

**SHIRE OF MENZIES**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**  
**LOCAL GOVERNMENT ACT 1995**

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**SHIRE'S VISION**

An inclusive and welcoming community, celebrating our heritage and place.

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

	NOTE	2023/24 Budget	2022/23 Actual	2022/23 Budget
<b>Revenue</b>		\$	\$	\$
Rates	2(a)	4,335,810	4,179,686	4,100,270
Grants, subsidies and contributions	10	558,417	4,056,177	3,406,392
Fees and charges	13	240,205	319,830	242,085
Interest revenue	11(a)	301,000	336,207	101,500
Other revenue	11(b)	30,450	24,859	30,451
		5,465,882	8,916,759	7,880,698
<b>Expenses</b>				
Employee costs		(2,896,464)	(2,254,712)	(2,562,797)
Materials and contracts		(2,627,425)	(2,385,458)	(2,770,434)
Utility charges		(110,200)	(101,665)	(114,910)
Depreciation	6	(2,140,427)	(2,260,052)	(1,961,063)
Finance costs	11(d)	(26,085)	0	0
Insurance		(163,583)	(115,163)	(135,278)
Other expenditure		(601,711)	(237,265)	(454,410)
		(8,565,895)	(7,354,315)	(7,998,892)
		(3,100,013)	1,562,444	(118,194)
Capital grants, subsidies and contributions	10	6,986,077	1,931,977	3,648,940
Profit on asset disposals	5	43,894	0	4,231
Loss on asset disposals		0	(10,910)	(20,827)
		7,029,971	1,921,067	3,632,344
<b>Net result for the period</b>		<b>3,929,958</b>	<b>3,483,511</b>	<b>3,514,150</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
<b>Total other comprehensive income for the period</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>3,929,958</b>	<b>3,483,511</b>	<b>3,514,150</b>

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

**SHIRE OF MENZIES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2023/24 Budget	2022/23 Actual	2022/23 Budget
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		\$ 4,370,064	\$ 4,254,639	\$ 4,025,270
Grants, subsidies and contributions		483,191	3,681,225	3,561,392
Fees and charges		240,205	319,830	242,085
Interest revenue		301,000	336,207	101,500
Goods and services tax received		113,007	16,379	924,585
Other revenue		30,450	24,859	30,451
		5,537,917	8,633,139	8,885,283
<b>Payments</b>				
Employee costs		(2,896,464)	(2,240,443)	(2,562,797)
Materials and contracts		(2,137,525)	(2,555,214)	(2,397,434)
Utility charges		(110,200)	(101,665)	(114,910)
Finance costs		(26,085)	0	0
Insurance		(163,583)	(115,163)	(135,278)
Goods and services tax paid		(465,907)	0	(669,585)
Other expenditure		(601,711)	(237,265)	(454,410)
		(6,401,475)	(5,249,750)	(6,334,414)
<b>Net cash provided by (used in) operating activities</b>	4	(863,558)	3,383,389	2,550,869
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	5(a)	(5,013,177)	(397,420)	(5,433,021)
Payments for construction of infrastructure	5(b)	(9,947,828)	(2,948,990)	(7,136,954)
Capital grants, subsidies and contributions		6,996,981	2,091,678	3,043,940
Proceeds from sale of property, plant and equipment	5(a)	80,000	56,656	40,000
Proceeds from sale of infrastructure	5(b)	0	150,253	0
<b>Net cash provided by (used in) investing activities</b>		(7,884,024)	(1,047,823)	(9,486,035)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	7(a)	(53,627)	0	0
Proceeds on disposal of financial assets at amortised cost - term deposits		2,130,225	(438,991)	
Proceeds from new borrowings	7(a)	650,000	0	0
<b>Net cash provided by (used in) financing activities</b>		2,726,598	(438,991)	0
<b>Net increase (decrease) in cash held</b>		(6,020,984)	1,896,575	(6,935,166)
Cash at beginning of year		6,020,984	4,124,409	15,460,254
<b>Cash and cash equivalents at the end of the year</b>	4	<b>0</b>	<b>6,020,984</b>	<b>8,525,088</b>

