

SHIRE OF YALGOO
BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

The Shire will endeavour to provide the community services and facilities to meet the needs of the members of the community and enable them to enjoy a pleasant and healthy way of life.

SHIRE OF YALGOO
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
Revenue				
Rates	1(a)	2,705,463	2,594,343	2,654,309
Operating grants, subsidies and contributions	9(a)	6,606,335	2,998,625	1,581,071
Fees and charges	8	196,560	242,790	164,960
Interest earnings	12(a)	14,000	8,025	19,000
Other revenue	12(b)	48,250	49,744	7,000
		9,570,608	5,893,527	4,426,340
Expenses				
Employee costs		(2,121,198)	(1,588,079)	(2,047,002)
Materials and contracts		(5,037,192)	(1,812,697)	(1,749,824)
Utility charges		(46,000)	(64,265)	(124,250)
Depreciation on non-current assets	5	(1,344,850)	(1,353,397)	(1,249,287)
Interest expenses	12(d)	(10,987)	(15,463)	(15,707)
Insurance expenses		(258,531)	(250,731)	(208,323)
Other expenditure		(191,960)	(72,703)	(589,579)
		(9,010,718)	(5,157,335)	(5,983,972)
Subtotal		559,890	736,192	(1,557,632)
Non-operating grants, subsidies and contributions	9(b)	2,187,651	664,348	1,294,110
Profit on asset disposals	4(b)	60,650	1,969	48,500
Loss on asset disposals	4(b)	0	(16,012)	(33,043)
		2,248,301	650,305	1,309,567
Net result		2,808,191	1,386,497	(248,065)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		2,808,191	1,386,497	(248,065)

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

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

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

Accounting policies which have been adopted in the preparation of this 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 Yalgoo 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.

2020/21 ACTUAL BALANCES

Balances shown in this budget as 2020/21 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 2021 no new accounting policies are to be adopted and no new policies are expected to impact the annual budget.

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 YALGOO
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
Revenue	1,8,9(a),12(a),12(b)	\$	\$	\$
General purpose funding		3,837,793	5,067,957	3,821,531
Law, order, public safety		29,100	47,455	24,200
Health		16,028	18,155	15,875
Education and welfare		11,348	0	0
Housing		17,500	14,850	17,500
Community amenities		34,625	18,588	14,250
Recreation and culture		4,800	14,551	4,700
Transport		5,303,319	309,844	243,224
Economic services		282,095	348,361	246,810
Other property and services		34,000	53,766	38,250
		9,570,608	5,893,527	4,426,340
Expenses excluding finance costs	4(a),5,12(c)(e)(e)			
Governance		(503,337)	(358,538)	(487,317)
General purpose funding		(205,361)	(183,170)	(188,980)
Law, order, public safety		(196,748)	(169,781)	(180,371)
Health		(116,178)	(116,977)	(173,408)
Education and welfare		(20,912)	(6,364)	(22,749)
Housing		(337,611)	(339,388)	(276,383)
Community amenities		(255,117)	(192,604)	(258,113)
Recreation and culture		(1,055,547)	(892,168)	(914,227)
Transport		(5,403,456)	(2,026,529)	(2,386,613)
Economic services		(891,336)	(839,007)	(1,066,833)
Other property and services		(14,128)	(17,346)	(13,271)
		(8,999,731)	(5,141,872)	(5,968,265)
Finance costs	7,6(a),12(d)			
Housing		(9,278)	(13,379)	(13,445)
Community amenities		(1,709)	(2,084)	(2,262)
		(10,987)	(15,463)	(15,707)
Subtotal		559,890	736,192	(1,557,632)
Non-operating grants, subsidies and contributions	9(b)	2,187,651	664,348	1,294,110
Profit on disposal of assets	4(b)	60,650	1,969	48,500
(Loss) on disposal of assets	4(b)	0	(16,012)	(33,043)
		2,248,301	650,305	1,309,567
Net result		2,808,191	1,386,497	(248,065)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		2,808,191	1,386,497	(248,065)

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.

PROGRAM NAME AND OBJECTIVES

ACTIVITIES

GOVERNANCE

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

Administration and operation facilities and services to the members of the Council. Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern other specific functions/activities of the Shire are also recorded here.

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 help ensure a safer and environmentally conscious community.

