



SHIRE OF WILLIAMS MINUTES

ORDINARY COUNCIL MEETING
WEDNESDAY 15 MARCH 2023



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SHIRE OF WILLIAMS STRATEGIC COMMUNITY PLAN 2017-2032

ECONOMIC

To support industry and business development through the development of sustainable infrastructure and investment opportunities.

ED1. Develop infrastructure and investment that is sustainable and an ongoing legacy to the Shire.

ED2. To have appropriate levels of housing to cater for population retention and growth.

SOCIAL AND CULTURAL

To be a safe and welcoming community where everyone is valued and has the opportunity to contribute and belong.

SCD1. To provide community infrastructure and facilities that meet the needs of the population.

SCD2. To support a safe and healthy community with a strong sense of community pride.

SCD3. To recognise the vibrant history of the Shire and its rich, varied cultural heritage and natural environment is valued, respected, promoted and celebrated.

LAND USE & ENVIRONMENT

To have a balanced respect for our natural assets and built environment, retaining our lifestyle values and community split.

LUE1. To enhance, promote, rehabilitate and leverage the natural environment so it continues to be an asset to the community.

LUE2. Natural assets and public open spaces are accessible, well utilised and managed.
LUE3. Recognising and implementing sustainability measures.

LUE4. To have safe and well maintained transport network that supports local economy.

CIVIC LEADERSHIP

Strong civic leadership representing the whole of the Shire which engages in effective partnerships and reflects the aspirations of an engaged community.

CL1. The Shire is efficient in its operations, actively listens to the community and anticipates and responds to the community needs.

CL2. The revenue needs of the Shire are managed in an equitable, proactive and sustainable manner.

CL3. Effective collaboration and shared services with other relevant Local, State and Federal Government agencies, industry and community organisations.

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AGENDA

1.0 Declaration of Opening / Announcement of Visitors

The Presiding Member, President Jarrad Logie, declared the Meeting open at 4.54pm.

2.0 Record of Attendance / Apologies / Leave of Absence

Elected Members

Cr Jarrad Logie - President
Cr Natalie Major - Deputy President
Cr Moya Carne
Cr Simon Harding
Cr Bob Baker
Cr Tracey Price
Cr Bernie Panizza
Cr Christine Cowcher
Cr John Macnamara

Staff

Geoff McKeown - Chief Executive Officer
Cassie Barker – Senior Finance Officer (4.54pm to 5.11pm)
Manuela Lenehan - Minute Taker

Visitors – Nil
Apologies - Nil
Leave of Absence – Nil

3.0 Public Question Time

Nil

4.0 Petitions / Deputations / Presentations

Nil

5.0 Declarations of Interest

Nil

6.0 Confirmation of Minutes of Previous Meetings

6.1 Ordinary Council Meeting Held 15 February 2023

Officer's Recommendation

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

Council Resolution

Price/Cowcher

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

**Carried 9/0
Resolution 75/23**

6.2 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 received.

Council Resolution

Price/Harding

That the Minutes of the Audit Committee Meeting held 15 February 2023, as previously circulated, be received.

**Carried 9/0
Resolution 76/23**

7.0 Announcements by Presiding Member Without Discussion

Nil

8.0 Matters Which Require Decisions

8.1 Corporate and Community Services

8.1.1 Adoption of Strategic Community Plan

File Reference	Nil
Statutory Ref.	N/A
Author & Date	Britt Logie 10 March 2023
Attachments	Shire of Williams Strategic Community Plan 2022-2032 Strategic Community Plan Councillor Sheet

Background

As part of the Local Government Integrated Planning and Reporting Framework and Guidelines (2016), all local governments must develop a Strategic Community Plan through a community engagement process aimed at identifying long term community aspirations, visions and objectives.

The Shire of Williams began a comprehensive review of the Community Strategic Plan in September 2022 with the guidance of Town Teams Movement. The last review was a desk-top review and was completed by Council in 2020. Council is required to ensure that it engages with the community to make sure that the priority actions that are being implemented are the shared vision with the community and supported by the community as well as Council. At times, there will be actions that are a shared responsibility that will see a combination of community and local government investment and collaboration.

Comment

The Draft Plan was completed in February 2023 and Councillors were provided with a hard copy of their review. The Councillor's comments have been taken into consideration and the draft Plan is now ready for endorsement.

Strategic Implications

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

- CL 1.3 Maintain, review and ensure relevance of the Council's policies, local laws and operational plans.

Financial Implications

Strategies included in the Strategic Community Plan are costed from time to time and included in the Annual Budget adopted by Council.

Voting Requirements

Absolute Majority

Officer's Recommendation

That Council endorse the Shire of Williams Strategic Community Plan 2022-2032.

Council Resolution

Major/Price

That Council endorse the Shire of Williams Strategic Community Plan 2022-2032.

**Carried by Absolute Majority 9/0
Resolution 77/23**

8.1.2 Payment Listing

File Reference	4.23.15
Statutory Ref.	<i>Local Government (Financial Management) Regulations 1996</i>
Author & Date	Cassie Barker 8 March 2023
Attachments	Payment listing for month ending 28 February 2023

Background

Council has delegated, to the Chief Executive Officer, the exercise of its power to make payments from the Shire's municipal or trust account. In exercising their authority, and in accordance with the Local Government (Financial Management) Regulation, it is a requirement to produce a list of payments made from Councils Municipal Fund and Trust Fund bank accounts to be presented to Council in the following month.

Statutory Implications

Regulation 13 of the *Local Government (Financial Management) Regulations 1995* states:

13. Payments from municipal fund or trust fund by CEO, CEO’s duties as to etc.

- (1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —
 - (a) the payee’s name; and
 - (b) the amount of the payment; and
 - (c) the date of the payment; and
 - (d) sufficient information to identify the transaction.

Comment

The list of accounts for payment is a separate attachment to this agenda.

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

As listed in the recommendation below.

Voting Requirements

Simple Majority

Officer’s Recommendation

That Municipal Fund EFT, Bpay, Direct Debits and Cheques 104962 – 104963 totalling \$791,002.50 approved by the Chief Executive Officer during the month of February 2023 be endorsed.

Council Resolution

Major/Panizza

That Municipal Fund EFT, Bpay, Direct Debits and Cheques 104962 – 104963 totalling \$791,002.50 approved by the Chief Executive Officer during the month of February 2023 be endorsed.

**Carried 9/0
Resolution 78/23**

SHIRE OF WILLIAMS PAYMENT LISTING FOR THE MONTH ENDING 28 FEBRUARY 2023

DATE	NAME	DESCRIPTION	AMOUNT
MUNICIPAL - EFT, BPAY, DIRECT DEBIT & CHEQUES			
08/02/2023	FDC EDUCATORS	FDC Educators PE 05/02/23	\$ 16,814.08
08/02/2023	BUILDING AND ENERGY	BSL collection - January 2023	\$ 279.22
09/02/2023	WA SUPER	Superannuation - January 2023	\$ 21,886.89
08/02/2023	A BONZA BOUNCE	13051 - Bouncy Castle etc (Australia Day)	\$ 2,000.00
08/02/2023	ALEX WATT	13068 - Entertainment (Australia Day)	\$ 600.00
08/02/2023	CAUNT, MARY	13067 - Face Painting (Australia Day)	\$ 450.00
08/02/2023	CHATTERBOX CAFE & GALLERY	13060 - Catering (Australia Day)	\$ 700.00
08/02/2023	GRANDSTAND VENTURES PTY LTD	12950 - Band 'Licence to Thrill' - Australia Day	\$ 2,750.00
08/02/2023	READ, ROBYN M	13069 - Refreshments (Australia Day)	\$ 930.00
08/02/2023	THE WILLIAMS WOOL SHED.	13058 - Refreshments (Australia Day)	\$ 790.00
08/02/2023	WANJOO PTY LTD	13070 - Entertainment (Australia Day)	\$ 2,300.00
08/02/2023	WILD HARVEST CAFE	13059 - Refreshments (Australia Day)	\$ 800.00
08/02/2023	WILLIAMS HOTEL - STRICKO'S	13064 - Supplies for Australia Day Bar	\$ 1,193.76
08/02/2023	WILLIAMS MENS SHED	13076 - BBQ & Food (Australia Day)	\$ 1,000.00
09/02/2023	SHIRE OF WILLIAMS	Salaries & Wages PE 08/02/2023	\$ 49,973.92
22/02/2023	FDC EDUCATORS	FDC Educators PE 19/02/23	\$ 19,003.36
21/02/2023	AIR RESPONSE	12983, 12218 - Air Conditioner & Fridge Work (Various)	\$ 1,542.46
21/02/2023	AVON WASTE	11015 - Monthly Refuse Charges January 2023	\$ 12,428.03
21/02/2023	BCITF	BCITF Levy - January 2023	\$ 95.43
21/02/2023	BELVEDERE NURSERY	12990, 13072 - Trees, Plants & Mulch (Various)	\$ 1,394.00
21/02/2023	BOC Ltd	12822 - January 2023 Container Service Fee	\$ 44.71
21/02/2023	BODDINGTON CARPET CARE	12984 - Floor Cleaning (Various)	\$ 4,733.00
21/02/2023	BODDINGTON MEDICAL CENTRE	Support Doctor's Visit to Williams, 4th Qtr 2022	\$ 1,892.00
21/02/2023	CHAMDEN FARMING	12020, 12030, 12832 - Footpath Installation, Road Works (Various)	\$ 90,943.38
21/02/2023	CHATTERBOX CAFE & GALLERY	12989 - Refreshments (Council Meeting)	\$ 111.50
21/02/2023	CITY OF KALAMUNDA	Building Surveyor Wages 1/9/2022 - 31/1/2023	\$ 874.40
21/02/2023	CJD EQUIPMENT PTY LTD.	13108 - Parts (Volvo Excavator)	\$ 230.45
21/02/2023	CONSTRUCTION EQUIPMENT AUSTRALIA	13109 - Gaskets & O-Rings (CASE Roller)	\$ 288.62
21/02/2023	CONTRACT AQUATIC SERVICES	12924 - Swimming Pool Management Feb 2023 & Pool Chemicals	\$ 17,171.00
21/02/2023	CORSIGN WA PTY LTD	13018 - Traffic Signs (Various)	\$ 396.00
21/02/2023	D & A WOODWORKS	12818 - Completion of Works (Sandalwood Units Refurbishment)	\$ 132,755.00
21/02/2023	DFES.	ESLB 3rd Qtr Contribution 2022/23	\$ 19,706.78
21/02/2023	DORMAKABA AUSTRALIA PTY LTD	Automatic Doors Serviced (x2)	\$ 253.00
21/02/2023	E & MJ ROSHER PTY LTD (EFT)	12813 - New Kubota Skid Steer Loader	\$ 82,500.00
21/02/2023	FARMERS CENTRE (1978) PTY LTD	13106, 13111 - Parts (CAT Grader, CASE Loader)	\$ 76.56
21/02/2023	FUEL DISTRIBUTORS OF WA PTY LTD	13025 - Bulk Fuel	\$ 16,729.37
21/02/2023	G & J SUCKLING RADIO & TELEVISION SERVICE	13065 - Antenna Repairs (3 New St)	\$ 280.01
21/02/2023	GELATO 29.	13080 - Ice Creams/Sorbets (Australia Day)	\$ 1,110.00
21/02/2023	GEOFF PERKINS FARM MACHINERY CENTRE	13104, 13105 - Fittings (CAT Grader, CASE Loader)	\$ 196.81
21/02/2023	GOODYEAR AUTOCARE NARROGIN	13103 - Tyre Repair (CAT Grader)	\$ 147.00
21/02/2023	GREENWAY TURF SOLUTIONS PTY LTD	13056 - Turf Care Products (Various)	\$ 330.00
21/02/2023	HANSON CONSTRUCTION MATERIALS P/L	13021 - Bluemetal (Quindanning-Darkan Rd)	\$ 33,909.62
21/02/2023	HARMONY SOFTWARE	Educators' Software Fees, Month of January 2023	\$ 360.00
21/02/2023	JW COWCHER FAMILY TRUST	Loader Hire To Assist With Fire (Reimbursed)	\$ 7,040.00
21/02/2023	LANDGATE.	Land Valuations - Rating	\$ 42.15
21/02/2023	LOCAL GOVERNMENT WORKS ASSOCIATION OF WA	13027 - LG Works Association 1 Year Membership (T Kett)	\$ 100.00
21/02/2023	LOVEGROVE TURF SERVICES PTY LTD	13023 - Vertimowing (Football Oval)	\$ 6,534.00
21/02/2023	MARRADONG CONTRACTING PTY LTD	Assistance with Dozer - Fires (Various)	\$ 10,197.00
21/02/2023	McPEST PEST CONTROL	12991 - Termite InspectionI (Willi Wag Tails)	\$ 220.00
21/02/2023	NARROGIN PACKAGING	12988, 13073 - Reticulation Components	\$ 1,366.20
21/02/2023	NARROGIN TECHNOLOGY SOLUTIONS	13075 - Desktop Computer (Medical Centre)	\$ 2,317.00
21/02/2023	NARROGIN TOYOTA	13110 - Chain Oil (Chainsaws)	\$ 80.39
21/02/2023	NARROGIN TYREPOWER	13101 - Tyre Repairs (Various)	\$ 2,672.00
21/02/2023	OFFICEWORKS	13078 - Toner Cartridge (Medical Centre)	\$ 153.95
21/02/2023	REGIONAL FIRE & SAFETY	13066 - Fire Equipment Service (Depot)	\$ 141.90
21/02/2023	SCAVENGER SUPPLIES	13077 - Fire Fighting Foam	\$ 962.50
21/02/2023	SIMS CIVIL	13081 - Culvert Repairs (Various)	\$ 21,023.20
21/02/2023	STAR TRACK EXPRESS	Freight ex Greenway Turf Solutions (Various)	\$ 67.40
21/02/2023	THE WEST AUSTRALIAN	Advertising - Traineeship	\$ 112.00
21/02/2023	THE WILLIAMS COMMUNITY NEWSPAPER.	12814 - Photocopy Charges for Shire Notes	\$ 104.40
21/02/2023	THE WILLIAMS WOOL SHED.	Protective Clothing - Works	\$ 402.45
21/02/2023	TOLL TRANSPORT PTY LTD	Freight - Various	\$ 62.83
21/02/2023	TOWN PLANNING INNOVATIONS	General Planning Advice for Dec/Jan 2023	\$ 536.25
21/02/2023	VIZONA PTY LTD	12929 - Light Pole (Lions Park Carpark)	\$ 2,351.80
21/02/2023	WALLIS COMPUTER SOLUTIONS	13074 - MS Office Subscription, Security Training	\$ 6,535.83