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

**SHIRE OF MENZIES**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 30 JUNE 2024**

		2023/24	2022/23	2022/23
	NOTE	Budget	Actual	Budget
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
Rates	2(a)	\$ 4,141,746	\$ 4,022,359	\$ 3,943,490
Rates excluding general rates	2(a)	194,064	157,327	156,780
Grants, subsidies and contributions	10	558,417	4,056,177	3,406,392
Fees and charges	13	240,205	319,830	242,085
Interest revenue	11(a)	301,000	336,207	101,500
Other revenue	11(b)	30,450	24,859	30,451
Profit on asset disposals	5	43,894	0	4,231
		<b>5,509,776</b>	<b>8,916,759</b>	<b>7,884,929</b>
<b>Expenditure from operating activities</b>				
Employee costs		(2,896,464)	(2,254,712)	(2,562,797)
Materials and contracts		(2,627,425)	(2,385,458)	(2,770,434)
Utility charges		(110,200)	(101,665)	(114,910)
Depreciation	6	(2,140,427)	(2,260,052)	(1,961,063)
Finance costs	11(d)	(26,085)	0	0
Insurance		(163,583)	(115,163)	(135,278)
Other expenditure		(601,711)	(237,265)	(454,410)
Loss on asset disposals	5	0	(10,910)	(20,827)
		<b>(8,565,895)</b>	<b>(7,365,225)</b>	<b>(8,019,719)</b>
Non-cash amounts excluded from operating activities	3(b)	2,093,989	2,275,223	1,977,659
<b>Amount attributable to operating activities</b>		<b>(962,130)</b>	<b>3,826,757</b>	<b>1,842,869</b>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions	10	6,986,077	1,931,977	3,648,940
Proceeds from disposal of assets	5	80,000	206,909	40,000
		<b>7,066,077</b>	<b>2,138,886</b>	<b>3,688,940</b>
<b>Outflows from investing activities</b>				
Payments for property, plant and equipment	5(a)	(5,013,177)	(397,420)	(5,433,021)
Payments for construction of infrastructure	5(b)	(9,947,828)	(2,948,990)	(7,136,954)
		<b>(14,961,005)</b>	<b>(3,346,410)</b>	<b>(12,569,975)</b>
<b>Amount attributable to investing activities</b>		<b>(7,894,928)</b>	<b>(1,207,524)</b>	<b>(8,881,035)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Proceeds from new borrowings	7(a)	650,000	0	0
Transfers from reserve accounts	8(a)	4,640,924	108,230	4,294,927
		<b>5,290,924</b>	<b>108,230</b>	<b>4,294,927</b>
<b>Outflows from financing activities</b>				
Repayment of borrowings	7(a)	(53,627)	0	0
Transfers to reserve accounts	8(a)	(2,510,699)	(547,221)	(1,315,921)
		<b>(2,564,326)</b>	<b>(547,221)</b>	<b>(1,315,921)</b>
<b>Amount attributable to financing activities</b>		<b>2,726,598</b>	<b>(438,991)</b>	<b>2,979,006</b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	3	6,130,460	3,950,218	4,059,160
Amount attributable to operating activities		(962,130)	3,826,757	1,842,869
Amount attributable to investing activities		(7,894,928)	(1,207,524)	(8,881,035)
Amount attributable to financing activities		2,726,598	(438,991)	2,979,006
<b>Surplus or deficit at the end of the financial year</b>	3	<b>0</b>	<b>6,130,460</b>	<b>0</b>

