



# SHIRE OF WILLIAMS ADOPTED BUDGET 2020-2021

SHIRE OF WILLIAMS

Adopted 22 July 2020

SHIRE OF WILLIAMS | 9 BROOKING STREET WILLIAMS WA 6391



## Budget Overview of 2020/2021

The Shire of Williams has delivered a financially responsible budget that delivers for our community and will support the principles contained in the Strategic Community Plan and Corporate Business Plan. There will be continued improvements to infrastructure and roads and will deliver a sustainable economic outcome for the community.

The Shire concluded last financial year with an estimated surplus of \$392,035.

The 2020/2021 Budget delivers social outcomes identified in various planning and community supporting strategies that have previously been adopted by the Council. Also supporting key environmental strategies and initiatives.

### *Fees and Charges*

In general have been increased by 2% with the exception of Childcare and Family Day Care fees where no increase has been applied. Other minor changes have been agreed which are itemised in the budget and are in line with the forward financial plans. All fees and charges are available on the Shire's website.

### *Rates*

Although the valuations for UV increased by 5.92% the Shire has maintained a lower increase to the total rates with revenue up by 2.00%. This is also lower than what is shown in the Long Term Financial Plan. Total rates to be raised is \$1,929,678.

The State Government urged local governments to be mindful of the economic impacts of the COVID-19 pandemic and the Council has taken this into consideration in setting a rate below that contained in the Long Term Financial Plan. Also the State Government encouraged local government to use all its available resources to continue capital projects. Council has responded with a number of new projects proposed for the year.

Further, taking into consideration the lower income from rates and a confirmed 7% increase to insurance costs, Council has included a \$100,000 loan to be repaid over 5 years to fund a capital project.

### *Rate Payments*

The following rate payment options are offered for cheque, credit card, direct debit or cash payments to the "Shire of Williams".

Payment in full on or before the **11th September 2020**.

Payment by four instalments due on or before:

- 1st Instalment – 11/09/2020
- 2nd Quarterly Instalment – 13/11/2020
- 3rd Quarterly Instalment – 15/01/2021
- 4th and Final Quarterly Instalment – 19/03/2021

The instalment option will incur an administrative fee of \$30 per assessment and an interest rate of 3%.

### **Overdue Interest Rate on Rate Payments**

Interest will be charged on all rates not paid by the due date where the ratepayer has not elected to pay by instalments. Interest on overdue rates is charged at a rate of 8% on outstanding amounts.

### *Waste & Roadside Collection*

There has been no increase applied to any waste services as this remains cost neutral. The standard roadside collection remains at \$443.50pa. This includes a weekly collection of general waste and a fortnightly collection of recycling by Avon Waste.

Refuse Site opening hours: Wednesday, Saturday and Sunday 9am-3pm.

### *Statement of Loan Debt – 30th June 2020*

Grader	\$61,117
Industrial Land	\$184,772
Industrial Shed (Lot 440)	\$140,546
Industrial Shed (Lot 403)	\$193,460
Synthetic Bowling Green (Self Supporting Loan)	\$122,989
<b>Total:</b>	<b>\$702,884</b>

### *Grant Funding*

Roads to Recovery Grant - \$196,112

Road Project Grant - \$282,327

Local Roads and Community Infrastructure Grant (LRCI) - \$232,929







## Capital Works Program

Investment in infrastructure, land and buildings, as well as plant and equipment is planned totalling \$2,082,758. A major component being road infrastructure totalling \$1,138,334 to support major improvements. An amount of \$232,929 is also included for projects that fit within the Local Road and Community Infrastructure Grant conditions.

<b>Detailed Asset Expenditure</b>	
<b>Land and Buildings</b>	
Single Person Unit Refurbishment	33,129
Single Person Units - Carport	22,558
Men's Shed	149,200
Childcare - Flooring	40,000
	<b>244,887</b>
<b>Plant and Equipment</b>	
4X4 Dual Cab Ute - WL19	40,000
Multi-Tyre Road Roller - WL49	175,000
Mini Excavator 5-6 Tonne	77,000
Tandem Drive Truck - WL128	248,000
Variable Message Sign	24,500
	<b>564,500</b>
<b>Infrastructure - Roads &amp; Drainage</b>	
Road Project Grant - Williams Darkan Road	103,950
Road Project Grant - Quindanning Darkan Road	315,540
RTR - York Williams Road	69,319
RTR - Wangeling Gully Road	49,654
RTR - Clayton Road	77,399
Council - Brooking Street	290,000
Council - English Road	30,399
Council - Culbin Boraning Road	47,681
Council - Petchell Road	14,155
LRCI Grant - Marradong Road	52,075
LRCI Grant - Brooking Street	36,000
Council - Carne/Narrakine Road	22,034
Council - Townsite Drainage	30,128
	<b>1,138,334</b>
<b>Infrastructure - Parks and Gardens</b>	
Lions Park Carpark and Landscaping	13,392
Town Hall Park	100,150
Cemetery Improvements - Marling	15,939
Shade Sail - Lions Park	5,556
	<b>135,037</b>
<b>Total Asset Expenditure</b>	<b>2,089,758</b>

## General Council Information

<b>Councillors</b>	<b>Position</b>	<b>Term</b>
Cr Jarrad Logie	President	Oct 2021
Cr Natalie Major	Deputy President	Oct 2023
Cr Moya Carne	Councillor	Oct 2023
Cr Gilbert Medlen	Councillor	Oct 2023
Cr Tracey Price	Councillor	Oct 2023
Cr Simon Harding	Councillor	Oct 2021
Cr Alexander Watt	Councillor	Oct 2021
Cr Bob Baker	Councillor	Oct 2021
Cr Bernie Panizza	Councillor	Oct 2023

### Department of Transport

The Shire of Williams is a licensed agent for the Department of Transport. Enquires and processing are available between 8.00am – 4.00pm Monday to Friday.

### Building and Development Applications

An application form, fee and duplicate plans must be submitted to Council for approval prior to commencement of any new building or alterations (excepting out buildings in the rural area). Failure to make application can lead to additional fees and/or other penalties. Properties that are located in designated Bush Fire Prone Areas may require additional assessment of the bush fire risk as part of any planning or building approval process.

### Animal Registration

*(Due/renewable 1<sup>st</sup> Nov each year)*

All dogs three months or older must be microchipped and registered by legal requirement.

