



SHIRE OF WYNDHAM | EAST KIMBERLEY

BUDGET 2020/21

FOR THE YEAR ENDING 30 JUNE 2021

2020/21

SHIRE OF WYNDHAM EAST KIMBERLEY

BUDGET

FOR THE YEAR ENDED 30 JUNE 2021

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

To be a thriving community with opportunities for all.

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2020/21 Budget	2019/20 Forecast	2019/20 Budget
		\$	\$	\$
Revenue				
Rates	1(a)	10,425,101	10,428,315	10,428,336
Operating grants, subsidies and contributions	9(a)	2,114,625	4,337,034	2,230,000
Fees and charges	8	6,021,080	6,961,691	8,645,680
Interest earnings	11(a)	377,155	482,738	590,823
Other revenue	11(b)	387,425	450,628	378,500
		19,325,386	22,660,406	22,273,339
Expenses				
Employee costs		(10,591,444)	(11,244,110)	(11,478,651)
Materials and contracts		(5,420,591)	(5,286,467)	(5,871,335)
Utility charges		(1,245,350)	(1,208,850)	(1,097,650)
Depreciation on non-current assets	5	(6,180,879)	(6,235,895)	(6,400,706)
Interest expenses	11(d)	(89,088)	(157,188)	(157,108)
Insurance expenses		(468,200)	(459,621)	(456,500)
Other expenditure		(1,440,909)	(1,201,901)	(2,351,421)
		(25,436,461)	(25,794,032)	(27,813,371)
Subtotal		(6,111,075)	(3,133,626)	(5,540,032)
Non-operating grants, subsidies and contributions	9(b)	8,956,548	2,881,039	3,697,977
Profit on asset disposals	4(b)	0	29,205	13,769
Loss on asset disposals	4(b)	(53,104)	(16,180)	(16,180)
		8,903,444	2,894,064	3,695,566
Net result		2,792,369	(239,562)	(1,844,466)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		2,792,369	(239,562)	(1,844,466)

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

SHIRE OF WYNDHAM EAST KIMBERLEY FOR THE YEAR ENDED 30 JUNE 2021

BASIS OF PREPARATION

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 12 to the budget.

2019/20 ACTUAL BALANCES

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

CHANGE IN ACCOUNTING POLICIES

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

AASB 1059 Service Concession Arrangements: Grantors

AASB 2018-7 Amendments to Australian Accounting Standards - Materiality

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

KEY TERMS AND DEFINITIONS - NATURE OR TYPE

REVENUES RATES

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

SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the *Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services.

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

PROFIT ON ASSET DISPOSAL

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

REVENUES (CONTINUED)

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

FEES AND CHARGES

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, and rebates. Reimbursements and recoveries should be separated by note to ensure the correct calculation of ratios.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets includes loss on disposal of long term investments.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expense raised on all classes of assets.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2020/21 Budget	2019/20 Forecast	2019/20 Budget
Revenue	1,8,9(a),11(a),11(b)	\$	\$	\$
Governance		21,500	18,181	25,100
General purpose funding		12,485,101	14,793,638	12,917,399
Law, order, public safety		429,925	434,525	419,400
Health		71,500	72,315	80,500
Education and welfare		11,500	11,500	11,500
Housing		124,820	109,957	143,880
Community amenities		2,811,115	2,938,653	2,841,000
Recreation and culture		447,255	507,049	655,060
Transport		2,828,170	3,597,517	5,039,500
Economic services		59,500	74,700	105,000
Other property and services		35,000	102,371	35,000
		19,325,386	22,660,406	22,273,339
Expenses excluding finance costs	4(a),5,11(c),(e),(f)			
Governance		(467,437)	(620,500)	(655,149)
General purpose funding		(456,477)	(312,675)	(315,675)
Law, order, public safety		(1,127,897)	(1,145,451)	(1,167,190)
Health		(277,926)	(303,819)	(296,002)
Education and welfare		(129,951)	(178,295)	(160,459)
Housing		(351,007)	(336,762)	(340,219)
Community amenities		(4,468,472)	(4,480,217)	(4,633,220)
Recreation and culture		(5,965,177)	(6,085,292)	(6,206,194)
Transport		(10,630,319)	(10,551,500)	(11,023,873)
Economic services		(952,628)	(937,827)	(1,895,911)
Other property and services		(520,083)	(684,505)	(962,371)
		(25,347,374)	(25,636,843)	(27,656,263)
Finance costs	,6(a),11(d)			
Governance		(47,853)	(92,114)	(92,114)
Education and welfare		0	(1,247)	(1,247)
Housing		0	(556)	(556)
Community amenities		(33,883)	(51,237)	(51,157)
Recreation and culture		(2,158)	(4,254)	(4,254)
Transport		(5,194)	(7,780)	(7,780)
		(89,088)	(157,188)	(157,108)
Subtotal		(6,111,075)	(3,133,626)	(5,540,032)
Non-operating grants, subsidies and contributions	9(b)	8,956,548	2,881,039	3,697,977
Profit on disposal of assets	4(b)	0	29,205	13,769
(Loss) on disposal of assets	4(b)	(53,104)	(16,180)	(16,180)
		8,903,444	2,894,064	3,695,566
Net result		2,792,369	(239,562)	(1,844,466)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		2,792,369	(239,562)	(1,844,466)

