



Audit Committee Meeting

Tuesday, 13 January 2026

Attachment 1
Audited Financial Statements

SHIRE OF IRWIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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The Shire of Irwin conducts the operations of a local government with the following community vision:

A safe place to live, an exciting place to visit, and a progressive place to work.

Principal place of business:
11-13 Waldeck Street
DONGARA WA 6525

**SHIRE OF IRWIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

*Local Government Act 1995
Local Government (Financial Management) Regulations 1996*

Statement by Acting CEO

The accompanying financial report of the Shire of Irwin has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2025 and the financial position as at 30 June 2025.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 28 day of November 2025



Acting CEO

Maurice Battilana
Name of Acting CEO



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

	Note	2025 Actual	2025 Budget	2024 Actual
		\$	\$	\$
Revenue				
Rates	2(a),25	6,923,714	6,981,937	6,839,653
Grants, subsidies and contributions	2(a)	937,319	689,110	1,148,881
Fees and charges	2(a)	2,604,958	2,568,150	2,576,365
Interest revenue	2(a)	242,384	232,050	277,884
Other revenue	2(a)	318,697	267,000	266,739
		11,027,072	10,738,247	11,109,522
Expenses				
Employee costs	2(b)	(4,596,410)	(4,161,974)	(4,447,425)
Materials and contracts		(3,854,541)	(3,367,490)	(4,678,744)
Utility charges		(595,360)	(531,371)	(583,084)
Depreciation		(5,092,042)	(4,850,548)	(4,863,719)
Finance costs	2(b)	(259,190)	(298,120)	(273,800)
Insurance		(286,676)	(278,228)	(269,974)
Other expenditure	2(b)	(173,369)	(188,728)	(205,373)
		(14,857,588)	(13,676,459)	(15,322,119)
		(3,830,516)	(2,938,212)	(4,212,597)
Capital grants, subsidies and contributions	2(a)	1,327,986	5,615,137	979,133
Profit on asset disposals		145,355	137,263	0
Loss on asset disposals		(43,375)	0	(21,111)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(2,663)	0	1,261
		1,427,303	5,752,400	959,283
Net result for the period		(2,403,213)	2,814,188	(3,253,314)
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(2,403,213)	2,814,188	(3,253,314)

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



SHIRE OF IRWIN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	2,424,015	2,541,970
Trade and other receivables	5	488,127	1,085,960
Other financial assets	4(a)	45,939	44,571
Inventories	6	29,086	35,881
Other assets	7	472,103	38,905
TOTAL CURRENT ASSETS		3,459,270	3,747,287
NON-CURRENT ASSETS			
Trade and other receivables	5	62,814	50,992
Other financial assets	4(b)	284,560	342,431
Property, plant and equipment	8	40,724,879	41,830,607
Infrastructure	9	62,681,643	64,120,606
Right-of-use assets	11(a)	70,117	179,699
TOTAL NON-CURRENT ASSETS		103,824,013	106,524,335
TOTAL ASSETS		107,283,283	110,271,622
CURRENT LIABILITIES			
Trade and other payables	12	1,027,038	1,033,501
Contract liabilities	13	30,446	31,950
Capital grant/contributions liabilities	13	1,008,983	714,835
Lease liabilities	11(b)	35,949	34,370
Borrowings	14	861,790	828,529
Employee related provisions	15	782,937	793,228
TOTAL CURRENT LIABILITIES		3,747,143	3,436,413
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	34,401	70,350
Borrowings	14	4,201,780	5,074,737
Employee related provisions	15	65,308	52,258
TOTAL NON-CURRENT LIABILITIES		4,301,489	5,197,345
TOTAL LIABILITIES		8,048,632	8,633,758
NET ASSETS		99,234,651	101,637,864
EQUITY			
Retained surplus		34,565,267	36,701,396
Reserve accounts	28	1,028,900	1,295,984
Revaluation surplus	16	63,640,484	63,640,484
TOTAL EQUITY		99,234,651	101,637,864

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



SHIRE OF IRWIN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	Retained surplus \$	Reserve accounts \$	Revaluation surplus \$	Total equity \$
Balance as at 1 July 2023		39,650,352	1,600,342	63,640,484	104,891,178
Comprehensive income for the period					
Net result for the period		(3,253,314)	0	0	(3,253,314)
Total comprehensive income for the period		(3,253,314)	0	0	(3,253,314)
Transfers from reserve accounts	28	350,000	(350,000)	0	0
Transfers to reserve accounts	28	(45,642)	45,642	0	0
Balance as at 30 June 2024		36,701,396	1,295,984	63,640,484	101,637,864
Comprehensive income for the period					
Net result for the period		(2,403,213)	0	0	(2,403,213)
Total comprehensive income for the period		(2,403,213)	0	0	(2,403,213)
Transfers from reserve accounts	28	327,317	(327,317)	0	0
Transfers to reserve accounts	28	(60,233)	60,233	0	0
Balance as at 30 June 2025		34,565,267	1,028,900	63,640,484	99,234,651

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



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

	Note	2025 Actual	2024 Actual
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		7,591,949	6,486,642
Grants, subsidies and contributions		859,774	1,305,909
Fees and charges		2,598,393	2,593,392
Interest revenue		242,384	277,884
Goods and services tax received		601,327	818,228
Other revenue		318,697	266,739
		<u>12,212,524</u>	<u>11,748,794</u>
Payments			
Employee costs		(4,561,752)	(4,356,419)
Materials and contracts		(4,354,735)	(4,753,350)
Utility charges		(595,360)	(583,084)
Finance costs		(259,190)	(273,800)
Insurance paid		(286,676)	(269,974)
Goods and services tax paid		(564,241)	(786,443)
Other expenditure		(174,644)	(184,566)
		<u>(10,796,598)</u>	<u>(11,207,636)</u>
Net cash provided by operating activities		1,415,926	541,158
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for financial assets at amortised cost - self supporting loans	8(a)	0	(80,000)
Payments for purchase of property, plant & equipment		(419,996)	(1,532,443)
Payments for construction of infrastructure		(2,061,822)	(1,872,522)
Proceeds from capital grants, subsidies and contributions		1,573,534	1,344,687
Proceeds from financial assets at amortised cost - self-supporting loans		53,840	43,462
Proceeds from sale of property, plant & equipment		194,627	4,359
Net cash (used in) investing activities		(659,817)	(2,092,457)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	27(a)	(839,696)	(588,009)
Payments for principal portion of lease liabilities	27(d)	(34,370)	(32,860)
Proceeds from new borrowings	27(a)	0	1,029,000
Net cash provided by (used in) financing activities		(874,066)	408,131
Net (decrease) in cash held		(117,957)	(1,143,168)
Cash at beginning of year		<u>2,541,970</u>	<u>3,685,139</u>
Cash and cash equivalents at the end of the year		2,424,013	2,541,971

