

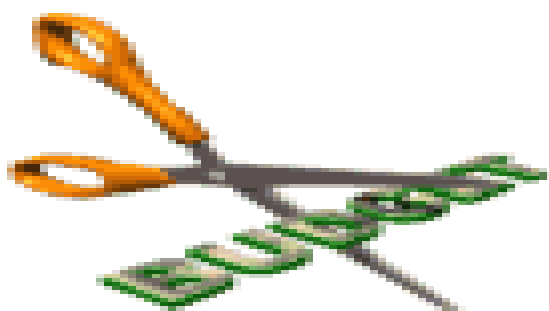
# SHIRE OF WILLIAMS

## BUDGET

FOR THE YEAR ENDED 30TH JUNE 2013

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**SHIRE OF WILLIAMS**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

	NOTE	2012/13 Budget \$	2011/12 Actual \$	2011/12 Budget \$
<b>REVENUE</b>				
Rates	8	1,343,510	1,279,135	1,281,350
Operating Grants, Subsidies and Contributions		427,130	857,010	468,900
Fees and Charges	11	565,740	898,983	429,150
Service Charges	10	0	0	0
Interest Earnings	2(a)	75,930	77,540	74,800
Other Revenue		0	0	0
		<u>2,412,310</u>	<u>3,112,668</u>	<u>2,254,200</u>
<b>EXPENSES</b>				
Employee Costs		(1,272,400)	(1,243,352)	(1,060,956)
Materials and Contracts		(696,945)	(1,146,822)	(564,588)
Utility Charges		(128,050)	(129,470)	(165,000)
Depreciation	2(a)	(568,500)	(566,511)	(571,700)
Interest Expenses	2(a)	(22,535)	(24,941)	(24,536)
Insurance Expenses		(135,390)	(115,550)	(112,000)
Other Expenditure		(52,840)	(29,706)	(22,000)
		<u>(2,876,660)</u>	<u>(3,256,352)</u>	<u>(2,520,780)</u>
		(464,350)	(143,684)	(266,580)
Non-Operating Grants, Subsidies and Contributions		1,923,505	818,285	1,523,100
Profit on Asset Disposals	4	14,000	31,227	0
Loss on Asset Disposals	4	<u>(52,840)</u>	<u>0</u>	<u>(52,220)</u>
<b>NET RESULT</b>		<b>1,420,315</b>	<b>705,828</b>	<b>1,204,300</b>
<b>Other Comprehensive Income</b>		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b><u>1,420,315</u></b>	<b><u>705,828</u></b>	<b><u>1,204,300</u></b>

**Notes:** Fair value adjustments to financial assets at fair value through profit or loss and Other Comprehensive Income (if any), is impacted upon by external forces and is not able to be reliably estimated at the time of budget adoption.

It is anticipated, in all instances, any other comprehensive income will relate to non-cash transactions and as such, have no impact on this budget document.

Fair value adjustments will be assessed at the time they occur with compensating budget amendments made as necessary.

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

**SHIRE OF WILLIAMS**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

	NOTE	2012/13 Budget \$	2011/12 Actual \$	2011/12 Budget \$
<b>REVENUE (Refer Notes 1,2,8 to 13)</b>				
Governance		20,250	38,269	20,370
General Purpose Funding		1,593,820	1,826,552	1,634,420
Law, Order, Public Safety		26,950	130,112	61,060
Health		2,700	3,449	2,700
Education and Welfare		300,140	64,351	65,050
Housing		74,810	70,235	87,910
Community Amenities		124,070	124,966	102,090
Recreation and Culture		86,650	100,117	86,080
Transport		50,270	89,771	51,370
Economic Services		23,150	47,712	37,650
Other Property and Services		109,500	617,134	105,500
		<u>2,412,310</u>	<u>3,112,668</u>	<u>2,254,200</u>
<b>EXPENSES EXCLUDING</b>				
<b>FINANCE COSTS (Refer Notes 1,2 &amp; 14)</b>				
Governance		(227,920)	(223,386)	(207,560)
General Purpose Funding		(13,650)	(13,027)	(12,600)
Law, Order, Public Safety		(78,080)	(244,397)	(90,700)
Health		(82,180)	(58,498)	(60,910)
Education and Welfare		(338,730)	(122,626)	(100,600)
Housing		(74,440)	(67,225)	(87,620)
Community Amenities		(199,080)	(188,255)	(204,220)
Recreation & Culture		(602,750)	(647,161)	(601,560)
Transport		(1,034,925)	(1,176,691)	(966,170)
Economic Services		(90,060)	(84,404)	(94,810)
Other Property and Services		(112,310)	(405,741)	(69,490)
		<u>(2,854,125)</u>	<u>(3,231,411)</u>	<u>(2,496,240)</u>
<b>FINANCE COSTS (Refer Notes 2 &amp; 5)</b>				
General Purpose Funding		(1,000)	(1,005)	(600)
Transport		(5,040)	(7,000)	(7,000)
Other Property & Services		(16,495)	(16,936)	(16,940)
		<u>(22,535)</u>	<u>(24,941)</u>	<u>(24,540)</u>
<b>NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS</b>				
Other Education		130,000	70,000	220,000
Housing		419,430	19,174	419,430
Recreation & Culture		480,370	453,681	243,000
Transport		647,705	275,430	379,570
Other Property & Services		246,000	0	261,100
		<u>1,923,505</u>	<u>818,285</u>	<u>1,523,100</u>
<b>PROFIT/(LOSS) ON DISPOSAL OF ASSETS (Refer Note 4)</b>				
Governance		(11,240)	0	0
Transport		(41,600)	0	(52,220)
Transport		14,000	31,227	0
		<u>(38,840)</u>	<u>31,227</u>	<u>(52,220)</u>
<b>NET RESULT</b>		<u><b>1,420,315</b></u>	<u><b>705,828</b></u>	<u><b>1,204,300</b></u>
<b>Other Comprehensive Income</b>		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u><b>1,420,315</b></u>	<u><b>705,828</b></u>	<u><b>1,204,300</b></u>