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

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE	2020/21 Budget	2019/20 Forecast	2019/20 Budget
	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates	10,425,101	10,428,315	10,428,336
Operating grants, subsidies and contributions	2,114,625	4,337,034	734,784
Fees and charges	6,021,080	6,961,691	8,645,680
Interest earnings	377,155	482,738	590,823
Goods and services tax	0	0	2,472,906
Other revenue	387,425	450,628	378,500
	19,325,386	22,660,406	23,251,029
Payments			
Employee costs	(10,591,444)	(11,244,110)	(11,478,651)
Materials and contracts	(5,420,591)	(5,286,467)	(5,871,335)
Utility charges	(1,245,350)	(1,208,850)	(1,097,650)
Interest expenses	(89,088)	(157,188)	(157,108)
Insurance expenses	(468,200)	(459,621)	(456,500)
Goods and services tax	0	0	(977,690)
Other expenditure	(1,440,909)	(1,201,901)	(2,351,419)
	(19,255,582)	(19,558,137)	(22,390,353)
Net cash provided by (used in) operating activities	3	69,804	3,102,269
		860,676	
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	4(a)	(1,051,293)	(889,708)
Payments for construction of infrastructure	4(a)	(15,104,762)	(5,562,279)
Non-operating grants, subsidies and contributions		8,956,548	2,881,039
Proceeds from sale of plant and equipment	4(b)	50,000	111,500
Proceeds on financial assets at amortised cost - self supporting loans	6(a)	0	0
		9,837	
Net cash provided by (used in) investing activities		(7,149,507)	(3,459,448)
			(5,013,906)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	6(a)	(687,426)	(779,307)
Proceeds on disposal of financial assets at amortised cost - term deposits		2,379,244	1,631,084
Proceeds from new borrowings	6(b)	500,000	0
			0
Net cash provided by (used in) financing activities		2,191,818	851,777
			(268,453)
Net increase (decrease) in cash held		(4,887,885)	494,598
Cash at beginning of year		5,779,171	5,284,573
Cash and cash equivalents at the end of the year	3	891,286	5,779,171
			862,890

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

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SHIRE OF WYNDHAM EAST KIMBERLEY
RATE SETTING STATEMENT BY PROGRAMME
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2020/21 Budget	2019/20 Forecast	2019/20 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)		5,043,912	4,539,474	4,421,685
		5,043,912	4,539,474	4,421,685
Revenue from operating activities (excluding rates)				
Governance		21,500	18,181	25,100
General purpose funding		2,060,000	4,365,323	2,489,063
Law, order, public safety		429,925	434,525	419,400
Health		71,500	72,315	80,500
Education and welfare		11,500	11,500	11,500
Housing		124,820	109,957	143,880
Community amenities		2,811,115	2,938,653	2,841,000
Recreation and culture		447,255	507,049	655,060
Transport		2,828,170	3,597,517	5,040,265
Economic services		59,500	74,700	105,000
Other property and services		35,000	131,576	48,004
		8,900,285	12,261,296	11,858,772
Expenditure from operating activities				
Governance		(515,290)	(712,614)	(747,263)
General purpose funding		(456,477)	(312,675)	(315,675)
Law, order, public safety		(1,127,897)	(1,145,451)	(1,167,190)
Health		(277,926)	(303,819)	(296,002)
Education and welfare		(129,951)	(179,542)	(161,706)
Housing		(351,007)	(337,318)	(340,775)
Community amenities		(4,502,355)	(4,531,454)	(4,684,377)
Recreation and culture		(5,967,335)	(6,089,546)	(6,210,448)
Transport		(10,635,513)	(10,575,460)	(11,047,833)
Economic services		(952,628)	(937,827)	(1,895,911)
Other property and services		(573,187)	(684,505)	(962,371)
		(25,489,566)	(25,810,211)	(27,829,551)
Non-cash amounts excluded from operating activities	2 (a)(i)	6,068,117	6,222,870	6,403,117
Amount attributable to operating activities		(5,477,252)	(2,786,571)	(5,145,977)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	9(b)	8,956,548	2,881,039	3,697,977
Purchase property, plant and equipment	4(a)	(1,051,293)	(889,708)	(1,023,000)
Purchase and construction of infrastructure	4(a)	(15,104,762)	(5,562,279)	(7,803,720)
Proceeds from disposal of assets	4(b)	50,000	111,500	105,000
Proceeds from self supporting loans	6(a)	9,837	9,837	9,837
Amount attributable to investing activities		(7,139,670)	(3,449,611)	(5,013,906)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(687,426)	(779,307)	(779,311)
Proceeds from new borrowings	6(b)	500,000	0	0
Transfers to cash backed reserves (restricted assets)	7(a)	2,297,787	2,331,953	(2,280,029)
Transfers from cash backed reserves (restricted assets)	7(a)	81,459	(700,867)	2,790,888
Amount attributable to financing activities		2,191,820	851,779	(268,452)
Budgeted deficiency before general rates		(10,425,101)	(5,384,403)	(10,428,335)
Estimated amount to be raised from general rates	1	10,425,101	10,428,315	10,428,335
Net current assets at end of financial year - surplus/(deficit)	2 (a)(iii)	0	5,043,912	(0)