All cats reaching six months of age must be sterilised, microchipped and registered as per the *Cat Act 2011*.

### Administration Staff

<b>Name</b>	<b>Position</b>
Geoff McKeown	Chief Executive Officer
Cara Ryan	Manager of Finance
Tony Kett	Works Supervisor
Britt Logie	Community Development Officer
Sharon Wilkie	Senior Finance and Administration Officer
Manuela Lenehan	Administration Officer
Kim Walsh	Administration Officer
Trevor Brandy	EHO/Building Surveyor



# SHIRE OF WILLIAMS

## BUDGET FOR THE YEAR ENDED 30 JUNE 2021

LOCAL GOVERNMENT ACT 1995

### TABLE OF CONTENTS

Statement of Comprehensive Income by Nature or Type	2
Basis of Preparation	3
Statement of Comprehensive Income by Program	4
Statement of Cash Flows	6
Rate Setting Statement	7
Index of Notes to the Budget	10

#### **SHIRE'S VISION**

Williams is an independent, growing and vibrant community, achieved by maintaining a balanced and caring approach to its people, economy and environment.

**SHIRE OF WILLIAMS**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
		\$	\$	\$
<b>Revenue</b>				
Rates	1(a)	1,966,047	1,924,117	1,924,101
Operating grants, subsidies and contributions	9(a)	445,698	794,053	487,019
Fees and charges	8	851,142	854,632	850,629
Service charges		0	0	0
Interest earnings	11(a)	17,579	30,630	41,600
Other revenue	11(b)	59,100	79,163	42,500
		<u>3,339,566</u>	<u>3,682,595</u>	<u>3,345,849</u>
<b>Expenses</b>				
Employee costs		(1,638,795)	(1,598,262)	(1,612,023)
Materials and contracts		(666,565)	(593,294)	(543,354)
Utility charges		(201,800)	(202,921)	(188,750)
Depreciation on non-current assets	5	(1,267,984)	(1,292,436)	(1,256,950)
Interest expenses	11(d)	(28,490)	(31,566)	(32,579)
Insurance expenses		(122,976)	(114,472)	(112,166)
Other expenditure		(15,750)	(27,294)	(15,250)
		<u>(3,942,360)</u>	<u>(3,860,245)</u>	<u>(3,761,072)</u>
<b>Subtotal</b>		<b>(602,794)</b>	<b>(177,650)</b>	<b>(415,223)</b>
Non-operating grants, subsidies and contributions	9(b)	805,568	517,499	516,215
Profit on asset disposals	4(b)	0	47,200	19,871
Loss on asset disposals	4(b)	0	(5,882)	(5,711)
Fair value adjustments to financial assets at fair value through profit or loss		0	864	0
		<u>805,568</u>	<u>559,681</u>	<u>530,375</u>
<b>Net result</b>		<b>202,774</b>	<b>382,031</b>	<b>115,152</b>
<b>Other comprehensive income</b>				
Changes on revaluation of non-current assets		0	0	0
<b>Total other comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income</b>		<b>202,774</b>	<b>382,031</b>	<b>115,152</b>

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

# SHIRE OF WILLIAMS

## FOR THE YEAR ENDED 30 JUNE 2021

### BASIS OF PREPARATION

The budget has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations. The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this budget. This is not in accordance with the requirements of AASB 1051 *Land Under Roads* paragraph 15 and AASB 116 *Property, Plant and Equipment* paragraph 7.

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

### THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 13 to the budget.

### 2019/20 ACTUAL BALANCES

Balances shown in this budget as 2019/20 Actual are estimates as forecast at the time of budget preparation and are subject to final adjustments.

### CHANGE IN ACCOUNTING POLICIES

On the 1 July 2020 the following new accounting policies are to be adopted and may impact the preparation of the budget:

- AASB 1059 Service Concession Arrangements: Grantors
- AASB 2018-7 Amendments to Australian Accounting Standards - Materiality

AASB 1059 is not expected to impact the annual budget. Specific impacts of AASB 2018-7 have not been identified.

### 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.

### REVENUES (CONTINUED)

#### 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.

**SHIRE OF WILLIAMS**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**BY PROGRAM**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
<b>Revenue</b>	1,8,9(a),11(a),11(b)	\$	\$	\$
Governance		501	1,918	501
General purpose funding		2,208,618	2,504,236	2,230,196
Law, order, public safety		30,905	67,214	44,248
Health		400	300	400
Education and welfare		332,801	273,834	283,029
Housing		243,611	242,274	247,804
Community amenities		187,183	192,325	203,177
Recreation and culture		44,473	42,773	44,557
Transport		111,690	96,577	96,881
Economic services		115,154	147,200	102,826
Other property and services		64,230	113,944	92,230
		<b>3,339,566</b>	<b>3,682,595</b>	<b>3,345,849</b>
<b>Expenses excluding finance costs</b>	4(a),5,11(c),(e)			
Governance		(185,921)	(201,659)	(205,215)
General purpose funding		(90,051)	(83,005)	(84,250)
Law, order, public safety		(107,247)	(90,406)	(90,129)
Health		(61,302)	(55,314)	(59,671)
Education and welfare		(353,525)	(303,313)	(320,281)
Housing		(194,893)	(173,197)	(164,843)
Community amenities		(295,076)	(270,933)	(316,987)
Recreation and culture		(766,276)	(762,073)	(702,578)
Transport		(1,596,619)	(1,511,826)	(1,564,806)
Economic services		(165,564)	(137,113)	(127,886)
Other property and services		(97,396)	(239,840)	(91,847)
		<b>(3,913,870)</b>	<b>(3,828,679)</b>	<b>(3,728,493)</b>
<b>Finance costs</b>	.6(a),11(d)			
Recreation and culture		(3,749)	(4,018)	(4,241)
Transport		(1,748)	(2,887)	(3,095)
Economic services		(11,412)	(12,461)	(12,867)
Other property and services		(11,581)	(12,200)	(12,376)
		<b>(28,490)</b>	<b>(31,566)</b>	<b>(32,579)</b>
<b>Subtotal</b>		<b>(602,794)</b>	<b>(177,650)</b>	<b>(415,223)</b>
Non-operating grants, subsidies and contributic	9(b)	805,568	517,499	516,215
Profit on disposal of assets	4(b)	0	47,200	19,871
(Loss) on disposal of assets	4(b)	0	(5,882)	(5,711)
Fair value adjustments to financial assets at fair value through profit or loss		0	864	0
		<b>805,568</b>	<b>559,681</b>	<b>530,375</b>
<b>Net result</b>		<b>202,774</b>	<b>382,031</b>	<b>115,152</b>
<b>Other comprehensive income</b>				
Changes on revaluation of non-current assets		0	0	0
<b>Total other comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income</b>		<b>202,774</b>	<b>382,031</b>	<b>115,152</b>

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

**KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS**

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

**OBJECTIVE**

**ACTIVITIES**

**GOVERNANCE**

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

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

**GENERAL PURPOSE FUNDING**

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

To provide services to ensure a safer community.

