



AUDIT COMMITTEE MINUTES

AUDIT COMMITTEE GENERAL MEETING
WEDNESDAY 15 MARCH 2023 – 12.00PM



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1.0 Declaration of Opening

The President, Cr Logie, declared the Meeting open at 12.05pm.

2.0 Record of Attendance / Apologies / Leave of Absence

Elected Members

Cr Jarrad Logie – President (Presiding Member)

Cr Simon Harding

Cr Bernie Panizza

Cr Tracey Price (attended at 12.09pm)

Staff

Geoff McKeown - Chief Executive Officer

Cassie Barker – Senior Finance Officer

3.0 Confirmation of Previous Minutes

3.1 Audit Committee Meeting Held 15 February 2023

Officer's Recommendation

That the Minutes of the Audit Committee Meeting held 15 February 2023, as previously circulated, be confirmed as a true and accurate record.

Committee Decision

Panizza/Logie

That the Minutes of the Audit Committee Meeting held 15 February 2023, as previously circulated, be confirmed as a true and accurate record.

Carried 3/0

Cr Tracey Price attended the Meeting at 12.09pm.

4.0 Matters to be discussed

4.1 Compliance Audit Return

| | |
|--------------------------|--|
| File Reference | 4.50.00 |
| Statutory Ref. | <i>Local Government (Audit) Regulations 1996</i> |
| Author & Date | Geoff McKeown 27 February 2023 |
| Attachments | Attachment 1 - 2022 Compliance Audit Return |

Background

The Annual Compliance Audit Return for the period 1 January 2022 to 31 December 2022, is presented for review by Council.

All local governments are required to carry out a Compliance Audit Return (CAR) under the *Local Government (Audit) Regulations 1996* on an annual basis. The CAR contains a checklist of statutory requirements reported on for a calendar year.

The CAR is to be:

1. Presented to the Audit Committee for review at a meeting of the Audit Committee;
2. Recommended for Adoption by Council at an Audit Committee Meeting;
3. Presented to the Council at a meeting of Council;
4. Adopted by the Council; and
5. The adoption recorded in the minutes of the meeting at which it is adopted.

Once the CAR has been adopted by Council, a certified copy of the return, along with the relevant section of the minutes and any additional information explaining or qualifying the CAR is to be submitted to the Director General, Department of Local Government, Sport and Cultural Industries by 31 March 2023.

Comment

The audit was carried out internally, sourcing evidence of compliance from the Shire's own records. The audit checklist is determined by the Minister of Local Government.

Some areas of noncompliance are noted, primarily relating to the adoption of items where it requires an absolute majority recording in the minutes.

Strategic Implications

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017 to 2032. Specifically, it relates to the following strategy(s):

- CL 2.2 Maintain accountability, transparency and financial responsibility.
- CL 4.4 Monitor and ensure compliance with regulatory framework for local government business.

Financial Implications

Nil

Voting Requirements

Simple Majority

Officer's Recommendation

That the Audit Committee receives the 2022 Compliance Audit Return and recommends to Council that it be endorsed and certified by the Shire President and the Chief Executive Officer for submission to the Department of Local Government, Sport and Cultural Industries.

Committee Decision

Harding/Panizza

That the Audit Committee receives the 2022 Compliance Audit Return and recommends to Council that it be endorsed and certified by the Shire President and the Chief Executive Officer for submission to the Department of Local Government, Sport and Cultural Industries.

Carried 4/0



Williams – Compliance Audit Return

| Commercial Enterprises by Local Governments | | | | |
|---|-------------------------------------|---|----------|----------|
| No | Reference | Question | Response | Comments |
| 1 | s3.59(2)(a) F&G Regs 7,9,10 | Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2022? | N/A | |
| 2 | s3.59(2)(b) F&G Regs 7,8A, 8, 10 | Has the local government prepared a business plan for each major land transaction that was not exempt in 2022? | N/A | |
| 3 | s3.59(2)(c) F&G Regs 7,8A, 8,10 | Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2022? | N/A | |
| 4 | s3.59(4) | Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2022? | N/A | |
| 5 | s3.59(5) | During 2022, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority? | N/A | |

| Delegation of Power/Duty | | | | |
|--------------------------|-----------------------------------|---|----------|--|
| No | Reference | Question | Response | Comments |
| 1 | s5.16 | Were all delegations to committees resolved by absolute majority? | N/A | No delegations approved for committees |
| 2 | s5.16 | Were all delegations to committees in writing? | N/A | |
| 3 | s5.17 | Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995? | N/A | |
| 4 | s5.18 | Were all delegations to committees recorded in a register of delegations? | N/A | |
| 5 | s5.18 | Has council reviewed delegations to its committees in the 2021/2022 financial year? | N/A | |
| 6 | s5.42(1) & s5.43 Admin Reg 18G | Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Local Government Act 1995? | Yes | |



| | | | | |
|-----------|---------------------------|---|-----|--|
| 7 | s5.42(1) | Were all delegations to the CEO resolved by an absolute majority? | Yes | |
| 8 | s5.42(2) | Were all delegations to the CEO in writing? | Yes | |
| 9 | s5.44(2) | Were all delegations by the CEO to any employee in writing? | Yes | |
| 10 | s5.16(3)(b) & s5.45(1)(b) | Were all decisions by the Council to amend or revoke a delegation made by absolute majority? | Yes | |
| 11 | s5.46(1) | Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees? | Yes | |
| 12 | s5.46(2) | Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2021/2022 financial year? | Yes | Reviewed and authorised by Council on 21 December 2022 |
| 13 | s5.46(3) Admin Reg 19 | Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Local Government (Administration) Regulations 1996, regulation 19? | Yes | |

