



Shire of Cue

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SHIRE OF CUE

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2024

LOCAL GOVERNMENT ACT 1995

SHIRE'S VISION

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

SHIRE OF CUE
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FOR THE YEAR ENDED 30 JUNE 2024

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SHIRE OF CUE
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2024

| | NOTE | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|---|-------|-------------------------|-------------------------|-------------------------|
| Revenue | | \$ | \$ | \$ |
| Rates | 1(a) | 2,747,540 | 2,685,517 | 2,664,410 |
| Grants, subsidies and contributions | 9(a) | 1,309,800 | 4,793,448 | 2,103,250 |
| Fees and charges | 8 | 900,300 | 879,316 | 905,040 |
| Interest earnings | 10(a) | 376,000 | 459,008 | 80,500 |
| Other revenue | 10(a) | 172,000 | 706,553 | 105,000 |
| Profit on asset disposals | 4(c) | 62,000 | 1,745 | 48,800 |
| | | <u>5,567,640</u> | <u>9,525,587</u> | <u>5,907,000</u> |
| Expenses | | | | |
| Employee costs | | (2,550,400) | (2,250,376) | (2,420,640) |
| Materials and contracts | | (2,214,400) | (1,500,444) | (1,817,310) |
| Utility charges | | (422,400) | (310,784) | (490,750) |
| Depreciation on non-current assets | 5 | (3,108,600) | (2,965,379) | (3,168,660) |
| Interest expenses | 6(a) | (17,000) | (16,874) | (20,000) |
| Insurance expenses | | (278,500) | (195,259) | (193,900) |
| Other expenditure | | (263,700) | (139,908) | (301,460) |
| Loss on asset disposals | 4(c) | (24,000) | 0 | (39,800) |
| | | <u>(8,879,000)</u> | <u>(7,379,024)</u> | <u>(8,452,520)</u> |
| Subtotal | | <u>(3,311,360)</u> | <u>2,146,563</u> | <u>(2,545,520)</u> |
| Gain on acquisition of non-financial assets | | 0 | 619,710 | 0 |
| Non-operating grants, subsidies and contributions | 9(b) | 12,625,200 | 1,195,576 | 9,500,290 |
| | | <u>12,625,200</u> | <u>1,815,286</u> | <u>9,500,290</u> |
| Net result | | <u>9,313,840</u> | <u>3,961,849</u> | <u>6,954,770</u> |
| Other comprehensive income | | | | |
| Changes on revaluation of non-current assets | | 0 | 0 | 0 |
| Total other comprehensive income | | <u>0</u> | <u>0</u> | <u>0</u> |
| Total comprehensive income | | <u><u>9,313,840</u></u> | <u><u>3,961,849</u></u> | <u><u>6,954,770</u></u> |

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

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

CASH FLOWS FROM OPERATING ACTIVITIES

| | NOTE | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|--|------|--------------------|--------------------|--------------------|
| | | \$ | \$ | \$ |
| Receipts | | | | |
| Rates | | 2,747,540 | 2,639,767 | 2,664,410 |
| Operating grants, subsidies and contributions | | 1,603,635 | 5,067,492 | 2,830,254 |
| Fees and charges | | 900,300 | 885,499 | 905,040 |
| Interest received | | 376,000 | 169,217 | 80,500 |
| GST receipts on revenue | | 0 | 242,679 | 0 |
| GST receipts from taxation authority | | 0 | 0 | 0 |
| Other revenue | | 172,000 | 706,553 | 105,000 |
| | | <u>5,799,475</u> | <u>9,711,207</u> | <u>6,585,204</u> |
| Payments | | | | |
| Employee costs | | (2,550,400) | (2,359,905) | (2,420,640) |
| Materials and contracts | | (2,007,694) | (152,452) | (1,852,482) |
| Utility charges | | (422,400) | (325,714) | (490,750) |
| Interest expenses | | (17,000) | (18,044) | (20,000) |
| Insurance paid | | (278,500) | (195,259) | (193,900) |
| GST payments on purchases | | 0 | (372,126) | 0 |
| GST payments to taxation authority | | 0 | (5,589) | 0 |
| Other expenditure | | (263,700) | (139,908) | (301,460) |
| | | <u>(5,539,694)</u> | <u>(3,568,997)</u> | <u>(5,279,232)</u> |
| Net cash provided by (used in) operating activities | 3 | <u>259,781</u> | <u>6,142,210</u> | <u>1,305,972</u> |

CASH FLOWS FROM INVESTING ACTIVITIES

| | | | | |
|---|------|--------------------|--------------------|--------------------|
| Non-operating grants, subsidies and contributions | | 12,917,455 | 1,364,004 | 9,624,167 |
| Proceeds from sale of plant and equipment | 4(c) | 303,000 | 10,000 | 250,000 |
| Purchase of property, plant and equipment | 4(a) | (14,481,803) | (2,640,918) | (11,475,220) |
| Purchase and construction of infrastructure | 4(b) | (6,835,205) | (1,566,740) | (5,801,500) |
| Proceeds/(Payments) from financial assets at amortised cost | | 4,078,961 | (2,827,810) | 3,046,395 |
| Net cash provided by (used in) investing activities | | <u>(4,017,592)</u> | <u>(5,661,464)</u> | <u>(4,356,158)</u> |

CASH FLOWS FROM FINANCING ACTIVITIES

| | | | | |
|---|------|-----------------------|-------------------------|-----------------------|
| Repayment of borrowings | 6(a) | (96,150) | (94,465) | (94,500) |
| Net increase (decrease) in cash held | | <u>(3,853,961)</u> | <u>386,281</u> | <u>(3,144,686)</u> |
| Cash at beginning of year | | 4,044,030 | 3,657,749 | 3,657,749 |
| Cash and cash equivalents at the end of the year | 3 | <u>190,069</u> | <u>4,044,030</u> | <u>513,063</u> |

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

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

| | NOTE | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|---|-------|-------------------|-------------------|-------------------|
| OPERATING ACTIVITIES | | | | |
| Net current assets at 01 Jul - surplus/(deficit) | | | | |
| | 2 | \$ 7,180,910 | \$ 6,179,503 | \$ 6,203,790 |
| | | 7,180,910 | 6,179,503 | 6,203,790 |
| Operating revenue (excluding rates) | | | | |
| Grants, subsidies and contributions | 9(a) | 1,309,800 | 4,793,448 | 2,103,250 |
| Fees and charges | 8 | 900,300 | 879,316 | 905,040 |
| Interest earnings | 10(a) | 376,000 | 459,008 | 80,500 |
| Other revenue | 10(a) | 172,000 | 706,553 | 105,000 |
| Profit on asset disposals | 4(c) | 62,000 | 1,745 | 48,800 |
| | | 2,820,100 | 6,840,070 | 3,242,590 |
| Operating expenses | | | | |
| Employee costs | | (2,550,400) | (2,250,376) | (2,420,640) |
| Materials and contracts | | (2,214,400) | (1,500,444) | (1,817,310) |
| Utility charges | | (422,400) | (310,784) | (490,750) |
| Depreciation on non-current assets | 5 | (3,108,600) | (2,965,379) | (3,168,660) |
| Interest expenses | 6(a) | (17,000) | (16,874) | (20,000) |
| Insurance expenses | | (278,500) | (195,259) | (193,900) |
| Other expenditure | | (263,700) | (139,908) | (301,460) |
| Loss on asset disposals | 4(c) | (24,000) | 0 | (39,800) |
| | | (8,879,000) | (7,379,024) | (8,452,520) |
| Non-cash amounts excluded from operating activities | 2(b) | 3,070,600 | 2,918,839 | 3,159,660 |
| Amount attributable to operating activities | | 4,192,610 | 8,559,388 | 4,153,520 |
| INVESTING ACTIVITIES | | | | |
| Non-operating grants, subsidies and contributions | 9(b) | 12,625,200 | 1,195,576 | 9,500,290 |
| Proceeds from disposal of assets | 4(c) | 303,000 | 10,000 | 250,000 |
| Purchase property, plant and equipment | 4(a) | (14,277,200) | (2,640,918) | (11,475,220) |
| Purchase and construction of infrastructure | 4(b) | (5,818,000) | (1,566,740) | (5,801,500) |
| Amount attributable to investing activities | | (7,167,000) | (3,002,082) | (7,526,430) |
| FINANCING ACTIVITIES | | | | |
| Repayment of borrowings | 6(a) | (96,150) | (94,465) | (94,500) |
| Transfers to cash backed reserves (restricted assets) | 7(a) | (615,000) | (5,900,403) | (450,000) |
| Transfers from cash backed reserves (restricted assets) | 7(a) | 938,000 | 4,932,955 | 1,253,000 |
| Amount attributable to financing activities | | 226,850 | (1,061,913) | 708,500 |
| Budgeted deficiency before general rates | | (2,747,540) | 4,495,393 | (2,664,410) |
| Estimated amount to be raised from general rates | 1(a) | 2,747,540 | 2,685,517 | 2,664,410 |
| Net current assets at 30 Jun - surplus/(deficit) | 2 | 0 | 7,180,910 | 0 |

