

SHIRE OF WEST ARTHUR
BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

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**SHIRE OF WEST ARTHUR
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Revenue				
Rates	8	1,610,369	1,566,941	1,563,465
Operating grants, subsidies and contributions	15	836,327	2,972,896	2,286,667
Fees and charges	14	316,950	349,529	340,105
Interest earnings	2(a)	103,034	103,272	113,512
Other revenue	2(a)	16,560	603,668	114,572
		<u>2,883,240</u>	<u>5,596,306</u>	<u>4,418,321</u>
Expenses				
Employee costs		(1,615,693)	(1,586,795)	(1,745,528)
Materials and contracts		(1,171,421)	(1,666,944)	(2,137,238)
Utility charges		(71,850)	(70,943)	(68,021)
Depreciation on non-current assets	2(a)	(1,806,586)	(1,788,412)	(1,856,368)
Interest expenses	2(a)	(44,438)	(32,487)	(32,487)
Insurance expenses		(111,461)	(89,110)	(109,103)
Other expenditure		(16,425)	(25,520)	(35,276)
		<u>(4,837,874)</u>	<u>(5,260,211)</u>	<u>(5,984,021)</u>
		(1,954,634)	336,095	(1,565,700)
Non-operating grants, subsidies and contributions	15	1,073,555	1,347,378	1,564,418
Profit on asset disposals	6	27,393	7,273	17,787
Loss on asset disposals	6	(5,909)	(3,757)	0
Loss on revaluation of non current assets		0	0	0
Net result		(859,595)	1,686,989	16,505
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		(859,595)	1,686,989	16,505

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

SHIRE OF WEST ARTHUR
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Revenue (refer notes 1,2,8,10 to 15)				
Governance		300	400	200
General purpose funding		2,197,018	3,403,653	2,918,178
Law, order, public safety		32,034	130,045	130,300
Health		6,600	6,707	6,400
Education and welfare		107,666	144,889	143,400
Housing		125,589	1,258,131	760,866
Community amenities		110,936	101,374	48,000
Recreation and culture		66,050	215,642	185,437
Transport		135,987	155,845	115,500
Economic services		27,700	33,106	37,280
Other property and services		73,360	146,514	72,760
		<u>2,883,240</u>	<u>5,596,306</u>	<u>4,418,321</u>
Expenses excluding finance costs (refer notes 1, 2 & 16)				
Governance		(316,179)	(273,981)	(332,544)
General purpose funding		(62,728)	(80,713)	(81,494)
Law, order, public safety		(119,356)	(225,563)	(242,996)
Health		(133,542)	(85,452)	(136,121)
Education and welfare		(235,541)	(223,030)	(267,403)
Housing		(126,582)	(1,143,986)	(1,215,985)
Community amenities		(337,876)	(292,755)	(272,894)
Recreation and culture		(822,059)	(659,334)	(856,232)
Transport		(2,419,337)	(1,951,542)	(2,365,899)
Economic services		(135,787)	(117,236)	(140,518)
Other property and services		(84,449)	(174,132)	(39,448)
		<u>(4,793,436)</u>	<u>(5,227,724)</u>	<u>(5,951,534)</u>
Finance costs (refer notes 2 & 7)				
Housing		(37,614)	(24,598)	(24,598)
Economic services		(2,728)	(3,016)	(3,016)
Other property and services		(4,096)	(4,873)	(4,873)
		<u>(44,438)</u>	<u>(32,487)</u>	<u>(32,487)</u>
		(1,954,634)	336,095	(1,565,700)
Non-operating grants, subsidies and contributions:	15	1,073,555	1,347,378	1,564,418
Profit on disposal of assets	6	27,393	7,273	17,787
(Loss) on disposal of assets	6	(5,909)	(3,757)	0
Loss on revaluation of non current assets		0	0	0
		<u>1,095,039</u>	<u>1,350,894</u>	<u>1,582,205</u>
Net result		(859,595)	1,686,989	16,505
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		<u>(859,595)</u>	<u>1,686,989</u>	<u>16,505</u>

