

Shire of Wongan-Ballidu

Annual Budget

For the year ended 30 June 2023



SHIRE OF WONGAN-BALLIDU

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2023

LOCAL GOVERNMENT ACT 1995

TABLE OF CONTENTS

Statement of Comprehensive Income by Nature or Type	2
Statement of Cash Flows	3
Rate Setting Statement	4
Index of Notes to the Budget	5

SHIRE'S VISION

The Shire of Wongan-Ballidu is a caring and supportive community driving sustainability of agriculture, services and the environment.

SHIRE OF WONGAN-BALLIDU
STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2022/23 Budget	2021/22 Actual	2021/22 Budget
		\$	\$	\$
Revenue				
Rates	2(a)	3,195,567	3,067,614	3,061,114
Operating grants, subsidies and contributions	11	892,474	3,459,000	1,513,732
Fees and charges	15	677,560	675,000	621,697
Interest earnings	12(a)	44,824	32,000	49,416
Other revenue	12(b)	128,550	165,000	125,821
		4,938,975	7,398,614	5,371,780
Expenses				
Employee costs		(2,276,849)	(2,175,000)	(2,361,003)
Materials and contracts		(1,003,491)	(1,221,090)	(1,148,755)
Utility charges		(393,557)	(384,816)	(357,816)
Depreciation on non-current assets	6	(2,520,170)	(2,610,136)	(2,520,170)
Interest expenses	12(d)	(45,324)	(47,668)	(47,758)
Insurance expenses		(269,167)	(265,468)	(279,860)
Other expenditure		(350,322)	(280,000)	(344,764)
		(6,858,880)	(6,984,178)	(7,060,126)
		(1,919,905)	414,436	(1,688,346)
Non-operating grants, subsidies and contributions	11	4,881,339	2,969,490	4,276,404
Profit on asset disposals	5(b)	116,094	10,851	10,390
Loss on asset disposals	5(b)	(47,523)	(43,130)	(151,192)
		4,949,910	2,937,211	4,135,602
Net result for the period		3,030,005	3,351,647	2,447,256
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus		0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		3,030,005	3,351,647	2,447,256

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

SHIRE OF WONGAN-BALLIDU
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2022/23 Budget	2021/22 Actual	2021/22 Budget
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		3,195,567	3,119,833	3,113,614
Operating grants, subsidies and contributions		892,474	3,338,205	1,588,951
Fees and charges		677,560	675,000	616,478
Interest received		44,824	32,000	49,416
Goods and services tax received		0	0	53,000
Other revenue		128,553	165,000	125,821
		4,938,978	7,330,038	5,547,280
Payments				
Employee costs		(2,276,849)	(2,161,493)	(2,415,003)
Materials and contracts		(1,003,491)	(1,229,821)	(1,420,896)
Utility charges		(393,557)	(384,816)	(357,816)
Interest expenses		(45,324)	(52,540)	(49,258)
Insurance paid		(269,167)	(265,468)	(279,860)
Other expenditure		(350,322)	(280,000)	(344,763)
		(4,338,710)	(4,374,138)	(4,867,596)
Net cash provided by (used in) operating activities	4	600,268	2,955,900	679,684
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of intangible assets		(180,000)	(70,956)	(88,500)
Payments for purchase of property, plant & equipment	5(a)	(2,948,562)	(1,029,675)	(2,694,434)
Payments for construction of infrastructure	5(a)	(4,959,274)	(3,503,915)	(4,117,944)
Non-operating grants, subsidies and contributions		4,764,359	2,975,173	4,276,404
Proceeds from sale of property, plant and equipment	5(b)	407,571	243,913	196,000
Proceeds on financial assets at amortised cost - self supporting loans	7(a)	30,877	35,265	35,264
Net cash provided by (used in) investing activities		(2,885,029)	(1,350,195)	(2,393,210)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(116,527)	(119,586)	(119,586)
Principal elements of lease payments	8	0	(5,135)	(5,135)
Proceeds on disposal of financial assets at amortised cost - term deposits		0	0	(3,000)
Net cash provided by (used in) financing activities		(116,527)	(124,721)	(127,721)
Net increase (decrease) in cash held		(2,401,288)	1,480,984	(1,841,247)
Cash at beginning of year		5,644,000	4,163,016	4,006,412
Cash and cash equivalents at the end of the year	4	3,242,712	5,644,000	2,165,165