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

HEALTH

To provide an operational framework for environmental and community health.

Food quality, pest control and immunisation services.

EDUCATION AND WELFARE

To provide services to disadvantaged persons, the elderly, children and youth.

To promote education services through the education initiatives.

HOUSING

To provide housing for Shire of Yalgoo staff.

Provision and maintenance of staff, rental and Joint Venture Housing.

COMMUNITY AMENITIES

To provide services required by the community.

Rubbish collection services, operation of rubbish disposal sites, noise control, litter control, administration of town planning schemes, strategic planning, maintenance of the cemetery, public conveniences and town storm water drainage.

RECREATION AND CULTURE

To establish and effectively manage infrastructure and resources which will help the social well being of the community.

Maintenance of public halls, water park, recreation grounds and various reserves. The operation of library and maintenance of cultural heritage assets and TV/radio transmission services.

TRANSPORT

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

Construction and maintenance of roads, streets, footpaths, drainage works, lighting of streets, maintenance of the depot and airstrips.

ECONOMIC SERVICES

To help promote the shire and its economic wellbeing.

Regulation and provision of tourism services including the caravan park, area promotion, community activities, building control, noxious weeds and vermin control.

OTHER PROPERTY AND SERVICES

To monitor and control Shire's overheads operating accounts.

Private works operation, plant repair and operation costs and engineering operation costs.

SHIRE OF YALGOO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		2,874,348	2,409,220	2,654,309
Operating grants, subsidies and contributions		6,802,497	4,319,818	3,357,960
Fees and charges		196,560	242,790	164,960
Interest received		14,000	8,025	19,000
Goods and services tax received		109,468	10,865	0
Other revenue		48,250	49,744	7,000
		10,045,123	7,040,462	6,203,229
Payments				
Employee costs		(2,241,750)	(1,571,609)	(2,047,002)
Materials and contracts		(5,239,791)	(1,702,745)	(2,573,928)
Utility charges		(46,000)	(64,265)	(124,250)
Interest expenses		(11,777)	(15,707)	(15,707)
Insurance paid		(258,531)	(250,731)	(208,323)
Other expenditure		(191,960)	(72,703)	(589,580)
		(7,989,809)	(3,677,760)	(5,558,790)
Net cash provided by (used in) operating activities	3	2,055,314	3,362,702	644,439
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	4(a)	(2,738,320)	(1,163,381)	(2,590,057)
Payments for construction of infrastructure	4(a)	(1,573,000)	(1,092,206)	(1,142,021)
Non-operating grants, subsidies and contributions	9(b)	2,187,651	664,348	1,294,110
Proceeds from sale of plant and equipment	4(b)	403,000	204,000	242,500
Net cash provided by (used in) investing activities		(1,720,669)	(1,387,239)	(2,195,468)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(105,420)	(100,652)	(100,652)
Net cash provided by (used in) financing activities		(105,420)	(100,652)	(100,652)
Net increase (decrease) in cash held		229,225	1,874,811	(1,651,681)
Cash at beginning of year		5,091,873	3,217,062	3,797,857
Cash and cash equivalents at the end of the year	3	5,321,098	5,091,873	2,146,176

