

SHIRE OF THREE SPRINGS
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

Three Springs becomes a Healthy and Unified Community with a bright future

HEART OF NORTH MIDLANDS

SHIRE OF THREE SPRINGS
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
Revenue		\$	\$	\$
Rates	2(a)	2,909,850	2,692,907	2,713,549
Grants, subsidies and contributions		1,027,916	1,806,453	1,417,285
Fees and charges	13	291,281	311,735	279,278
Interest revenue	9(a)	182,061	193,181	155,599
Other revenue		99,530	52,847	67,370
		4,510,638	5,057,123	4,633,081
Expenses				
Employee costs		(2,458,586)	(1,931,111)	(1,944,716)
Materials and contracts		(1,957,702)	(1,087,842)	(1,774,621)
Utility charges		(333,896)	(335,563)	(276,253)
Depreciation	6	(2,542,724)	(2,504,519)	(2,472,691)
Finance costs	9(c)	0	(436)	(730)
Insurance		(182,084)	(182,541)	(182,070)
Other expenditure		(108,729)	(68,569)	(103,720)
		(7,583,721)	(6,110,581)	(6,754,801)
		(3,073,083)	(1,053,458)	(2,121,720)
Capital grants, subsidies and contributions		14,467,299	1,732,610	4,982,606
Profit on asset disposals	5	82,636	7,500	56,847
Loss on asset disposals	5	(49,885)	0	(88,077)
		14,500,050	1,740,110	4,951,376
Net result for the period		11,426,967	686,652	2,829,656
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus		0	0	0
Share of comprehensive income of associates accounted for using the equity method		0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		11,426,967	686,652	2,829,656

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

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

CASH FLOWS FROM OPERATING ACTIVITIES

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
Receipts		\$	\$	\$
Rates		2,950,075	2,671,803	2,727,574
Grants, subsidies and contributions		1,088,141	1,784,852	1,417,285
Fees and charges		291,281	311,735	279,278
Interest revenue		182,061	193,181	155,599
Goods and services tax received		405,186	424,084	190,487
Other revenue		99,530	52,847	67,370
		5,016,274	5,438,502	4,837,593
Payments				
Employee costs		(2,458,586)	(1,901,712)	(1,944,716)
Materials and contracts		(1,739,677)	(1,169,826)	(1,928,851)
Utility charges		(333,896)	(335,563)	(276,253)
Finance costs		0	(731)	(730)
Insurance paid		(182,084)	(182,541)	(182,070)
Goods and services tax paid		(405,186)	(405,186)	(190,487)
Other expenditure		(108,729)	(68,569)	(103,720)
		(5,228,158)	(4,064,128)	(4,626,827)
Net cash provided by (used in) operating activities	4	(211,884)	1,374,374	210,766

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for purchase of property, plant & equipment	5(a)	(3,614,625)	(1,140,539)	(6,453,144)
Payments for construction of infrastructure	5(b)	(13,662,617)	(1,858,663)	(2,982,459)
Capital grants, subsidies and contributions		15,069,299	2,000,150	4,757,606
Proceeds from sale of property, plant and equipment	5(a)	331,250	32,500	315,000
Proceeds on financial assets at amortised cost - self supporting loans	7(a)	0	20,050	20,051
Net cash (used in) investing activities		(1,876,693)	(946,502)	(4,342,946)

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of borrowings	7(a)	(1,000,000)	(43,711)	(43,712)
Proceeds on disposal of financial assets at amortised cost - term deposits		0	14,885	0
Proceeds from new borrowings	7(a)	1,000,000	0	600,000
Net cash provided by (used in) financing activities		0	(28,826)	556,288
Net increase (decrease) in cash held		(2,088,577)	399,046	(3,575,892)
Cash at beginning of year		4,417,651	4,018,605	4,018,405
Cash and cash equivalents at the end of the year	4	2,329,074	4,417,651	442,513

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

SHIRE OF THREE SPRINGS
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025

OPERATING ACTIVITIES

Revenue from operating activities

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
General rates	2(a)(i)	\$ 2,899,838	\$ 2,682,895	\$ 2,703,769
Rates excluding general rates	2(a)	10,012	10,012	9,780
Grants, subsidies and contributions		1,027,916	1,806,453	1,417,285
Fees and charges	13	291,281	311,735	279,278
Interest revenue	9(a)	182,061	193,181	155,599
Other revenue		99,530	52,847	67,370
Profit on asset disposals	5	82,636	7,500	56,847
		4,593,274	5,064,623	4,689,928