| Disclosure of Interest | | | | |
|------------------------|-----------------------------------|---|----------|------------------------------------|
| No | Reference | Question | Response | Comments |
| 1 | s5.67 | Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the Local Government Act 1995, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter? | Yes | |
| 2 | s5.68(2) & s5.69(5) Admin Reg 21A | Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by the Local Government (Administration) Regulations 1996 regulation 21A, recorded in the minutes of the relevant council or committee meeting? | N/A | No participation approvals granted |
| 3 | s5.73 | Were disclosures under sections 5.65, 5.70 or 5.71A(3) of the Local Government Act 1995 recorded in the minutes of the meeting at which the disclosures were made? | Yes | |
| 4 | s5.75 Admin Reg 22, Form 2 | Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day? | Yes | |
| 5 | s5.76 Admin Reg 23, Form 3 | Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2022? | Yes | |
| 6 | s5.77 | On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return? | Yes | |



| | | | | |
|-----------|---------------------------------------|---|-----|--|
| 7 | s5.88(1) & (2)(a) | Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the Local Government Act 1995? | Yes | |
| 8 | s5.88(1) & (2)(b) Admin Reg 28 | Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28? | Yes | |
| 9 | s5.88(3) | When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person? | Yes | |
| 10 | s5.88(4) | Have all returns removed from the register in accordance with section 5.88(3) of the Local Government Act 1995 been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return? | Yes | |
| 11 | s5.89A(1), (2) & (3) Admin Reg 28A | Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A? | Yes | |
| 12 | s5.89A(5) & (5A) | Did the CEO publish an up-to-date version of the gift register on the local government's website? | Yes | |
| 13 | s5.89A(6) | When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the Local Government Act 1995, did the CEO remove from the register all records relating to those people? | Yes | |
| 14 | s5.89A(7) | Have copies of all records removed from the register under section 5.89A(6) Local Government Act 1995 been kept for a period of at least five years after the person ceases to be a person required to make a disclosure? | Yes | |
| 15 | s5.70(2) & (3) | Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report? | Yes | |
| 16 | s5.71A & s5.71B(5) | Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under section 5.71A(1) of the Local Government Act 1995 relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application? | N/A | |



| | | | | |
|-----------|-----------------------|--|-----|-----------------------------------|
| 17 | s5.71B(6) & s5.71B(7) | Was any decision made by the Minister under section 5.71B(6) of the Local Government Act 1995, recorded in the minutes of the council meeting at which the decision was considered? | N/A | |
| 18 | s5.104(1) | Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates within 3 months of the prescribed model code of conduct coming into operation (3 February 2021)? | Yes | Adopted 17 March 2021 |
| 19 | s5.104(3) & (4) | Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the Local Government Act 1995? | No | |
| 20 | s5.104(7) | Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government's website? | Yes | |
| 21 | s5.51A(1) & (3) | Has the CEO prepared and implemented a code of conduct to be observed by employee of the local government? If yes, has the CEO published an up-to-date version of the code of conduct for employees on the local government's website? | Yes | Adopted by Council 18 August 2021 |

| Disposal of Property | | | | |
|----------------------|-----------|---|----------|----------|
| No | Reference | Question | Response | Comments |
| 1 | s3.58(3) | Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the Local Government Act 1995 (unless section 3.58(5) applies)? | Yes | |
| 2 | s3.58(4) | Where the local government disposed of property under section 3.58(3) of the Local Government Act 1995, did it provide details, as prescribed by section 3.58(4) of the Act, in the required local public notice for each disposal of property? | Yes | |



| Elections | | | | |
|-----------|-------------------------|---|----------|-------------------------------|
| No | Reference | Question | Response | Comments |
| 1 | Elect Regs 30G(1) & (2) | Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the Local Government (Elections) Regulations 1997? | Yes | |
| 2 | Elect Regs 30G(3) & (4) | Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the Local Government (Elections) Regulations 1997? | N/A | No electoral gifts registered |
| 3 | Elect Regs 30G(5) & (6) | Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997? | Yes | |

| Finance | | | | |
|---------|-----------|--|----------|--|
| No | Reference | Question | Response | Comments |
| 1 | s7.1A | Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Local Government Act 1995? | Yes | The Minutes of the Council Meeting held on the 20 October 2021, where members were appointed, reflect an Absolute Majority but recorded as a Simple Majority |
| 2 | s7.1B | Where the council delegated to its audit committee any powers or duties under Part 7 of the Local Government Act 1995, did it do so by absolute majority? | N/A | No powers delegated to Audit Committee |
| 3 | s7.9(1) | Was the auditor's report for the financial year ended 30 June 2022 received by the local government by 31 December 2022? | No | Received 20 February 2023 |
| 4 | s7.12A(3) | Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the Local Government Act 1995 | Yes | |



| | | | | |
|---|-----------------------|---|-----|--|
| | | required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters? | | |
| 5 | s7.12A(4)(a) & (4)(b) | Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government? | Yes | A matter regarding assessment of fair value for land and buildings assets, between formal valuation cycles, is noted as significant in the auditor's report. Consideration of this matter is being actioned and a report to the Minister will follow |
| 6 | s7.12A(5) | Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the Local Government Act 1995, did the CEO publish a copy of the report on the local government's official website? | N/A | |
| 7 | Audit Reg 10(1) | Was the auditor's report for the financial year ending 30 June 2022 received by the local government within 30 days of completion of the audit? | Yes | |