Supervision and enforcement of local laws, fire prevention and suppression activities and animal control.

**HEALTH**

To provide an operational framework for good community health.

Health inspection and advisory services, analytical services, mosquito control, collection agent for Williams St John Ambulance subscriptions and assist with providing medical services.

**EDUCATION AND WELFARE**

To provide a framework that enables community needs in these areas are met.

Provision and maintenance of premises for the Williams Community Resource Centre and Willi Wagtails Childcare Centre. Provide all administration services for both the Childcare Centre and Family Day Care Provider.

**HOUSING**

To help ensure the availability of adequate housing for the community Community needs.

Management, administration and maintenance of Williams Community Homes, Sandalwood Court, Wandoo Cottages Jamtree Lane Units and New Street Units.

**COMMUNITY AMENITIES**

Provision of amenities required by the community.

Refuse management, protection of the environment, maintenance of cemeteries and public conveniences.

**RECREATION AND CULTURE**

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

Maintenance of halls, recreational facilities and reserves. Operation of Library and compilation and maintenance of local heritage register.

**TRANSPORT**

To provide effective and efficient transport services to the community.

Construction and maintenance of streets, roads, bridges and and drainage. Cleaning and lighting of streets, depot maintenance and on-line agent for Department of Transport.

**ECONOMIC SERVICES**

Promotion of Williams and improvement of economic wellbeing of the district and its inhabitants.

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

**OTHER PROPERTY AND SERVICES**

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

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



**SHIRE OF WILLIAMS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
		\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		1,961,047	1,942,311	1,929,101
Operating grants, subsidies and contributions		396,828	794,977	450,335
Fees and charges		851,142	854,632	850,629
Interest earnings		17,579	30,630	41,600
Goods and services tax		108,623	60,948	136,684
Other revenue		59,100	79,163	42,500
		<u>3,394,319</u>	<u>3,762,661</u>	<u>3,450,849</u>
<b>Payments</b>				
Employee costs		(1,667,552)	(1,583,616)	(1,624,226)
Materials and contracts		(434,742)	(283,760)	(342,407)
Utility charges		(201,800)	(202,921)	(228,750)
Interest expenses		(28,990)	(35,661)	(32,579)
Insurance expenses		(122,976)	(114,472)	(122,166)
Goods and services tax		(265,541)	(224,710)	(254,264)
Other expenditure		(15,750)	(27,294)	(15,250)
		<u>(2,737,351)</u>	<u>(2,472,434)</u>	<u>(2,619,642)</u>
<b>Net cash provided by (used in) operating activities</b>	3	<u>656,968</u>	<u>1,290,227</u>	<u>831,207</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	4(a)	(809,387)	(735,428)	(813,420)
Payments for construction of infrastructure	4(a)	(1,273,370)	(1,150,614)	(1,310,444)
		720,553	700,534	516,215
Non-operating grants, subsidies and contributions				
Proceeds from sale of plant and equipment	4(b)	52,000	121,571	95,000
Proceeds on financial assets at amortised cost - self supporting loans	6(a)	15,966	15,475	15,475
<b>Net cash provided by (used in) investing activities</b>		<u>(1,294,238)</u>	<u>(1,048,462)</u>	<u>(1,497,174)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	6(a)	(102,462)	(112,942)	(112,942)
Proceeds from new borrowings	6(b)	100,000	0	0
<b>Net cash provided by (used in) financing activities</b>		<u>(2,462)</u>	<u>(112,942)</u>	<u>(112,942)</u>
<b>Net increase (decrease) in cash held</b>		<u>(639,732)</u>	<u>128,823</u>	<u>(778,909)</u>
Cash at beginning of year		1,637,335	1,508,513	1,518,281
<b>Cash and cash equivalents at the end of the year</b>	3	<u><b>997,603</b></u>	<u><b>1,637,335</b></u>	<u><b>739,372</b></u>

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

**SHIRE OF WILLIAMS**  
**RATE SETTING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
		\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>		392,035	422,661	394,592
		392,035	422,661	394,592
<b>Revenue from operating activities (excluding rates)</b>				
Governance		501	2,782	501
General purpose funding		278,940	614,448	340,747
Law, order, public safety		30,905	67,214	44,248
Health		400	300	400
Education and welfare		332,801	273,834	283,029
Housing		243,611	242,274	247,804
Community amenities		187,183	192,325	203,177
Recreation and culture		44,473	42,773	44,557
Transport		111,690	129,733	109,381
Economic services		115,154	147,200	102,826
Other property and services		64,230	127,988	99,601
		1,409,888	1,840,871	1,476,271
<b>Expenditure from operating activities</b>				
Governance		(185,921)	(201,659)	(205,215)
General purpose funding		(90,051)	(83,005)	(84,250)
Law, order, public safety		(107,247)	(90,406)	(90,129)
Health		(61,302)	(55,314)	(59,671)
Education and welfare		(353,525)	(303,313)	(320,281)
Housing		(194,893)	(173,197)	(164,843)
Community amenities		(295,076)	(270,933)	(316,987)
Recreation and culture		(770,025)	(769,093)	(707,318)
Transport		(1,598,367)	(1,517,593)	(1,573,113)
Economic services		(176,976)	(149,574)	(140,753)
Other property and services		(108,977)	(252,040)	(104,223)
		(3,942,360)	(3,866,127)	(3,766,783)
Non-cash amounts excluded from operating activities	2 (a)(i)	1,273,128	1,255,373	1,248,190
<b>Amount attributable to operating activities</b>		(867,309)	(347,222)	(647,730)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions	9(b)	805,568	517,499	516,215
Purchase property, plant and equipment	4(a)	(809,387)	(735,428)	(813,420)
Purchase and construction of infrastructure	4(a)	(1,273,370)	(1,150,614)	(1,310,444)
Proceeds from disposal of assets	4(b)	52,000	121,571	95,000
Proceeds from self supporting loans	6(a)	15,966	15,475	15,475
<b>Amount attributable to investing activities</b>		(1,209,223)	(1,231,497)	(1,497,174)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	6(a)	(102,462)	(112,942)	(112,942)
Principal elements of finance lease payments	7	0	0	0
Proceeds from new borrowings	6(b)	100,000	0	0
Transfers to cash backed reserves (restricted assets)	7(a)	(91,540)	(118,732)	(125,835)
Transfers from cash backed reserves (restricted assets)	7(a)	240,856	312,641	494,232
<b>Amount attributable to financing activities</b>		146,854	80,966	255,455
<b>Budgeted deficiency before general rates</b>		(1,929,678)	(1,497,753)	(1,889,449)
<b>Estimated amount to be raised from general rates</b>	1	1,929,678	1,889,788	1,889,449
<b>Net current assets at end of financial year - surplus/(deficit)</b>	2 (a)(iii)	<b>0</b>	<b>392,035</b>	<b>0</b>