SHIRE OF WILLIAMS PAYMENT LISTING FOR THE MONTH ENDING 28 FEBRUARY 2023

DATE	NAME	DESCRIPTION	AMOUNT
21/02/2023	WILLIAMS COMMUNITY RESOURCE CENTRE	Contact Books, Sympathy Cards	\$ 95.50
21/02/2023	WILLIAMS GROCER	Monthly Refreshments & Consumables, December 2022 & January 2023	\$ 673.89
21/02/2023	WILLIAMS HOTEL - STRICKO'S	12849 - Refreshments (Strategic Planning Session)	\$ 300.86
21/02/2023	WILLIAMS MENS SHED	Refurbishments - Various Benches & Tables	\$ 700.00
21/02/2023	WILLIAMS NEWSAGENCY	Monthly Account January 2023	\$ 81.90
21/02/2023	WILLIAMS RURAL SUPPLIES	12895 - Monthly Hardware Account - January 2023	\$ 1,868.18
21/02/2023	WILLIS, STUART	Accommodation - FDC Staff (S Palumbo)	\$ 260.00
21/02/2023	WORKWEAR GROUP	Staff Uniforms	\$ 267.12
23/02/2023	SHIRE OF WILLIAMS	Salaries & Wages PE 22/02/2023	\$ 51,552.95
28/02/2023	WILLIAMS GOLF CLUB.	Contribution to Clubhouse Roof and New Storage Shed	\$ 50,000.00
1-28 Feb23	DEPARTMENT OF PLANNING & INFRASTRUCTURE	Licensing Payments Forwarded to Department of Transport	\$ 33,665.15
08/02/2023	SYNERGY	Electricity - Communications Tower & Street Lights	\$ 3,410.57
08/02/2023	TELSTRA	Telephone Charges (Various)	\$ 426.44
15/02/2023	TELSTRA	Phone Services - Various	\$ 725.01
21/02/2023	AUSTRALIAN TAXATION OFFICE	BAS January 2023	\$ 22,340.00
01/02/2023	WESTNET	Monthly CEO Internet Charges, February 2023	\$ 54.99
03/02/2023	CBA	CBA - Merchant Fees January 2023	\$ 148.84
16/02/2023	ANZ CARDS	Monthly Credit Card Expenses x 2	\$ 2,038.54
07/02/2023	WILLIAMS LICENSED POST OFFICE	Postage & Stationery, December 2022	\$ 450.48
21/02/2023	WATER CORPORATION.	Water Supply & Use (Various)	\$ 16,948.47
			<u>\$ 791,002.50</u>

8.1.3 Financial Statements

File Reference	4.23.15
Statutory Ref.	<i>Local Government (Financial Management) Regulations 1996</i>
Author & Date	Cassie Barker 8 March 2023
Attachments	Financial Statements ending 31 January 2023 and 28 February 2023

Background

In accordance with the *Local Government Act 1995*, a statement of financial activity must be presented at an Ordinary Meeting of Council. This is required to be presented within two months, after the end of the month, to which the statement relates.

The statement of financial activity is to report on the revenue and expenditure as set out in the annual budget for the month, including explanations of any variances. *Regulation 34*, from the *Local Government (Financial Management) Regulations 1996* sets out the detail that is required to be included in the reports.

Statutory Implications

Local Government (Financial Management) Regulations 1996 - Regulation 34.

Comment

The attached monthly financial statements and supporting information have been compiled to meet compliance with the Local Government Act 1995 and associated Regulations.

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

As disclosed in the financial statements.

Voting Requirements

Simple Majority

Officer’s Recommendation

That the financial statements presented for the period ending 31 January 2023 be received.

Council Resolution

Carne/Cowcher

That the financial statements presented for the period ending 31 January 2023 be received.

**Carried 9/0
Resolution 79/23**

Officer’s Recommendation

That the financial statements presented for the period ending 28 February 2023 be received.

Council Resolution

Price/Baker

That the financial statements presented for the period ending 28 February 2023 be received.

**Carried 9/0
Resolution 80/23**

SHIRE OF WILLIAMS

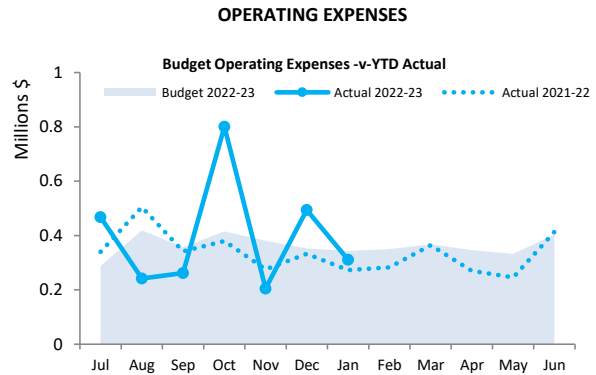
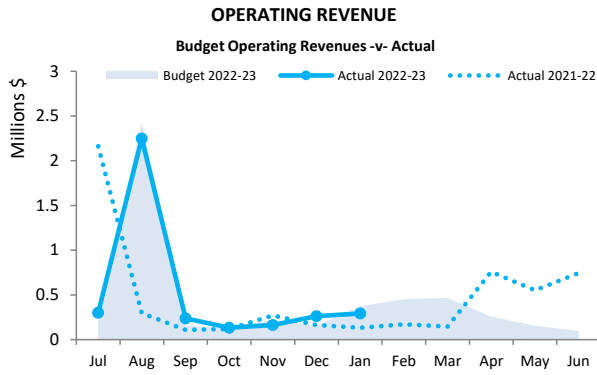
MONTHLY FINANCIAL REPORT (Containing the Statement of Financial Activity) For the period ending 31 January 2023

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

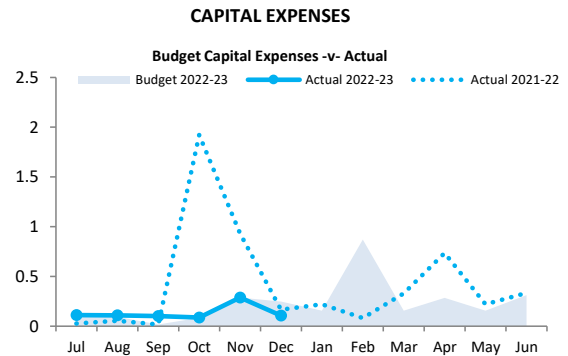
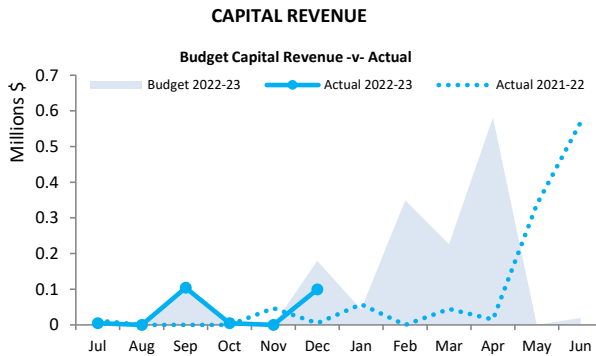
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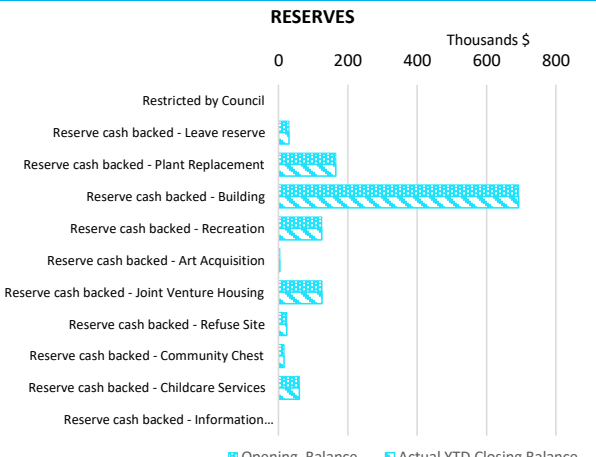
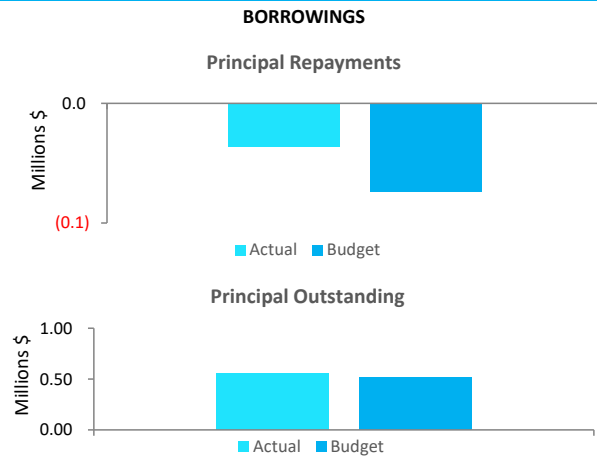
OPERATING ACTIVITIES



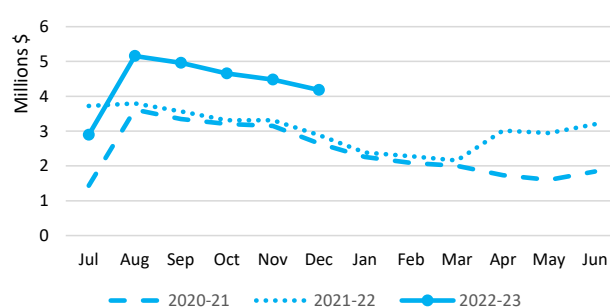
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$0.93 M	\$0.93 M	\$0.93 M	(\$0.00 M)
Closing	\$0.00 M	\$1.77 M	\$1.67 M	(\$0.10 M)
Refer to Statement of Financial Activity			\$0.00 M	\$0.00 M

Cash and cash equivalents		
	\$	% of total
Unrestricted Cash	\$3.63 M	65.7%
Restricted Cash	\$1.24 M	34.3%
Refer to Note 2 - Cash and Financial Assets		

Payables	
	% Outstanding
Trade Payables	\$0.21 M
0 to 30 Days	0.0%
Over 30 Days	0.0%
Over 90 Days	0%
Refer to Note 5 - Payables	

Receivables		
	\$	% Collected
Rates Receivable	\$0.23 M	89.2%
Trade Receivable	\$0.05 M	% Outstanding
Over 30 Days		16.1%
Over 90 Days		2.4%
Refer to Note 3 - Receivables		

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.55 M	\$1.28 M	\$1.23 M	(\$0.05 M)
Refer to Statement of Financial Activity			

Rates Revenue		
	\$	% Variance
YTD Actual	\$2.13 M	
YTD Budget	\$2.13 M	0.1%
Refer to Statement of Financial Activity		

Operating Grants and Contributions		
	\$	% Variance
YTD Actual	\$0.41 M	
YTD Budget	\$0.35 M	17.0%
Refer to Note 11 - Operating Grants and Contributions		

Fees and Charges		
	\$	% Variance
YTD Actual	\$0.65 M	
YTD Budget	\$0.57 M	13.9%
Refer to Statement of Financial Activity		

Key Investing Activities

Amount attributable to investing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$1.14 M)	(\$0.17 M)	(\$0.45 M)	(\$0.28 M)
Refer to Statement of Financial Activity			

Proceeds on sale		
	\$	%
YTD Actual	\$0.07 M	
Adopted Budget	\$0.10 M	(34.3%)
Refer to Note 6 - Disposal of Assets		

Asset Acquisition		
	\$	% Spent
YTD Actual	\$0.92 M	
Adopted Budget	\$2.77 M	(66.7%)
Refer to Note 7 - Capital Acquisitions		

Capital Grants		
	\$	% Received
YTD Actual	\$0.39 M	
Adopted Budget	\$1.50 M	(73.8%)
Refer to Note 7 - Capital Acquisitions		

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.34 M)	(\$0.26 M)	(\$0.04 M)	\$0.23 M
Refer to Statement of Financial Activity			

Borrowings	
Principal repayments	\$0.04 M
Interest expense	\$0.01 M
Principal due	\$0.55 M
Refer to Note 8 - Borrowings	

Reserves	
Reserves balance	\$1.24 M
Interest earned	\$0.00 M
Refer to Note 9 - Cash Reserves	

This information is to be read in conjunction with the accompanying Financial Statements and notes.

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 31 JANUARY 2023

REVENUE

RATES

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

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers 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 identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

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, and other fees and 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 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, reimbursements etc.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

NATURE OR TYPE DESCRIPTIONS

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, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, 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)

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

Shortfall between the value of assets received over the net book value for assets on their disposal.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets. Excluding Land.

