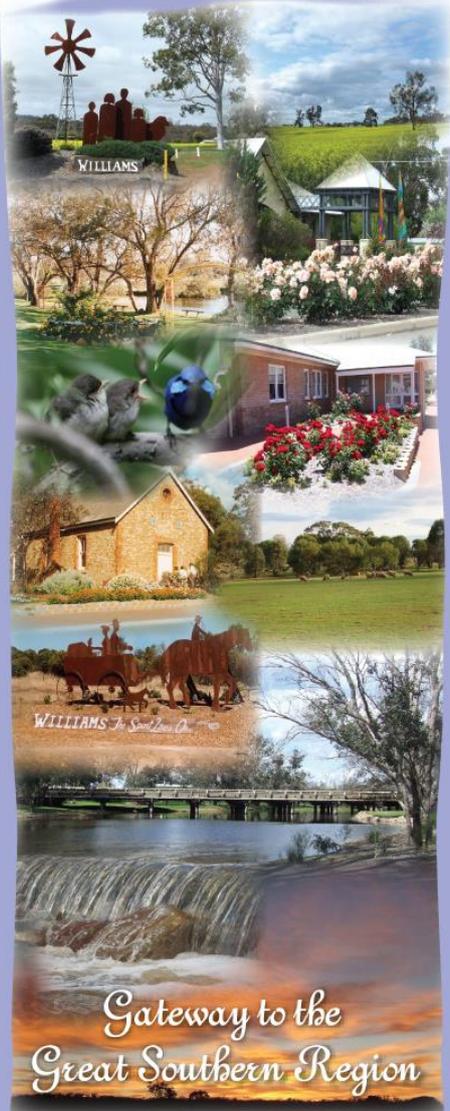


# SHIRE OF WILLIAMS

## ADOPTED BUDGET

2018/2019

### SHIRE OF WILLIAMS



9 Brooking St, Williams  
Ph: (08) 98851005  
Fax: (08) 98851020  
[www.williams.wa.gov.au](http://www.williams.wa.gov.au)





# SHIRE OF WILLIAMS

## BUDGET

FOR THE YEAR ENDED 30 JUNE 2019

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### **SHIRE'S VISION**

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

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30TH JUNE 2019**

**BY NATURE OR TYPE**

	NOTE	2018/19 Budget	2017/18 Actual	2017/18 Budget
		\$	\$	\$
<b>Revenue</b>				
Rates	1	1,849,602	1,756,592	1,756,860
Operating grants, subsidies and contributions	9	416,640	704,999	743,799
Fees and charges	8	693,588	698,686	637,091
Service charges		0	0	0
Interest earnings	10(a)	49,403	43,183	38,800
Other revenue	10(b)	52,334	110,394	81,600
		<u>3,061,567</u>	<u>3,313,854</u>	<u>3,258,150</u>
<b>Expenses</b>				
Employee costs		(1,528,725)	(1,435,387)	(1,518,607)
Materials and contracts		(487,757)	(548,363)	(775,702)
Utility charges		(151,350)	(143,104)	(162,500)
Depreciation on non-current assets	5	(1,327,500)	(1,315,630)	(1,419,700)
Interest expenses	10(d)	(36,082)	(31,594)	(37,627)
Insurance expenses		(111,108)	(164,723)	(164,005)
Other expenditure		(15,250)	(26,148)	(11,700)
		<u>(3,657,772)</u>	<u>(3,664,949)</u>	<u>(4,089,841)</u>
		(596,205)	(351,095)	(831,691)
Non-operating grants, subsidies and contributions	9	1,251,521	839,221	1,066,881
Profit on asset disposals	4(b)	5,000	7,573	0
Loss on asset disposals	4(b)	(5,500)	(4,538)	(5,000)
Loss on revaluation of non current assets		0	0	0
Reversal of prior year loss on revaluation of assets		0	0	0
Fair value adjustments to financial assets at fair value through profit or loss		0	0	0
<b>Net result</b>		<b>654,816</b>	<b>491,161</b>	<b>230,190</b>
<b>Other comprehensive income</b>				
Changes on revaluation of non-current assets		0	0	0
<b>Total other comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income</b>		<b>654,816</b>	<b>491,161</b>	<b>230,190</b>

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

## FOR THE YEAR ENDED 30TH JUNE 2019

### BASIS OF PREPARATION

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. Material accounting policies which have been adopted in the preparation of this budget are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the budget has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

### THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

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

### 2017/18 ACTUAL BALANCES

Balances shown in this budget as 2017/18 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

### KEY TERMS AND DEFINITIONS - NATURE OR TYPE

#### REVENUES

##### RATES

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

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

##### PROFIT ON ASSET DISPOSAL

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

##### OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

##### NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

### REVENUES (CONTINUED)

#### FEES AND CHARGES

Revenues (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, rebates etc.

