> Growth in business and/or employment opportunities Increased tourism activity An effective well maintained transport network Agriculture opportunities maintained and developed
SOCIAL	<i>To provide community facilities and promote social interaction</i>	<ul style="list-style-type: none"> Expansion of youth services and facilities Maintaining a healthy and safe community Existing strong community spirit and pride to be fostered, promoted and encouraged Cultural and heritage diversity is recognised A broad range of quality education services and facilities servicing the region
ENVIRONMENT	<i>Conserve, protect and enhance our natural and built environment</i>	<ul style="list-style-type: none"> A preserved natural environment Effective waste services Efficient use of resources A well maintained built environment
CIVIC LEADERSHIP	<i>Continually enhance the Shire's organisational capacity to service the needs of our community</i>	<ul style="list-style-type: none"> An efficient and effective organisation An employer of choice

ELECTED MEMBERS



The Ordinary Meetings of the full Council are held at the Council Chambers, Nyabing at 5.30pm on the third Wednesday of every month, with the exception of January.

Members of the public are always welcome, and have the opportunity through Public Question Time to ask questions of Council.

Persons and organisations that wish to have a matter considered by Council should have all requests for consideration with the Chief Executive Officer at least 1 week prior to the meeting.



Cr Scott Crosby
PRESIDENT



Cr Kate Johnston
DEPUTY PRESIDENT



Cr Tim Borgward



Cr Greg Hobley



Cr Darren Gray



Cr Renae Jury

During the 22/23 financial year, Cr Wayne Tapscott and Cr Justin Germain retired. Approval was received from the Electoral Commissioner of the Western Australian Electoral Commission (WAEC) for these vacancies to remain unfilled until the next ordinary election in October 2023.

2023/2024 RATES



The 2023/2024 Annual Budget provides for an increase of 4% in the general rate. It should be noted that this is a 4% yield over the previous year's rates and that some properties will experience higher and lower increases based upon the valuations of property. The Council is always mindful of keeping rates at a sustainable level for both the operation and the ratepayers.

RATES

GROSS RENTAL VALUE (GRV) TOWNS

9.520 cents in the dollar

UNIMPROVED VALUES (UV) RURAL & MINING

0.620 cents in the dollar

MINIMUM RATES FOR GRV & UV

\$550 per assessment

REFUSE

240LT BIN - WEEKLY COLLECTION

\$260 per annum

\$130 per annum - PENSIONER

RECYCLING

240LT BIN - FORTNIGHTLY

COLLECTION

\$144 per annum

SEWERAGE

NYABING

\$6.1962 cents in the dollar

\$405 residential minimum

\$889 commercial minimum

PINGRUP

\$7.3436 cents in the dollar

\$405 residential minimum

\$889 commercial minimum

OTHER SEWERAGE FEES

\$280 per vacant property

\$280 minor fixture charge (1st)

\$889 major fixture (1st)

\$115 additional fixtures

INSTALMENT OPTIONS

OPTION 1

Payment in full by **ONE** instalment only, payment is to be received by **4.30pm Friday 8 September 2023**

A charge of 7% per annum, calculated daily at 0.019178% by simple interest will apply to rates and service charges that remain unpaid after the due date and will continue to accrue until paid in full. Eligible pensioners are exempt.

Council resolved that a discount will not be applied for prompt payment of rates.

OPTION 2

Payment by **TWO** instalments only by 4.30pm on the following dates:

1st instalment by

Friday 8 September 2023

2nd instalment by

Friday 12 January 2024

An administration fee of \$10 is applicable.

Late payment penalty interest will apply to **both instalment options** at the rate of 5.5% per annum, calculated daily at 0.01507%.

OPTION 3

Payment by **FOUR** instalments only:

1st instalment by

Friday 8 September 2023

2nd instalment by

Friday 10 November 2023

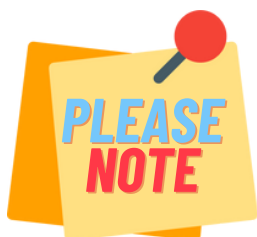
3rd instalment by

Friday 12 January 2024

4th instalment by

Friday 22 March 2024

An administration fee of \$30 is applicable.