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

**SHIRE OF WEST ARTHUR
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		1,620,369	1,554,746	1,583,465
Operating grants, subsidies and contributions		556,323	2,876,453	2,447,162
Fees and charges		316,950	349,529	340,105
Interest earnings		103,034	103,272	113,512
Goods and services tax		642,864	(47,964)	275,000
Other revenue		16,560	603,668	114,572
		<u>3,256,100</u>	<u>5,439,704</u>	<u>4,873,816</u>
Payments				
Employee costs		(1,615,693)	(1,543,296)	(1,745,528)
Materials and contracts		(1,158,468)	(1,489,614)	(2,234,917)
Utility charges		(71,850)	(70,943)	(68,021)
Interest expenses		(44,438)	(32,487)	(32,487)
Insurance expenses		(111,461)	(89,110)	(109,103)
Goods and services tax		(300,000)	405,646	(275,000)
Other expenditure		(16,425)	(25,520)	(35,276)
		<u>(3,318,335)</u>	<u>(2,845,324)</u>	<u>(4,500,332)</u>
Net cash provided by (used in) operating activities	3(b)	<u>(62,235)</u>	<u>2,594,380</u>	<u>373,484</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5	(1,959,916)	(1,107,385)	(2,185,690)
Payments for construction of infrastructure	5	(1,709,651)	(1,657,183)	(2,112,751)
Non-operating grants, subsidies and contributions used for the development of assets		1,073,555	1,347,378	1,813,981
Proceeds from sale of plant & equipment	6	396,000	36,223	43,000
Net cash provided by (used in) investing activities		<u>(2,200,012)</u>	<u>(1,380,967)</u>	<u>(2,441,460)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7	(81,648)	(53,691)	(53,691)
Advances to community groups		0	(470,000)	0
Proceeds from self supporting loans - repayments		24,608		0
Proceeds from new self supporting loans	7	0	470,000	560,000
Net cash provided by (used in) financing activities		<u>(57,040)</u>	<u>(53,691)</u>	<u>506,309</u>
Net increase (decrease) in cash held		(2,319,287)	1,159,722	(1,561,667)
Cash at beginning of year		<u>3,968,316</u>	<u>2,808,594</u>	<u>2,808,594</u>
Cash and cash equivalents at the end of the year	3(a)	<u><u>1,649,029</u></u>	<u><u>3,968,316</u></u>	<u><u>1,246,927</u></u>

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

**SHIRE OF WEST ARTHUR
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Net current assets at start of financial year - surplus/(deficit) 4		<u>1,785,813</u>	<u>1,206,056</u>	<u>1,206,058</u>
		1,785,813	1,206,056	1,206,058
Revenue from operating activities (excluding rates)				
Governance		300	400	200
General purpose funding		586,649	1,836,712	1,354,713
Law, order, public safety		32,034	130,045	130,300
Health		6,600	6,707	6,400
Education and welfare		107,666	144,889	143,400
Housing		125,589	1,258,131	760,866
Community amenities		113,000	101,374	55,800
Recreation and culture		66,050	215,642	185,437
Transport		161,316	163,118	125,487
Economic services		27,700	33,106	37,280
Other property and services		<u>73,360</u>	<u>146,514</u>	<u>72,760</u>
		1,300,264	4,036,638	2,872,643
Expenditure from operating activities				
Governance		(316,179)	(273,981)	(332,544)
General purpose funding		(62,728)	(80,713)	(81,494)
Law, order, public safety		(119,356)	(225,563)	(242,996)
Health		(133,542)	(85,452)	(136,121)
Education and welfare		(235,541)	(223,030)	(267,403)
Housing		(167,005)	(1,168,584)	(1,240,583)
Community amenities		(337,876)	(296,269)	(272,894)
Recreation and culture		(822,059)	(659,334)	(856,232)
Transport		(2,422,437)	(1,951,785)	(2,365,899)
Economic services		(138,515)	(120,252)	(143,534)
Other property and services		<u>(88,545)</u>	<u>(179,005)</u>	<u>(44,321)</u>
		(4,843,783)	(5,263,968)	(5,984,021)
Operating activities excluded from budget				
(Profit) on asset disposals	6	(27,393)	(7,273)	(17,787)
Loss on disposal of assets	6	5,909	3,757	0
Depreciation on assets	2(a)	1,806,586	1,788,412	1,856,368
Movement in employee benefit provisions (non-current)		<u>0</u>	<u>46,881</u>	<u>0</u>
Amount attributable to operating activities		27,396	1,810,503	(66,739)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	15	1,073,555	1,347,378	1,564,418
Purchase land held for resale	5	0	0	0
Purchase property, plant and equipment	5	(1,959,916)	(1,107,385)	(2,185,690)
Purchase and construction of infrastructure	5	(1,709,651)	(1,657,183)	(2,112,751)
Proceeds from disposal of assets	6	<u>396,000</u>	<u>36,223</u>	<u>43,000</u>
Amount attributable to investing activities		(2,200,012)	(1,380,967)	(2,691,023)
FINANCING ACTIVITIES				
Repayment of borrowings	7	(81,648)	(53,691)	(53,691)
Proceeds from new self supporting loans	7	0	470,000	560,000
Proceeds from self supporting loans - repayments		24,608	0	0
Advance to Community Group - Self supporting loan		0	(470,000)	0
Transfers to cash backed reserves (restricted assets)	9	(994,091)	(689,110)	(584,012)
Transfers from cash backed reserves (restricted assets)	9	<u>1,613,378</u>	<u>532,137</u>	<u>1,272,000</u>
Amount attributable to financing activities		562,247	(210,664)	1,194,297
Budgeted deficiency before general rates		<u>(1,610,369)</u>	<u>218,872</u>	<u>(1,563,465)</u>
Estimated amount to be raised from general rates	8	<u>1,610,369</u>	<u>1,566,941</u>	<u>1,563,465</u>
Net current assets at end of financial year - surplus/(deficit)		<u><u>0</u></u>	<u><u>1,785,813</u></u>	<u><u>0</u></u>

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

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

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

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

Critical accounting estimates

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

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

The local government reporting entity

All funds through which the Shire of West Arthur 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 17 to the budget.