Expenditure from operating activities

Employee costs		(2,458,586)	(1,931,111)	(1,944,716)
Materials and contracts		(1,957,702)	(1,087,842)	(1,774,621)
Utility charges		(333,896)	(335,563)	(276,253)
Depreciation	6	(2,542,724)	(2,504,519)	(2,472,691)
Finance costs	9(c)	0	(436)	(730)
Insurance		(182,084)	(182,541)	(182,070)
Other expenditure		(108,729)	(68,569)	(103,720)
Loss on asset disposals	5	(49,885)	0	(88,077)
		(7,633,606)	(6,110,581)	(6,842,878)

Non cash amounts excluded from operating activities

	3(c)	2,515,247	2,460,975	2,511,566
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Amount attributable to operating activities

(525,085) 1,415,017 358,616

INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions		14,467,299	1,732,610	4,982,606
Proceeds from disposal of assets	5	331,250	32,500	315,000
Proceeds from financial assets at amortised cost - self supporting loans	7(a)	0	20,050	20,051
		14,798,549	1,785,160	5,317,657

Outflows from investing activities

Payments for property, plant and equipment	5(a)	(3,614,625)	(1,140,539)	(6,453,144)
Payments for construction of infrastructure	5(b)	(13,662,617)	(1,858,663)	(2,982,459)
		(17,277,242)	(2,999,202)	(9,435,603)
Amount attributable to investing activities		(2,478,693)	(1,214,042)	(4,117,946)

FINANCING ACTIVITIES

Inflows from financing activities

Proceeds from new borrowings	7(a)	1,000,000	0	600,000
Transfers from reserve accounts	8(a)	0	153,824	120,000
		1,000,000	153,824	720,000

Outflows from financing activities

Repayment of borrowings	7(a)	(1,000,000)	(43,711)	(43,712)
Transfers to reserve accounts	8(a)	(363,056)	(138,939)	(139,565)
		(1,363,056)	(182,650)	(183,277)
Amount attributable to financing activities		(363,056)	(28,826)	536,723

MOVEMENT IN SURPLUS OR DEFICIT

Surplus at the start of the financial year	3	3,366,834	3,194,685	3,222,607
Amount attributable to operating activities		(525,085)	1,415,017	358,616
Amount attributable to investing activities		(2,478,693)	(1,214,042)	(4,117,946)
Amount attributable to financing activities		(363,056)	(28,826)	536,723
Surplus/(deficit) remaining after the imposition of general rates	3	0	3,366,834	0

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

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

1 BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

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

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

The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 10 to the annual budget.