#### 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 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.

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30TH JUNE 2019

BY PROGRAM

	NOTE	2018/19 Budget	2017/18 Actual	2017/18 Budget
<b>Revenue</b>	1, 8, 9, 10(a),(b)	\$	\$	\$
Governance		99,095	106,207	57,920
General purpose funding		2,140,768	2,248,764	2,028,344
Law, order, public safety		21,186	18,129	15,320
Health		400	685	1,100
Education and welfare		212,818	204,422	209,636
Housing		192,818	194,846	200,617
Community amenities		140,304	145,784	138,016
Recreation and culture		49,776	58,306	45,269
Transport		76,043	162,264	415,212
Economic services		69,159	42,293	46,716
Other property and services		59,200	132,154	100,000
		3,061,567	3,313,854	3,258,150
<b>Expenses excluding finance costs</b>	5,10(c),(e),(f)			
Governance		(331,295)	(305,067)	(331,817)
General purpose funding		(18,750)	(19,983)	(13,150)
Law, order, public safety		(66,170)	(53,411)	(69,993)
Health		(83,236)	(72,482)	(97,510)
Education and welfare		(249,353)	(253,123)	(283,663)
Housing		(155,249)	(151,169)	(184,195)
Community amenities		(250,778)	(234,032)	(240,957)
Recreation and culture		(707,766)	(678,015)	(737,910)
Transport		(1,559,331)	(1,668,441)	(1,864,936)
Economic services		(99,017)	(101,118)	(111,132)
Other property and services		(100,745)	(96,514)	(116,951)
		(3,621,690)	(3,633,355)	(4,052,214)
<b>Finance costs</b>	6, 10(d)			
Governance		(313)	(505)	(554)
General purpose funding		0	0	(5,424)
Recreation and culture		(4,717)	(4,957)	(5,178)
Transport		(4,397)	(5,470)	(5,655)
Economic services		(13,655)	(7,147)	(7,170)
Other property and services		(13,000)	(13,515)	(13,646)
		(36,082)	(31,594)	(37,627)
		(596,205)	(351,095)	(831,691)
Non-operating grants, subsidies and contributions	9	1,251,521	839,221	1,066,881
Profit on disposal of assets	4(b)	5,000	7,573	0
(Loss) on disposal of assets	4(b)	(5,500)	(4,538)	(5,000)
Loss on revaluation of non current assets		0	0	0
Reversal of prior year loss on revaluation of assets		0	0	0
Fair value adjustments to financial assets at fair value through profit or loss		0	0	0
<b>Net result</b>		<b>654,816</b>	<b>491,161</b>	<b>230,190</b>
<b>Other comprehensive income</b>				
Changes on revaluation of non-current assets		0	0	0
<b>Total other comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income</b>		<b>654,816</b>	<b>491,161</b>	<b>230,190</b>

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

**KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS**

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

<b>PROGRAM NAME</b>	<b>OBJECTIVE</b>	<b>ACTIVITIES</b>
<b>GOVERNANCE</b>	To provide a decision making process for the efficient allocation of scarce resources.	Administration and operation of facilities and services to members of Council. Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services.
<b>GENERAL PURPOSE FUNDING</b>	To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
<b>LAW, ORDER, PUBLIC SAFETY</b>	To provide services to ensure a safer community.	Supervision and enforcement of local laws, fire prevention and suppression activities and animal control.
<b>HEALTH</b>	To provide an operational framework for good community health.	Health inspection and advisory services, analytical services, mosquito control, collection agent for Williams St John Ambulance subscriptions and assist with providing medical services.
<b>EDUCATION AND WELFARE</b>	To provide a framework that enables community needs in these areas are meet.	Provision and maintenance of premises for the Williams Community Resource Centre and Willi Wagtails Childcare Centre. Provide all administration services for the Childcare centre.
<b>HOUSING</b>	To help ensure the availability of adequate housing for the community needs.	Management, administration and maintenance of Williams Community Homes, Sandalwood Court, Wandoo Cottages, Jamtree Lane Units and New Street Units.
<b>COMMUNITY AMENITIES</b>	Provision of amenities required by the community.	Refuse management, protection of the environment, maintenance of cemeteries and public conveniences.
<b>RECREATION AND CULTURE</b>	To establish and manage efficiently all infrastructure and resources which will meet the recreational and cultural needs of the community.	Maintenance of halls, recreational facilities and reserves. Operation of Library and compilation and maintenance of local heritage register.
<b>TRANSPORT</b>	To provide effective and efficient transport services to the community.	Construction and maintenance of streets, roads, bridges and drainage. Cleaning and lighting of streets, depot maintenance and on-line agent for Department of Transport.
<b>ECONOMIC SERVICES</b>	Promotion of Williams and improvement of economic wellbeing of the district and its inhabitants.	Tourism services, area promotion, implementation of building controls, provision of standpipe water, maintenance and management of Williams Stud Breeders pavilion.
<b>OTHER PROPERTY AND SERVICES</b>	Efficient utilisation of Council resources, plant repairs and operations, management of Williams Town Planning Scheme.	Provision of private works to public, maintenance of Council plant, approvals and monitoring of town planning activities.