(b) 2016/17 actual balances

Balances shown in this budget as 2016/17 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

(c) Rounding off figures

All figures shown in this budget, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current budget year.

(e) Budget comparative figures

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

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Forecast fair value adjustments

All fair value adjustments relating to remeasurement of financial assets at fair value through profit or loss (if any) and changes on revaluation of non-current assets are impacted upon by external forces and not able to be reliably estimated at the time of budget adoption.

Fair value adjustments relating to the re-measurement of financial assets at fair value through profit or loss will be assessed at the time they occur with compensating budget amendments made as necessary.

It is anticipated, in all instances, any changes upon revaluation of non-current assets will relate to non-cash transactions and as such, have no impact on this budget document.

(g) Rates, grants, donations and other contributions

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

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

(h) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(i) Superannuation

The Shire of West Arthur contributes to a number of superannuation funds on behalf of employees. All funds to which the Shire of West Arthur contributes are defined contribution plans.

(j) 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 4 - Net Current Assets.

(k) 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.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) 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.

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.

(m) Fixed assets

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

Mandatory requirement to revalue non-current assets

Effective from 1 July 2012, the *Local Government (Financial Management) Regulations* were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the Shire of West Arthur commenced the process of adopting fair value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at fair value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Shire of West Arthur revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Fixed assets (continued)

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

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 no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire of West Arthur includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation of the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Land under roads

In Western Australia, all land under roads is Crown land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the fact *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, *Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Shire

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Fixed assets (continued)

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.

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

Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	70 years
seal	
- bituminous seals	15-25 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping & drainage systems	75 years

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

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

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

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Fair value of assets and liabilities

When performing a revaluation, the Shire of West Arthur uses a mix of both independent and management valuations using the following as a guide:

Fair value is the price that the Shire of West Arthur would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire of West Arthur selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire of West Arthur are consistent with one or more of the following valuation approaches:

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Fair value of assets and liabilities (continued)

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire of West Arthur gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability and considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The mandatory measurement framework imposed by the *Local Government (Financial Management) Regulations* requires, as a minimum, all assets to be revalued at least every 3 years. Relevant disclosures, in accordance with the requirements of Australian Accounting Standards have been made in the budget as necessary.

(o) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Shire of West Arthur becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Shire of West Arthur commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments and any reduction for impairment; and
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method.

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial instruments (continued)

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit and loss

Financial assets are classified at “fair value through profit or loss” when they are held for trading for the purpose of short term profit taking. Assets in this category are classified as current assets. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Shire of West Arthur management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available for sale financial assets are classified as non-current.

(v) Financial liabilities

Non-derivative financial liabilities (excl. financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in the profit or loss.

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial instruments (continued)

Impairment

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

Derecognition

Financial assets are derecognised where the contractual rights for receipt of cash flows expire or the asset is transferred to another party, whereby the Shire of West Arthur no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(p) Impairment of assets

In accordance with Australian Accounting Standards the Shire of West Arthur assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revaluation decrease in accordance with that other standard.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Impairment of assets (continued)

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of adopting this budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2018.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on this budget document.

(q) 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 West Arthur 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.

(r) Employee benefits

Short-term employee benefits

Provision is made for the Shire of West Arthur'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 West Arthur'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 West Arthur's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other 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 or 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 of West Arthur's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire of West Arthur 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.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

(t) Provisions

Provisions are recognised when the Shire of West Arthur 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.

(u) Leases

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

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

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

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

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

(v) Investment in associates

An associate is an entity over which the Shire of West Arthur has significant influence.

Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire of West Arthur's share of net assets of the associate. In addition, the Shire of West Arthur's share of the profit or loss of the associate is included in the Shire of West Arthur's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Shire of West Arthur's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Investment in associates (continued)

Profits and losses resulting from transactions between the Shire of West Arthur and the associate are eliminated to the extent of the Shire of West Arthur's interest in the associate.

When the Shire of West Arthur's share of losses in an associate equals or exceeds its interest in the associate, the Shire of West Arthur discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Shire of West Arthur will resume recognising its share of these profits once its share of the profits equals the share of the losses not recognised.

(w) Interests in joint arrangements

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

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to note 1(o) for a description of the equity method of accounting.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire of West Arthur's interests, in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 20.