**Notes:** Fair value adjustments to financial assets at fair value through profit or loss and Other Comprehensive Income (if any), is impacted upon by external forces and is not able to be reliably estimated at the time of budget adoption.

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

**SHIRE OF WILLIAMS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2013**

	NOTE	2012/13 Budget \$	2011/12 Actual \$	2011/12 Budget \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		1,350,260	1,276,115	1,279,245
Operating Grants, Subsidies and Contributions		563,153	853,757	470,820
Fees and Charges		865,660	734,523	423,660
Service Charges		0	0	0
Interest Earnings		79,244	74,226	74,800
Goods and Services Tax		150,000	490,603	150,000
Other		0	0	0
		<u>3,008,317</u>	<u>3,429,224</u>	<u>2,398,525</u>
<b>Payments</b>				
Employee Costs		(1,272,400)	(1,286,654)	(1,060,950)
Materials and Contracts		(778,708)	(1,453,504)	(511,781)
Utility Charges		(128,050)	(127,430)	(165,000)
Insurance Expenses		(135,390)	(115,550)	(112,000)
Interest Expenses		(22,535)	(25,007)	(24,540)
Goods and Services Tax		(150,000)	(286,895)	(150,000)
Other		0	0	0
		<u>(2,487,083)</u>	<u>(3,295,040)</u>	<u>(2,024,271)</u>
<b>Net Cash Provided By Operating Activities</b>	15(b)	<u>521,234</u>	<u>134,184</u>	<u>374,254</u>
<b>Cash Flows from Investing Activities</b>				
Payments for Development of Land Held for Resale	3	0	(22,825)	(941,000)
Payments for Purchase of Property, Plant & Equipment	3	(1,459,900)	(978,448)	(1,558,220)
Payments for Construction of Infrastructure	3	(1,401,004)	(404,414)	(612,364)
Advances to Community Groups Non-Operating Grants, Subsidies and Contributions used for the Development of Assets		1,923,505	818,285	1,523,100
Proceeds from Sale of Plant & Equipment	4	75,500	115,000	110,000
Proceeds from Advances		0	0	0
<b>Net Cash Used in Investing Activities</b>		<u>(861,899)</u>	<u>(472,402)</u>	<u>(1,478,484)</u>
<b>Cash Flows from Financing Activities</b>				
Repayment of Debentures	5	(37,077)	(34,671)	(34,671)
Repayment of Finance Leases		0	0	0
Proceeds from Self Supporting Loans		0	0	0
Proceeds from New Debentures	5	0	0	303,000
<b>Net Cash Provided By (Used In) Financing Activities</b>		<u>(37,077)</u>	<u>(34,671)</u>	<u>268,329</u>
<b>Net Increase (Decrease) in Cash Held</b>		(377,742)	(372,889)	(835,901)
Cash at Beginning of Year		1,083,862	1,456,751	1,456,724
<b>Cash and Cash Equivalents at the End of the Year</b>	15(a)	<u><u>706,120</u></u>	<u><u>1,083,862</u></u>	<u><u>620,823</u></u>

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

**SHIRE OF WILLIAMS  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2013**

	NOTE	2012/13 Budget \$	2011/12 Actual \$	2011/12 Budget \$
<b>REVENUES</b>	1,2			
Governance		20,250	38,269	20,370
General Purpose Funding		250,310	547,399	354,990
Law, Order, Public Safety		26,950	130,112	61,060
Health		2,700	3,449	2,700
Education and Welfare		430,140	134,351	283,130
Housing		494,240	89,409	507,340
Community Amenities		124,070	124,966	363,190
Recreation and Culture		567,020	553,798	329,080
Transport		711,975	392,870	430,940
Economic Services		23,150	48,018	37,650
Other Property and Services		355,500	620,691	105,500
		<u>3,006,305</u>	<u>2,683,332</u>	<u>2,495,950</u>
<b>EXPENSES</b>	1,2			
Governance		(239,160)	(221,662)	(207,560)
General Purpose Funding		(14,650)	(13,432)	(13,200)
Law, Order, Public Safety		(78,080)	(244,397)	(90,700)
Health		(82,180)	(58,498)	(60,910)
Education and Welfare		(338,730)	(122,625)	(100,600)
Housing		(74,440)	(67,225)	(87,620)
Community Amenities		(199,080)	(188,255)	(204,220)
Recreation & Culture		(602,750)	(646,819)	(601,560)
Transport		(1,081,565)	(1,183,233)	(1,025,390)
Economic Services		(90,060)	(84,404)	(94,810)
Other Property and Services		(128,805)	(422,852)	(86,430)
		<u>(2,929,500)</u>	<u>(3,253,402)</u>	<u>(2,573,000)</u>
<b>Net Operating Result Excluding Rates</b>		76,805	(570,070)	(77,050)
<b>Adjustments for Cash Budget Requirements:</b>				
<b>Non-Cash Expenditure and Revenue</b>				
(Profit)/Loss on Asset Disposals	4	38,840	(31,227)	52,220
Depreciation on Assets	2(a)	568,500	556,511	571,700
Movement in Accruals/Provisions			0	
<b>Capital Expenditure and Revenue</b>				
Purchase Land Held for Resale	3	0	0	(941,000)
Purchase Land and Buildings	3	(1,188,075)	(638,975)	(1,171,420)
Purchase Infrastructure Assets - Roads	3	(840,890)	(292,296)	(518,760)
Purchase Infrastructure Assets - Parks	3	(540,110)	(102,229)	(155,000)
Purchase Plant and Equipment	3	(281,825)	(352,875)	(371,800)
Purchase Furniture and Equipment	3	(10,000)	(5,000)	(15,000)
Proceeds from Disposal of Assets	4	75,500	115,000	430,000
Repayment of Debentures	5	(37,080)	(34,671)	(34,670)
Proceeds from New Debentures	5	0	0	303,000
Self-Supporting Loan Principal Income		0	0	0
Transfers to Reserves (Restricted Assets)	6	(134,048)	(45,829)	(33,834)
Transfers from Reserves (Restricted Assets)	6	210,000	104,256	244,120
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	7	727,893	746,163	427,774
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	7	9,020	727,893	(8,370)
<b>Amount Required to be Raised from Rates</b>	8	<u>(1,343,510)</u>	<u>(1,279,135)</u>	<u>(1,281,350)</u>