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

SHIRE OF YALGOO
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	2(a)	3,049,556	2,929,897	3,075,961
		3,049,556	2,929,897	3,075,961
Revenue from operating activities (excluding rates)				
General purpose funding		1,132,330	2,473,614	1,167,222
Law, order, public safety		29,100	47,455	24,200
Health		16,028	18,155	15,875
Education and welfare		11,348	0	0
Housing		17,500	14,850	17,500
Community amenities		34,625	18,588	15,250
Recreation and culture		4,800	14,551	4,700
Transport		5,343,269	313,782	243,224
Economic services		282,095	348,361	246,810
Other property and services		54,700	53,766	85,750
		6,925,795	3,303,122	1,820,531
Expenditure from operating activities				
Governance		(503,337)	(358,538)	(487,317)
General purpose funding		(205,361)	(183,170)	(188,980)
Law, order, public safety		(196,748)	(169,781)	(180,371)
Health		(116,178)	(116,977)	(173,408)
Education and welfare		(20,912)	(6,364)	(22,749)
Housing		(346,889)	(352,767)	(289,828)
Community amenities		(256,826)	(194,688)	(260,375)
Recreation and culture		(1,055,547)	(892,168)	(914,227)
Transport		(5,403,456)	(2,042,541)	(2,419,656)
Economic services		(891,336)	(855,019)	(1,066,833)
Other property and services		(14,129)	(17,383)	(13,271)
		(9,010,719)	(5,189,396)	(6,017,015)
Non-cash amounts excluded from operating activities	2(b)	1,284,200	1,366,350	1,233,830
Amount attributable to operating activities		2,248,832	2,409,973	113,307
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		2,187,651	664,348	1,294,110
Payments for property, plant and equipment	4(a)	(2,738,320)	(1,163,381)	(2,590,057)
Payments for construction of infrastructure	4(a)	(1,573,000)	(1,092,206)	(1,142,021)
Proceeds from disposal of assets	4(b)	403,000	204,000	242,500
		(1,720,669)	(1,387,239)	(2,195,468)
Amount attributable to investing activities		(1,720,669)	(1,387,239)	(2,195,468)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(105,420)	(100,652)	(100,652)
Transfers to cash backed reserves (restricted assets)	7(a)	(3,128,206)	(466,869)	(471,496)
Amount attributable to financing activities		(3,233,626)	(567,521)	(572,148)
Budgeted deficiency before imposition of general rates		(2,705,463)	455,213	(2,654,309)
Estimated amount to be raised from general rates	1	2,705,463	2,594,343	2,654,309
Net current assets at end of financial year - surplus/(deficit)	2(a)	0	3,049,556	0

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

SHIRE OF YALGOO
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FOR THE YEAR ENDED 30 JUNE 2022

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SHIRE OF YALGOO
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
1. RATES AND SERVICE CHARGES

(a) Rating Information

RATE TYPE	Rate in	Number of properties	Rateable value	2021/22 Budgeted rate revenue	2021/22 Budgeted interim rates	2021/22 Budgeted back rates	2021/22 Budgeted total revenue	2020/21 Actual total revenue	2020/21 Budget total revenue
	\$		\$	\$	\$	\$	\$	\$	\$
Differential general rate or general rate									
Gross rental valuations									
GRV - Townsites Improved	0.07831840	32	256,678	20,103	0	0	20,103	19,923	19,924
GRV - Townsites Vacant	0.07831840	0	0	0	0	0	0	0	0
GRV - Mining Infrastructure	0.29750000	5	2,604,000	774,690	0	0	774,690	774,690	745,833
Unimproved valuations									
UV - Pastoral / Rural	0.06907870	21	950,252	65,642	0	0	65,642	65,654	65,607
UV - Mining / Mining Tenements	0.32000000	134	5,114,456	1,636,626	0	0	1,636,626	1,616,992	1,642,519
UV - Exploration / Prospecting	0.19882530	131	811,529	161,352	5,000	0	166,352	151,939	133,846
Sub-Totals		323	9,736,915	2,658,413	5,000	0	2,663,413	2,629,198	2,607,729
Minimum									
Minimum payment									
	\$								
Gross rental valuations									
GRV - Townsites Improved	290	4	13,936	1,160	0	0	1,160	1,450	1,450
GRV - Townsites Vacant	290	10	1,240	2,900	0	0	2,900	2,900	2,900
GRV - Mining Infrastructure	290	0	0	0	0	0	0	0	0
Unimproved valuations									
UV - Pastoral / Rural	290	15	22,452	4,350	0	0	4,350	4,060	3,770
UV - Mining / Mining Tenements	290	39	28,508	11,310	0	0	11,310	10,440	13,920
UV - Exploration / Prospecting	290	77	57,645	22,330	0	0	22,330	20,880	22,040
Sub-Totals		145	123,781	42,050	0	0	42,050	39,730	44,080
		468	9,860,696	2,700,463	5,000	0	2,705,463	2,668,928	2,651,809
Total amount raised from general rates							2,705,463	2,668,928	2,651,809
Interim rating (objections received for mining infrastructure resulting in reductions in valuations and withdrawal of tenements)							0	(74,585)	2,500
Total rates							2,705,463	2,594,343	2,654,309

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

The general rates detailed for the 2021/22 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

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

SHIRE OF YALGOO
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
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