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30TH JUNE 2019

BY NATURE OR TYPE

NOTE	2018/19 Budget	2017/18 Actual	2017/18 Budget	
	\$	\$	\$	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates	1,859,602	1,743,611	1,760,860	
Operating grants, subsidies and contributions	457,316	643,012	691,096	
Fees and charges	693,588	698,686	647,091	
Service charges	0	0	0	
Interest earnings	49,403	43,183	38,800	
Goods and services tax	259,269	201,918	258,000	
Other revenue	52,334	110,394	106,600	
	3,371,512	3,440,804	3,502,447	
<b>Payments</b>				
Employee costs	(1,558,725)	(1,268,586)	(1,569,345)	
Materials and contracts	(589,952)	(443,257)	(719,296)	
Utility charges	(151,350)	(143,104)	(162,500)	
Interest expenses	(36,082)	(32,203)	(37,627)	
Insurance expenses	(111,108)	(164,723)	(164,005)	
Goods and services tax	(259,269)	(240,355)	(258,000)	
Other expenditure	(15,250)	(26,148)	(11,700)	
	(2,721,736)	(2,318,376)	(2,922,473)	
<b>Net cash provided by (used in) operating activities</b>	3	649,776	1,122,428	579,974
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for development of land held for resale	0	0	0	
Payments for purchase of property, plant & equipment	4(a)	(723,825)	(531,809)	(561,577)
Payments for construction of infrastructure	4(a)	(1,629,272)	(1,483,507)	(1,525,424)
Non-operating grants, subsidies and contributions used for the development of assets	9	1,251,521	839,221	1,066,881
Proceeds from sale of plant & equipment	4(b)	48,500	181,386	158,000
<b>Net cash provided by (used in) investing activities</b>		(1,053,076)	(994,709)	(862,120)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	6	(102,768)	(79,243)	(79,243)
Advances to community groups	6	0	0	0
Proceeds from self supporting loans	6(a)	14,999	14,537	14,537
Proceeds from new borrowings	6(b)	0	235,000	235,000
<b>Net cash provided by (used in) financing activities</b>		(87,769)	170,294	170,294
<b>Net increase (decrease) in cash held</b>		(491,069)	298,013	(111,852)
Cash at beginning of year		1,668,269	1,373,236	1,373,236
<b>Cash and cash equivalents at the end of the year</b>	3	<b>1,177,200</b>	<b>1,671,249</b>	<b>1,261,384</b>

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

**RATES SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2019**

**BY REPORTING PROGRAM**

	NOTE	2018/19 Budget	2017/18 Actual	2017/18 Budget
		\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>	2	218,486	296,521	296,500
		218,486	296,521	296,500
<b>Revenue from operating activities (excluding rates)</b>				
Governance		102,095	106,207	57,920
General purpose funding		324,340	513,905	293,402
Law, order, public safety		21,186	18,129	15,320
Health		400	685	1,100
Education and welfare		212,818	204,422	209,636
Housing		192,818	194,846	200,617
Community amenities		140,304	145,784	138,016
Recreation and culture		49,776	58,306	45,269
Transport		78,043	169,837	415,212
Economic services		69,159	42,293	46,716
Other property and services		59,200	132,154	100,000
		1,250,139	1,586,568	1,523,208
<b>Expenditure from operating activities</b>				
Governance		(331,608)	(305,572)	(332,371)
General purpose funding		(18,750)	(19,983)	(18,574)
Law, order, public safety		(66,170)	(53,411)	(69,993)
Health		(83,236)	(72,482)	(97,510)
Education and welfare		(249,353)	(253,123)	(283,663)
Housing		(155,249)	(151,169)	(184,195)
Community amenities		(250,778)	(234,032)	(240,957)
Recreation and culture		(712,483)	(682,972)	(743,089)
Transport		(1,569,228)	(1,678,449)	(1,875,592)
Economic services		(112,672)	(108,265)	(118,302)
Other property and services		(113,745)	(110,029)	(130,597)
		(3,663,272)	(3,669,487)	(4,094,843)
<b>Operating activities excluded from budget</b>				
(Profit) on asset disposals	4(b)	(5,000)	(7,573)	0
Loss on disposal of assets	4(b)	5,500	4,538	5,000
Loss on revaluation of non current assets		0	0	0
Reversal of prior year loss on revaluation of assets		0	0	0
Depreciation on assets	5	1,327,500	1,315,630	1,419,700
Movement in employee benefit provisions (non-current)		0	(7,633)	5,119
<b>Amount attributable to operating activities</b>		(866,647)	(481,436)	(845,316)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions	9	1,251,521	839,221	1,066,881
Purchase land held for resale	4(a)	0	0	0
Purchase property, plant and equipment	4(a)	(723,825)	(531,809)	(561,577)
Purchase and construction of infrastructure	4(a)	(1,629,272)	(1,483,507)	(1,525,424)
Proceeds from disposal of assets	4(a)	48,500	181,386	158,000
<b>Amount attributable to investing activities</b>		(1,053,076)	(994,709)	(862,120)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	6(a)	(102,768)	(79,243)	(79,243)
Proceeds from new borrowings	6(b)	0	235,000	235,000
Proceeds from self supporting loans	6(a)	14,999	14,537	14,537
Transfers to cash backed reserves (restricted assets)	7(a)	(85,903)	(220,522)	(221,800)
Transfers from cash backed reserves (restricted assets)	7(a)	276,967	10,000	24,000
<b>Amount attributable to financing activities</b>		103,295	(40,228)	(27,506)
<b>Budgeted deficiency before general rates</b>		(1,816,428)	(1,516,373)	(1,734,942)
<b>Estimated amount to be raised from general rates</b>	1	1,816,428	1,734,859	1,734,942
<b>Net current assets at end of financial year - surplus/(deficit)</b>	2	<b>0</b>	<b>218,486</b>	<b>0</b>