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

SHIRE OF WONGAN-BALLIDU
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2022/23 Budget	2021/22 Actual	2021/22 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)				
	3	2,501,372	1,666,556	1,450,684
		2,501,372	1,666,556	1,450,684
Revenue from operating activities (excluding rates)				
Specified area and ex gratia rates	2(a)(ii)	31,173	31,347	23,500
Operating grants, subsidies and contributions	11	892,474	3,459,000	1,513,732
Fees and charges	15	677,560	675,000	621,697
Interest earnings	12(a)	44,824	32,000	49,416
Other revenue	12(b)	128,550	165,000	125,821
Profit on asset disposals	5(b)	116,094	10,851	10,390
		1,890,675	4,373,198	2,344,556
Expenditure from operating activities				
Employee costs		(2,276,849)	(2,175,000)	(2,361,003)
Materials and contracts		(1,003,491)	(1,221,090)	(1,148,755)
Utility charges		(393,557)	(384,816)	(357,816)
Depreciation on non-current assets	6	(2,520,170)	(2,610,136)	(2,520,170)
Interest expenses	12(d)	(45,324)	(47,668)	(47,758)
Insurance expenses		(269,167)	(265,468)	(279,860)
Other expenditure		(350,322)	(280,000)	(344,764)
Loss on asset disposals	5(b)	(47,523)	(43,130)	(151,192)
		(6,906,403)	(7,027,308)	(7,211,318)
Non-cash amounts excluded from operating activities	3(b)	2,451,599	2,642,415	2,660,972
Amount attributable to operating activities		(62,757)	1,654,861	(755,106)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	11	4,881,339	2,969,490	4,276,404
Payments for intangible assets	5(a)	(180,000)	(70,956)	(88,500)
Payments for property, plant and equipment	5(a)	(2,948,562)	(1,029,675)	(2,694,434)
Payments for construction of infrastructure	5(a)	(4,959,274)	(3,503,915)	(4,117,944)
Proceeds from disposal of assets	5(b)	407,571	243,913	196,000
Proceeds from financial assets at amortised cost - self supporting loans		30,880	35,264	35,264
Amount attributable to investing activities		(2,768,046)	(1,355,879)	(2,393,210)
Amount attributable to investing activities		(2,768,046)	(1,355,879)	(2,393,210)
FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(116,527)	(119,586)	(119,586)
Principal elements of finance lease payments	8	0	0	(5,135)
Transfers to cash backed reserves (restricted assets)	9(a)	(1,658,384)	(1,329,434)	(1,066,577)
Transfers from cash backed reserves (restricted assets)	9(a)	1,441,320	615,143	1,302,000
Amount attributable to financing activities		(333,591)	(833,877)	110,702
Budgeted deficiency before general rates		(3,164,394)	(534,895)	(3,037,614)
Estimated amount to be raised from general rates	2(a)	3,164,394	3,036,267	3,037,614
Net current assets at end of financial year - surplus/(deficit)	3	0	2,501,372	0

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

INDEX OF NOTES TO THE BUDGET

Note 1	Basis of Preparation	7
Note 2	Rates	10
Note 3	Net Current Assets	13
Note 4	Reconciliation of cash	15
Note 5	Fixed Assets	16
Note 6	Asset Depreciation	18
Note 7	Borrowings	19
Note 8	Leases	21
Note 9	Reserves	22
Note 10	Revenue Recognition	23
Note 11	Program Information	24
Note 12	Other Information	25
Note 13	Elected Members Remuneration	26
Note 14	Trust	27
Note 15	Fees and Charges	28

SHIRE OF WONGAN-BALLIDU
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

1 (a) BASIS OF PREPARATION

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

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

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

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

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

The local government reporting entity

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 14 to the annual budget.

2021/22 actual balances

Balances shown in this budget as 2021/22 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

Budget comparative figures

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

Comparative figures

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

Initial application of accounting standards

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

- *AASB 2020-3 Amendments to Australian Accounting Standards* - Annual Improvements 2018-2020 and Other Amendments
- *AASB 2020-6 Amendments to Australian Accounting Standards* - Classification of Liabilities as Current or Non-current - Deferral of Effective Date

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

New accounting standards for application in future years

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

- *AASB 2021-2 Amendments to Australian Accounting Standards* - Disclosure of Accounting Policies or Definition of Accounting Estimates
- *AASB 2021-6 Amendments to Australian Accounting Standards* - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

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

Judgements, estimates and assumptions

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

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

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

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

Rounding off figures

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

SHIRE OF WONGAN-BALLIDU
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

1 (b) KEY TERMS AND DEFINITIONS - NATURE OR TYPE

REVENUES

RATES

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

SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the *Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services.

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

PROFIT ON ASSET DISPOSAL

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

FEES AND CHARGES

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

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

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

EXPENSES

EMPLOYEE COSTS

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

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

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

INSURANCE

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

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets includes loss on disposal of long term investments.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expense raised on all classes of assets.

INTEREST EXPENSES

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

OTHER EXPENDITURE

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

1 (c) KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

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

OBJECTIVE

Governance

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

General purpose funding

To collect revenue to allow for the allocation to services.

Law, order, public safety

To provide services to ensure bushfire prevention, animal control and community safety.

Health

To provide an operational framework for environmental and community health.

Education and welfare

Support of education for the youth of the community and care of the elderly.

Housing

To assist with housing for staff and the community.

Community amenities

To provide community amenities and other infrastructure as required by the community.

Recreation and culture

To plan, establish and efficiently manage sport and recreation infrastructure and resources which will help the social well being and health and community.

Transport

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

Economic services

To help promote the Shire and improve its economic wellbeing.

Other property and services

To monitor and control plant and depot operations, and to provide other property services not included elsewhere.

ACTIVITIES

Includes the activities of members of Council and the administrative support available assisting elected members and ratepayers on matters which do not concern specific council services but are strategic in nature.

Rating, general purpose government grants and interest revenue.

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

Inspection of food outlets and their control, food quality testing, pest control, noise control, waste disposal compliance and child health services.

Activities involve the support for aged care accommodation, Community Health Care Centre and youth services within the community.

Provision and maintenance of residential rental properties.

Rubbish collection, recycling and disposal, maintenance of refuse sites, administration of Town Planning Schemes, maintenance of cemeteries in the district.

To develop and maintain a superior level of quality community recreational facilities, including, but not limited to, civic centres, recreation centres, ovals, parks and gardens, swimming pool, museums and library facilities.

Construction and maintenance of streets, roads, footpaths, depots, cycleways, street trees, parking facilities, traffic control, cleaning, lighting of streets and aerodromes.

The regulation and provision of tourism, area promotion activities and building control.

Private works operation, plant operating costs, depot operations and unclassified property functions.