2023/24 actual balances

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

Budget comparative figures

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

Comparative figures

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

Rounding off figures

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

Statement of Cashflows

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

Initial application of accounting standards

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

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

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

New accounting standards for application in future years

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

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

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

Judgements, estimates and assumptions

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

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

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

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

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

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2024/25 Budgeted rate revenue	2024/25 Budgeted interim rates	2024/25 Budgeted total revenue	2023/24 Actual total revenue	2023/24 Budget total revenue
		\$		\$	\$	\$	\$	\$	\$
(i) General rates									
GRV Residential	Gross rental valuations	0.127549	203	2,266,452	289,084	0	289,084	250,313	259,423
GRV Mining	Gross rental valuations	0.239212	1	247,000	59,085	0	59,085	60,401	60,401
UV Rural and Arrino Town	Unimproved valuations	0.009214	184	268,326,000	2,472,356	0	2,472,356	2,294,871	2,294,871
UV Mining	Unimproved valuations	0.060800	21	786,405	47,813	0	47,813	46,310	58,074
Non-Ratebale	Non-Ratebale	0.000000	69	63,722	0	0	0	0	0
Total general rates			478	271,689,579	2,868,338	0	2,868,338	2,651,895	2,672,769
(ii) Minimum payment									
		Minimum							
		\$							
GRV Residential	Gross rental valuations	500	22	19,939	11,000	0	11,000	11,000	11,000
GRV Mining	Gross rental valuations	0	0	0	0	0	0	0	0
UV Rural and Arrino Town	Unimproved valuations	500	24	551,750	12,000	0	12,000	12,000	12,000
UV Mining	Unimproved valuations	500	17	59,796	8,500	0	8,500	8,000	8,000
Non-Ratebale	Non-Ratebale	0	0	0	0	0	0	0	0
Total minimum payments			63	631,485	31,500	0	31,500	31,000	31,000
Total general rates and minimum payments			541	272,321,064	2,899,838	0	2,899,838	2,682,895	2,703,769
(iii) Ex-gratia rates									
Co-operative Bulk Handling based on tonnage	Tonnage	0.054350		151,100	8,213	0	8,213	8,213	8,213
Murchison Region Aboriginal Corporation	Gross Rental Valuation	0.127549	1	1,851	236	0	236	236	236
Dampier to Bunbury Natural Gas Pipeline Corridor based on annual rate equivalent	As advised by DPNG				1,563	0	1,563	1,563	1,331
Total ex-gratia rates			1	152,951	10,012	0	10,012	10,012	9,780
					2,909,850	0	2,909,850	2,692,907	2,713,549
Total rates					2,909,850	0	2,909,850	2,692,907	2,713,549

The Shire did not raise specified area rates for the year ended 30th June 2025.

All rateable properties within the district used predominately for non-rural purposes are rated according to their Gross Rental Valuation (GRV), all other properties are rated according to their Unimproved Valuation (UV).

The general rates detailed for the 2024/25 financial year have been determined by Council on the basis of raising the revenue required to meet the estimated deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than general rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of local government services/facilities.

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

2. RATES AND SERVICE CHARGES (CONTINUED)

(b) Interest Charges and Instalments - Rates and Service Charges

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

Option 1 (Full Payment)

Full amount of rates and charges including arrears, to be paid on or before 1 October 2024 or 35 days after the date of issue appearing on the rate notice, whichever is the later.

Option 2 (Four Instalments)

First instalment to be made on or before 1 October 2024 or 35 days after the date of issue appearing on the rate notice, whichever is the later including all arrears and a quarter of the current rates and service charges;
 Second instalment to be made on or before 6 December 2024 or 2 months after the first instalment, whichever is the later;
 Third instalment to be made on or before 10 February 2025 or 2 months after the second instalment, whichever is the later; and
 Fourth instalment to be made on or before 17 April 2025 or 2 months after the third instalment, whichever is the later.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	1/10/2024	0	0.0%	11.0%
Option two				
First instalment	1/10/2024	0	0.0%	11.0%
Second instalment	6/12/2024	15	5.5%	11.0%
Third instalment	10/02/2025	15	5.5%	11.0%
Fourth instalment	17/04/2025	15	5.5%	11.0%

	2024/25 Budget revenue	2023/24 Actual revenue	2023/24 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	3,200	3,195	2,220
Instalment plan interest earned	10,500	10,359	7,500
Interest on ESL	350	383	150
Interest on deferred rates	350	0	350
Unpaid rates and service charge interest earned	10,000	10,505	6,000
	24,400	24,442	16,220

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

2. RATES AND SERVICE CHARGES (CONTINUED)

(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 - Town	Properties within the townsite boundaries	The object of the GRV town rate and minimum payments is to ensure a fair contribution to the revenue requirements of the Shire, to provide a diverse range of services and facilities to the residents and business proprietors of Three Springs, while not risking additional financial pressure of the town residents that affect their long term viability. The town residents have in the past and will continue to provide significant support for the social and economic sustainability of the Shire.	The reasons for the level of rates set for Gross Rental Values is that this allows for a fair contribution to the maintenance and provision of town services and infrastructure to a sustainable level.
GRV - Mining	Mine with capital improvements.	The object of the GRV rates associated with Mining is to ensure the mining sector contributes to the maintenance of the Shire's assets.	Mines benefit greatly from the road infrastructure including bridges. The mining sector transports large tonnage each year on Shire roads. The Gross Rental Value for mining allows for a reasonable contribution to the Shire's infrastructure and reflects the cost of road maintenance to accommodate heavy vehicle movements both on rural roads and in residential areas of the Three Springs townsite (sometimes up to 20 movements per day).
UV Rural & Arrino Town	Properties that are outside of the townsite that are used in farming activities and/or agricultural production.	The object of the UV Rural and Arrino town rate is to ensure that the proportion of total rate revenue derived from UV Rural & Arrino Town is comparable to previous years so that the Shire can continue to operate efficiently and provide a diverse range of services and infrastructure. UV Rural & Arrino Town provides the base rate to assess the other UV rated properties.	The reason for the lower rate for UV Rural & Arrino Town is to reflect the lower impact on transport infrastructure compared to the UV Mining category. The UV Rural & Arrino Town rate applies generally to broad acre farming which is vulnerable to factors such as adverse weather, bushfires, drought, demand for products and fluctuations in export prices. Importantly the rural areas cover vast tracts of land that is often marginal and input costs are far more extensive to gain a smaller return than for mining.