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

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

**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.

**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
- estimated useful life of assets

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

**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.

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

## 2. RATES

## (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
		\$		\$	\$	\$	\$	\$	\$	\$
<b>(i) General rates</b>										
Vacant and Improved	Gross rental valuation	0.089400	36	1,716,320	153,439	0	0	153,439	152,421	152,259
Mining	Unimproved valuation	0.163934	231	18,903,738	3,098,965	0	0	3,098,965	2,963,298	2,964,665
Exploration and Prospecting	Unimproved valuation	0.147548	557	5,449,383	804,046	0	0	804,046	820,930	740,856
Pastoral and Other	Unimproved valuation	0.085300	85	999,953	85,296	0	0	85,296	85,710	85,710
<b>Total general rates</b>			909	27,069,394	4,141,746	0	0	4,141,746	4,022,359	3,943,490
<b>(ii) Minimum payment</b>										
Minimum										
\$										
Vacant and Improved	Gross rental valuation	200	211	48,774	42,200	0	0	42,200	43,608	43,608
Mining	Unimproved valuation	328	59	56,615	19,352	0	0	19,352	19,680	19,680
Exploration and Prospecting	Unimproved valuation	328	394	465,000	129,232	0	0	129,232	90,759	90,212
Pastoral and Other	Unimproved valuation	328	10	18,965	3,280	0	0	3,280	3,280	3,280
<b>Total minimum payments</b>			674	589,354	194,064	0	0	194,064	157,327	156,780
<b>Total general rates and minimum payments</b>			1,583	27,658,748	4,335,810	0	0	4,335,810	4,179,686	4,100,270
					4,335,810	0	0	4,335,810	4,179,686	4,100,270
<b>Total rates</b>					4,335,810	0	0	4,335,810	4,179,686	4,100,270

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.

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



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

**2. RATES (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 22 September 2023 or 35 days after the date of issue appearing on the rate notice whichever is later.

**Option 2 (Four Instalments)**

First instalment to be made on or before 22 September 2023 or 35 days after the date of issue appearing on the rate notice, whichever is later including all arrears and a quarter of the current rates and service charges.

Second instalment to be made on or before 24 November 2023, or 2 months after the due date of the first instalment, whichever is later; and

Third instalment to be made on or before 2 February 2024, or 2 months after the due date of the second instalment, whichever is later; and

Fourth instalment to be made on or before 10 April 2024, or 2 months after due date of the third instalment, whichever is later.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
<b>Option one</b>				
Single full payment	22/09/2023	0	0.00%	7.00%
<b>Option two</b>				
First instalment	22/09/2023	0	0.00%	7.00%
Second instalment	24/11/2023	10	5.50%	7.00%
Third instalment	2/02/2024	10	5.50%	7.00%
Fourth instalment	10/04/2024	10	5.50%	7.00%

	2023/24 Budget revenue	2022/23 Actual revenue	2022/23 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	7,000	5,890	7,000
Instalment plan interest earned	7,000	8,875	7,000
Unpaid rates and service charge interest earned	44,000	39,940	44,000
	58,000	54,705	58,000

**(c) Objectives and Reasons for Differential Rating**

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

**Differential general rate**

Description	Characteristics	Objects	Reasons
GRV Vacant and Improved	This category includes all residential, commercial and vacant lots with the townsite of Menzies.	The object of the rate in the dollar for this category is to raise sufficient revenue to offset the costs associated with the provision of current and future services.	This rate ensures all ratepayers make a reasonable contribution towards the ongoing maintenance, provision of works, service and facilities in the Shire.
UV Mining	This category includes all mining leases.	Mining, exploration and prospecting leases are rated differentially to reflect the nature of the lease. Exploration and prospecting attract a lower rate in the dollar to acknowledge that these leases are not for the most part income producing.	As per previous years, the differential rate for the UV Pastoral and Other has been set taking into account issues of rating equity including capacity to pay. The Pastoral and Other sector are increasingly taking opportunities afforded to them to diversify and it is believed that the capacity to pay.
UV Exploration and Prospecting	This category includes all exploration and prospecting leases.	Mining, exploration and prospecting leases are rated differentially to reflect the nature of the lease. Exploration and prospecting attract a lower rate in the dollar to acknowledge that these leases are not for the most part income producing.	As per previous years, the differential rate for the UV Pastoral and Other has been set taking into account issues of rating equity including capacity to pay. The Pastoral and Other sector are increasingly taking opportunities afforded to them to diversify and it is believed that the capacity to pay.
UV Pastoral and Other	This category includes all pastoral and other land not included in other categories.	Mining, exploration and prospecting leases are rated differentially to reflect the nature of the lease. Exploration and prospecting attract a lower rate in the dollar to acknowledge that these leases are not for the most part income producing.	As per previous years, the differential rate for the UV Pastoral and Other has been set taking into account issues of rating equity including capacity to pay. The Pastoral and Other sector are increasingly taking opportunities afforded to them to diversify and it is believed that the capacity to pay.