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, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

BY NATURE OR TYPE

	Ref	Adopted Budget	YTD Budget	YTD Actual	Variance \$	Variance %	Var.
	Note	(a)	(b)	(c)	(c) - (b)	((c) - (b))/(b)	
		\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	927,694	927,694	927,545	(149)	(0.02%)	
Revenue from operating activities							
Rates		2,094,863	2,093,996	2,095,435	0	0.00%	
Rates (excluding general rate)		38,224	38,224	39,444	1,220	3.19%	
Operating grants, subsidies and contributions	11	461,514	347,896	407,014	59,118	16.99%	▲
Fees and charges		969,800	568,518	647,658	79,140	13.92%	▲
Interest earnings		10,500	7,305	25,480	18,175	0.00%	▲
Other revenue		63,428	35,814	26,967	(8,847)	(24.70%)	▼
Profit on disposal of assets	6	1,003	1,003	10,698	9,695	966.60%	▲
		3,639,332	3,092,756	3,252,696	159,940	5.17%	
Expenditure from operating activities							
Employee costs		(1,820,803)	(896,870)	(1,013,502)	(116,632)	(13.00%)	▼
Materials and contracts		(838,802)	(619,149)	(738,388)	(119,239)	(19.26%)	▼
Utility charges		(190,061)	(100,396)	(93,985)	6,411	6.39%	▲
Depreciation on non-current assets		(1,264,609)	(728,200)	(780,078)	(51,878)	(7.12%)	▼
Interest expenses		(21,502)	(10,869)	(11,033)	(164)	(1.51%)	
Insurance expenses		(149,166)	(125,628)	(149,873)	(24,245)	(19.30%)	▼
Other expenditure		(65,100)	(57,975)	(2,101)	55,874	96.38%	▲
Loss on disposal of assets	6	(5,332)	(5,332)	0	5,332	100.00%	▲
		(4,355,375)	(2,544,419)	(2,788,960)	(244,541)	9.61%	
Non-cash amounts excluded from operating activities	1(a)	1,268,938	732,529	769,380	36,851	5.03%	▲
Amount attributable to operating activities		552,895	1,280,866	1,233,116	(47,750)	(3.73%)	
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	12	1,503,941	626,950	394,663	(232,287)	(37.05%)	▼
Proceeds from disposal of assets	6	104,500	104,500	68,623	(35,877)	(34.33%)	▼
Proceeds from financial assets at amortised cost - self supporting loans	8	17,107	8,481	8,481	0	0.00%	
Payments for property, plant and equipment and infrastructure	7	(2,770,535)	(913,092)	(923,187)	(10,095)	(1.11%)	
Amount attributable to investing activities		(1,144,987)	(173,161)	(451,420)	(278,259)	160.69%	
Financing Activities							
Transfer from reserves	9	75,000	75,000	0	(75,000)	(100.00%)	▼
Repayment of debentures	8	(73,675)	0	(36,554)	(36,554)	0.00%	▼
Transfer to reserves	9	(336,927)	(336,927)	(30)	336,897	99.99%	▲
Amount attributable to financing activities		(335,602)	(261,927)	(36,584)	225,343	(86.03%)	
Closing funding surplus / (deficit)	1(c)	0	1,773,472	1,672,657	(100,815)	5.68%	▼

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 15 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

BASIS OF PREPARATION

The financial report has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying Regulations.

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

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

SIGNIFICANT ACCOUNTING POLICES

CRITICAL ACCOUNTING ESTIMATES

The preparation of a financial report 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 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 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:

- estimation of fair values of certain financial assets
- estimation of fair values of fixed assets shown at fair value
- impairment of financial assets

GOODS AND SERVICES TAX

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.

ROUNDING OFF FIGURES

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

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 27 January 2023

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023

NOTE 1
STATEMENT OF FINANCIAL ACTIVITY INFORMATION

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

	Notes	Adopted Budget	YTD Budget (a)	YTD Actual (b)
		\$	\$	\$
Non-cash items excluded from operating activities				
Adjustments to operating activities				
Less: Profit on asset disposals	6	(1,003)	(1,003)	(10,698)
Add: Loss on asset disposals	6	5,332	5,332	0
Add: Depreciation on assets		1,264,609	728,200	780,078
Total non-cash items excluded from operating activities		1,268,938	732,529	769,380

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

		Adopted Budget Opening 30 June 2022	Last Year Closing 30 June 2022	Year to Date 31 January 2023
Adjustments to net current assets				
Less: Reserves - restricted cash	9	(1,243,716)	(1,243,716)	(1,243,746)
Less: - Financial assets at amortised cost - self supporting loans	4	(200,000)	(200,000)	(191,519)
Add: Borrowings	8	73,675	73,675	37,121
Add: Provisions employee related provisions	10	30,698	30,698	30,698
Total adjustments to net current assets		(1,339,343)	(1,339,343)	(1,367,446)

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	2,983,406	2,983,406	3,627,875
Rates receivables	3	9,821	9,821	230,948
Receivables	3	161,804	161,804	46,690
Other current assets	4	226,515	226,515	217,025
Less: Current liabilities				
Payables	5	(160,820)	(160,820)	(282,577)
Borrowings	8	(73,675)	(73,675)	(37,121)
Contract liabilities	10	(560,413)	(560,413)	(442,986)
Provisions	10	(319,750)	(319,750)	(319,750)
Less: Total adjustments to net current assets	1(b)	(1,339,343)	(1,339,343)	(1,367,446)
Closing funding surplus / (deficit)		927,545	927,545	1,672,658

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. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$				
Municipal Fund Cheque Account	Cash and cash equivalents	180,941		180,941		0	0.00%	
Municipal Fund Investment	Cash and cash equivalents	126,059		126,059		ANZ	0.01%	
Municipal Treasury OCDF	Cash and cash equivalents	2,076,530		2,076,530		WATC	3.05%	
Reserve Funds	Cash and cash equivalents	0	1,243,745	1,243,745		ANZ	3.00%	
Petty Cash Advance	Cash and cash equivalents	600		600			0.00%	
Total		2,384,130	1,243,745	3,627,874	0			
Comprising								
Cash and cash equivalents		2,384,130	1,243,745	3,627,874	0			
		2,384,130	1,243,745	3,627,874	0			

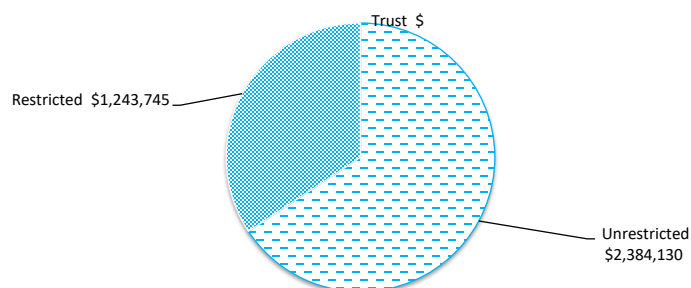
KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

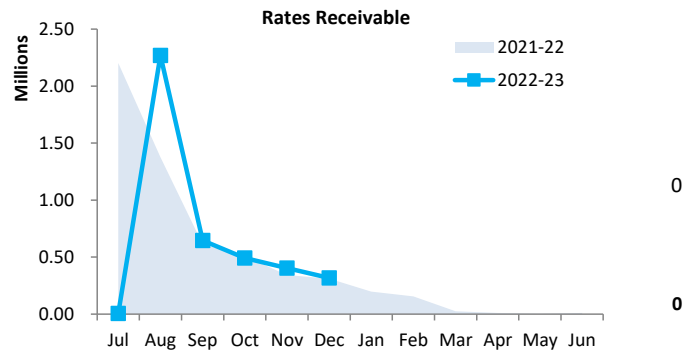
The local government classifies financial assets at amortised cost if both of the following criteria are met:

- 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.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



Rates receivable	30 June 2022	31 Jan 2023
	\$	\$
Opening arrears previous years	27,020	9,821
Levied this year	2,032,126	2,134,879
Less - collections to date	(2,049,325)	(1,913,752)
Gross rates collectable	9,821	230,948
Net rates collectable	9,821	230,948
% Collected	99.5%	89.2%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	686	39,079	6,133	357	1,120	47,376
Percentage	1.4%	82.5%	12.9%	0.8%	2.4%	
Balance per trial balance						
Sundry receivable						46,690
Total receivables general outstanding						46,690

Amounts shown above include GST (where applicable)

KEY INFORMATION

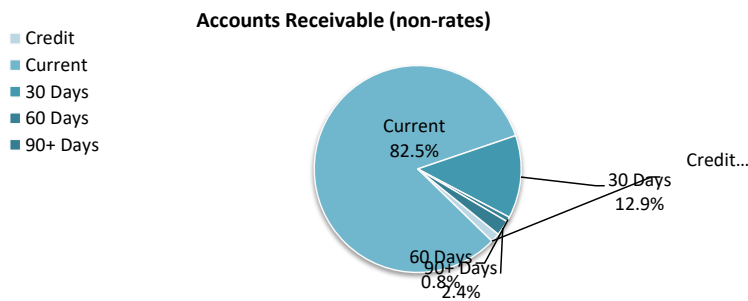
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable 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.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

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



Other current assets	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 31 January 2023
	\$	\$	\$	\$
Other financial assets at amortised cost				
Financial assets at amortised cost - self supporting loans	200,000		(8,481)	191,519
Inventory				
Fuel	18,559	81,136	(92,021)	7,675
History Books	614			614
Gravel	7,342	22,512	(12,636)	17,217
Total other current assets	226,515	103,648	(113,138)	217,025
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Other financial assets at amortised cost

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

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

Inventory

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

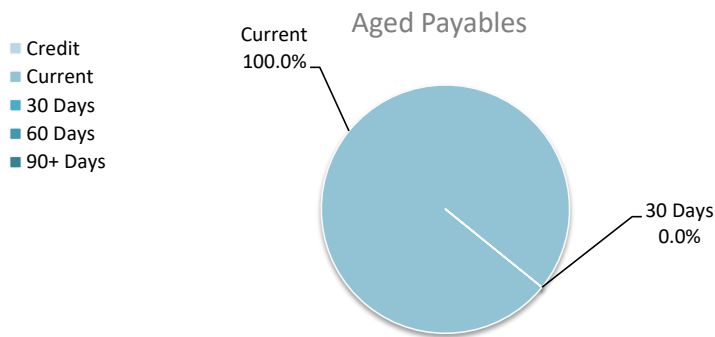
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	177,746	0	0	0	177,746
Percentage	0%	100%	0%	0%	0%	
Balance per trial balance						
Sundry creditors				0	0	207,753
Accrued salaries and wages						47,237
ATO liabilities						(24,080)
Other payables				0		33,624
BSL Fees						(5,299)
DPI Licensing					0	402
Provision for Doubtful Debts						375
Family Day Care liabilities						22,565
Total payables general outstanding						282,577

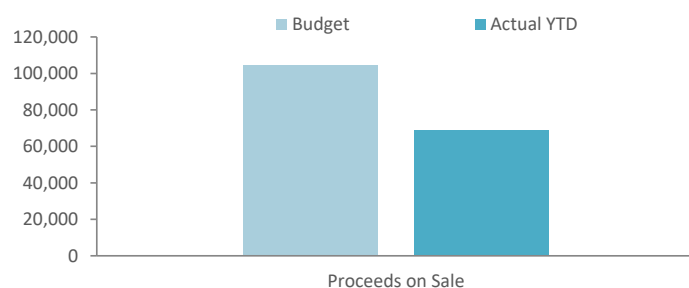
Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the period that are unpaid and arise when the Shire 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. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.



Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment								
	Education and welfare								
	Plant and Equipment - Mazda CX-5	23,331	18,000	0	(5,331)	22,352	27,364	5,012	0
	Transport								
	Plant and Equipment - Various	49,497	50,500	1,003	0			0	0
	Other property and services								
	Plant and Equipment - Isuzu MU-X	36,001	36,000	0	(1)	35,573	41,259	5,686	0
		108,829	104,500	1,003	(5,332)	57,925	68,623	10,698	0



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS**

Capital acquisitions	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Buildings	15,000	0		0
Buildings - specialised	641,594	295,192	295,192	0
Plant and equipment	371,000	101,000	94,444	(6,556)
Infrastructure - Roads	1,487,841	360,000	361,940	1,940
Infrastructure - Footpaths	123,200	40,000	42,260	2,260
Infrastructure - Drainage	90,000	90,000	101,774	11,774
Infrastructure - Parks and Ovals	41,900	26,900	27,576	676
Payments for Capital Acquisitions	2,770,535	913,092	923,187	10,094
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions	1,503,941	626,950	394,663	(232,287)
Other (disposals & C/Fwd)	104,500	104,500	68,623	(35,877)
Cash backed reserves				
Reserve cash backed - Joint Venture Housing	(45,000)		0	0
Reserve cash backed - Childcare Services	(30,000)		0	0
Contribution - operations	1,237,094	181,642	459,901	278,259
Capital funding total	2,770,535	913,092	923,187	10,095

SIGNIFICANT ACCOUNTING POLICIES

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

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

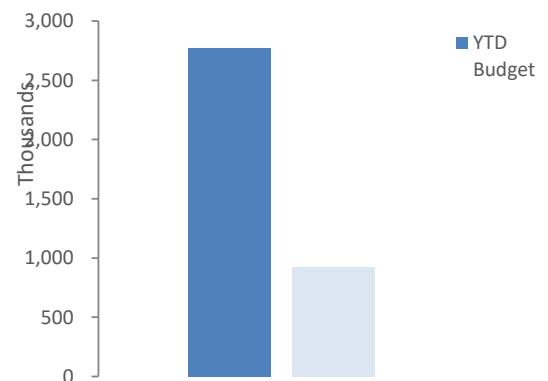
Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognise at fair value. Assets held at cost are depreciated and assessed for impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

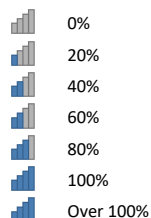
In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Payments for Capital Acquisitions



Capital expenditure total

Level of completion indicators



Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

0

0

Level of completion indicator, please see table at the end of this note for further detail.