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



**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies which have been adopted in the preparation of this financial report are:

**(a) Basis of Accounting**

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

The budget has also 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.

**(b) The Local Government Reporting Entity**

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

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

All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 16 to this budget document.

**(c) 2011/12 Actual Balances**

Balances shown in this budget as 2011/12 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

**(d) Rounding Off Figures**

All figures shown in this budget, other than a rate in the dollar, are rounded to the nearest dollar.

**(e) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

**(f) Goods and Services Tax**

Revenues, expenses and assets capitalised are stated net of any GST recoverable.

Receivables and payables in the statement of financial position are stated inclusive of applicable GST. 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.

**(g) Superannuation**

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

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks, 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 and bank overdrafts.

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

**(i) Trade and Other Receivables**

Collectibility of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

**(j) 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.

***Land Held for Resale***

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

Revenue arising from the sale of property is recognised in the statement of comprehensive income as at the time of signing an unconditional contract of sale.

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

**(k) Fixed Assets**

Each class of fixed assets is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

***Initial Recognition***

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of comprehensive income in the period in which they are incurred.

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Fixed Assets (Continued)**

***Revaluation***

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases in the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised as profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

***Land Under Roads***

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

Whilst this treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

***Depreciation of Non-Current Assets***

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

**SHIRE OF WILLIAMS  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Fixed Assets (Continued)**

**Depreciation of Non-Current Assets (Continued)**

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads formation	not depreciated
pavement	50 years
gravel sheet	12 years
Formed roads (unsealed) formation	not depreciated
pavement	50 years
Footpaths - slab	40 years
Sewerage piping	100 years
Water supply piping & drainage systems	75 years

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.

Gains and losses on disposals are determined by comparing proceeds with with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

***Capitalisation Threshold***

Expenditure on items of equipment under \$2,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(l) Financial Instruments**

**Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

**Classification and Subsequent Measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (b) less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(l) Financial Instruments (Continued)**

**Classification and Subsequent Measurement (Continued)**

*(i) Financial assets at fair value through profit and loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

*(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

*(iv) Available-for-sale financial assets*

Available-for-sale financial assets, are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable.

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to the asset previously recognised in other comprehensive income, is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as non-current.

*(v) Financial liabilities*

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

**Impairment**

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(l) Financial Instruments (Continued)**

***Derecognition***

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Council no longer has any significant continued involvement in the risks and benefits associated with the asset.

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

**(m) Impairment**

In accordance with Australian Accounting Standards the Council'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.

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 (eg AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

**(n) Trade and Other Payables**

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(o) Employee Benefits**

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for the benefits. In determining the liability, consideration is given to the employee wage increases and the probability the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity matching the expected timing of cash flows.

**(p) 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.

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(q) Provisions**

Provisions are recognised when:

- a) the Council has a present legal or constructive obligation as a result of past events;
- b) for which it is probable that an outflow of economic benefits will result; and
- c) 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.

**(r) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where the Council 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 even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