The right to pay by instalments is forfeited if your first payment is not received by the due date and does not match the total instalment option. Note: Payment of the first instalment shall include all arrears outstanding from previous years.

ALTERNATIVE ARRANGEMENTS

If you are experiencing difficulties with paying your rates or instalments, please contact the Shire Office immediately on (08) 9829 1051 or admin@kent.wa.gov.au to discuss alternative arrangements.

SHIRE OF KENT
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

The Shire of Kent is dedicated to providing high quality services to the community through various service orientated programs which it has established.

SHIRE OF KENT
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2023/24 Budget	2022/23 Actual	2022/23 Budget
Revenue				
		\$	\$	\$
Rates	2(a)	2,567,065	2,455,294	2,445,739
Grants, subsidies and contributions	11	406,800	3,383,040	485,641
Fees and charges	15	860,978	864,980	707,379
Interest revenue	12(a)	294,022	230,070	102,376
Other revenue	12(b)	69,900	67,339	58,000
		4,198,765	7,000,723	3,799,135
Expenses				
Employee costs		(2,499,761)	(2,234,626)	(2,468,233)
Materials and contracts		(1,484,935)	(1,635,333)	(864,601)
Utility charges		(211,758)	(193,320)	(193,150)
Depreciation	6	(2,626,500)	(1,067,726)	(2,041,636)
Finance costs	12(d)	(16,085)	(21,892)	(22,276)
Insurance		(186,673)	(165,936)	(180,992)
Other expenditure		(417,961)	(394,226)	(326,664)
		(7,443,673)	(5,713,059)	(6,097,552)
		(3,244,908)	1,287,664	(2,298,417)
Capital grants, subsidies and contributions	11	2,093,001	1,469,808	1,785,845
Profit on asset disposals	5	27,000	12,091	113,043
Loss on asset disposals		(80,000)	(2,164)	0
		2,040,001	1,479,735	1,898,888
Net result for the period		(1,204,907)	2,767,399	(399,529)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
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		(1,204,907)	2,767,399	(399,529)

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 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts

	NOTE	2023/24 Budget	2022/23 Actual	2022/23 Budget
		\$	\$	\$
Rates		2,573,065	2,433,439	2,450,739
Grants, subsidies and contributions		926,099	3,727,635	247,900
Fees and charges		860,978	864,980	707,379
Interest revenue		294,022	230,070	102,376
Goods and services tax received		10,000	19,382	5,000
Other revenue		69,900	67,339	58,000
		4,734,064	7,342,845	3,571,394

Payments

Employee costs		(2,466,761)	(2,286,701)	(2,436,733)
Materials and contracts		(1,504,935)	(2,201,775)	(787,975)
Utility charges		(211,758)	(193,320)	(193,150)
Finance costs		13,915	(23,781)	(20,776)
Insurance		(186,673)	(165,936)	(180,992)
Goods and services tax paid		(1,500)	0	0
Other expenditure		(417,961)	(394,226)	(326,663)
		(4,775,673)	(5,265,739)	(3,946,289)

Net cash provided by (used in) operating activities	4	(41,609)	2,077,106	(374,895)
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CASH FLOWS FROM INVESTING ACTIVITIES

Payments for purchase of property, plant & equipment	5(a)	(2,575,000)	(1,250,266)	(2,575,809)
Payments for construction of infrastructure	5(b)	(3,668,395)	(1,702,636)	(2,584,068)
Capital grants, subsidies and contributions		2,092,511	968,744	1,785,845
Proceeds from sale of property, plant and equipment	5(a)	239,000	70,455	476,000
Net cash provided by (used in) investing activities		(3,911,884)	(1,913,703)	(2,898,032)

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of borrowings	7(a)	(138,453)	(132,799)	(132,801)
Payments for principal portion of lease liabilities	8	(314)	(4,772)	(4,772)
Proceeds on disposal of financial assets at amortised cost - term deposits		568,478	(456,067)	105,125
Net cash provided by (used in) financing activities		929,711	(593,638)	(32,448)

Net increase (decrease) in cash held

Cash at beginning of year		(3,023,782)	(430,235)	(3,305,375)
		3,240,559	3,670,795	3,451,567
Cash and cash equivalents at the end of the year	4	216,777	3,240,560	146,192