	Account Description	Adopted		YTD Actual	Variance (Under)/Over
		Budget	YTD Budget		
		\$	\$	\$	\$
	Land and Buildings				0
	Archive Room C/Fwd 2021/22	30,000	0		0
	Sandalwood Court Fencing C/Fwd 2021/22	25,000	0		0
	Single Person Units Carport C/Fwd 2021/22	30,300	0		0
	Childcare Centre Foyer C/Fwd 2021/22	30,000	0		0
	Community Housing Refurbishment	15,000	0		0
	E168216 Sandalwood Unit Refurbishment	431,494	292,825	292,825	0
	E168218 Water Tank - Ram Shed	24,000	0	2,367	2367.49
	Ram Shed Lighting Upgrade	8,000	0		0
	Office & Hall Painting	23,800	0		0
	8 Fry Street	16,000	0		0
	18 Richardson Street	6,000	0		0
	Arts & Crafts Building Upgrade	17,000	0		0
	Plant and Equipment				0
	E168523 Isuzu MU-X SUV	53,000	53,000	49,364	-3636.45
	E168523 Mazda CX-5	38,000	38,000	36,673	-1327.27
	Kubota Skid Steer Loader	80,000	0		0
	Ride-on Mower	85,000	0		0
	Side by Side Utility Vehicle	25,000	0		0
	Crew Cab Truck	80,000	0		0
	E168520 Minor Plant	10,000	10,000	8,408	-1591.82
	Infrastructure - Roads & Drainage				0
	E168165 Road Project Grant - Quindanning Darkan Road	298,770	60,000	60,072	72.46
	E168172 Road Project Grant - Congelin Narrogin Road	163,281	163,281	126,498	-36782.75
	E168139 Clayton Road C/Fwd RTR 2021/22	41,274	41,274	41,274	0
	E168141 York Williams Road C/Fwd RTR 2021/22	66,724	20,000	16,329	-3670.55
	E168139 RTR - Clayton Road	25,000	60,100	60,145	44.89
	RTR - Dardadine Road	171,112	0		0
	LRCI (Phase 3) - York Williams Road	518,880	0		0
	E168179 Munday's Road - Culvert Replacement	90,000	0		0
	Munday's Road	56,340	0		0
	E168183 Hurley Road	67,340	30,000	30,599	599.18
	Cemetery Road	31,515	0		0
	E168185 Mandiaking Road - Damaged Flood Crossing	12,805	13,100	13,195	94.6
	Narrakine Road	34,800			0
	Infrastructure - Parks & Gardens				0
	E168367 Brookling Street Townscape (LRCI Phase 2)	30,000	20,000	9,115	-10885.41
	E168310 Playground Recreation Centre	6,900	6,900	6,900	0
	Synthetic Bowling Green (Final Installment)	5,000	0		0
	Infrastructure - Footpaths				0
	E168176 Williams Narrogin Road & Richmond Street	99,200	35,000	32,852	-2147.65
	E168184 Rosselloty Street	24,000	10,000	9,408	-591.96
		2,770,535	853,480	796,025	(57,455)

Repayments - borrowings

Information on borrowings Particulars	Loan No.	1 July 2022	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Recreation and culture										
Mens Shed	71	80,285			(9,910)	(19,856)	70,375	60,429	(288)	(540)
Economic services										
Industrial Shed	70	149,353			(11,446)	(23,065)	137,907	126,288	(2,255)	(4,338)
Other property and services										
Industrial Land	65	159,916			(6,717)	(13,647)	153,199	146,269	(5,093)	(9,973)
		389,554	0	0	-28,073	-56,568	361,481	332,986	-7,636	-14,851
Self supporting loans										
Recreation and culture										
Williams Bowling Club		200,000	0	0	-8,481	-17,107	191,519	182,893	(3,397)	(6,651)
		200,000	0	0	-8,481	-17,107	191,519	182,893	(3,397)	(6,651)
Total		589,554	0	0	-36,554	-73,675	553,000	515,879	(11,033)	(21,502)
Current borrowings		73,675					37,121			
Non-current borrowings		515,879					515,879			
		589,554					553,000			

All debenture repayments were financed by general purpose revenue.

Self supporting loans are financed by repayments from third parties.

The Shire has no unspent debenture funds as at 30th June 2022, nor is it expected to have unspent funds as at 30th June 2023.

KEY INFORMATION

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.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Non-current borrowings fair values are based on discounted cash flows using a current borrowing rate.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**OPERATING ACTIVITIES
NOTE 9
RESERVE ACCOUNTS**

Reserve accounts

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council									
Reserve cash backed - Leave reserve	30,698	31	1	5,000				35,729	30,699
Reserve cash backed - Plant Replacemer	165,078	165	4	50,000				215,243	165,082
Reserve cash backed - Building	692,521	693	17	50,000				743,214	692,538
Reserve cash backed - Recreation	125,132	125	3	10,000				135,257	125,135
Reserve cash backed - Art Acquisition	4,334	4	0	1,000				5,338	4,334
Reserve cash backed - Joint Venture Ho	125,699	126	3	15,000		(45,000)		95,825	125,702
Reserve cash backed - Refuse Site	24,335	24	1					24,359	24,336
Reserve cash backed - Community Ches	15,919	16	0	4,683				20,618	15,919
Reserve cash backed - Childcare Service	60,000	60	1	150,000		(30,000)		180,060	60,001
Reserve cash backed - Information Tech	0		0	50,000				50,000	0
	1,243,716	1,244	30	335,683	0	(75,000)	0	1,505,643	1,243,746

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 January 2023
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		0	0	183,874	(113,082)	70,792
- Capital grant/contribution liabilities		560,413		146,014	(334,233)	372,194
Total other liabilities		560,413		329,888	(447,315)	442,986
Employee Related Provisions						
Annual leave		164,844	0			164,844
Long service leave		154,906	0			154,906
Total Employee Related Provisions		319,750	0	0	0	319,750
Total other current assets		880,163	0	329,888	(447,315)	762,736
Amounts shown above include GST (where applicable)						

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 11 and 12

KEY INFORMATION

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee Related Provisions

Short-term employee benefits

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

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the calculation of net current assets.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

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.

Capital grant/contribution liabilities

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget	YTD Budget	YTD Revenue
	1 July 2022		(As revenue)	31 Jan 2023	31 Jan 2023	Revenue	Budget	Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants and subsidies								
Governance								
National Australia Day Council - Australia Day 2022	9,348	22,800	(9,348)	22,800		9,348		9,348
General purpose funding								
Financial Assistance Grant - General Purpose		31,415	(31,415)	0		62,829	31,414	31,414
Financial Assistance Grant - Local Road		40,059	(40,059)	0		80,117	40,059	40,059
Law, order, public safety								
ESL Administration Grant		4,000	(4,000)	0		4,000	4,000	4,000
ESL Operating Grant		33,359	(33,359)	0		44,479	29,653	33,359
Education and welfare								
FDC - Sustainability Grant		62,238	(62,238)	0		62,238	62,238	62,238
Childcare Centre - Sustainability Grant		44,000	(44,000)	0		44,000	44,000	44,000
Dept of Education - Training Incentive		14,819	(14,819)	0		12,000		14,819
Williams Playgroup - Community Assitance Program		5,000	(5,000)	0				5,000
Housing								
NRAS - incentive		56,170	(56,170)	0		56,325	56,325	56,170
Community amenities								
PHCC - Narrakine Feral Pig Eradcation Project	8,424		(8,424)	0				13,682
Domestic Waste Collections		122,090	(75,481)	46,609				
Commercial Waste Collections		61,784	(38,021)	23,763				
Transport								
Main Roads - Direct Grant		92,925	(92,925)	0		80,207	80,207	92,925
Main Roads - Street Lighting Subsidy				0		5,971		
	17,772	590,657	(515,258)	93,172	0	461,514	347,896	407,014

Provider	Capital grant/contribution liabilities					Non operating grants, subsidies and contributions revenue		
	Liability 1 July 2022	Increase in Liability	Decrease in Liability (As revenue)	Liability 31 Jan 2023	Current Liability 31 Jan 2023	Adopted Budget Revenue	YTD Budget	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Non-operating grants and subsidies								
Housing								
Dept of Communities - SHERP Grant - Sandalwood Crt	193,247		(193,247)	0		386,494	104,070	193,247
Recreation and culture								
Public Open Space Contribution				0		20,000		
Transport								
Dept of Infrastructure - LRCI Phase 3	349,394			349,394		465,858	271,850	
Main Roads - Road Project Grants		166,755	(166,755)	0		308,034	123,214	166,755
Dept of Infrastructure - Roads to Recovery				0		196,112	98,056	
Dept of Infrastructure - LRCI Phase 1 & 2				0		77,843		
Dept of Transport - WABN Grant		29,760	(29,760)	0		49,600	29,760	29,760
Economic services								
DWER - Stock Water Grant		4,901	(4,901)	0				4,901
	542,641	201,416	(394,663)	349,394	0	1,503,941	626,950	394,663

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**NOTE 13
TRUST FUND**

Funds held at balance date which are required by legislation to be credited to the trust fund and which are not included in the financial statements are as follows:

Description	Opening Balance 1 July 2022	Amount Received	Amount Paid	Closing Balance 31 Jan 2023
	\$	\$	\$	\$
Public Open Space Contribution	20,000			20,000
	20,000	0	0	20,000

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**NOTE 14
BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget adoption					0	927,695
				0	0	0	0

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**NOTE 15
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2022-23 year is \$5,000 or 5.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances		
			Timing	Permanent	Timing	Permanent	
	\$	%				0	0
Revenue from operating activities							
Operating grants, subsidies and contributions	59,118	16.99%	▲ Higher than expected at this time			0	
Fees and charges	79,140	13.92%	▲ Higher Childcare Fees				
Interest earnings	18,175	0.00%	▲ Higher interest rates				
Other revenue	(8,847)	(24.70%)	▼				
Profit on disposal of assets	9,695	966.60%	▲ Level of profit better than Budget				
Expenditure from operating activities							
Employee costs	(116,632)	(13.00%)	▼			Lower than expected at this time	
Materials and contracts	(119,239)	(19.26%)	▼			Lower than expected at this time	
Utility charges	6,411	6.39%	▲ Higher than expected at this time				
Depreciation on non-current assets	(51,878)	(7.12%)	▼			Lower than expected at this time	
Insurance expenses	(24,245)	(19.30%)	▼			Timing of insurance payments	
Other expenditure	55,874	96.38%	▲ Higher than expected at this time				
Loss on disposal of assets	5,332	100.00%	▲	Lower loss on sale of asset than anticipated			
Non-cash amounts excluded from operating activities	36,851	5.03%	▲			Lower than expected at this time	
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	(232,287)	(37.05%)	▼			Lower than expected at this time	
Proceeds from disposal of assets	(35,877)	(34.33%)	▼			Timing of asset disposals	
Financing activities							
Transfer from reserves	(75,000)	(100.00%)	▼			Timing of reserve fund transfers	
Repayment of debentures	(36,554)	0.00%	▼			Timing of loan repayment	
Transfer to reserves	336,897	99.99%	▲ Timing of reserve fund transfers				
Closing funding surplus / (deficit)	(100,815)	5.68%	▼				

SHIRE OF WILLIAMS

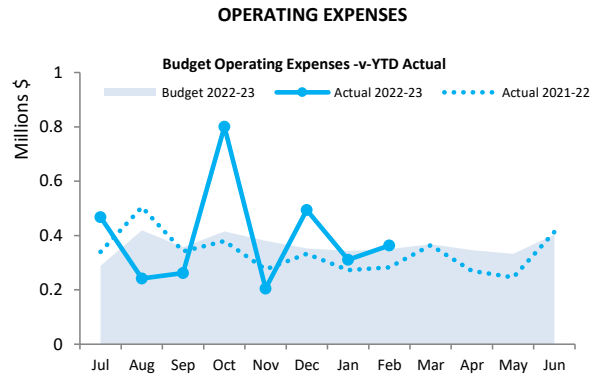
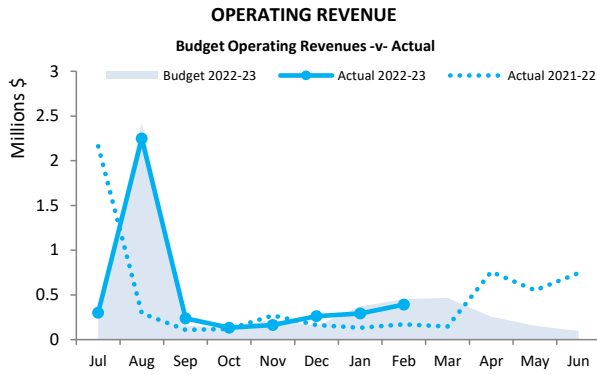
MONTHLY FINANCIAL REPORT (Containing the Statement of Financial Activity) For the period ending 28 February 2023

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

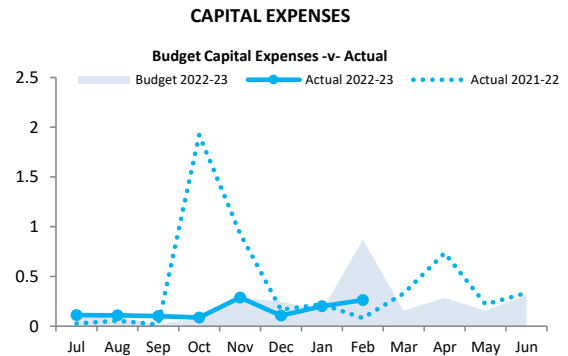
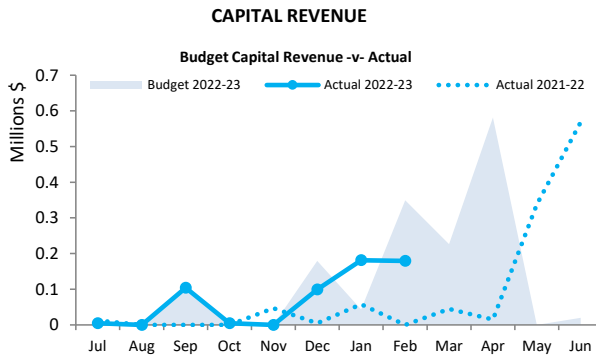
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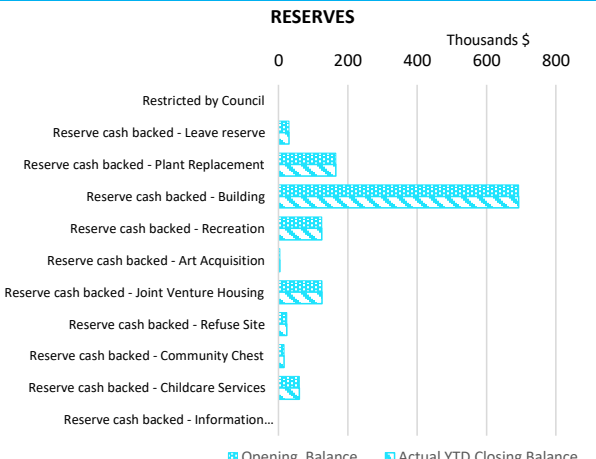
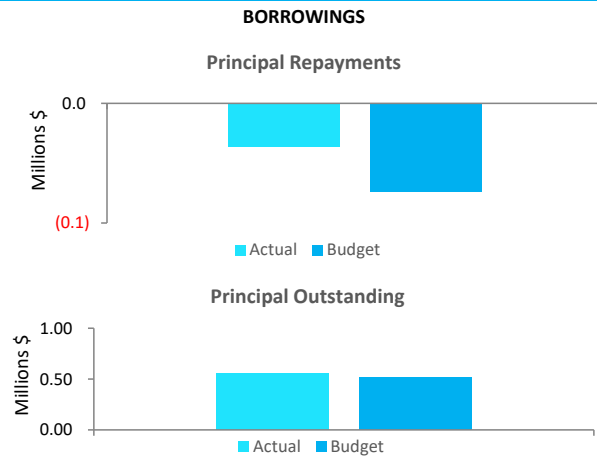
OPERATING ACTIVITIES