**(s) Comparative Figures**

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

**(t) Budget Comparative Figures**

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



**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

	2012/13 Budget \$	2011/12 Actual \$	2011/12 Budget \$
<b>2. REVENUES AND EXPENSES</b>			
<b>(a) Net Result from Ordinary Activities was arrived at after:</b>			
 (i) Charging as Expenses:			
<b>Auditors Remuneration</b>			
Audit Services	9,500	8,000	8,400
Other Services	1,500	1,150	1,600
 <b>Depreciation</b>			
<b><u>By Program</u></b>			
Governance	29,120	28,835	27,920
General Purpose Funding	0	0	0
Law, Order, Public Safety	2,500	2,438	2,500
Health	2,350	2,902	3,000
Education and Welfare	16,850	16,187	18,800
Housing	7,300	7,182	7,300
Community Amenities	1,550	1,531	1,500
Recreation and Culture	97,380	96,482	96,180
Transport	410,000	409,542	413,050
Economic Services	1,450	1,412	1,450
Other Property and Services	0	0	0
	<u>568,500</u>	<u>566,511</u>	<u>571,700</u>
 <b><u>By Class</u></b>			
Land and Buildings	117,500	116,134	110,500
Furniture and Equipment	9,000	8,929	14,400
Plant and Equipment	185,500	185,414	187,800
Roads	230,000	230,000	230,000
Infrastructure Parks & Reserves	26,500	26,034	29,000
	<u>568,500</u>	<u>566,511</u>	<u>571,700</u>
 <b>Borrowing Costs (Interest)</b>			
- Bank Overdraft	1,000	1,071	600
- Debentures ( <i>refer note 5(a)</i> )	21,535	23,936	23,936
	<u>22,535</u>	<u>25,007</u>	<u>24,536</u>
 <b>Rental Charges</b>			
- Operating Leases		0	0
	<u></u>	<u>0</u>	<u>0</u>
 (ii) Crediting as Revenues:			
<b>Interest Earnings</b>			
Investments			
- Reserve Funds	39,048	45,829	33,800
- Other Funds	25,952	23,330	31,200
Other Interest Revenue ( <i>refer note 13</i> )	10,930	8,381	9,800
	<u>75,930</u>	<u>77,540</u>	<u>74,800</u>

**SHIRE OF WILLIAMS  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2013**

**2. REVENUES AND EXPENSES (Continued)**

**(b) Statement of Objective**

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 and for each of its broad activities/programs.

Council operations as disclosed in this budget encompass the following service orientated activities/programs:

**GOVERNANCE**

Objective: To provide a decision making process for the efficient allocation of scarce resources.  
Activities: Administration and operation of facilities and services to members of Council; Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.

**GENERAL PURPOSE FUNDING**

Objective: To collect revenue to allow for the provision of services.  
Activities: Rates, general purpose government grants and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

Objective: To provide services to ensure a safer community.  
Activities: Supervision and enforcement of local laws, fire prevention and suppression activities and animal control.

**HEALTH**

Objective: To provide an operational framework for good community health.  
Activities: Health inspection and advisory services, analytical services, mosquito control and collection agent for Williams St John Ambulance subscriptions.

**EDUCATION AND WELFARE**

Objective: To provide a framework that enables community needs in these areas to be met.  
Activities: Provision and maintenance of premises for Williams Telecentre, payroll administration Williams Telecentre and provision of scholarships.

**HOUSING**

Objective: To help ensure the availability of adequate housing for community needs.  
Activities: Management, administration and maintenance of Williams Community Homes and Sandalwood Court.

**SHIRE OF WILLIAMS  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2013**

**2. REVENUES AND EXPENSES (Continued)**

**(b) Statement of Objective (Continued)**

**COMMUNITY AMENITIES**

Objective: Provision of amenities required by the community.

Activities: Refuse management, protection of environment, maintenance of cemeteries and public conveniences. Administrative support to Williams - Narrogin Community Landcare Coordinator.

**RECREATION AND CULTURE**

Objective: To establish and manage efficiently infrastructure and resources which will meet the the recreational and cultural needs of the community.

Activities: Maintenance of halls, recreational facilities and reserves, operation of library, compilation and maintenance of local heritage register.

**TRANSPORT**

Objective: To provide effective and efficient transport services to the community.

Activities: Construction and maintenance of street, roads, bridges, cleaning and lighting of streets, depot maintenance and on-line agent for Department of Transport collections.

**ECONOMIC SERVICES**

Objective: Promotion of Williams and improvement of the economic wellbeing of the district and it's inhabitants.

Activities: Tourism services, area promotion, implementation of building controls, provision of standpipe water, maintenance and management of the Williams Stud Breeders pavilion.

**OTHER PROPERTY & SERVICES**

Objective: Efficient utilisation of Council resources, plant repairs and operations, management of Williams Town Planning Scheme.

Activities: Provision of private works to public, maintenance of Council plant, approvals and monitoring of town planning activities.

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

<b>3. ACQUISITION OF ASSETS</b>	<b>2012/13 Budget \$</b>
The following assets are budgeted to be acquired during the year:	
<b><u>By Program</u></b>	
<b>Governance</b>	
Office Exterior Restoration	20,000
Computer/Office Equipment	10,000
CEO Vehicle	40,000
<b>Education and Welfare</b>	
Childcare Centre	213,075
<b>Housing</b>	
Regional Housing Project - 2 Units	661,000
<b>Recreation and Culture</b>	
Pool Plant Room/Balance tanks	35,000
Oval Retculation Upgrade	51,730
Recreation Facilities Upgrade	488,380
<b>Transport</b>	
Brooking St Footpath - Land Resumption	3,000
Sewer Extension Lot 14 Growse Street	10,000
Dual Cab Utility	35,000
3 Tonne Dual Cab truck	67,000
Front End Loader	124,825
FE Loader Rake	15,000
Infrastructure Roads	840,890
<b>Other Property and Services</b>	
Industrial Land Development	246,000
	<b><u><u>2,860,900</u></u></b>
<b><u>By Class</u></b>	
Land Held for Resale	0
Land and Buildings	1,188,075
Infrastructure Assets - Roads	840,890
Infrastructure Assets - Parks and Ovals	540,110
Plant and Equipment	281,825
Furniture and Equipment	10,000
	<b><u><u>2,860,900</u></u></b>