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 2024

OPERATING ACTIVITIES

Revenue from operating activities

General rates
Rates excluding general rates
Grants, subsidies and contributions
Fees and charges
Interest revenue
Other revenue
Profit on asset disposals

Expenditure from operating activities

Employee costs
Materials and contracts
Utility charges
Depreciation
Finance costs
Insurance
Other expenditure
Loss on asset disposals

Non-cash amounts excluded from operating activities

Amount attributable to operating activities

INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions
Proceeds from disposal of assets

Outflows from investing activities

Payments for property, plant and equipment
Payments for construction of infrastructure

Amount attributable to investing activities

FINANCING ACTIVITIES

Inflows from financing activities

Proceeds from new borrowings
Transfers from reserve accounts

Outflows from financing activities

Repayment of borrowings
Payments for principal portion of lease liabilities
Transfers to reserve accounts

Amount attributable to financing activities

MOVEMENT IN SURPLUS OR DEFICIT

Surplus or deficit at the start of the financial year

Amount attributable to operating activities
Amount attributable to investing activities
Amount attributable to financing activities

Surplus or deficit at the end of the financial year

		2023/24	2022/23	2022/23
	NOTE	Budget	Actual	Budget
		\$	\$	\$
General rates	2(a)	2,524,112	2,414,730	2,409,239
Rates excluding general rates	2(a)	42,953	40,564	36,500
Grants, subsidies and contributions	11	406,800	3,383,040	485,641
Fees and charges	15	860,978	864,980	707,379
Interest revenue	12(a)	294,022	230,070	102,376
Other revenue	12(b)	69,900	67,339	58,000
Profit on asset disposals	5	27,000	12,091	113,043
		4,225,765	7,012,814	3,912,178
Employee costs		(2,499,761)	(2,234,626)	(2,468,233)
Materials and contracts		(1,484,935)	(1,635,333)	(864,601)
Utility charges		(211,758)	(193,320)	(193,150)
Depreciation	6	(2,626,500)	(1,067,726)	(2,041,636)
Finance costs	12(d)	(16,085)	(21,892)	(22,276)
Insurance		(186,673)	(165,936)	(180,992)
Other expenditure		(417,961)	(394,226)	(326,664)
Loss on asset disposals	5	(80,000)	(2,164)	0
		(7,523,673)	(5,715,223)	(6,097,552)
Non-cash amounts excluded from operating activities	3(b)	2,666,180	1,081,924	1,928,593
Amount attributable to operating activities		(631,728)	2,379,515	(256,781)
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions	11	2,093,001	1,469,808	1,785,845
Proceeds from disposal of assets	5	239,000	70,455	476,000
		2,332,001	1,540,263	2,261,845
Outflows from investing activities				
Payments for property, plant and equipment	5(a)	(2,575,000)	(1,250,266)	(2,575,809)
Payments for construction of infrastructure	5(b)	(3,668,395)	(1,702,636)	(2,584,068)
		(6,243,395)	(2,952,902)	(5,159,877)
Amount attributable to investing activities		(3,911,394)	(1,412,639)	(2,898,032)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new borrowings	7(a)	500,000	0	0
Transfers from reserve accounts	9(a)	940,000	264,000	370,000
		1,440,000	264,000	370,000
Outflows from financing activities				
Repayment of borrowings	7(a)	(138,453)	(132,799)	(132,801)
Payments for principal portion of lease liabilities	8	(314)	(4,772)	(4,772)
Transfers to reserve accounts	9(a)	(371,522)	(720,313)	(264,875)
		(510,289)	(857,884)	(402,448)
Amount attributable to financing activities		929,711	(593,884)	(32,448)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	3	3,613,411	3,240,419	3,187,259
Amount attributable to operating activities		(631,728)	2,379,515	(256,781)
Amount attributable to investing activities		(3,911,394)	(1,412,639)	(2,898,032)
Amount attributable to financing activities		929,711	(593,884)	(32,448)
Surplus or deficit at the end of the financial year	3	0	3,613,411	0

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

SHIRE OF KENT
FOR THE YEAR ENDED 30 JUNE 2024
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1(a) 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 14 to the annual budget.