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

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

BASIS OF PREPARATION

The budget has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is 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 budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the 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.

Financial reporting disclosures in relation to assets and liabilities required by the Australian Accounting Standards have not been made unless considered important for the understanding of the budget or required by legislation.

THE LOCAL GOVERNMENT REPORTING ENTITY

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

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 15 to the budget.

2022/23 ACTUAL BALANCES

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

CHANGE IN ACCOUNTING POLICIES

On 01 July 2023 no new accounting policies or other policies are expected to be adopted which will impact the annual budget.

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

1. RATES

(a) Rating Information

| Differential general rate | Rate in | Number of properties | Rateable value | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|---|----------------|-----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Gross rental valuations | \$ | # | \$ | \$ | \$ | \$ |
| GRV Residential | 0.106180 | 85 | 561,986 | 59,672 | 57,452 | 57,452 |
| GRV Commercial | 0.106180 | 7 | 487,440 | 51,756 | 50,249 | 50,249 |
| GRV Vacant Land | 0.106180 | 0 | 0 | 0 | 0 | 0 |
| GRV M & T Workforce | 0.159271 | 5 | 598,432 | 95,313 | 92,537 | 92,537 |
| UV Mining | 0.258201 | 379 | 9,377,015 | 2,421,155 | 2,353,170 | 2,353,170 |
| UV Pastoral | 0.083122 | 13 | 550,580 | 45,765 | 44,429 | 44,429 |
| Sub-Totals | | 489 | 11,575,453 | 2,673,661 | 2,597,837 | 2,597,837 |
| Minimum payment | | | | | | |
| Gross rental valuations | | | | | | |
| GRV Residential | 491 | 52 | 148,085 | 25,532 | 24,804 | 24,804 |
| GRV Commercial | 491 | 0 | 0 | 0 | 0 | 0 |
| GRV Vacant Land | 491 | 36 | 5,250 | 17,676 | 17,649 | 17,649 |
| GRV M & T Workforce | 491 | 0 | 0 | 0 | 0 | 0 |
| UV Mining | 491 | 151 | 147,093 | 74,141 | 67,734 | 67,734 |
| UV Pastoral | 491 | 5 | 16,852 | 2,455 | 2,385 | 2,385 |
| Sub-Totals | | 244 | 317,280 | 119,804 | 112,572 | 112,572 |
| | | 733 | 11,892,733 | 2,793,465 | 2,710,409 | 2,710,409 |
| Discounts (Refer Note 1(f)) | | | | (6,355) | (1,496) | (6,355) |
| Rates written-off | | | | (43,570) | (23,754) | (43,644) |
| Incentive prize (Refer Note 1(f)) | | | | (1,000) | (1,000) | (1,000) |
| Interim and back rates | | | | 5,000 | 1,358 | 5,000 |
| Total amount raised from general rates | | | | 2,747,540 | 2,685,517 | 2,664,410 |

All land (other than exempt land) in the Shire of Cue is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire of Cue. 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 deficiency between the total estimated expenditure proposed in the budget, the estimated revenue to be received from all sources other than rates, as well as 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 CUE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

1. RATES (CONTINUED)

(b) Interest Charges and Instalments

The following instalment options are available to ratepayers for the payment of rates and service charges.

| Instalment options | Date due |
|---------------------------|-----------------|
| Option one | 05 Oct 2023 |
| Option two | 07 Dec 2023 |
| Option three | 08 Feb 2024 |
| Option four | 12 Apr 2024 |

The instalment plan administration charge is \$15 with an interest rate of 5.5%.

The interest rate on unpaid rates is 11.0%.

| | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|---|---------------------------|---------------------------|---------------------------|
| | \$ | \$ | \$ |
| Instalment plan admin charge revenue | 1,500 | 870 | 1,500 |
| Instalment plan interest earned | 3,000 | 934 | 5,500 |
| Unpaid rates and service charge interest earned | 13,000 | 11,017 | 13,000 |
| | 17,500 | 12,821 | 20,000 |

(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

All land except exempt land in the Shire of Cue is rated according to its Gross Rental Value (GRV) in town sites or Unimproved Value (UV) in the remainder of the Shire.

The general rates detailed above for the 2023/24 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates, while 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 the Local Government services/facilities.

The differential rates were advertised on 09 June 2023. These rates are in accordance with the advertised schedule. Ministerial approval was received on 02 August 2023 for the above differential rates.

1. RATES (CONTINUED)

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

Objectives and Reasons for Differential Rating

The purpose of the levying of rates is to meet Council's budget requirements in each financial year in order to deliver services and community infrastructure. Property valuations provided by the Valuer General are used as the basis for the calculation of rates each year. Section 6.33 of the *Local Government Act 1995* provides the ability to differentially rate properties based on zoning and/or land use as determined by the Shire of Cue. The application of differential rating maintains equity in the rating of properties across the Shire, enabling the Council to provide facilities, infrastructure and services to the entire community and visitors.

Gross Rental Value (GRV)

The *Local Government Act 1995* determines that properties of a Non-rural purpose be rated using the Gross Rental Valuation (GRV) as the basis for the calculation of annual rates. The Valuer General determines the GRV for all properties within the Shire of Cue every five years and assigns a GRV. The current valuation is effective from 01 July 2022. Interim valuations are provided monthly to Council by the Valuer General for properties where changes have occurred (i.e. subdivisions or strata title of property, amalgamations, building constructions, demolition, additions and/or property rezoning). In such instances Council recalculates the rates for the affected properties and issues interim rates notices.

GRV General

Consists of properties located within the townsite boundaries with a predominant residential use and all other GRV rated properties that do not fit into the other GRV categories. This rate is considered by Council to be the GRV general rate by which all other GRV rated properties are assessed.

GRV Commercial

Properties used for Commercial, Town Centre or Industrial purposes and open to the public and passing trade on a regular basis (more than 100 days a year). The rate reflects a differentiation from the GRV General rate to encourage property owners to develop commercial enterprise and stimulate economic activity in the town centre and industrial area. To facilitate this, the rate applied will be the same rate in the dollar as the GRV General rate category and a discount provided in accordance with section 6.46 of the *Local Government Act*. The discounted rate will be twenty percent of rates levied for the category. The discount will only apply if the rates are paid in full by the due date. This discount is not available to properties that are minimum rated, zoned residential, home based businesses or businesses that do not offer an open shopfront to the public on the property.