SHIRE OF WONGAN-BALLIDU
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2022/23 Budgeted rate revenue	2022/23 Budgeted interim rates	2022/23 Budgeted total revenue	2021/22 Actual total revenue	2021/22 Budget total revenue
		\$		\$	\$	\$	\$	\$	\$
(i) Differential general rates or general rates									
General Rates GRV - Wongan Hills	GRV	0.10370	456	5,876,583	609,402	0	609,402	591,632	593,132
General Rates GRV - Ballidu and Cadoux	GRV	0.10370	69	465,084	48,229	0	48,229	47,033	47,033
General Rates UV - Rural	UV	0.00884	271	275,904,500	2,438,996	0	2,438,996	2,373,908	2,369,094
General Rates UV - Mining	UV	0.00884	2	138,150	1,221	0	1,221	807	808
Sub-Total			798	282,384,317	3,097,848	0	3,097,848	3,013,380	3,010,067
		Minimum							
		\$							
General Rates GRV - Wongan Hills	GRV	703	58	171,163	40,774	0	40,774	40,294	40,294
General Rates GRV - Ballidu and Cadoux	GRV	379	21	13,650	7,959	0	7,959	7,365	7,365
General Rates UV - Rural	UV	379	17	369,300	6,443	0	6,443	6,260	6,260
General Rates UV - Mining	UV	379	30	286,002	11,370	0	11,370	6,628	6,628
Sub-Total			126	840,115	66,546	0	66,546	60,547	60,547
			924	283,224,432	3,164,394	0	3,164,394	3,073,927	3,070,614
Discounts on general rates (Refer note 2(c))							0	(37,660)	(33,000)
Total amount raised from general rates							3,164,394	3,036,267	3,037,614
(ii) Specified area and ex gratia rates									
Ex-gratia rates									
Ex-gratia rates					31,173	0	31,173	31,347	23,500
Total specified area and ex gratia rates							31,173	31,347	23,500
Total rates							3,195,567	3,067,614	3,061,114

All land (other than exempt land) in the Shire of Wongan-Ballidu is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire of Wongan-Ballidu.

The general rates detailed for the 2022/23 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

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

2. RATES AND SERVICE CHARGES (CONTINUED)

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

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

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	29/08/2022	N/A	N/A	7.0%
First instalment				
Second instalment				
Option two				
First instalment	29/08/2022	30		7.0%
Second instalment	31/10/2022	12	5.5%	7.0%
Third instalment	9/01/2023	12	5.5%	7.0%
Fourth instalment	13/03/2023	12	5.5%	7.0%

	2022/23 Budget revenue	2021/22 Actual revenue	2021/22 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	5,000	3,680	6,000
Instalment plan interest earned	9,000	8,496	6,000
Unpaid rates and service charge interest earned	15,000	11,521	15,000
	29,000	23,697	27,000

SHIRE OF WONGAN-BALLIDU
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2023

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Early payment discounts

Rate, fee or charge to which discount is granted	Type	Discount %	Discount (\$)	2022/23 Budget	2021/22 Actual	2021/22 Budget	Circumstances in which discount is granted
General rates	Rate	2.0%	-	\$ 0	\$ 37,660	\$ 33,000	No discount for 2022/23. Disclosure for comparatives only.
				0	37,660	33,000	

(d) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2023.

SHIRE OF WONGAN-BALLIDU
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

	Note	2022/23 Budget 30 June 2023	2021/22 Actual 30 June 2022	2021/22 Budget 30 June 2022
Cash and cash equivalents - unrestricted	4	398,762	3,017,114	667,385
Cash and cash equivalents - restricted	4	2,843,950	2,626,886	1,497,780
Financial assets - unrestricted		30,557	30,557	26,022
Financial assets - restricted	4	0	0	91,091
Receivables		1,037,608	1,037,608	233,527
Inventories		47,828	47,828	6,343

Less: current liabilities

Trade and other payables		(389,526)	(389,526)	(456,909)
Contract liabilities		(736,607)	(853,587)	
Lease liabilities	8	0	0	207
Long term borrowings	7	(114,879)	(114,879)	(117,313)
Employee provisions		(399,907)	(399,907)	(423,792)

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Rate Setting Statement	3.(c)	(2,717,786)	(2,500,722)	(1,524,341)
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	Note	2022/23 Budget 30 June 2023	2021/22 Actual 30 June 2022	2021/22 Budget 30 June 2022
		\$	\$	\$
		4,358,705	6,759,993	2,522,148
		(1,640,919)	(1,757,899)	(997,807)
		2,717,786	5,002,094	1,524,341
		0	2,501,372	0

3. NET CURRENT ASSETS (CONTINUED)

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

Items excluded from calculation of budgeted deficiency

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

(b) Non-cash amounts excluded from operating activities

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

Adjustments to operating activities

	Note	2022/23 Budget 30 June 2023	2021/22 Actual 30 June 2022	2021/22 Budget 30 June 2022
Less: Profit on asset disposals	5(b)	(116,094)	(10,851)	(10,390)
Add: Loss on disposal of assets	5(b)	47,523	43,130	151,192
Add: Depreciation on assets	6	2,520,170	2,610,136	2,520,170

Non cash amounts excluded from operating activities

		2,451,599	2,642,415	2,660,972
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(c) Current assets and liabilities excluded from budgeted deficiency

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

Adjustments to net current assets

Less: Cash - restricted reserves	9	(2,843,950)	(2,626,886)	(1,676,447)
Less: Current assets not expected to be received at end of year				
- Current portion of self supporting loans receivable		(30,557)	(30,557)	
- Rates receivable				(25,000)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		114,879	114,879	117,313
- Current portion of lease liabilities		0	0	(207)
- Movement in provisions between current and non-current				25,000
- Current portion of employee benefit provisions held in reserve		41,842	41,842	35,000

Total adjustments to net current assets

		(2,717,786)	(2,500,722)	(1,524,341)
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3 (d) NET CURRENT ASSETS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

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

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire of Wongan-Ballidu becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

PREPAID RATES

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

INVENTORIES

General

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

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

Superannuation

The Shire of Wongan-Ballidu contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Wongan-Ballidu contributes are defined contribution plans.

