

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

LOCAL GOVERNMENT ACT 1995

TABLE OF CONTENTS

Statement of Comprehensive Income	2
Statement of Cash Flows	3
Statement of Financial Activity	4
Index of Notes to the Budget	5
Schedule of Fees and Charges	26

SHIRE'S VISION

Pingelly, a sustainable community, where a natural beauty and economic diversity provides opportunities for all.

SHIRE OF PINGELLY
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)	2,522,431	2,436,948	2,446,730
Grants, subsidies and contributions		932,546	2,157,354	619,746
Fees and charges	14	447,951	434,563	427,668
Interest revenue	10(a)	81,226	96,602	48,997
Other revenue		88,381	202,475	89,221
		4,072,535	5,327,942	3,632,362
Expenses				
Employee costs		(2,310,252)	(1,980,390)	(2,149,081)
Materials and contracts		(2,164,404)	(1,757,580)	(2,012,475)
Utility charges		(193,870)	(209,652)	(183,147)
Depreciation	6	(3,286,121)	(3,223,748)	(2,933,590)
Finance costs	10(c)	(101,719)	(89,437)	(89,641)
Insurance		(224,601)	(232,437)	(231,841)
Other expenditure		(88,311)	(77,059)	(93,111)
		(8,369,278)	(7,570,303)	(7,692,886)
		(4,296,743)	(2,242,361)	(4,060,524)
Capital grants, subsidies and contributions		2,857,823	1,563,875	2,606,381
Profit on asset disposals	5	22,849	2,806	2,000
Loss on asset disposals	5	(53,220)	(8,768)	(9,300)
		2,827,452	1,557,913	2,599,081
Net result for the period		(1,469,291)	(684,448)	(1,461,443)
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(1,469,291)	(684,448)	(1,461,443)

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

SHIRE OF PINGELLY
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		\$ 2,522,431	\$ 2,510,959	\$ 2,446,730
Grants, subsidies and contributions		932,546	2,136,466	619,746
Fees and charges		447,951	434,563	427,668
Interest revenue		81,226	96,602	48,997
Goods and services tax received		337,002	293,887	361,803
Other revenue		88,381	202,475	89,221
		4,409,537	5,674,952	3,994,165
Payments				
Employee costs		(2,310,252)	(1,927,768)	(2,149,081)
Materials and contracts		(2,164,404)	(1,708,163)	(2,012,475)
Utility charges		(193,870)	(209,652)	(183,147)
Finance costs		(101,719)	(51,100)	(89,641)
Insurance paid		(224,601)	(232,437)	(231,841)
Goods and services tax paid		(337,002)	(337,002)	(361,803)
Other expenditure		(88,311)	(77,059)	(93,111)
		(5,420,159)	(4,543,181)	(5,121,099)
Net cash provided by (used in) operating activities	4	(1,010,622)	1,131,771	(1,126,934)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(2,264,194)	(1,229,181)	(1,629,168)
Payments for construction of infrastructure	5(b)	(2,029,228)	(771,827)	(1,321,162)
Capital grants, subsidies and contributions		2,857,823	2,155,073	2,606,381
Proceeds from sale of property, plant and equipment	5(a)	232,750	32,526	42,000
Proceeds on financial assets at amortised cost - self supporting loans	7(a)	33,410	21,230	21,230
Net cash provided by (used in) investing activities		(1,169,439)	207,821	(280,719)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(300,821)	(66,905)	(135,336)
Payments for principal portion of lease liabilities	8	(101,396)	(98,305)	(98,891)
Proceeds on disposal of financial assets at amortised cost - term deposits		0	(165,072)	0
Proceeds from new borrowings	7(a)	500,000	0	0
Net cash provided by (used in) financing activities		97,783	(330,282)	(234,227)
Net increase (decrease) in cash held		(2,082,278)	1,009,310	(1,641,880)
Cash at beginning of year		3,165,159	2,155,849	2,155,849
Cash and cash equivalents at the end of the year	4	1,082,881	3,165,159	513,969