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



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

	Note	2025 Actual	2025 Budget	2024 Actual
		\$	\$	\$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	25	6,269,150	6,329,270	6,835,335
Rates excluding general rates	25	654,564	652,667	4,318
Grants, subsidies and contributions		937,319	689,110	1,148,881
Fees and charges		2,604,958	2,568,150	2,576,365
Interest revenue		242,384	232,050	277,884
Other revenue		318,697	267,000	266,739
Profit on asset disposals		145,355	137,263	0
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	0	0	1,261
		11,172,427	10,875,510	11,110,783
Expenditure from operating activities				
Employee costs		(4,596,410)	(4,161,974)	(4,447,425)
Materials and contracts		(3,854,541)	(3,367,490)	(4,678,744)
Utility charges		(595,360)	(531,371)	(583,084)
Depreciation		(5,092,042)	(4,850,548)	(4,863,719)
Finance costs		(259,190)	(298,120)	(273,800)
Insurance		(286,676)	(278,228)	(269,974)
Other expenditure		(173,369)	(188,728)	(205,373)
Loss on asset disposals		(43,375)	0	(21,111)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(2,663)	0	0
		(14,903,626)	(13,676,459)	(15,343,230)
Non-cash amounts excluded from operating activities	26(a)	4,999,109	4,720,569	4,866,773
Amount attributable to operating activities		1,267,910	1,919,620	634,326
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		1,327,986	5,615,137	979,133
Proceeds from disposal of assets		194,627	176,263	4,359
Proceeds from financial assets at amortised cost - self-supporting loans	27(a)	53,840	58,626	43,462
		1,576,453	5,850,026	1,026,954
Outflows from investing activities				
Payments for financial assets at amortised cost - self supporting loans		0		(80,000)
Acquisition of property, plant and equipment	8(a)	(444,361)	(816,849)	(1,532,443)
Acquisition of infrastructure	9(a)	(2,110,422)	(7,644,592)	(1,872,522)
		(2,554,783)	(8,461,441)	(3,484,965)
Amount attributable to investing activities		(978,330)	(2,611,415)	(2,458,011)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	27(a)	0	1,500,000	1,029,000
Transfers from reserve accounts	28	327,317	325,000	350,000
		327,317	1,825,000	1,379,000
Outflows from financing activities				
Repayment of borrowings	27(a)	(839,696)	(899,909)	(588,009)
Payments for principal portion of lease liabilities	27(d)	(34,370)	(34,370)	(32,860)
Transfers to reserve accounts	28	(60,233)	(55,086)	(45,642)
Transfer from restricted assets			20,000	
		(934,299)	(969,365)	(666,511)
Amount attributable to financing activities		(606,982)	855,635	712,489
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	26(b)	(366,281)	(159,085)	744,916
Amount attributable to operating activities		1,267,910	1,919,620	634,326
Amount attributable to investing activities		(978,330)	(2,611,415)	(2,458,011)
Amount attributable to financing activities		(606,982)	855,635	712,489
Surplus or deficit after imposition of general rates	26(b)	(683,683)	4,755	(366,280)

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

SHIRE OF IRWIN
FOR THE YEAR ENDED 30 JUNE 2025
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SHIRE OF IRWIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

1. BASIS OF PREPARATION

The financial report of the Shire of Irwin which is a Class 3 local government comprises general purpose financial statements which have 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 financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, 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 except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

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 Leases which would have required the Shire to measure any vested improvements at zero cost.

The *Local Government (Financial Management) Regulations 1996* provide that:

- land and buildings classified as property, plant and equipment; or
- infrastructure; or
- vested improvements that the local government controls, and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 *Property, Plant and Equipment*, which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report 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.

Critical accounting estimates and judgements

The preparation of a financial report 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 amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
 - Measurement of employee benefits - note 15

Fair value hierarchy information can be found in note 24

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 financial report.

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time:

- 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 2023-3 Amendments to Australian Accounting Standards
 - Disclosure of Non-current Liabilities with Covenants: Tier 2
- AASB 2024-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements: Tier 2 Disclosures
- AASB 2023-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements

These amendments are not expected to have any material impact on the financial report on initial application.

- AASB 2022-10 Amendments to Australian Accounting Standards
 - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

These amendment may result in changes to the fair value of certain non-financial assets on revaluation. The impact has not been quantified as it is not considered practicable to determine the amount of the difference in fair value attributable to the change in the standard.

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 2024-4b Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 [defered 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
 - AASB 18 (FP) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for for-profit entities]
 - AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for not-for-profit and superannuation entities]
 - AASB 2024-2 Amendments to Australian Accounting Standards
 - Classification and Measurement of Financial Instruments
 - AASB 2024-3 Amendments to Australian Accounting Standards
 - Annual Improvements Volume 11

These amendments are not expected to have any material impact on the financial report on initial application.

- AASB 2024-3 Amendments to Australian Accounting Standards
 - Annual Improvements Volume 11

These amendments are not expected to have any material impact on the financial report on initial application.



**PITCHER
PARTNERS**

SHIRE OF IRWIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

Recognition of revenue 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	Timing of revenue recognition
Grants, subsidies and contributions	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	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

Revenue recognition

Rate revenue was recognised from the rate record as soon as practicable after the Shire resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:

For the year ended 30 June 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	6,917,000	6,714	6,923,714
Grants, subsidies and contributions	444,201	0	0	493,118	937,319
Fees and charges	2,510,172	0	94,786	0	2,604,958
Interest revenue	0	0	66,662	175,722	242,384
Other revenue	0	0	0	318,697	318,697
Capital grants, subsidies and contributions	0	1,327,986	0	0	1,327,986
Total	2,954,373	1,327,986	7,078,448	994,251	12,355,058

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	6,835,335	4,318	6,839,653
Grants, subsidies and contributions	415,942	0	0	732,939	1,148,881
Fees and charges	2,500,885	0	75,480	0	2,576,365
Interest revenue	0	0	66,662	211,222	277,884
Other revenue	70,007	0	0	196,732	266,739
Capital grants, subsidies and contributions	0	979,133	0	0	979,133
Total	2,986,834	979,133	6,977,477	1,145,211	12,088,655

SHIRE OF IRWIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

	Note	2025 Actual	2024 Actual
		\$	\$
Assets and services acquired below fair value			
Contributed assets		48,600	0
		48,600	0
Interest revenue			
Financial assets at amortised cost - self-supporting loans		5,165	7,029
Interest on reserve account		60,232	45,642
Trade and other receivables overdue interest		58,563	66,662
Other interest revenue		118,424	158,551
		242,384	277,884
The 2025 original budget estimate in relation to:			
Trade and other receivables overdue interest was \$15,000			
Fees and charges relating to rates receivable			
Charges on instalment plan		1,140	330
		1,140	330
The 2025 original budget estimate in relation to:			
Charges on instalment plan was \$5,750			
(b) Expenses			
Auditors remuneration			
- Audit of the Annual Financial Report		49,811	71,580
- Other services – grant acquittals		5,075	9,000
		54,886	80,580
Employee Costs			
Employee benefit costs		4,521,526	4,408,765
Other employee costs		74,884	38,660
		4,596,410	4,447,425
Finance costs			
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss		259,190	273,800
		259,190	273,800
Other expenditure			
Impairment losses on rates and statutory receivables		896	1755
Impairment losses on trade receivables		(1,275)	20,807
Sundry expenses		173,748	182,811
		173,369	205,373