2022/23 actual balances

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

Budget comparative figures

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

Comparative figures

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

Rounding off figures

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

Initial application of accounting standards

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

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

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

New accounting standards for application in future years

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

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

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

Judgements, estimates and assumptions

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

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

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

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

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

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 EARNINGS

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

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2023/24 Budgeted rate revenue	2023/24 Budgeted interim rates	2023/24 Budgeted back rates	2023/24 Budgeted total revenue	2022/23 Actual total revenue	2022/23 Budget total revenue
		\$		\$	\$	\$	\$	\$	\$	\$
(i) General rates										
GRV - Residential/Commercial	Gross rental valuation	0.095200	74	648,700	61,756	0	0	61,756	62,963	62,664
UV - Rural	Unimproved valuation	0.006200	337	390,509,000	2,421,156	0	500	2,421,656	2,315,143	2,314,715
Mining	Unimproved valuation	0.006200	0	0	0	0	0	0	0	0
Total general rates			411	391,157,700	2,482,912	0	500	2,483,412	2,378,106	2,377,379
(ii) Minimum payment		Minimum								
		\$								
GRV - Residential/Commercial	Gross rental valuation	550	16	28,973	8,800	0	0	8,800	9,027	9,027
UV - Rural	Unimproved valuation	550	12	729,000	6,600	0	0	6,600	5,841	5,841
Mining	Unimproved valuation	550	46	422,799	25,300	0	0	25,300	21,756	16,992
Total minimum payments			74	1,180,772	40,700	0	0	40,700	36,624	31,860
Total general rates and minimum payments			485	392,338,472	2,523,612	0	500	2,524,112	2,414,730	2,409,239
(iv) Ex-gratia rates										
					42,953			42,953	40,564	36,500
Total ex-gratia rates			0	0	42,953	0	0	42,953	40,564	36,500
					2,566,565	0	500	2,567,065	2,455,294	2,445,739
Total rates					2,566,565	0	500	2,567,065	2,455,294	2,445,739

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

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 2023/24 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 2024

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	8/09/2023	0	0.00%	7.00%
Option two				
First instalment	8/09/2023	0	5.50%	7.00%
Second instalment	12/01/2024	10	5.50%	7.00%
Option three				
First instalment	8/09/2023	0	5.50%	7.00%
Second instalment	10/11/2023	10	5.50%	7.00%
Third instalment	12/01/2024	10	5.50%	7.00%
Fourth instalment	22/03/2024	10	5.50%	7.00%

	2023/24 Budget revenue	2022/23 Actual revenue	2022/23 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	2,000	1,900	2,000
Instalment plan interest earned	7,000	7,350	2,500
Unpaid rates and service charge interest earned	2,500	2,624	5,000
	11,500	11,874	9,500

(c) Service Charges

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

(d) Waivers or concessions

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

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

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
Lease liabilities
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	2023/24 Budget 30 June 2024	2022/23 Actual 30 June 2023	2022/23 Budget 30 June 2023
	\$	\$	\$
4	216,777	3,240,559	146,192
	3,961,717	4,530,195	3,969,018
	100,251	150,251	125,821
	0	489,299	0
	85,125	105,125	83,477
	4,363,870	8,515,429	4,324,508
	(206,620)	(218,120)	(199,862)
	0	(490)	0
8	0	(314)	0
7	(571,908)	(138,453)	(138,452)
	(183,213)	(153,213)	(195,752)
	(961,741)	(510,590)	(534,066)
	3,402,129	8,004,839	3,790,442
3(c)	(3,402,129)	(4,391,428)	(3,790,442)
	0	3,613,411	0

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

Items excluded from calculation of budgeted deficiency

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

(b) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the 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	2023/24 Budget 30 June 2024	2022/23 Actual 30 June 2023	2022/23 Budget 30 June 2023
	\$	\$	\$
5	(27,000)	(12,091)	(113,043)
	(8,000)	244	
5	80,000	2,164	0
6	2,626,500	1,067,726	2,041,636
	(12,320)		
	4,000	0	
	3,000	23,881	
	2,666,180	1,081,924	1,928,593

(c) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the 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 lease liabilities
- Current portion of employee benefit provisions held in reserve

Total adjustments to net current assets

9	(3,961,717)	(4,530,195)	(3,969,018)
	571,908	138,453	138,452
	0	314	0
	(12,320)	0	40,124
	(3,402,129)	(4,391,428)	(3,790,442)