| Local Government Employees | | | | |
|----------------------------|-----------------------------------|---|----------|--|
| No | Reference | Question | Response | Comments |
| 1 | s5.36(4) & s5.37(3) Admin Reg 18A | Were all CEO and/or senior employee vacancies advertised in accordance with Local Government (Administration) Regulations 1996, regulation 18A? | Yes | Manager of Corporate Services vacancy |
| 2 | Admin Reg 18E | Was all information provided in applications for the position of CEO true and accurate? | N/A | |
| 3 | Admin Reg 18F | Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the Local Government Act 1995? | N/A | |
| 4 | s5.37(2) | Did the CEO inform council of each proposal to employ or dismiss senior employee? | Yes | Manager of Corporate Services employment |
| 5 | s5.37(2) | Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so? | N/A | |



| Official Conduct | | | | |
|------------------|-----------------|---|----------|----------|
| No | Reference | Question | Response | Comments |
| 1 | s5.120 | Has the local government designated an employee to be its complaints officer? | Yes | |
| 2 | s5.121(1) & (2) | Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a) of the Local Government Act 1995? | Yes | |
| 3 | S5.121(2) | Does the complaints register include all information required by section 5.121(2) of the Local Government Act 1995? | Yes | |
| 4 | s5.121(3) | Has the CEO published an up-to-date version of the register of the complaints on the local government's official website? | Yes | |

| Tenders for Providing Goods and Services | | | | |
|--|--|---|----------|----------|
| No | Reference | Question | Response | Comments |
| 1 | F&G Reg 11A(1) & (3) | Did the local government comply with its current purchasing policy, adopted under the Local Government (Functions and General) Regulations 1996, regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less? | Yes | |
| 2 | s3.57 F&G Reg 11 | Subject to Local Government (Functions and General) Regulations 1996, regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations? | Yes | |
| 3 | F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4) | When regulations 11(1), 12(2) or 13 of the Local Government Functions and General) Regulations 1996, required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)? | Yes | |



| | | | | |
|-----------|---------------------|--|-----|--|
| 4 | F&G Reg 12 | Did the local government comply with Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract? | Yes | |
| 5 | F&G Reg 14(5) | If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents, or each acceptable tenderer notice of the variation? | N/A | |
| 6 | F&G Regs 15 & 16 | Did the local government's procedure for receiving and opening tenders comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 15 and 16? | Yes | |
| 7 | F&G Reg 17 | Did the information recorded in the local government's tender register comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website? | Yes | |
| 8 | F&G Reg 18(1) | Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender? | N/A | |
| 9 | F&G Reg 18(4) | Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept? | Yes | |
| 10 | F&G Reg 19 | Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted? | Yes | |
| 11 | F&G Regs 21 & 22 | Did the local government's advertising and expression of interest processes comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulations 21 and 22? | N/A | The Shire did not seek expressions of interest during the year |
| 12 | F&G Reg 23(1) & (2) | Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice? | N/A | |
| 13 | F&G Reg 23(3) & (4) | Were all expressions of interest that were not rejected under the Local Government (Functions and General) Regulations 1996, Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer? | N/A | |



| | | | | |
|----|---------------------------------|---|-----|---|
| 14 | F&G Reg 24 | Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with Local Government (Functions and General) Regulations 1996, Regulation 24? | N/A | |
| 15 | F&G Regs 24AD(2) & (4) and 24AE | Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with Local Government (Functions & General) Regulations 1996 regulations 24AD(4) and 24AE? | N/A | The Shire did not establish a panel of prequalified suppliers during the year |
| 16 | F&G Reg 24AD(6) | If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation? | N/A | |
| 17 | F&G Reg 24AF | Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application? | N/A | |
| 18 | F&G Reg 24AG | Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24AG? | N/A | |
| 19 | F&G Reg 24AH(1) | Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications? | N/A | |
| 20 | F&G Reg 24AH(3) | Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept? | N/A | |
| 21 | F&G Reg 24AI | Did the CEO send each applicant written notice advising them of the outcome of their application? | N/A | |
| 22 | F&G Regs 24E & 24F | Where the local government gave regional price preference, did the local government comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24E and 24F? | N/A | The Shire has not adopted a regional price preference |



| Integrated Planning and Reporting | | | | |
|-----------------------------------|-------------------------|--|----------|--|
| No | Reference | Question | Response | Comments |
| 1 | Admin Reg 19C | Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section? | Yes | 15/04/2020 The resolution to adopt the current strategic community plan is recorded in the minutes as carried by simple majority although an absolute majority of members carried the resolution A revised strategic community plan is scheduled for adoption on 15 March 2023 |
| 2 | Admin Reg 19DA(1) & (4) | Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section? | Yes | 23/06/2021 |
| 3 | Admin Reg 19DA(2) & (3) | Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)? | Yes | |

| Optional Questions | | | | |
|--------------------|----------------------------------|---|----------|------------|
| No | Reference | Question | Response | Comments |
| 1 | Financial Management Reg 5(2)(c) | Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with the Local Government (Financial Management) Regulations 1996 regulations 5(2)(c) within the three financial years prior to 31 December 2022? If yes, please provide the date of council's resolution to accept the report. | Yes | 19/02/2020 |
| 2 | Audit Reg 17 | Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial | Yes | 19/02/2020 |



| | | | | |
|----------|---------------------------|--|-----|---|
| | | years prior to 31 December 2022? If yes, please provide date of council's resolution to accept the report. | | |
| 3 | s5.87C | Where a disclosure was made under sections 5.87A or 5.87B of the Local Government Act 1995, were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act? | Yes | |
| 4 | s5.90A(2) & (5) | Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events? | Yes | Contained within the Policy Manual |
| 5 | s5.96A(1), (2), (3) & (4) | Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the Local Government Act 1995? | Yes | |
| 6 | s5.128(1) | Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members? | Yes | |
| 7 | s5.127 | Did the local government prepare a report on the training completed by council members in the 2021/2022 financial year and publish it on the local government's official website by 31 July 2022? | No | The report on training was published after the 31 July 2022 |
| 8 | s6.4(3) | By 30 September 2022, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2022? | Yes | |
| 9 | s.6.2(3) | When adopting the annual budget, did the local government take into account all its expenditure, revenue and income? | Yes | |