**PITCHER
PARTNERS**

SHIRE OF IRWIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

3. CASH AND CASH EQUIVALENTS

Note	2025	2024
	\$	\$
Cash at bank and on hand	2,424,015	2,541,970
Total cash and cash equivalents	2,424,015	2,541,970
Held as		
- Unrestricted cash and cash equivalents	(18,249)	76,266
- Restricted cash and cash equivalents	2,442,264	2,465,704
	2,424,015	2,541,970

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Note	2025	2024
	\$	\$
	45,939	44,571
	45,939	44,571
26(b)	45,939	44,571
	45,939	44,571

Held as

- Unrestricted other financial assets at amortised cost

	45,939	44,571
	45,939	44,571

(b) Non-current assets

Financial assets at amortised cost

Financial assets at fair value through profit or loss

	224,865	280,073
	59,695	62,358
	284,560	342,431
	224,865	280,073
	224,865	280,073

Financial assets at amortised cost

Self-supporting loans receivable

	224,865	280,073
	224,865	280,073
	62,358	61,097
	(2,663)	1,261
	59,695	62,358

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance

Movement attributable to fair value increment

Units in Local Government House Trust - closing balance

MATERIAL ACCOUNTING POLICIES

Other 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.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 24 (i)) due to the observable market rates.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Financial assets at fair value through profit or loss

The Shire classifies the following financial assets at fair value through profit or loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the Shire has elected to recognise as fair value gains and losses through profit or loss.



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5. TRADE AND OTHER RECEIVABLES

	Note	2025	2024
		\$	\$
Current			
Rates and statutory receivables		170,977	815,605
Trade receivables		341,207	168,288
GST receivable		0	37,086
Receivables for employee related provisions	15	0	95,603
Allowance for credit losses of rates and statutory receivables		(1,491)	(1,491)
Allowance for credit losses of trade receivables	22(b)	(22,566)	(29,131)
		488,127	1,085,960
Non-current			
Rates and statutory receivables		57,639	45,817
Trade receivables		5,175	5,175
		62,814	50,992

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non-financial assets is:

	Note	30 June 2025 Actual	30 June 2024 Actual	1 July 2023 Actual
		\$	\$	\$
Contract assets	7	235,571	0	0
Allowance for credit losses of trade receivables	5	(22,566)	(29,131)	(12,941)
Total trade and other receivables from contracts with customers		213,005	(29,131)	(12,941)

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations or for the construction of recognisable non financial assets as part of the ordinary course of business.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other 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.



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6. INVENTORIES

	2025	2024
Current	\$	\$
Other inventories	29,086	35,881
	29,086	35,881

The following movements in inventories occurred during the year:

Balance at beginning of year	35,881	32,618
Additions to inventory	255,122	283,622
Inventories expensed during the year	(261,917)	(280,359)
Balance at end of year	29,086	35,881

MATERIAL ACCOUNTING POLICIES

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.

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7. OTHER ASSETS

	2025	2024
	\$	\$
Other assets - current		
Prepayments	152,666	21,295
Accrued income	83,866	17,610
Contract assets	235,571	0
	472,103	38,905

MATERIAL ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

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.

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8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in balances

Movement in the balances of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Assets not subject to operating lease		Assets subject to operating lease		Total property		Plant and equipment			Total property, plant and equipment \$	
	Note	Land	Buildings	Buildings	Land	Buildings	Work in progress	Total property \$	Furniture and equipment \$	Plant and equipment \$	
Balance at 1 July 2023		5,524,404	32,986,904	120,085	5,524,404	33,106,989	0	38,631,393	2,643,370	0	41,572,096
Additions		0	14,691	0	0	14,691	22,456	37,147	41,991	1,392,113	61,192
Depreciation		0	(641,833)	(2,247)	0	(644,080)	(644,080)	(70,537)	(613,861)	0	(1,328,478)
Transfers		0	27,273	27,273	0	54,546	54,546	0	0	0	54,546
Balance at 30 June 2024		5,524,404	32,387,035	145,111	5,524,404	32,532,146	22,456	38,079,006	268,787	3,421,622	61,192
Comprises:											
Gross balance amount at 30 June 2024		5,524,404	33,663,347	149,602	5,524,404	33,812,949	22,456	39,359,809	832,575	6,265,814	61,192
Accumulated depreciation at 30 June 2024		0	(1,276,312)	(4,491)	0	(1,280,803)	0	(1,280,803)	(563,788)	(2,844,192)	0
Balance at 30 June 2024	8(b)	5,524,404	32,387,035	145,111	5,524,404	32,532,146	22,456	38,079,006	268,787	3,421,622	61,192
Additions		0	20,009	0	0	20,009	40,954	60,963	20,926	352,022	10,450
Disposals		0	0	0	0	0	0	0	(24,060)	(54,300)	0
Depreciation		0	(643,290)	0	0	(643,290)	0	(643,290)	(65,533)	(736,177)	0
Transfers		0	145,111	(145,111)	0	0	0	0	0	34,463	(61,192)
Balance at 30 June 2025		5,524,404	31,908,865	0	5,524,404	31,908,865	63,410	37,496,679	200,120	3,017,630	10,450
Comprises:											
Gross balance amount at 30 June 2025		5,524,404	33,832,958	0	5,524,404	33,832,958	63,410	39,420,772	747,298	6,237,342	10,450
Accumulated depreciation at 30 June 2025		0	(1,924,093)	0	0	(1,924,093)	0	(1,924,093)	(547,089)	(3,219,712)	0
Balance at 30 June 2025	8(b)	5,524,404	31,908,865	0	5,524,404	31,908,865	63,410	37,496,679	200,120	3,017,630	10,450
											40,724,879

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8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025	Carrying amount 2024	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date								
Land and buildings								
Land - market value		5,524,404	5,524,404	2	Market approach using recent observable market data for similar items	Independent Valuation	June 2022	Price per square metre
Total land	8(a)	5,524,404	5,524,404					
Buildings - non specialised					Improvements to land valued using cost approach using depreciated replacement costs	Independent Valuation	June 2022	Improvements to buildings using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
		344,912	498,374	2				
Buildings - specialised					Improvements to land valued using cost approach using depreciated replacement costs	Independent Valuation	June 2022	Improvements to buildings using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Total buildings	8(a)	31,563,953	32,033,772	3				
		31,908,865	32,532,146					

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.