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

NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019

1. RATES AND SERVICE CHARGES

(a) Rating Information

RATE TYPE	Rate in	Number of properties	Rateable value	2018/19 Budgeted rate revenue	2018/19 Budgeted interim rates	2018/19 Budgeted back rates	2018/19 Budgeted total revenue	2017/18 Actual Revenue
	\$		\$	\$	\$	\$	\$	\$
<b>Differential general rate or general rate</b>								
GRV Industrial/Commercial	0.072067	20	982,736	70,823	0	0	70,823	65,880
GRV Residential	0.072067	147	1,847,244	133,125	0	0	133,125	133,410
UV Rural/Mining	0.007011	240	203,727,000	1,428,330	0	0	1,428,330	1,372,249
<b>Sub-Totals</b>		407	206,556,980	1,632,278	0	0	1,632,278	1,571,539
<b>Minimum</b>								
<b>Minimum payment</b>								
	\$							
GRV Industrial/Commercial	700	20	65,875	14,000	0	0	14,000	11,880
GRV Residential	700	135	631,718	94,500	0	0	94,500	85,140
UV Rural/Mining	890	85	7,547,284	75,650	0	0	75,650	66,300
<b>Sub-Totals</b>		240	8,244,877	184,150	0	0	184,150	163,320
		647	214,801,857	1,816,428	0	0	1,816,428	1,734,859
Discounts/concessions (Refer note 1(e))							0	0
<b>Total amount raised from general rates</b>							1,816,428	1,734,859
Ex Gratia Rates							33,174	21,733
<b>Total rates</b>							1,849,602	1,756,592

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

The general rates detailed for the 2018/19 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 rate(s) has been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of local government services/facilities.

**NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019**

**1. RATES AND SERVICE CHARGES (CONTINUED)**

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

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

<b>Instalment options</b>	<b>Date due</b>	<b>Instalment plan admin charge</b>	<b>Instalment plan interest rate</b>	<b>Unpaid rates interest rates</b>
		\$	%	%
<b>Option one</b>				
Single Full Payment	31/08/2018	0	0.00%	11.00%
<b>Option two</b>				
First Instalment	31/08/2018	0	5.50%	11.00%
Second Instalment	2/11/2018	10	5.50%	11.00%
Third Instalment	11/01/2019	10	5.50%	11.00%
Fourth Instalment	15/03/2019	10	5.50%	11.00%

	<b>2018/19 Budget revenue</b>	<b>2017/18 Actual</b>
	\$	\$
Instalment plan admin charge revenue	3,500	3,025
Instalment plan interest earned	6,500	6,156
Unpaid rates and service charge interest earned	7,000	8,196
	<b>17,000</b>	<b>17,377</b>

**(c) Specified Area Rate**

The Shire does not impose Specified Area Rates.

**(d) Service Charges**

The Shire does not impose any Service Charges.

**(e) Rates discounts, waivers and concessions**

The Shire does not offer discounts and does not anticipate any waivers or concessions for the year ended 30th June 2019.

**NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019**

**2. NET CURRENT ASSETS**

	Note	2018/19 Budget	2017/18 Actual
		\$	\$
<b>Composition of estimated net current assets</b>			
<b>Current assets</b>			
Cash - unrestricted	3	427,371	727,376
Cash - restricted reserves	3	749,829	940,893
Receivables		66,140	116,816
Inventories		19,022	19,082
		1,262,362	1,804,167
<b>Less: current liabilities</b>			
Trade and other payables		(255,071)	(357,326)
Short term borrowings		0	0
Long term borrowings		0	0
Provisions		(262,630)	(292,630)
		(517,701)	(649,956)
<b>Unadjusted net current assets</b>		744,661	1,154,211
<b>Adjustments</b>			
Less: Cash - restricted reserves	3	(749,829)	(940,893)
Less: Current loans - clubs / institutions		0	0
Add: Current portion of borrowings		0	0
Add: Leave Entitlements Cash backed		5,168	5,168
<b>Adjusted net current assets - surplus/(deficit)</b>		0	218,486

**Reason for Adjustments**

The differences between the net current assets at the end of each financial year in the rate setting statement and net current assets detailed above arise from amounts which have been excluded when calculating the budget deficiency in accordance with *Local Government (Financial Management) Regulation 32* as movements for these items have been funded within the budget estimates. These differences are disclosed as adjustments above.

**SIGNIFICANT ACCOUNTING POLICIES**

**CURRENT AND NON-CURRENT CLASSIFICATION**

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

**TRADE AND OTHER RECEIVABLES**

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

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

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

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

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **TRADE AND OTHER PAYABLES**