(x) Current and non-current classification

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

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
2. REVENUES AND EXPENSES			
Net result			
The net result includes:			
Charging as an expense:			
Auditors remuneration			
Audit services	17,000	22,150	17,000
Other services	0	3,450	0
Depreciation by program			
Law, order, public safety	50,209	50,209	66,979
Health	11,874	11,874	11,353
Housing	24,347	24,347	23,987
Community amenities	14,311	14,937	16,820
Recreation and culture	232,609	232,609	232,390
Transport	1,161,271	1,161,271	1,158,764
Economic services	18,106	18,106	20,708
Other property and services	293,859	275,059	325,367
	<u>1,806,586</u>	<u>1,788,412</u>	<u>1,856,368</u>
Depreciation by asset class			
Land and buildings	229,569	229,569	231,078
Furniture and equipment	4,023	4,023	4,399
Plant and equipment	301,926	283,752	354,477
Roads	803,145	803,145	800,741
Other	122,742	122,742	120,492
Bridges	345,181	345,181	345,181
	<u>1,806,586</u>	<u>1,788,412</u>	<u>1,856,368</u>
Interest expenses (finance costs)			
- Borrowings (refer note 7(a))	44,438	32,487	32,487
	<u>44,438</u>	<u>32,487</u>	<u>32,487</u>
Crediting as revenues:			
Interest earnings			
Investments			
- Reserve funds	48,734	49,406	53,712
- Other funds	28,000	26,178	38,000
- Self Supporting Loans	15,300	0	0
Other interest revenue (refer note 12)	11,000	27,688	21,800
	<u>103,034</u>	<u>103,272</u>	<u>113,512</u>
Other revenue			
Reimbursements and recoveries	16,560	603,668	114,572
Other	16,560	603,668	114,572
	<u>16,560</u>	<u>603,668</u>	<u>114,572</u>

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

2. REVENUES AND EXPENSES (Continued)

(b) Statement of objective

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, and for each of its broad activities/programs.

Council operations as disclosed in this budget encompass the following services orientated activities/programs:

GOVERNANCE

Costs associated with meetings, elections, preparing annual reports and other statutory reporting requirements, public relations and policy development and review.

Goal: To set and achieve Council's goals and objectives for the ratepayers by providing high level direction, co-ordination and management policy.

GENERAL PURPOSE FUNDING

Costs associated with raising and collecting rates, rate enquiries, preparing general purpose grant returns and investing Council's surplus funds.

Income from general rate revenue, penalty for late payments, ex-gratia rates, general purpose grants and untied road grants.

Goal: To raise sufficient funds through rates, investment and grants to fund Council's current and future expenditure

LAW, ORDER, PUBLIC SAFETY

Fire control and prevention, and animal control.

Goal: To protect the community from the risk of fire and other emergencies and to uphold the regulatory requirements for the control of animals.

HEALTH

Food control, services of Council's Environmental Health Officer and provision and maintenance of medical buildings and subsidies to services

Goal: To protect and promote the health and well-being of the community through awareness programs, by environmental health and public safety programs.

EDUCATION AND WELFARE

Education prizes, school bus turnarounds and other works associated with education.

Assistance to playgroups, aged residences and other voluntary services including Westcare.

Goal: To promote education and welfare through awareness programs for all and the provision of services for elderly citizens and people with disabilities

HOUSING

Maintenance and provision of GEHA and community housing.

Goal: To provide a suitable standard of housing for new residents which attract quality employees to the Shire of West Arthur for employment in the district.

COMMUNITY AMENITIES

Rubbish collection services, operation of refuse site, administration of the town planning scheme, storm water drainage, protection of the environment, cemetery maintenance,

Maintenance for unpotable water supply to Duranillin townsite and regional development.

Goal: To provide services with the overall intention that they are safe, efficient and to the benefit of the community, so as residents are not disadvantaged by living in this district.

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET**

2. REVENUES AND EXPENSES (Continued)

(b) Statement of Objective (Continued)

RECREATION AND CULTURE

Maintenance of halls, provision of library services, maintenance of historical buildings and maintenance of reserves and recreation facilities.

Goal: To provide quality facilities and stimulate social and cultural values and energies of the Shire's residents.

TRANSPORT

Maintenance of roads, drainage works, footpaths, street lighting, median strips, traffic management, parking facilities and roadworks program.

Goal: To provide a smooth, safe, efficient and clearly defined road network that is environmentally acceptable and which enhances travels throughout the Shire.

ECONOMIC SERVICES

Tourism and area promotion, pest control services and implementation of building controls.

Goal: To promote the Shire of West Arthur to potential visitors, to promote economic sustainability and service the Shire in area of pest control and building service.

OTHER PROPERTY & SERVICES

Public works overheads, plant/vehicle operations, stock and materials, depot operations and private works.

Goal: To source extra income for the Shire and gain insight into the efficiency of Council's plant and staff overheads.

SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

3. NOTES TO THE STATEMENT OF CASH FLOWS

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:

	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Cash - unrestricted	259,220	1,959,220	82,792
Cash - restricted	1,389,809	2,009,096	1,164,135
	<u>1,649,029</u>	<u>3,968,316</u>	<u>1,246,927</u>

The following restrictions have been imposed by regulation or other externally imposed requirements:

Long Service Leave Reserve	133,168	129,924	130,121
Plant Reserve	43,528	85,403	385,604
Building Reserve	630,735	419,344	99,662
Town Development Reserve	6,338	59,844	1,298
Recreation Reserve	36,973	52,658	35,734
Heritage Reserve	4,729	4,321	4,130
Community Housing Reserve	110,937	108,237	108,436
Waste Management Reserve	78,649	76,734	76,897
Darkan Swimming Pool Reserve	32,091	31,309	31,372
Information Technology Reserve	41,697	55,316	55,460
Darkan Sport and Community Centre Reserve	193,184	159,208	159,536
Health and Resource Centre Reserve	45	753,897	5,501
Arthur River Country Club Renewal Reserve	18,284	14,901	15,384
Museum	56,376	55,000	55,000
Moodiarrup Sports Club Reserve	3,075	3,000	0
	<u>1,389,809</u>	<u>2,009,096</u>	<u>1,164,135</u>

Reconciliation of net cash provided by operating activities to net result

Net result	(859,595)	1,686,989	16,505
Depreciation	1,806,586	1,788,412	1,856,368
(Profit)/loss on sale of asset	(21,484)	(3,516)	(17,787)
Loss on revaluation of non current assets	0	0	0
(Increase)/decrease in receivables	72,860	249,044	430,058
(Increase)/decrease in inventories	0	15,850	10,000
Increase/(decrease) in payables	12,953	161,480	(107,679)
Increase/(decrease) in employee provisions	0	43,499	0
Grants/contributions for the development of assets	(1,073,555)	(1,347,378)	(1,813,981)
Net cash from operating activities	<u>(62,235)</u>	<u>2,594,380</u>	<u>373,484</u>

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

3. NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	150,000	150,000	150,000
Bank overdraft at balance date	0	0	0
Credit card limit	0	0	0
Credit card balance at balance date	0	0	0
Total amount of credit unused	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
Loan facilities			
Loan facilities in use at balance date	<u>892,579</u>	<u>974,227</u>	<u>1,064,227</u>
Unused loan facilities at balance date	<u>0</u>	<u>0</u>	<u>0</u>

	Note	2017/18 Budget \$	2016/17 Actual \$
4. NET CURRENT ASSETS			

Composition of estimated net current assets

Current assets

Cash - unrestricted	3(a)	259,220	1,959,220
Cash - restricted reserves	3(a)	1,389,809	2,009,096
Receivables		236,187	333,655
Inventories		13,293	13,293
		<u>1,898,509</u>	<u>4,315,264</u>

Less: current liabilities

Trade and other payables		(508,700)	(495,747)
		<u>(508,700)</u>	<u>(495,747)</u>

Unadjusted net current assets

1,389,809 3,819,517

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

Adjustments

Less: Cash - restricted reserves	3(a)	(1,389,809)	(2,009,096)
Less: Current loans - clubs / institutions		0	(24,608)
Adjusted net current assets - surplus/(deficit)		<u>0</u>	<u>1,785,813</u>

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

5. ACQUISITION OF ASSETS

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

Asset class	Reporting program											2017/18 Budget total \$	2016/17 Actual total \$
	Governance \$	General purpose funding \$	Law, order, public safety \$	Health \$	Education and welfare \$	Housing \$	Community amenities \$	Recreation and culture \$	Transport \$	Economic services \$	Other property and services \$		
<i>Property, Plant and Equipment</i>													
Land and buildings	0	0	0	100,000	0	0	0	1,162,916	17,000	0	95,000	1,374,916	559,249
Furniture and equipment	15,000	0	0	0	0	0	0	0	0	0	0	15,000	0
Plant and equipment	0	0	0	0	0	0	0	0	570,000	0	0	570,000	548,136
	15,000	0	0	100,000	0	0	0	1,162,916	587,000	0	95,000	1,959,916	1,107,385
<i>Infrastructure</i>													
Roads	0	0	0	0	0	0	0	0	1,286,258	0	0	1,286,258	1,586,866
Other	0	0	0	129,268	0	0	9,396	139,350	60,117	85,262	0	423,393	70,317
	0	0	0	129,268	0	0	9,396	139,350	1,346,375	85,262	0	1,709,651	1,657,183
Total acquisitions	15,000	0	0	229,268	0	0	9,396	1,302,266	1,933,375	85,262	95,000	3,669,567	2,764,568

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

Capital acquisitions and disposals

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

6. DISPOSALS OF ASSETS

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

<u>By Program</u>	Net book	Sale	2017/18 Budget		2016/17 Actual		2016/17 Budget	
	value	proceeds	Profit	Loss	Profit	Loss	Profit	Loss
	\$	\$	\$	\$	\$	\$	\$	\$
Housing	232,809	230,000	0	(2,809)	0	0	0	0
Community amenities	14,936	17,000	2,064	0	0	(3,514)	7,800	0
Transport	126,771	149,000	25,329	(3,100)	7,273	(243)	9,987	0
	374,516	396,000	27,393	(5,909)	7,273	(3,757)	17,787	0

<u>By Class</u>	Net book	Sale	2017/18 Budget		2016/17 Actual		2016/17 Budget	
	value	proceeds	Profit	Loss	Profit	Loss	Profit	Loss
	\$	\$	\$	\$	\$	\$	\$	\$
Land and buildings	232,809	230,000	0	(2,809)	0	0	0	0
Plant and equipment	141,707	166,000	27,393	(3,100)	7,273	(3,757)	17,787	0
	374,516	396,000	27,393	(5,909)	7,273	(3,757)	17,787	0