 Chief Executive Officer

 Date



Department of
**Local Government, Sport
and Cultural Industries**

Mayor/President

Date

4.2 2022-2023 Budget Review

| | |
|--------------------------|--|
| File Reference | 4.21.25 |
| Statutory Ref. | Local Government Act 1995 Section 6.12 (1) |
| Author & Date | Cassie Barker March 2023 |
| Attachments | 2022/2023 Budget Review Report |

Background

A Statement of Financial Activity incorporating year to date budget variations and forecasts to 30 June 2023 for the period ending 31 January 2023 is presented to the Audit Committee to consider and to recommend adoption by Council.

The *Local Government (Financial Management) Regulations 1996*, Regulation 33A as amended, requires that local governments conduct a budget review between 1 January and 31 March in each financial year. The results of the review and accompanying report must be presented to Council within 30 days of the review. The review and determination are then provided to the Department of Local Government, Sport and Cultural Industries within 30 days of the adoption of the review.

The Budget Review has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. Council adopted a 5% and \$5,000 minimum for reporting of material variances to be used in the statements of financial activity and the annual budget review.

Features of the review, as summarised from the detailed financial reports attached, are as follows:

REVENUE

| | |
|---|----------------|
| Department of Education Grant – Increase due to more trainee positions at Willi Wag Tails Childcare Centre. | 18,000 |
| Main Roads Direct Grant – Increased grant allocation. | 12,718 |
| Childcare Fees – Increase in childcare enrolments. | 85,000 |
| Sale of Scrap – Increased revenue from sales. | 5,685 |
| Swimming Pool admissions – reduced attendance. | (4,286) |
| Sale of Water – Increased charging from commercial standpipe: more requests for water carting this summer period. | 33,000 |
| Interest Earnings – Interest higher than expected due to increase in interest rates | 69,000 |
| Members Contributions – Receipt of fund from winding up regional waste group. | 6,000 |
| Sporting Club Contributions – Reduced revenue from the golf club mowing charges. | (7,000) |
| Profit on Asset Disposal – Greater profit on sale of vehicles | 9,695 |
| TOTAL ADJUSTED REVENUE | 214,587 |

EXPENDITURE

| | |
|--|---------------|
| Family Day Care Expenses – Less expenditure than anticipated | 27,000 |
| Childcare Expenses – Less expenditure than anticipated | 15,000 |
| Road Maintenance Rural – Tree trimming completed in 2021/22, expensed in 2022/23 | (65,210) |
| Increased Depreciation – variation actual to budget | (72,000) |
| Loss on Asset Disposal – Loss has not materialised | 5,332 |
| TOTAL ADJUSTED EXPENDITURE | 89,878 |

CAPITAL REVENUE

| | |
|---|---------------|
| Sandalwood Court Refurbishment – Additional SHERP Grant | 42,254 |
| Additional proceeds from sale of vehicles | 14,623 |
| TOTAL CAPITAL REVENUE | 56,877 |

CAPITAL EXPENDITURE

| | |
|----------------------------------|--|
| No variances to report. | |
| TOTAL CAPITAL EXPENDITURE | |

OTHER ITEMS

| | |
|---|-----------------|
| Transfer from JV Housing Reserve no longer required due to additional SHERP Grant | (45,000) |
| TOTAL OTHER ITEMS | (45,000) |

| | |
|--|----------------|
| REVISED CLOSING SURPLUS (DEFICIT) | 136,586 |
|--|----------------|

Comment

The review will be referred to the Ordinary Council Committee Meeting, held Wednesday, 15 March 2023, for adoption by Council.

Strategic Implications

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017 to 2032. Specifically, it relates to the following strategy(s):

CL 2.2 Maintain accountability, transparency, and financial responsibility.

Financial Implications

Due to the combined value of the above adjustments the balanced budget is now predicted to have a surplus of \$136,586.

Voting Requirements

Absolute Majority

Officer's Recommendation

That the Audit Committee recommends to Council that it note the 2022/23 Budget amendments and adopt the 2022/2023 Budget Review as presented.

Committee Decision

Price/Harding

That the Audit Committee recommends to Council that it note the 2022/23 Budget amendments and adopt the 2022/2023 Budget Review as presented.