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

#### **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.

#### **INVENTORIES**

##### **General**

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

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

##### **Superannuation**

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

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

#### **EMPLOYEE BENEFITS**

##### **Short-term employee benefits**

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

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

##### **LAND HELD FOR RESALE**

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

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

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

**NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019**

**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:

	<b>2018/19 Budget</b>	<b>2017/18 Actual</b>	<b>2017/18 Budget</b>
	\$	\$	\$
Cash - unrestricted	427,371	727,376	333,213
Cash - restricted	749,829	940,893	928,171
	<b>1,177,200</b>	<b>1,668,269</b>	<b>1,261,384</b>
The following restrictions have been imposed by regulation or other externally imposed requirements:			
Leave Reserve	15,623	10,277	10,287
Plant Replacement Reserve	165,639	267,928	268,119
Building Reserve	373,130	399,182	385,857
Recreation Facilities Reserve	37,581	119,183	119,343
Art Acquisition Reserve	11,696	11,434	11,455
Joint Venture Housing Reserve	92,735	80,663	80,790
Refuse Site Reserve	53,425	52,226	52,320
Computer Replacement Reserve	0	0	0
	<b>749,829</b>	<b>940,893</b>	<b>928,171</b>
<b>Reconciliation of net cash provided by operating activities to net result</b>			
<b>Net result</b>	654,816	491,161	230,190
Depreciation	1,327,500	1,315,630	1,419,700
(Profit)/loss on sale of asset	500	(3,035)	5,000
Loss on revaluation of non current assets	0	0	0
(Increase)/decrease in receivables	50,676	(113,405)	(13,703)
(Increase)/decrease in inventories	60	(9,596)	60
Increase/(decrease) in payables	(102,255)	262,356	35,608
Increase/(decrease) in employee provisions	(30,000)	18,538	(30,000)
Grants/contributions for the development of assets	(1,251,521)	(839,221)	(1,066,881)
<b>Net cash from operating activities</b>	<b>649,776</b>	<b>1,122,428</b>	<b>579,974</b>

**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.

NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019

4. FIXED ASSETS

(a) Acquisition of Assets

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

Asset class	Reporting program											2018/19 Budget total	2017/18 Actual 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		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b><i>Property, Plant and Equipment</i></b>													
Land - freehold land	0	0	0	0	0	0	0	26,000	0	0	0	26,000	0
Buildings - non-specialised	0	0	0	0	0	11,098	0	0	0	70,646	0	81,743	0
Buildings - specialised	0	0	145,000	0	0	62,081	0	35,000	0	0	0	242,081	484,303
Furniture and equipment	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and equipment	36,000	0	0	0	0	0	0	0	338,000	0	0	374,000	47,506
	36,000	0	145,000	0	0	73,179	0	61,000	338,000	70,646	0	723,825	531,809
<b><i>Infrastructure</i></b>													
Infrastructure - Roads	0	0	0	0	0	0	0	150,944	1,030,470	0	0	1,181,414	813,034
Infrastructure - Footpaths	0	0	0	0	0	0	0	0	70,084	0	0	70,084	0
Infrastructure - Drainage	0	0	0	0	0	0	0	0	50,065	0	0	50,065	0
Infrastructure - Parks and ovals	0	0	0	0	0	0	28,804	298,905	0	0	0	327,709	670,473
Infrastructure - Bridges	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	28,804	449,849	1,150,619	0	0	1,629,272	1,483,507
<b><i>Land Held for Resale</i></b>													
Land held for resale	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total acquisitions</b>	<b>36,000</b>	<b>0</b>	<b>145,000</b>	<b>0</b>	<b>0</b>	<b>73,179</b>	<b>28,804</b>	<b>510,849</b>	<b>1,488,619</b>	<b>70,646</b>	<b>0</b>	<b>2,353,097</b>	<b>2,015,316</b>

A detailed breakdown of acquisitions on an individual asset basis can be found in the supplementary information forming part of the budget at page 24.

NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019

4. FIXED ASSETS (CONTINUED)

(b) Disposals of Assets

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

	Net book value	Sale proceeds	2018/19 Budget		2017/18 Actual		2017/18 Budget	
	\$	\$	Profit	Loss	Profit	Loss	Profit	Loss
<b>By Program</b>								
Governance	15,000	18,000	3,000	0	0	0	0	0
Transport	34,000	30,500	2,000	(5,500)	7,573	(4,538)	0	(5,000)
	49,000	48,500	5,000	(5,500)	7,573	(4,538)	0	(5,000)
<b>By Class</b>								
<i>Plant and equipment</i>								
Holden Utility - WL742					7,573	(4,538)	0	(5,000)
Mazda CX5 - WL16	15,000	18,000	3,000					
Holden Utility - WL5499	1,000	500		(500)				
Kia Truck - WL5414	3,000	5,000	2,000					
Prime Mover - WL91	30,000	25,000		(5,000)				
	49,000	48,500	5,000	(5,500)	7,573	(4,538)	0	(5,000)

**NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019**

**5. ASSET DEPRECIATION**

**By Program**

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

**By Class**

Buildings - non-specialised  
Buildings - specialised  
Furniture and equipment  
Plant and equipment  
Infrastructure - Roads  
Infrastructure - Footpaths  
Infrastructure - Drainage  
Infrastructure - Parks and ovals  
Infrastructure - Bridges

	<b>2018/19 Budget</b>	<b>2017/18 Actual</b>	<b>2017/18 Budget</b>
	\$	\$	\$
	49,600	49,508	55,400
	0	0	0
	2,000	1,981	2,500
	13,000	12,671	20,000
	27,000	27,065	38,400
	45,000	44,745	78,600
	4,300	4,059	7,800
	208,200	207,098	220,000
	875,000	965,094	990,000
	3,400	3,409	7,000
	100,000	0	0
	<b>1,327,500</b>	<b>1,315,630</b>	<b>1,419,700</b>
	50,000	50,689	82,000
	172,000	171,433	255,000
	16,000	16,547	15,500
	142,000	142,242	140,000
	632,000	625,717	550,020
	13,000	13,900	13,040
	133,500	126,020	213,140
	94,000	94,082	76,000
	75,000	75,000	75,000
	<b>1,327,500</b>	<b>1,315,630</b>	<b>1,419,700</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**DEPRECIATION**

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

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.