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

SHIRE OF PINGELLY
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)	\$ 2,522,431	\$ 2,436,948	\$ 2,446,730
Grants, subsidies and contributions		932,546	2,157,354	619,746
Fees and charges	14	447,951	434,563	427,668
Interest revenue	10(a)	81,226	96,602	48,997
Other revenue		88,381	202,475	89,221
Profit on asset disposals	5	22,849	2,806	2,000
		4,095,384	5,330,748	3,634,362

Expenditure from operating activities

Employee costs		(2,310,252)	(1,980,390)	(2,149,081)
Materials and contracts		(2,164,404)	(1,757,580)	(2,012,475)
Utility charges		(193,870)	(209,652)	(183,147)
Depreciation	6	(3,286,121)	(3,223,748)	(2,933,590)
Finance costs	10(c)	(101,719)	(89,437)	(89,641)
Insurance		(224,601)	(232,437)	(231,841)
Other expenditure		(88,311)	(77,059)	(93,111)
Loss on asset disposals	5	(53,220)	(8,768)	(9,300)
		(8,422,498)	(7,579,071)	(7,702,186)

Non cash amounts excluded from operating activities

	3(c)	3,316,492	3,229,710	2,940,890
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Amount attributable to operating activities

		(1,010,622)	981,387	(1,126,934)
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INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions		2,857,823	1,563,875	2,606,381
Proceeds from disposal of assets	5	232,750	32,526	42,000
Proceeds from financial assets at amortised cost - self supporting loans	7(a)	33,410	21,230	21,230
		3,123,983	1,617,631	2,669,611

Outflows from investing activities

Payments for property, plant and equipment	5(a)	(2,264,194)	(1,229,181)	(1,629,168)
Payments for construction of infrastructure	5(b)	(2,029,228)	(771,827)	(1,321,162)
		(4,293,422)	(2,001,008)	(2,950,330)
Amount attributable to investing activities		(1,169,439)	(383,377)	(280,719)

FINANCING ACTIVITIES

Inflows from financing activities

Proceeds from new borrowings	7(a)	500,000	0	0
Transfers from reserve accounts	9(a)	140,000	339,691	269,691
		640,000	339,691	269,691

Outflows from financing activities

Repayment of borrowings	7(a)	(300,821)	(66,905)	(135,336)
Payments for principal portion of lease liabilities	8	(101,396)	(98,305)	(98,891)
Transfers to reserve accounts	9(a)	(157,929)	(504,764)	(504,638)
		(560,146)	(669,974)	(738,865)
Amount attributable to financing activities		79,854	(330,283)	(469,174)

MOVEMENT IN SURPLUS OR DEFICIT

Surplus at the start of the financial year	3	2,100,207	1,832,480	1,876,827
Amount attributable to operating activities		(1,010,622)	981,387	(1,126,934)
Amount attributable to investing activities		(1,169,439)	(383,377)	(280,719)
Amount attributable to financing activities		79,854	(330,283)	(469,174)
Surplus/(deficit) remaining after the imposition of general rates	3	0	2,100,207	0

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

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

Note 1	Basis of Preparation	6
Note 2	Rates and Service Charges	7
Note 3	Net Current Assets	9
Note 4	Reconciliation of cash	12
Note 5	Borrowings	15
Note 6	Revenue and Expenditure	22
Note 7	Program Information	24
Note 8	Fees and Charges	25

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

1 BASIS OF PREPARATION

The annual budget is a forward looking document and has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the annual budget be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this annual budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the annual budget has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

The local government reporting entity

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this annual budget.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 11 to the annual budget.