Carried by Absolute Majority 4/0



SHIRE OF WILLIAMS

BUDGET REVIEW REPORT

FOR THE PERIOD ENDED 31 JANUARY 2023

**LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

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SHIRE OF WILLIAMS
STATEMENT OF BUDGET REVIEW
(NATURE OR TYPE)
FOR THE PERIOD ENDED 31 JANUARY 2023

| | Note | Budget v Actual | | Predicted | | |
|---|--------|--------------------|----------------|------------------------|---------------------------------|----------------------|
| | | Adopted Budget (a) | YTD Actual (b) | Variance Permanent (c) | Variance Timing (Carryover) (d) | Year End (a)+(c)+(d) |
| | | \$ | \$ | \$ | \$ | \$ |
| OPERATING ACTIVITIES | | | | | | |
| Net current assets at start of financial year surplus/(deficit) | 4.5.2 | 927,694 | 927,545 | | | 927,694 |
| Revenue from operating activities (excluding rates) | | | | | | |
| Operating grants, subsidies and contributions | 4.1.2 | 461,514 | 407,014 | 30,718 | | 492,232 ▲ |
| Fees and charges | 4.1.3 | 969,800 | 647,658 | 119,399 | | 1,089,199 ▲ |
| Interest earnings | 4.1.6 | 10,500 | 25,480 | 69,000 | | 79,500 ▲ |
| Other revenue | 4.1.7 | 63,428 | 26,967 | (14,225) | | 49,203 ▼ |
| Profit on asset disposals | 4.1.8 | 1,003 | 10,698 | 9,695 | | 10,698 ▲ |
| | | 1,506,245 | 1,117,817 | 214,587 | 0 | 1,720,832 |
| Expenditure from operating activities | | | | | | |
| Employee costs | 4.2.1 | (1,820,803) | (1,013,502) | | | (1,820,803) ▲ |
| Materials and contracts | 4.2.2 | (838,802) | (738,388) | (65,210) | 42,000 | (862,012) ▲ |
| Utility charges | 4.2.3 | (190,061) | (93,985) | | | (190,061) ▲ |
| Depreciation on non-current assets | 4.2.4 | (1,264,609) | (780,076) | (72,000) | | (1,336,609) ▲ |
| Interest expenses | 4.2.5 | (21,502) | (11,033) | | | (21,502) ▲ |
| Insurance expenses | 4.2.6 | (149,166) | (149,873) | | | (149,166) ▲ |
| Other expenditure | 4.2.7 | (65,100) | (2,101) | | | (65,100) ▲ |
| Loss on asset disposals | 4.2.8 | (5,332) | 0 | 5,332 | | 0 ▼ |
| | | (4,355,375) | (2,788,959) | (131,878) | 42,000 | (4,445,253) |
| Non-cash amounts excluded from operating activities | | 1,268,938 | 769,379 | | | 1,268,938 |
| Amount attributable to operating activities | | (652,498) | 25,781 | 82,709 | 42,000 | (527,789) |
| INVESTING ACTIVITIES | | | | | | |
| Non-operating grants, subsidies and contributions | 4.3.1 | 1,503,941 | 394,663 | 42,254 | | 1,546,195 ▲ |
| Purchase land and buildings | 4.4.2 | (656,594) | (295,192) | | | (656,594) ▲ |
| Purchase plant and equipment | 4.4.3 | (371,000) | (94,444) | | | (371,000) ▲ |
| Purchase and construction of infrastructure-roads | 4.4.5 | (1,742,941) | (505,974) | | | (1,742,941) ▲ |
| Purchase and construction of infrastructure-other | 4.4.6 | | (27,576) | | | 0 |
| Proceeds from self supporting loans | 4.3.6 | 17,107 | 8,481 | | | 17,107 |
| Proceeds from disposal of assets | 4.3.2 | 104,500 | 68,623 | 14,623 | | 119,123 ▼ |
| | | (1,144,987) | (451,420) | 56,877 | 0 | (1,088,110) |
| Non-cash amounts excluded from investing activities | | 0 | 0 | | | 0 |
| Amount attributable to investing activities | | (1,144,987) | (451,420) | 56,877 | 0 | (1,088,110) |
| FINANCING ACTIVITIES | | | | | | |
| Repayment of debentures | 4.4.8 | (73,675) | (36,554) | | | (73,675) ▲ |
| Transfers to cash backed reserves (restricted assets) | 4.5.10 | (336,927) | (30) | | | (336,927) ▲ |
| Transfers from cash backed reserves (restricted assets) | 4.5.11 | 75,000 | 0 | (45,000) | | 30,000 ▲ |
| Amount attributable to financing activities | | (335,602) | (36,584) | (45,000) | 0 | (380,602) |
| Budget deficiency before general rates | | (2,133,087) | (462,222) | 94,586 | 42,000 | (1,996,501) |
| Estimated amount to be raised from general rates | 4.5.1 | 2,133,087 | 2,134,878 | | | 2,133,087 |
| Closing funding surplus/(deficit) | 3 (c) | 0 | 1,672,656 | 94,586 | 42,000 | 136,586 ▲ |

1. BASIS OF PREPARATION

The budget review comprises financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Local Government (Financial Management) Regulations 1996 prescribe that the budget review be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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 of Williams to measure any vested improvements at zero cost.

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

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

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 review.

All monies held in the Trust Fund are excluded from the financial statements.

Rounding off figures

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

2022-23 actual balances

Balances shown in this budget review report as YTD Actual are as forecast at the time of budget review preparation and are subject to final adjustments.