LAND HELD FOR RESALE

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

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

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.

TRADE AND OTHER RECEIVABLES

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

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

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

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

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

PROVISIONS

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

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

CONTRACT LIABILITIES

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

4. RECONCILIATION OF CASH

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

Note	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
Cash at bank and on hand	3,242,712	5,644,000	2,165,165
Total cash and cash equivalents	3,242,712	5,644,000	2,165,165
Held as			
- Unrestricted cash and cash equivalents	3(a) 398,762	3,017,114	667,385
- Restricted cash and cash equivalents	3(a) 2,843,950	2,626,886	1,497,780
	3,242,712	5,644,000	2,165,165
Restrictions			
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	2,843,950	2,626,886	1,497,780
- Restricted financial assets at amortised cost - term deposits	3(a) 0	0	178,667
	2,843,950	2,626,886	1,676,447
The restricted assets are a result of the following specific purposes to which the assets may be used:			
Financially backed reserves	9 2,843,950	2,626,886	1,676,447
	2,843,950	2,626,886	1,676,447
Reconciliation of net cash provided by operating activities to net result			
Net result	3,030,005	3,351,647	2,447,256
Depreciation	6 2,520,170	2,610,136	2,520,170
(Profit)/loss on sale of asset	5(b) (68,571)	32,279	140,802
Share of profit or (loss) of associates accounted for using the equity method	0	0	0
(Increase)/decrease in receivables	0	(664,123)	175,500
(Increase)/decrease in inventories	0	(16,485)	25,000
Increase/(decrease) in payables	0	2,882	(113,641)
Increase/(decrease) in contract liabilities	(116,977)	601,230	0
Increase/(decrease) in employee provisions	0	13,507	41,000
Non-operating grants, subsidies and contributions	(4,764,359)	(2,975,173)	(4,556,403)
Net cash from operating activities	600,268	2,955,900	679,684

SIGNIFICANT ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

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

Bank overdrafts are shown as short term borrowings in current liabilities in Note 3 - Net Current Assets.

FINANCIAL ASSETS AT AMORTISED COST

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

SHIRE OF WONGAN-BALLIDU
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

5. FIXED ASSETS

(a) Acquisition of Assets

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

Asset class	Reporting program							2022/23 Budget total	2021/22 Actual total	2021/22 Budget total
	Governance	Health	Education and welfare	Community amenities	Recreation and culture	Transport	Other property and services			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<i>Property, Plant and Equipment</i>										
Land - freehold land							221,571	221,571		200,000
Buildings - non-specialised	18,215						34,000	52,215	10,812	47,805
Buildings - specialised	10,000	10,000	11,870	288,285	1,177,356	0	87,695	1,585,206	170,774	1,445,129
Furniture and equipment								0	20,673	146,500
Plant and equipment							865,570	865,570	719,498	745,000
Motor Vehicles	154,000						70,000	224,000	107,918	110,000
	182,215	10,000	11,870	288,285	1,177,356	935,570	343,266	2,948,562	1,029,675	2,694,434
<i>Infrastructure</i>										
Infrastructure - roads							4,448,484	4,448,484	3,228,591	3,895,018
Infrastructure - footpaths							115,790	115,790	11,956	104,787
Other infrastructure				160,000	25,000		210,000	395,000	263,368	118,139
	0	0	0	160,000	25,000	4,564,274	210,000	4,959,274	3,503,915	4,117,944
<i>Intangible Assets</i>										
Computer Software	180,000							180,000	70,956	88,500
	0	0	0	0	0	0	0	180,000	70,956	88,500
Total acquisitions	182,215	10,000	11,870	448,285	1,202,356	5,499,844	553,266	8,087,836	4,604,546	6,900,878

A detailed breakdown of acquisitions on an individual asset basis can be found in the supplementary information attached to this budget document as follows:

SIGNIFICANT ACCOUNTING POLICIES

RECOGNITION OF ASSETS

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *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.

SHIRE OF WONGAN-BALLIDU
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

5. FIXED ASSETS

(b) Disposals of Assets

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

	2022/23 Budget Net Book Value	2022/23 Budget Sale Proceeds	2022/23 Budget Profit	2022/23 Budget Loss	2021/22 Actual Net Book Value	2021/22 Actual Sale Proceeds	2021/22 Actual Profit	2021/22 Actual Loss	2021/22 Budget Net Book Value	2021/22 Budget Sale Proceeds	2021/22 Budget Profit	2021/22 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
By Program												
Governance	48,839	141,000	94,264	(2,103)	16,989	16,989	0	0		0	0	0
Health		0	0	0		9,511	9,511	0	19,610	25,000	5,390	0
Recreation and culture	21,571	21,571	0	0		0	0	0		0	0	0
Transport	238,559	215,000	16,816	(40,375)	31,387	(10,403)	1,340	(43,130)	317,192	171,000	5,000	(151,192)
Other property and services	30,031	30,000	5,014	(5,045)	227,816	227,816	0	0		0	0	0
	339,000	407,571	116,094	(47,523)	276,192	243,913	10,851	(43,130)	336,802	196,000	10,390	(151,192)
By Class												
<i>Property, Plant and Equipment</i>												
Land - freehold land	21,571	21,571	0	0		0				0		
Plant and equipment	268,590	245,000	21,830	(45,420)	227,817	184,687	0	(43,130)	284,158	140,000	5,000	(149,158)
Motor Vehicles	48,839	141,000	94,264	(2,103)	48,375	59,226	10,851	0	52,644	56,000	5,390	(2,034)
	339,000	407,571	116,094	(47,523)	276,192	243,913	10,851	(43,130)	336,802	196,000	10,390	(151,192)