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	Monday 25 October 2021	0	0.0%	7.0%
Option Two				
First instalment	Monday 25 October 2021	0.00	0.0%	7.0%
Second instalment	Monday 27 December 2021	10.00	0.0%	7.0%
Third instalment	Monday 28 February 2022	10.00	0.0%	7.0%
Fourth instalment	Monday 25 April 2022	10.00	0.0%	7.0%

	2021/22 Budget revenue	2020/21 Actual revenue	2020/21 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	200	164	0
Unpaid rates and service charge interest earned	5,000	13	0
	5,200	177	0

SHIRE OF YALGOO
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
1. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

Differential general rate

Town Improved -	Consists of properties located within the townsite boundaries with a predominate residential ,commercial and industrial use.This category is considered by council to be the base rate by which all other GRV properties are assessed and have a different demand and requirement on the Shire services and infrastructure.
Town Vacant	Consists of vacant properties located within the townsite boundaries that are vacant (no residential,commercial or industrial structures built on the land).The rate in the dollar is the same as the Town Improved category however the minimum rate is higher in order to encourage landowners to undertake development.
Mining Infrastructure	Consists of particular improvements such as accommodation, recreation and administrative facilities, associated buildings and maintenance workshops that are erected permanently. The object of the GRV rates associated with mining is to ensure that mining operators contribute to the maintenance of the Shire’s assets and services to the extent that they use them and form a sector of ratepayers that essentially are transitory.
Pastoral/Rural	This rating applies to all pastoral leases and land with predominate rural land use.The proposed rate is comparatively lower when compared to the mining / mining tenement and exploration / prospecting categories on the basis that the pastoral industry has minimum impact or requirement on the Shire services and infrastructure.
Mining/ Mining Tenement	This category applies to mining leases located within the Shire.The proposed rate is comparatively higher when compared to the pastoral/rural category on the basis that the mining operations require additional ongoing maintenance of the roads network that services this land use along with additional costs associated with the administration of mining tenements.
Exploration / Prospecting	This rating category applies to exploration,prospecting and other general purpose leaseslocated within the Shire.The proposed rate is comparatively higher when compared to the pastoral/rural category and lower than the mining tenement category on the basis that the mining operations require additional and ongoing maintenance of the road network that services the land use,the additional cost associated with the administration of exploration and prospecting leases and the Shire wishes to encourage exploration.

(d) Differential Minimum Payment

The minimum rate reflects the basic cost incurred by the Council in servicing each lot or dwelling in its district.

SHIRE OF YALGOO
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
1. RATES AND SERVICE CHARGES (CONTINUED)

(e) Specified Area Rate

The Shire did not raise specified area rates for the year ended 30th June 2022.

(f) Service Charges

The Shire did not raise service charges for the year ended 30th June 2022.

(g) Rates discounts

The Shire does not anticipate any discounts for the year ended 30th June 2022

(h) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2022.

SHIRE OF YALGOO
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
2. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents- unrestricted
Cash and cash equivalents - restricted
Receivables

Less: current liabilities

Trade and other payables
Contract liabilities
Long term borrowings
Employee provisions

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Rate Setting Statement

Note	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021
	\$	\$	\$
3	89,976	2,927,649	38,632
3	5,231,122	2,164,224	2,107,544
	258,576	794,399	100,000
	5,579,674	5,886,272	2,246,176
	(365,736)	(689,677)	(150,000)
	0	(61,308)	
6	0	(105,420)	(104,602)
	(172,206)	(172,206)	(192,052)
	(537,942)	(1,028,611)	(446,654)
	5,041,732	4,857,661	1,799,522
2.(c)	(5,041,732)	(1,808,105)	(1,799,522)
	0	3,049,556	0

2. NET CURRENT ASSETS (CONTINUED)

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

Items excluded from calculation of budgeted deficiency

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

(b) Operating activities excluded from budgeted deficiency

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

Adjustments to operating activities

Less: Profit on asset disposals

Add: Loss on disposal of assets

Add: Depreciation on assets

Movement in non-current employee provisions

Non cash amounts excluded from operating activities

	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021
Note			
	\$	\$	\$
4(b)	(60,650)	(1,969)	(48,500)
4(b)	0	16,012	33,043
5	1,344,850	1,353,397	1,249,287
	0	(1,090)	0
	1,284,200	1,366,350	1,233,830
7	(5,231,122)	(2,102,916)	(2,107,544)
	0	105,420	104,602
	172,206	172,206	192,052
	16,394	16,394	10,386
	790	791	982
	(5,041,732)	(1,808,105)	(1,799,522)

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

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

TRADE AND OTHER PAYABLES

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

PREPAID RATES

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

INVENTORIES

General

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

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

Superannuation

The Shire of Yalgoo contributes to a number of superannuation funds on behalf of employees.