Budget comparative figures

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

Judgements, estimates and assumptions

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

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

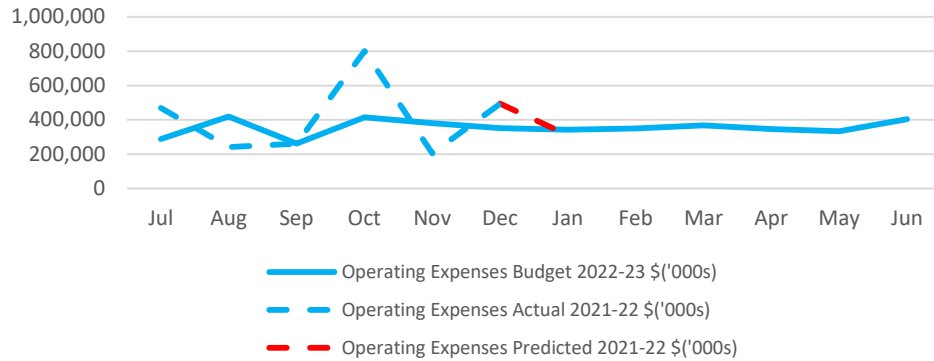
The balances, transactions and disclosures impacted by accounting estimates are as follows:

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

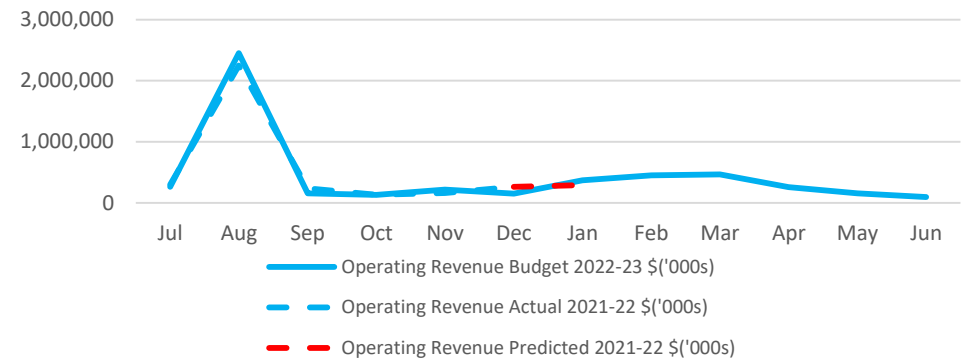
SHIRE OF WILLIAMS
SUMMARY GRAPHS - BUDGET REVIEW
FOR THE PERIOD ENDED 31 JANUARY 2023

2. SUMMARY GRAPHS - BUDGET REVIEW

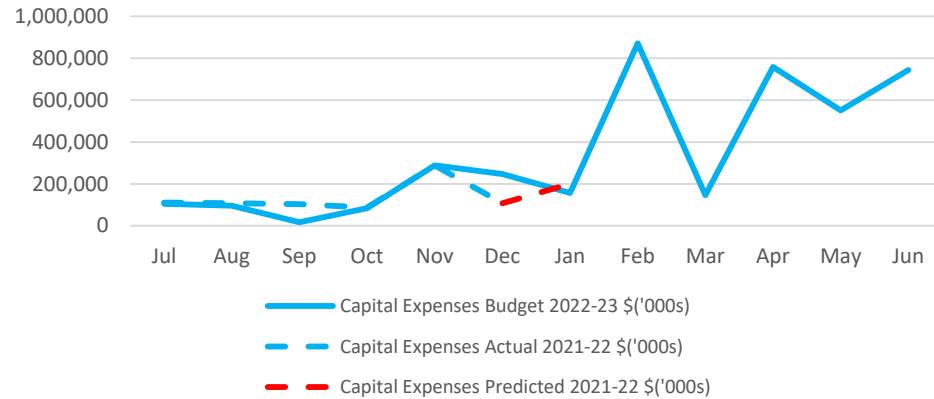
Operating Expenses



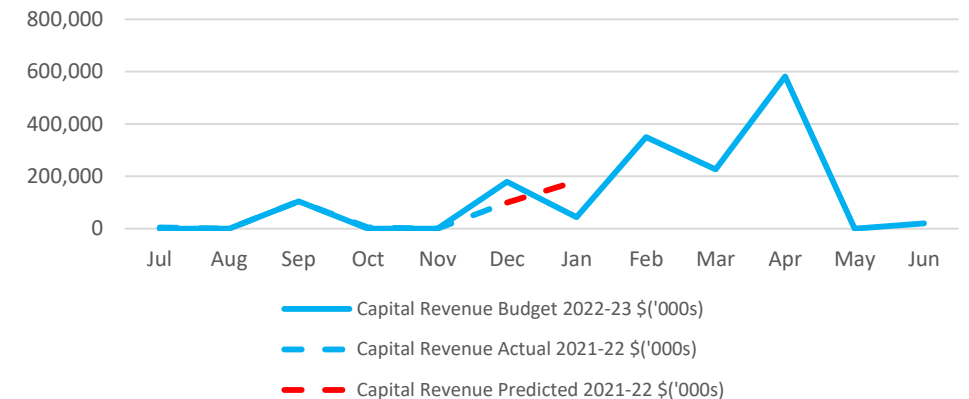
Operating Revenue



Capital Expenditure



Capital Revenue



This information is to be read in conjunction with the accompanying financial statements and notes.

3 NET CURRENT FUNDING POSITION

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

Operating activities excluded from 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.