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

SHIRE OF WYNDHAM EAST KIMBERLEY
RATE SETTING STATEMENT BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2021

NOTE	2020/21 Budget	2019/20 Forecast	2019/20 Budget
	\$	\$	\$
OPERATING ACTIVITIES			
Net current assets at start of financial year - surplus/(deficit)	5,043,912	4,539,474	4,421,685
	5,043,912	4,539,474	4,421,685
Revenue from operating activities (excluding rates)			
Operating grants, subsidies and contributions	9(a) 2,114,625	4,337,034	2,230,000
Fees and charges	8 6,021,080	6,961,691	8,645,680
Interest earnings	11(a) 377,155	482,738	590,823
Other revenue	11(b) 387,425	450,628	378,500
Profit on asset disposals	4(b) 0	29,205	13,769
	8,900,285	12,261,296	11,858,772
Expenditure from operating activities			
Employee costs	(10,591,444)	(11,244,110)	(11,478,651)
Materials and contracts	(5,420,591)	(5,286,467)	(5,871,335)
Utility charges	(1,245,350)	(1,208,850)	(1,097,650)
Depreciation on non-current assets	5 (6,180,879)	(6,235,895)	(6,400,706)
Interest expenses	11(d) (89,088)	(157,188)	(157,108)
Insurance expenses	(468,200)	(459,621)	(456,500)
Other expenditure	(1,440,909)	(1,201,901)	(2,351,421)
Loss on asset disposals	4(b) (53,104)	(16,180)	(16,180)
	(25,489,565)	(25,810,212)	(27,829,551)
Operating activities excluded from budgeted deficiency			
Non-cash amounts excluded from operating activities	2 (a)(i) 6,068,117	6,222,870	6,403,117
Amount attributable to operating activities	(5,477,251)	(2,786,572)	(5,145,977)
INVESTING ACTIVITIES			
Non-operating grants, subsidies and contributions	9(b) 8,956,548	2,881,039	3,697,977
Purchase investment property	4(a) 0	0	0
Purchase property, plant and equipment	4(a) (1,051,293)	(889,708)	(1,023,000)
Purchase and construction of infrastructure	4(a) (15,104,762)	(5,562,279)	(7,803,720)
Proceeds from self supporting loans	6(a) 9,837	9,837	9,837
Proceeds from disposal of assets	4(b) 50,000	111,500	105,000
Amount attributable to investing activities	(7,139,670)	(3,449,611)	(5,013,906)
FINANCING ACTIVITIES			
Repayment of borrowings	6(a) (687,426)	(779,307)	(779,311)
Proceeds from new borrowings	6(b) 500,000	0	0
Transfers to cash backed reserves (restricted assets)	7(a) 2,297,787	2,331,953	(2,280,029)
Transfers from cash backed reserves (restricted assets)	7(a) 81,459	(700,867)	2,790,888
Amount attributable to financing activities	2,191,820	851,779	(268,452)
Budgeted deficiency before general rates	(10,425,101)	(5,384,403)	(10,428,335)
Estimated amount to be raised from general rates	1(a) 10,425,101	10,428,315	10,428,335
Net current assets at end of financial year - surplus/(deficit)	2 (a)(iii) 0	5,043,912	(0)

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
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FOR THE YEAR ENDED 30 JUNE 2021**

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SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

1. RATES AND SERVICE CHARGES

(a) Rating Information

RATE TYPE	Rate in	Number of properties	Rateable value	2020/21 Budgeted rate revenue	2020/21 Budgeted interim rates	2020/21 Budgeted back rates	2020/21 Budgeted total revenue	2019/20 Actual total revenue	2019/20 Budget total revenue
	\$		\$	\$	\$	\$	\$	\$	\$
Differential general rate or general rate									
Gross rental valuations									
GRV Residential	0.14490	1,671	32,294,189	4,679,428			4,679,428	4,667,372	4,667,372
GRV Other Vacant	0.22470	28	310,150	69,691			69,691	66,039	66,039
GRV Commercial	0.14290	172	12,781,652	1,826,498			1,826,498	1,833,229	1,833,229
GRV Industrial	0.13890	169	7,451,495	1,035,013			1,035,013	1,035,013	1,035,013
GRV Rural Residential	0.14490	23	260,780	37,787			37,787	36,566	36,566
Unimproved valuations									
UV Rural Residential	0.01100	199	43,717,000	480,887			480,887	547,536	547,536
UV Pastoral	0.05700	21	21,053,985	369,434			1,200,077	311,447	311,447
UV Commercial/Industrial	0.00770	46	12,795,580	98,526			98,526	98,010	98,010
UV Agriculture	0.01160	80	60,716,109	704,307			704,307	704,495	704,495
UV Horticulture	0.01010	93	28,651,000	289,375			289,375	302,778	302,778
UV Mining	0.27400	36	1,769,023	484,712			484,712	475,113	475,113
UV Mining - Exploration & Prospe	0.13690	32	445,829	61,034			61,034	60,497	60,497
UV Other	0.00650	4	8,825,000	57,363			57,363	57,363	57,363
Sub-Totals		2,574	231,071,792	10,194,055	0	0	11,024,698	10,195,458	10,195,458
Minimum									
Minimum payment									
	\$								
Gross rental valuations									
GRV Residential	1,112	22	126,649	24,464			24,464	24,464	24,464
GRV Other Vacant	1,112	96	211,711	106,752			106,752	104,528	104,528
GRV Commercial	1,112	16	84,981	17,792			17,792	16,680	16,680
GRV Industrial	1,112	9	30,275	10,008			10,008	10,008	10,008
GRV Rural Residential	1,112	3	11,644	3,336			3,336	4,448	4,448
Unimproved valuations									
UV Rural Residential	1,112			0			0	0	0
UV Pastoral	1,112			0			0	1,112	1,112
UV Commercial/Industrial	1,112	20	334,500	22,240			22,240	22,240	22,240
UV Agriculture	1,112	1	10,000	1,112			1,112	1,112	1,112
UV Horticulture	1,112			0			0	0	0
UV Mining	1,112	30	50,343	33,360			33,360	35,584	35,584
UV Mining - Exploration & Prospe	310	13	17,314	4,030			4,030	5,890	5,890
UV Other	1,112	1	150,000	1,112			1,112	1,112	1,112
Sub-Totals		211	1,027,417	224,206	0	0	224,206	227,178	227,178
		2,785	232,099,209	10,418,261	0	0	11,248,904	10,422,636	10,422,636
Total amount raised from general rates									
Ex-gratia rates							6,840	5,679	5,699
Concessions							(830,643)		
Total rates							10,425,101	10,428,315	10,428,335