**(d) Differential Minimum Payment**

GRV and UV	The Council has established minimum rates for each rate category.	These amounts represent the minimum rate that should be charged and may exceed the result of calculating a property's rating basis valuation (GRV or UV) with the rate in the dollar for the rate group.	Minimum rates have been prepared to comply with the Local Government Act 1995 which required no more than 50% of properties to be levied on a minimum rate unless Ministerial approval is obtained.
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**(e) Service Charges**

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

**(f) Waivers or concessions**

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

**SHIRE OF MENZIES**  
**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  
 Other assets

**Less: current liabilities**

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

**Net current assets**

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

**Net current assets used in the Rate Setting Statement**

Note	2023/24 Budget 30 June 2024	2022/23 Actual 30 June 2023	2022/23 Budget 30 June 2023
	\$	\$	\$
4	0	6,020,984	121,189
	9,644,611	11,774,836	8,403,899
	381,131	415,660	451,213
	0	813,398	0
	16,438	16,438	17,711
	0	0	37,122
	10,042,180	19,041,316	9,031,134
	(397,569)	(260,569)	(627,235)
	0	(75,501)	(20,984)
	0	(802,494)	(26,075)
7	(53,627)	0	0
	(207,824)	(207,824)	(192,238)
	(659,020)	(1,346,388)	(866,532)
	9,383,160	17,694,928	8,164,602
3(c)	(9,383,160)	(11,564,468)	(8,164,602)
	0	6,130,460	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 Rate Setting Statement in accordance with *Financial Management Regulation 32*.

**Adjustments to operating activities**

Less: Profit on asset disposals  
 Add: Loss on asset disposals  
 Add: Depreciation  
 Movement in current employee provisions associated with restricted cash

**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	(43,894)	0	(4,231)
5	0	10,910	20,827
6	2,140,427	2,260,052	1,961,063
	(2,544)	4,261	0
	2,093,989	2,275,223	1,977,659

**(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 Rate Setting Statement in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

**Adjustments to net current assets**

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

**Total adjustments to net current assets**

8	(9,644,611)	(11,774,836)	(8,356,840)
	53,627	0	0
	207,824	210,368	192,238
	(9,383,160)	(11,564,468)	(8,164,602)

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

**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 MENZIES**  
**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		\$ 0	\$ 6,020,984	\$ 8,525,088
<b>Total cash and cash equivalents</b>		0	6,020,984	8,525,088
Held as				
- Unrestricted cash and cash equivalents	3(a)	0	5,218,490	121,189
- Restricted cash and cash equivalents	3(a)	0	802,494	8,403,899
		0	6,020,984	8,525,088
<b>Restrictions</b>				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents		0	802,494	8,403,899
- Restricted financial assets at amortised cost - term deposits	3(a)	9,644,611	11,774,836	0
		9,644,611	12,577,330	8,403,899
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Financially backed reserves	8	9,644,611	11,774,836	8,356,840
Unspent capital grants, subsidies and contribution liabilities		0	802,494	47,059
		9,644,611	12,577,330	8,403,899
<b>Reconciliation of net cash provided by operating activities to net result</b>				
<b>Net result</b>		3,929,958	3,483,511	3,514,150
Depreciation	6	2,140,427	2,260,052	1,961,063
(Profit)/loss on sale of asset	5	(43,894)	10,910	16,596
(Increase)/decrease in receivables		34,529	396,018	535,000
(Increase)/decrease in contract assets		813,398	(539,675)	0
(Increase)/decrease in inventories		0	0	(2,500)
(Increase)/decrease in other assets		0	0	20,500
Increase/(decrease) in payables		137,000	(155,487)	355,000
Increase/(decrease) in contract liabilities		(75,501)	(139,963)	(200,000)
Increase/(decrease) in unspent capital grants		(802,494)	159,701	(605,000)
Capital grants, subsidies and contributions		(6,996,981)	(2,091,678)	(3,043,940)
<b>Net cash from operating activities</b>		(863,558)	3,383,389	2,550,869