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

2. RATES AND SERVICE CHARGES (CONTINUED)

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

Differential general rate (Continued)

Description	Characteristics	Objects	Reasons
UV Mining	Properties that are used for mining, exploration or prospecting purposes	The objective of the differential rate on UV is to ensure that mining contributes to the maintenance of the Shire's assets and infrastructure to the extent that the mining operators and their connections use them.	The reason for setting UV Mining rate at a higher level than UV Rural is to ensure a sector of ratepayers, that essentially are transitory, contributes to the maintenance of the Shire's established assets and services to the extent that the mining operators use them.

(d) Differential Minimum Payment

The setting of a minimum rate is to ensure that every landowner makes a reasonable contribution to the rate burden.

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

2. RATES AND SERVICE CHARGES (CONTINUED)

The Shire did not raise specified area rates for the year ended 30th June 2025.

(f) Service Charges

The Shire did not raise service charges for the year ended 30th June 2025.

(g) Waivers or concessions

Rate, fee or charge to which the waiver or concession is granted	Type	Waiver/ Concession	Discount %	Discount (\$)	2024/25 Budget	2023/24 Actual	2023/24 Budget	Circumstances in which the waiver or concession is granted	Objects and reasons of the waiver or concession
Community Bus	Fee and charge	Waiver	100.0%	0	\$ 800	\$ 617	\$ 800	TS Primary School	Promote Educational Activities & Support Local Primary School
Pool Charges	Fee and charge	Waiver	100.0%	0	1,500	1,208	10,000	TS Primary School	Promote Educational Activities & Support Local Primary School
Community Hall Charges	Fee and charge	Waiver	100.0%	0	2,000	1,770	2,000	Wildflower Committee, Hospital Fete Committee & TS Primary School	Promote School and Community activities in the Shire
Photocopying Charges	Fee and charge	Waiver	100.0%	0	720	714	600	Certain Community Groups such as: Yakabout (Local Newspaper), St John Ambulance, Volunteer Bush Fire Brigade & Wildflower Committee	Support Local Community Group for overall community benefit
COVID-19 Response	Fee and charge	Waiver	100.0%	0	0	0	0	COVID-19 response to support all Sporting Clubs and commercial tenants	Support Local Community Group for overall community benefit
Yakabout Advertising	Fee and charge	Waiver	100.0%	0	10,600	10,588	3,000	Not for Profit Organisations and Community Groups	Assist Community Groups and Not for Profit Organisations in promoting their activities within the Shire.
					15,620	14,897	16,400		

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

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents
Financial assets
Receivables
Inventories

Less: current liabilities

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

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Statement of Financial Activity

(b) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

Adjustments to net current assets

Less: Cash - reserve accounts
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

Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
	\$	\$	\$
4	2,329,074	4,417,651	442,513
	2,132,702	2,132,702	2,147,587
	62,717	163,167	71,187
	2,604	5,629	20,119
	4,527,097	6,719,149	2,681,406
	(480,030)	(265,030)	(128,179)
	(29,490)	(29,490)	0
	(1,391,322)	(789,322)	(342,208)
7	0	0	(600,000)
	(209,893)	(209,893)	(194,819)
	(33,142)	(33,142)	0
	(2,143,877)	(1,326,877)	(1,265,206)
	2,383,220	5,392,272	1,416,200
3(b)	(2,383,220)	(2,025,438)	(1,416,200)
	0	3,366,834	0
8	(2,495,757)	(2,132,701)	(2,167,152)
	0	0	600,000
	112,537	107,263	150,952
	(2,383,220)	(2,025,438)	(1,416,200)