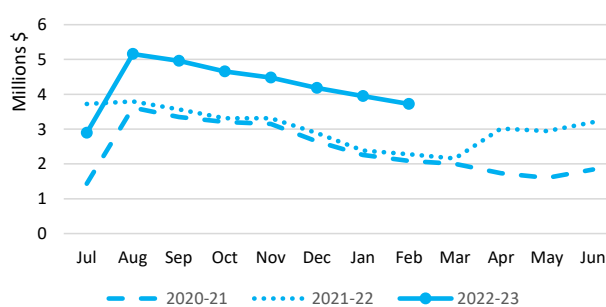
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$0.93 M	\$0.93 M	\$0.93 M	(\$0.00 M)
Closing	\$0.00 M	\$1.99 M	\$1.49 M	(\$0.50 M)
Refer to Statement of Financial Activity			\$0.00 M	\$0.00 M

Cash and cash equivalents		
	\$	% of total
Unrestricted Cash	\$2.11 M	62.9%
Restricted Cash	\$1.24 M	37.1%
Refer to Note 2 - Cash and Financial Assets		

Payables	
	% Outstanding
Trade Payables	\$0.05 M
0 to 30 Days	0.0%
Over 30 Days	0.0%
Over 90 Days	0%
Refer to Note 5 - Payables	

Receivables		
	\$	% Collected
Rates Receivable	\$0.17 M	92.1%
Trade Receivable	\$0.15 M	% Outstanding
Over 30 Days		16.2%
Over 90 Days		2.4%
Refer to Note 3 - Receivables		

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.55 M	\$1.17 M	\$1.14 M	(\$0.04 M)
Refer to Statement of Financial Activity			

Rates Revenue		
	\$	% Variance
YTD Actual	\$2.14 M	
YTD Budget	\$2.13 M	0.2%
Refer to Statement of Financial Activity		

Operating Grants and Contributions		
	\$	% Variance
YTD Actual	\$0.44 M	
YTD Budget	\$0.39 M	13.6%
Refer to Note 11 - Operating Grants and Contributions		

Fees and Charges		
	\$	% Variance
YTD Actual	\$0.75 M	
YTD Budget	\$0.65 M	15.0%
Refer to Statement of Financial Activity		

Key Investing Activities

Amount attributable to investing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$1.14 M)	\$0.15 M	(\$0.54 M)	(\$0.69 M)
Refer to Statement of Financial Activity			

Proceeds on sale		
	\$	%
YTD Actual	\$0.07 M	
Adopted Budget	\$0.10 M	(34.3%)
Refer to Note 6 - Disposal of Assets		

Asset Acquisition		
	\$	% Spent
YTD Actual	\$1.19 M	
Adopted Budget	\$2.77 M	(57.2%)
Refer to Note 7 - Capital Acquisitions		

Capital Grants		
	\$	% Received
YTD Actual	\$0.57 M	
Adopted Budget	\$1.50 M	(61.8%)
Refer to Note 7 - Capital Acquisitions		

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.34 M)	(\$0.26 M)	(\$0.04 M)	\$0.23 M
Refer to Statement of Financial Activity			

Borrowings	
	\$
Principal repayments	\$0.04 M
Interest expense	\$0.01 M
Principal due	\$0.55 M
Refer to Note 8 - Borrowings	

Reserves	
	\$
Reserves balance	\$1.24 M
Interest earned	\$0.00 M
Refer to Note 9 - Cash Reserves	

This information is to be read in conjunction with the accompanying Financial Statements and notes.

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 28 FEBRUARY 2023

REVENUE

RATES

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

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers 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 identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

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, and other fees and 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 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, reimbursements etc.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

NATURE OR TYPE DESCRIPTIONS

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, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, 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)

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

Shortfall between the value of assets received over the net book value for assets on their disposal.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets. Excluding Land.

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, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

BY NATURE OR TYPE

	Ref	Adopted Budget	YTD Budget	YTD Actual	Variance \$	Variance %	Var.
	Note	(a)	(b)	(c)	(c) - (b)	((c) - (b))/(b)	
		\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	927,694	927,694	927,545	(149)	(0.02%)	
Revenue from operating activities							
Rates		2,094,863	2,093,996	2,095,995	0	0.00%	
Rates (excluding general rate)		38,224	38,224	39,444	1,220	3.19%	
Operating grants, subsidies and contributions	11	461,514	389,632	442,751	53,119	13.63%	▲
Fees and charges		969,800	648,895	746,437	97,542	15.03%	▲
Interest earnings		10,500	7,944	30,390	22,446	0.00%	▲
Other revenue		63,428	38,626	47,030	8,404	21.76%	▲
Profit on disposal of assets	6	1,003	1,003	10,698	9,695	966.60%	▲
		3,639,332	3,218,320	3,412,745	194,425	6.04%	
Expenditure from operating activities							
Employee costs		(1,820,803)	(1,030,086)	(1,114,655)	(84,569)	(8.21%)	▼
Materials and contracts		(838,802)	(704,047)	(818,255)	(114,208)	(16.22%)	▼
Utility charges		(190,061)	(105,762)	(119,413)	(13,651)	(12.91%)	▼
Depreciation on non-current assets		(1,264,609)	(835,270)	(887,239)	(51,969)	(6.22%)	▼
Interest expenses		(21,502)	(10,914)	(11,033)	(119)	(1.09%)	
Insurance expenses		(149,166)	(130,335)	(149,873)	(19,538)	(14.99%)	▼
Other expenditure		(65,100)	(63,400)	(52,101)	11,299	17.82%	▲
Loss on disposal of assets	6	(5,332)	(5,332)	0	5,332	100.00%	▲
		(4,355,375)	(2,885,146)	(3,152,569)	(267,423)	9.27%	
Non-cash amounts excluded from operating activities	1(a)	1,268,938	839,599	876,541	36,942	4.40%	
Amount attributable to operating activities		552,895	1,172,773	1,136,717	(36,056)	(3.07%)	
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	12	1,503,941	952,983	573,913	(379,070)	(39.78%)	▼
Proceeds from disposal of assets	6	104,500	104,500	68,623	(35,877)	(34.33%)	▼
Proceeds from financial assets at amortised cost - self supporting loans	8	17,107	8,481	8,481	0	0.00%	
Payments for property, plant and equipment and infrastructure	7	(2,770,535)	(913,092)	(1,186,451)	(273,359)	(29.94%)	▼
Amount attributable to investing activities		(1,144,987)	152,872	(535,435)	(688,307)	(450.25%)	
Financing Activities							
Transfer from reserves	9	75,000	75,000	0	(75,000)	(100.00%)	▼
Repayment of debentures	8	(73,675)	0	(36,554)	(36,554)	0.00%	▼
Transfer to reserves	9	(336,927)	(336,927)	(30)	336,897	99.99%	▲
Amount attributable to financing activities		(335,602)	(261,927)	(36,584)	225,343	(86.03%)	
Closing funding surplus / (deficit)	1(c)	0	1,991,412	1,492,244	(499,168)	25.07%	▼

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 15 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

BASIS OF PREPARATION

The financial report has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying Regulations.

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

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

SIGNIFICANT ACCOUNTING POLICES

CRITICAL ACCOUNTING ESTIMATES

The preparation of a financial report 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 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 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:

- estimation of fair values of certain financial assets
- estimation of fair values of fixed assets shown at fair value
- impairment of financial assets

GOODS AND SERVICES TAX

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.

ROUNDING OFF FIGURES

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

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 08 March 2023

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023

NOTE 1
STATEMENT OF FINANCIAL ACTIVITY INFORMATION

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

	Notes	Adopted Budget	YTD Budget (a)	YTD Actual (b)
		\$	\$	\$
Non-cash items excluded from operating activities				
Adjustments to operating activities				
Less: Profit on asset disposals	6	(1,003)	(1,003)	(10,698)
Add: Loss on asset disposals	6	5,332	5,332	0
Add: Depreciation on assets		1,264,609	835,270	887,239
Total non-cash items excluded from operating activities		1,268,938	839,599	876,541

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

		Adopted Budget Opening 30 June 2022	Last Year Closing 30 June 2022	Year to Date 28 February 2023
Adjustments to net current assets				
Less: Reserves - restricted cash	9	(1,243,716)	(1,243,716)	(1,243,746)
Less: - Financial assets at amortised cost - self supporting loans	4	(200,000)	(200,000)	(241,519)
Add: Borrowings	8	73,675	73,675	36,554
Add: Current employee related provisions held in reserve	10	30,698	30,698	30,698
Total adjustments to net current assets		(1,339,343)	(1,339,343)	(1,418,013)

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	2,983,406	2,983,406	3,351,932
Rates receivables	3	9,821	9,821	170,268
Receivables	3	161,804	161,804	152,755
Other current assets	4	226,515	226,515	269,031
Less: Current liabilities				
Payables	5	(160,820)	(160,820)	(112,673)
Borrowings	8	(73,675)	(73,675)	(36,554)
Contract liabilities	10	(560,413)	(560,413)	(564,751)
Provisions	10	(319,750)	(319,750)	(319,750)
Less: Total adjustments to net current assets	1(b)	(1,339,343)	(1,339,343)	(1,418,013)
Closing funding surplus / (deficit)		927,545	927,545	1,492,245

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. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$	\$			
Municipal Fund Cheque Account	Cash and cash equivalents	400,246		400,246		0	0.00%	
Municipal Fund Investment	Cash and cash equivalents	126,060		126,060		ANZ	0.01%	
Municipal Treasury OCDF	Cash and cash equivalents	1,581,280		1,581,280		WATC	3.30%	
Reserve Funds	Cash and cash equivalents	0	1,243,745	1,243,745		ANZ	3.00%	
Petty Cash Advance	Cash and cash equivalents	600		600			0.00%	
Total		2,108,187	1,243,745	3,351,931	0			
Comprising								
Cash and cash equivalents		2,108,187	1,243,745	3,351,931	0			
		2,108,187	1,243,745	3,351,931	0			

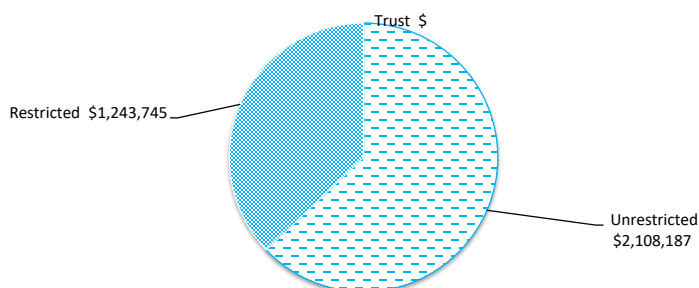
KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

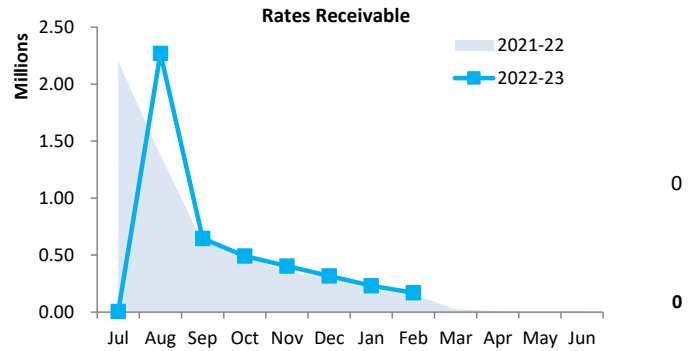
The local government classifies financial assets at amortised cost if both of the following criteria are met:

- 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.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



Rates receivable	30 June 2022	28 Feb 2023
	\$	\$
Opening arrears previous years	27,020	9,821
Levied this year	2,032,126	2,135,439
Less - collections to date	(2,049,325)	(1,974,992)
Gross rates collectable	9,821	170,268
Net rates collectable	9,821	170,268
% Collected	99.5%	92.1%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	585	39,079	6,133	357	1,120	47,275
Percentage	1.2%	82.7%	13%	0.8%	2.4%	
Balance per trial balance						
Sundry receivable						152,755
Total receivables general outstanding						152,755

Amounts shown above include GST (where applicable)

KEY INFORMATION

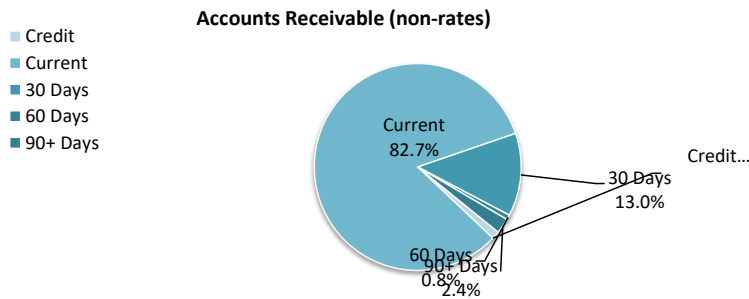
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable 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.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