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

5. FIXED ASSETS

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

	2023/24 Budget				2022/23				2022/23 Budget			
	2023/24 Budget Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit or Loss	2022/23 Actual Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit or Loss	2022/23 Budget Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit or Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>(a) Property, Plant and Equipment</b>												
Land - freehold land	76,000	0	0	0	0	30,000	19,090	(10,910)	0	0	0	0
Buildings - non-specialised	896,691	0	0	0	114,742	0	0	0	801,691	0	0	0
Buildings - specialised	3,240,486	0	0	0	228,991	0	0	0	3,976,330	0	0	0
Plant and equipment	800,000	36,106	80,000	43,894	53,687	37,566	37,566	0	655,000	56,596	40,000	(16,596)
<b>Total</b>	<b>5,013,177</b>	<b>36,106</b>	<b>80,000</b>	<b>43,894</b>	<b>397,420</b>	<b>67,566</b>	<b>56,656</b>	<b>(10,910)</b>	<b>5,433,021</b>	<b>56,596</b>	<b>40,000</b>	<b>(16,596)</b>
<b>(b) Infrastructure</b>												
Infrastructure - roads	7,574,541	0	0	0	2,752,938	0	0	0	4,995,830	0	0	0
Infrastructure - footpaths	50,000	0	0	0	0	0	0	0	50,000	0	0	0
Infrastructure - parks and ovals	0	0	0	0	41,244	26,081	26,081	0	70,000	0	0	0
Infrastructure - other	2,323,287	0	0	0	154,808	124,172	124,172	0	2,021,124	0	0	0
<b>Total</b>	<b>9,947,828</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,948,990</b>	<b>150,253</b>	<b>150,253</b>	<b>0</b>	<b>7,136,954</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>14,961,005</b>	<b>36,106</b>	<b>80,000</b>	<b>43,894</b>	<b>3,346,410</b>	<b>217,819</b>	<b>206,909</b>	<b>(10,910)</b>	<b>12,569,975</b>	<b>56,596</b>	<b>40,000</b>	<b>(16,596)</b>

**MATERIAL ACCOUNTING POLICIES**

**RECOGNITION OF ASSETS**

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5). These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

**GAINS AND LOSSES ON DISPOSAL**

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

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

**6. DEPRECIATION**

**By Class**

Buildings - non-specialised
Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - footpaths
Infrastructure - parks and ovals
Infrastructure - other

**By Program**

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
\$	\$	\$
108,128	108,296	99,211
298,158	308,535	10,323
0	0	241,853
314,133	417,325	384,907
1,198,635	1,202,625	1,065,611
22,863	22,863	21,073
47,473	44,885	8,519
151,037	155,523	129,566
2,140,427	2,260,052	1,961,063
31,094	31,095	4,527
102,807	102,976	93,156
22,505	23,038	8,672
112,296	114,988	81,958
1,254,629	1,261,190	1,215,439
191,065	191,178	167,997
426,031	535,587	389,314
2,140,427	2,260,052	1,961,063

**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	20 to 50 years
Buildings - specialised	20 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Infrastructure - roads	20 to 50 years
Infrastructure - footpaths	20 years
Infrastructure - parks and ovals	10 to 50 years
Infrastructure - other	75 to 100 years

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

**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	2023/24	2023/24	Budget	2023/24
				Principal 1 July 2023	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2024	Budget Interest Repayments
GROH House Construction x 2	TBA	WATC	4.14%	\$ 0	\$ 650,000	\$ (53,627)	\$ 596,373	\$ (26,085)
				0	650,000	(53,627)	596,373	(26,085)

The Shire did not budget to have any borrowings for the year ended 30th June 2023

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

**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
GROH House Construction x 2	WATC	TBA	9	4.14%	\$ 650,000	\$ 26,085	\$ 0	\$ 650,000
					650,000	26,085	0	650,000

(c) **Unspent borrowings**

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
	\$	\$	\$
<b>Undrawn borrowing facilities credit standby arrangements</b>			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	25,000	25,000	25,000
Credit card balance at balance date	0	(18,205)	(3,500)
<b>Total amount of credit unused</b>	25,000	6,795	21,500
<b>Loan facilities</b>			
Loan facilities in use at balance date	596,373	0	0