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

3. NET CURRENT ASSETS

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

Items excluded from calculation of budgeted deficiency

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

(c) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

Adjustments to operating activities

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

Non cash amounts excluded from operating activities

Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
	\$	\$	\$
5	(82,636)	(7,500)	(56,847)
5	49,885	0	88,077
6	2,542,724	2,504,519	2,472,691
	5,274	(36,044)	7,645
	2,515,247	2,460,975	2,511,566

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

3. NET CURRENT ASSETS

(e) MATERIAL ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

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

TRADE AND OTHER PAYABLES

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

PREPAID RATES

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

INVENTORIES

General

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

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

Superannuation

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

LAND HELD FOR RESALE

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

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

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

GOODS AND SERVICES TAX (GST)

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

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

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

CONTRACT LIABILITIES

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

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

TRADE AND OTHER RECEIVABLES

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

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

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

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

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

PROVISIONS

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

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

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

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

Other long-term employee benefits

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

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

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

4. RECONCILIATION OF CASH

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

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
		\$	\$	\$
Cash at bank and on hand		2,696	2,091,273	11,522
Term deposits		2,326,378	2,326,378	430,991
Total cash and cash equivalents		2,329,074	4,417,651	442,513
Held as				
- Unrestricted cash and cash equivalents		486,707	3,540,340	22,240
- Restricted cash and cash equivalents		1,842,367	877,311	420,273
	3(a)	2,329,074	4,417,651	442,513
Restrictions				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents		1,842,367	877,311	420,273
- Restricted financial assets at amortised cost - term deposits		2,132,702	2,132,702	2,147,587
		3,975,069	3,010,013	2,567,860
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Financially backed reserves	8	2,495,757	2,132,701	2,167,152
Contract liabilities		29,490	29,490	0
Unspent capital grants, subsidies and contribution liabilities		1,449,822	847,822	400,708
		3,975,069	3,010,013	2,567,860
Reconciliation of net cash provided by operating activities to net result				
Net result		11,426,967	686,652	2,829,656
Depreciation	6	2,542,724	2,504,519	2,472,691
(Profit)/loss on sale of asset	5	(32,751)	(7,500)	31,230
(Increase)/decrease in receivables		100,450	(58,173)	14,025
(Increase)/decrease in contract assets		0	20,664	0
(Increase)/decrease in inventories		3,025	(3,185)	(2,205)
(Increase)/decrease in other assets		0	2,597	0
Increase/(decrease) in payables		215,000	(52,292)	(152,025)
Increase/(decrease) in contract liabilities		0	13,702	0
Increase/(decrease) in unspent capital grants		602,000	267,540	(225,000)
Capital grants, subsidies and contributions		(15,069,299)	(2,000,150)	(4,757,606)
Net cash from operating activities		(211,884)	1,374,374	210,766

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

5. PROPERTY, PLANT AND EQUIPMENT

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

	2024/25 Budget						2023/24 Actual						2023/24 Budget					
	Additions	In-kind Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	In-kind Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	In-kind Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Property, Plant and Equipment																		
Buildings - non-specialised	181,675	0	0	0	0	0	59,242	0	0	0	0	0	706,974	0	0	0	0	0
Buildings - specialised	1,738,705	0	0	0	0	0	731,803	0	0	0	0	0	3,753,239	0	0	0	0	0
Plant and equipment	1,694,245	0	298,499	331,250	82,636	(49,885)	349,494	0	25,000	32,500	7,500	0	1,992,931	0	346,230	315,000	56,847	(88,077)
Total	3,614,625	0	298,499	331,250	82,636	(49,885)	1,140,539	0	25,000	32,500	7,500	0	6,453,144	0	346,230	315,000	56,847	(88,077)
(b) Infrastructure																		
Infrastructure - roads	13,262,406	0	0	0	0	0	1,402,900	0	0	0	0	0	2,428,660	0	0	0	0	0
Infrastructure - parks and ovals	400,211	0	0	0	0	0	455,763	0	0	0	0	0	553,799	0	0	0	0	0
Total	13,662,617	0	0	0	0	0	1,858,663	0	0	0	0	0	2,982,459	0	0	0	0	0
Total	17,277,242	0	298,499	331,250	82,636	(49,885)	2,999,202	0	25,000	32,500	7,500	0	9,435,603	0	346,230	315,000	56,847	(88,077)