**DEPRECIATION (CONTINUED)**

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

Buildings	30 - 50 years
Furniture and Equipment	4 - 10 years
Plant and Equipment	5 - 15 years
Sealed Roads and Streets	
Formation	Not Depreciated
Pavement	50 years
Bitumen seal	20 years
Asphalt seal	25 years
Gravel Roads	
Formation	Not Depreciated
Pavement	50 years
Formed Roads	
Formation	Not Depreciated
Footpaths – slab	20 years
Sewerage piping	100 years
Water Piping & Drainage Systems	75 years

NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019

6. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

Purpose	Principal 30-Jun-18	New loans	Principal repayments		Principal outstanding		Interest repayments	
			2018/19 Budget	2017/18 Actual	2018/19 Budget	2017/18 Actual	2018/19 Budget	2017/18 Actual
			\$	\$	\$	\$	\$	\$
<b>Governance</b>								
Loan #68 IT Equipment	11,468	0	7,583	7,342	3,885	11,468	313	505
<b>Transport</b>								
Loan #67 Grader	137,918	0	37,749	36,491	100,168	137,918	4,397	5,470
<b>Other property and services</b>								
Loan #65 Industrial Land	206,698	0	10,620	9,974	196,079	206,698	13,000	13,515
Loan #66 Industrial Shed	163,742	0	11,359	10,899	152,383	163,742	6,711	7,147
Loan #70 Industrial Shed	235,000	0	20,459	0	214,541	235,000	6,944	0
	754,825	0	87,769	64,706	667,056	754,825	31,365	26,637
<b>Self Supporting Loans</b>								
<b>Recreation and culture</b>								
Loan #69 Williams Bowling Club	168,000	0	14,999	14,537	153,001	168,000	4,717	4,957
	168,000	0	14,999	14,537	153,001	168,000	4,717	4,957
	922,825	0	102,768	79,243	820,057	922,825	36,082	31,594

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.

**NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019**

**6. INFORMATION ON BORROWINGS (CONTINUED)**

**(b) New borrowings - 2018/19**

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2019

**(c) Unspent borrowings**

The Shire had no unspent borrowing funds as at 30th June 2018 nor is it expected to have unspent borrowing funds as at 30th June 2019.

**(d) Credit Facilities**

	<b>2018/19 Budget</b>	<b>2017/18 Actual</b>	<b>2017/18 Budget</b>
	\$	\$	\$
<b>Undrawn borrowing facilities credit standby arrangements</b>			
Bank overdraft limit	100,000	100,000	100,000
Bank overdraft at balance date	0	0	0
Credit card limit	10,000	10,000	10,000
Credit card balance at balance date	0	1,013	0
<b>Total amount of credit unused</b>	<b>110,000</b>	<b>111,013</b>	<b>110,000</b>
<b>Loan facilities</b>			
Loan facilities in use at balance date	820,057	922,825	908,288
Unused loan facilities at balance date	0	0	0

**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.

NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019

7. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

	2018/19 Budget Opening Balance	2018/19 Budget Transfer to	2018/19 Budget Transfer (from)	2018/19 Budget Closing Balance	2017/18 Actual Opening Balance	2017/18 Actual Transfer to	2017/18 Actual Transfer (from)	2017/18 Actual Closing Balance	2017/18 Budget Opening Balance	2017/18 Budget Transfer to	2017/18 Budget Transfer (from)	2017/18 Budget Closing Balance
Leave Reserve	\$ 10,277	\$ 5,346	\$ 0	\$ 15,623	\$ 5,168	\$ 5,109	\$ 0	\$ 10,277	\$ 5,168	\$ 5,119	\$ 0	\$ 10,287
Plant Replacement Reserve	267,928	14,678	(116,967)	165,639	105,688	162,241	0	267,928	105,688	162,431	0	268,119
Building Reserve	399,182	48,948	(75,000)	373,130	400,642	8,539	(10,000)	399,182	400,642	9,215	(24,000)	385,857
Recreation Facilities Reserve	119,183	3,398	(85,000)	37,581	87,334	31,848	0	119,183	87,334	32,009	0	119,343
Art Acquisition Reserve	11,434	262	0	11,696	11,197	237	0	11,434	11,197	258	0	11,455
Joint Venture Housing Reserve	80,663	12,072	0	92,735	69,198	11,465	0	80,663	69,198	11,592	0	80,790
Refuse Site Reserve	52,226	1,199	0	53,425	51,144	1,082	0	52,226	51,144	1,176	0	52,320
Computer Replacement Reserve	0	0	0	0	0	0	0	0	0	0	0	0
	940,893	85,903	(276,967)	749,829	730,371	220,522	(10,000)	940,893	730,371	221,800	(24,000)	928,171

(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
Leave Reserve	Ongoing	To be used to fund annual and long service leave requirements.
Plant Replacement Reserve	2018/2019	To be used to fund purchase of plant items.
Building Reserve	2018/2019	To be used for construction, refurbishment and acquisitions of buildings.
Recreation Facilities Reserve	2018/2019	To be used to finance capital improvements of existing recreation facilities and to fund acquisition of new recreation facilities.
Art Acquisition Reserve	Ongoing	To be used for the purchase of art pieces for the Williams Art Collection.
Joint Venture Housing Reserve	Ongoing	To be used to finance refurbishment and construction of joint venture housing.
Refuse Site Reserve	2019/2020	To be used for the re-development of waste facilities.
Computer Replacement Reserve	Ongoing	To be used for the replacement of computer equipment.

**NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019**

**8. FEES & CHARGES REVENUE**

	<b>2018/19 Budget</b>	<b>2017/18 Actual</b>
	\$	\$
Governance	90,410	90,854
General purpose funding	4,500	4,079
Law, order, public safety	2,800	5,009
Health	400	685
Education and welfare	157,818	152,202
Housing	136,578	138,991
Community amenities	133,804	133,916
Recreation and culture	40,126	41,601
Transport	28,792	28,522
Economic services	69,159	42,293
Other property and services	29,200	60,534
	693,588	698,686

**9. GRANT REVENUE**

	<b>2018/19 Budget</b>	<b>2017/18 Actual</b>
	\$	\$
Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:		
<b>By Program:</b>		
<b>Operating grants, subsidies and contributions</b>		
Governance	0	0
General purpose funding	236,263	440,746
Law, order, public safety	18,386	13,120
Health	0	0
Education and welfare	55,000	52,220
Housing	55,240	55,240
Community amenities	5,000	10,000
Recreation and culture	0	0
Transport	46,751	133,673
Economic services	0	0
Other property and services	0	0
	416,640	704,999
<b>Non-operating grants, subsidies and contributions</b>		
Governance	0	0
General purpose funding	0	0
Law, order, public safety	131,050	10,000
Health	0	0
Education and welfare	0	11,282
Housing	0	6,119
Community amenities	0	0
Recreation and culture	418,362	267,639
Transport	702,109	544,181
Economic services	0	0
Other property and services	0	0
	1,251,521	839,221

**NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019**

**10. OTHER INFORMATION**

	<b>2018/19 Budget</b>	<b>2017/18 Actual</b>	<b>2017/18 Budget</b>
<b>The net result includes as revenues</b>	\$	\$	\$
<b>(a) Interest earnings</b>			
Investments			
- Reserve funds	25,903	15,518	16,800
- Other funds	10,000	13,313	8,000
Other interest revenue (refer note 1b)	13,500	14,352	14,000
	<b>49,403</b>	<b>43,183</b>	<b>38,800</b>
<b>(b) Other revenue</b>			
Reimbursements and recoveries	15,650	81,966	81,000
Other	36,684	28,427	0
	<b>52,334</b>	<b>110,393</b>	<b>81,000</b>
<b>The net result includes as expenses</b>			
<b>(c) Auditors remuneration</b>			
Audit services	25,000	10,049	10,000
Other services	0	0	0
	<b>25,000</b>	<b>10,049</b>	<b>10,000</b>
<b>(d) Interest expenses (finance costs)</b>			
Borrowings (refer note 6(a))	36,082	31,594	32,203
Other	0	0	5,424
	<b>36,082</b>	<b>31,594</b>	<b>37,627</b>
<b>(e) Elected members remuneration</b>			
Meeting fees	17,500	17,040	16,500
Mayor/President's allowance	4,386	4,304	4,304
Travelling expenses	4,000	3,672	4,000
	<b>25,886</b>	<b>25,016</b>	<b>24,804</b>
<b>(f) Operating lease expenses</b>			
Office equipment	0	0	0
Plant and equipment	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**LEASES**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Shire of Williams are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

**NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019**

**11. MAJOR LAND TRANSACTIONS**

It is not anticipated any land transactions or major land transactions will occur in 2018/19.

**12. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

It is not anticipated any trading undertakings or major trading undertakings will occur in 2018/19.

**NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019**

**13. INTERESTS IN JOINT ARRANGEMENTS**

The Shire has a joint venture arrangement with the Department of Housing for the provision of housing at Sandalwood Crt and Wandoo Cottages both located on Growse Street, Williams. The assets are land and 8 x 2 bedroom units. The ownership of the assets is determined by an equity agreement and Councils share of the assets are included in the Land and Building as follows:

	2018	2017
	\$	\$
<b>Non-current assets</b>		
Land and Buildings	1,523,703	1,523,703
Less: accumulated depreciation	(21,691)	0
	1,502,012	0

**SIGNIFICANT ACCOUNTING POLICIES**

**INTERESTS IN JOINT ARRANGEMENTS**

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

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

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

**14. TRUST FUNDS**

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

Detail	Balance 30-Jun-18	Estimated amounts received	Estimated amounts paid	Estimated balance 30-Jun-19
	\$	\$	(\$)	\$
Housing Deposits	330	1,000	(1,330)	0
Sale of Land for Rates	60,008	0	(60,008)	0
Public Open Space Contribution	20,000	0	0	20,000
Recycling Shed Community Fund	12,647	0	(12,647)	0
	92,985	1,000	(73,985)	20,000

**NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2019**

**15. 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 budget 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.