**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.



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

## 8. 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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by council</b>												
(a) Leave reserve	210,368	3,930	0	214,298	206,107	4,261	0	210,368	206,107	822	0	206,929
(b) Building reserve	3,234,402	960,431	(1,980,162)	2,214,671	3,192,928	65,892	(24,418)	3,234,402	3,192,928	12,735	(1,945,241)	1,260,422
(c) Plant reserve	1,801,730	33,663	(500,000)	1,335,393	1,765,297	36,433	0	1,801,730	1,765,297	7,041	(320,000)	1,452,338
(d) Road reserves	2,340,514	43,730	(550,000)	1,834,244	2,293,174	47,340	0	2,340,514	2,293,174	9,146	(383,312)	1,919,008
(e) Main Street reserve	144,086	2,692	0	146,778	141,160	2,926	0	144,086	141,160	563	0	141,723
(f) Staff Amenities reserve	405,535	7,577	0	413,112	397,322	8,213	0	405,535	397,322	1,585	0	398,907
(g) TV reserve	18,354	343	0	18,697	17,979	375	0	18,354	17,979	72	0	18,051
(h) Caravan Park reserve	438,455	8,192	0	446,647	429,588	8,867	0	438,455	429,588	1,713	(300,000)	131,301
(i) Bitumen reserve	619,404	11,573	(200,000)	430,977	606,885	12,519	0	619,404	606,885	2,421	0	609,306
(j) Rates creditors reserve	52,454	980	0	53,434	51,400	1,054	0	52,454	51,401	205	0	51,606
(k) Niagara Dam reserve	1,274,702	508,566	(850,762)	932,506	1,248,915	25,787	0	1,274,702	1,248,915	4,981	(936,374)	317,522
(l) Water reserve	223,734	4,180	(150,000)	77,914	301,323	6,223	(83,812)	223,734	301,323	1,202	0	302,525
(m) Waste Management reserve	361,054	306,746	0	667,800	59,814	301,240	0	361,054	59,814	300,239	0	360,053
(n) Former Post Office reserve	429,193	8,019	(410,000)	27,212	420,512	8,681	0	429,193	420,512	1,677	(410,000)	12,189
(o) Land Purchase reserve	207,630	3,881	0	211,511	203,441	4,189	0	207,630	203,441	811	0	204,252
(p) Commercial Enterprise reserve	13,221	606,196	0	619,417	0	13,221	0	13,221	0	970,708	0	970,708
	11,774,836	2,510,699	(4,640,924)	9,644,611	11,335,845	547,221	(108,230)	11,774,836	11,335,846	1,315,921	(4,294,927)	8,356,840

## (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	Perpetual	To be used to fund annual and long service leave requirements.
(b) Building reserve	Perpetual	To be used for the acquisition of future buildings and renovation of existing building.
(c) Plant reserve	Perpetual	To be used for the purchase of major plant.
(d) Road reserves	Perpetual	To be used to fund major road works.
(e) Main Street reserve	Perpetual	Established for the beautification of the main street.
(f) Staff Amenities reserve	Perpetual	Established for the purpose of providing staff housing and amenities.
(g) TV reserve	Perpetual	To be used to fund upgrades to the rebroadcasting equipment.
(h) Caravan Park reserve	Perpetual	Established for the purpose of providing upgrades to the caravan park.
(i) Bitumen reserve	Perpetual	Established to fund the resealing of roads.
(j) Rates creditors reserve	Perpetual	Established for future rate claims.
(k) Niagara Dam reserve	Perpetual	Established for ongoing upgrade of Niagara Dam valve workings and other maintenance.
(l) Water reserve	Perpetual	To assist the Tjuntjunjarra community to achieve funding for a swimming pool.
(m) Waste Management reserve	Perpetual	Provide for the statutory reinstatement and development of the reserve.
(n) Former Post Office reserve	Perpetual	For restoration and maintenance of the former post office.
(o) Land Purchase reserve	Perpetual	To be used for purchase of selective properties with developmental potential.
(p) Commercial Enterprise reserve	Perpetual	To fund an activity or purchase with a view to producing a profit.

SHIRE OF MENZIES  
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9. 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 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
Sale of stock	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

**SHIRE OF MENZIES**  
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**10. 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 members of council and the administrative support available to the council for the provision of the governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

**General purpose funding**

To collect revenue to allow for the provision of services.