2023/24 actual balances

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

Budget comparative figures

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

Comparative figures

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

Rounding off figures

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

Statement of Cashflows

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

Initial application of accounting standards

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

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

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

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

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

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

Judgements, estimates and assumptions

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

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

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

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

SHIRE OF PINGELLY
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 Valuations	0.117256	320	4,504,916	528,229	0	528,229	511,837	515,968
GRV - Rural Residential	Gross rental Valuations	0.117256	65	985,920	115,605	0	115,605	109,942	113,836
GRV - Commercial Industrial	Gross rental Valuations	0.117256	25	418,455	49,066	0	49,066	54,636	55,808
GRV - Townsites	Gross rental Valuations	0.117256	13	178,100	20,883	0	20,883	21,974	21,907
UV - Broadacre Rural	Unimproved valuations	0.005901	218	273,006,000	1,611,008	0	1,611,008	1,565,421	1,566,073
Total general rates			641	279,093,391	2,324,791	0	2,324,791	2,263,810	2,273,592
(ii) Minimum payment									
		Minimum							
		\$							
GRV - Residential	Gross rental Valuations	1,080	61	93,316	65,880	0	65,880	63,623	63,623
GRV - Rural Residential	Gross rental Valuations	1,080	23	61,550	24,840	0	24,840	23,989	23,989
GRV - Commercial Industrial	Gross rental Valuations	1,080	16	82,795	17,280	0	17,280	13,559	13,559
GRV - Townsites	Gross rental Valuations	1,080	7	15,685	7,560	0	7,560	7,301	7,301
UV - Broadacre Rural	Unimproved valuations	1,080	76	9,228,311	82,080	0	82,080	64,666	64,666
Total minimum payments			183	9,481,657	197,640	0	197,640	173,138	173,138
Total general rates and minimum payments			824	288,575,048	2,522,431	0	2,522,431	2,436,948	2,446,730
Total rates					2,522,431	0	2,522,431	2,436,948	2,446,730

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 PINGELLY
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 27 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 27 September 2024 or 35 days after the date of issue appearing on the rate notice, whichever is the later, including all arrears and half the current rates and service charges; and

Second instalment to be made on or before 31 January 2024 or 4 months after the first instalment, whichever is the later.

Option 3 (Four Instalments)

First instalment to be made on or before 27 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 29 November 2024 or 2 months after the first instalment, whichever is the later;

Third instalment to be made on or before 31 January 2025 or 2 months after the second instalment, whichever is the later; and

Fourth instalment to be made on or before 4 April 2025 or 2 months after the third instalment, whichever is the later.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment		0	0.00%	11.00%
Option two				
First instalment		0	5.50%	11.00%
Second instalment		10	5.50%	11.00%
Option three				
First instalment		0	5.50%	11.00%
Second instalment		10	5.50%	11.00%
Third instalment		10	5.50%	11.00%
Fourth instalment		10	5.50%	11.00%

	2024/25 Budget revenue	2023/24 Actual revenue	2023/24 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	4275	4,070	4,500
Instalment plan interest earned	8300	8,365	8,250
Interest on ESL	800	582	800
Interest on deferred rates	2870	2,871	970
Unpaid rates and service charge interest earned	10000	10,536	12,500
	26,245	26,424	27,020

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

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents
 Financial assets
 Receivables
 Inventories
 Other assets

Less: current liabilities

Trade and other payables
 Contract liabilities
 Capital grant/contribution liability
 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
 - Other liabilities [describe]
 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

Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
	\$	\$	\$
4	1,082,881	3,165,159	513,969
	1,126,583	1,126,583	961,511
	507,669	507,669	497,170
	10,066	10,066	2,105
	83,875	83,875	51,273
	2,811,074	4,893,352	2,026,028
	(563,609)	(563,609)	(330,141)
	(58,250)	(58,250)	(45,924)
	(1,044,702)	(1,044,702)	(453,504)
8	(97,611)	(101,982)	(98,891)
7	(409,197)	(210,018)	0
	(352,433)	(352,433)	(347,736)
	0	0	(25,287)
	(2,525,802)	(2,330,994)	(1,301,483)
	285,272	2,562,358	724,545
3(b)	(285,272)	(462,151)	(724,545)
	0	2,100,207	0
9	(1,139,512)	(1,121,583)	(1,191,458)
	(5,000)	(5,000)	(5,000)
	409,197	210,018	0
	97,611	101,982	98,891
	352,432	352,432	373,022
	(285,272)	(462,151)	(724,545)