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

**SHIRE OF WILLIAMS**  
**INDEX OF NOTES TO THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

Note 1	Rates	9
Note 2	Net Current Assets	11
Note 3	Reconciliation of Cash	13
Note 4(a)	Asset Acquisitions	14
Note 4(b)	Asset Disposals	15
Note 5	Asset Depreciation	16
Note 6	Borrowings	17
Note 7	Reserves	19
Note 8	Fees and Charges	20
Note 9	Grant Revenue	20
Note 10	Revenue Recognition	21
Note 11	Other Information	22
Note 12	Interests in Joint Arrangements	23
Note 13	Trust	24
Note 14	Significant Accounting Policies - Other Information	25
Supplementary	Detailed Capital Works Program	26

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**1. RATES AND SERVICE CHARGES**

**(a) Rating Information**

<b>RATE TYPE</b>	<b>Rate in</b>	<b>Number of properties</b>	<b>Rateable value</b>	<b>2020/21 Budgeted rate revenue</b>	<b>2020/21 Budgeted interim rates</b>	<b>2020/21 Budgeted back rates</b>	<b>2020/21 Budgeted total revenue</b>	<b>2019/20 Actual total revenue</b>	<b>2019/20 Budget total revenue</b>
	\$		\$	\$	\$	\$	\$	\$	\$
<b>Differential general rate or general rate</b>									
<b>Gross rental valuations</b>									
GRV Residential	0.074721	145	1,827,094	136,522	0	0	136,522	134,699	133,541
GRV Industrial/Commercial	0.074721	23	1,034,496	77,299	0	0	77,299	74,583	74,583
<b>Unimproved valuations</b>									
UV Rural/Mining	0.006731	240	225,098,000	1,515,135	0	0	1,515,135	1,486,991	1,488,015
<b>Sub-Totals</b>		408	227,959,590	1,728,956	0	0	1,728,956	1,696,273	1,696,139
<b>Minimum</b>									
<b>Minimum payment</b>									
\$									
<b>Gross rental valuations</b>									
GRV Residential	734	140	664,020	102,760	0	0	102,760	97,920	98,640
GRV Industrial/Commercial	734	19	58,825	13,946	0	0	13,946	15,120	15,120
<b>Unimproved valuations</b>									
UV Rural/Mining	944	89	7,885,851	84,016	0	0	84,016	80,475	79,550
<b>Sub-Totals</b>		248	8,608,696	200,722	0	0	200,722	193,515	193,310
		656	236,568,286	1,929,678	0	0	1,929,678	1,889,788	1,889,449
<b>Total amount raised from general rates</b>									
Specified area rates (Refer note 1(c))							1,929,678	1,889,788	1,889,449
Ex-gratia rates							0	0	0
<b>Total rates</b>							1,929,678	1,889,788	1,889,449
							36,369	34,329	34,652
							1,966,047	1,924,117	1,924,101

All land (other than 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 of Williams.

The general rates detailed for the 2020/21 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between 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 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/



**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**1. 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.

<b>Instalment options</b>	<b>Date due</b>	<b>Instalment plan admin charge</b>	<b>Instalment plan interest rate</b>	<b>Unpaid rates interest rates</b>
		\$	%	%
<b>Option one</b>				
Single Full Payment	11/09/2020	0	0.0%	8.0%
<b>Option two</b>				
First Instalment	11/09/2020	0	3.0%	8.0%
Second Instalment	13/11/2020	10	3.0%	8.0%
Third Instalment	15/01/2021	10	3.0%	8.0%
Fourth Instalment	19/03/2021	10	3.0%	8.0%

	<b>2020/21 Budget revenue</b>	<b>2019/20 Actual revenue</b>	<b>2019/20 Budget revenue</b>
	\$	\$	\$
Instalment plan admin charge revenue	4,000	3,877	4,000
Instalment plan interest earned	4,125	7,589	6,500
Unpaid rates and service charge interest earned	5,600	8,578	7,000
	13,725	20,043	17,500

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**2 (a). NET CURRENT ASSETS**

**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.

**(i) Operating activities excluded from budgeted deficiency**

The following non-cash revenue or expenditure has been excluded from operating activities within the Rate Setting Statement.

**Adjustments to operating activities**

Note	2020/21 Budget 30 June 2021	2019/20 Actual 30 June 2020	2019/20 Budget 30 June 2020
	\$	\$	\$
Less: Profit on asset disposals	4(b) 0	(47,200)	(19,871)
Less: Fair value adjustments to financial assets at fair value through profit and loss	0	(864)	0
Less: Movement in employee liabilities associated with restricted cash	5,144	5,119	5,400
Add: Loss on disposal of assets	4(b) 0	5,882	5,711
Add: Depreciation on assets	5 1,267,984	1,292,436	1,256,950
<b>Non cash amounts excluded from operating activities</b>	<b>1,273,128</b>	<b>1,255,373</b>	<b>1,248,190</b>

**(ii) 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.

**Adjustments to net current assets**

Less: Cash - restricted reserves	3 (615,542)	(764,858)	(590,369)
Less: Current assets not expected to be received at end of year			
- current portion of self supporting loans receivable	(16,473)	(15,966)	(15,475)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	164,884	102,462	102,491
- Current portion of employee benefits held in reserve	25,736	20,592	20,873
Add: Movement in provisions between current and non-current provisions	4,564	4,564	
<b>Total adjustments to net current assets</b>	<b>(436,831)</b>	<b>(653,206)</b>	<b>(482,480)</b>