**REVENUE RECOGNITION**

Rates, grants, donations and other contributions are recognised as revenues when the Shire of Williams obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

**SUPPLEMENTARY INFORMATION FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2019**

	Reference Document	2018/19 BUDGET	2017/18 BUDGET
<b>LAND &amp; BUILDINGS</b>			
Industrial Land Development - Industrial Unit		70,646	408,576
Refurbishment - 2 Single Person Units - New Street		51,098	
Upgrade Drainage - Single Person Units - New Street		10,984	
Building Refurbishment		11,098	10,000
Land Acquisition adjacent to Lions Park		26,000	
Recreation Ground - Refurbishment		35,000	
Bushfire Shed Construction		145,000	
Childcare Centre - Softfall			16,915
		<b>349,825</b>	<b>435,491</b>
<b>FURNITURE &amp; EQUIPMENT</b>			
Airconditioning Office			12,000
		<b>0</b>	<b>12,000</b>
<b>PLANT &amp; MACHINERY</b>			
Vehicle - WL16	<i>Plant Replacement Program</i>	36,000	
Kia Truck - WL5414	<i>Plant Replacement Program</i>	45,000	
Utility - WL5499	<i>Plant Replacement Program</i>	28,000	
Plant trailer for Skid Steer Loader	<i>Plant Replacement Program</i>	15,000	
Prime Mover - WL91	<i>Plant Replacement Program</i>	250,000	
Utility - WL19	<i>Plant Replacement Program</i>		38,000
Radio Communications			30,000
		<b>374,000</b>	<b>68,000</b>
<b>ROAD ASSETS</b>			
<b>Project Grant Expenditure</b>			
Williams-Darkan Road - Reseal		282,758	279,000
Pingelly Rd - Seal 7m wide		171,399	171,045
		<b>454,157</b>	<b>450,045</b>
<b>Roads to Recovery Expenditure</b>			
Clayton Road - Seal Widening and Shoulder Widening		98,265	123,000
York Williams Rd - Reseal		58,954	60,000
Marradong Rd - Seal and Pavement Repair		41,131	98,352
Wangeling Gully Rd - install culverts and gravel sheet		22,520	
		<b>220,870</b>	<b>281,352</b>
<b>Council Funded</b>			
Zilko Road - Widening of Culverts		49,139	26,000
Dardadine Road - Tree Trimming		8,513	26,000
Glenfield Road - Tree Trimming		8,513	26,000
Extracts Rd - Tree Trimming		10,522	
Zilko Rd - Gravel Sheeting		26,050	
Kelly Rd - Replace Culvert		12,538	
Townsite Drainage		50,065	50,000
AGRN743 - Storm Damage Feb 17		240,167	
Carpark - Recreation Centre		75,472	
Carpark - Near Post Office		75,472	
Footpath - Albany Hwy		70,084	
		<b>626,535</b>	<b>128,000</b>
		<b>1,301,563</b>	<b>859,397</b>
<b>PARKS AND RESERVES ASSETS</b>			
Recreation Ground - Grandstand	<i>(see Land &amp; Buildings)</i>		36,087
Cemetery Niche Wall & Entrance		28,804	28,870
Pavilion Playground - Synthetic Turf		13,099	
Bus Shelter - RSL Hall			10,000
Footpath	Albany Hwy		100,322
Swimming Pool Improvements			32,000
Lions Park Development		285,806	440,961
Water Capture Solution			53,873
Agricultural Hall - Renewal			10,000
		<b>327,709</b>	<b>712,113</b>
<b>TOTAL ASSET PURCHASES</b>		<b>2,353,097</b>	<b>2,087,001</b>

**SUPPLEMENTARY INFORMATION FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2019**

	Reference Document	2018/19 BUDGET	2017/18 BUDGET
<b>CONTRIBUTIONS FROM GOVERNMENT FOR DEVELOPMENT OF ASSETS</b>			
Roads to Recovery Program	<i>10 Year Road Program 2009-2020</i>	179,403	281,351
Direct Grant for Roadworks		41,050	71,280
Road Project Grants	<i>10 Year Road Program 2009-2020</i>	308,120	300,030
Footpath Grant		35,000	50,000
Lions Park - BBRF + Lotterywest + Various		418,362	375,000
Capture and Reuse Grant			25,000
DFES Grant - Fire Appliance Shed		131,050	
Storm Damage Funding - AGRN743		179,586	
Community Pool Revitalisation Grant			32,000
Childcare Fundraising - softfall			3,500
		<b>1,292,571</b>	<b>1,138,161</b>
<b>PROCEEDS FROM FIXED ASSET SALES BY ASSET CLASS</b>			
<b>PLANT &amp; MACHINERY</b>			
Utility - WL742	<i>Plant Replacement Program</i>		8,000
Vehicle - WL16	<i>Plant Replacement Program</i>	18,000	
Kia Truck - WL5414	<i>Plant Replacement Program</i>	5,000	
Utility - WL5499	<i>Plant Replacement Program</i>	500	
Prime Mover - WL91	<i>Plant Replacement Program</i>	25,000	
<b>Land &amp; Buildings</b>			
Cnr New/Growse Street House			150,000
		<b>48,500</b>	<b>158,000</b>
<b>TOTAL FIXED ASSET INCOME</b>		<b>1,341,071</b>	<b>1,296,161</b>
<b>RESERVE FUND TRANSFERS</b>			
Plant Reserve - Prime Mover		116,967	
Building Reserve - Community Housing		15,000	
Building Reserve - Single Person Units		60,000	
Recreation Facilities Reserve - Lions Park		50,000	
Recreation Facilities Reserve - Grandstand		35,000	
Building Reserve - Recreation			24,000
		<b>276,967</b>	<b>24,000</b>
<b>LOAN FUND INCOME</b>			
Grader purchase			
Bowling Green (Self Supporting Loan)			
Industrial Units	<i>Industrial Units Business Case</i>		235,000
		<b>0</b>	<b>235,000</b>
		<b>1,618,038</b>	<b>1,555,161</b>
<b>Municipal Fund</b>		<b>735,059</b>	<b>531,840</b>