SHIRE OF PINGELLY
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 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	(22,849)	(2,806)	(2,000)
5	53,220	8,768	9,300
6	3,286,121	3,223,748	2,933,590
	3,316,492	3,229,710	2,940,890

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

3. NET CURRENT ASSETS

(e) MATERIAL ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

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

TRADE AND OTHER PAYABLES

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

PREPAID RATES

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

INVENTORIES

General

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

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

Superannuation

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

LAND HELD FOR RESALE

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

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

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

GOODS AND SERVICES TAX (GST)

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

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

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

CONTRACT LIABILITIES

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

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

TRADE AND OTHER RECEIVABLES

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

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

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

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

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

PROVISIONS

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

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

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

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

Other long-term employee benefits

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

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

SHIRE OF PINGELLY
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:

	2024/25 Budget	2023/24 Actual	2023/24 Budget
Cash at bank and on hand	\$ 1,082,881	\$ 3,165,159	\$ 513,969
Total cash and cash equivalents	1,082,881	3,165,159	513,969
Held as			
- Unrestricted cash and cash equivalents	20,250	2,120,457	(174,482)
- Restricted cash and cash equivalents	1,062,631	1,044,702	688,451
3(a)	1,082,881	3,165,159	513,969
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	1,062,631	1,044,702	688,451
- Restricted financial assets at amortised cost - term deposits	1,121,583	1,121,583	956,511
	2,184,214	2,166,285	1,644,962
The assets are restricted as a result of the specified purposes associated with the liabilities below:			
Financially backed reserves	1,139,512	1,121,583	1,191,458
Unspent capital grants, subsidies and contribution liabilities	1,044,702	1,044,702	453,504
	2,184,214	2,166,285	1,644,962
Reconciliation of net cash provided by operating activities to net result			
Net result	(1,469,291)	(684,448)	(1,461,443)
Depreciation	6 3,286,121	3,223,748	2,933,590
(Profit)/loss on sale of asset	5 30,371	5,962	7,300
(Increase)/decrease in receivables	0	(2,318)	0
(Increase)/decrease in inventories	0	(7,961)	0
(Increase)/decrease in other assets	0	(31,341)	0
Increase/(decrease) in payables	0	179,680	0
Increase/(decrease) in contract liabilities	0	12,326	0
Increase/(decrease) in unspent capital grants	0	591,198	0
Increase/(decrease) in employee provisions	0	(2)	0
Capital grants, subsidies and contributions	(2,857,823)	(2,155,073)	(2,606,381)
Net cash from operating activities	(1,010,622)	1,131,771	(1,126,934)

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

5. PROPERTY, PLANT AND EQUIPMENT

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

	2024/25 Budget					2023/24 Actual					2023/24 Budget				
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings - non-specialised	1,224,194	0	0	0	0	769,623	0	0	0	0	1,324,477	0	0	0	0
Furniture and equipment	0	0	0	0	0	25,114	0	0	0	0	25,000	0	0	0	0
Plant and equipment	1,040,000	263,121	232,750	22,849	(53,220)	434,444	38,488	32,526	2,806	(8,768)	279,691	49,300	42,000	2,000	(9,300)
Total	2,264,194	263,121	232,750	22,849	(53,220)	1,229,181	38,488	32,526	2,806	(8,768)	1,629,168	49,300	42,000	2,000	(9,300)
(b) Infrastructure															
Infrastructure - roads	1,266,451	0	0	0	0	726,172	0	0	0	0	967,970	0	0	0	0
Infrastructure - other	12,000	0	0	0	0	34,233	0	0	0	0	353,192	0	0	0	0
Infrastructure - parks and ovals	750,777	0	0	0	0	11,422	0	0	0	0	0	0	0	0	0
Total	2,029,228	0	0	0	0	771,827	0	0	0	0	1,321,162	0	0	0	0
Total	4,293,422	263,121	232,750	22,849	(53,220)	2,001,008	38,488	32,526	2,806	(8,768)	2,950,330	49,300	42,000	2,000	(9,300)