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

**(iii) Composition of estimated net current assets**

**Current assets**

Note	2020/21 Budget 30 June 2021	2019/20 Actual 30 June 2020	2019/20 Budget 30 June 2020
	\$	\$	\$
Cash and cash equivalents- unrestricted	3 382,061	823,607	149,003
Cash and cash equivalents - restricted			
Cash backed reserves	3 615,542	764,858	590,369
Unspent grants, subsidies and contributions	9 0	48,870	0
Financial assets - unrestricted	16,473	15,966	15,475
Receivables	67,873	86,481	184,605
Inventories	12,464	27,564	7,050
	<b>1,094,413</b>	<b>1,767,346</b>	<b>946,502</b>
<b>Less: current liabilities</b>			
Trade and other payables	(176,181)	(214,256)	(55,851)
Contract liabilities	0	(48,870)	0
Long term borrowings	(164,884)	(102,462)	(102,491)
Provisions	(316,517)	(356,517)	(305,680)
	<b>(657,582)</b>	<b>(722,105)</b>	<b>(464,022)</b>
<b>Net current assets</b>	<b>436,831</b>	<b>1,045,241</b>	<b>482,480</b>
<b>Less: Total adjustments to net current assets</b>	<b>2 (a)(ii) (436,831)</b>	<b>(653,206)</b>	<b>(482,480)</b>
<b>Closing funding surplus / (deficit)</b>	<b>0</b>	<b>392,035</b>	<b>0</b>

# SHIRE OF WILLIAMS

## NOTES TO AND FORMING PART OF THE BUDGET FOR THE YEAR ENDED 30 JUNE 2021

### 2 (b). NET CURRENT ASSETS (CONTINUED)

#### SIGNIFICANT ACCOUNTING POLICIES

##### 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 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 even if not expected to be realised in the next 12 months except for land held for sale where it is held as 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 Williams 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.

##### CONTRACT ASSETS

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

##### PROVISIONS

Provisions are recognised when the Shire has a 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.

##### 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 Williams contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Williams contributes are defined contribution plans.

##### 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.

##### 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.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability 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.

##### EMPLOYEE BENEFITS

###### Short-term employee benefits

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

##### LAND HELD FOR RESALE

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

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

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

##### CONTRACT LIABILITIES

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

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**3. RECONCILIATION OF CASH**

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

	Note	2020/21 Budget	2019/20 Actual	2019/20 Budget
Cash at bank and on hand		\$ 997,603	\$ 1,637,335	\$ 739,372
		997,603	1,637,335	739,372
- Unrestricted cash and cash equivalents		382,061	823,607	149,003
- Restricted cash and cash equivalents		615,542	813,728	590,369
		997,603	1,637,335	739,372
The following restrictions have been imposed by regulation or other externally imposed requirements on cash and cash equivalents: and financial assets at amortised cost:				
Plant Replacement Reserve		111,263	179,117	101,513
Building Reserve		223,422	291,382	253,558
Recreation Fac Reserve		91,937	122,825	88,945
Art Acquisition Reserve		8,844	8,783	6,951
JV Housing Reserve		115,864	105,128	105,694
LSL Reserve		25,736	20,592	20,873
Refuse Site Reserve		24,365	24,196	0
Community Chest Reserve		14,111	12,835	12,835
Unspent grants, subsidies and contributions	9	0	48,870	0
		615,542	813,728	590,369
<b>Reconciliation of net cash provided by operating activities to net result</b>				
<b>Net result</b>		202,774	382,031	115,152
Adjustments to fair value of financial assets at fair value through profit and loss		0	(864)	0
Depreciation	5	1,267,984	1,292,436	1,256,950
(Profit)/loss on sale of asset	4(b)	0	(41,318)	(14,160)
(Increase)/decrease in receivables		18,608	214,231	43,495
(Increase)/decrease in inventories		15,100	(19,179)	2,100
Increase/(decrease) in payables		(38,075)	88,281	(36,115)
Increase/(decrease) in contract liabilities		(48,870)	48,870	(12,435)
Increase/(decrease) in employee provisions		(40,000)	26,273	(20,000)
Change in accounting policies transferred to retained surplus (refer to Note 15)		0	0	12,435
Non-operating grants, subsidies and contributions		(720,553)	(700,534)	(516,215)
<b>Net cash from operating activities</b>		656,968	1,290,227	831,207

**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 2 - Net Current Assets.

**FINANCIAL ASSETS AT AMORTISED COST**

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

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



**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**4. FIXED ASSETS**

**(a) Acquisition of Assets**

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

Asset class	Reporting program						2020/21 Budget total	2019/20 Actual total	2019/20 Budget total
	Law, order, public safety	Education and welfare	Housing	Community amenities	Recreation and culture	Transport			
	\$	\$	\$	\$	\$	\$	\$	\$	
<i>Property, Plant and Equipment</i>									
Land - freehold land	0	0	0	0	0	0	0	200,000	200,000
Buildings - non-specialised	0	0	0	0	0	0	0	0	0
Buildings - specialised	0	40,000	55,686	0	149,200	0	244,887	40,064	103,420
Furniture and equipment	0	0	0	0	0	0	0	0	0
Plant and equipment	24,500	0	0	0	0	540,000	564,500	495,364	510,000
	24,500	40,000	55,686	0	149,200	540,000	809,387	735,428	813,420
<i>Infrastructure</i>									
Infrastructure - roads	0	0	0	0	0	1,108,206	1,108,206	949,366	1,146,599
Infrastructure - footpaths	0	0	0	0	0	0	0	67,819	0
Infrastructure - Drainage	0	0	0	0	0	30,128	30,128	19,585	0
Infrastructure - Bridges	0	0	0	0	0	0	0	0	0
Infrastructure - Parks and Gardens	0	0	0	15,939	119,098	0	135,037	113,844	163,845
	0	0	0	15,939	119,098	1,138,334	1,273,370	1,150,614	1,310,444
<b>Total acquisitions</b>	24,500	40,000	55,686	15,939	268,298	1,678,334	2,082,757	1,886,042	2,123,864

A detailed breakdown of acquisitions on an individual asset basis can be found in the supplementary information attached to this budget document at page 26.