This strategy has the benefit of ensuring commercial property owners pay their rates by the due date to take advantage of the discount, ensures they are aware that their rates are discounted substantially as Council is very supportive of local business and that the generous discount is not applied to those commercial property owners with outstanding rate arrears.

GRV Vacant

Consists of vacant properties located within the townsite boundaries excepting land zoned as Tourist, Commercial and Industrial.

1. RATES (CONTINUED)

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

GRV Mining and Transient Workforce Facilities

Properties used for high density Minesite accommodation exclusive of Lodging Houses. The rate reflects the cost of servicing a high density development that places a significant amount of financial pressure on Council to provide services such as road maintenance, parking control, heavy vehicle movements, litter control, rubbish site maintenance, airport infrastructure and maintenance and other amenities. It should be noted that, even in relation to services for which separate fees and charges are levied, many of these fees and charges do not recover the full cost of operating the facility or providing the service. In such cases, the difference between the revenue derived from fees and charges and the actual costs of providing the services and facilities has to be met from rates. So it is appropriate that the category of ratepayers that receive a significant benefit from the facilities make a fair contribution.

This differential rate maintains a proportional share of rating required to raise the necessary revenue to operate efficiently and provide the diverse range of services and associated infrastructure and facilities required for developed residential and urban areas. These services and facilities are available to transient workforce workers in the same manner as they are available to other residents of the Shire and the contribution from this category has been set at a level that reflects this. Council is focussed on sustainably managing its community and infrastructure assets through the funding of renewal and replacement asset programs. These programs include but are not limited to investment in the resealing of roads, replacement and development of footpath networks, refurbishing of public ablutions and other building maintenance programs. In addition, these properties have access to all other services and facilities provided by Council.

The average rates per transient workforce accommodation unit are less than the equivalent minimum rate for a single bedroom residence. Despite the lower rate per accommodation unit, transient workforce properties have the potential to have a greater impact on Council services and assets than other properties due to their number of occupants in a relatively small land parcel (i.e. concentrated bus and vehicle movements on local roads). In order to appropriately maintain and manage Councils asset and infrastructure in the longer term, a higher differential rate is proposed for this category to reflect the greater potential and actual intensity of use of Council assets and infrastructure.

Unimproved Value (UV)

Properties that are predominantly of a rural purpose are assigned an Unimproved Value that is supplied and updated by the Valuer General on an annual basis.

UV Pastoral

Consists of properties that are outside of the townsite that have a commercial use inclusive of pastoral leases or pastoral use. This category is rated to reflect the level of rating required to raise the necessary revenue to operate efficiently and provide for rural infrastructure and services in addition to the urban services and infrastructure which are available to be accessed by the properties in this category.

UV Mining

The object of this rate is to apply a base differential general rate to UV-Rated mining tenements and provide for the cost of operating all the facilities and services that are available to residents and ratepayers to use including rural roads upon which mining enterprises rely, other than those services and facilities for which separate fees and charges are levied on a cost-recovery basis. It should be noted that, even in relation to services for which separate fees and charges are levied, many of these fees and charges do not recover the full cost of operating the facility or providing the service. In such cases, the difference between the revenue derived from fees and charges and the actual costs of providing the services and facilities has to be met from rates. So it is appropriate that the category of ratepayers that receive a significant benefit from the facilities make a fair contribution.

1. RATES (CONTINUED)

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

UV Mining (Continued)

In addition to contributing to the costs of facilities and services available to residents and ratepayers, the rate recognises the additional administrative burden and costs associated with administering this class of rates and the risks of non-collection due to tenement deaths and deregistration of mining companies, additional wear and tear on Shire assets as a result of frequent heavy vehicle use over extensive lengths of Shire roads throughout the year, additional compliance burdens and costs, and unrecovered legal expenses.

The reason for the GRV Mining rate is to ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities throughout the Shire, as well as a contribution to the Shire's administrative costs proportionate to the additional risks and burdens imposed upon the Shire by Mining Ratepayers.

Minimum Rates

The setting of minimum rates within rating categories is an important method of ensuring that all properties contribute an equitable rate amount. A minimum rate of \$491.00 has been set for all rate categories.

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

1. RATES (CONTINUED)

(d) Specified Area Rate

No Specified Area Rates are expected to be levied in the year ending 30 June 2024.

(e) Service Charges

No Service Charges are expected to be levied in the year ending 30 June 2024.

(f) Rates discounts

| Rate or fee to which discount is granted | Discount | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|---|-----------------|-----------------------|-----------------------|-----------------------|
| | \$ or % | \$ | \$ | \$ |
| GRV - Commercial | 20.0% | 6,355 | 1,496 | 6,355 |
| Incentive draw | \$1,000 | 1,000 | 1,000 | 1,000 |
| | | <u>7,355</u> | <u>2,496</u> | <u>7,355</u> |

Circumstances in which discount is granted

Discount

Provided to rate payers of this category whose payment of the full amount owing, including arrears and service charges is received on or before 35 days after the date appearing on the rate notice.

Incentive Draw

Incentive for the payment of rates and charges by the single payment due date by the way of lottery draw for cash prizes. First prize is \$600, second prize is \$300, and third prize is \$100.

(g) Waivers or concessions

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

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

2. NET CURRENT ASSETS

(a) Composition of estimated net current assets

| | Note | Budget 30 Jun 24 | Actual 30 Jun 23 | Budget 30 Jun 23 |
|---|-------------|-----------------------------|-----------------------------|-----------------------------|
| | | \$ | \$ | \$ |
| Current assets | | | | |
| Cash and cash equivalents- unrestricted | 3 | 190,069 | 8,052,237 | 513,063 |
| Cash and cash equivalents - restricted | | | | |
| Cash backed reserves | 7(a) | 7,073,396 | 7,396,396 | 5,625,948 |
| Deposits and bonds | 3 | 0 | 40,010 | 0 |
| Unspent grants, subsidies and contributions | 3 | 0 | 325,354 | 0 |
| Receivables | | 673,304 | 967,139 | 47,803 |
| Inventories | | 62,342 | 62,342 | 34,225 |
| | | <u>7,999,111</u> | <u>16,843,478</u> | <u>6,221,039</u> |
| Less: current liabilities | | | | |
| Trade and other payables | | (723,169) | (1,738,271) | (402,743) |
| Income received in advance | | 0 | (33,100) | 0 |
| Contract obligations | | 0 | (292,255) | 0 |
| Loan Liability | 6(a) | (96,150) | (96,154) | (94,500) |
| Provisions | | (202,546) | (202,546) | (192,348) |
| | | <u>(1,021,865)</u> | <u>(2,362,326)</u> | <u>(689,591)</u> |
| Net current assets | | <u>6,977,246</u> | <u>14,481,152</u> | <u>5,531,448</u> |
| Less: Cash - restricted reserves | 7(a) | (7,073,396) | (7,396,396) | (5,625,948) |
| Less: Current portion of borrowings | 6(a) | 96,150 | 96,154 | 94,500 |
| Closing funding surplus / (deficit) | | <u>0</u> | <u>7,180,910</u> | <u>0</u> |

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

2. NET CURRENT ASSETS (CONTINUED)

(b) Operating activities excluded from budgeted deficiency

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.