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

6. DEPRECIATION

By Class

Buildings - non-specialised
Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - footpaths
Infrastructure - kerbs and drains
Infrastructure - other
Infrastructure - bridges
Right of use - buildings
Right of use - plant and equipment
Right of use - furniture and fittings

By Program

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

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Buildings - non-specialised	13,304	13,051	14,276
Buildings - specialised	352,441	345,751	374,211
Furniture and equipment	8,095	7,941	13,657
Plant and equipment	276,483	271,235	211,514
Infrastructure - roads	1,601,918	1,571,512	1,367,727
Infrastructure - footpaths	45,645	44,779	46,501
Infrastructure - kerbs and drains	149,094	146,264	237,299
Infrastructure - other	546,037	535,673	352,474
Infrastructure - bridges	244,250	239,614	257,194
Right of use - buildings	12,383	12,148	0
Right of use - plant and equipment	18,747	18,391	33,405
Right of use - furniture and fittings	17,725	17,389	25,332
	3,286,121	3,223,748	2,933,590
Governance	91,468	86,466	106,498
Law, order, public safety	123,395	122,881	94,237
Education and welfare	30,336	30,353	33,430
Community amenities	29,916	31,254	29,290
Recreation and culture	690,499	690,864	549,716
Transport	2,053,234	2,054,629	1,959,700
Economic services	64,454	64,489	58,634
Other property and services	202,819	142,812	102,085
	3,286,121	3,223,748	2,933,590

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	5 to 60 years
Buildings - specialised	5 to 50 years
Furniture and equipment	1 to 10 years
Plant and equipment	2 to 50 years
Sealed roads and streets	
formation	not depreciated
pavement	50 to 80 years
seal	
- bituminous seals	2 to 24 years
- asphalt surfaces	2 to 24 years
Gravel Roads	
formation	not depreciated
pavement	50 to 80 years
Footpaths - slab	20 to 80 years
Sewerage piping	75 years
Water supply and drainage systems	17 to 75 years
Infrastructure - other	up to 75 years
Bridges	10 to 65 Years
Infrastructure - parks and ovals	40 Years

Right of use - buildings Based on the remaining lease term

Right of use - plant and equipment Based on the remaining lease term

Right of use - furniture and fittings Based on the remaining lease term

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

7. BORROWINGS

(a) Borrowing repayments

Movement in borrowings and interest between the beginning and the end of the current financial year.

Purpose	Loan Number	Institution	Interest Rate	Budget Principal 1 July 2024	2024/25 Budget New Loans	2024/25 Budget Principal Repayments	Budget Principal outstanding 30 June 2025	2024/25 Budget Interest Repayments	Actual Principal 1 July 2023	2023/24 Actual Principal Repayments	Actual Principal outstanding 30 June 2024	2023/24 Actual Interest Repayments	Budget Principal 1 July 2023	2023/24 Budget Principal Repayments	Budget Principal outstanding 30 June 2024	2023/24 Budget Interest Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Recreation and Culture Centre	123	WATC	4.20%	1,683,299	0	(176,607)	1,506,692	(67,201)	1,739,758	(56,459)	1,683,299	(72,241)	1,739,757	(114,106)	1,625,651	(72,055)
Transport Plant Replacement		WATC	4.77%	0	500,000	(90,804)	409,196	(22,771)	0	0	0	0	0	0	0	0
				1,683,299	500,000	(267,411)	1,915,888	(89,972)	1,739,758	(56,459)	1,683,299	(72,241)	1,739,757	(114,106)	1,625,651	(72,055)
Self Supporting Loans																
Education and Welfare	120	WATC	6.5%	83,223	0	(33,410)	49,813	(4,327)	93,669	(10,446)	83,223	(5,748)	93,669	(21,230)	72,439	(5,722)
				83,223	0	(33,410)	49,813	(4,327)	93,669	(10,446)	83,223	(5,748)	93,669	(21,230)	72,439	(5,722)
				1,766,522	500,000	(300,821)	1,965,701	(94,299)	1,833,427	(66,905)	1,766,522	(77,989)	1,833,426	(135,336)	1,698,090	(77,777)