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

- plant replacement programme
- other assets
- road replacement programme
- other infrastructure

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**4. DISPOSALS OF ASSETS**

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

<b><u>By Program</u></b>	Net Book Value	Sale Proceeds	Profit(Loss)
	2012/13 BUDGET	2012/13 BUDGET	2012/13 BUDGET
	\$	\$	\$
<b>Governance</b>			
Ford Sedan	31,240	20,000	(11,240)
<b>Transport</b>			
JCB Front End Loader	81,600	40,000	(41,600)
Mitsubishi Canter D/Cab Truck	1,500	14,000	12,500
Mitsubishi Utility	0	1,500	1,500
	114,340	75,500	(38,840)

<b><u>By Class</u></b>	Net Book Value	Sale Proceeds	Profit(Loss)
	2012/13 BUDGET	2012/13 BUDGET	2012/13 BUDGET
	\$	\$	\$
<b>Plant &amp; Machinery</b>			
Ford Sedan	31,240	20,000	(11,240)
JCB Front End Loader	81,600	40,000	(41,600)
Mitsubishi Canter D/Cab Truck	1,500	14,000	12,500
Mitsubishi Utility	0	1,500	1,500
	114,340	75,500	(38,840)

**Summary**

	<b>2012/13 BUDGET \$</b>
Profit on Asset Disposals	14,000
Loss on Asset Disposals	(52,840)
	<u>(38,840)</u>

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**5. INFORMATION ON BORROWINGS**

(a) Debenture Repayments

Particulars	Principal 1-Jul-12	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments		Expiry Date
			2012/13 Budget \$	2011/12 Actual \$	2012/13 Budget \$	2011/12 Actual \$	2012/13 Budget \$	2011/12 Actual \$	
<b>Transport</b> Loan #63 Plant	78,449	0	29,787	27,824	48,662	78,449	4,498	7,000	2nd July 2014
<b>Other Property &amp; Services</b> Loan #65 Industrial Land	258,153	0	7,290	6,847	250,863	258,153	16,493	16,936	15th April 2031
	336,602	0	37,077	34,671	299,525	336,602	20,991	23,936	

All debenture repayments are to be financed by general purpose revenue.

**5. INFORMATION ON BORROWINGS (Continued)**

(b) New Debentures - 2012/13

Particulars/Purpose	Amount Borrowed	Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate %	Amount Used	Balance Unspent
	Budget						Budget	\$
								0

(c) Unspent Debentures

Council had no unspent debenture funds as at 30th June 2012 nor is it expected to have unspent debenture funds as at 30th June 2013.

(d) Overdraft

Council has utilised an overdraft facility during the financial year. An overdraft facility of \$100,000 with the ANZ Bank does exist. It is not anticipated that this facility will be required to be utilised during 2012/13.

## SHIRE OF WILLIAMS

## NOTES TO AND FORMING PART OF THE BUDGET

## FOR THE YEAR ENDED 30TH JUNE 2013

	2012/13 Budget \$	2011/12 Actual \$	2011/12 Budget \$
<b>6. RESERVES</b>			
<b>(a) Leave Reserve</b>			
Opening Balance	28,098	26,644	26,644
Amount Set Aside / Transfer to Reserve	21,402	1,454	1,066
Amount Used / Transfer from Reserve	0	0	0
	<u>49,500</u>	<u>28,098</u>	<u>27,710</u>
<b>(b) Plant Reserve</b>			
Opening Balance	39,086	39,174	39,174
Amount Set Aside / Transfer to Reserve	51,954	2,139	1,576
Amount Used / Transfer from Reserve	(40,000)	(2,227)	(1,800)
	<u>51,040</u>	<u>39,086</u>	<u>38,950</u>
<b>(c) Building Reserve</b>			
Opening Balance	497,886	533,163	533,163
Amount Set Aside / Transfer to Reserve	24,894	29,107	21,560
Amount Used / Transfer from Reserve	(20,000)	(64,384)	(52,320)
	<u>502,780</u>	<u>497,886</u>	<u>502,403</u>
<b>(d) Joint Venture Housing Reserve</b>			
Opening Balance	191,860	181,928	181,928
Amount Set Aside / Transfer to Reserve	9,590	9,932	7,282
Amount Used / Transfer from Reserve	(150,000)	0	(150,000)
	<u>51,450</u>	<u>191,860</u>	<u>39,210</u>
<b>(e) Recreation Facilities Reserve</b>			
Opening Balance	14,643	49,582	49,582
Amount Set Aside / Transfer to Reserve	737	2,706	1,988
Amount Used / Transfer from Reserve	0	(37,645)	(40,000)
	<u>15,380</u>	<u>14,643</u>	<u>11,570</u>
<b>(f) Art Acquisition Reserve</b>			
Opening Balance	9,479	8,988	8,988
Amount Set Aside / Transfer to Reserve	471	491	362
Amount Used / Transfer from Reserve	0	0	0
	<u>9,950</u>	<u>9,479</u>	<u>9,350</u>
<b>(g) Computer Replacement Reserve</b>			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	25,000	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>25,000</u>	<u>0</u>	<u>0</u>
<b>Total Reserves</b>	<u>705,100</u>	<u>781,052</u>	<u>629,193</u>

All of the above reserve accounts are to be supported by money held in financial institutions.