The reporting of the Shire's general rating income and the recognition of the Western Australian Grants Commission payment together with interest on investments and costs associated with the collection of funds.

**Law, order, public safety**

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

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

**Health**

To provide an operational framework for environmental and community health.

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

**Education and welfare**

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

Expenditure to assist in the education of the children and youth within the Shire.

**Housing**

To provide and maintain housing.

Income and expenditure associated with the provision of housing to staff and others.

**Community amenities**

To provide services required by the community.

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

**Recreation and culture**

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

The reporting of income and expenditure associated with the Town Hall, library and recreation area, oval and reserves operated by Council.

**Transport**

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

Construction and maintenance of roads, grids, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting and the maintenance of the Council's airstrips.

**Economic services**

To help promote the Shire and its economic well being.

The reporting of income and expenditure including the operation of Council's caravan park and administration of the Building Code of Australia.

**Other property and services**

To monitor and control Shire's overheads operating accounts.

Involves the expenditure and allocation of employee overheads and plant costs. Also included is the accounting for private works, salary and wages reconciliation and other incomes and expenditure not included elsewhere.

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

**10 PROGRAM INFORMATION (Continued)**

**(b) Income and expenses**

	<b>2023/24 Budget</b>	<b>2022/23 Actual</b>	<b>2022/23 Budget</b>
<b>Income excluding grants, subsidies and contributions</b>	\$	\$	\$
Governance	41,088	(6,055)	0
General purpose funding	4,643,215	4,532,162	4,210,176
Law, order, public safety	8,150	7,850	8,150
Health	300	1,239	300
Housing	49,500	65,985	45,380
Community amenities	9,200	13,506	17,200
Recreation and culture	8,700	1,085	700
Transport	3,306	9,929	4,731
Economic services	159,650	218,061	166,650
Other property and services	28,250	16,820	25,250
	<b>4,951,359</b>	<b>4,860,582</b>	<b>4,478,537</b>
<b>Grants, subsidies and contributions</b>			
General purpose funding	134,510	3,549,834	2,275,789
Law, order, public safety	8,000	18,087	98,000
Health	0	75,560	100,000
Recreation and culture	8,000	9,722	38,000
Transport	288,173	213,055	776,603
Economic services	119,734	189,919	118,000
	<b>558,417</b>	<b>4,056,177</b>	<b>3,406,392</b>
<b>Capital grants, subsidies and contributions</b>			
General purpose funding	863,223	0	0
Law, order, public safety	90,000	6,012	0
Community amenities	150,000	111,942	170,000
Recreation and culture	0	0	50,000
Transport	5,676,902	1,814,023	3,228,940
Economic services	205,952	0	200,000
	<b>6,986,077</b>	<b>1,931,977</b>	<b>3,648,940</b>
<b>Total Income</b>	<b>12,495,853</b>	<b>10,848,736</b>	<b>11,533,869</b>
<b>Expenses</b>			
Governance	(1,402,683)	(1,068,163)	(1,148,904)
General purpose funding	(546,555)	(317,623)	(427,643)
Law, order, public safety	(145,270)	(128,785)	(119,439)
Health	(59,791)	(108,222)	(154,990)
Education and welfare	(53,438)	(7,949)	(54,514)
Housing	(248,279)	(209,253)	(203,165)
Community amenities	(508,087)	(398,356)	(441,837)
Recreation and culture	(905,335)	(774,134)	(1,119,974)
Transport	(2,965,231)	(2,332,239)	(2,662,234)
Economic services	(1,725,414)	(1,426,038)	(1,683,084)
Other property and services	(5,812)	(594,463)	(3,935)
<b>Total expenses</b>	<b>(8,565,895)</b>	<b>(7,365,225)</b>	<b>(8,019,719)</b>
<b>Net result for the period</b>	<b>3,929,958</b>	<b>3,483,511</b>	<b>3,514,150</b>