A detailed breakdown of disposals on an individual asset basis can be found in the supplementary information attached to this budget document as follows:

- Plant replacement program

SIGNIFICANT ACCOUNTING POLICIES

GAINS AND LOSSES ON DISPOSAL

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

6. ASSET DEPRECIATION

By Program

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

By Class

Buildings - non-specialised
Buildings - specialised
Furniture and equipment
Plant and equipment
Motor Vehicles
Infrastructure - roads
Infrastructure - footpaths
Infrastructure - drainage
Infrastructure - parks and ovals
Infrastructure - signs
Other infrastructure
Right of use - furniture and equipment

2022/23 Budget	2021/22 Actual	2021/22 Budget
\$	\$	\$
94,970	93,831	94,970
22,150	21,895	22,150
29,765	24,458	29,765
10,275	10,277	10,275
3,610	3,744	3,610
13,920	13,465	13,920
448,195	458,732	448,195
1,505,135	1,539,688	1,505,135
55,280	55,433	55,280
336,870	388,613	336,870
2,520,170	2,610,136	2,520,170
40,305	41,207	40,305
179,270	165,541	179,550
33,340	54,819	33,340
379,285	402,157	379,285
66,470	67,895	66,470
1,350,000	1,349,541	1,480,900
54,000	54,189	
100,000	109,191	
180,000	215,066	
2,500	3,237	
135,000	142,158	340,320
	5,135	
2,520,170	2,610,136	2,520,170

SIGNIFICANT ACCOUNTING POLICIES

DEPRECIATION

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Major depreciation periods used for each class of depreciable asset are:

Buildings - non-specialised	30 to 50 years
Buildings - specialised	50 to 80 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Motor Vehicles	
Infrastructure - roads	20 to 80 years
Infrastructure - footpaths	20 years
Infrastructure - drainage	80 years
Infrastructure - parks and ovals	10 to 60 Years
Infrastructure - signs	40 Years
Other infrastructure	
Right of use - furniture and equipment	

AMORTISATION

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

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

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

SHIRE OF WONGAN-BALLIDU
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

7. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

Purpose	Loan Number	Institution	Interest Rate	Budget	2022/23	2022/23	Budget	2022/23	Actual	2021/22	2021/22	Actual	2021/22	Budget	2021/22	2021/22	Budget	2021/22	
				Principal	Budget	Budget	Principal	Principal	Actual	Actual	Actual	Actual	Principal	Budget	Budget	Budget	Principal	Budget	Principal
				1 July 2022	New Loans	Repayments	outstanding 30 June 2023	Repayments	1 July 2021	New Loans	Repayments	Principal outstanding 30 June 2022	Repayments	1 July 2021	New Loans	Repayments	outstanding 30 June 2022	Repayments	
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing																			
Recreation Centre Improvements	152	WATC	2.07%	1,792,384	0	(85,650)	1,706,734	(36,500)	1,876,706	0	(84,322)	1,792,384	(35,614)	1,876,705	0	(84,322)	1,792,383	(37,827)	
				1,792,384	0	(85,650)	1,706,734	(36,500)	1,876,706	0	(84,322)	1,792,384	(35,614)	1,876,705	0	(84,322)	1,792,383	(37,827)	
Self Supporting Loans																			
Housing																			
Construction of Aged Persons	147	WATC		5,227	0	(5,227)	0	(180)	15,161	0	(9,934)	5,227	0	15,158	0	(9,934)	5,224	(878)	
Construction of Aged Persons	151B	WATC		226,390	0	(17,650)	208,740	(8,500)	243,798	0	(17,408)	226,390	(8,741)	243,798	0	(17,408)	226,390	(8,741)	
Other property and services																			
Wongan Hills Community Store	153	WATC		28,136	0	(8,000)	20,136	(144)	36,058	0	(7,922)	28,136	(30)	36,058	0	(7,922)	28,136	(221)	
				259,753	0	(30,877)	228,876	(8,824)	295,017	0	(35,264)	259,753	(8,771)	295,014	0	(35,264)	259,750	(9,840)	
				2,052,137	0	(116,527)	1,935,610	(45,324)	2,171,723	0	(119,586)	2,052,137	(44,385)	2,171,719	0	(119,586)	2,052,133	(47,667)	

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

SHIRE OF WONGAN-BALLIDU
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

7. INFORMATION ON BORROWINGS

(b) New borrowings - 2022/23

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2023

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2022 nor is it expected to have unspent borrowing funds as at 30th June 2023.