(a) Operating activities excluded from budgeted deficiency

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

| | Actual - Used for Budget 30 June 2022 | Audited Actual 30 June 2022 | Budget 30 June 2023 | Actual 31 January 2023 |
|---|---|--------------------------------|------------------------|---------------------------|
| Adjustments to operating activities | | | \$ | \$ |
| Less: Profit on asset disposals | | (100,262) | (1,003) | (10,698) |
| Less: Movement in liabilities associated with restricted cash | 5,128 | 5,042 | | |
| Add: Loss on asset disposals | 33,625 | | 5,332 | 0 |
| Add: Depreciation on non-current assets | 1,264,609 | 1,275,694 | 1,264,609 | 780,076 |
| Non-cash amounts excluded from operating activities | 1,303,362 | 1,180,474 | 1,268,938 | 769,379 |

(b) Current assets and liabilities excluded from budgeted deficiency

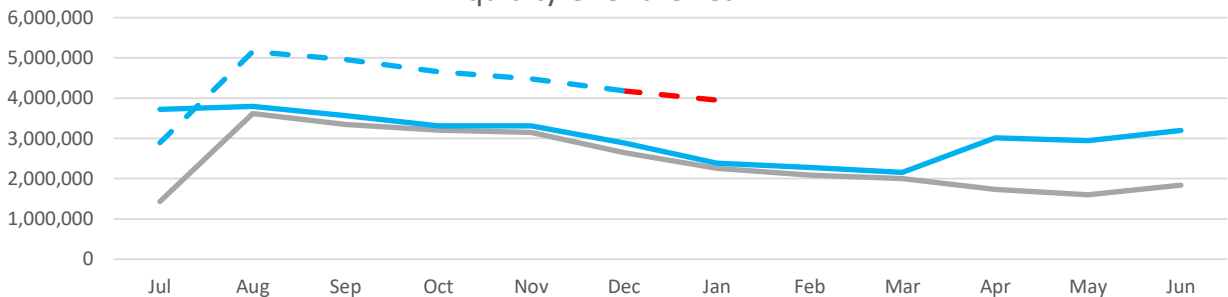
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement.

| | | | | |
|--|------------------|--------------------|--------------------|--------------------|
| Adjustments to net current assets | | | | |
| Less: Restricted cash | (690,215) | (1,243,716) | (1,505,643) | (1,243,745) |
| Less : Current assets not expected to be received at end of year | | (17,107) | (17,693) | (17,693) |
| Add: Long term borrowings | 109,450 | 73,675 | 75,989 | 75,989 |
| Add: Provisions - employee | 30,782 | 30,698 | 30,698 | 30,699 |
| Total adjustments to net current assets | (549,983) | (1,156,450) | (1,416,649) | (1,154,750) |

(c) Composition of estimated net current assets

| | | | | |
|--|------------------|--------------------|--------------------|--------------------|
| Current assets | | | | |
| Cash unrestricted | 383,161 | 1,179,277 | 251,583 | 2,384,130 |
| Cash restricted | 690,215 | 1,804,129 | 1,505,643 | 1,243,745 |
| Financial assets - restricted reserves | | 17,107 | 17,693 | 17,693 |
| Receivables | 101,915 | 168,678 | 168,678 | 277,637 |
| Inventories | 17,160 | 30,748 | 30,748 | 25,505 |
| | 1,192,451 | 3,199,939 | 1,974,345 | 3,948,709 |
| Less: current liabilities | | | | |
| Payables | (221,977) | (161,958) | (161,958) | (282,577) |
| Contract liabilities | | (560,413) | | (442,986) |
| Long term borrowings | (109,450) | (73,675) | (75,989) | (75,989) |
| Provisions | (311,041) | (319,749) | (319,749) | (319,749) |
| | (642,468) | (1,115,795) | (557,696) | (1,121,301) |
| Net current assets | 549,983 | 2,084,144 | 1,416,649 | 2,827,408 |
| Less: Total adjustments to net current assets | (549,983) | (1,156,450) | (1,416,649) | (1,154,750) |
| Closing funding surplus / (deficit) | 0 | 927,694 | 0 | 1,672,659 |

Liquidity Over the Year



3 COMMENTS/NOTES - NET CURRENT FUNDING POSITION (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

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.

FINANCIAL ASSETS AT AMORTISED COST

The Shire of Williams 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.

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 of Williams 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.

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.

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.

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 of Williams's operational cycle. In the case of liabilities where the Shire of Williams 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 of Williams's intentions to release for sale.

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Shire of Williams 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.

PREPAID RATES

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

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

PROVISIONS

Provisions are recognised when the Shire of Williams 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.

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 of Williams are recognised as a liability until such time as the Shire of Williams satisfies its obligations under the agreement.

SHIRE OF WILLIAMS
 NOTES TO THE REVIEW OF THE ANNUAL BUDGET
 FOR THE PERIOD ENDED 31 JANUARY 2023

4. PREDICTED VARIANCES

Comments/Reason for Variance

| | Variance \$ | |
|--|----------------|----------|
| | Permanent | Timing |
| 4.1 OPERATING REVENUE (EXCLUDING RATES) | | |
| 4.1.1 SPECIFIED AREA RATES | | |
| 4.1.2 OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS | | |
| Department of Education Grant - Increase due to more trainee positions | 18,000 | |
| Main Roads Direct Grant - Increased grant allocation | 12,718 | |
| 4.1.3 FEES AND CHARGES | | |
| Childcare Fees - Increase in Childcare enrolments | 85,000 | |
| Sale of Scrap - Increased revenue from sales | 5,685 | |
| Swimming Pool admissions - reduced attendance | (4,286) | |
| Sale of Water - Increased charging from commercial standpipe | 33,000 | |
| 4.1.4 OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS | | |
| 4.1.5 SERVICE CHARGES | | |
| 4.1.6 INTEREST EARNINGS | | |
| Interest on Reserves and other funds investments - Higher interest rates | 69,000 | |
| 4.1.7 OTHER REVENUE | | |
| Members contributions - Receipt of funds from winding up of regional waste group | 6,000 | |
| Sporting Club Contributions - Reduced revenue from Golf Club mowing charges | (7,000) | |
| Diesel Fuel Rebate - Lower income due to periodic rebate cancellation | (13,225) | |
| 4.1.8 PROFIT ON ASSET DISPOSAL | | |
| Greater profit on sale of vehicles | 9,695 | |
| Predicted Variances Carried Forward | 214,587 | 0 |