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

The general rates detailed for the 2020/21 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

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

SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2021

2 (a). NET CURRENT ASSETS

Items excluded from calculation of budgeted deficiency

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

Note	2020/21 Budget 30 June 2021	2019/20 Forecast 30 June 2020	2019/20 Budget 30 June 2020
	\$	\$	\$
(i) Operating activities excluded from budgeted deficiency			
The following non-cash revenue or expenditure has been excluded from operating activities within the Rate Setting Statement.			
Adjustments to operating activities			
Less: Profit on asset disposals	4(b) 0	(29,205)	(13,769)
Less: Net Increase in receivables	(730,865)		
Add: Reduction in staff leave liability	565,000	0	
Add: Loss on disposal of assets	4(b) 53,104	16,180	16,180
Add: Depreciation on assets	5 6,180,879	6,235,895	6,400,706
Non cash amounts excluded from operating activities	6,068,117	6,222,870	6,403,117
(ii) Current assets and liabilities excluded from budgeted deficiency			
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement.			
Adjustments to net current assets			
Less: Financial assets - restricted	3 (11,571,090)	(13,950,334)	(11,885,426)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	1,279,306	779,306	779,306
- Employee benefit provisions	572,499	1,261,280	
Total adjustments to net current assets	(9,719,285)	(11,909,748)	(11,106,120)

SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2021

2 (a). NET CURRENT ASSETS (CONTINUED)

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

	2020/21 Budget 30 June 2021	2019/20 Forecast 30 June 2020	2019/20 Budget 30 June 2020
Note	\$	\$	\$
(iii) Composition of estimated net current assets			
Current assets			
Cash and cash equivalents- unrestricted	901,123	5,789,008	1,169,309
Cash and cash equivalents - restricted			
Financial assets - restricted	11,571,090	13,950,334	11,885,426
Receivables	1,233,114	700,360	2,846,614
Inventories	14,378	14,378	8,732
	13,719,705	20,454,080	15,910,081
Less: current liabilities			
Trade and other payables	(1,459,834)	(1,459,834)	(2,969,632)
Long term borrowings	(1,279,306)	(779,306)	(779,306)
Provisions	(1,261,280)	(1,261,280)	(1,055,023)
	(4,000,420)	(3,500,420)	(4,803,961)
Net current assets	9,719,285	16,953,660	11,106,120
Less: Total adjustments to net current assets	(9,719,285)	(11,909,748)	(11,106,120)
Closing funding surplus / (deficit)	0	5,043,912	0

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

2 (b). NET CURRENT ASSETS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

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

TRADE AND OTHER PAYABLES

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

CONTRACT ASSETS

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

PROVISIONS

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

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

INVENTORIES

General

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

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

Superannuation

The Shire of Wyndham East Kimberley contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Wyndham East Kimberley contributes are defined contribution plans.

LEASE LIABILITIES

The present value of future lease payments not paid at the reporting date discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

TRADE AND OTHER RECEIVABLES

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

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

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

LAND HELD FOR RESALE

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

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

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

**SHIRE OF WYNDHAM EAST KIMBERLEY
FOR THE YEAR ENDED 30 JUNE 2021**

KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

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

OBJECTIVE

ACTIVITIES

GOVERNANCE

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

Includes the activities of members of council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer and environmentally safer community.

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

HEALTH

To provide an operational framework for environmental and community health.

Inspection of food outlets and their control, provision of meat inspection services, noise control, pest control and waste disposal compliance.

EDUCATION AND WELFARE

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

Operation of youth services, support of day care centres and assistance to other voluntary services.

HOUSING

To provide and maintain staff and residential housing.

Provision of staff and residential housing.

COMMUNITY AMENITIES

To provide services required by the community.

Rubbish collection services, operation of landfill sites, litter control, administration of the town planning schemes, maintenance of cemeteries, maintenance of rest centres and storm water drainage maintenance.

RECREATION AND CULTURE

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

Maintenance of halls, aquatic centres, recreation centres and various reserves; operation of library and community development services.

TRANSPORT

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

Construction and maintenance of streets, roads and bridges; cleaning and lighting of streets, traffic lights, depot maintenance, and the provision and operation of airport services.

ECONOMIC SERVICES

To help promote the shire and its economic wellbeing.

The regulation and provision of tourism, area promotion, building control, noxious weeds and vermin control.

OTHER PROPERTY AND SERVICES

To monitor and control council's overheads and operating accounts.

Private works operation, plant repairs, operations and administrative costs.

3. RECONCILIATION OF CASH

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

Note	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
Cash at bank and on hand	891,286	5,779,171	99,035
Term deposits	9,837	9,837	11,885,426
	901,123	5,789,008	11,984,461
- Unrestricted cash and cash equivalents	901,123	5,789,008	11,984,461
- Restricted cash and cash equivalents	(0)	0	0
	901,123	5,789,008	11,984,461
- Restricted financial assets at amortised cost - term deposits	11,571,090	13,950,334	11,885,426
The following restrictions have been imposed by regulation or other externally imposed requirements on cash and cash equivalents and financial assets at amortised cost:			
Waste Management	1,320,837	1,288,927	1,418,678
Airport General	5,630,850	7,261,250	5,686,327
Plant and Equipment	1	1	122,257
Parking	(1)	(1)	128,356
Non-Potable water	(1)	(1)	16,786
East Kimberley Tourism	70,539	58,715	112,081
Foreshore	366,248	317,077	515,219
Staff Entitlement	114,602	112,086	146,287
Recreation Hardcourts	0	0	9,169
Bio Security	0	0	271,850
Childcare	206,613	196,462	223,773
Parks	0	0	217,393
Footpaths	(1)	(1)	245,437
Asset Management	0	0	537,429
Goomig Farmlands Roads Reserve	590,070	580,027	583,913
Unspent Grants and Loans Reserve	499,890	582,530	270,001
Kununurra Youth Hub	57,874	65,641	59,017
Regional Price Preference	0	0	192,009
Drainage Reserve	0	0	540,674
Capital Works Reserve	0	0	180,805
Municipal Property Revaluation Reserve	16,060	15,530	45,793
Election Expenditure Reserve	706	0	1,056
Property Reserve	360,106	354,073	350,763
Public Art Work Reserve	6,223	6,045	10,353
COVID 19 Response Reserve	2,330,472	3,111,972	0
	11,571,090	13,950,335	11,885,426