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

6. DEPRECIATION

By Class

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

By Program

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

2024/25 Budget	2023/24 Actual	2023/24 Budget
\$	\$	\$
94,166	92,751	90,909
334,305	329,282	325,657
42,578	41,938	43,874
265,841	261,847	286,425
1,583,268	1,559,480	1,509,791
24,394	24,027	23,678
30,933	30,468	30,025
167,239	164,726	162,332
2,542,724	2,504,519	2,472,691
773	773	0
83,438	83,485	83,485
28,320	28,336	28,139
34,483	34,502	34,502
100,513	100,568	113,717
16,419	16,427	16,427
363,511	363,710	335,608
1,636,979	1,637,876	1,579,730
15,179	15,188	17,016
263,109	223,654	264,067
2,542,724	2,504,519	2,472,691

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 80 years
Buildings - specialised	20 to 80 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
Formation	not depreciated
Pavement	60 to 100 years
Seal	
- Bituminous seals	15 to 40 years
- Asphalt surfaces	15 to 40 years
- Concrete	60 years
Gravel roads	
Formation	not depreciated
Pavement	60 to 100 years
Gravel sheet	15 to 60 years
Footpaths - slab	10 to 40 years
Sewerage piping	30 to 80 years
Water supply piping and drainage system	10 to 80 years
Infrastructure - parks and ovals	15 to 40 years

AMORTISATION

The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The assets residual value of intangible assets is considered to be zero and useful live and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

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

7. BORROWINGS

(a) Borrowing repayments

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

Purpose	Loan Number	Institution	Interest Rate	Budget Principal	2024/25 Budget New Loans	2024/25 Budget Principal Repayments	Budget Principal outstanding	2024/25 Budget Interest Repayments	Actual Principal	2023/24 Actual New Loans	2023/24 Actual Principal Repayments	Actual Principal outstanding	2023/24 Actual Interest Repayments	Budget Principal	2023/24 Budget New Loans	2023/24 Budget Principal Repayments	Budget Principal outstanding	2023/24 Budget Interest Repayments
				1 July 2024			30 June 2025		1 July 2023			30 June 2024		1 July 2023			30 June 2024	
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Swimming Pool	160	WATC*	3.91%	0	0	0	0		23,661	0	(23,661)	0	(518)	23,661	0	(23,661)	0	(696)
Duffy Store Development	162	WATC*	4.55%	0	0	0	0		0	0	0	0	0	0	600,000	0	600,000	0
Short-term loan	163	WATC*	4.70%	0	1,000,000	(1,000,000)	0	0	0	0	0	0	0	0	0	0	0	0
				0	1,000,000	(1,000,000)	0	0	23,661	0	(23,661)	0	(518)	23,661	600,000	(23,661)	600,000	(696)
Self Supporting Loans																		
Bowling Green Resurfacing	161	WATC*	3.91%	0	0	0	0	0	20,050	0	(20,050)	0	82	20,051	0	(20,051)	0	(34)
				0	0	0	0	0	20,050	0	(20,050)	0	82	20,051	0	(20,051)	0	(34)
				0	1,000,000	(1,000,000)	0	0	43,711	0	(43,711)	0	(436)	43,712	600,000	(43,712)	600,000	(730)

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.
The self supporting loan(s) repayment will be fully reimbursed.

* WA Treasury Corporation

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

7. BORROWINGS

(b) New borrowings - 2024/25

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
				%	\$	\$	\$	\$
Short-term loan	WATC*	Short lend facility	1	4.70	1,000,000	Unknown	1,000,000	0
					1,000,000	0	1,000,000	0

* WA Treasury Corporation

The Shire had no unspent borrowing funds as at 30th June 2024 nor is it expected to have unspent borrowing funds as at 30th June 2025.