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

7. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

Purpose	Principal 1-Jul-17	New loans	Principal repayments		Principal outstanding		Interest repayments	
			2017/18 Budget \$	2016/17 Actual \$	2017/18 Budget \$	2016/17 Actual \$	2017/18 Budget \$	2016/17 Actual \$
Housing								
Loan 70 - GROH Housing	353,563		36,247	33,963	317,316	353,563	22,314	24,598
Economic services								
Loan 72 - Industrial Land	86,770		9,006	8,718	77,764	86,770	2,728	3,016
Other property and services								
Loan 69 - Staff Housing Lot 30	63,894		11,787	11,010	52,107	63,894	4,096	4,873
	504,227	0	57,040	53,691	447,187	504,227	29,138	32,487
<u>Self Supporting Loans</u>								
Housing								
Loan 73 - WA Cottage Homes	470,000		24,608	0	445,392	470,000	15,300	0
	470,000	0	24,608	0	445,392	470,000	15,300	0
	974,227	0	81,648	53,691	892,579	974,227	44,438	32,487

All borrowing repayments will be financed by general purpose revenue.

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

7. INFORMATION ON BORROWINGS (Continued)

(b) New borrowings - 2017/18

The Shire has not budgeted for any new borrowings in the 2017/18 year.

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2017 nor is it expected to have unspent borrowing funds as at 30th June 2018.

(d) Overdraft

The Shire has not utilised an overdraft facility during the financial year although an overdraft facility of \$150,000 with the National Australia Bank does exist. It is not anticipated that this facility will be required to be utilised during 2017/18.

AASB 101.10(e)
AASB 101.51
AASB 101.112

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

LGA S6.2(4)(b)
FM Reg 23(a)

8. RATING INFORMATION

RATE TYPE	Rate in \$	Number of properties	Rateable value \$	2017/18 Budgeted rate revenue \$	2017/18 Budgeted interim rates \$	2017/18 Budgeted back rates \$	2017/18 Budgeted total revenue \$	2016/17 Actual \$
Differential general rate or general rate								
GRV Townsite	0.085700	90	623,250	53,413	0	0	53,413	51,854
GRV Commerical	0.085700	16	256,672	21,997	0	0	21,997	21,355
GRV Industrial	0.085700	7	73,528	6,301	0	0	6,301	8,698
GRV Other Townsite	0.085700	15	71,944	6,166	0	0	6,166	5,986
UV Rural	0.006236	396	247,977,500	1,546,417	0	0	1,546,417	1,502,312
Sub-Totals		524	249,002,894	1,634,294	0	0	1,634,294	1,590,205
Minimum payment								
	\$							
GRV Townsite	458	30	116,594	13,740	0	0	13,740	12,015
GRV Commerical	458	7	19,940	3,206	0	0	3,206	4,450
GRV Industrial	458	4	13,060	1,832	0	0	1,832	1,780
GRV Other Townsite	317	18	14,097	5,706	0	0	5,706	5,544
UV Rural	458	31	1,061,388	14,198	0	0	14,198	14,857
Sub-Totals		90	1,225,079	38,682	0	0	38,682	38,646
		614	250,227,973	1,672,976	0	0	1,672,976	1,628,851
Discounts/concessions (Refer note 13)							(66,001)	(65,205)
Total amount raised from general rates							1,606,975	1,563,646
Ex Gratia Rates							3,394	3,295
Total rates							1,610,369	1,566,941

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

8(a). RATING INFORMATION

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

The general rates detailed above for the 2017/18 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 the Local Government services/facilities.