**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 WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**4. FIXED ASSETS**

**(b) Disposals of Assets**

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

	2020/21 Budget Net Book Value	2020/21 Budget Sale Proceeds	2020/21 Budget Profit	2020/21 Budget Loss	2019/20 Actual Net Book Value	2019/20 Actual Sale Proceeds	2019/20 Actual Profit	2019/20 Actual Loss	2019/20 Budget Net Book Value	2019/20 Budget Sale Proceeds	2019/20 Budget Profit	2019/20 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>By Program</b>												
Recreation and culture	0	0	0	0	5,132	2,130	0	(3,002)	2,499	2,000	0	(499)
Transport	52,000	52,000	0	0	53,423	83,699	33,156	(2,880)	53,712	61,000	12,500	(5,212)
Other property and services	0	0	0	0	21,698	35,742	14,044	0	24,629	32,000	7,371	0
	52,000	52,000	0	0	80,253	121,571	47,200	(5,882)	80,840	95,000	19,871	(5,711)
<b>By Class</b>												
<i>Plant and Equipment</i>												
Holden Colorado Ute - WL19	22,000	22,000	0	0	0	0	0	0	0	0	0	0
Isuzu Giga Tip Truck - WL128	30,000	30,000	0	0	0	0	0	0	0	0	0	0
Toyota Prado - 16WL	0	0	0	0	21,698	35,742	14,044		24,629	32,000	7,371	
Isuzu DMAX - WL5802	0	0	0	0	18,217	16,420	0	(1,797)	12,712	8,000	0	(4,712)
Holden Rodeo - WL826	0	0	0	0	3,362	2,309	0	(1,053)	3,500	3,000	0	(500)
Case Front End Loader - WL5639	0	0	0	0	31,844	65,000	33,156		37,500	50,000	12,500	
Toro Ride On Mower - WL5302	0	0	0	0	2,649	2,100	0	(2,649)	2,499	2,000	0	(499)
Kubota Generator	0	0	0	0	2,453	0	0	(353)	0	0	0	0
Pool Equipment	0	0	0	0	30	0	0	(30)	0	0	0	0
	52,000	52,000	0	0	80,253	121,571	47,200	(5,882)	80,840	95,000	19,871	(5,711)

**SIGNIFICANT ACCOUNTING POLICIES**

**GAINS AND LOSSES ON DISPOSAL**

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

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**5. ASSET DEPRECIATION**

**By Program**

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  
 Infrastructure - roads  
 Infrastructure - footpaths  
 Infrastructure - Drainage  
 Infrastructure - Bridges  
 Infrastructure - Parks and Gardens

	<b>2020/21 Budget</b>	<b>2019/20 Actual</b>	<b>2019/20 Budget</b>
	\$	\$	\$
	6,000	6,306	3,000
	12,500	12,471	12,500
	27,500	28,277	27,500
	74,868	46,016	45,000
	4,850	4,667	4,250
	231,900	231,277	225,300
	769,148	775,033	780,000
	3,400	3,409	3,400
	137,818	184,981	156,000
	<b>1,267,984</b>	<b>1,292,436</b>	<b>1,256,950</b>
	56,000	57,368	56,000
	174,000	176,179	173,000
	8,000	11,388	11,500
	167,000	168,940	140,000
	429,984	432,317	457,000
	20,000	20,657	21,000
	190,000	191,911	167,200
	119,000	119,532	122,250
	104,000	114,144	109,000
	<b>1,267,984</b>	<b>1,292,436</b>	<b>1,256,950</b>

**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
Infrastructure - roads	
Infrastructure - footpaths	20 years
Infrastructure - Drainage	80 years
Infrastructure - Bridges	30 to 75 years
Infrastructure - Parks and Gardens	10 to 60 Years

**AMORTISATION**

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

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

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

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**6. 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	2020/21	2020/21	Budget	2020/21	Actual Principal 1 July 2019	2019/20	Actual	2019/20	Budget	2019/20	Budget	2019/20
				Principal 1 July 2020	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2021	Budget Interest Repayments		Actual Principal Repayments	Actual Principal outstanding 30 June 2020	Actual Interest Repayments	Principal 1 July 2019	Budget Principal Repayments	Principal outstanding 30 June 2020	Budget Interest Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Governance</b>																
IT Equipment	68	WATC	3.26%	0	0	0	0	0	3,885	(3,885)	0	(35)	3,885	(3,885)	0	(63)
<b>Recreation and culture</b>																
Menshed		WATC	0.73%	0	100,000	0	100,000	0	0	0	0	0	0	0	0	0
<b>Transport</b>																
Grader	67	WATC	3.42%	61,117	0	(40,398)	20,718	(1,748)	100,168	(39,051)	61,117	(2,887)	100,168	(39,051)	61,117	(3,095)
<b>Other property and services</b>																
Industrial Land	65	WATC	6.37%	184,772	0	(12,039)	172,734	(11,581)	196,079	(11,307)	184,772	(12,165)	196,079	(11,307)	184,772	(12,313)
Industrial Shed	66	WATC	4.17%	140,546	0	(12,336)	128,210	(5,733)	152,383	(11,837)	140,546	(6,105)	152,383	(11,837)	140,546	(6,232)
Industrial Shed	70	WATC	3.02%	193,460	0	(21,723)	171,737	(5,679)	224,847	(31,387)	193,460	(6,356)	224,847	(31,387)	193,460	(6,635)
				579,894	100,000	(86,495)	593,399	(24,741)	677,362	(97,468)	579,894	(27,547)	677,362	(97,467)	579,895	(28,338)
<b>Self Supporting Loans</b>																
<b>Recreation and culture</b>																
Williams Bowling Club	69	WATC	3.15%	122,989	0	(15,966)	107,023	(3,749)	138,464	(15,475)	122,989	(4,018)	138,464	(15,475)	122,989	(4,241)
				122,989	0	(15,966)	107,023	(3,749)	138,464	(15,475)	122,989	(4,018)	138,464	(15,475)	122,989	(4,241)
				702,884	100,000	(102,462)	700,422	(28,490)	815,826	(112,942)	702,884	(31,566)	815,826	(112,942)	702,884	(32,579)

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 WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**6. INFORMATION ON BORROWINGS**

**(b) New borrowings - 2020/21**

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Balance unspent
Mens Shed	WATC	Debenture	5	0.73%	\$ 100,000	\$ 0
					100,000	0

**(c) Unspent borrowings**

The Shire had no unspent borrowing funds as at 30 June 2020 nor is it expected to have unspent borrowing funds as at 30 June 2021.