The following non-cash revenue or expenditure has been excluded from operating activities within the Rate Setting Statement in accordance with *Local Government (Financial Management) Regulation 32*.

| | Budget | Actual | Budget |
|---|------------------|------------------|------------------|
| Note | 30 Jun 24 | 30 Jun 23 | 30 Jun 23 |
| | \$ | \$ | \$ |
| Adjustments to operating activities | | | |
| Less: Profit on asset disposals | 4(c) (62,000) | (1,745) | (48,800) |
| Less: Movement in employee provisions | 0 | (43,053) | 0 |
| Less: Movement in fair value of financial assets | 0 | 0 | 0 |
| Add: Movement in deferred pensioner rates | 0 | (1,742) | 0 |
| Add: Loss on disposal of assets | 4(c) 24,000 | 0 | 39,800 |
| Add: Depreciation on assets | 5 3,108,600 | 2,965,379 | 3,168,660 |
| Amounts excluded from operating activities | 3,070,600 | 2,918,839 | 3,159,660 |

2. NET CURRENT ASSETS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

An 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 of Cue 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.

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 City 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.

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 goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Trade receivables are held with the objective to collect the contractual cashflows and therefore 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.

2. NET CURRENT ASSETS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

Superannuation

The Shire of Cue contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Cue 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.

CONTRACT ASSETS

A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

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 statement of financial position. The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

CONTRACT LIABILITIES

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

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

3. 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 and cash equivalents | | | |
| Cash at bank and on hand | 190,069 | 4,044,030 | 513,063 |
| Term deposits | 0 | 4,373,571 | 0 |
| Term deposits - reserves | 7,073,396 | 7,396,396 | 5,625,948 |
| | <u>7,263,465</u> | <u>15,813,997</u> | <u>6,139,011</u> |
| Comprises: | | | |
| Unrestricted | 190,069 | 8,052,237 | 490,063 |
| Restricted | 7,073,396 | 7,761,760 | 5,648,948 |
| | <u>7,263,465</u> | <u>15,813,997</u> | <u>6,139,011</u> |

The restricted assets are a result of the following specific purposes to which the assets may be used:

| | | | | |
|---|------|------------------|------------------|------------------|
| Cash backed reserves | 7(a) | 7,073,396 | 7,396,396 | 5,625,948 |
| Deposits and bonds | | 0 | 40,010 | 23,000 |
| Unspent grants, subsidies and contributions | | 0 | 325,354 | 0 |
| | | <u>7,073,396</u> | <u>7,761,760</u> | <u>5,648,948</u> |

Reconciliation of net cash provided by operating activities to net result

| | | | | |
|---|------|----------------|------------------|------------------|
| Net result | | 9,313,840 | 3,961,849 | 6,954,770 |
| Depreciation | 5 | 3,108,600 | 2,965,379 | 3,168,660 |
| (Profit)/loss on sale of asset | 4(c) | (38,000) | (1,745) | (9,000) |
| Gain on acquisition of non-financial assets | | 0 | (619,710) | 0 |
| (Increase)/decrease in receivables | | 293,835 | (196,306) | 730,189 |
| (Increase)/decrease in inventories | | 0 | (28,117) | 0 |
| Increase/(decrease) in payables | | 206,706 | 1,302,982 | (38,357) |
| Increase/(decrease) in provisions | | 0 | (46,546) | 0 |
| Non-operating grants, subsidies and contributions | 9(b) | (12,625,200) | (1,195,576) | (9,500,290) |
| Net cash from operating activities | | <u>259,781</u> | <u>6,142,210</u> | <u>1,305,972</u> |

SIGNIFICANT 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.

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

4. FIXED ASSETS

The following assets are budgeted to be acquired during the year.

(a) Property, Plant and Equipment

(i) Land and buildings

| | 2023/24 | 2022/23 | 2022/23 |
|--|-------------------|------------------|-------------------|
| | Budget | Actual | Budget |
| | \$ | \$ | \$ |
| Housing | | | |
| Pensioner Housing Development | 3,889,200 | 0 | 3,889,220 |
| Staff Unit Housing Development | 350,000 | 1,083,185 | 1,530,000 |
| Staff Housing | 600,000 | 99,736 | 490,000 |
| GROH Housing | 10,000 | 3,234 | 0 |
| Recreation and culture | | | |
| Recreation Centre | 3,200,000 | 0 | 0 |
| Great Fingal Mine Office | 2,000,000 | 0 | 2,000,000 |
| Masonic Lodge | 760,000 | 629,823 | 665,000 |
| Heritage Building Renovations | 350,000 | 7,131 | 350,000 |
| Town Hall Upgrades | 50,000 | 22,532 | 90,000 |
| Railway Building and Youth Centre | 40,000 | 176,611 | 90,000 |
| Heritage Interpretive Centre | 40,000 | 12,937 | 0 |
| Rifle Range Ablutions | 25,000 | 0 | 25,000 |
| Bowling Green and Outdoor Area | 10,000 | 0 | 10,000 |
| Transport | | | |
| Works Depot Improvements | 300,000 | 0 | 50,000 |
| Airport Terminal | 400,000 | 0 | 0 |
| Economic service | | | |
| Heydon Place Industrial Development | 120,000 | 268,730 | 250,000 |
| Old Tourist Park House | 0 | 0 | 185,000 |
| Tourist Park Buildings | 200,000 | 32,664 | 150,000 |
| Old Gaol Restoration | 130,000 | 3,931 | 150,000 |
| Heritage Interpretive Centre and Tourism | 0 | 0 | 90,000 |
| Tourist Park House and Office | 70,000 | 11,225 | 70,000 |
| Old Municipal Building Improvements | 80,000 | 0 | 60,000 |
| Old Hospital and Incinerator | 150,000 | 0 | 0 |
| Other property and services | | | |
| Administration Building Improvements | 50,000 | 73,213 | 94,000 |
| | 12,824,200 | 2,424,952 | 10,238,220 |

(ii) Furniture and equipment

| | | | |
|--|---------------|---------------|----------------|
| Governance | | | |
| Council Furniture and Equipment | 10,000 | 0 | 10,000 |
| Housing | | | |
| Staff Housing | 15,000 | 0 | 15,000 |
| Recreation and culture | | | |
| Recreation and Culture Equipment | 0 | 11,336 | 0 |
| Economic services | | | |
| Tourism Furniture and Equipment | 10,000 | 0 | 10,000 |
| Other property and services | | | |
| Administration Furniture and Equipment | 10,000 | 10,013 | 90,000 |
| | 45,000 | 21,349 | 125,000 |

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

4. FIXED ASSETS (CONTINUED)

(a) Property, Plant and Equipment (Continued)

(iii) Plant and equipment

Transport

| | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|--------------------------------------|---------------------------|---------------------------|---------------------------|
| | \$ | \$ | \$ |
| Prime Mover | 370,000 | 0 | 340,000 |
| Community Bus | 200,000 | 0 | 200,000 |
| Skid Steer Loader | 85,000 | 0 | 120,000 |
| 4 x 4 Dual Cab 4.5 Tonne Truck | 120,000 | 0 | 100,000 |
| 2 x 4 Single Cab 4.5 Tonne Truck | 120,000 | 0 | 0 |
| Mini Excavator | 80,000 | 0 | 80,000 |
| Road Maintenance Equipment | 20,000 | 13,358 | 65,000 |
| Works Manager Ute | 75,000 | 0 | 60,000 |
| Roads Crew Supervisor Ute | 68,000 | 0 | 45,000 |
| Aerodrome Vehicle | 65,000 | 0 | 0 |
| Town Crew Ute | 60,000 | 0 | 45,000 |
| Town Crew Supervisor Ute | 55,000 | 32,000 | 35,000 |
| Town Maintenance Equipment | 25,000 | 8,431 | 12,000 |
| Workshop Equipment | 40,000 | 11,871 | 10,000 |
| Plant trailer | 25,000 | 0 | 0 |
| 16 Disc Offset Plow for Tractor | 0 | 1,464 | 0 |
| Workshop Truck | 0 | 112,890 | 0 |
| JCB Integrated Tool Carrier Upgrades | 0 | 14,603 | 0 |
| | 1,408,000 | 194,617 | 1,112,000 |