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

LAND HELD FOR RESALE

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

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

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.

TRADE AND OTHER RECEIVABLES

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

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

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

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

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

PROVISIONS

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

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

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

CONTRACT LIABILITIES

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

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	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
Cash at bank and on hand		5,321,098	5,091,873	2,146,176
Total cash and cash equivalents		5,321,098	5,091,873	2,146,176
Held as				
- Unrestricted cash and cash equivalents		89,976	2,927,649	38,632
- Restricted cash and cash equivalents		5,231,122	2,164,224	2,107,544
		5,321,098	5,091,873	2,146,176
Restrictions				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents		5,231,122	2,164,224	2,107,544
		5,231,122	2,164,224	2,107,544
The restricted assets are a result of the following specific purposes to which the assets may be used:				
Reserves - cash/financial asset backed	7	5,231,122	2,102,916	2,107,544
Contract liabilities		0	61,308	0
		5,231,122	2,164,224	2,107,544
Reconciliation of net cash provided by operating activities to net result				
Net result		2,808,191	1,386,497	(248,065)
Depreciation	5	1,344,850	1,353,397	1,249,287
(Profit)/loss on sale of asset	4(b)	(60,650)	14,043	(15,457)
(Increase)/decrease in receivables		535,823	1,184,484	1,776,888
Increase/(decrease) in payables		(323,941)	147,114	(824,104)
Increase/(decrease) in contract liabilities		(61,308)	(37,549)	0
Increase/(decrease) in employee provisions		0	(20,936)	0
Non-operating grants, subsidies and contributions		(2,187,651)	(664,348)	(1,294,110)
Net cash from operating activities		2,055,314	3,362,702	644,439

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 cost if both of the following criteria are met:

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

SHIRE OF YALGOO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30 JUNE 2022

4. FIXED ASSETS

(a) Acquisition of Assets

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

Asset class	Reporting program											2021/22 Budget total	2020/21 Actual total	2020/21 Budget total
	Governance	General purpose funding	Law, order, public safety	Health	Education and welfare	Housing	Community amenities	Recreation and culture	Transport	Economic services	Other property and services			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Property, Plant and Equipment</i>														
Buildings - specialised	0	0	0	0	0	350,000	102,000	611,000	52,000	434,220	100,000	1,649,220	229,084	1,457,157
Furniture and equipment	77,500	0	10,000	0	0	0	0	32,000	0	43,000	0	162,500	105,499	251,600
Plant and equipment	0	0	0	0	0	0	0	30,000	728,600	0	168,000	926,600	828,798	881,300
	77,500	0	10,000	0	0	350,000	102,000	673,000	780,600	477,220	268,000	2,738,320	1,163,381	2,590,057
<i>Infrastructure</i>														
Infrastructure - roads	0	0	0	0	0	0	0	0	1,350,000	0	0	1,350,000	1,032,932	999,110
Other infrastructure	40,000	0	0	0	0	0	0	98,000	50,000	35,000	0	223,000	59,274	142,911
	40,000	0	0	0	0	0	0	98,000	1,400,000	35,000	0	1,573,000	1,092,206	1,142,021
Total acquisitions	117,500	0	10,000	0	0	350,000	102,000	771,000	2,180,600	512,220	268,000	4,311,320	2,255,587	3,732,078

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 YALGOO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30 JUNE 2022

4. FIXED ASSETS

(b) Disposals of Assets

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

	2021/22 Budget Net Book Value	2021/22 Budget Sale Proceeds	2021/22 Budget Profit	2021/22 Budget Loss	2020/21 Actual Net Book Value	2020/21 Actual Sale Proceeds	2020/21 Actual Profit	2020/21 Actual Loss	2020/21 Budget Net Book Value	2020/21 Budget Sale Proceeds	2020/21 Budget Profit	2020/21 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
By Program												
Community amenities		0	0	0		0	0	0	9,000	10,000	1,000	0
Transport	225,050	265,000	39,950	0	218,043	204,000	1,969	(16,012)	218,043	185,000	0	(33,043)
Other property and services	117,300	138,000	20,700	0		0	0	0	0	47,500	47,500	0
	342,350	403,000	60,650	0	218,043	204,000	1,969	(16,012)	227,043	242,500	48,500	(33,043)
By Class												
<u>Property, Plant and Equipment</u>												
Plant and equipment	342,350	403,000	60,650		218,043	204,000	1,969	(16,012)	227,043	242,500	48,500	(33,043)
	342,350	403,000	60,650	0	218,043	204,000	1,969	(16,012)	227,043	242,500	48,500	(33,043)