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

Reconciliation of net cash provided by operating activities to net result

Net result		2,792,368	(239,561)	(1,844,466)
Depreciation	5	6,180,879	6,235,895	6,400,706
(Profit)/loss on sale of asset	4(b)	53,104	(13,025)	2,411
Non-operating grants, subsidies and contributions		(8,956,548)	(2,881,039)	(3,697,977)
Net cash from operating activities		69,803	3,102,270	860,674

SIGNIFICANT ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 2 - Net Current Assets.

FINANCIAL ASSETS AT AMORTISED COST

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2021

4. FIXED ASSETS

(a) Acquisition of Assets

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

Asset class	Reporting program											2020/21 Budget total	2019/20 Forecast	2019/20 Budget total
	Governance	General purpose funding	Law, order, public safety	Health	Education and welfare	Housing	Community amenities	Recreation and culture	Transport	Economic services	Other property and services			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Property, Plant and Equipment														
Land - freehold land	0	0	0	0	0	0	28,366	0	0	0	0	28,366	31,634	
Land - vested in and under the contro	0	0	0	0	0	0	0	0	0	0	0	0	0	
Buildings - non-specialised	0	0	0	0	0	0	0	0	0	0	0	0	0	80,000
Buildings - specialised	0	0	35,500	0	0	0	37,631	20,000	0	0	21,696	114,827	106,867	
Furniture and equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	
Plant and equipment	0	0	0	0	0	0	0	268,100	0	0	640,000	908,100	751,207	943,000
Capital WIP	0	0	0	0	0	0	0	0	0	0	0	0	0	
Land - vested in and under the contro	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other property, plant and equipment [	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other property, plant and equipment [	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other property, plant and equipment [	0	0	0	0	0	0	0	0	0	0	0	0	0	
	0	0	35,500	0	0	0	65,997	288,100	0	0	661,696	1,051,293	889,708	1,023,000
Infrastructure														
Infrastructure - roads	0	0	0	0	0	0	0	30,000	7,958,323	0	0	7,988,323	3,557,353	5,485,893
Infrastructure - footpaths	0	0	0	0	0	0	0	0	700,000	0	0	700,000	37,563	868,600
Drainage	0	0	0	0	0	0	186,497	0	0	0	0	186,497	13,863	99,360
Other infrastructure [describe]	0	0	75,000	0	0	0	259,000	4,562,821	0	0	0	4,896,821	1,295,590	837,867
Airfields	0	0	0	0	0	0	0	0	1,333,121	0	0	1,333,121	610,985	512,000
Bridges	0	0	0	0	0	0	0	0	0	0	0	0	46,925	
Capital WIP	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other infrastructure [describe]	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other infrastructure [describe]	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other infrastructure [describe]	0	0	0	0	0	0	0	0	0	0	0	0	0	
	0	0	75,000	0	0	0	445,497	4,592,821	9,991,444	0	0	15,104,762	5,562,279	7,803,720
Total acquisitions	0	0	110,500	0	0	0	511,494	4,880,921	9,991,444	0	661,696	16,156,055	6,451,987	8,826,720

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

SIGNIFICANT ACCOUNTING POLICIES

RECOGNITION OF ASSETS

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2021

4. FIXED ASSETS

(b) Disposals of Assets

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

	2020/21 Budget Net Book Value	2020/21 Budget Sale Proceeds	2020/21 Budget Profit	2020/21 Budget Loss	2019/20 Forecast Net Book Value	2019/20 Forecast Sale Proceeds	2019/20 Forecast Profit	2019/20 Forecast Loss	2019/20 Budget Net Book Value	2019/20 Budget Sale Proceeds	2019/20 Budget Profit	2019/20 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
By Program												
Transport		0	0	0	16,180	0	0	(16,180)	8,235	(7,180)	765	(16,180)
Other property and services	103,104	50,000	0	(53,104)	82,295	111,500	29,205	0	99,176	112,180	13,004	0
	103,104	50,000	0	(53,104)	98,475	111,500	29,205	(16,180)	107,411	105,000	13,769	(16,180)
By Class												
Plant and equipment	103,104	50,000	0	(53,104)	98,475	111,500	29,205	(16,180)	107,411	105,000	13,769	(16,180)
	103,104	50,000	0	(53,104)	98,475	111,500	29,205	(16,180)	107,411	105,000	13,769	(16,180)