Council have a policy of annual revaluation of road infrastructure. The amount of any revaluation adjustment at 30 June 2013 is not known. Any transfer to or from an asset revaluation reserve will be a non-cash transaction (treated as Other Comprehensive Income) and as such, has no impact on this budget document.

**SHIRE OF WILLIAMS**

**NOTES TO AND FORMING PART OF THE BUDGET**

**FOR THE YEAR ENDED 30TH JUNE 2013**

<b>RESERVES (Continued)</b>	<b>2012/13 Budget \$</b>	<b>2011/12 Actual \$</b>	<b>2011/12 Budget \$</b>
<b>6. Summary of Transfers To Cash Backed Reserves</b>			
<b>Transfers to Reserves</b>			
Leave Reserve	21,402	1,454	1,066
Plant Reserve	51,954	2,139	1,576
Building Reserve	24,894	29,107	21,560
Joint Venture Housing Reserve	9,590	9,932	7,282
Recreation Facilities Reserve	737	2,706	1,988
Art Acquisition Reserve	471	491	362
Computer Replacement Reserve	25,000	0	0
	<u>134,048</u>	<u>45,829</u>	<u>33,834</u>
<b>Transfers from Reserves</b>			
Leave Reserve	0	0	0
Plant Reserve	(40,000)	(2,227)	(1,800)
Building Reserve	(20,000)	(64,384)	(52,320)
Joint Venture Housing Reserve	(150,000)	0	(150,000)
Recreation Facilities Reserve	0	(37,645)	(40,000)
Art Acquisition Reserve	0	0	0
Computer Replacement Reserve	0	0	0
	<u>(210,000)</u>	<u>(104,256)</u>	<u>(244,120)</u>
<b>Total Transfer to/(from) Reserves</b>	<u>(75,952)</u>	<u>(58,427)</u>	<u>(210,286)</u>

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

**Leave Reserve**

- to be used to fund long service leave requirements.

**Plant Reserve**

- to be used for the purchase of plant items as per Council's Plant Replacement Program.

**Building Reserve**

- to be used for the construction and acquisition of buildings.

**Community Homes Reserve**

- to be used to to finance the operation of the Williams Aged Persons Housing in New Street, Williams and to finance the construction of future Community Homes.

**Joint Venture Housing Reserve**

- to be used to finance long term maintenance requirements of Sandalwood Court and to finance new joint venture housing construction.

**Recreation Facilities Reserve**

- to be used to finance capital improvements of existing recreation facilities and to fund acquisition of future recreation facilities.

**Art Acquisition Reserve**

- to be used for the purchase of art pieces for the Williams Art Collection.

**Computer Reserve**

- to be used to ensure that the administration computer system is maintained.

The Leave, Recreation Facilities, Art Acquisition and Computer Reserves are not expected to be used within a set period as further transfers to the reserve accounts are expected as funds are utilised.

The Plant, Building and Joint Venture Homes Reserves are expected to be utilised in 2013/14.



**SHIRE OF WILLIAMS**

**NOTES TO AND FORMING PART OF THE BUDGET**

**FOR THE YEAR ENDED 30TH JUNE 2013**

	<b>Note</b>	<b>2012/13 Budget \$</b>	<b>2011/12 Actual \$</b>
<b>NET CURRENT ASSETS</b>			
<b>7.</b>	<b>Composition of Estimated Net Current Asset Position</b>		
<b>CURRENT ASSETS</b>			
Cash - Unrestricted	15(a)	1,020	302,809
Cash - Restricted Reserves	15(a)	705,100	781,052
Receivables		18,000	472,566
Inventories		10,000	26,074
		<u>734,120</u>	<u>1,582,501</u>
<b>LESS: CURRENT LIABILITIES</b>			
Payables and Provisions		<u>(20,000)</u>	<u>(73,556)</u>
<b>NET CURRENT ASSET POSITION</b>		714,120	1,508,945
Less: Cash - Restricted Reserves	15(a)	(705,100)	(781,052)
Less: Cash - Restricted Municipal		<u>0</u>	<u>0</u>
<b>ESTIMATED SURPLUS/(DEFICIENCY) C/FWD</b>		<u><u>9,020</u></u>	<u><u>727,893</u></u>

The estimated surplus/(deficiency) c/fwd in the 2011/12 actual column represents the surplus (deficit) brought forward as at 1 July 2012.

The estimated surplus/(deficiency) c/fwd in the 2012/13 budget column represents the surplus (deficit) carried forward as at 30 June 2013.

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**8. RATING INFORMATION - 2012/13 FINANCIAL YEAR**

<u>RATE TYPE</u>	Rate in \$	Number of Properties	Rateable Value \$	2012/13 Budgeted Rate Revenue \$	2012/13 Budgeted Interim Rates \$	2012/13 Budgeted Back Rates \$	2012/13 Budgeted Total Revenue \$	2011/12 Actual \$
Differential General Rate								
GRV Industrial/Commercial	5.2962	19	757,630	40,126			40,126	66,027
GRV Residential	4.8100	145	1,656,646	79,684			79,684	39,395
UV Rural/Mining	0.0534	301	212,623,000	1,135,410			1,135,410	1,096,739
<b>Sub-Totals</b>		465	215,037,276	1,255,220	0	0	1,255,220	1,202,161
<b>Minimum Rates</b>	<b>Minimum \$</b>							
GRV Industrial/Commercial	450	18	64,920	8,100			8,100	5,700
GRV Residential	450	136	620,580	61,200			61,200	52,440
UV Rural/Mining	450	14	666,764	6,300			6,300	6,750
<b>Sub-Totals</b>		168	1,352,264	75,600	0	0	75,600	64,890
Ex-Gratia Rates							1,330,820	1,267,051
Specified Area Rates (Note 9)							12,690	12,084
Discounts								0
<b>Totals</b>							1,343,510	1,279,135
								0
							1,343,510	1,279,135

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

The general rates detailed above for the 2012/13 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 the Local Government services/facilities.