SHIRE OF IRWIN
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9. INFRASTRUCTURE

(a) Movements in balances

Movement in the balances of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - roads	Other infrastructure	Infrastructure in progress	Total infrastructure
	\$	\$	\$	\$
Balance at 1 July 2023	56,542,054	8,830,414	283,356	65,655,824
Additions	1,219,649	355,189	297,684	1,872,522
(Disposals)		(16,570)	0	(16,570)
Depreciation	(2,963,887)	(532,257)	0	(3,496,144)
Transfers	221,969	34,739	(151,734)	104,974
Balance at 30 June 2024	55,019,785	8,671,515	429,306	64,120,606
 Comprises:				
Gross balance at 30 June 2024	74,466,383	12,565,764	429,306	87,491,453
Accumulated depreciation at 30 June 2024	(19,476,598)	(3,894,249)	0	(23,370,847)
Balance at 30 June 2024	55,019,785	8,671,515	429,306	64,120,606
 Balance at 30 June 2024				
Additions	1,581,807	104,284	424,331	2,110,422
(Disposals)	0	(14,289)	0	(14,289)
Depreciation	(3,010,626)	(526,834)	0	(3,537,460)
Transfers	135,642	36,791	(170,069)	2,364
Balance at 30 June 2025	53,726,608	8,271,467	683,568	62,681,643
 Comprises:				
Gross balance at 30 June 2025	76,213,832	12,670,539	683,568	89,567,939
Accumulated depreciation at 30 June 2025	(22,487,224)	(4,399,072)	0	(26,886,296)
Balance at 30 June 2025	53,726,608	8,271,467	683,568	62,681,643

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9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using depreciated replacement cost (Gross revaluation method)	Management Valuation	June 2022	Construction costs and current condition (Level 2) residual values and remaining useful life assessments (Level 3) inputs.
Other infrastructure	3	Cost approach using depreciated replacement cost (Gross revaluation method)	Independent valuation	June 2022	Construction costs and current condition (Level 2) residual values and remaining useful life assessments (Level 3) inputs.

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.



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10. FIXED ASSETS

(a) Depreciation

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset class	Useful life
Land - freehold land	Not depreciated
Buildings - non-specialised	20 - 50 years
Buildings - specialised	15 - 50 years
Furniture and equipment	3 - 10 years
Plant and equipment	2 - 25 years
Infrastructure - Roads	12 - 50 years
Infrastructure - Other	10 - 75 years
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years
Landfill assets	30 years
Right-of-use (buildings)	Based on the remaining lease term
Right-of-use (plant and equipment)	Based on the remaining lease term

SHIRE OF IRWIN
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10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition.

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 *Local Government (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.

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable value

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are land and buildings classified as property, plant and equipment, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

Revaluation

Land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the Shire.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Shire to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, 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.

Depreciation on revaluation

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset; or
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Impairment

In accordance with *Local Government (Financial Management) Regulation 17A(4C)*, the Shire is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the 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.

Gains or losses on disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.



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11. LEASES

(a) Right-of-use assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

	Note	Right-of-use assets - land and buildings	Right-of-use assets - plant and equipment	Total right-of-use assets
Balance at 1 July 2023		78,543	140,253	218,796
Depreciation		(3,977)	(35,120)	(39,097)
Balance at 30 June 2024		74,566	105,133	179,699
Gross balance amount at 30 June 2024		99,273	140,253	239,526
Accumulated depreciation at 30 June 2024		(24,707)	(35,120)	(59,827)
Balance at 30 June 2024		74,566	105,133	179,699
Depreciation		(74,566)	(35,016)	(109,582)
Balance at 30 June 2025		0	70,117	70,117
Gross balance amount at 30 June 2025		99,273	140,252	239,525
Accumulated depreciation at 30 June 2025		(99,273)	(70,135)	(169,408)
Balance at 30 June 2025		0	70,117	70,117

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the Shire is the lessee:

Depreciation on right-of-use assets
 Finance charge on lease liabilities
Total amount recognised in the statement of comprehensive income

	2025 Actual	2024 Actual
	\$	\$
27(d)	(109,582)	(39,097)
	1,324	(7,289)
	(108,258)	(46,386)
Total cash outflow from leases	(33,046)	(40,149)
(b) Lease liabilities		
Current	35,949	34,370
Non-current	34,401	70,350
27(d)	70,350	104,720

MATERIAL ACCOUNTING POLICIES

Leases

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Details of individual lease liabilities required by regulations are provided at Note 27(d).

Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 10 under revaluation for details on the material accounting policies applying to vested improvements.

Right-of-use assets - depreciation

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.



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11. LEASES (Continued)

(c) Lessor - property, plant and equipment subject to lease

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year

1 to 2 years

2 to 3 years

3 to 4 years

4 to 5 years

> 5 years

	2025 Actual	2024 Actual
	\$	\$
Less than 1 year	181,120	114,964
1 to 2 years	136,451	112,531
2 to 3 years	136,451	12,051
3 to 4 years	136,451	12,051
4 to 5 years	136,450	12,051
> 5 years	4,372,400	0
	5,099,323	263,648
	5,740	5,740

Amounts recognised in profit or loss for property, plant and equipment subject to lease

Rental income

MATERIAL ACCOUNTING POLICIES

The Shire as lessor

Upon entering into each contract as a lessor, the Shire assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the Shire is exposed to changes in the residual value at the end of the current lease, the Shire typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of the lease. Expectations about the residual values are reflected in the fair value of properties.

When a contract is determined to include lease and non-lease components, the Shire applies AASB 15 Revenue from Contracts with Customers to allocate the consideration under the contract to each component.



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12. TRADE AND OTHER PAYABLES

Current

Sundry creditors
 Prepaid rates
 Accrued payroll liabilities
 ATO Liabilities
 Bonds and deposits held
 Accrued Loan Interest
 Developer Contributions
 Accrued Expenditure
 GST Payable

	2025	2024
	\$	\$
Sundry creditors	273,681	339,903
Prepaid rates	170,770	135,341
Accrued payroll liabilities	169,456	111,885
ATO Liabilities	48,963	74,635
Bonds and deposits held	244,731	246,060
Accrued Loan Interest	28,007	34,155
Developer Contributions	31,330	31,331
Accrued Expenditure	55,687	60,191
GST Payable	4,413	0
	1,027,038	1,033,501

MATERIAL ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Shire becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Statutory liabilities

Statutory liabilities, are amounts owed to regulatory authorities due to statutory obligations such as FBT and PAYG. GST payable is offset against GST receivable and any net GST payable is included as a statutory liability.

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 usually 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 income for the prepaid rates that have not been refunded.

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13. OTHER LIABILITIES

	2025	2024
	\$	\$
Current		
Contract liabilities	30,446	31,950
Capital grant/contributions liabilities	1,008,983	714,835
	1,039,429	746,785
Reconciliation of changes in contract liabilities		
Opening balance	31,950	165,793
Additions	30,446	31,950
Revenue from contracts with customers included as a contract liability at the start of the period	(31,950)	(165,793)
	30,446	31,950
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	714,835	349,281
Additions	1,008,983	714,835
Revenue from capital grant/contributions held as a liability at the start of the period	(714,835)	(349,281)
	1,008,983	714,835

MATERIAL ACCOUNTING POLICIES

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.

Capital grant/contribution liabilities

Capital grant/contribution liabilities represent the Shire's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.