3(d) NET CURRENT ASSETS (CONTINUED)

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 2024

4. RECONCILIATION OF CASH

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

	Note	2023/24 Budget	2022/23 Actual	2022/23 Budget
Cash at bank and on hand		\$ 216,777	\$ 3,240,559	\$ 146,192
Total cash and cash equivalents		216,777	3,240,559	146,192
Held as				
- Unrestricted cash and cash equivalents	3(a)	216,777	3,240,069	146,192
- Restricted cash and cash equivalents	3(a)	0	490	0
		216,777	3,240,559	146,192
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		0	490	0
- Restricted financial assets at amortised cost - term deposits	3(a)	3,961,717	4,530,195	3,969,018
		3,961,717	4,530,685	3,969,018
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Financially backed reserves	9	3,961,717	4,530,195	3,969,018
Unspent capital grants, subsidies and contribution liabilities		0	490	0
		3,961,717	4,530,685	3,969,018
Reconciliation of net cash provided by operating activities to net result				
Net result		(1,204,907)	2,767,399	(399,529)
Depreciation	6	2,626,500	1,067,726	2,041,636
(Profit)/loss on sale of asset	5	53,000	(9,927)	(113,043)
(Increase)/decrease in receivables		46,000	121,670	160,000
(Increase)/decrease in contract assets		489,299	220,452	160,942
(Increase)/decrease in inventories		20,000	(44,002)	100,000
Increase/(decrease) in payables		(11,500)	(526,361)	(25,374)
Increase/(decrease) in unspent capital grants		(490)	(501,064)	(548,682)
Increase/(decrease) in employee provisions		33,000	(50,043)	35,000
Capital grants, subsidies and contributions		(2,092,511)	(968,744)	(1,785,845)
Net cash from operating activities		(41,609)	2,077,106	(374,895)

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.

5. FIXED ASSETS

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

	2023/24 Budget Additions	2023/24 Budget Disposals - Net Book Value	2023/24 Budget Disposals - Sale Proceeds	2023/24 Budget Disposals - Profit or Loss	2022/23 Actual Additions	2022/23 Disposals - Net Book Value	2022/23 Actual Disposals - Sale Proceeds	2022/23 Actual Disposals - Profit or Loss	2022/23 Budget Additions	2022/23 Budget Disposals - Net Book Value	2022/23 Budget Disposals - Sale Proceeds	2022/23 Budget Disposals - Profit or Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Property, Plant and Equipment												
Land - freehold land	0	0	0	0	1,023	0	0	0	0	0	0	0
Buildings - non-specialised	1,178,000	0	0	0	735,551	0	0	0	928,809	0	0	0
Buildings - specialised	196,000	0	0	0	183,438	0	0	0	218,000	0	0	0
Furniture and equipment	50,000	0	0	0	32,959	0	0	0	35,000	0	0	0
Plant and equipment	1,151,000	292,000	239,000	(53,000)	297,295	60,528	70,455	9,927	1,394,000	362,957	476,000	113,043
Total	2,575,000	292,000	239,000	(53,000)	1,250,266	60,528	70,455	9,927	2,575,809	362,957	476,000	113,043
(b) Infrastructure												
Infrastructure - roads	3,172,795	0	0	0	1,132,546	0	0	0	2,189,068	0	0	0
Infrastructure - Other	495,600	0	0	0	570,090	0	0	0	395,000	0	0	0
Total	3,668,395	0	0	0	1,702,636	0	0	0	2,584,068	0	0	0
Total	6,243,395	292,000	239,000	(53,000)	2,952,902	60,528	70,455	9,927	5,159,877	362,957	476,000	113,043

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.