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



Other current assets	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 28 February 2023
	\$	\$	\$	\$
Other financial assets at amortised cost				
Financial assets at amortised cost - self supporting loans	200,000	50,000	(8,481)	241,519
Inventory				
Fuel	18,559	96,345	(105,223)	9,681
History Books	614			614
Gravel	7,342	22,512	(12,637)	17,217
Total other current assets	226,515	168,857	(126,341)	269,031
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Other financial assets at amortised cost

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

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

Inventory

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

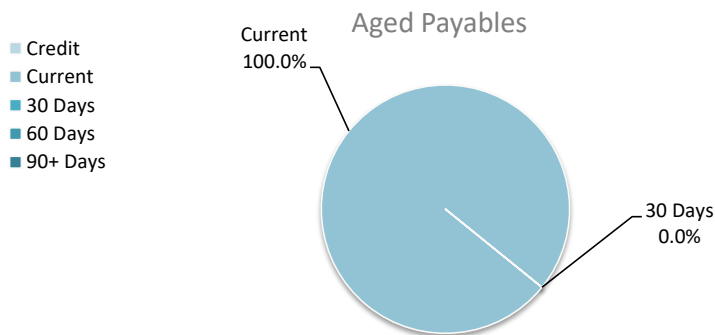
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	47,167	0	0	0	47,167
Percentage	0%	100%	0%	0%	0%	
Balance per trial balance						
Sundry creditors				0	0	47,167
Accrued salaries and wages						233
ATO liabilities						(18,087)
Other payables				0		65,042
BSL Fees						(5,299)
DPI Licensing					0	511
Provision for Doubtful Debts						375
Family Day Care liabilities						22,731
Total payables general outstanding						112,673

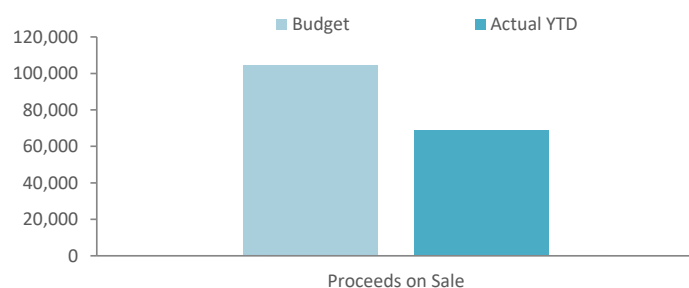
Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the period that are unpaid and arise when the Shire 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. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.



Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment								
	Education and welfare								
	Plant and Equipment - Mazda CX-5	23,331	18,000	0	(5,331)	22,352	27,364	5,012	0
	Transport								
	Plant and Equipment - Various	49,497	50,500	1,003	0			0	0
	Other property and services								
	Plant and Equipment - Isuzu MU-X	36,001	36,000	0	(1)	35,573	41,259	5,686	0
		108,829	104,500	1,003	(5,332)	57,925	68,623	10,698	0



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS**

Capital acquisitions	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Buildings	15,000	0		0
Buildings - specialised	641,594	295,192	295,192	0
Plant and equipment	371,000	101,000	169,444	68,444
Infrastructure - Roads	1,487,841	360,000	463,311	103,311
Infrastructure - Footpaths	123,200	40,000	125,811	85,811
Infrastructure - Drainage	90,000	90,000	101,774	11,774
Infrastructure - Parks and Ovals	41,900	26,900	30,919	4,019
Payments for Capital Acquisitions	2,770,535	913,092	1,186,451	273,359
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions	1,503,941	952,983	573,913	(379,070)
Other (disposals & C/Fwd)	104,500	104,500	68,623	(35,877)
Cash backed reserves				
Reserve cash backed - Joint Venture Housing	(45,000)		0	0
Reserve cash backed - Childcare Services	(30,000)		0	0
Contribution - operations	1,237,094	(144,391)	543,916	688,307
Capital funding total	2,770,535	913,092	1,186,451	273,359

SIGNIFICANT ACCOUNTING POLICIES

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

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

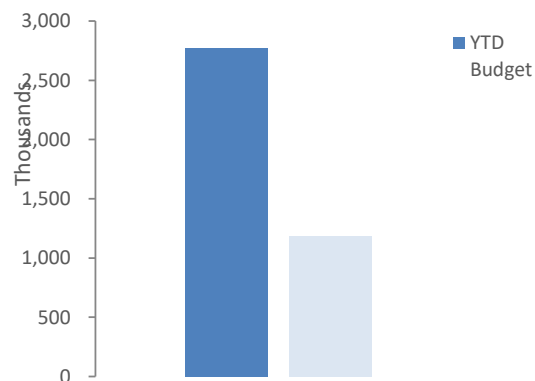
Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognise at fair value. Assets held at cost are depreciated and assessed for impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

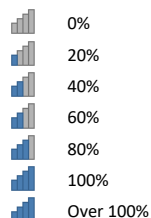
In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Payments for Capital Acquisitions



Capital expenditure total

Level of completion indicators



Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

0

0

Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted		YTD Actual	Variance (Under)/Over
	Budget	YTD Budget		
	\$	\$	\$	\$
Land and Buildings				0
Archive Room C/Fwd 2021/22	30,000	0		0
Sandalwood Court Fencing C/Fwd 2021/22	25,000	0		0
Single Person Units Carport C/Fwd 2021/22	30,300	0		0
Childcare Centre Foyer C/Fwd 2021/22	30,000	0		0
Community Housing Refurbishment	15,000	0		0
E168216 Sandalwood Unit Refurbishment	431,494	292,825	292,825	0
E168218 Water Tank - Ram Shed	24,000	0	2,367	2367.49
Ram Shed Lighting Upgrade	8,000	0		0
Office & Hall Painting	23,800	0		0
8 Fry Street	16,000	0		0
18 Richardson Street	6,000	0		0
Arts & Crafts Building Upgrade	17,000	0		0
Plant and Equipment				0
E168523 Isuzu MU-X SUV	53,000	53,000	49,364	-3636.45
E168523 Mazda CX-5	38,000	38,000	36,673	-1327.27
Kubota Skid Steer Loader	80,000	80,000	75,000	-5000
Ride-on Mower	85,000	0		0
Side by Side Utility Vehicle	25,000	0		0
Crew Cab Truck	80,000	0		0
E168520 Minor Plant	10,000	10,000	8,408	-1591.82
Infrastructure - Roads & Drainage				0
E168165 Road Project Grant - Quindanning Darkan Road	298,770	170,000	165,798	-4202.37
E168172 Road Project Grant - Congelin Narrogin Road	163,281	163,281	128,368	-34913.19
E168139 Clayton Road C/Fwd RTR 2021/22	41,274	41,274	41,274	0
E168141 York Williams Road C/Fwd RTR 2021/22	66,724	66,724	58,184	-8540.44
E168139 RTR - Clayton Road	25,000	60,100	18,871	-41229.11
RTR - Dardadine Road	171,112	0	0	0
E168178 LRCI (Phase 3) - York Williams Road	518,880	20,000	20,218	217.5
E168179 Mundays Road - Culvert Replacement	90,000	90,000	88,579	-1420.77
Mundays Road	56,340	0		0
E168183 Hurley Road	67,340	30,000	30,599	599.18
Cemetery Road	31,515	0		0
E168185 Mandiaking Road - Damaged Flood Crossing	12,805	12,805	13,195	389.6
Narrakine Road	34,800			0
Infrastructure - Parks & Gardens				0
E168367 Brooking Street Townscape (LRCI Phase 2)	30,000	20,000	12,457	-7542.77
E168310 Playground Recreation Centre	6,900	6,900	6,900	0
Synthetic Bowling Green (Final Installment)	5,000	0		0
Infrastructure - Footpaths				0
E168176 Williams Narrogin Road & Richmond Street	99,200	99,200	98,678	-522.24
E168184 Rosselloty Street	24,000	24,000	27,134	3133.54
	2,770,535	1,278,109	1,174,890	(103,219)

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023

FINANCING ACTIVITIES

NOTE 8

BORROWINGS

Repayments - borrowings

Information on borrowings Particulars	Loan No.	1 July 2022	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	
Recreation and culture										
Mens Shed	71	80,285			(9,910)	(19,856)	70,375	60,429	(288)	(540)
Williams Bowling Club	72	200,000			(8,481)	(17,107)	191,519	182,893	(3,397)	(6,651)
Economic services										
Industrial Shed	70	149,353			(11,446)	(23,065)	137,907	126,288	(2,255)	(4,338)
Other property and services										
Industrial Land	65	159,916			(6,717)	(13,647)	153,199	146,269	(5,093)	(9,973)
		389,554	0	0	-28,073	-56,568	361,481	332,986	-7,636	-14,851
Self supporting loans										
Recreation and culture										
Williams Bowling Club		200,000	0	0	-8,481	-17,107	191,519	182,893	(3,397)	(6,651)
		200,000	0	0	-8,481	-17,107	191,519	182,893	(3,397)	(6,651)
Total		589,554	0	0	-36,554	-73,675	553,000	515,879	(11,033)	(21,502)
Current borrowings		73,675					36,554			
Non-current borrowings		515,879					516,446			
		589,554					553,000			

All debenture repayments were financed by general purpose revenue.

Self supporting loans are financed by repayments from third parties.

The Shire has no unspent debenture funds as at 30th June 2022, nor is it expected to have unspent funds as at 30th June 2023.

KEY INFORMATION

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.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Non-current borrowings fair values are based on discounted cash flows using a current borrowing rate.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023

OPERATING ACTIVITIES
NOTE 9
RESERVE ACCOUNTS

Reserve accounts

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council									
Reserve cash backed - Leave reserve	30,698	31	1	5,000				35,729	30,699
Reserve cash backed - Plant Replacemer	165,078	165	4	50,000				215,243	165,082
Reserve cash backed - Building	692,521	693	17	50,000				743,214	692,538
Reserve cash backed - Recreation	125,132	125	3	10,000				135,257	125,135
Reserve cash backed - Art Acquisition	4,334	4	0	1,000				5,338	4,334
Reserve cash backed - Joint Venture Ho	125,699	126	3	15,000		(45,000)		95,825	125,702
Reserve cash backed - Refuse Site	24,335	24	1					24,359	24,336
Reserve cash backed - Community Ches	15,919	16	0	4,683				20,618	15,919
Reserve cash backed - Childcare Service	60,000	60	1	150,000		(30,000)		180,060	60,001
Reserve cash backed - Information Tech	0		0	50,000				50,000	0
	1,243,716	1,244	30	335,683	0	(75,000)	0	1,505,643	1,243,746

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 28 February 2023
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		0	0	183,874	(127,240)	56,634
- Capital grant/contribution liabilities		560,413		381,515	(433,811)	508,117
Total other liabilities		560,413		565,389	(561,051)	564,751
Employee Related Provisions						
Annual leave		164,844	0			164,844
Long service leave		154,906	0			154,906
Total Employee Related Provisions		319,750	0	0	0	319,750
Total other current assets		880,163	0	565,389	(561,051)	884,501
Amounts shown above include GST (where applicable)						

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 11 and 12

KEY INFORMATION

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee Related Provisions

Short-term employee benefits

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

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the calculation of net current assets.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

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.

Capital grant/contribution liabilities

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget	YTD Budget	YTD Revenue
	1 July 2022		(As revenue)	28 Feb 2023	28 Feb 2023	Revenue	Budget	Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants and subsidies								
Governance								
National Australia Day Council - Australia Day 2022	9,348	22,800	(9,348)	22,800		9,348		9,348
General purpose funding								
Financial Assistance Grant - General Purpose		47,122	(47,122)	0		62,829	47,122	47,122
Financial Assistance Grant - Local Road		60,088	(60,088)	0		80,117	60,088	60,088
Law, order, public safety								
ESL Administration Grant		4,000	(4,000)	0		4,000	4,000	4,000
ESL Operating Grant		33,359	(33,359)	0		44,479	29,653	33,359
Education and welfare								
FDC - Sustainability Grant		62,238	(62,238)	0		62,238	62,238	62,238
Childcare Centre - Sustainability Grant		44,000	(44,000)	0		44,000	44,000	44,000
Dept of Education - Training Incentive		14,819	(14,819)	0		12,000		14,819
Williams Playgroup - Community Assitance Program		5,000	(5,000)	0		6,000	6,000	5,000
Housing								
NRAS - incentive		56,170	(56,170)	0		56,325	56,325	56,170
Community amenities								
PHCC - Narrakine Feral Pig Eradcation Project	8,424	5,258	(13,682)	0				13,682
Domestic Waste Collections		122,090	(84,467)	37,623				
Commercial Waste Collections		61,784	(42,774)	19,011				
Transport								
Main Roads - Direct Grant		92,925	(92,925)	0		80,207	80,207	92,925
Main Roads - Street Lighting Subsidy				0		5,971		
	17,772	631,652	(569,991)	79,434	0	467,514	389,633	442,751

Provider	Capital grant/contribution liabilities					Non operating grants, subsidies and contributions revenue		
	Liability 1 July 2022	Increase in Liability	Decrease in Liability (As revenue)	Liability 28 Feb 2023	Current Liability 28 Feb 2023	Adopted Budget Revenue	YTD Budget	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Non-operating grants and subsidies								
Housing								
Dept of Communities - SHERP Grant - Sandalwood Crt	193,247	99,578	(193,247)	99,578		386,494	245,283	292,825
Recreation and culture								
Public Open Space Contribution				0		20,000		
Transport								
Dept of Infrastructure - LRCI Phase 3	349,394			349,394		465,858	271,850	
Main Roads - Road Project Grants		246,427	(246,427)	0		308,034	308,034	246,427
Dept of Infrastructure - Roads to Recovery				0		196,112	98,056	
Dept of Infrastructure - LRCI Phase 1 & 2				0		77,843		
Dept of Transport - WABN Grant		29,760	(29,760)	0		49,600	29,760	29,760
Economic services								
DWER - Stock Water Grant		4,901	(4,901)	0				4,901
	542,641	380,666	(474,335)	448,972	0	1,503,941	952,983	573,913

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**NOTE 13
TRUST FUND**

Funds held at balance date which are required by legislation to be credited to the trust fund and which are not included in the financial statements are as follows:

Description	Opening Balance 1 July 2022	Amount Received	Amount Paid	Closing Balance 28 Feb 2023
	\$	\$	\$	\$
Public Open Space Contribution	20,000			20,000
	20,000	0	0	20,000

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**NOTE 14
BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget adoption					0	927,695
				0	0	0	0

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

**NOTE 15
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2022-23 year is \$5,000 or 5.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances		
			Timing	Permanent	Timing	Permanent	
	\$	%				0	0
Revenue from operating activities							
Operating grants, subsidies and contributions	53,119	13.63%	▲ Higher than expected at this time			0	
Fees and charges	97,542	15.03%	▲ Higher Childcare Fees				
Interest earnings	22,446	0.00%	▲ Higher interest rates				
Other revenue	8,404	21.76%	▲ DFES Reimbursements				
Profit on disposal of assets	9,695	966.60%	▲ Level of profit better than Budget				
Expenditure from operating activities							
Employee costs	(84,569)	(8.21%)	▼			Lower than expected at this time	
Materials and contracts	(114,208)	(16.22%)	▼			Lower than expected at this time	
Utility charges	(13,651)	(12.91%)	▼ Higher than expected at this time				
Depreciation on non-current assets	(51,969)	(6.22%)	▼			Lower than expected at this time	
Insurance expenses	(19,538)	(14.99%)	▼			Timing of insurance payments	
Other expenditure	11,299	17.82%	▲ Higher than expected at this time				
Loss on disposal of assets	5,332	100.00%	▲		Lower loss on sale of asset than anticipated		
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	(379,070)	(39.78%)	▼			Lower than expected at this time	
Proceeds from disposal of assets	(35,877)	(34.33%)	▼			Timing of asset disposals	
Payments for property, plant and equipment and infrastr	(273,359)	(29.94%)	▼			Timing of asset purchases	
Financing activities							
Transfer from reserves	(75,000)	(100.00%)	▼			Timing of reserve fund transfers	
Repayment of debentures	(36,554)	0.00%	▼			Timing of loan repayment	
Transfer to reserves	336,897	99.99%	▲ Timing of reserve fund transfers				
Closing funding surplus / (deficit)	(499,168)	25.07%	▼				

8.1.4 2022-2023 Budget Review

File Reference	4.21.25
Statutory Ref.	Local Government Act 1995 Section 6.12 (1)
Author & Date	Cassie Barker 10 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
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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 Council adopts the 2022/23 Budget Review for the period 1 July 2022 to 31 January 2023, as presented and recommended by the Audit Committee.

Council Resolution

Harding/Price

That Council adopts the 2022/23 Budget Review for the period 1 July 2022 to 31 January 2023, as presented and recommended by the Audit Committee.

**Carried by Absolute Majority 9/0
Resolution 81/23**

Cassie Barker left the Meeting at 5.11pm.



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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Note 5 Budget Amendments	12

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.

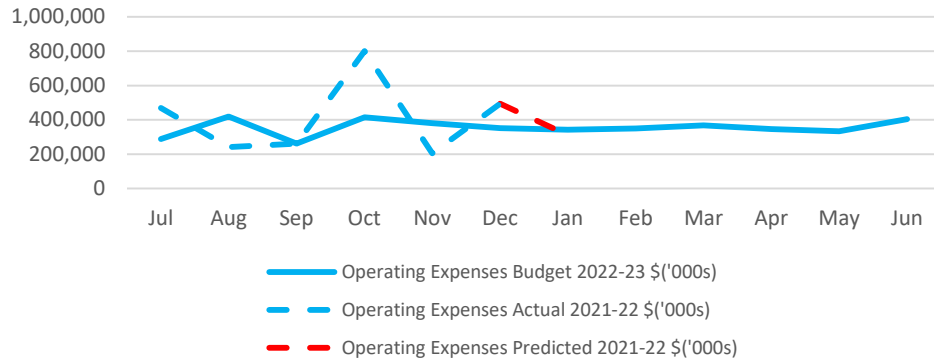
The balances, transactions and disclosures impacted by accounting estimates are as follows:

- 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

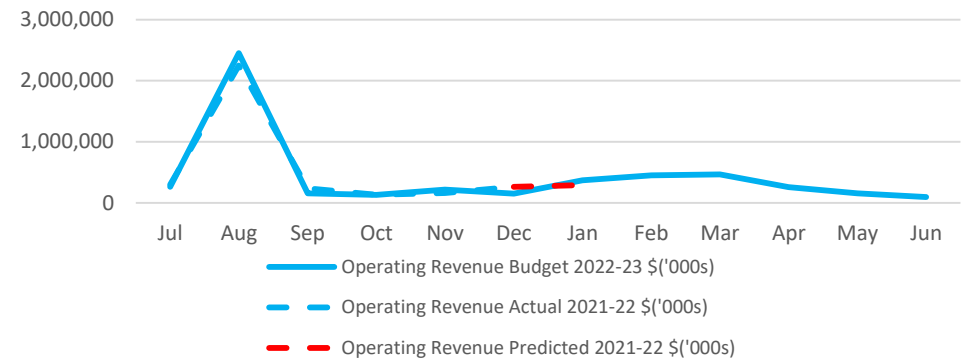
SHIRE OF WILLIAMS
SUMMARY GRAPHS - BUDGET REVIEW
FOR THE PERIOD ENDED 31 JANUARY 2023

2. SUMMARY GRAPHS - BUDGET REVIEW

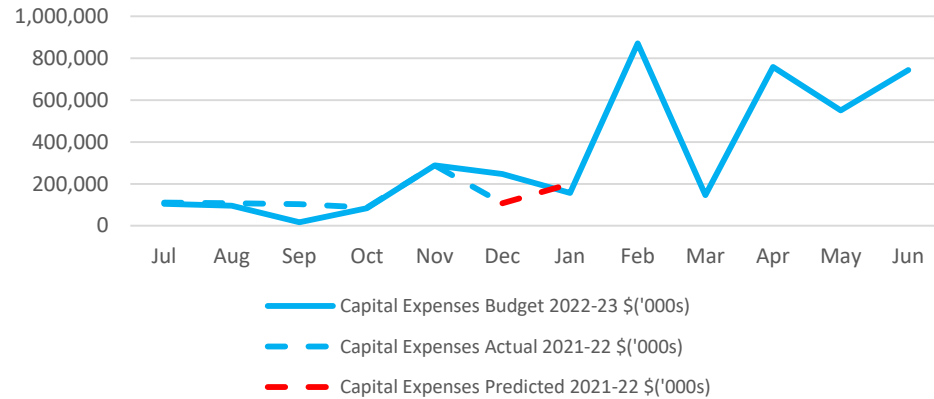
Operating Expenses



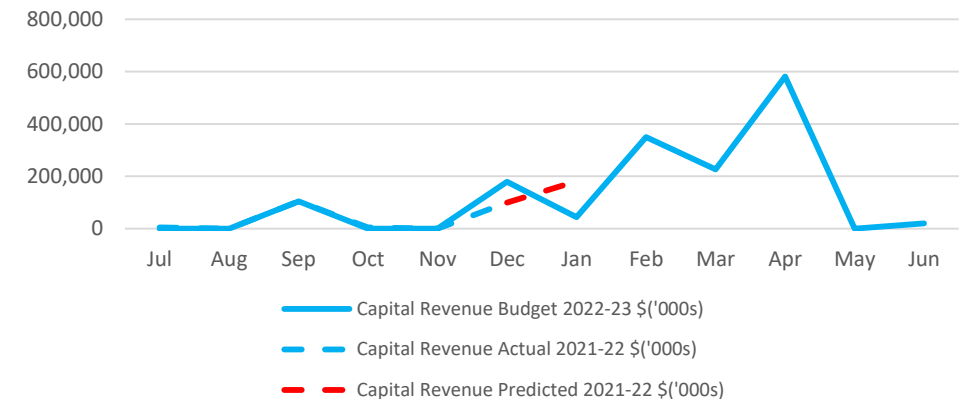
Operating Revenue



Capital Expenditure



Capital Revenue



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

3 NET CURRENT FUNDING POSTION

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

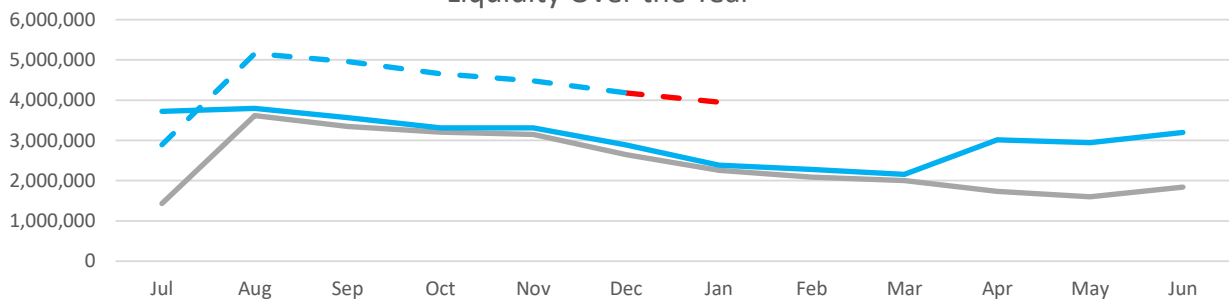
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement.

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	
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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	
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Predicted Variances Carried Forward	214,587	0
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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
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8.2 Office of the Chief Executive Officer

8.2.1 Conduct of the 2023 Ordinary Election

File Reference	4.1.40
Statutory Ref.	<i>Local Government Act 1995, sections 4.20 and 4.61</i>
Author & Date	Geoff McKeown 27 February 2023
Attachments	Attachment 1 – WAEC Cost Estimate

Background

The Minister for Local Government (the Minister) has written to the Shire recommending that a decision be made whether to declare the Electoral Commissioner as responsible for the conduct of the October 2023 Ordinary Election.

Comment

The correspondence from the Minister encourages all local governments to commence early planning for the practical arrangements for the conduct of the October 2023 Ordinary Elections.

The Council may declare the Electoral Commissioner as responsible to conduct postal elections under sections 4.20 and 4.61 of the Local Government Act 1995 (the Act). Section 4.28 of the Act further provides that the local government is to meet the costs incurred by the Western Australian Electoral Commission (WAEC) in conducting such elections. The cost for the WAEC to conduct the election in the Shire of Williams is estimated to be \$16,500, see attached correspondence from the Electoral Commissioner.

The October 2023 Ordinary Election will see the introduction of optional preferential voting. Optional preferential voting means an elector has the choice to vote for one, some, or all of the candidates on the ballot paper in the order of their preference.

If Council decides that the CEO (or other appointee) is to be the returning officer, the Shire will have the option to purchase a licence for access to the WAEC's CountWA software to facilitate the counting of votes. CountWA software is used to count votes in State Elections and involves data entry of preferences indicated on ballot papers. This provides for preferences to be counted and re-counted using the software. The WAEC is currently working on a cost estimate suitable for smaller counts. It will consist of CountWA software being installed on a single computer supplied by the Local Government. The WAEC will also provide technical support for installation, training in CountWA and helpdesk support on Election Day.

Further, if the local government decides to license the software instead of appointing the Electoral Commissioner to conduct the election, the CEO (or other appointee) will remain wholly responsible for the conduct of the count, the use of the software, the introduction of the new optional preferential voting counting and backfilling provisions, and dealing with any disputes or complaints. The WAEC will only be able to provide general assistance on accessing and using the software. The Minister is urging local governments to consider appointing the WAEC to conduct the election.

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 1.2 Ensure the community remains well informed, well connected and engaged and has the opportunity to actively participate

- CL 4.4 Monitor and ensure compliance with regulatory framework for local government business

Financial Implications

The cost for the WAEC to conduct a postal election is estimated at \$16,500. The cost to conduct an in-person election with the appointment of the CEO as Returning Officer is estimated at \$5,000, plus the cost of the CountWA software.

Voting Requirements

Absolute Majority

Officer's Recommendation

That, with respect to the conduct of the Shire of Williams Ordinary 2023 Local Government Election, Council:

1. Accept the quotation provided by the Western Australian Electoral Commission to conduct the election and ensure the relevant amount is provided for in the 2023/24 Budget;
2. Declare, in accordance with section 4.20(4) of the *Local Government Act 1995*, the Electoral Commissioner to be responsible for the conduct of the 2023 Election; and
3. Decide, in accordance with section 4.61(2) of the *Local Government Act 1995*, that the method of conducting the election will be as a postal election.

Officer's Alternative Recommendation

That, with respect to the conduct of the 2023 Shire of Williams Ordinary Local Government Election, Council:

1. Declare, in accordance with section 4.20(1) of the *Local Government Act 1995*, the Chief Executive Officer is the returning officer for the conduct of the Election; and
3. Decide, in accordance with section 4.61(1) of the *Local Government Act 1995*, that the method of conducting the election will be a voting in person election.

Council Resolution

Baker/Harding

That, with respect to the conduct of the Shire of Williams Ordinary 2023 Local Government Election, Council:

1. Accept the quotation provided by the Western Australian Electoral Commission to conduct the election and ensure the relevant amount is provided for in the 2023/24 Budget;
2. Declare, in accordance with section 4.20(4) of the *Local Government Act 1995*, the Electoral Commissioner to be responsible for the conduct of the 2023 Election; and
3. Decide, in accordance with section 4.61(2) of the *Local Government Act 1995*, that the method of conducting the election will be as a postal election.

**Carried by Absolute Majority 7/2
Resolution 82/23**



LGE 028

Mr Geoff McKeown
Chief Executive Officer
Shire of Williams
PO Box 96
WILLIAMS WA 6391

Dear Mr McKeown

Local Government Ordinary Election: 2023

I refer to your email of 28 February 2023 in which you request a cost estimate for the Shire of Williams 2023 Local Government Election to be conducted as a postal election.

The estimated cost for the 2023 election if conducted as a postal ballot is \$16,500 inc GST, which has been based on the following assumptions:

- 720 electors
- response rate of approximately 50%
- 7 vacancies
- count to be conducted at the offices of the Shire of Williams
- appointment of a local Returning Officer
- regular Australia Post delivery service to apply for the lodgement of the election packages.