**(d) Credit Facilities**

	2020/21 Budget	2019/20 Actual	2019/20 Budget
<b>Undrawn borrowing facilities credit standby arrangements</b>	\$	\$	\$
Bank overdraft limit	200,000	200,000	200,000
Bank overdraft at balance date	0	0	0
Credit card limit	15,000	15,000	15,000
Credit card balance at balance date	0	1,147	0
<b>Total amount of credit unused</b>	<b>215,000</b>	<b>216,147</b>	<b>215,000</b>
<b>Loan facilities</b>			
Loan facilities in use at balance date	700,422	702,884	702,884

**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 WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**7. CASH BACKED RESERVES**

**(a) Cash Backed Reserves - Movement**

	2020/21 Budget Opening Balance	2020/21 2020/21 Budget Transfer to	2020/21 Budget Transfer (from)	2020/21 Budget Closing Balance	2019/20 Actual Opening Balance	2019/20 2019/20 Actual Transfer to	2019/20 Actual Transfer (from)	2019/20 Actual Closing Balance	2019/20 Budget Opening Balance	2019/20 2019/20 Budget Transfer to	2019/20 Budget Transfer (from)	2019/20 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Plant Replacement Reserve	179,117	41,254	(109,108)	111,263	216,014	43,103	(80,000)	179,117	216,013	45,500	(160,000)	101,513
(b) Building Reserve	291,382	22,040	(90,000)	223,422	446,759	44,623	(200,000)	291,382	446,758	46,800	(240,000)	253,558
(c) Recreation Fac Reserve	122,825	10,860	(41,748)	91,937	121,445	1,380	0	122,825	121,445	2,500	(35,000)	88,945
(d) Art Acquisition Reserve	8,783	61	0	8,844	11,651	132	(3,000)	8,783	11,651	300	(5,000)	6,951
(e) JV Housing Reserve	105,128	10,736	0	115,864	94,194	10,934	0	105,128	94,194	11,500	0	105,694
(f) LSL Reserve	20,592	5,144	0	25,736	15,473	5,119	0	20,592	15,473	5,400	0	20,873
(g) Refuse Site Reserve	24,196	169	0	24,365	53,232	605	(29,641)	24,196	53,232	1,000	(54,232)	0
(h) Community Chest Reserve	12,835	1,276	0	14,111	0	12,835	0	12,835	0	12,835	0	12,835
	764,858	91,540	(240,856)	615,542	958,767	118,732	(312,641)	764,858	958,766	125,835	(494,232)	590,369

**7. CASH BACKED RESERVES (CONTINUED)**

**(b) Cash Backed Reserves - Purposes**

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

Reserve name	Anticipated date of use	Purpose of the reserve
(a) Plant Replacement Reserve	2020/21	To be used to fund purchase of plant items.
(b) Building Reserve	2020/21	To be used for construction, refurbishment, acquisition of buildings and acquisition of land.
(c) Recreation Fac Reserve	2020/21	To be used to finance capital improvements of existing recreation facilities and to fund acquisition of new recreation facilities.
(d) Art Acquisition Reserve	Ongoing	To be used for the purchase of art pieces for the Williams Art Collection.
(e) JV Housing Reserve	Ongoing	To be used to finance refurbishment and construction of joint venture housing.
(f) LSL Reserve	Ongoing	To be used to fund annual and long service leave requirements.
(g) Refuse Site Reserve	Ongoing	To be used for the re-development of waste facilities.
(h) Community Chest Reserve	Ongoing	To be used to support community initiatives and projects.

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**8. FEES & CHARGES REVENUE**

	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
Governance	0	1,918	0
General purpose funding	5,000	5,126	5,000
Law, order, public safety	2,500	1,505	2,800
Health	400	300	400
Education and welfare	270,751	228,603	239,029
Housing	186,650	185,338	191,232
Community amenities	184,383	184,500	193,304
Recreation and culture	35,274	32,719	34,757
Transport	16,050	16,253	16,050
Economic services	114,904	146,997	102,826
Other property and services	35,230	51,372	65,230
	851,142	854,632	850,629

**9. GRANT REVENUE**

	Unspent grants, subsidies and contributions liability					Grants, subsidies and contributions revenue		
	Liability	Increase	Liability	Total	Current	2020/21	2019/20	2019/20
	1 July 2020	in	Reduction	Liability	Liability	Budget	Actual	Budget
	\$	\$	(As revenue)	30 June 2021	30 June 2021	\$	\$	\$
<b>By Program:</b>								
<b>(a) Operating grants, subsidies and contributions</b>								
General purpose funding	0	0	0	0	0	218,992	544,363	258,495
Law, order, public safety	0	0	0	0	0	27,205	64,464	40,248
Education and welfare	0	0	0	0	0	61,000	44,000	44,000
Housing	0	0	0	0	0	55,961	55,961	55,572
Community amenities	0	0	0	0	0	1,100	5,000	8,373
Transport	0	0	0	0	0	81,440	80,265	80,331
	0	0	0	0	0	445,698	794,053	487,019
<b>(b) Non-operating grants, subsidies and contributions</b>								
Law, order, public safety	20,000	0	(20,000)	0	0	20,000	0	0
Recreation and culture	14,200	0	(14,200)	0	0	74,200	15,835	12,000
Transport	14,670	711,368	(726,038)	0	0	711,368	501,664	504,215
	48,870	711,368	(760,238)	0	0	805,568	517,499	516,215
<b>Total</b>	<b>48,870</b>	<b>711,368</b>	<b>(760,238)</b>	<b>0</b>	<b>0</b>	<b>1,251,266</b>	<b>1,311,552</b>	<b>1,003,234</b>

**(c) Unspent grants, subsidies and contributions were restricted as follows:**

	Budget Closing Balance	Actual Balance
	30 June 2021	30 June 2020
Unspent grants, subsidies and contributions	0	48,870
	0	48,870

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**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
Ex-gratia 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
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 contract commitments	General appropriations and contributions with no reciprocal commitment	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	Equal proportion based on an equal annually fee	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	Not applicable	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
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 at conclusion of hire
Memberships	Gym and pool membership	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 matched to access right
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
Commissions	Commissions on licencing	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
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