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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

14. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		861,790	4,201,780	5,063,570	828,529	5,074,737	5,903,266
Total secured borrowings	27(a)	861,790	4,201,780	5,063,570	828,529	5,074,737	5,903,266

MATERIAL ACCOUNTING POLICIES

Borrowing costs

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 27(a).



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SHIRE OF IRWIN
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FOR THE YEAR ENDED 30 JUNE 2025

15. EMPLOYEE RELATED PROVISIONS

Employee related provisions

	2025	2024
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	308,519	292,951
Long service leave	358,738	379,637
Other employee leave provisions	45,815	52,929
Long service leave on costs	69,865	67,711
	782,937	793,228
Total current employee related provisions	782,937	793,228
Non-current provisions		
Employee benefit provisions		
Long service leave	59,201	45,416
Long service leave on costs	6,107	6,842
	65,308	52,258
Total non-current employee related provisions	65,308	52,258
Total employee related provisions	848,245	845,486

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

MATERIAL ACCOUNTING POLICIES

Employee benefits

The Shire's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

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.

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.



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FOR THE YEAR ENDED 30 JUNE 2025

16. REVALUATION SURPLUS

Revaluation surplus - Furniture and equipment
 Revaluation surplus - Plant and equipment
 Revaluation surplus - Land & building
 Revaluation surplus - Infrastructure - roads
 Revaluation surplus - Infrastructure - other

2025 Opening balance	2025 Closing balance	2024 Opening balance	2024 Closing balance
\$	\$	\$	\$
380,764	380,764	380,764	380,764
699,454	699,454	699,454	699,454
21,751,469	21,751,469	21,751,469	21,751,469
36,139,937	36,139,937	36,139,937	36,139,937
4,668,860	4,668,860	4,668,860	4,668,860
63,640,484	63,640,484	63,640,484	63,640,484



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17. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2025 Actual	2024 Actual
		\$	\$
The following classes of financial 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	3	2,442,264	2,465,704
		2,442,264	2,465,704
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	28	1,028,900	1,295,984
Contract liabilities	13	30,446	31,950
Capital grant liabilities	13	1,008,983	714,835
Village Units		373,935	373,935
Unspent loans	27(c)	0	49,000
Total restricted financial assets		2,442,264	2,465,704

18. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS

Credit standby arrangements

Credit card limit	50,000	50,000
Credit card balance at balance date	(25,577)	(31,493)
Total amount of credit unused	24,423	18,507

Loan facilities

Loan facilities - current	861,790	828,529
Loan facilities - non-current	4,201,780	5,074,737
Total facilities in use at balance date	5,063,570	5,903,266

Unused loan facilities at balance date	0	49,000
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SHIRE OF IRWIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

19. CONTINGENT LIABILITIES

In Compliance with the Contaminated Site Act 2003

The Shire has listed the below to be a possible sources of contamination:

Shire of Irwin landfill / sewage disposal site

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk and agree with the Department of Water and Environmental Regulation on the need and criteria for remediation of the site, the Shire is unable to estimate the potential costs associated with remediation of this site.

This approach is consistent with Department of Water and Environmental Regulation Guidelines.

20. CAPITAL COMMITMENTS

	2025	2024
	\$	\$
Contracted for:		
- capital expenditure projects	33,078	76,699
	33,078	76,699
Payable:		
- not later than one year	33,078	76,699

The capital expenditure projects outstanding at the end of the current reporting period represent the construction of the Boat Ramp and Shire Town Hall.

SHIRE OF IRWIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

21. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

Fees, expenses and allowances to be paid or reimbursed to council members.	Note	2025	2025	2024
		Actual	Budget	Actual
President's annual allowance		20,000	20,000	20,000
President's meeting attendance fees		10,000	10,000	10,000
President's other expenses		41	0	0
President's annual allowance for ICT expenses		251	365	365
President's annual allowance for travel and accommodation expenses		0	500	0
		30,292	30,865	30,365
Deputy President's annual allowance		5,000	5,000	5,000
Deputy President's meeting attendance fees		7,688	7,688	7,688
Deputy President's ICT expenses		251	365	365
Deputy President's travel and accommodation expenses		0	500	0
		12,939	13,553	13,053
All other council member's meeting attendance fees		38,440	38,440	36,518
All other council member's All other council member expenses		1,178	0	0
All other council member's ICT expenses		1,273	1,825	2,241
All other council member's travel and accommodation expenses		830	2,500	1,674
		41,721	42,765	40,433
	21(b)	84,952	87,183	83,851

(b) Key management personnel (KMP) compensation

The total of compensation paid to KMP of the Shire during the year are as follows:

Short-term employee benefits	881,380	956,924
Post-employment benefits	79,513	132,677
Employee - other long-term benefits	18,646	21,118
Employee - termination benefits	0	2,701
Council member costs	84,952	83,851
	1,064,491	1,197,271

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of the Shire's superannuation contributions made during the year.

Other long-term benefits

These amounts represent annual leave and long service leave entitlements accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

SHIRE OF IRWIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

21. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

Transactions between related parties and the Shire are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2025 Actual	2024 Actual
	\$	\$
Sale of goods and services		473
Purchase of goods and services	6,600	18,207
Amounts payable to related parties:		
Trade and other payables	765	0

(d) Related parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Shire, directly or indirectly, including any council member, are considered key management personnel.

ii. Other Related Parties

During the year a company controlled by a council member provided goods amounting to \$6,600.

Outside of normal citizen type transactions with the Shire, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the Shire

There were no such entities requiring disclosure during the current or previous year.

SHIRE OF IRWIN
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22. JOINT ARRANGEMENTS

Share of joint operations

Stage 1 - Letter of Agreement Dated 20/06/1987

The Shire has participated in a joint arrangement with Homeswest for the construction of the following:

- Four 1 bedroom seniors housing units (5 - 8) at Lot 915 225 Ocean Drive, Port Denison

The housing units have been constructed on Council vested land with the Shire having a 100% share in the assets of this joint arrangement. All revenue and expenses of the joint arrangement are recognised in the relevant financial statements of Council. The Shire is required to provide for the long term maintenance needs of the properties.

Statement of financial position	2025	2024
	Actual	Actual
	\$	\$
Land and buildings (4 x 1 bedroom units) @ 100%	265,059	265,059
Less: accumulated depreciation	(27,563)	(18,388)
Total assets	237,496	246,671

Statement of comprehensive income

Other revenue	32,166	30,523
Depreciation	(9,175)	(9,202)
Other expense	(31,456)	(27,212)
Profit/(loss) for the period	(8,465)	(5,891)
Other comprehensive income		
Total comprehensive income for the period	(8,465)	(5,891)

Statement of cash flows

Other revenue	32,166	30,523
Other expense	(31,456)	(27,212)
Net cash provided by (used in) operating activities	710	3,311

Share of joint operations

Stage 2 - JV Agreement Dated 24/06/1993

The Shire has participated in a joint arrangement with Homeswest for the construction the following:

- Six 1 bedroom seniors housing units (9 - 14) at Lot 915 225 Ocean Drive, Port Denison

The housing units have been constructed on Council vested land with the Shire having a 18.03% share in the assets of this joint arrangement. All revenue and expenses of the joint arrangement are recognised in the relevant financial statements of Council. The Shire is required to provide for the long term maintenance needs of the properties.