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

SIGNIFICANT ACCOUNTING POLICIES

GAINS AND LOSSES ON DISPOSAL

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

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

5. ASSET DEPRECIATION

	2020/21 Budget	2019/20 Forecast	2019/20 Budget
	\$	\$	\$
By Program			
Governance	0	0	0
General purpose funding	0	0	0
Law, order, public safety	19,077	19,075	13,871
Health	4,978	5,445	6,569
Education and welfare	57,375	55,977	45,261
Housing	75,915	76,104	88,167
Community amenities	103,672	103,807	105,759
Recreation and culture	1,133,156	1,133,239	1,142,755
Transport	4,211,004	4,210,019	4,306,139
Economic services	20,768	83,846	60,155
Other property and services	554,933	548,381	632,031
	6,180,879	6,235,895	6,400,706
By Class			
Buildings - non-specialised	295,200	294,230	330,420
Buildings - specialised	410,250	411,250	531,171
Furniture and equipment	136,500	134,200	113,013
Plant and equipment	487,220	486,210	436,229
Land - vested in and under the control of council-buildings at	136,520	135,300	138,900
Infrastructure - roads	2,595,989	2,598,010	2,582,904
Infrastructure - footpaths	143,250	144,220	142,441
Drainage	351,200	352,300	350,200
Other infrastructure [describe]	554,320	556,220	553,707
Airfields	705,200	704,130	703,199
Bridges	365,230	419,825	518,522
	6,180,879	6,235,895	6,400,706

SIGNIFICANT ACCOUNTING POLICIES

DEPRECIATION

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

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Buildings - non-specialised	10 to 140years
Buildings - specialised	7 to 140 years
Furniture and equipment	3 to 20 years
Plant and equipment	5 to 15 years
Infrastructure - roads	10 to120 years
Infrastructure - footpaths	45 to 80 years
Drainage	16-120 years
Other infrastructure [describe]	10 to 120 years
Airfields	16 to 120 Years
Bridges	100 years

AMORTISATION

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

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

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

6. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

Purpose	Loan Number	Institution	Interest Rate (% p.a)	Budget Principal	2020/21 Budget New Loans	2020/21 Budget Principal Repayments	Budget Principal outstanding 30 June 2021	2020/21 Budget Interest Repayments	Forecast Principal 1 July 2019	2019/20 Forecast New Loans	2019/20 Forecast Principal Repayments	Forecast Principal outstanding 30 June 2020	2019/20 Forecast Interest Repayments	Budget Principal 1 July 2019	2019/20 Budget New Loans	2019/20 Budget Principal Repayments	Budget Principal outstanding 30 June 2020	2019/20 Budget Interest Repayments	
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance																			
Administration Building I	122	* WATC	6.00	0			0		63,020		(63,020)	0	3,408	63,020			(63,022)	(2)	3,408
Administration Building I	124	* WATC	3.82	716,275		(278,406)	437,869	24,728	984,343		(268,068)	716,275	43,604	984,342			(268,069)	716,273	43,604
Administration Building	129	* WATC	3.01	805,913		(151,698)	654,215	23,125	953,146		(147,233)	805,913	45,102	953,147			(147,234)	805,913	45,102
Education and welfare																			
Kununurra Childcare Ce	120	* WATC	6.19	0		0	0		37,228		(37,228)	0	1,247	37,228			(37,227)	1	1,247
Housing																			
Staff Housing	115	* WATC	6.04	0			0		0		0	0	0	(1)			0	(1)	0
Staff Housing	127	* WATC	3.71	0			0		16,138		(16,138)	0	556	16,138			(16,138)	0	556
Community amenities																			
Waste Management	126	* WATC	4.21	763,621		(179,145)	584,476	30,283	935,456		(171,835)	763,621	47,637	935,456			(171,835)	763,621	47,637
Drainage	128	* WATC	4.21	56,314		(13,211)	43,103	2,233	68,987		(12,673)	56,314	3,520	68,987			(12,673)	56,314	3,520
Recreation and culture																			
KNX Aquatic Centre Re	113	* WATC	6.04	0			0		0		0	0	0	(1)			0	(1)	0
WYN Recreation Centre	114	* WATC	6.04	0			0		0		0	0	0	1			0	1	0
Multi Purpose Courts	119	* WATC	5.61	0			0		0		0	0	0	1			0	1	0
Kununurra Leisure Gym	132	* WATC	2.49	61,855		(24,284)	37,571	1,390	85,546		(23,691)	61,855	2,633	85,546			(23,691)	61,855	2,633
Water Park (Splash par	133	* WATC		0	500,000		500,000					0							0
Transport																			
Building and Infrastruct.	130	* WATC	3.32	164,061		(30,688)	133,373	5,194	193,754		(29,693)	164,061	7,780	193,755			(29,694)	164,061	7,780
				2,568,039	500,000	(677,433)	2,390,606	86,953	3,337,618	0	(769,579)	2,568,039	155,487	3,337,619	0		(769,583)	2,568,036	155,487
Recreation and culture																			
Ord River Sports Club	131	* WATC	0.0271	30,803	0	(9,993)	20,810	768	40,531	0	(9,728)	30,803	1,621	40,531	0		(9,728)	30,803	1,621
				30,803	0	(9,993)	20,810	768	40,531	0	(9,728)	30,803	1,621	40,531	0		(9,728)	30,803	1,621
				2,598,842	500,000	(687,426)	2,411,416	87,721	3,378,149	0	(779,307)	2,598,842	157,108	3,378,150	0		(779,311)	2,598,839	157,108

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.