Total Property, Plant and Equipment

14,277,200 2,640,918 11,475,220

(b) Infrastructure

(i) Road infrastructure

Transport

| | | | |
|---|------------------|----------------|------------------|
| Flood Damage Restoration | 2,000,000 | 0 | 2,000,000 |
| Construction - Muni Funds Roads | 200,000 | 25,914 | 440,000 |
| Cue-Beringarra Road | 150,000 | 0 | 400,000 |
| Roads to Recovery | 850,000 | 11,228 | 303,500 |
| Regional Roads Group | 450,000 | 272,846 | 270,000 |
| Grid Widening Program and Seal Approaches | 80,000 | 116,720 | 180,000 |
| Town Footpaths | 280,000 | 0 | 0 |
| | 4,010,000 | 426,708 | 3,593,500 |

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

4. FIXED ASSETS (CONTINUED)

(b) Infrastructure (Continued)

(ii) Other infrastructure

Community amenities

| | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|---------------------|---------------------------|---------------------------|---------------------------|
| | \$ | \$ | \$ |
| Deep Sewerage | 240,000 | 0 | 240,000 |
| Waste Site Upgrades | 150,000 | 5,454 | 175,000 |
| Cemetery Niche Wall | 35,000 | 0 | 35,000 |

Recreation and culture

| | | | |
|---|---------|--------|---------|
| Playground Equipment and Other Infrastructure | 300,000 | 0 | 220,000 |
| Sporting Facilities | 20,000 | 1,343 | 40,000 |
| Oval Infrastructure | 50,000 | 0 | 50,000 |
| Walk and Cycle Trails | 15,000 | 11,566 | 20,000 |
| Golf Course and Other Infrastructure | 25,000 | 0 | 25,000 |

Transport

| | | | |
|---------------------------|---------|-----------|-----------|
| Airport Runway Resealing | 250,000 | 1,021,776 | 1,000,000 |
| Artificial Lawn and Retic | 0 | 0 | 0 |
| Road Train Assembly Area | 50,000 | 0 | 0 |
| Aerodrome Infrastructure | 20,000 | 16,714 | 0 |

Economic services

| | | | |
|------------------------------------|---------|--------|---------|
| Tourism and Area Promotion | 145,000 | 0 | 80,000 |
| Austin Street Development | 0 | 0 | 0 |
| Garden Rock Development | 0 | 0 | 0 |
| Streetscape and Community Projects | 150,000 | 0 | 150,000 |
| Standpipe Automation | 30,000 | 0 | 30,000 |
| CCTV and Communications | 75,000 | 62,983 | 50,000 |
| Tourist Park Improvements | 150,000 | 20,196 | 40,000 |
| RV Site | 30,000 | 0 | 30,000 |
| Oasis Visitor Parking Project | 23,000 | 0 | 23,000 |
| Community Gym | 50,000 | 0 | 0 |

| | | | |
|--|------------------|------------------|------------------|
| | 1,808,000 | 1,140,032 | 2,208,000 |
|--|------------------|------------------|------------------|

| | | | |
|----------------------|------------------|------------------|------------------|
| Total Infrastructure | 5,818,000 | 1,566,740 | 5,801,500 |
|----------------------|------------------|------------------|------------------|

| | | | |
|---------------------------|-------------------|------------------|-------------------|
| Total acquisitions | 20,095,200 | 4,207,658 | 17,276,720 |
|---------------------------|-------------------|------------------|-------------------|

SIGNIFICANT 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 the *Local Government (Financial Management) Regulations 1996 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.

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

4. FIXED ASSETS (CONTINUED)

(c) Disposals of Assets

The following assets are budgeted to be disposed during the year.

(i) 2023/24 Budget

| Property, Plant and Equipment | Net Book Value | Sale Proceeds | Profit on Disposal | Loss on Disposal |
|--------------------------------------|-----------------------|----------------------|---------------------------|-------------------------|
| | \$ | \$ | \$ | \$ |
| Transport | | | | |
| Caterpillar Skid Steer Loader | 21,000 | 35,000 | 14,000 | 0 |
| Mack Trident Prime Mover | 46,000 | 50,000 | 4,000 | 0 |
| Iveco Prime Mover | 20,000 | 20,000 | 0 | 0 |
| CAT 301.7D Mini Excavator | 20,000 | 35,000 | 15,000 | 0 |
| Toyota Coaster Bus | 48,000 | 25,000 | 0 | (23,000) |
| Works Manager Ute | 26,000 | 25,000 | 0 | (1,000) |
| Roads Crew Supervisor Ute | 23,000 | 26,000 | 3,000 | 0 |
| VW Amarok Double Cab | 30,000 | 35,000 | 5,000 | 0 |
| Town Crew Ute | 14,000 | 28,000 | 14,000 | 0 |
| Town Crew Supervisor Ute | 17,000 | 24,000 | 7,000 | 0 |
| | 265,000 | 303,000 | 62,000 | (24,000) |

(ii) 2022/23 Actual

| Property, Plant and Equipment | | | | |
|--------------------------------------|--------------|---------------|--------------|----------|
| Transport | | | | |
| Caterpillar Skid Steer Loader | 0 | 0 | 0 | 0 |
| Mack Trident Prime Mover | 0 | 0 | 0 | 0 |
| CAT 301.7D Mini Excavator | 0 | 0 | 0 | 0 |
| Kubota Ride-on Mower | 8,255 | 10,000 | 1,745 | 0 |
| Toyota Coaster Bus | 0 | 0 | 0 | 0 |
| Works Manager Ute | 0 | 0 | 0 | 0 |
| Roads Crew Supervisor Ute | 0 | 0 | 0 | 0 |
| Town Crew Supervisor Ute | 0 | 0 | 0 | 0 |
| | 8,255 | 10,000 | 1,745 | 0 |

(iii) 2022/23 Budget

| Property, Plant and Equipment | | | | |
|--------------------------------------|----------------|----------------|---------------|-----------------|
| Transport | | | | |
| Caterpillar Skid Steer Loader | 21,200 | 40,000 | 18,800 | 0 |
| Mack Trident Prime Mover | 50,800 | 50,000 | 0 | (800) |
| CAT 301.7D Mini Excavator | 22,700 | 40,000 | 17,300 | 0 |
| Kubota Ride-on Mower | 16,600 | 10,000 | 0 | (6,600) |
| Toyota Coaster Bus | 51,700 | 20,000 | 0 | (31,700) |
| Works Manager Ute | 30,700 | 30,000 | 0 | (700) |
| Roads Crew Supervisor Ute | 27,000 | 30,000 | 3,000 | 0 |
| Town Crew Supervisor Ute | 20,300 | 30,000 | 9,700 | 0 |
| | 241,000 | 250,000 | 48,800 | (39,800) |