Statement of financial position	2025	2024
	Actual	Actual
	\$	\$
Land and buildings (6 x 1 bedroom units) @ 18.03%	193,896	193,896
Less: accumulated depreciation	(19,449)	(12,976)
Total assets	174,447	180,920

Statement of comprehensive income

Other revenue	51,609	46,926
Depreciation	(6,473)	(6,493)
Other expense	(47,183)	(46,724)
Profit/(loss) for the period	(2,047)	(6,291)
Other comprehensive income		
Total comprehensive income for the period	(2,047)	(6,291)

Statement of cash flows

Other revenue	51,609	46,926
Other expense	(47,183)	(46,724)
Net cash provided by (used in) operating activities	4,426	202

22 JOINT ARRANGEMENTS CONT'D

Share of joint operations

Stage 3 - JV Agreement Dated 26/06/1996

The Shire has participated in a joint arrangement with Homeswest for the construction the following:

- Four 1 bedroom seniors housing units (15 - 18) at Lot 915 225 Ocean Drive, Port Denison
- Six 2 bedroom seniors housing units (19 - 24) at Lot 915 225 Ocean Drive, Port Denison

The housing units have been constructed on Council vested land with the Shire having a 19.18% share in the assets of this joint arrangement. All revenue and expenses of the joint arrangement are recognised in the relevant financial statements of Council. The Shire is required to provide for the long term maintenance needs of the properties.

Statement of financial position	2025 Actual	2024 Actual
	\$	\$
Land and buildings (6 x 2 bedroom units & 4 x 1 bedroom units) @ 19.18%	167,878	167,878
Less: accumulated depreciation	(16,055)	(10,571)
Total assets	151,823	157,307

Statement of comprehensive income

Other revenue	88,438	91,243
Depreciation	(5,484)	(5,501)
Other expense	(78,639)	(68,029)
Profit/(loss) for the period	4,315	17,713
Other comprehensive income		
Total comprehensive income for the period	4,315	17,713

Statement of cash flows

Other revenue	88,438	91,243
Other expense	(78,639)	(68,029)
Net cash provided by (used in) operating activities	9,799	23,214

Share of joint operations

Stage 4 - JV Agreement Dated 14/06/2002

The Shire has participated in a joint arrangement with Homeswest for the construction the following:

- Five 1 bedroom seniors housing units (25 - 28 and 30) at Lot 915 225 Ocean Drive, Port Denison
- One 2 bedroom seniors housing unit (29) at Lot 915 225 Ocean Drive, Port Denison

The housing units have been constructed on Council vested land with the Shire having a 12.23% share in the

Statement of financial position	2025 Actual	2024 Actual
	\$	\$
Land and buildings (5 x 1 bedroom units & 1 x 2 bedroom units) @ 12.23%	98,806	98,906
Less: accumulated depreciation	(6,757)	(4,508)
Total assets	92,049	94,398

Statement of comprehensive income

Other revenue	48,902	48,727
Depreciation	(2,249)	(2,256)
Other expense	(47,183)	(41,757)
Profit/(loss) for the period	(530)	4,714
Other comprehensive income		
Total comprehensive income for the period	(530)	4,714

Statement of cash flows

Other revenue	48,902	48,727
Other expense	(47,183)	(41,757)
Net cash provided by (used in) operating activities	1,719	6,970



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22 JOINT ARRANGEMENTS CONT'D

Share of joint operations

Stage 5 - JV Agreement Dated 21/12/2003

The Shire has participated in a joint arrangement with Homeswest for the construction the following:

- Five 1 bedroom seniors housing units (31 - 35) at Lot 915 225 Ocean Drive, Port Denison
- Four 2 bedroom seniors housing units (36 - 39) at Lot 915 225 Ocean Drive, Port Denison

The housing units have been constructed on Council vested land with the Shire having a 14.38% share in the assets of this joint arrangement. All revenue and expenses of the joint arrangement are recognised in the relevant financial statements of Council. The Shire is required to provide for the long term maintenance needs of the properties.

	2025 Actual	2024 Actual
	\$	\$
Land and buildings (5 x 1 bedroom units & 4 x 2 bedroom units) @ 14.38%	162,656	162,656
Less: accumulated depreciation	(13,438)	(8,965)
Total assets	149,218	153,691
Statement of comprehensive income		
Other revenue	101,501	81,065
Depreciation	(4,473)	(4,486)
Other expense	(70,775)	(66,821)
Profit/(loss) for the period	26,253	9,758
Other comprehensive income		
Total comprehensive income for the period	26,253	9,758
Statement of cash flows		
Other revenue	101,501	81,065
Other expense	(70,775)	(66,821)
Net cash provided by (used in) operating activities	30,726	14,244

MATERIAL ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standards.

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23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire does not have any subsequent events after balance sheet date.

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24. OTHER MATERIAL ACCOUNTING POLICIES

a) 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.

b) 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.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

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

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial report is presented.

e) Budget comparative figures

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

f) 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.

g) Fair value of assets and liabilities

Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Interest revenue

Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy

AASB 13 Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

j) Impairment of assets

In accordance with Australian Accounting Standards the Shire's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. *AASB 116 Property, Plant and Equipment*) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.