The self supporting loan(s) repayment will be fully reimbursed.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

7. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

	2020/21 Forecast Opening Balance	2020/21 Budget Transfer to	2020/21 Budget Transfer (from)	2020/21 Budget Closing Balance	2019/20 Actual Opening Balance	2019/20 Forecast Transfer to	2019/20 Forecast Transfer (from)	2019/20 COVID 19 Transfer to/(from)	2019/20 Forecast Closing Balance	2019/20 Budget Opening Balance	2019/20 Budget Transfer to	2019/20 Budget Transfer (from)	2019/20 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$		\$	\$	\$	\$	\$
(a) Waste Management	1,288,927	211,055	(179,145)	1,320,837	1,219,560	264,728	(195,361)		1,288,927	1,111,659	478,854	(171,835)	1,418,678
(b) Airport General	7,261,250	(418,529)	(1,211,871)	5,630,850	7,320,246	207,339	(266,335)		7,261,250	5,791,307	1,440,020	(1,545,000)	5,686,327
(c) Plant and Equipment	0	0	0	0	109,383	1,896	0	(111,279)	0	108,361	13,896	0	122,257
(d) Parking	0	0	0	0	130,847	2,208	0	(133,054)	0	126,148	2,208	0	128,356
(e) Non-Potable water	0	0	0	0	17,264	289	0	(17,553)	0	16,497	289	0	16,786
(f) East Kimberley Tourism	58,715	21,824	(10,000)	70,539	101,891	33,824	(22,000)	(55,000)	58,715	104,257	41,824	(34,000)	112,081
(g) Foreshore	317,077	49,171	0	366,248	527,906	89,171	0	(300,000)	317,077	524,048	91,171	(100,000)	515,219
(h) Staff Entitlement	112,086	2,516	0	114,602	109,570	2,516	0		112,086	143,771	2,516	0	146,287
(i) Recreation Hardcourts	0	0	0	0	58,734	1,018	(50,000)	(9,752)	0	58,151	1,018	(50,000)	9,169
(j) Bio Security	0	0	0	0	269,853	4,676	0	(274,529)	0	267,174	4,676	0	271,850
(k) Childcare	196,462	15,151	(5,000)	206,613	206,311	15,151	(25,000)		196,462	208,622	15,151	0	223,773
(l) Parks	0	0	0	0	199,198	3,739	0	(202,937)	0	213,654	3,739	0	217,393
(m) Footpaths	0	0	0	0	244,215	4,221	0	(248,436)	0	241,216	4,221	0	245,437
(n) Asset Management	0	0	0	0	587,015	10,103	(139,767)	(457,351)	0	577,326	10,103	(50,000)	537,429
(o) Goomig Farmlands Roads Reserve	580,027	10,043	0	590,070	569,984	10,043	0		580,027	573,870	10,043	0	583,913
(p) Unspent Grants and Loans Reserve	582,529	0	(82,640)	499,889	1,623,785	0	(975,834)	(9,922)	582,529	801,883	0	(531,882)	270,001
(q) Contiguous Local Authority Group (C	0	0	0	0	78	4,200	(4,279)		0				0
(r) Kununurra Youth Hub	65,641	19,864	(27,631)	57,874	51,777	19,864	(6,000)		65,641	49,353	19,364	(9,700)	59,017
(s) Regional Price Preference	0	0	0	0	190,720	3,302	0	(194,022)	0	188,707	3,302	0	192,009
(t) Drainage Reserve	0	0	0	0	640,320	7,579	(256,067)	(391,832)	0	433,095	107,579	0	540,674
(u) Capital Works Reserve	0	0	0	0	972,854	7,554	(307,810)	(672,598)	0	431,667	7,609	(258,471)	180,805
(v) Municipal Property Revaluation Rese	15,530	530	0	16,060	30,000	530	0	(15,000)	15,530	30,263	15,530	0	45,793
(w) Election Expenditure Reserve	0	706	0	706	40,000	706	(28,000)	(12,706)	0	40,350	706	(40,000)	1,056
(x) Property Reserve	354,073	6,033	0	360,106	348,040	6,033	0		354,073	344,730	6,033	0	350,763
(y) Public Art Work Reserve	6,045	178	0	6,223	11,867	178	0	(6,000)	6,045	10,175	178	0	10,353
(z) COVID 19 Response Reserve	3,111,972	0	(781,500)	2,330,472	0	0	0	3,111,971	3,111,972				0
	13,950,334	(81,459)	(2,297,787)	11,571,089	15,581,418	700,867	(2,331,953)	0	13,950,334	12,396,284	2,280,029	(2,790,888)	11,885,426