SIGNIFICANT ACCOUNTING POLICIES

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

5. ASSET DEPRECIATION

| | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|-----------------------------|---------------------------|---------------------------|---------------------------|
| | \$ | \$ | \$ |
| By Program | | | |
| Governance | 1,650 | 1,634 | 1,650 |
| Law, order, public safety | 300 | 300 | 300 |
| Health | 410 | 311 | 470 |
| Housing | 145,110 | 152,190 | 145,110 |
| Community amenities | 20,120 | 20,024 | 20,120 |
| Recreation and culture | 159,880 | 164,799 | 159,880 |
| Transport | 2,103,080 | 1,954,014 | 2,163,080 |
| Economic services | 380,960 | 368,318 | 380,960 |
| Other property and services | 297,090 | 303,789 | 297,090 |
| | 3,108,600 | 2,965,379 | 3,168,660 |
| By Class | | | |
| Land and buildings | 679,510 | 673,814 | 679,510 |
| Furniture and equipment | 11,180 | 12,278 | 11,180 |
| Plant and equipment | 178,490 | 182,926 | 178,550 |
| Road Infrastructure | 1,946,640 | 1,796,506 | 2,006,640 |
| Other Infrastructure | 292,780 | 299,855 | 292,780 |
| | 3,108,600 | 2,965,379 | 3,168,660 |

SIGNIFICANT 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:

| Asset | Years | Asset | Years |
|------------------------------------|------------------------------|-------------------------|--------------|
| Roads and streets | | Land* | - |
| Unformed subgrade* | - | Buildings | 15 to 80 |
| Formed subgrade* | - | Furniture and equipment | 02 to 15 |
| Unsealed pavement | 11 | Plant and equipment | 02 to 20 |
| Sealed pavement | 44 | Parks and ovals | 12 to 50 |
| Seal | 17 | Other infrastructure | 10 to 60 |
| Footpaths - slab | 40 | Sewerage piping | 75 |
| Grids | 80 | Water supply: | |
| Kerbing | 40 | piping systems | 75 |
| Culverts | 80 | drainage systems | 75 |
| Signs | 20 | | |
| Floodways | 10 to 76 | | |
| Right of use (buildings) | Based on the remaining lease | | |
| Right of use (plant and equipment) | Based on the remaining lease | | |

* - Not depreciated

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

6. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

| | 2023/24 | 2022/23 | 2022/23 |
|------------------------------------|----------------|----------------|----------------|
| | Budget | Actual | Budget |
| Housing - GROH Housing | | | |
| Principal repayments | \$ | \$ | \$ |
| Payment in July | 47,860 | 47,023 | 47,100 |
| Payment in January | 48,290 | 47,442 | 47,400 |
| | <hr/> | <hr/> | <hr/> |
| | 96,150 | 94,465 | 94,500 |
| Interest and fee repayments | | | |
| Payment in July | 8,500 | 9,294 | 10,000 |
| Payment in January | 8,500 | 8,750 | 10,000 |
| Accrual | 0 | (1,170) | 0 |
| | <hr/> | <hr/> | <hr/> |
| | 17,000 | 16,874 | 20,000 |
| Total repayments | <hr/> | <hr/> | <hr/> |
| | 113,150 | 111,339 | 114,500 |
| Principal outstanding | | | |
| Principal outstanding 01 Jul | 656,568 | 751,033 | 751,033 |
| Principal repayments | (96,150) | (94,465) | (94,500) |
| Principal outstanding 30 Jun | <hr/> | <hr/> | <hr/> |
| | 560,418 | 656,568 | 656,533 |

Loan details

| | |
|--------------------|---|
| Institution | Western Australian Treasury Corporation |
| Type | Fixed rate annuity |
| Amount of advance | \$980,000 |
| Date of advance | 01 Jul 2019 |
| Maturity date | 01 Jul 2029 |
| Term | 10 years |
| Repayment schedule | Bi-annual |
| Interest rate | 1.78% |

All borrowing repayments will be financed by general purpose revenue.

(b) New borrowings - 2023/24

The Shire does not intend to raise any new borrowings for the year ending 30 June 2024.

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

6. INFORMATION ON BORROWINGS (CONTINUED)

(c) Unspent borrowings

| | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|------------------------------|---------------------------|---------------------------|---------------------------|
| | \$ | \$ | \$ |
| GROH Housing | | | |
| Unspent borrowings at 01 Jul | 0 | 0 | 0 |
| Expected new borrowings | 0 | 0 | 0 |
| Expected amount to be used | 0 | 0 | 0 |
| Unspent borrowings at 30 Jun | <u>0</u> | <u>0</u> | <u>0</u> |

(d) Credit Facilities

**Undrawn borrowing facilities
credit standby arrangements**

| | | | |
|-------------------------------------|---------------|---------------|---------------|
| Bank overdraft limit | 0 | 0 | 0 |
| Bank overdraft at balance date | 0 | 0 | 0 |
| Credit card limit | 15,000 | 15,000 | 15,000 |
| Credit card balance at balance date | 0 | (646) | 0 |
| Unused credit at 30 Jun | <u>15,000</u> | <u>14,354</u> | <u>15,000</u> |

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

7. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movements

(i) 2023/24 Budget

| | Opening Balance | Transfer Interest | Transfer to | Transfer (from) | Closing Balance |
|--|----------------------------|------------------------------|------------------------|----------------------------|----------------------------|
| | \$ | \$ | \$ | \$ | \$ |
| (a) Long service leave reserve | 64,483 | 1,569 | 0 | 0 | 66,052 |
| (b) Building maintenance reserve | 608,484 | 14,808 | 0 | (135,000) | 488,292 |
| (c) Plant replacement reserve | 526,662 | 12,817 | 0 | (200,000) | 339,479 |
| (d) Streetscape reserve | 325,072 | 7,911 | 0 | (123,000) | 209,983 |
| (e) Sports facilities reserve | 125,164 | 3,046 | 0 | 0 | 128,210 |
| (f) Tourist park development reserve | 258,531 | 6,292 | 0 | (140,000) | 124,823 |
| (g) Water playground reserve | 62,183 | 1,513 | 0 | 0 | 63,696 |
| (h) Beringarra road reserve | 2,421,807 | 58,938 | 0 | (150,000) | 2,330,745 |
| (i) Tourism reserve | 126,272 | 3,073 | 0 | (40,000) | 89,345 |
| (j) Housing / land development reserve | 221,945 | 5,401 | 0 | (150,000) | 77,346 |
| (k) Heritage reserve | 642,142 | 15,627 | 185,000 | 0 | 842,769 |
| (l) Road maintenance reserve | 1,779,914 | 43,316 | 250,000 | 0 | 2,073,230 |
| (m) Infrastructure reserve | 233,737 | 5,689 | 0 | 0 | 239,426 |
| | 7,396,396 | 180,000 | 435,000 | (938,000) | 7,073,396 |

(ii) 2022/23 Actual

| | | | | | |
|--|------------------|---------------|------------------|--------------------|------------------|
| (a) Long service leave reserve | 63,814 | 669 | 48,965 | (48,965) | 64,483 |
| (b) Building maintenance reserve | 602,166 | 6,318 | 462,044 | (462,044) | 608,484 |
| (c) Plant replacement reserve | 521,193 | 5,469 | 399,912 | (399,912) | 526,662 |
| (d) Streetscape reserve | 321,696 | 3,376 | 246,837 | (246,837) | 325,072 |
| (e) Sports facilities reserve | 123,864 | 1,300 | 95,041 | (95,041) | 125,164 |
| (f) Tourist park development reserve | 255,847 | 2,684 | 196,313 | (196,313) | 258,531 |
| (g) Water playground reserve | 61,537 | 646 | 47,218 | (47,218) | 62,183 |
| (h) Beringarra road reserve | 2,396,664 | 25,143 | 1,838,974 | (1,838,974) | 2,421,807 |
| (i) Tourism reserve | 124,961 | 1,311 | 95,883 | (95,883) | 126,272 |
| (j) Housing / land development reserve | 219,640 | 2,305 | 168,530 | (168,530) | 221,945 |
| (k) Heritage reserve | 635,476 | 6,666 | 487,601 | (487,601) | 642,142 |
| (l) Road maintenance reserve | 870,779 | 9,135 | 1,568,152 | (668,152) | 1,779,914 |
| (m) Infrastructure reserve | 231,311 | 2,426 | 177,485 | (177,485) | 233,737 |
| | 6,428,948 | 67,448 | 5,832,955 | (4,932,955) | 7,396,396 |