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

**11. OTHER INFORMATION**

	<b>2023/24 Budget</b>	<b>2022/23 Actual</b>	<b>2022/23 Budget</b>
<b>The net result includes as revenues</b>	\$	\$	\$
<b>(a) Interest earnings</b>			
Investments			
- Reserve accounts	220,000	234,000	50,000
- Other funds	30,000	53,392	500
Other interest revenue	51,000	48,815	51,000
	<u>301,000</u>	<u>336,207</u>	<u>101,500</u>
<b>(b) Other revenue</b>			
Reimbursements and recoveries	100	24,859	30,451
Other	30,350	0	0
	<u>30,450</u>	<u>24,859</u>	<u>30,451</u>
<b>The net result includes as expenses</b>			
<b>(c) Auditors remuneration</b>			
Audit services	70,000	61,200	65,000
Other services	0	6,500	0
	<u>70,000</u>	<u>67,700</u>	<u>65,000</u>
<b>(d) Interest expenses (finance costs)</b>			
Borrowings (refer Note 7(a))	26,085	0	0
	<u>26,085</u>	<u>0</u>	<u>0</u>
<b>(e) Write offs</b>			
General rate	240,000	104,024	200,000
	<u>240,000</u>	<u>104,024</u>	<u>200,000</u>

**SHIRE OF MENZIES**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
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**12. ELECTED MEMBERS REMUNERATION**

	<b>2023/24 Budget</b>	<b>2022/23 Actual</b>	<b>2022/23 Budget</b>
	\$	\$	\$
<b>Elected member 1</b>			
President's allowance	20,666	19,864	19,864
Meeting attendance fees	20,122	19,410	19,410
Annual allowance for ICT expenses	1,100	1,100	1,100
Travel and accommodation expenses	8,574	3,430	3,574
	50,462	43,804	43,948
<b>Elected member 2</b>			
Deputy President's allowance	5,167	4,966	4,966
Meeting attendance fees	9,791	9,410	9,410
Annual allowance for ICT expenses	1,100	1,100	1,100
Travel and accommodation expenses	8,571	1,411	3,571
	24,629	16,887	19,047
<b>Elected member 3</b>			
Meeting attendance fees	9,791	9,411	9,410
Annual allowance for ICT expenses	1,100	1,100	1,100
Travel and accommodation expenses	8,571	3,224	3,571
	19,462	13,735	14,081
<b>Elected member 4</b>			
Meeting attendance fees	9,791	9,410	9,410
Annual allowance for ICT expenses	1,100	1,100	1,100
Travel and accommodation expenses	8,571	4,634	3,571
	19,462	15,144	14,081
<b>Elected member 5</b>			
Meeting attendance fees	9,791	9,410	9,410
Annual allowance for ICT expenses	1,100	1,100	1,100
Travel and accommodation expenses	8,571	0	3,571
	19,462	10,510	14,081
<b>Elected member 6</b>			
Meeting attendance fees	9,791	9,410	9,410
Annual allowance for ICT expenses	1,100	1,100	1,100
Travel and accommodation expenses	8,571	1,584	3,571
	19,462	12,094	14,081
<b>Elected member 7</b>			
Meeting attendance fees	9,791	9,410	9,410
Annual allowance for ICT expenses	1,100	1,100	1,100
Travel and accommodation expenses	8,571	401	3,571
	19,462	10,911	14,081
<b>Total Elected Member Remuneration</b>	<b>172,401</b>	<b>123,085</b>	<b>133,400</b>
President's allowance	20,666	19,864	19,864
Deputy President's allowance	5,167	4,966	4,966
Meeting attendance fees	78,868	75,871	75,870
Annual allowance for ICT expenses	7,700	7,700	7,700
Travel and accommodation expenses	60,000	14,684	25,000
	172,401	123,085	133,400

**SHIRE OF MENZIES**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
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**13. FEES AND CHARGES**

	<b>2023/24 Budget</b>	<b>2022/23 Actual</b>	<b>2022/23 Budget</b>
	\$	\$	\$
<b>By Program:</b>			
General purpose funding	10,305	16,792	12,305
Law, order, public safety	150	303	150
Health	300	1,239	300
Housing	49,500	65,827	45,380
Community amenities	17,200	13,506	17,200
Recreation and culture	500	147	500
Economic services	159,000	217,831	166,000
Other property and services	3,250	4,185	250
	<b>240,205</b>	<b>319,830</b>	<b>242,085</b>

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