7. CASH BACKED RESERVES (CONTINUED)

(b) Cash Backed Reserves - Purposes

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

	Reserve name	Anticipated date of use	Purpose of the reserve
(a)	Waste Management	on going	To provide for the operation, maintenance, renewal and upgrade of existing and new waste management facilities within the Shire of Wyndham East Kimberley.
(b)	Airport General	on going	To provide support for the Shire's Airport operations and facilities and to promote an expansion of airport operations and increased passenger numbers through the airport. These include normal operations, asset management, expansion of facilities, and operations and projects that support the strategic objectives for the
(c)	Plant and Equipment	on going	To provide for the plant management program.
(d)	Parking	on going	This Reserve is for the land purchase and/or the construction and maintenance of vehicle parking facilities with the Shire.
(e)	Non-Potable water	on going	This reserve is for the development of non-potable water supply in Wyndham.
(f)	Civic buildings	on going	To provide for the maintenance, renewal, upgrade of existing and new civic buildings within the Shire of Wyndham East Kimberley.
(f)	East Kimberley Tourism	on going	To provide for the maintenance, renewal, and upgrade of existing and new airport facilities within the Shire of Wyndham East Kimberley.
(g)	Foreshore	on going	To hold lease and licence payments from occupiers of the Lake Kununurra Foreshore Reserve to provide for the implementation of specific actions outlined in the Lake Kununurra Foreshore and Aquatic Use Plan 2012.
(h)	Staff Entitlement	on going	This reserve is to provide for Shire employee entitlements.
(i)	Recreation Hardcourts	on going	This Reserve is for purpose of providing for future capital upgrade of Recreational Hardcourts.
(j)	Bio Security	on going	To hold funds for use in emergency situations that threaten the bio security of the East Kimberley.
(k)	Childcare	on going	To hold lease payments from the Kununurra Childcare Centre to provide for the significant maintenance and renewal of the building.
(l)	Parks	on going	To hold the funds from the sale of parks provided by the State to undertake major upgrades and to establish new parks and public open spaces in the Shire.
(m)	Legal fees	on going	This reserve is to hold funds not expended in any budget year to accumulate to cover any significant legal costs or expenses related to regulatory prosecution and enforcement.
(m)	Youth Bus	on going	This reserve is to transfer fees from hire of Youth Buses to provide funds for repairs, maintenance and replacement of the youth buses.
(m)	Footpaths	on going	To hold developer contributions for construction of footpaths after housing construction is completed in new subdivisions.
(n)	Asset Management	on going	To provide for the ongoing maintenance, renewal, upgrade, replacement or development of Shire owned assets within the Shire of Wyndham East Kimberley.
(o)	Goomig Farmlands Roads Reserve	on going	To provide for the second coat seal of roads within the Goomig Farmlands.
(p)	Unspent Grants and Loans Reserve	on going	To provide a mechanism for restricting prepaid grants, conditional unspent grants and loan proceeds unspent at a particular financial year where the expenditure will be undertaken in future years.
(q)	Contiguous Local Authority Group (CLAG)	on going	To hold funds received to be used for the ongoing management, funding and technical aspects of health-driven mosquito control in an effort to reduce the risk of mosquito-borne diseases within the boundaries of the Shire of Wyndham East Kimberley.
(r)	Kununurra Youth Hub	on going	To hold lease payments from Kununurra Youth Hub to provide for the maintenance, renewal and upgrade of the building in accordance with the lease conditions.
(s)	Regional Price Preference	on going	To fund the regional price preference applied, if any, for the procurement of goods and/or services that are supplied by a Regional Business in accordance with Council's Policy CP/FIN-3217 Regional Price Preference.
(t)	Drainage Reserve	on going	To provide for the maintenance, renewal, upgrade of existing and new drainage Infrastructure within the Shire of Wyndham East Kimberley.
(u)	Capital Works Reserve	on going	To ensure that funds allocated to Capital Works Projects remain available for future Capital Works if amounts are not expended at the end of a financial year.
(v)	Municipal Property Revaluation Reserve	on going	To hold funds for the expenditure relating to Municipal property revaluation conducted every 4 years.
(w)	Election Expenditure Reserve	on going	To hold funds for the expenditure relating to Council Elections conducted every 2 years.
(x)	Property Reserve	on going	To ensure that funds received from the disposal of properties after settling any property debt, are retained within the reserve and are used for the acquisition of land and /or buildings or the development of land under the control of the Shire.
(y)	Public Art Work Reserve	on going	To receipt LandCorp contributions towards the ongoing maintenance of the public artwork in the Coolibah / Chestnut subdivision.
(z)	Covid-19 Response Reserve	on going	To fund capital and operational expenditure in support of local businesses to address the financial impact caused by the COVID 19.

8. FEES & CHARGES REVENUE

	2020/21 Budget	2019/20 Forecast	2019/20 Budget
	\$	\$	\$
Governance	2,500	1,804	4,100
General purpose funding	19,000	32,224	34,000
Law, order, public safety	39,500	41,100	39,900
Health	67,500	68,115	77,500
Education and welfare	11,500	11,500	11,500
Housing	124,820	109,957	143,880
Community amenities	2,738,160	2,843,266	2,772,500
Recreation and culture	417,600	453,926	571,300
Transport	2,547,000	3,337,000	4,897,000
Economic services	53,500	62,800	99,500
Other property and services	-		
	6,021,080	6,961,691	8,651,180

9. GRANT REVENUE

Grants, subsidies and contributions revenue			
	2020/21 Budget	2019/20 Forecast	2019/20 Budget
	\$	\$	\$
By Program:			
(a) Operating grants, subsidies and contributions			
Governance	10,000	6,875	10,000
General purpose funding	1,664,500	3,851,284	1,850,000
Law, order, public safety	39,000	42,000	36,000
Health	4,000	4,200	3,000
Community amenities	72,955	95,387	68,500
Recreation and culture	29,000	52,200	73,000
Transport	265,170	244,517	125,000
Economic services	5,000	11,200	4,500
Other property and services	25,000	29,371	25,000
Total	2,114,625	4,337,034	2,195,000
(b) Non-operating grants, subsidies and contributions			
Law, order, public safety	0	79,990	80,089
Community amenities	0	0	18,067
Recreation and culture	3,000,000	85,835	484,331
Transport	5,956,548	2,715,214	3,115,490
Total	8,956,548	2,881,039	3,697,977

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

10. REVENUE RECOGNITION

SIGNIFICANT ACCOUNTING POLICIES

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

Revenue Category	Nature of goods and services	when obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

11. OTHER INFORMATION

	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	202,500	202,500	285,900
- Other funds	50,655	60,923	100,923
Late payment of fees and charges *	2,000	6,000	4,000
Other interest revenue (refer note 1b)	122,000	213,315	200,000
	377,155	482,738	590,823
(b) Other revenue			
Reimbursements and recoveries	387,425	450,628	378,500
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	61,500	61,500	61,500
(d) Interest expenses (finance costs)			
Borrowings (refer Note 6(a))	(87,721)	(157,108)	(157,108)
(e) Elected members remuneration			
Meeting fees	130,193	151,492	151,492
Mayor/President's allowance	38,012	44,342	44,342
Deputy Mayor/President's allowance	9,503	11,085	11,085
Travelling expenses	15,000	4,000	20,000
Telecommunications allowance	21,600	21,600	21,600
	214,309	232,519	248,519
(f) Write offs			
General rate	289,214	152,412	152,412
Writeoffs and waivers - waste disposal	180,000	188,000	65,000
Fees and charges	102,036	102,036	102,036
	571,250	442,448	319,448