6. DEPRECIATION

By Class

Buildings - non-specialised
Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - Other

By Program

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

2023/24 Budget	2022/23 Actual	2022/23 Budget
\$	\$	\$
383,500	362,912	276,236
173,000	166,227	146,166
17,500	15,516	5,854
321,000	310,826	250,570
1,500,000	0	1,212,556
231,500	212,244	150,254
2,626,500	1,067,725	2,041,636
47,000	45,302	42,456
56,500	51,139	38,968
275,000	264,546	190,514
76,000	67,343	55,891
343,500	324,550	239,524
1,528,500	24,175	1,247,370
35,000	30,409	25,242
265,000	260,261	201,671
2,626,500	1,067,725	2,041,636

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 systems	75 years

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	2023/24 Budget New Loans	2023/24 Budget Principal Repayments	Budget Principal outstanding 30 June 2024	2023/24 Budget Interest Repayments	Actual Principal	2022/23 Actual New Loans	2022/23 Actual Principal Repayments	Actual Principal outstanding 30 June 2023	2022/23 Actual Interest Repayments	Budget Principal	2022/23 Budget New Loans	2022/23 Budget Principal Repayments	Budget Principal outstanding 30 June 2023	2022/23 Budget Interest Repayments
				1 July 2023					1 July 2022					1 July 2022				
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing				0														
Various duplexes	91	WATC	3.15%	63,924	0	(63,924)	0	(3,036)	123,945	0	(60,021)	63,924	(6,878)	123,945	0	(60,021)	63,924	(6,878)
Teacher Housing	94	WATC	2.03%	646,926	0	(70,472)	576,454	(12,777)	715,988	0	(69,062)	646,926	(14,187)	715,988	0	(69,063)	646,925	(14,187)
New Housing	95	WATC		0	500,000	0	500,000	0	0	0	0	0	0	0	0	0	0	0
Community amenities				0														
Nyabing Effluent	54	WATC	4.45%	4,057	0	(4,057)	0	(271)	7,773	0	(3,716)	4,057	(513)	7,773	0	(3,717)	4,056	(611)
				714,907	500,000	(138,453)	1,076,454	(16,084)	847,706	0	(132,799)	714,907	(21,578)	847,706	0	(132,801)	714,905	(21,676)

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.

7. BORROWINGS

(b) New borrowings - 2023/24

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
				%	\$	\$	\$	\$
Staff Housing	WATC				500,000	0	0	500,000
					500,000	0	0	500,000

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

(d) Credit Facilities

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
Undrawn borrowing facilities			
credit standby arrangements			
Bank overdraft limit	100,000	100,000	100,000
Bank overdraft at balance date	0	0	
Credit card limit	16,000	16,000	16,000
Credit card balance at balance date	(5,000)	(7,643)	(5,000)
Total amount of credit unused	111,000	108,357	111,000
Loan facilities			
Loan facilities in use at balance date	1,076,454	714,907	714,905

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. They are classified as level 3 fair values in the fair value hierarchy due to the unobservable inputs, including own credit risk.

8. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease Principal	2023/24 Budget New Leases	2023/24 Budget Lease Principal Repayments	Budget Lease Principal outstanding	2023/24 Budget Lease Interest Repayments	Actual Principal	2022/23 Actual New Leases	2022/23 Actual Lease Principal repayments	Actual Lease Principal outstanding	2022/23 Actual Lease Interest repayments	Budget Principal	2022/23 Budget New Leases	2022/23 Budget Lease Principal repayments	Budget Lease Principal outstanding	2022/23 Budget Lease Interest repayments
					1 July 2023	\$	\$	\$	\$	1 July 2022	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance																			
Photocopier			2.10%	4	314	0	(314)	0	0	5,086	0	(4,772)	314	(314)	4,772	0	(4,772)	0	(600)
					314	0	(314)	0	0	5,086	0	(4,772)	314	(314)	4,772	0	(4,772)	0	(600)