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**9. SPECIFIED AREA RATE - 2012/13 FINANCIAL YEAR**

	Rate in \$	Basis of Rate	Rateable Value	2012/13 Budgeted Revenue \$	Budget Applied to Costs \$	2011/12 Actual \$
Not Applicable						
				0	0	0

**10. SERVICE CHARGES - 2012/13 FINANCIAL YEAR**

	Amount of Charge \$	2012/13 Budgeted Revenue \$	Budget Applied to Costs \$	2011/12 Actual \$
Not Applicable				
		0	0	0

**11. FEES & CHARGES REVENUE**

	2012/13 Budget \$	2011/12 Actual \$
Governance	20,050	13,600
General Purpose Funding	4,250	4,180
Law, Order, Public Safety	950	948
Health	2,700	2,435
Education and Welfare	172,210	12,965
Housing	74,710	70,234
Community Amenities	106,070	109,087
Recreation & Culture	47,650	47,715
Transport	47,100	45,299
Economic Services	8,050	16,755
Other Property & Services	82,000	579,305
	<u>565,740</u>	<u>902,523</u>

**12. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS  
- 2012/13 FINANCIAL YEAR**

No discounts, incentives or write offs are offered by Council.

**SHIRE OF WILLIAMS  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2013**

**13. INTEREST CHARGES AND INSTALMENTS - 2012/13 FINANCIAL YEAR**

An interest rate of 11% will be charged on all general rate payments that are late. It is estimated that this will generate income of \$5,000.00. Two separate option plans will be available to ratepayers for payment of rates.

**Option 1 (Full Payment)**

Full payment of rates and charges including arrears to be paid within 35 days after date of service appearing on the rate notice. See note 12 for discount provisions under this option.

**Option 2 (Instalments)**

First instalment to be received by 7th September 2012 including all arrears and one quarter of current rates and charges. Second instalment to be received by 9th November 2012, third instalment by 11th January 2013 and fourth instalment by 8th March 2013.

The cost to the ratepayer of the instalment plan will comprise simple interest of 5.5% pa calculated on the balance of general rates outstanding from the date the first instalment is due plus administration fee of \$25.00 per assessment paid by instalments.

The total revenue from the imposition of the interest and administration charges is estimated to be \$7,800 as follows.

Administration Charges	3,000
Interest Charges	<u>4,800</u>
	<u><u>7,800</u></u>

**14. ELECTED MEMBERS REMUNERATION**

The following fees, expenses and allowances were paid to council members and/or the president.

	<b>2012/13 Budget \$</b>	<b>2011/12 Actual \$</b>
Meeting Fees	18,000	13,549
President's Allowance	3,680	3,500
Deputy President's Allowance	0	0
Travelling Expenses	3,500	2,978
Telecommunications Allowance	<u>0</u>	<u>0</u>
	<u><u>25,180</u></u>	<u><u>20,027</u></u>

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2013**

**15. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) 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:

	<b>2012/13 Budget \$</b>	<b>2011/12 Actual \$</b>	<b>2011/12 Budget \$</b>
Cash - Unrestricted	1,020	302,810	(8,370)
Cash - Restricted	705,100	781,052	629,193
	<u>706,120</u>	<u>1,083,862</u>	<u>620,823</u>

The following restrictions have been imposed by regulation or other externally imposed requirements:

Leave Reserve	49,500	28,098	27,710
Plant Reserve	51,040	39,086	38,950
Building Reserve	502,780	497,886	502,403
Joint Venture Housing Reserve	51,450	191,860	39,210
Recreation Facilities Reserve	15,380	14,643	11,570
Art Acquisition Reserve	9,950	9,479	9,350
Computer Replacement Reserve	25,000	0	0
	<u>705,100</u>	<u>781,052</u>	<u>629,193</u>

**(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result**

Net Result	1,420,315	705,828	1,204,300
Amortisation		0	0
Depreciation	568,500	566,511	571,700
(Profit)/Loss on Sale of Asset	38,840	(31,227)	52,220
(Increase)/Decrease in Receivables	454,566	160,822	538,742
(Increase)/Decrease in Inventories	16,074	(6,985)	(910)
Increase/(Decrease) in Payables	(53,556)	(492,598)	(492,698)
Increase/(Decrease) in Employee Provisions	0	50,118	24,000
Grants/Contributions for the Development of Assets	(1,923,505)	(818,285)	(1,523,100)
<b>Net Cash from Operating Activities</b>	<u>521,234</u>	<u>134,184</u>	<u>374,254</u>

**(c) Undrawn Borrowing Facilities  
Credit Standby Arrangements**

Bank Overdraft limit	100,000	100,000	100,000
Bank Overdraft at Balance Date	0	0	0
Credit Card limit	10,000	10,000	10,000
Credit Card Balance at Balance Date	0	0	0
<b>Total Amount of Credit Unused</b>	<u>110,000</u>	<u>110,000</u>	<u>110,000</u>