(d) Credit Facilities

	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	100,000	0	100,000
Bank overdraft at balance date		0	
Credit card limit	20,000		15,000
Credit card balance at balance date		5,609	
Total amount of credit unused	120,000	5,609	115,000
Loan facilities			
Loan facilities in use at balance date	1,935,610	2,052,137	2,052,133

SIGNIFICANT ACCOUNTING POLICIES

BORROWING COSTS

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

SHIRE OF WONGAN-BALLIDU
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

8. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease Principal	2022/23 Budget New Leases	2022/23 Budget Lease Principal Repayments	Budget Lease Principal outstanding 30 June 2023	2022/23 Budget Lease Interest Repayments	Actual Principal 1 July 2021	2021/22 Actual New Leases	2021/22 Actual Lease Principal repayments	Actual Lease Principal outstanding 30 June 2022	2021/22 Actual Lease Interest repayments	Budget Principal 1 July 2021	2021/22 Budget New Leases	2021/22 Budget Lease Principal repayments	Budget Lease Principal outstanding 30 June 2022	2021/22 Budget Lease Interest repayments
					1 July 2022	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Other property and services																			
Photocopier	1	De Lange Lander	3.3%	5 years	0	0	0	0	0	5,135	0	(5,135)	0	(85)	5,135	0	(5,135)	0	(91)
					0	0	0	0	0	5,135	0	(5,135)	0	(85)	5,135	0	(5,135)	0	(91)

SIGNIFICANT ACCOUNTING POLICIES

LEASES

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

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

LEASE LIABILITIES

The present value of future lease payments not paid at the reporting date discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

SHIRE OF WONGAN-BALLIDU
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2022/23 Budget Opening Balance	2022/23 Budget Transfer to	2022/23 Budget Transfer (from)	2022/23 Budget Closing Balance	2021/22 Actual Opening Balance	2021/22 Actual Transfer to	2021/22 Actual Transfer (from)	2021/22 Actual Closing Balance	2021/22 Budget Opening Balance	2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Long Service Leave Reserve	41,842	0	0	41,842	41,755	87	0	41,842	41,739	209	0	41,948
(b) Community Resource Centre Reserve	37,439	0	0	37,439	37,362	77	0	37,439	37,347	187	0	37,534
(c) Depot Improvement Reserve	10,572	0	0	10,572	10,550	22	0	10,572	10,546	53	0	10,599
(d) Historical Publicitations Reserve	7,126	0	0	7,126	7,111	15	0	7,126	7,108	36	0	7,144
(e) Land Development & Housing Reserve	363,162	17,682	(200,000)	180,844	117,918	245,244	0	363,162	117,871	245,591	(200,000)	163,462
(f) Special Projects Reserve	361,818	402,211	(30,000)	734,029	361,069	749	0	361,818	360,929	1,809	(30,000)	332,738
(g) Patterson Street JV Housing Reserve	54,357	5,000		59,357	49,255	5,102	0	54,357	49,236	5,247	0	54,483
(h) Plant reserve	846,642	808,491	(728,570)	926,563	594,567	741,233	(489,158)	846,642	594,336	742,978	(641,000)	696,314
(i) Quinlan Street JV Housing Reserve	54,915	5,000	0	59,915	49,812	5,103	0	54,915	49,792	5,250	0	55,042
(j) Stickland Street JV Housing Reserve	58,582	5,000	0	63,582	53,471	5,111	0	58,582	53,450	5,268	0	58,718
(k) Swimming Pool Reserve	64,155	20,000	(49,000)	35,155	64,022	133	0	64,155	63,998	321	(49,000)	15,319
(l) Waste Management Reserve	55,366	5,000	0	60,366	50,262	5,104	0	55,366	50,243	5,252	0	55,495
(m) Sporting Co-Location Reserve	568,910	0	(331,750)	237,160	425,441	219,454	(75,985)	568,910	425,275	2,126	(331,750)	95,651
(n) Doctor Subsidy Reserve	0	0	0	0	50,000	0	(50,000)	0	50,000	250	(50,250)	0
(o) IT System Replacement Reserve	102,000	0	(102,000)	0	0	102,000	0	102,000	0	52,000	0	52,000
(p) Building Asset Management Reserve	0	390,000	0	390,000	0	0	0	0	0	0	0	0
	2,626,886	1,658,384	(1,441,320)	2,843,950	1,912,595	1,329,434	(615,143)	2,626,886	1,911,870	1,066,577	(1,302,000)	1,676,447

(b) Financially Backed Reserves - Purposes

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Anticipated date of use	Purpose of the reserve
(a) Long Service Leave Reserve	Ongoing	To be used for Council's current and non-current long service leave liability.
(b) Community Resource Centre Reserve	Ongoing	To be used to transfer funds from the Community Resource Centre operations for future purchase of capital, furniture & equipment.
(c) Depot Improvement Reserve	Ongoing	To be used to fund capital improvements and maintenance works at the Shire of Wongan-Ballidu depot.
(d) Historical Publicitations Reserve	Ongoing	To be used to fund historical publications and projects of the Shire.
(e) Land Development & Housing Reserve	Ongoing	To be used to fund land development and housing projects as identified by the Shire of Wongan-Ballidu.
(f) Special Projects Reserve	Ongoing	To be used to fund special projects as identified by the Shire of Wongan-Ballidu.
(g) Patterson Street JV Housing Reserve	Ongoing	To be used to fund the capital and operating costs of the Housing joint venture in Patterson Street.
(h) Plant reserve	Ongoing	To be used for the purchase of major plant.
(i) Quinlan Street JV Housing Reserve	Ongoing	To be used to fund the capital and operating costs of the Housing joint venture in Quinlan Street.
(j) Stickland Street JV Housing Reserve	Ongoing	To be used to fund the capital and operating costs of the Housing joint venture in Stickland Street.
(k) Swimming Pool Reserve	Ongoing	To be used to fund capital and maintenance works at the Wongan Hills Memorial Swimming Pool.
(l) Waste Management Reserve	Ongoing	To be used to fund the future waste management facility needs of the Shire.
(m) Sporting Co-Location Reserve	Ongoing	To be used to fund the capital improvements associated with the co-location of sporting facilities within Wongan Hills.
(n) Doctor Subsidy Reserve	Ongoing	To be used to fund the operational subsidy paid to the operator of the Wongan Hills Medical Centre.
(o) IT System Replacement Reserve	30/06/2023	To be used to fund the replacement of the Shire's core software applications.
(p) Building Asset Management Reserve	Ongoing	To be used to fund future building capital renewals and upgrades in the Shire of Wongan-Ballidu.