(d) Credit Facilities

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Undrawn borrowing facilities credit standby arrangements			
Credit card limit	10,000	10,000	10,000
Credit card balance at balance date	0	(1,018)	0
Total amount of credit unused	10,000	8,982	10,000
Loan facilities			
Loan facilities in use at balance date	0	0	600,000

MATERIAL ACCOUNTING POLICIES

BORROWING COSTS

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

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

8. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2024/25 Budget				2023/24 Actual				2023/24 Budget			
	Opening	Transfer	Transfer	Closing	Opening	Transfer	Transfer	Closing	Opening	Transfer	Transfer	Closing
	Balance	to	(from)	Balance	Balance	to	(from)	Balance	Balance	to	(from)	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	107,263	5,274	0	112,537	143,307	7,603	(43,647)	107,263	143,307	7,645	0	150,952
(b) Plant reserve	204,534	10,058	0	214,592	194,229	10,305	0	204,534	194,229	10,361	0	204,590
(c) Housing and building reserve	540,791	259,784	0	800,575	513,545	27,246	0	540,791	513,546	27,396	0	540,942
(d) Joint venture housing reserve	185,897	9,140	0	195,037	176,531	9,366	0	185,897	176,532	9,417	0	185,949
(e) Gravel pit reserve	54,893	2,699	0	57,592	52,127	2,766	0	54,893	52,128	2,781	0	54,909
(f) Swimming pool reserve	29,682	1,459	0	31,141	132,813	7,046	(110,177)	29,682	132,813	7,085	(120,000)	19,898
(g) Lovelock sock reserve	165,254	33,125	0	198,379	133,188	32,066	0	165,254	133,188	32,105	0	165,293
(h) Road reserve	112,030	5,508	0	117,538	106,386	5,644	0	112,030	106,385	5,675	0	112,060
(i) Drainage reserve	400,389	19,686	0	420,075	380,217	20,172	0	400,389	380,217	20,283	0	400,500
(j) Refuse reserve	63,978	3,146	0	67,124	60,755	3,223	0	63,978	60,754	3,241	0	63,995
(k) Glyde Street redevelopment reserve	267,990	13,177	0	281,167	254,488	13,502	0	267,990	254,488	13,576	0	268,064
	2,132,701	363,056	0	2,495,757	2,147,586	138,939	(153,824)	2,132,701	2,147,587	139,565	(120,000)	2,167,152

(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	Ongoing	To be used to fund annual and long service leave requirements.
(b) Plant reserve	Ongoing	To be used for the purchase of major plant.
(c) Housing and building reserve	Ongoing	To be used to fund housing/accommodation and building projects.
(d) Joint venture housing reserve	Ongoing	To be used to maintain the joint Ministry of Housing/Local Government properties.
(e) Gravel pit reserve	Ongoing	To be used for the rehabilitation of disused gravel pits.
(f) Swimming pool reserve	Ongoing	To be used to fund capital works and purchase recreational equipment for the swimming pool.
(g) Lovelock sock reserve	Ongoing	To be used to upgrade potable water infrastructure.
(h) Road reserve	Ongoing	To be used for future capital road works.
(i) Drainage reserve	Ongoing	To be used for construction of proper town drainage system.
(j) Refuse reserve	Ongoing	To be used for the future development and maintenance of the refuse site.
(k) Glyde Street redevelopment reserve	Ongoing	To be used to create a subdivision for future housing needs.

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

9. OTHER INFORMATION

The net result includes as revenues

(a) Interest earnings

Investments	160,861	172,016	141,565
Self supporting loans	0	(82)	34
Other interest revenue	21,200	21,247	14,000
	182,061	193,181	155,599

The net result includes as expenses

(b) Auditors remuneration

Audit services	37,100	29,840	32,750
Other services	3,000	3,000	3,000
	40,100	32,840	35,750

(c) Interest expenses (finance costs)