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

- Staff housing programme
- Plant replacement programme

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 YALGOO
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
5. ASSET DEPRECIATION

By Program

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

By Class

Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Other infrastructure

2021/22 Budget	2020/21 Actual	2020/21 Budget
\$	\$	\$
1,607	2,694	2,488
31,911	41,223	38,052
31,654	36,761	33,933
67,823	73,192	67,562
17,786	19,308	17,823
224,744	211,863	195,566
727,806	724,923	669,160
57,929	63,634	58,739
183,590	179,799	165,964
1,344,850	1,353,397	1,249,287
282,418	284,213	262,351
10,759	10,827	9,994
658,976	663,164	612,152
390,007	392,485	362,294
2,690	2,708	2,496
1,344,850	1,353,397	1,249,287

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:

Asset Class	Useful life
Buildings	35 years
Furniture and equipment	3 to 10 years
Plant and equipment	5 to 10 years
Sealed roads and streets construction/road base	41 years
Clearing and earthworks seal	not depreciated
- bituminous seals	20 to 30 years
Gravel roads	
Construction/road base	23 years
Gravel sheet	23 years
Formed roads (unsealed)	
Clearing and earthworks	not depreciated
Construction/road base	14 years
Footpaths - slab	not depreciated
Airport infrastructure	40 to 50 years
Other infrastructure	6 to 67 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 YALGOO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30 JUNE 2022

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		Interest	Budget	2021/22	2021/22	Budget	2021/22	Actual	2020/21	2020/21	Actual	2020/21	Budget	2020/21	2020/21	Budget	2020/21
	Number	Institution	Rate	Principal 1 July 2021	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2022	Budget Interest Repayments		Actual New Loans	Actual Principal Repayments	Principal outstanding 30 June 2021	Actual Interest Repayments		Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2021	Budget Interest Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing																		
19a and 19b Stanley Stree	53	WATC*	6.54%	49,587	0	(18,869)	30,718	(2,940)	67,263	0	(17,676)	49,587	(4,062)	67,264	0	(17,676)	49,588	(4,115)
18c and 18d Shamrock St	55	WATC*	6.35%	72,349	0	(22,602)	49,747	(4,241)	93,561	0	(21,212)	72,349	(5,599)	93,560	0	(21,212)	72,348	(5,610)
Staff Housing	56	WATC*	3.04%	82,534	0	(54,606)	27,928	(2,097)	135,517	0	(52,983)	82,534	(3,718)	161,416	0	(52,983)	108,433	(3,720)
Community amenities																		
Public Toilets	54	WATC*	6.20%	29,860	0	(9,343)	20,517	(1,709)	38,641	0	(8,781)	29,860	(2,084)	38,641		(8,781)	29,860	(2,262)
				234,330	0	(105,420)	128,910	(10,987)	334,982	0	(100,652)	234,330	(15,463)	360,881	0	(100,652)	260,229	(15,707)
				234,330	0	(105,420)	128,910	(10,987)	334,982	0	(100,652)	234,330	(15,463)	360,881	0	(100,652)	260,229	(15,707)

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 YALGOO
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
6. INFORMATION ON BORROWINGS

(b) New borrowings - 2021/22

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2022

(c) Unspent borrowings

Loan Details	Purpose of the loan	Year loan taken	Amount b/fwd.	Amount used 2021/22 Budget	New loans unspent at 30 June 2022	Amount as at 30 June 2022
Loan 56	Staff housing	31-Dec-14	\$ 123,525	\$ 0	\$ 0	\$ 123,525
			123,525	0	0	123,525