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 2024

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2023/24 Budget Opening Balance	2023/24 Budget Transfer to	2023/24 Budget Transfer (from)	2023/24 Budget Closing Balance	2022/23 Actual Opening Balance	2022/23 Actual Transfer to	2022/23 Actual Transfer (from)	2022/23 Actual Closing Balance	2022/23 Budget Opening Balance	2022/23 Budget Transfer to	2022/23 Budget Transfer (from)	2022/23 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	107,550	35,378	0	142,928	122,924	34,626	(50,000)	107,550	122,932	32,668	0	155,600
(b) Plant Reserve	1,396,866	119,846	(395,000)	1,121,712	864,338	532,528	0	1,396,866	864,393	78,644	(290,000)	653,037
(c) land and Building Reserve	1,107,532	55,380	(500,000)	662,912	1,171,447	44,085	(108,000)	1,107,532	1,171,521	75,222	(50,000)	1,196,743
(d) Sewerage Reserve	537,694	26,886	0	564,580	518,193	19,501	0	537,694	518,226	11,183	0	529,409
(e) Nyabing Recreation Reserve	61,803	9,090	0	70,893	53,779	8,024	0	61,803	53,783	7,163	0	60,946
(f) Pingrup Recreation Reserve	38,569	7,928	0	46,497	31,388	7,181	0	38,569	31,390	6,677	0	38,067
(g) Water Provision Reserve	53,857	2,693	0	56,550	51,904	1,953	0	53,857	51,907	1,123	0	53,030
(h) Cemetery Reserve	47,231	2,362	0	49,593	45,518	1,713	0	47,231	45,521	986	0	46,507
(i) Refuse Disposal Facility Reserve	197,412	9,871	0	207,283	190,251	7,161	0	197,412	190,264	4,107	0	194,371
(j) Admin Vehicle Reserve	86,705	4,336	(45,000)	46,041	89,343	3,362	(6,000)	86,705	89,349	1,930	(30,000)	61,279
(k) Road Reserve	894,976	44,752	0	939,728	934,797	60,179	(100,000)	894,976	934,857	45,172	0	980,029
(l) IT Software, Hardware & Development Reserve	0	53,000	0	53,000	0	0	0	0	0	0	0	0
	4,530,195	371,522	(940,000)	3,961,717	4,073,882	720,313	(264,000)	4,530,195	4,074,143	264,875	(370,000)	3,969,018

(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 and 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 Reserve	<i>utilised</i>	Funds to be used for major purchases of IT software, hardware and/or development.

10 REVENUE RECOGNITION

MATERIAL ACCOUNTING POLICIES

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
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
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
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 KENT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

11. PROGRAM INFORMATION

(a) 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
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

11 PROGRAM INFORMATION (Continued)

(b) Income and expenses

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
Income excluding grants, subsidies and contributions	\$	\$	\$
Governance	1,400	610	1,000
General purpose funding	2,868,587	2,591,398	2,555,715
Law, order, public safety	49,269	42,792	45,861
Health	300	236	0
Housing	219,060	174,566	162,890
Community amenities	95,049	97,442	81,438
Recreation and culture	3,700	3,204	3,300
Transport	335,500	445,353	370,543
Economic services	126,000	167,637	99,200
Other property and services	120,100	106,536	106,590
	3,818,965	3,629,774	3,426,537
Grants, subsidies and contributions			
Governance	1,500	3,058	2,500
General purpose funding	120,000	3,006,192	151,000
Law, order, public safety	59,300	50,196	58,500
Education and welfare	0	10,000	0
Housing	5,000	18,529	5,000
Community amenities	0	57,841	67,641
Recreation and culture	6,000	14,356	6,000
Transport	210,000	208,990	190,000
Economic services	0	8,500	0
Other property and services	5,000	5,378	5,000
	406,800	3,383,040	485,641
Capital grants, subsidies and contributions			
General purpose funding	400,080	778,970	1,003,108
Transport	1,692,921	690,838	782,737
	2,093,001	1,469,808	1,785,845
Total Income	6,318,766	8,482,622	5,698,023
Expenses			
Governance	(686,437)	(544,134)	(598,687)
General purpose funding	(126,604)	(134,174)	(145,825)
Law, order, public safety	(466,870)	(386,017)	(481,797)
Health	(64,674)	(33,511)	(44,395)
Education and welfare	(39,445)	(47,256)	(40,956)
Housing	(669,266)	(614,960)	(360,692)
Community amenities	(387,033)	(356,844)	(440,487)
Recreation and culture	(998,033)	(885,969)	(844,603)
Transport	(3,565,346)	(2,182,980)	(2,706,055)
Economic services	(410,353)	(401,456)	(320,678)
Other property and services	(109,612)	(127,922)	(113,377)
Total expenses	(7,523,673)	(5,715,223)	(6,097,552)
Net result for the period	(1,204,907)	2,767,399	(399,529)