Borrowings (refer Note 7(a))	0	436	730
	0	436	730

(d) Write offs

General rate	0	4	0
	0	4	0

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

10. ELECTED MEMBERS REMUNERATION

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Elected member - Chris Lane			
President's allowance	16,282	15,000	15,000
Meeting attendance fees	5,504	5,830	5,260
Annual allowance for ICT expenses	2,100	2,100	2,100
Travel and accommodation expenses	429	0	429
	24,315	22,930	22,789
Elected member - Chris Connaughton			
Deputy President's allowance	0	1,875	3,750
Meeting attendance fees	2,912	3,915	2,860
Annual allowance for ICT expenses	2,100	2,100	2,100
Travel and accommodation expenses	429	0	429
	5,441	7,890	9,139
Elected member - Jim Heal			
Meeting attendance fees	2,912	2,715	2,860
Annual allowance for ICT expenses	2,100	2,100	2,100
Travel and accommodation expenses	428	0	428
	5,440	4,815	5,388
Elected member - Jenny Mutter			
Meeting attendance fees	2,912	2,800	2,860
Annual allowance for ICT expenses	2,100	2,100	2,100
Travel and accommodation expenses	429	0	429
	5,441	4,900	5,389
Elected member - Nadine Eva			
Deputy President's allowance	4,071	1,875	0
Meeting attendance fees	2,912	4,230	2,860
Annual allowance for ICT expenses	2,100	2,100	2,100
Travel and accommodation expenses	429	0	429
	9,512	8,205	5,389
Elected member - Julia Ennor			
Meeting attendance fees	2,912	2,200	2,860
Annual allowance for ICT expenses	2,100	2,100	2,100
Travel and accommodation expenses	428	0	428
	5,440	4,300	5,388
Elected member - Zac Mills			
Meeting attendance fees	2,912	1,200	2,860
Annual allowance for ICT expenses	2,100	1,050	2,100
Travel and accommodation expenses	428	0	428
	5,440	2,250	5,388
Total Elected Member Remuneration	61,029	55,290	58,870
President's allowance	16,282	15,000	15,000
Deputy President's allowance	4,071	3,750	3,750
Meeting attendance fees	22,976	22,890	22,420
Annual allowance for ICT expenses	14,700	13,650	14,700
Travel and accommodation expenses	3,000	0	3,000
	61,029	55,290	58,870

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

11. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specific area rates, minimum payment, interim rates, back rates, ex-gratia rates, less discounts offered.

Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

REVENUE FROM CONTRACTS WITH CUSTOMERS

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

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services and water.

Exclude rubbish removal charges which should not be classified as a service charge. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST REVENUE

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

OTHER REVENUE / INCOME

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

PROFIT ON ASSET DISPOSAL

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

EXPENSES

EMPLOYEE COSTS

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

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

MATERIALS AND CONTRACTS

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

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

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water.

Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

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

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expenses raised on all classes of assets.

FINANCE COSTS

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

OTHER EXPENDITURE

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

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

11. REVENUE AND EXPENDITURE

(b) Revenue Recognition

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of Revenue recognition
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
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
Fees and charges - sale of stock	Gravel, bluemetal and water from standpipes	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 THREE SPRINGS
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

12. PROGRAM INFORMATION

Key Terms and Definitions - Reporting Programs

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

OBJECTIVE

ACTIVITIES

Governance

To Provide a decision making process for the efficient allocation of scarce resources.

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

General purpose funding

To collect revenue to fund provision of services.

Rates, general purpose government grants and interest revenue.

Law, order, public safety

To ensure a safer community in which to live.

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

Health

To provide an operational framework for good community health.

Food quality and pest control, maintenance of child health centre, doctors surgery and

Education and welfare

To support the needs of the community in education and welfare.

Assistance to Day Care Centre, Playgroup, Youth activities and other voluntary services.

Housing

Provide adequate housing to attract and retain staff and non-staff.

Maintenance of Council owned housing

Community amenities

Provide services as required by the community.

Rubbish collection services, tip operation, noise control, town planning administration.

Recreation and culture

To establish and efficiently manage infrastructure and resources which will help the community.

Maintenance of halls, swimming pool, library, parks, ovals, gardens and reserves.

Transport

To provide effective and efficient transport services to the community.

Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, traffic lights, depot maintenance and airstrip maintenance

Economic services

To help promote the shire and improve its economic well being.

Regulation and provision of tourism, area promotion, building control, noxious weeds, vermin control, plant nursery and standpipes.

Other property and services

Private works, plant repairs and operation costs, fuel stock and materials.

Private works, plant repairs and operation costs, fuel stock and materials.

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

13. FEES AND CHARGES

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
By Program:			
General purpose funding	7,209	6,447	8,308
Law, order, public safety	2,750	2,495	2,550
Health	17,672	17,025	17,672
Housing	103,700	98,738	103,400
Community amenities	115,241	145,793	110,852
Recreation and culture	24,109	23,352	22,396
Economic services	18,500	17,076	12,000
Other property and services	2,100	809	2,100
	291,281	311,735	279,278

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