(d) Credit Facilities

**Undrawn borrowing facilities
credit standby arrangements**

	2021/22 Budget	2020/21 Actual	2020/21 Budget
Bank overdraft limit	50,000	50,000	50,000
Bank overdraft at balance date	0	0	0
Credit card limit	15,000	15,000	15,000
Credit card balance at balance date	0	(75)	0
Total amount of credit unused	65,000	64,925	65,000

Loan facilities

Loan facilities in use at balance date	128,910	234,330	260,229
	128,910	234,330	260,229

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 YALGOO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30 JUNE 2022

7. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

	2021/22 Budget Opening Balance	2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance	2020/21 Actual Opening Balance	2020/21 Actual Transfer to	2020/21 Actual Transfer (from)	2020/21 Actual Closing Balance	2020/21 Budget Opening Balance	2020/21 Budget Transfer to	2020/21 Budget Transfer (from)	2020/21 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Reserves cash backed - Leave reserve	49,655	142	0	49,797	49,270	385		49,655	49,270	482	0	49,752
(b) Reserves cash backed - Plant	61,449	612,342	0	673,791	60,972	477	0	61,449	60,972	596	0	61,568
(c) Reserves cash backed - Building	163,521	467	0	163,988	162,253	1,268	0	163,521	162,254	1,588	0	163,842
(d) Reserves cash backed - Yalgoo-Ninghan Road	853,975	2,485,087	0	3,339,062	532,234	321,741	0	853,975	532,233	322,785	0	855,018
(e) Reserves cash backed - Sports Complex	96,539	275	0	96,814	95,790	749	0	96,539	95,789	937	0	96,726
(f) Reserves cash backed - Housing Maintenance	124,210	354	0	124,564	123,247	963	0	124,210	123,246	1,205	0	124,451
(g) Reserves cash backed - General Road	129,800	370	0	130,170	493	129,307	0	129,800	493	128,725	0	129,218
(h) Reserves cash backed - Community Amenities Maintenance	273,709	781	0	274,490	271,586	2,123	0	273,709	271,589	2,656	0	274,245
(i) Reserves cash backed - HCP	142,867	408	0	143,275	141,759	1,108	0	142,867	141,758	1,386	0	143,144
(j) Reserves cash backed - Yalgoo-Morawa Road	182,161	27,909	0	210,070	173,606	8,555	0	182,161	173,607	10,894	0	184,501
(k) Reserves cash backed - Superannuation Back-Pay	24	0	0	24	24	0	0	24	24	0	0	24
(l) Reserves cash backed - Office Equipment	3,651	10	0	3,661	3,623	28	0	3,651	3,624	35	0	3,659
(m) Reserves cash backed - Natural Disaster Trigger Point	12,907	37	0	12,944	12,807	100	0	12,907	12,808	125	0	12,933
(n) Reserves cash backed - Emergency Road Repairs	8,448	24	0	8,472	8,383	65	0	8,448	8,381	82	0	8,463
	2,102,916	3,128,206	0	5,231,122	1,636,047	466,869	0	2,102,916	1,636,048	471,496	0	2,107,544

(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) Reserves cash backed - Leave reserve		Purpose - To be used to fund annual and long service leave requirements.
(b) Reserves cash backed - Plant	The Reserves are not expected to be used within a set period as further transfers to the reserve accounts are expected as funds are utilised	Purpose - To be used for the purchase of major plant.
(c) Reserves cash backed - Building		Purpose - To be used for the replacement of council properties including housing and other properties.
(d) Reserves cash backed - Yalgoo-Ninghan Road		Purpose - To be used to maintain the sealed Yalgoo Ninghan Road.
(e) Reserves cash backed - Sports Complex		Purpose - For the development of new recreational facilities.
(f) Reserves cash backed - Housing Maintenance		Purpose - For the maintenance of staff and other housing owned by the Shire.
(g) Reserves cash backed - General Road		Purpose - For the maintenance of grids,etc on roads in the Shire.
(h) Reserves cash backed - Community Amenities Maintenance		Purpose - For the maintenance of community amenities.
(i) Reserves cash backed - HCP		Purpose - For future community projects operating expenditure.
(j) Reserves cash backed - Yalgoo-Morawa Road		Purpose - To be used to maintain the sealed Yalgoo Morawa Road.
(k) Reserves cash backed - Superannuation Back-Pay		Purpose - For the purpose of paying any superannuation and back pay costs.
(l) Reserves cash backed - Office Equipment		Purpose - For the purpose of purchase of new office equipment and the maintenance of existing equipment.
(m) Reserves cash backed - Natural Disaster Trigger Point		Purpose - To be used to fund the Shire mandatory contribution when the Shire receives funding for reparation after natural disaster events.
(n) Reserves cash backed - Emergency Road Repairs		Purpose - To be used to fund emergency repairs to roads that are damaged by unfunded events (storm damages,vehicular,etc).