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

12. OTHER INFORMATION

The net result includes as revenues			
	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
(a) Interest earnings			
Investments			
- Reserve accounts	229,522	153,067	87,876
- Other funds	55,000	67,029	7,000
Other interest revenue	9,500	9,974	7,500
	294,022	230,070	102,376
(b) Other revenue			
Reimbursements and recoveries	69,900	67,339	58,000
	69,900	67,339	58,000
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	40,000	37,800	35,000
	40,000	37,800	35,000
(d) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	16,084	21,578	21,676
expense on lease liabilities (refer Note 8)	0	314	600
	16,084	21,892	22,276

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

13. ELECTED MEMBERS REMUNERATION

Cr SR Crosby

President's allowance	9,000	20,000	9,000
Meeting attendance fees	20,000	9,000	20,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Annual allowance for travel and accommodation expenses	900	1,613	900

Cr KV Johnston

Deputy President's allowance	5,000	5,000	5,000
Meeting attendance fees	9,000	9,000	9,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Annual allowance for travel and accommodation expenses	900	0	900

Cr RA Jury

Meeting attendance fees	9,000	9,000	9,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Annual allowance for travel and accommodation expenses	800	542	800

Cr TD Borgward

Meeting attendance fees	9,000	9,000	9,000
Annual allowance for ICT expenses	1,000	0	1,000
Annual allowance for travel and accommodation expenses	800	872	800

Cr DP Gray

Meeting attendance fees	9,000	9,000	9,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Annual allowance for travel and accommodation expenses	800	1,027	800

Cr GW Hobley

Meeting attendance fees	9,000	9,000	9,000
Annual allowance for ICT expenses	1,000	250	1,000
Annual allowance for travel and accommodation expenses	800	0	800

Cr JN Germain

Meeting attendance fees	0	4,500	9,000
Annual allowance for ICT expenses	0	500	1,000
Annual allowance for travel and accommodation expenses	0	0	800

Cr WD Tapscott

Meeting attendance fees	0	4,500	9,000
Annual allowance for ICT expenses	0	0	1,000
Annual allowance for travel and accommodation expenses	0	688	800

Total Elected Member Remuneration

President's allowance	9,000	20,000	9,000
Deputy President's allowance	5,000	5,000	5,000
Meeting attendance fees	65,000	63,000	83,000
Annual allowance for ICT expenses	6,000	4,750	8,000
Annual allowance for travel and accommodation expenses	5,000	4,742	6,600

2023/24 Budget	2022/23 Actual	2022/23 Budget
\$	\$	\$
9,000	20,000	9,000
20,000	9,000	20,000
1,000	1,000	1,000
900	1,613	900
30,900	31,613	30,900
5,000	5,000	5,000
9,000	9,000	9,000
1,000	1,000	1,000
900	0	900
15,900	15,000	15,900
9,000	9,000	9,000
1,000	1,000	1,000
800	542	800
10,800	10,542	10,800
9,000	9,000	9,000
1,000	0	1,000
800	872	800
10,800	9,872	10,800
9,000	9,000	9,000
1,000	1,000	1,000
800	1,027	800
10,800	11,027	10,800
9,000	9,000	9,000
1,000	250	1,000
800	0	800
10,800	9,250	10,800
0	4,500	9,000
0	500	1,000
0	0	800
0	5,000	10,800
0	4,500	9,000
0	0	1,000
0	688	800
0	5,188	10,800
90,000	97,492	111,600
9,000	20,000	9,000
5,000	5,000	5,000
65,000	63,000	83,000
6,000	4,750	8,000
5,000	4,742	6,600
90,000	97,492	111,600

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

14. 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 1 July 2023	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2024
	\$	\$	\$	\$
Housing bonds	160	0	0	160
Other	3,416	0	0	3,416
	3,576	0	0	3,576

SHIRE OF KENT

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30 JUNE 2024

15. FEES AND CHARGES

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
By Program:			
Governance	500	611	500
General purpose funding	7,500	7,585	7,600
Law, order, public safety	49,269	42,791	45,861
Health	300	236	0
Housing	219,060	170,444	161,390
Community amenities	95,049	97,442	81,438
Recreation and culture	3,700	3,204	3,300
Transport	300,500	320,169	250,500
Economic services	125,000	125,514	95,000
Other property and services	60,100	96,984	61,790
	860,978	864,980	707,379

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