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**11. OTHER INFORMATION**

	<b>2020/21</b>	<b>2019/20</b>	<b>2019/20</b>
	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
	\$	\$	\$
<b>The net result includes as revenues</b>			
<b>(a) Interest earnings</b>			
Investments			
- Reserve funds	5,354	10,897	18,100
- Other funds	2,500	3,566	10,000
Late payment of fees and charges *			
Other interest revenue (refer note 1b)	9,725	16,167	13,500
	<b>17,579</b>	<b>30,630</b>	<b>41,600</b>
<b>(b) Other revenue</b>			
Reimbursements and recoveries	26,600	49,908	17,500
Other	32,500	29,255	25,000
	<b>59,100</b>	<b>79,163</b>	<b>42,500</b>
<b>The net result includes as expenses</b>			
<b>(c) Auditors remuneration</b>			
Audit services	18,000	17,800	17,000
	<b>18,000</b>	<b>17,800</b>	<b>17,000</b>
<b>(d) Interest expenses (finance costs)</b>			
Borrowings (refer Note 6(a))	28,490	31,566	32,579
	<b>28,490</b>	<b>31,566</b>	<b>32,579</b>
<b>(e) Elected members remuneration</b>			
Meeting fees	17,000	16,607	15,000
President's allowance	4,606	4,516	4,473
Travelling expenses	2,500	2,012	3,000
	<b>24,106</b>	<b>23,135</b>	<b>22,473</b>

## 12. INTERESTS IN JOINT ARRANGEMENTS

The Shire has a joint venture agreement with the Housing Authority for the provision of housing at Sandalwood Crt and Wandoo Cottages both located on Growse St, Williams. For accounting purposes this joint venture arrangement constitutes a joint operation. The assets are land and 8 x 2 bedroom units. The ownership of the assets is determined by an equity agreement which includes the percentage of each parties equitable interest. The assets are included in the Land and Buildings as follows;

	<b>2020/21 Budget</b>	<b>2019/20 Actual</b>	<b>2019/20 Budget</b>
	\$	\$	\$
<b>Non-current assets</b>			
Land & Buildings	1,499,536	1,523,703	1,523,703
Less: accumulated depreciation	(27,691)	(65,072)	(65,073)
	<b>1,471,845</b>	<b>1,458,631</b>	<b>1,458,630</b>

### SIGNIFICANT ACCOUNTING POLICIES

#### INTERESTS IN JOINT ARRANGEMENTS

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire of Williams's interests in the assets liabilities revenue and expenses of joint operations are included in the respective line items of the financial statements.

**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**13. TRUST FUNDS**

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

<b>Detail</b>	<b>Balance 30 June 2020</b>	<b>Estimated amounts received</b>	<b>Estimated amounts paid</b>	<b>Estimated balance 30 June 2021</b>
	\$	\$	\$	\$
Building Retention	0	0	0	0
Sale of Land for Rates	60,007	0	(60,007)	0
Public Open Space Contribution	20,000	0	(20,000)	0
Unclaimed Monies	0	0	0	0
	<b>80,007</b>	<b>0</b>	<b>(80,007)</b>	<b>0</b>



**SHIRE OF WILLIAMS**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**14. SIGNIFICANT ACCOUNTING POLICIES - OTHER INFORMATION**

**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.

**CRITICAL ACCOUNTING ESTIMATES**

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

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

**ROUNDING OFF FIGURES**

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

**COMPARATIVE FIGURES**

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

**BUDGET COMPARATIVE FIGURES**

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

SHIRE OF WILLIAMS  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2021

SUPPLEMENTARY INFORMATION - ACQUISITION OF ASSETS

	Expenditure	Financing			
		Grants and Contributions	Sale Proceeds / Borrowings	Reserves	General Revenue
<b>Land and Buildings</b>					
Single Person Unit Refurbishment	33,129	-	-	30,000	3,129
Single Person Unit - Carport	22,558	-	-	20,000	2,558
Men's Shed	149,200	49,200	100,000	-	-
Childcare - Flooring	40,000	-	-	40,000	-
	<b>244,887</b>	<b>49,200</b>	<b>100,000</b>	<b>90,000</b>	<b>5,687</b>
<b>Plant and Equipment</b>					
4X4 Dual Cab Ute - WL19	40,000	-	22,000	-	18,000
Multi-Tyre Road Roller - WL49	175,000	-	-	109,108	65,892
Mini Excavator 5-6 Tonne	77,000	-	-	-	77,000
Tandem Drive Truck - WL128	248,000	-	30,000	-	218,000
Variable Message Sign	24,500	20,000	-	-	4,500
	<b>564,500</b>	<b>20,000</b>	<b>52,000</b>	<b>109,108</b>	<b>383,392</b>
<b>Infrastructure - Roads &amp; Drainage</b>					
Project Grant - Williams Darkan Rd	103,950	69,300	-	-	34,650
Project Grant - Quindanning Darkan Rd	315,540	213,027	-	-	102,513
RTR - York Williams Rd	69,319	69,319	-	-	-
RTR - Wangeling Gully Rd	49,654	49,654	-	-	-
RTR - Clayton Rd	77,399	77,139	-	-	260
Council - Brooking Street	290,000	93,060	-	-	196,940
Council - English Rd	30,399	-	-	-	30,399
Council - Culbin Boraning Rd	47,681	-	-	-	47,681
Council - Petchell Rd	14,155	-	-	-	14,155
LRCI Grant - Marradong Rd	52,075	52,075	-	-	-
LRCI - Brooking Street	36,000	36,000	-	-	-
Council - Carne/Narrakine Rd	22,034	-	-	-	22,034
Council - Townsite Drainage	30,128	-	-	-	30,128
	<b>1,138,334</b>	<b>659,574</b>	<b>-</b>	<b>-</b>	<b>478,760</b>
<b>Infrastructure - Parks and Gardens</b>					
Lions Park Carpark and Landscaping	13,392	-	-	13,392	-
Town Hall Park	100,150	71,794	-	28,356	-
Cemetery Improvements - Marling	15,939	-	-	-	15,939
Shade Sail - Lions Park	5,556	5,000	-	-	556
	<b>135,037</b>	<b>76,794</b>	<b>-</b>	<b>41,748</b>	<b>16,495</b>
<b>Total</b>	<b>2,089,758</b>	<b>805,568</b>	<b>152,000</b>	<b>240,856</b>	<b>891,334</b>