8. FEES & CHARGES REVENUE

General purpose funding
Law, order, public safety
Health
Housing
Community amenities
Recreation and culture
Economic services
Other property and services

2021/22 Budget	2020/21 Actual	2020/21 Budget
\$	\$	\$
200	164	100
100	89	200
450	968	150
17,500	14,850	17,500
14,750	18,588	14,250
4,050	7,551	4,700
159,010	191,978	127,810
500	8,602	250
196,560	242,790	164,960

9. GRANT REVENUE**By Program:****(a) Operating grants, subsidies and contributions**

General purpose funding
Law, order, public safety
Health
Education and welfare
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

2021/22 Budget	2020/21 Actual	2020/21 Budget
\$	\$	\$
1,118,130	2,464,847	1,148,122
25,000	43,366	20,000
15,578	17,187	15,725
11,348	0	0
19,875	0	0
0	7,000	0
5,303,319	309,844	243,224
113,085	156,381	119,000
0	0	35,000
6,606,335	2,998,625	1,581,071
1,190,651	207,055	414,110
300,000	0	300,000
697,000	457,293	580,000
2,187,651	664,348	1,294,110
8,793,986	3,662,973	2,875,181

(b) Non-operating grants, subsidies and contributions

Governance
Recreation and culture
Transport

Total grants, subsidies and contributions

SHIRE OF YALGOO
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
10. REVENUE RECOGNITION

SIGNIFICANT ACCOUNTING POLICIES

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

Revenue Category	Nature of goods and services	when obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	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
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or 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
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing and ticket sales	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

11. ELECTED MEMBERS REMUNERATION**Elected member 1**

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
President's allowance	12,000	11,000	12,000
Meeting attendance fees	7,500	7,281	7,500
ICT expenses	3,500	3,500	3,500
Travel and accommodation expenses	1,250	832	1,250
	24,250	22,613	24,250

Elected member 2

Deputy President's allowance	3,000	3,000	3,000
Meeting attendance fees	4,500	3,557	4,500
ICT expenses	3,500	3,500	3,500
Travel and accommodation expenses	1,250	0	1,250
	12,250	10,057	12,250

Elected member 3

Meeting attendance fees	4,500	3,321	4,500
ICT expenses	3,500	3,500	3,500
Travel and accommodation expenses	1,250	0	1,250
	9,250	6,821	9,250

Elected member 4

Meeting attendance fees	4,500	2,140	4,500
ICT expenses	3,500	3,792	3,500
Travel and accommodation expenses	1,250	0	1,250
	9,250	5,932	9,250

Elected member 5

Meeting attendance fees	4,500	3,678	4,500
ICT expenses	3,500	3,500	3,500
Travel and accommodation expenses	1,250	0	1,250
	9,250	7,178	9,250

Elected member 6

Meeting attendance fees	4,500	2,613	4,500
ICT expenses	3,500	2,916	3,500
Travel and accommodation expenses	1,250	0	1,250
	9,250	5,529	9,250

Total Elected Member Remuneration

	73,500	58,130	73,500
President's allowance	12,000	11,000	12,000
Deputy President's allowance	3,000	3,000	3,000
Meeting attendance fees	30,000	22,590	30,000
ICT expenses	21,000	20,708	21,000
Travel and accommodation expenses	7,500	832	7,500
	73,500	58,130	73,500

Office equipment

2021/22 Budget	2020/21 Actual	2020/21 Budget
\$	\$	\$
6,000	7,827	16,000
3,000	185	3,000
5,000	13	0
14,000	8,025	19,000
38,250	41,354	0
10,000	8,390	7,000
48,250	49,744	7,000
38,000	37,000	38,000
0	2,150	0
38,000	39,150	38,000
10,987	15,463	15,707
10,987	15,463	15,707
0	3,594	3,594
0	3,594	3,594

13. 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.