(iii) 2022/23 Budget

| | | | | | |
|--|------------------|---------------|----------------|--------------------|------------------|
| (a) Long service leave reserve | 63,814 | 496 | 0 | 0 | 64,310 |
| (b) Building maintenance reserve | 602,166 | 4,683 | 0 | (135,000) | 471,849 |
| (c) Plant replacement reserve | 521,193 | 4,053 | 0 | (200,000) | 325,246 |
| (d) Streetscape reserve | 321,696 | 2,502 | 0 | (123,000) | 201,198 |
| (e) Sports facilities reserve | 123,864 | 963 | 0 | 0 | 124,827 |
| (f) Tourist park development reserve | 255,847 | 1,990 | 0 | (140,000) | 117,837 |
| (g) Water playground reserve | 61,537 | 479 | 0 | 0 | 62,016 |
| (h) Beringarra road reserve | 2,396,664 | 18,640 | 0 | (150,000) | 2,265,304 |
| (i) Tourism reserve | 124,961 | 972 | 0 | (40,000) | 85,933 |
| (j) Housing / land development reserve | 219,640 | 1,708 | 0 | (150,000) | 71,348 |
| (k) Heritage reserve | 635,476 | 4,942 | 0 | (315,000) | 325,418 |
| (l) Road maintenance reserve | 870,779 | 6,772 | 400,000 | 0 | 1,277,551 |
| (m) Infrastructure reserve | 231,311 | 1,800 | 0 | 0 | 233,111 |
| | 6,428,948 | 50,000 | 400,000 | (1,253,000) | 5,625,948 |

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

7. CASH BACKED RESERVES (CONTINUED)

(b) Cash Backed Reserves - 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) Long service leave reserve | as required | to be used to fund long service leave requirements |
| (b) Building maintenance reserve | as required | to be used to fund maintenance and capital expenditure on Council owned buildings |
| (c) Plant replacement reserve | as required | to be used for the purchase or significant overhaul of major plant |
| (d) Streetscape reserve | as required | to be used to fund streetscape improvements within the town centre of Cue |
| (e) Sports facilities reserve | as required | to be used to fund maintenance and capital expenditure on the sports facilities |
| (f) Tourist park development reserve | as required | to be used to fund the development of the Cue Tourist Park |
| (g) Water playground reserve | as required | to be used to fund the maintenance of the Water Playground |
| (h) Beringarra road reserve | as required | to be used for maintenance and capital expenditure on Beringarra Road |
| (i) Tourism reserve | as required | to be used to fund and maintain Tourism related infrastructure and programs |
| (j) Housing / land development reserve | as required | to be used to assist with the provision of affordable housing and the establishment of an incubator hub |
| (k) Heritage reserve | as required | to be used to maintain / renovate / promote heritage places and buildings owned or under a Shire management order |
| (l) Road maintenance reserve | as required | to be used for maintenance and capital expenditure on Shire roads |
| (m) Infrastructure reserve | as required | to be used to fund maintenance and capital expenditure for Shire's infrastructure assets |

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

8. FEES AND CHARGES

| | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|-----------------------------|---------------------------|---------------------------|---------------------------|
| | \$ | \$ | \$ |
| General purpose funding | 2,000 | 1,450 | 2,000 |
| Law, order, public safety | 1,450 | 380 | 1,500 |
| Health | 1,200 | 1,100 | 1,200 |
| Housing | 137,790 | 115,343 | 130,230 |
| Community amenities | 90,650 | 85,113 | 88,610 |
| Recreation and culture | 1,800 | 477 | 2,300 |
| Transport | 210,000 | 219,683 | 250,000 |
| Economic services | 423,410 | 423,220 | 402,200 |
| Other property and services | 32,000 | 32,550 | 27,000 |
| | 900,300 | 879,316 | 905,040 |

9. GRANT REVENUE

(a) Operating grants, subsidies and contributions

| | | | |
|-----------------------------|------------------|------------------|------------------|
| Governance | | | |
| General purpose funding | 0 | 3,253,177 | 990,000 |
| Law, order, public safety | 7,500 | 7,088 | 7,500 |
| Education and welfare | 1,000 | 5,500 | 650 |
| Recreation and culture | 20,800 | 17,666 | 20,800 |
| Transport | 1,255,500 | 1,492,307 | 1,044,300 |
| Other property and services | 25,000 | 17,710 | 40,000 |
| | 1,309,800 | 4,793,448 | 2,103,250 |

(b) Non-operating grants, subsidies and contributions

| | | | |
|---|-------------------|------------------|-------------------|
| General purpose funding | 536,590 | 827,490 | 861,570 |
| Housing | 3,889,200 | 0 | 3,889,220 |
| Community amenities | 240,000 | 0 | 240,000 |
| Recreation and culture | 4,490,000 | 0 | 1,980,000 |
| Transport | 3,469,410 | 368,086 | 2,529,500 |
| | 12,625,200 | 1,195,576 | 9,500,290 |
| Total grants, subsidies and contributions | 13,935,000 | 5,989,024 | 11,603,540 |

(c) Unspent grants, subsidies and contributions

| | Balance 30 Jun 23 | Amounts received | Amounts exhausted | Balance 30 Jun 24 |
|------------------|------------------------------|-----------------------------|------------------------------|------------------------------|
| | \$ | \$ | \$ | \$ |
| Transport | | | | |
| RTR | 292,255 | 0 | (292,255) | 0 |

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

10. OTHER INFORMATION

(a) The net result includes as revenues

| | 2023/24 | 2022/23 | 2022/23 |
|--|----------------|----------------|----------------|
| | Budget | Actual | Budget |
| (i) Interest earnings | \$ | \$ | \$ |
| Investments - Reserve funds | 180,000 | 67,448 | 50,000 |
| Investments - Other funds | 180,000 | 379,609 | 12,000 |
| Other interest revenue (Refer Note 1(b)) | 16,000 | 11,951 | 18,500 |
| | <u>376,000</u> | <u>459,008</u> | <u>80,500</u> |
| (ii) Other revenue | | | |
| Reimbursements and recoveries | 21,500 | 18,549 | 45,500 |
| Other | 150,500 | 688,004 | 59,500 |
| | <u>172,000</u> | <u>706,553</u> | <u>105,000</u> |
| (b) The net result includes as expenses | | | |
| (i) Auditors remuneration | | | |
| Audit services | 40,500 | 40,500 | 40,500 |
| | <u>40,500</u> | <u>40,500</u> | <u>40,500</u> |
| (ii) Interest expenses (finance costs) | | | |
| Borrowings (Refer Note 6(a)) | 17,000 | 16,874 | 20,000 |
| | <u>17,000</u> | <u>16,874</u> | <u>20,000</u> |
| (iii) Write offs | | | |
| General rates (Refer Note 1(a)) | 43,570 | 23,754 | 43,644 |
| | <u>43,570</u> | <u>23,754</u> | <u>43,644</u> |

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

10. OTHER INFORMATION (CONTINUED)

(b) The net result includes as expenses (Continued)