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25. RATING INFORMATION

(a) General rates

RATE TYPE Rate description	Basis of valuation	2024/25				2024/26				2024/27			
		Rate in \$ properties	Number of properties	Actual rate value*	Actual rate revenue	Actual rate value*	Actual rate revenue	Actual rate value*	Actual rate revenue	Budget interim rate	Budget interim revenue	Actual total rate	Actual total revenue
GRV Residential	Gross rental valuation	9,825	1,450	24,984,860	2,432,797	14,288	2,467,085	2,452,801	14,500	2,467,301	2,133,176		
GRV Commercial	Gross rental valuation	9,825	118	4,656,514	457,503	988	458,501	457,503	0	457,503	483,361		
GRV Undeveloped	Gross rental valuation	9,825	46	977,950	96,084	5,135	101,219	96,084	0	96,084	90,423		
GRV R50 Developed	Gross rental valuation	9,825	82	1,940,330	190,637	0	190,637	190,638	0	190,638	160,580		
GRV R50 Undeveloped	Gross rental valuation	9,825	8	163,270	16,041	(35)	15,684	16,040	0	16,040	20,714		
Policy Area A	Unimproved valuation	1,0891	6	4,345,000	47,321	(10)	47,311	47,321	0	47,321	49,563		
Policy Area B	Unimproved valuation	1,0891	14	4,598,000	50,077	847	50,924	50,077	0	50,077	60,746		
Policy Area C	Unimproved valuation	1,0891	148	152,719,000	1,663,263	(6)	1,663,257	1,663,263	0	1,663,263	1,549,461		
Policy Area D	Unimproved valuation	1,0891	113	20,624,000	224,616	605	225,221	224,616	0	224,616	260,153		
Policy Area E	Unimproved valuation	1,0891	39	14,407,000	156,907	0	156,907	156,907	0	156,907	168,459		
Policy Area F	Unimproved valuation	1,0891	24	6,508,000	70,879	0	70,879	70,879	0	70,879	84,519		
Policy Area G	Unimproved valuation	1,0891	27	5,128,000	55,849	0	55,849	55,849	0	55,849	623,014		
UV Mining	Unimproved valuation	21,147	32	2,833,366	599,172	(52,616)	546,556	599,171	0	599,171	625,227		
UV Mining Developed	Unimproved valuation	21,147	9	1,036,175	219,120	0	219,120	219,120	0	219,120	212,889		
Total general rates		2,116	244,901,465	6,300,266	(31,116)	6,289,150	6,300,269	6,289,150	29,000	6,329,269	6,162,285		
Minimum payment													
GRV Residential	Gross rental valuation	1,050	28	258,386	29,400	0	29,400	25,200	0	25,200	79,800		
GRV Commercial	Gross rental valuation	1,050	67	376,748	70,350	0	70,350	70,350	0	70,350	65,100		
GRV Undeveloped	Gross rental valuation	1,050	419	1,616,833	439,950	0	439,950	444,150	0	444,150	444,150		
GRV R50 Developed	Gross rental valuation	1,050	1	9,600	1,050	0	1,050	1,050	0	1,050	6,300		
GRV R50 Undeveloped	Gross rental valuation	1,050	16	101,220	16,800	0	16,800	16,800	0	16,800	13,650		
Policy Area A	Unimproved valuation	1,050	3	219,500	3,150	0	3,150	3,150	0	3,150	3,150		
Policy Area B	Unimproved valuation	1,050	3	327,500	3,150	0	3,150	3,150	0	3,150	2,100		
Policy Area C	Unimproved valuation	1,050	34	2,391,800	35,700	0	35,700	35,700	0	35,700	35,700		
Policy Area D	Unimproved valuation	1,050	14	1,154,000	14,700	0	14,700	14,700	0	14,700	14,700		
Policy Area E	Unimproved valuation	1,050	1	90,500	1,050	0	1,050	1,050	0	1,050	0		
Policy Area F	Unimproved valuation	1,050	11	872,500	11,550	0	11,550	11,550	0	11,550	10,500		
Policy Area G	Unimproved valuation	1,050	1	90,000	1,050	0	1,050	1,050	0	1,050	0		
UV Mining	Unimproved valuation	1,050	19	(649,215)	19,950	0	19,950	19,950	0	19,950	23,100		
UV Mining Developed	Unimproved valuation	1,050	0	0	0	0	0	0	0	0	0		
Total minimum payments		617	6,859,372	647,850	0	647,850	0	647,850	0	647,850	673,050		
Total general rates and minimum payments		2,733	251,760,837	6,948,116	(31,116)	6,917,000	6,948,119	29,000	6,977,119	6,835,335			
Ex-gratia rates					6,714	6,714	4,817	4,817	0	4,817	4,318		
Total amount raised from rates (excluding general rates)					0	0	6,714	6,714	0	4,817	4,318		
Total rates											6,981,936	6,839,653	

^{*}Rateable Value at time of raising of rate.

(a) Rates related information

SHIRE OF IRWIN
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26. DETERMINATION OF SURPLUS OR DEFICIT

		2024/25 (30 June 2025 carried forward)	2024/25 (30 June 2025 carried forward)	2023/24 (30 June 2024 carried forward)
	Note	\$	\$	\$
(a) 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 <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals		(145,355)	(137,263)	0
Less: Non-cash grants and contributions for assets		(46,800)	0	0
Less: Fair value adjustments to financial assets at fair value through profit or loss		2,663	0	(1,261)
Add: Loss on disposal of assets		43,375	0	21,111
Add: Depreciation	10(a)	5,092,042	4,850,548	4,863,719
Non-cash movements in non-current assets and liabilities:				
Adjustments in Fixed assets		24,365	0	0
Pensioner deferred rates		(11,822)	0	(2,345)
Employee benefit provisions		13,051	0	(16,486)
Movement in leave provisions		(19,210)	7,284	7,210
Receivables for employee related provisions-non current		0	0	(5,175)
In Kind Assets		46,800	0	0
Non-cash amounts excluded from operating activities		4,999,109	4,720,569	4,866,773
(b) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	28	(1,028,900)	(1,048,788)	(1,295,984)
Less: Financial assets at amortised cost - self-supporting loans	4(a)	(45,939)	(58,626)	(44,571)
Less: Restricted Assets		(373,935)	(353,935)	(373,935)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	14	861,790	1,500,000	828,529
- Current portion of lease liabilities	11(b)	35,949	34,370	34,370
- Employee benefit provisions		155,227	181,662	174,436
Total adjustments to net current assets		(395,808)	254,683	(677,155)
Net current assets used in the Statement of financial activity				
Total current assets		3,459,270	3,179,282	3,747,287
Less: Total current liabilities		(3,747,143)	(3,429,210)	(3,436,413)
Less: Total adjustments to net current assets		(395,808)	254,683	(677,155)
Surplus or deficit after imposition of general rates		(683,681)	4,755	(366,281)

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27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual				Budget			
		Principal at 1 July 2023	New loans during 2023-24	Principal at 30 June 2024	New loans during 2024-25	Principal at 1 July 2024	New loans during 2024-25	Principal at 1 July 2025	New loans during 2024-25
Medical Centre	99	1,269,339	0	(62,793)	1,206,546	1,206,546	1,206,546	(64,125)	1,142,421
SIHI Aged Housing	100	618,473	0	(42,017)	576,456	576,456	576,456	(42,876)	533,580
Recreation Centre	93	1,751,672	0	(134,504)	1,617,068	0	(42,876)	(143,976)	1,473,092
Plant	98	407,763	0	(133,132)	274,631	0	(135,902)	0	138,729
Plant	103	1,126,921	0	(169,684)	957,237	0	(176,556)	0	780,681
Plant	104	0	929,000	0	929,000	0	(217,635)	0	719,780
Plant	105	0	20,000	(2,317)	17,683	0	(4,785)	0	17,683
Foreshore Works	106	0	0	0	0	0	0	0	0
Total		5,174,168	949,000	(544,547)	5,578,621	0	(785,856)	4,792,765	5,587,036
Self-supporting loans									
Bowling Club SSL		288,107	0	(34,194)	253,913	0	(34,699)	219,214	219,214
Golf Club		0	80,000	(9,268)	70,732	0	(18,141)	51,591	0
Total self-supporting loans		288,107	80,000	(43,462)	324,645	0	(53,840)	270,805	0
Total borrowings	14	5,462,275	1,029,000	(588,009)	5,903,266	0	(839,696)	5,063,570	5,920,949
Self-supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.									
Borrowing finance cost payments									
Purpose	Loan number	Institution	Interest rate		Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024
Medical Centre	99	*WATC	2.11%	04/05/2040		(33,173)	(33,631)	(34,978)	(34,978)
SIHI Aged Housing	100	*WATC	2.03%	15/04/2036		(15,217)	(15,560)	(16,388)	(16,388)
Recreation Centre	93	*WATC	6.80%	07/01/2033		(115,286)	(116,398)	(125,549)	(125,549)
Plant	98	*WATC	2.07%	01/04/2026		(5,735)	(6,912)	(9,471)	(9,471)
Plant	103	*WATC	4.01%	27/06/2029		(42,935)	(43,633)	(51,030)	(51,030)
Plant	104	*WATC	4.30%	31/01/2028		(39,225)	(33,755)	(19,400)	(19,400)
Plant	105	*WATC	4.32%	31/01/2028	TBC	(3,798)	(3,564)	(3,777)	(3,777)
Foreshore Works	106	*WATC				0	(33,750)	(287,203)	(287,203)
Total						(255,349)	(287,203)	(260,593)	(260,593)
Self-supporting loans finance cost payments									
Bowling Club SSL						(5,165)	(5,398)	(5,918)	(5,918)
Total self-supporting loans finance cost payments						(5,165)	(5,398)	(5,918)	(5,918)
Total finance cost payments						(260,514)	(292,601)	(266,511)	(266,511)