SHIRE OF WONGAN-BALLIDU
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

10. REVENUE RECOGNITION

SIGNIFICANT ACCOUNTING POLICIES

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	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool Inspections	Compliance safety check	Single point in time	Single point in time, based on equal annual fee over 4 years cycle.	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete, based on a 4 year cycle
Other Inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	No refunds	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or conclusion of hire
Memberships	Gym and pool memberships	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method over 12 months and match to access rights
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods

11. PROGRAM INFORMATION

Income and expenses	2022/23 Budget	2021/22 Actual	2021/22 Budget
Income excluding grants, subsidies and contributions	\$	\$	\$
Governance	119,614	34,841	35,021
General purpose funding	3,242,067	3,081,179	3,158,689
Law, order, public safety	9,500	7,100	10,500
Health	31,500	55,610	34,490
Education and welfare	9,680	7,237	11,120
Housing	75,000	66,279	64,500
Community amenities	267,060	233,965	216,014
Recreation and culture	52,000	43,141	43,000
Transport	19,566	5,240	7,500
Economic services	71,300	136,231	59,800
Other property and services	265,308	279,642	227,804
	4,162,595	3,950,465	3,868,438
Operating grants, subsidies and contributions			
General purpose funding	369,488	3,076,276	1,068,377
Law, order, public safety	44,000	40,962	44,650
Education and welfare	25,000	0	0
Community amenities	1,000	698	0
Recreation and culture	65,000	0	65,000
Transport	225,000	224,644	202,265
Other property and services	162,986	116,420	133,440
	892,474	3,459,000	1,513,732
Non-operating grants, subsidies and contributions			
Recreation and culture	941,774	0	924,000
Transport	3,939,565	2,969,490	3,352,404
	4,881,339	2,969,490	4,276,404
Total Income	9,936,408	10,378,955	9,658,574
Expenses			
Governance	(478,173)	(432,200)	(550,799)
General purpose funding	(120,938)	(104,333)	(105,726)
Law, order, public safety	(166,139)	(149,378)	(165,592)
Health	(382,711)	(373,627)	(407,106)
Education and welfare	(206,031)	(150,421)	(221,573)
Housing	(192,900)	(167,894)	(172,364)
Community amenities	(547,875)	(525,510)	(530,375)
Recreation and culture	(1,826,808)	(1,613,900)	(1,689,422)
Transport	(2,615,825)	(2,765,103)	(2,900,038)
Economic services	(219,183)	(234,060)	(189,073)
Other property and services	(149,820)	(510,882)	(279,250)
Total expenses	(6,906,403)	(7,027,308)	(7,211,318)
Net result for the period	3,030,005	3,351,647	2,447,256

12. OTHER INFORMATION

	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	10,000	4,587	9,575
- Other funds	10,824	7,396	18,841
Other interest revenue (refer to Note 2(b))	24,000	20,017	21,000
	44,824	32,000	49,416
* The Shire has resolved to charge interest under section 6.13 for the late payment of any amount of money at 7%.			
(b) Other revenue			
Reimbursements and recoveries	128,550	165,000	125,821
	128,550	165,000	125,821
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	40,000	29,100	30,000
Other services	0	0	3,500
	40,000	29,100	33,500
(d) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	45,324	44,385	47,667
Interest expense on lease liabilities	0	85	91
Other		3,198	
	45,324	47,668	47,758
(e) Write offs			
General rate	0	209	5,000
	0	209	5,000
(f) Low Value lease expenses			
Office equipment	0	4,928	2,769
	0	4,928	2,769

13. ELECTED MEMBERS REMUNERATION

	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
President M Stephenson			
President's allowance	1,000	1,000	1,000
Meeting attendance fees	1,500	1,520	1,440
Annual allowance for ICT expenses	1,000	1,000	1,000
	3,500	3,520	3,440
Cr. A Tunstill			
Deputy President's allowance	250	250	250
Meeting attendance fees	1,280	1,163	1,200
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	250	215	
	2,780	2,628	2,450
Cr. B West			
Meeting attendance fees	1,280	1,278	1,200
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	250	177	0
	2,530	2,455	2,200
Cr. S Boekeman			
Meeting attendance fees	1,280	1,135	1,200
Annual allowance for ICT expenses	1,000	1,000	1,000
	2,280	2,135	2,200
Cr. S Falconer			
Meeting attendance fees	1,280	1,180	1,200
Annual allowance for ICT expenses	1,000	1,000	1,000
	2,280	2,180	2,200
Cr. K Anspach			
Meeting attendance fees	1,280	980	1,200
Annual allowance for ICT expenses	1,000	750	1,000
	2,280	1,730	2,200
Cr. D Coad			
Meeting attendance fees	1,280	845	900
Annual allowance for ICT expenses	1,000	750	750
	2,280	1,595	1,650
Cr. E Ganzer			
Meeting attendance fees	0	345	300
Annual allowance for ICT expenses	0	250	250
	0	595	550
Total Elected Member Remuneration	17,930	16,838	16,890
President's allowance	1,000	1,000	1,000
Deputy President's allowance	250	250	250
Meeting attendance fees	9,180	8,446	8,640
Annual allowance for ICT expenses	7,000	6,750	7,000
Travel and accommodation expenses	500	392	0
	17,930	16,838	16,890