(iv) Elected members remuneration

| | 2023/24 | 2022/23 | 2022/23 |
|--|----------------|----------------|----------------|
| | Budget | Actual | Budget |
| | \$ | \$ | \$ |
| Councillor 1 | | | |
| Presidents allowance | 11,360 | 11,160 | 11,160 |
| Meeting fees | 6,500 | 6,132 | 6,500 |
| Travelling expenses and reimbursements | 2,143 | 1,622 | 2,786 |
| Telecommunications allowance | 3,500 | 3,480 | 3,500 |
| Councillor 2 | | | |
| Deputy Presidents allowance | 2,850 | 2,793 | 2,800 |
| Meeting fees | 4,000 | 3,050 | 4,000 |
| Travelling expenses and reimbursements | 2,143 | 4,593 | 2,786 |
| Telecommunications allowance | 3,500 | 3,480 | 3,500 |
| Councillor 3 | | | |
| Meeting fees | 4,000 | 2,562 | 4,000 |
| Travelling expenses and reimbursements | 2,143 | 158 | 2,786 |
| Telecommunications allowance | 3,500 | 3,480 | 3,500 |
| Councillor 4 | | | |
| Meeting fees | 4,000 | 3,050 | 4,000 |
| Travelling expenses and reimbursements | 2,143 | 0 | 2,786 |
| Telecommunications allowance | 3,500 | 3,480 | 3,500 |
| Councillor 5 | | | |
| Meeting fees | 4,000 | 2,806 | 4,000 |
| Travelling expenses and reimbursements | 2,143 | 0 | 2,786 |
| Telecommunications allowance | 3,500 | 3,480 | 3,500 |
| Councillor 6 | | | |
| Meeting fees | 4,000 | 3,050 | 4,000 |
| Travelling expenses and reimbursements | 2,143 | 158 | 2,785 |
| Telecommunications allowance | 3,500 | 3,480 | 3,500 |
| Councillor 7 | | | |
| Meeting fees | 4,000 | 2,806 | 4,000 |
| Travelling expenses and reimbursements | 2,142 | 0 | 2,785 |
| Telecommunications allowance | 3,500 | 3,480 | 3,500 |
| | 84,210 | 68,300 | 88,460 |
| Total Remuneration | | | |
| President's allowance | 11,360 | 11,160 | 11,160 |
| Deputy President's allowance | 2,850 | 2,793 | 2,800 |
| Meeting Fees | 30,500 | 23,456 | 30,500 |
| Travelling expenses | 15,000 | 6,531 | 19,500 |
| Telecommunications allowance | 24,500 | 24,360 | 24,500 |
| | 84,210 | 68,300 | 88,460 |

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

11. STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM

| | NOTE | 2023/24 Budget | 2022/23 Actual | 2022/23 Budget |
|-----------------------------|-------------|---------------------------|---------------------------|---------------------------|
| | | \$ | \$ | \$ |
| Revenue | | | | |
| General purpose funding | | 3,237,040 | 7,053,016 | 3,769,410 |
| Law, order, public safety | | 8,950 | 7,468 | 9,000 |
| Health | | 1,200 | 1,100 | 1,200 |
| Education and welfare | | 1,000 | 5,500 | 650 |
| Housing | | 137,790 | 115,343 | 130,230 |
| Community amenities | | 90,650 | 85,113 | 88,610 |
| Recreation and culture | | 22,600 | 18,143 | 29,600 |
| Transport | | 1,527,500 | 1,713,734 | 1,343,100 |
| Economic services | | 440,910 | 439,548 | 437,200 |
| Other property and services | | 100,000 | 86,622 | 98,000 |
| | | 5,567,640 | 9,525,587 | 5,907,000 |
| Expenses | | | | |
| Governance | | (468,330) | (337,591) | (438,550) |
| General purpose funding | | (342,550) | (258,027) | (250,390) |
| Law, order, public safety | | (146,120) | (87,081) | (131,740) |
| Health | | (157,670) | (67,573) | (124,310) |
| Education and welfare | | (261,680) | (101,123) | (243,830) |
| Housing | | (547,400) | (432,458) | (415,490) |
| Community amenities | | (525,060) | (443,169) | (550,440) |
| Recreation and culture | | (1,148,370) | (779,719) | (1,143,810) |
| Transport | | (3,908,240) | (3,534,341) | (3,793,890) |
| Economic services | | (1,322,900) | (1,127,513) | (1,342,480) |
| Other property and services | | (50,680) | (210,429) | (17,590) |
| | | (8,879,000) | (7,379,024) | (8,452,520) |
| Subtotal | | (3,311,360) | 2,146,563 | (2,545,520) |

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

12. MAJOR LAND TRANSACTIONS

It is not anticipated any major land transactions will occur in 2023/24.

13. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

It is not anticipated any major trading undertakings will occur in 2023/24.

14. INTERESTS IN JOINT ARRANGEMENTS

It is not anticipated the Shire will be party to any joint venture arrangements during 2023/24.

15. TRUST FUNDS

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

| Detail | Balance 30 Jun 23 | Estimated amounts received | Estimated amounts paid | Estimated balance 30 Jun 24 |
|--|------------------------------|---|---------------------------------------|--|
| | \$ | \$ | \$ | \$ |
| Cue Land Conservation District Committee | 2,082 | 0 | 0 | 2,082 |
| | <u>2,082</u> | <u>0</u> | <u>0</u> | <u>2,082</u> |

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

16. SIGNIFICANT ACCOUNTING POLICIES - OTHER

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.

ROUNDING OFF FIGURES

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

COMPARATIVE FIGURES

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

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.

CRITICAL ACCOUNTING ESTIMATES

The preparation of a 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

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

17. KEY TERMS AND DEFINITIONS - NATURE OR TYPE

REVENUES

RATES

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

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 these as television and radio broadcasting, underground electricity and neighbourhood surveillance services.

Excludes rubbish removal charges. 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.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING 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.

FEES AND CHARGES

Revenue (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.

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 can not be classified under the above headings, includes dividends, discounts, and rebates. Reimbursements and recoveries should be separated by note to ensure the correct calculation of ratios.

17. KEY TERMS AND DEFINITIONS - NATURE OR TYPE (CONTINUED)

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.

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, 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, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

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 includes loss on disposal of long term investments.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expense raised on all classes of assets.

INTEREST EXPENSES

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 State taxes. Donations and subsidies made to community groups.

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

18. 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

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

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

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

HEALTH

Food quality and water control. Environmental Health Officer. Doctor Service.

EDUCATION AND WELFARE

Assistance to Cue Primary School, Thoo Thoo Wandii, Senior Citizens and Playgroup. Involvement in work experience programmes.

HOUSING

Provision and maintenance of staff and rental housing.

COMMUNITY AMENITIES

Rubbish collection services, maintenance of refuse sites, administration of the town planning scheme, control and co-ordination of cemeteries, and maintenance of public conveniences.

RECREATION AND CULTURE

Maintenance of Shire hall, recreation centre, Stan Gurney Memorial Park and various reserves. Operation of library and internet services. Co-ordination of Australia Day activities.

TRANSPORT

Construction and maintenance of streets, roads, footpaths, drainage works, parking facilities, traffic signs and median strips. Control and maintenance of Cue Airport.

ECONOMIC SERVICES

The regulation and provision of tourism and the Historical Photographic Collection. Maintenance of the Shire-owned Caravan Park. Building and vermin control. Employment programme administered on behalf of the Department of Employment, Workplace Relations and Small Business.

OTHER PROPERTY AND SERVICES

Private works operation, plant repair and operation costs.