* WA Treasury Corporation

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27. BORROWING AND LEASE LIABILITIES (Continued)

(b) New borrowings - 2024/25

Particulars/purpose	Institution	Loan type	Term years	Interest rate %	Amount borrowed 2025 Actual	Amount (used) 2025 Budget	Amount borrowed 2025 Actual	Amount (used) 2025 Budget	Total interest and charges \$	Actual balance unspent \$
Foreshore Works	*WATC	TBC	TBC	TBC	\$ 0	\$ 1,500,000	\$ 0	\$ 0	\$ 0	\$ 0

* WA Treasury Corporation

(c) Unspent borrowings

Particulars	Institution	Date Borrowed	Unspent balance	Borrowed during 2024-25	Expended during 2024-25	Unspent balance 30 June 2025	Budget			
							2024-25	2024-25	2024-25	2024-25
Plant	*WATC	31/01/2024	\$ 49,000	\$ 0	\$ (49,000)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
* WA Treasury Corporation			49,000	0	(49,000)	0				
(d) Lease liabilities										
Purpose	Note	Principal at 1 July 2023	New leases during 2023-24	Principal at 30 June 2024	New leases during 2024-25	Principal at 30 June 2025	Principal repayments during 2024-25	Principal at 30 July 2024	New leases during 2024-25	Principal at 30 June 2025
Gym Equipment	137	\$ 580	\$ 0	\$ (32,860)	\$ 104,720	\$ 0	\$ (34,370)	\$ 70,350	\$ 104,720	\$ 0
Total lease liabilities	11(b)	137,580	0	(32,860)	104,720	0	(34,370)	70,350	104,720	0
Lease finance cost payments										
Purpose	Lease number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024	\$	Principal repayments during 2024-25	Actual for year ending 30 June 2025
Gym Equipment	3	Westone Capital	4.50%	31/05/2027	\$ 1,324	\$ (5,519)	\$ (5,518)		48 Months	
Solar Panels	2	Macquarie	2.70%	30/06/2024	0	0	(1,293)		60 Months	
Solar Panels	1	Macquarie	2.70%	30/06/2024	0	0	(568)		60 Months	
Total finance cost payments					1,324	(5,519)	(7,289)			

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28. RESERVE ACCOUNTS	2025		2025		2025		2025		2024		2024	
	Actual opening balance	Actual transfer to	Actual transfer (from)	Actual closing balance	Budget opening balance	Budget transfer to	Budget transfer (from)	Budget closing balance	Actual opening balance	Actual transfer to	Actual transfer (from)	Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	174,437	8,107	(27,317)	155,227	174,370	7,292	0	181,662	167,227	7,210	0	174,437
(b) Port Denison Foreshore Development Reserve	258,061	0	0	258,061	260,810	0	0	260,810	250,125	7,936	0	258,061
(c) Recreation Centre Equipment Reserve	2,842	0	0	2,842	2,873	0	0	2,873	2,755	87	0	2,842
(d) Sanitation Reserve	1,346	63	0	1,409	1,360	57	0	1,417	1,305	41	0	1,346
(e) Strategic Planning Reserve	33,367	1,552	0	34,919	33,722	1,410	(25,000)	10,132	32,341	1,026	0	33,367
(f) Asset Management Reserve	789,731	48,829	(300,000)	538,560	808,982	45,215	(300,000)	554,197	1,111,503	28,228	(350,000)	789,731
(g) Plant Replacement Reserve	9,885	459	0	10,344	9,990	0	0	9,990	9,581	304	0	9,885
(h) Tourism and Area Promotion Reserve	26,315	1,223	0	27,538	26,595	1,112	0	27,707	25,505	810	0	26,315
	1,295,984	60,233	(327,317)	1,028,900	1,318,702	55,086	(325,000)	1,048,788	1,600,342	45,642	(350,000)	1,295,984

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

In accordance with council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows.

Name of reserve account
Restricted by council

- (a) Leave reserve
 - To fund leave requirements.
- (b) Port Denison Foreshore Development Reserve
 - Council resolved to repurpose this reserve in the 2024/25 Annual Budget
 - Council resolved to repurpose this reserve in the 2024/25 Annual Budget
 - To be used to develop facilities at the transfer station and future relocation.
- (c) Recreation Centre Equipment Reserve
 - To be used to fund planning, research and project works in the management of coastline and adjacent areas within the Shire of Irwin.
- (d) Sanitation Reserve
 - To be used for the construction, major maintenance and retire debt associated with Council owned assets.
- (e) Strategic Planning Reserve
 - To be used for the purchase of plant and equipment as per plant replacement program.
- (f) Asset Management Reserve
 - To be used for the purchase of plant and equipment as per plant replacement program.
- (g) Plant Replacement Reserve
 - To be used for the purchase of plant and equipment as per plant replacement program.
- (h) Tourism and Area Promotion Reserve
 - To be used to fund future requirements of tourism promotions.

Purpose of the reserve account

- (a) Leave reserve
 - To fund leave requirements.
- (b) Port Denison Foreshore Development Reserve
 - Council resolved to repurpose this reserve in the 2024/25 Annual Budget
 - Council resolved to repurpose this reserve in the 2024/25 Annual Budget
 - To be used to develop facilities at the transfer station and future relocation.
- (c) Recreation Centre Equipment Reserve
 - To be used to fund planning, research and project works in the management of coastline and adjacent areas within the Shire of Irwin.
- (d) Sanitation Reserve
 - To be used for the construction, major maintenance and retire debt associated with Council owned assets.
- (e) Strategic Planning Reserve
 - To be used for the purchase of plant and equipment as per plant replacement program.
- (f) Asset Management Reserve
 - To be used for the purchase of plant and equipment as per plant replacement program.
- (g) Plant Replacement Reserve
 - To be used for the purchase of plant and equipment as per plant replacement program.
- (h) Tourism and Area Promotion Reserve
 - To be used to fund future requirements of tourism promotions.