14. TRUST FUNDS

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

Detail	Balance 30 June 2022	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2023
	\$	\$	\$	\$
Fire Brigades	13,108	0	0	13,108
Discover Golden Horizons	27,641	0	0	27,641
	40,749	0	0	40,749

15. FEES AND CHARGES

	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
By Program:			
Governance	5,350	4,864	5,350
General purpose funding	10,000	9,046	7,500
Law, order, public safety	9,500	7,100	10,500
Health	26,500	25,200	75,500
Education and welfare	1,000	201	1,500
Housing	70,000	59,800	61,000
Community amenities	266,060	232,965	216,014
Recreation and culture	44,000	35,226	37,000
Transport	2,750	2,559	2,500
Economic services	70,800	133,727	58,800
Other property and services	171,600	164,312	146,033
	677,560	675,000	621,697

SHIRE OF WONGAN-BALLIDU 2022/23 ANNUAL BUDGET - SCHEDULE OF CAPITAL WORKS

Project	Project Description	22/23 Budget
CEO Vehicle	As per plant replacement program	74,000
DCEO Vehicle	As per plant replacement program	52,000
Admin shared vehicle	As per plant replacement program	28,000
Grader ute (PUT73)	As per plant replacement program	35,000
Works ute (PUT72)	As per plant replacement program	35,000
Mack Truck (PTK33)	As per plant replacement program	320,000
Semi water tanker (PTRL26)	As per plant replacement program	160,000
Multi-tyred roller (PROL14)	As per plant replacement program	190,000
Dual Tip Pig Trailer (PTRL20)	As per plant replacement program	75,000
Dual Tip Pig Trailer (PTRL23)	As per plant replacement program	75,000
Water Trailer 250gal (PTRL8)	As per plant replacement program	45,570
Total Plant & Equipment		1,089,570
Computer Software	CRM, Finance system, Records	180,000
Total Furniture & Equipment		180,000
Purchase of land	Lot 251 Ballidu (to sell to CBH)	21,571
WH Sports Complex	Bowling Club works	911,370
Station Toilets		240,000
School block		200,000
Ballidu Sports Complex	Major power upgrade to venue c/o	9,800
Burakin Hall	History board c/o	4,544
Cadoux Recreation Centre	Install emergency power outlet to pavilion c/o	8,000
Administration Building - Shire	Install swipe card access	10,000
Cadoux Kindergarten	Demolition (re-allocated from park playground)	11,870
Depot - Shire	Equipment storage shed	25,805
Depot - Shire	Upgrade electrical cables from pole to gardeners shed	5,566
Medical Centre - Allied Health	Swipe card access (Allied Side) rear and internal door	10,000
		38,500
Museum	Stage 2 - Replace floor boards at front of museum, balustrading and verandah posts and prime for painting like for like c/o	
Swimming Pool	Concrete works around pool c/o	9,042
		40,000
Swimming Pool	Upgrade to chlorine gas system as per industry regulation c/o	
	Upgrade to building including new under cover, external seating, internal works	15,805
Wongan Hills Airport		
Street Lighting Fenton Place	Install new solar powered lighting	14,247
Wongan Hills Cemetery	Install new ashes section c/o	14,500
Wandoor Crescent No. 30	Enclose carport & install roller door c/o	7,780
Wandoor Crescent No. 30	Replace curtains c/o	10,435
Cadoux Recreation Centre	Part contribution to Solar Panels	7,500
Civic Centre	Flooring renewal	11,817
CRC (Shire)	Roof gutter repair	11,000
Depot	Fence Repair	15,272
Museum	Retaining Wall - water diversion	13,717
TV Retransmission Tower	Replace 3 x Satellite receivers (22/23)	14,609
TV Retransmission Tower	4 x FM transmitters	15,109
TV Retransmission Tower	Program reader	4,067
Swimming Pool	Resurface main pool and small pools	76,000
Swimming Pool	Replace expansion joints	35,000
Wongan Hills Sports Pavilion	Key System	12,066
Ellis Street No. 14	Repair ceilings	14,000
Ellis Street No. 14	Internal/external paint	20,000
Total Buildings		1,858,992
Waddington Road	Final Seal	92,000
Waddington Road	Widen to 8m	225,225
Hospital Road	Widen seal to 8m	229,275
Burakin Wialki Road	Reconstruct from 3.5m to 8m seal	401,590

Hospital Road	Final seal	92,000
Dowerin Kalannie Road	Final Seal	423,750
Dowerin Kalannie Road	Reconstruct for 11m carriageway and 8m seal width	1,860,799
Dowerin Kalannie Road	Culverts (carryover)	523,230
Cadoux North Road	New culvert & 500m resheet	22,688
Manmanning Road	Sub-base repairs	70,298
Ballidu East Road	Wet mix & cement 2km & culvert works seal to 7m	249,614
Banksia Crescent	200m asphalt	39,867
Vincent Road	Gravel resheet	49,850
Kondut West Road	Final seal	67,263
Newton Road	Gravel resheet	50,823
Quain Road	Gravel resheet	50,212
Total Infrastructure - Roads		4,448,484
Entry signs		40,000
Gravel pits	Gravel pits assessment	25,000
Wireless Project		160,000
WH Airport		145,000
WH Community Park	Playground	25,000
Total Infrastructure - Other		395,000
Ellis Street	Ellis/Mitchell 475m	64,764
Banksia Crescent	Carryover	51,026
Total Infrastructure - Footpaths		115,790
Total Capex		8,087,836