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 PINGELLY
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
				%	\$	\$	\$	\$
Plant Replacement Program	WA Treasury Corporation	Council	5	4.77%	500,000	143,211	500,000	0
					500,000	143,211	500,000	0

* WA Treasury Corporation

(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	500,000	500,000	500,000
Credit card limit	20,000	20,000	20,000
Credit card balance at balance date	0	(4,815)	0
Total amount of credit unused	520,000	515,185	520,000
Loan facilities			
Loan facilities in use at balance date	1,965,701	1,766,522	1,698,090

MATERIAL ACCOUNTING POLICIES

BORROWING COSTS

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

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

8. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2024/25 Budget Lease	Budget Lease	2024/25 Budget Lease	Actual	2023/24 Actual	Actual	2023/24 Actual	Budget	2023/24 Budget	Budget	2023/24 Budget
					Principal 1 July 2024	Principal Repayments	Principal outstanding 30 June 2025	Principal Repayments	Principal 1 July 2023	Lease Principal repayments	Lease Principal outstanding 30 June 2024	Lease Interest repayments	Principal 1 July 2023	Lease Principal repayments	Lease Principal outstanding 30 June 2024	Lease Interest repayments
Photocopier		Classic Funding Group	3.00%	5	\$ 10,425	\$ (3,742)	\$ 6,683	\$ (265)	\$ 13,005	\$ (2,580)	\$ 10,425	\$ (426)	\$ 21,456	\$ (3,421)	\$ 18,035	\$ (587)
Computer Server	002	Vestone Capital	5.40%	5	14,769	(9,703)	5,066	(567)	24,011	(9,242)	14,769	(225)	5,492	(3,612)	1,880	(225)
Solar System -Admin	003	Vestone Capital	5.40%	5	1,880	(1,880)	0	(38)	5,491	(3,611)	1,880	(1,045)	24,010	(9,242)	14,768	(1,045)
CCTV Server	005	Vestone Capital	6.00%	5	8,014	(4,476)	3,538	(383)	12,230	(4,216)	8,014	(643)	12,230	(4,216)	8,014	(643)
Motor Grader	004	Vestone Capital	3.10%	5	108,425	(64,377)	44,048	(2,443)	170,833	(62,408)	108,425	(4,413)	170,833	(62,421)	108,412	(4,400)
Loader	007	Vestone Capital	8.40%	5	55,494	(17,218)	38,276	(3,724)	71,742	(16,248)	55,494	(4,696)	71,356	(15,979)	55,377	(4,964)
					199,007	(101,396)	97,611	(7,420)	297,312	(98,305)	199,007	(11,448)	305,377	(98,891)	206,486	(11,864)