**Loan Facilities**

Loan Facilities in use at Balance Date	<u>0</u>	<u>0</u>	<u>0</u>
Unused Loan Facilities at Balance Date	<u>0</u>	<u>0</u>	<u>0</u>

**SHIRE OF WILLIAMS  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2013**

**16. TRUST FUNDS**

Funds held at balance date over which the District has no control and which are not included in the financial statements are as follows:

<b>Detail</b>	<b>Balance 1-Jul-12 \$</b>	<b>Amounts Received \$</b>	<b>Amounts Paid (\$)</b>	<b>Balance 30-Jun-13 \$</b>
Housing Bonds	9,818	2,000	(2,000)	9,818
Building Deposits	2,012		(2,012)	0
Sale of Land for Rates	60,008		(60,008)	0
Subdivision Bond	49,178		0	49,178
Public Open Space Contribution	20,000		0	20,000
Recycling Shed Community Fund	3,333	1,500	0	4,833
	<u>144,349</u>	<u>3,500</u>	<u>(64,020)</u>	<u>83,829</u>

**SHIRE OF WILLIAMS  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2013**

**17. MAJOR LAND TRANSACTIONS**

It is not anticipated any major land transactions will occur in 2012/13.

**18. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

It is not anticipated any trading undertakings or major trading undertakings will occur in 2012/13.

**SHIRE OF WILLIAMS  
SUPPLEMENTARY INFORMATION FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2013**

**2012/2013  
BUDGET**

**LAND & BUILDINGS**

Office Exterior Restoration	20,000
Childcare Centre	213,075
Brooking St Footpath Land Resumption	3,000
Industrial Land Development	246,000
Sewer Extension Lot 14 Growse St	10,000
Regional Housing Project - 2 Units	661,000
Pool Plant Room/Balance Tanks	35,000

**1,188,075**

**FURNITURE & EQUIPMENT**

Computer/Office Equipment	10,000
	<b>10,000</b>

**PLANT & MACHINERY**

Dual Cab Utility	35,000
Sedan	40,000
3 Tonne Dual Cab Truck	67,000
Front End Loader	124,825
FE Loader Rake	15,000
	<b>281,825</b>

**ROAD ASSETS**

**Project Grant Expenditure - \$447,070**

Quindanning Darkan Road	Widen & Seal	297,070
York Williams Road	Shoulder Widening	150,000
		<b>447,070</b>

**Direct Grant Expenditure - \$50,855**

Rosseloty Street	Reseal	23,110
Fry Street	Reseal	27,745
		<b>50,855</b>

**Roads to Recovery Expenditure - \$200,300**

Tarwonga Dardadine Road	Clear, Widen & Gravel Sheet 4.5km	173,950
Culbin Boranning Road	Clear, Widen & Gravel Sheet 2km	26,350
		<b>200,300</b>

**Special Grant Expenditure - \$70,000**

Williams Darkan Road Bridge	70,000
	<b>70,000</b>

**Own Resources Expenditure - \$72,665**

Hicks Street	Seal	15,350
Growse/Richardson Street	Extend Concrete Footpath	57,315
		<b>72,665</b>

**PARKS AND RESERVES ASSETS**

Oval Reticulation Upgrade	51,730
Recreation Facilities Upgrade	488,380
	<b>540,110</b>

**TOTAL ASSET PURCHASES**

**2,860,900**



**SHIRE OF WILLIAMS  
SUPPLEMENTARY INFORMATION FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2013**

**CONTRIBUTIONS FROM GOVERNMENT FOR DEVELOPMENT OF ASSETS**

Roads to Recovery Program	200,300
Direct Grant for Roadworks	50,855
Road Project Grants	298,050
Grants Commission Special Grant - Hardie Rd Bridge	70,000
Country Pathways Grant	28,500
Department of Sport & Recreation - Oval Reticulation	42,000
Country Local Government Fund - Recreation Facilities Upgrade	260,100
Country Local Government Fund - Regional Housing Project	419,430
Country Local Government Fund - Industrial Land Development	246,000
Department of Sport & Recreation - Recreation Facilities Upgrade	115,640
Lotterywest Funds - Childcare Centre	100,000
Wheatbelt Regional Grants Scheme - Childcare Centre	30,000
	<b>1,860,875</b>

**CONTRIBUTIONS FROM ORGANISATIONS FOR DEVELOPMENT OF ASSETS**

Sporting Clubs - Recreation Facilities Upgrade	62,640
	<b>62,640</b>

**PROCEEDS FROM FIXED ASSET SALES BY ASSET CLASS**

**PLANT & MACHINERY**

Utility	1,500
JCB Loader	40,000
Mitsubishi Canter Dual Cab Truck	14,000
Ford Sedan	20,000

**Land & Buildings**

**75,500**

**TOTAL FIXED ASSET INCOME**

**1,999,015**

**RESERVE FUND TRANSFERS**

Building Reserve - Office Exterior Restoration	20,000
Plant Reserve - Dual Cab Truck	0
Plant Reserve - Front End Loader	40,000
Plant Reserve - Dual Cab Tutility	0
Joint Venture Housing Reserve - Regional Housing Project	150,000
	<b>210,000</b>

**LOAN FUND INCOME**

Quindanning Townsite Development	0
	<b>0</b>

**2,209,015**