An additional amount of \$160 will be incurred if your Council decides to opt for the Australia Post Priority Service for the lodgement of election packages.

The Commission is required by the *Local Government Act 1995* to conduct local government elections on a full cost recovery basis and you should note that this is an estimate only and may vary depending on a range of factors.

Costs not incorporated in this estimate include:

- any legal expenses other than those that are determined to be borne by the Western Australian Electoral Commission incurred as part of an invalidity complaint lodged with the Court of Disputed Returns
- the cost of any casual staff to assist the Returning Officer on election day or night
- any unanticipated costs arising from public health requirements for the COVID-19 pandemic.

As you are aware, the Government is currently considering reforms to the *Local Government Act 1995*, which include how elections are to be conducted. In order to assist with your local government's budget planning, we have included, to the best of our knowledge, costs that will arise from the changes proposed in legislation. These include increased costs from the Commission arising from improved processing procedures and additional resources to supplement the Commission's education, complaints management, investigation and legal efforts.

In order for the Commission to be responsible for the conduct of your election, the first step required by the *Local Government Act 1995* is my written agreement to undertake the election.

As such, you may take this letter as my agreement to be responsible for the conduct of the ordinary elections in 2023 for the Shire of Williams in accordance with section 4.20(4) of the *Local Government Act 1995*, together with any other elections or polls that may also be required. My agreement is subject to the proviso that the Shire of Williams also wishes to have the election undertaken by the Western Australian Electoral Commission as a postal election.

In order to achieve this, your council would need to pass the following two motions by absolute majority:

- Declare, in accordance with section 4.20(4) of the *Local Government Act 1995*, the Electoral Commissioner to be responsible for the conduct of the 2023 ordinary elections together with any other elections or polls which may be required
- Decide, in accordance with section 4.61(2) of the *Local Government Act 1995* that the method of conducting the election will be as a postal election.

It would be greatly appreciated if this item was considered at your March 2023 council meeting, to enable the Commission to have sufficient time to work with you to effectively conduct the election.

I look forward to conducting this election for the Shire of Williams in anticipation of an affirmative vote by Council. If you have any further queries please contact Shani Wood Director, Election Operations on 9214 0400.

Yours sincerely



Robert Kennedy
ELECTORAL COMMISSIONER

2 March 2023

8.2.2 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 2 - 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 Council adopts the 2022 Compliance Audit Return and endorses the certification by the Shire President and the Chief Executive Officer for submission to the Department of Local Government, Sport and Cultural Industries.

Council Resolution

Cowcher/Harding

That Council adopts the 2022 Compliance Audit Return and endorses the certification by the Shire President and the Chief Executive Officer for submission to the Department of Local Government, Sport and Cultural Industries.

**Carried 9/0
Resolution 83/23**



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

8.2.3 Adoption of Annual Report and Date for Annual Meeting of Electors

File Reference	4.23.15
Statutory Ref.	Section 5.27, 5.54 & 5.55 <i>Local Government Act 1995</i>
Author & Date	Geoff McKeown 10 March 2023
Attachments	Attachment 3 - 2021/2022 Annual Report (published on Shire website)

Background

Council is asked to adopt the Annual Report for the 2021/22 financial year, which includes the Annual Financial Report and Independent Auditor's Report and set a date for the Annual Meeting of Electors.

Comment

The Office of the Auditor General's (OAG) has completed the audit of the 2021/2022 Annual Financial Report. An Audit Committee Meeting was held on the 15 February 2023, which included an audit exit meeting attended by Suraj Karki, OAG and Tim Partridge, AMD Chartered Accountants.

The Audit Committee recommended that Council endorse the 2021-2022 Annual Financial Report and noted the draft Independent Auditor's Report.

Council can now consider adoption of the Annual Report, which includes the Annual Financial Report, and set a date for the Annual Meeting of Electors.

Local governments are required to give local public notice of the availability of the Annual Report as soon as practical after the report has been adopted by the Council. Further, the *Local Government Act 1995*, Section 5.27 requires that the meeting be held no more than 56 days after the Council accepts the report.

It is recommended that the Annual Meeting of Electors be held at 5.00pm on Wednesday, 19 April 2023, at the conclusion of the April 2023 Ordinary Council Meeting.

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 1.2 Ensure the community remains well informed, well connected and engaged and has the opportunity to actively participate
- CL 2.2 Maintain accountability, transparency and financial responsibility

Financial Implications

Nil

Voting Requirements

Absolute Majority

Officer's Recommendation

That Council adopt the Annual Report, including the Annual Financial Report, for the financial year ending 30 June 2022 and confirm the Annual Meeting of Electors be held on Wednesday, 19 April 2023 commencing at 5.00pm.

Council Resolution

Carne/Major

That Council adopt the Annual Report, including the Annual Financial Report, for the financial year ending 30 June 2022 and confirm the Annual Meeting of Electors be held on Wednesday, 19 April 2023 commencing at 5.30pm.

**Carried by Absolute Majority 9/0
Resolution 84/23**

The resolution differed from the recommendation as Council wished to extend the commencing time to 5.30pm.

8.2.4 Matters Identified as Significant in the Audit Report 2021-2022

File Reference	4.22.00
Statutory Ref.	Local Government Act 1995 section 7.12A
Author & Date	Geoff McKeown 10 March 2023
Attachments	Attachment 4 – Financial Management Letter – Shire of Williams - 30 June 2022

Background

Changes to the *Local Government Act 1995*, which came into effect in 2017, introduced new requirements for local governments with respect to audits. The legislation requires local governments to examine an audit report it receives and implement appropriate action in respect to matters raised and to specifically report on matters identified as 'significant' by the auditor.

The Auditor General's Financial Management Letter for 2021-22 identified one 'significant' matter, being:

1. Fair value of land and buildings – frequency of valuations**Finding**

The Shire has not performed a full assessment to determine whether its land and buildings assets represent fair value. The Shire is required under AASB 13 Fair Value Measurement and Regulation 17A(4)(b) of the Local Government (Financial Management) Regulations 1996 (the Regulations) to perform an assessment to determine if there are any trigger events requiring a more robust analysis of fair value in financial years where a formal valuation has not been undertaken.

Rating: Significant**Implication**

Without a robust assessment of fair value of the Shire's land and building assets, there is a risk that the fair value of those assets may not have been assessed adequately and in compliance with AASB 13 Fair Value Measurement, as well as Regulation 17A(4)(a) of the Local Government (Financial Management) Regulations 1996 (the Regulations).

Recommendation

The Shire should consider implementing as part of the preparation of financial statements each year a formal robust process to determine whether indicators exist annually, that would trigger a requirement to perform a formal revaluation of the assets. Where indicators exist a robust fair value assessment should be performed capturing the requirements of AASB 13 Fair Value Measurement. This process is to ensure that the Shire's land and building assets are recorded at fair value in compliance with AASB 13 Fair Value Measurement and the Regulations.

This may entail obtaining relevant input from an independent valuer as to whether or not they consider there are any prevailing market factors which may indicate that the fair value of relevant assets is likely to have been impacted to any significant / material extent from the prior year. Where a fair value assessment has been performed internally, the Shire may consider having this assessment peer reviewed by an independent valuer to obtain assurance over the valuation methodology applied, inputs and the reasonableness of the valuation model applied.

Management comment

An independent assessment of fair value for land and buildings was last completed for the year ending 30 June 2020. The assessment of fair values between formal valuation cycles, to consider if there are factors that may impact on those valuations, has not been done. The advice that this is required is noted for action.

Responsible person: Chief Executive Officer
Completion date: 8 February 2023

Local governments are required to prepare a report addressing any matters identified as significant by the auditor in the audit report, and state what action the local government has taken or intends to take with respect to the matters.

On this occasion the matter is contained in the Auditor's Management Letter and as such does not have to be addressing a report to the Minister. However, it is worthy of consideration for future action.

Comment

A desktop review of land and buildings values completed by an independent valuer in September 2021. A review of these values and advice of an independent valuer, to determine whether indicators exist that will trigger a requirement to perform a formal revaluation, will be undertaken for consideration in year ending 30 June 2023.

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 2.3 Monitor revenue streams and implement opportunities where appropriate. Consistently review rate income.

Financial Implications

Cost of engaging an independent valuer to be determined.

Voting Requirements

Simple Majority

Officer's Recommendation

That Council note the matter identified in the Auditor's Management Letter for 2021-22 relating to fair value of land and buildings.

Council Resolution

Panizza/Cowcher

That Council note the matter identified in the Auditor's Management Letter for 2021-22 relating to fair value of land and buildings.

Carried 9/0
Resolution 85/23

SHIRE OF WILLIAMS

PERIOD OF AUDIT: 1 JULY 2021 TO 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
Findings identified in current year			
1. Fair value of PPE and infrastructure assets - frequency of valuations	✓		
2. Council meeting minutes			✓

KEY TO RATINGS

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However, even if the issue is not likely to impact the audit report, it should be addressed promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

SHIRE OF WILLIAMS**PERIOD OF AUDIT: 1 JULY 2021 TO 30 JUNE 2022****FINDINGS IDENTIFIED DURING THE FINAL AUDIT****1. Fair value of land and buildings – frequency of valuations****Finding**

The Shire has not performed a full assessment to determine whether its land and buildings assets represent fair value. The Shire is required under *AASB 13 Fair Value Measurement* and Regulation 17A(4)(b) of the Local Government (Financial Management) Regulations 1996 (the Regulations) to perform an assessment to determine if there are any trigger events requiring a more robust analysis of fair value in financial years where a formal valuation has not been undertaken.

Rating: Significant**Implication**

Without a robust assessment of fair value of the Shire's land and building assets, there is a risk that the fair value of those assets may not have been assessed adequately and in compliance with *AASB 13 Fair Value Measurement*, as well as Regulation 17A(4)(a) of the Local Government (Financial Management) Regulations 1996 (the Regulations).

Recommendation

The Shire should consider implementing as part of the preparation of financial statements each year a formal robust process to determine whether indicators exist annually, that would trigger a requirement to perform a formal revaluation of the assets. Where indicators exist a robust fair value assessment should be performed capturing the requirements of *AASB 13 Fair Value Measurement*. This process is to ensure that the Shire's land and building assets are recorded at fair value in compliance with *AASB 13 Fair Value Measurement* and the Regulations.

This may entail obtaining relevant input from an independent valuer as to whether or not they consider there are any prevailing market factors which may indicate that the fair value of relevant assets is likely to have been impacted to any significant / material extent from the prior year. Where a fair value assessment has been performed internally, the Shire may consider having this assessment peer reviewed by an independent valuer to obtain assurance over the valuation methodology applied, inputs and the reasonableness of the valuation model applied.

Management comment

An independent assessment of fair value for land and buildings was last completed for the year ending 30 June 2020. The assessment of fair values between formal valuation cycles, to consider if there are factors that may impact on those valuations, has not been done. The advice that this is required is noted for action.

Responsible person: Chief Executive Officer
Completion date: 8 February 2023

SHIRE OF WILLIAMS

PERIOD OF AUDIT: 1 JULY 2021 TO 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

2. Council meeting minutes

Finding

We found that the Council meeting minutes dated 18 May 2022 had not been signed.

Rating: Minor

Implication

Non-compliance with section 5.22(3) of the *Local Government Act 1995*.

Recommendation

We recommend all Council minutes be signed by the Shire President at the subsequent Council meeting.

Management comment

The May 2022 Council Meeting Minutes had been stamped in preparation for the President's signature, but unfortunately was an oversight in not having it signed.

This has now been rectified.

Responsible person: Chief Executive Officer
Completion date: 8 February 2023

8.2.5 Use of Common Seal and Actions Performed Under Delegated Authority

File Reference	4.50.60
Statutory Ref.	Sections 5.42 and 9.49A <i>Local Government Act 1995</i>
Author & Date	Geoff McKeown 10 March 2023
Attachments	Nil

Background

The purpose of this Agenda Item is to report to Council for endorsement, the use of the Common Seal and actions performed under delegated authority requiring referral to Council.

There is a requirement under the *Local Government Act 1995* that the Delegations Register is reviewed annually by Council. A procedure included in the Delegations Register is to report to Council the activities or actions that have been performed under delegated authority. A report will be completed for Council at meetings that identifies: (1) use of the Common Seal, and (2) actions performed under the delegated authority requiring referral to Council as per the Delegations Register.

Comment

Actions performed under delegation during the preceding month is provided below:

- **Granting of Building Permits – Delegation 2.1.1**

Delegation - Powers to grant or refuse to grant a building permit under the *Building Act 2011*. The Council may delegate its powers or duties as a permit authority under provisions of this Act.

Action – There were no Building Permit(s) issued for the Month of February 2023.

- **Payment from the Municipal or Trust Funds – Delegation 1.1.19**

Delegation - Authority to make payments from the municipal or trust funds with the authority limited to making payments subject to annual budget limitations.

Action - Payments from the Municipal Fund and Trust Fund are as per the payments listing attached to this Agenda.

- **Power to Invest and Manage Investments – Delegation 1.1.21**

Delegation - Authority to invest money held in the municipal fund or trust fund that is not, for the time being, required for any other purpose.

Action – The Chief Executive Officer approved a transfer of:

1. \$500,000.00 from the WA Treasury Corporation Overnight Cash Facility to the Municipal Fund for payment of creditors on the 20 February 2023.

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 Council accept the report "Use of Common Seal and Actions Performed under Delegated Authority" for the month of February 2023.

Council Resolution

Harding/Baker

That Council accept the report "Use of Common Seal and Actions Performed under Delegated Authority" for the month of February 2023.

**Carried 9/0
Resolution 86/23**

9.0 Elected Members' Motions of which Notice has been given

Nil

10.0 New Business of an Urgent Nature introduced by Decision of Meeting

10.1 Elected Members

Nil

10.2 Officers

Nil

11.0 Application for Leave of Absence

Nil

12.0 Closure of Meeting

There being no further business for discussion the President, Cr Logie, declared the Meeting closed at 5.42pm.