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

9. CASH BACKED RESERVES

	2017/18 Budget Opening balance \$	2017/18 Budget Transfer to \$	2017/18 Budget Transfer (from) \$	2017/18 Budget Closing balance \$	2016/17 Actual Opening balance \$	2016/17 Actual Transfer to \$	2016/17 Actual Transfer (from) \$	2016/17 Actual Closing balance \$	2016/17 Budget Opening balance \$	2016/17 Budget Transfer to \$	2016/17 Budget Transfer (from) \$	2016/17 Budget Closing balance \$
Long Service Leave Reserve	129,924	3,244	0	133,168	87,581	62,343	(20,000)	129,924	87,581	62,540	(20,000)	130,121
Plant Reserve	85,403	362,125	(404,000)	43,528	228,964	366,122	(509,683)	85,403	228,964	366,640	(210,000)	385,604
Building Reserve	419,344	556,391	(345,000)	630,735	325,230	94,114	0	419,344	325,230	24,432	(250,000)	99,662
Town Development Reserve	59,844	1,494	(55,000)	6,338	40,134	19,710	0	59,844	40,134	1,164	(40,000)	1,298
Recreation Reserve	52,658	1,315	(17,000)	36,973	34,727	17,931	0	52,658	34,727	1,007	0	35,734
Heritage Reserve	4,321	408	0	4,729	3,722	599	0	4,321	3,722	408	0	4,130
Community Housing Reserve	108,237	2,700	0	110,937	105,380	2,857	0	108,237	105,380	3,056	0	108,436
Waste Management Reserve	76,734	1,915	0	78,649	74,730	2,004	0	76,734	74,730	2,167	0	76,897
Darkan Swimming Pool Reserve	31,309	782	0	32,091	26,601	4,708	0	31,309	26,601	4,771	0	31,372
Information Technology Reserve	55,316	1,381	(15,000)	41,697	53,897	1,419	0	55,316	53,897	1,563	0	55,460
Darkan Sport and Community Centre Reserve	159,208	33,976	0	193,184	125,885	33,323	0	159,208	125,885	33,651	0	159,536
Health and Resource Centre Reserve	753,897	17,526	(771,378)	45	734,209	19,688	0	753,897	734,209	21,292	(750,000)	5,501
Arthur River Country Club Renewal Reserve	14,901	6,383	(3,000)	18,284	11,063	6,292	(2,454)	14,901	11,063	6,321	(2,000)	15,384
Museum	55,000	1,376	0	56,376	0	55,000	0	55,000	0	55,000	0	55,000
Moodiarrup Sports Club Reserve	3,000	3,075	(3,000)	3,075	0	3,000	0	3,000	0	0	0	0
	2,009,096	994,091	(1,613,378)	1,389,809	1,852,123	689,110	(532,137)	2,009,096	1,852,123	584,012	(1,272,000)	1,164,135

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

9. CASH BACKED RESERVES (Continued)

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
Long Service Leave Reserve	Ongoing	To be used to fund long service leave requirements.
Plant Reserve	Ongoing	To be used for the purchase of major plant.
Building Reserve	Ongoing	To be used for the construction and maintenance of Council buildings.
Town Development Reserve	Ongoing	To be used to enhance town infrastructure.
Recreation Reserve	Ongoing	To be used to enhance recreation infrastructure.
Heritage Reserve	Ongoing	To be used to maintain and improve the heritage buildings of the Shire.
Community Housing Reserve	Ongoing	To be used for the maintenance and provision of housing within the Shire.
Waste Management Reserve	Ongoing	To be used to assist with funding future infrastructure requirements for waste management.
Darkan Swimming Pool Reserve	Ongoing	To be used to assist with funding works at the Darkan Swimming Pool.
Information Technology Reserve	Ongoing	To be used for upgrades to computers and office equipment.
Darkan Sport and Community Centre Reserve	Ongoing	To be used to maintain and improve the Darkan Sport and Community Centre.
Health and Resource Centre Reserve	2018	To be used for the expansion of the Health and Resource Centre.
Arthur River Country Club Renewal Reserve	Ongoing	To be used to maintain and improve the Arthur River Country Club.
Museum	Ongoing	To be used to maintain and to provide new displays in the Museum
Moodiarrup Sports Club Reserve	Ongoing	To be used to maintain and improve the Moodiarrup Sports Club Reserve

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

10. SPECIFIED AREA RATE

No specified area rates are to be levied in the 2017/18 financial year.

11. SERVICE CHARGES

No service charges are to be raised for the 2017/18 financial year.

12. INTEREST CHARGES AND INSTALMENTS - RATES AND SERVICE CHARGES

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

Instalment options	Date due	Instalment plan admin charge \$	Instalment plan interest rate %	Unpaid rates interest rates %
Option one				
Full payment	15/09/2017	0	5.50%	11.00%
Option two				
Two instalments	15/09/2017 17/11/2017	5	5.50%	11.00%
Option three				
Four instalments	15/09/2017 17/11/2017 19/01/2018 23/03/2018	15	5.50%	11.00%

	2017/18 Budget revenue \$	2016/17 Actual \$
Instalment plan admin charge revenue	600	605
Instalment plan interest earned	1,600	1,796
Unpaid rates interest earned	9,400	25,287
	<u>11,600</u>	<u>27,688</u>

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

13. PAYMENT DISCOUNTS, WAIVERS AND CONCESSIONS

Rates discounts

Rate or fee to which discount is granted	Disc % or Amount (\$)	2017/18 Budget \$	2016/17 Actual \$	Circumstances in which discount is granted
Rates paid on time	5%	66,001	65,205	Rates paid by the due date
		<u>66,001</u>	<u>65,205</u>	

Waivers or concessions

No waivers or concessions are budgeted to be granted in the 2017/18 financial year.