SHIRE OF WILLIAMS
 NOTES TO THE REVIEW OF THE ANNUAL BUDGET
 FOR THE PERIOD ENDED 31 JANUARY 2023

4. PREDICTED VARIANCES

Comments/Reason for Variance

| | Variance \$ | |
|---|-------------|--------|
| | Permanent | Timing |
| Predicted Variances Brought Forward | 214,587 | 0 |
| 4.2 OPERATING EXPENSES | | |
| 4.2.1 EMPLOYEE COSTS | | |
| 4.2.2 MATERIAL AND CONTRACTS | | |
| Family Day Care Expenses - Less expenditure than anticipated | | 27,000 |
| Childcare Expenses - Less expenditure than anticipated | | 15,000 |
| Road Maintenance Rural - Tree Trimming completed in 2021/22 expensed in 2022/23 | (65,210) | |
| 4.2.3 UTILITY CHARGES | | |
| 4.2.4 DEPRECIATION (NON CURRENT ASSETS) | | |
| Increased Depreciation - variation actual to budget | (72,000) | |
| 4.2.5 INTEREST EXPENSES | | |
| 4.2.6 INSURANCE EXPENSES | | |
| 4.2.7 OTHER EXPENDITURE | | |
| 4.2.8 LOSS ON ASSET DISPOSAL | | |
| Loss on asset has not materialised | 5,332 | |
| Predicted Variances Carried Forward | 82,709 | 42,000 |

SHIRE OF WILLIAMS
 NOTES TO THE REVIEW OF THE ANNUAL BUDGET
 FOR THE PERIOD ENDED 31 JANUARY 2023

4. PREDICTED VARIANCES

Comments/Reason for Variance

| | Variance \$ | |
|--|----------------|---------------|
| | Permanent | Timing |
| Predicted Variances Brought Forward | 82,709 | 42,000 |
| 4.3 CAPITAL REVENUE | | |
| 4.3.1 NON OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS | | |
| Sandalwood Court Refurbishment - Additional SHERP Grant | 42,254 | |
| 4.3.2 PROCEEDS FROM DISPOSAL OF ASSETS | | |
| Additional proceeds from sale of vehicles | 14,623 | |
| 4.3.3 PROCEEDS FROM NEW DEBENTURES | | |
| 4.3.4 PROCEEDS FROM SALE OF INVESTMENT | | |
| 4.3.5 PROCEEDS FROM ADVANCES | | |
| 4.3.6 SELF-SUPPORTING LOAN PRINCIPAL | | |
| 4.3.7 TRANSFER FROM RESERVES (RESTRICTED ASSETS) | | |
| Predicted Variances Carried Forward | 139,586 | 42,000 |

SHIRE OF WILLIAMS
 NOTES TO THE REVIEW OF THE ANNUAL BUDGET
 FOR THE PERIOD ENDED 31 JANUARY 2023

4. PREDICTED VARIANCES

Comments/Reason for Variance

| | Variance \$ | |
|-------------------------------------|-------------|--------|
| | Permanent | Timing |
| Predicted Variances Brought Forward | 139,586 | 42,000 |
| 4.4 CAPITAL EXPENSES | | |
| 4.4.1 LAND HELD FOR RESALE | | |
| 4.4.2 LAND AND BUILDINGS | | |
| 4.4.3 PLANT AND EQUIPMENT | | |
| 4.4.4 FURNITURE AND EQUIPMENT | | |
| 4.4.5 INFRASTRUCTURE ASSETS - ROADS | | |
| 4.4.6 INFRASTRUCTURE ASSETS - OTHER | | |
| 4.4.7 PURCHASES OF INVESTMENT | | |
| 4.4.8 REPAYMENT OF DEBENTURES | | |
| 4.4.9 ADVANCES TO COMMUNITY GROUPS | | |
| Predicted Variances Carried Forward | 139,586 | 42,000 |

SHIRE OF WILLIAMS
 NOTES TO THE REVIEW OF THE ANNUAL BUDGET
 FOR THE PERIOD ENDED 31 JANUARY 2023

4. PREDICTED VARIANCES

Comments/Reason for Variance

| | Variance \$ | |
|-------------------------------------|-------------|--------|
| | Permanent | Timing |
| Predicted Variances Brought Forward | 139,586 | 42,000 |

4.5 OTHER ITEMS

4.5.10 TRANSFER TO RESERVES (RESTRICTED ASSETS)

4.5.11 TRANSFER FROM RESERVES (RESTRICTED ASSETS)

Transfer from JV Housing Reserve no longer required due to additional SHERP Grant

(45,000)

4.5.1 RATE REVENUE

4.5.2 OPENING FUNDING SURPLUS(DEFICIT)

4.5.3 NON-CASH WRITE BACK OF PROFIT (LOSS)

Total Predicted Variances as per Annual Budget Review

| | |
|--------|--------|
| 94,586 | 42,000 |
|--------|--------|

5.0 Business of Urgent Nature

6.0 Closure of Meeting

Cr Logie declared the meeting closed at 12.33pm.