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 PINGELLY
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) Reserve cash backed - Leave reserve	198,312	1,236	0	199,548	198,012	300	0	198,312	198,012	275	0	198,287
(b) Reserves cash backed -Plant reserve	225,373	1,629	(140,000)	87,002	165,988	329,076	(269,691)	225,373	165,988	329,054	(269,691)	225,351
(c) Reserve cash backed - Building reserve	364,146	63,812	0	427,958	378,020	56,126	(70,000)	364,146	378,019	56,077	0	434,096
(d) Reserve cash backed - Electronic equipment reserve	77,764	1,664	0	79,428	53,095	24,669	0	77,764	53,094	24,663	0	77,757
(e) Reserve cash backed - Community bus reserve	114,679	11,470	0	126,149	64,341	50,338	0	114,679	64,342	50,328	0	114,670
(f) Reserve cash backed - Swimming Pool reserve	78,596	51,109	0	129,705	38,343	40,253	0	78,596	38,345	40,247	0	78,592
(g) Reserve cash backed - Refuse Site Rehabilitation reserve	17,493	1,547	0	19,040	16,369	1,124	0	17,493	16,369	1,122	0	17,491
(h) Reserve cash backed - Tutanning Nature reserve	3,695	121	0	3,816	2,013	1,682	0	3,695	2,013	1,682	0	3,695
(i) Reserve cash backed - Wheatbelt Secondary Freight Network	41,525	5,341	0	46,866	40,329	1,196	0	41,525	40,329	1,190	0	41,519
(j) Reserve cash Backed - PRACC Facility Reserve	0	20,000	0	20,000	0	0	0	0	0	0	0	0
	1,121,583	157,929	(140,000)	1,139,512	956,510	504,764	(339,691)	1,121,583	956,511	504,638	(269,691)	1,191,458
	1,121,583	157,929	(140,000)	1,139,512	956,510	504,764	(339,691)	1,121,583	956,511	504,638	(269,691)	1,191,458

(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) Reserve cash backed - Leave reserve	Ongoing	to fund annual and long service leave requirements
(b) Reserves cash backed -Plant reserve	Ongoing	for the purchase of major plant
(c) Reserve cash backed - Building reserve	Ongoing	to fund the renovation/purchase of Shire of Pingelly buildings and recreation
(d) Reserve cash backed - Electronic equipment reserve	Ongoing	to fund the purchase of information technology hardware and software
(e) Reserve cash backed - Community bus reserve	Ongoing	to fund the change over of the community bus
(f) Reserve cash backed - Swimming Pool reserve	Ongoing	to fund the upgrading of the swimming pool complex
(g) Reserve cash backed - Refuse Site Rehabilitation reserve	Ongoing	to facilitate the rehabilitation/closure of the town refuse site
(h) Reserve cash backed - Tutanning Nature reserve	Ongoing	for the operations, improvements and promotion of the Tutanning Nature reserve
(i) Reserve cash backed - Wheatbelt Secondary Freight Network	Ongoing	for the Shire of Pingelly's contribution for infrastructure renewal for the future
(j) Reserve cash Backed - PRACC Facility Reserve	Ongoing	to fund the maintenance of the PRACC building

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

10. OTHER INFORMATION

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments	54,929	68,526	20,755
Self supporting loans	4,327	5,722	5,722
Other interest revenue	21,970	22,354	22,520
	81,226	96,602	48,997
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	36,300	30,123	30,500
Other services	5,300	3,642	4,100
	41,600	33,765	34,600
(c) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	94,299	77,989	77,777
Interest on lease liabilities (refer Note 8)	7,420	11,448	11,864
	101,719	89,437	89,641
(d) Write offs			
General rate	200	15,577	200
	200	15,577	200

SHIRE OF PINGELLY
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	1,500	1,500	1,500
Meeting attendance fees	10,600	10,000	10,000
ICT expenses	100	0	100
	12,200	11,500	11,600
Elected member 2			
Deputy President's allowance	500	500	500
Meeting attendance fees	5,000	4,400	4,400
	5,500	4,900	4,900
Elected member 3			
Meeting attendance fees	4,600	4,000	4,000
	4,600	4,000	4,000
Elected member 4			
Meeting attendance fees	4,600	4,000	4,000
	4,600	4,000	4,000
Elected member 5			
Meeting attendance fees	4,600	4,000	4,000
	4,600	4,000	4,000
Elected member 6			
Meeting attendance fees	4,600	4,000	4,000
	4,600	4,000	4,000
Elected member 7			
Meeting attendance fees	4,600	4,000	4,000
	4,600	4,000	4,000
Total Elected Member Remuneration	40,700	36,400	36,500
President's allowance	1,500	1,500	1,500
Deputy President's allowance	500	500	500
Meeting attendance fees	38,600	34,400	34,400
ICT expenses	100	0	100
	40,700	36,400	36,500

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

11. TRUST FUNDS

There are no 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:

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

12. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specific area rates, minimum payment, interim rates, back rates, ex-gratia rates, less discounts offered.
Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

REVENUE FROM CONTRACTS WITH CUSTOMERS

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

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.
Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services and water.
Exclude rubbish removal charges which should not be classified as a service charge. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST REVENUE

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

OTHER REVENUE / INCOME

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

PROFIT ON ASSET DISPOSAL

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

EXPENSES

EMPLOYEE COSTS

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

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

MATERIALS AND CONTRACTS

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

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

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water.
Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

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

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expenses raised on all classes of assets.

FINANCE COSTS

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

OTHER EXPENDITURE

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

12. REVENUE AND EXPENDITURE

(b) Revenue Recognition

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

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
Fees and charges - pool Inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Fees and charges - other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment . None prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on time of inspection	Not applicable	Revenue recognised after inspection event occurs
Fees and charges - 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
Fees and charges - 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
Fees and charges - 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
Fees and charges - 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
Fees and charges - 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 collection period	Returns limited to repayment of transaction price	Output method based on provision of service or completion of works
Fees and charges - 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
Fees and charges - fines	Fines issued for breaches of local laws	Single point in time	Payment in full within defined time	None	Adopted by Council through local law	When taxable event occurs	Not applicable	When fine notice is issued
Other revenue - commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual sgreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Other revenue - reimbursement	Insurance Claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual sgreement with the customer	When claim is approved	Not applicable	When claim is approved

Consideration from contracts with customers is included in the transaction price.

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

13. PROGRAM INFORMATION

Key Terms and Definitions - Reporting Programs

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

OBJECTIVE

Governance

Effective leadership and Governance.

General purpose funding

A financially sustainable Shire.

Law, order, public safety

A safe community.

Health

Health and family support services that are accessible and meet the needs of the community.

Education and welfare

Quality of life for the aged and disables.
 Development and participation of young people.

Community amenities

Appropriate development which is diverse in nature and protects local heritage.

Recreation and culture

Access to recreation, sporting and leisure opportunities.

Transport

Safe and reliable transport infrastructure.

Economic services

Support the promotion and marketing of local businesses and tourism initiatives.

Other property and services

Provide support services for works and plant operations.

ACTIVITIES

Administration and operation 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

Rates, general purpose government grants and interest revenue.

Fire prevention, animal control and assistance to emergency services.

Food quality control, provision of doctor services.

Maintenance of a daycare centre and assistance to the provision of aged care accommodation.

Rubbish and recyclables collection and disposal services, operation of the refuse site, administration of the town planning scheme, maintenance of the cemetery, maintenance of the public toilets and maintenance of the storm water drainage.

Maintenance of the Town Hall, Pingelly Recreation and Cultural Centre, recreation ground, swimming pool complex, reserves, operation of the library together with support of cultural events.

Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets and depot maintenance.

The regulation and provision of building control, control of noxious weeds and vermin, standpipe water supplies and area promotion.

Private works operations, plant repairs and operation costs.

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

14. FEES AND CHARGES

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
By Program:			
Governance	50,475	38,447	45,525
General purpose funding	13,075	14,853	10,725
Law, order, public safety	7,150	7,000	10,617
Health	2,570	2,994	2,694
Community amenities	263,931	247,089	242,730
Recreation and culture	17,600	18,426	16,600
Economic services	90,650	91,687	52,550
Other property and services	2,500	14,067	46,227
	447,951	434,563	427,668

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