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

	2017/18 Budget \$	2016/17 Actual \$
14. FEES & CHARGES REVENUE		
Governance	0	0
General purpose funding	1,200	1,241
Law, order, public safety	1,600	2,578
Health	400	794
Education and welfare	76,000	88,933
Housing	107,000	109,197
Community amenities	47,000	50,251
Recreation and culture	11,550	12,777
Transport	0	296
Economic services	27,700	33,107
Other property and services	44,500	50,355
	<u>316,950</u>	<u>349,529</u>
15. GRANT REVENUE		
Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:		
By Program:		
Operating grants, subsidies and contributions		
Governance	300	400
General purpose funding	497,715	1,732,199
Law, order, public safety	28,370	58,454
Education and welfare	31,666	54,176
Housing	3,289	668,026
Community amenities	65,000	50,000
Recreation and culture	50,000	198,143
Transport	135,987	155,550
Other property and services	24,000	55,948
	<u>836,327</u>	<u>2,972,896</u>
Non-operating grants, subsidies and contributions		
Health	0	530,000
Recreation and culture	65,000	16,470
Transport	940,326	800,908
Economic services	68,229	0
	<u>1,073,555</u>	<u>1,347,378</u>

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

	2017/18 Budget \$	2016/17 Actual \$
16. ELECTED MEMBERS REMUNERATION		
The following fees, expenses and allowances were paid to council members and the President.		
Meeting fees	7,000	7,740
Mayor/President's allowance	2,980	2,980
Deputy Mayor/President's allowance	745	745
Travelling expenses	2,200	1,607
Telecommunications allowance	3,500	3,500
	16,425	16,572

17. TRUST FUNDS

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

Detail	Balance 1-Jul-17 \$	Estimated amounts received \$	Estimated amounts paid (\$)	Estimated balance 30-Jun-18 \$
Bonds Other	8,144	160	(3,350)	4,954
Landcare Officer	41,441	815	(15,000)	27,256
Westcare	44,878	884	0	45,762
Youth Advisory Council	6,529	128	0	6,657
Tourist Committee	6,046	119	(3,000)	3,165
Seniors Luncheon	1,054	525	0	1,579
Kids Central	11,024	600	0	11,624
The Shed	9,594	200	0	9,794
Rural Towns Program	4,914	95	0	5,009
Hillman Zone Project Management	2,745	54	0	2,799
Landcare Projects	25,486	500	(11,318)	14,668
Tidy Towns	4,577	90	0	4,667
Collie Darkan Rail Trail Maint	1,138	22	0	1,160
Arthur River Development	3,504	69	0	3,573
RSL Trust Fund	4,641	150	0	4,791
Community Gym	4,404	85	0	4,489
West Arthur Trials Group	7,908	150	0	8,058
Darkan Arts Council	8,128	300	0	8,428
	196,155	4,946	(32,668)	168,433

**SHIRE OF WEST ARTHUR
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

18. MAJOR LAND TRANSACTIONS

No major land transactions will occur in 2017/18.

19. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

It is not anticipated any trading undertakings or major trading undertakings will occur in 2017/18.

20. INTERESTS IN JOINT ARRANGEMENTS

It is not anticipated the Shire will be party to any joint venture arrangements during 2017/18.

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION TO THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

	Employee Costs	Plant	Materials	Total Expenditure	Proceeds from Sale	Funding from Grants or Contributions in 17/18	Funding from Grants Carried Forward	Reserve Transfers	Funding from General Revenue
Furniture and Equipment									
Computer Server			15,000	15,000				15,000	-
Land and Buildings									
Health and Resource Centre Expansion	23,200	1,800	1,237,916	1,262,916			204,100	1,021,378	37,438
Staff Housing Renovations			40,000	40,000				40,000	-
Land for new staff house			55,000	55,000				55,000	-
Complete Depot Shed	6,400	600	10,000	17,000					17,000
Sale of 7 Hillman Street and 31 Arthur Street					230,000			(230,000)	
Plant and Equipment									
Works Manager Ute			45,000	45,000	22,000			23,000	-
Bobcat			50,000	50,000	5,000			45,000	-
Grader			370,000	370,000	65,000			305,000	-
Pad Foot Roller			100,000	100,000	-			100,000	-
Miscellaneous small items over \$2,000 in value			5,000	5,000				5,000	-
Dmax Ute					17,000			(17,000)	
Loader, Nissan UD and Dolly					57,000			(57,000)	
Infrastructure Other									
Footpath extension Burrowes Street			9,500	9,500					9,500
Back Lane Burrowes Street - Seal Gibbs to Butler streets	21,843	10,404	18,370	50,617					50,617
Car park and landscaping for Health and Resource Centre	12,800	7,500	108,968	129,268					129,268
Kylie Dam Water Project	5,419	2,814	65,229	73,462		65,229			8,233
Darkan Tourist Information Bay - Signage	800		11,000	11,800		3,000			8,800
Path at cemetery	4,064	2,863	2,469	9,396					9,396
Rail Trail	1,600	750	17,000	19,350				17,000	2,350
Youth Area/Parks Gardens and Public Open Space			120,000	120,000		65,000		55,000	-

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION TO THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

		Employee Costs	Plant	Materials	Total Expenditure	Proceeds from Sale	Funding from Grants or Contributions in 17/18	Funding from Grants Carried Forward	Reserve Transfers	Funding from General Revenue
Infrastructure Roads										
<i>Regional Road Group</i>										
Bowelling-Duranillin Road	Widen seal from 6m to 7m (slk 21.77 - 23.57) and reseal 2016/17 works.	87,190	48,236	58,568	193,994		124,152	-		69,842
Darkan Moodiarrup Road	Widen seal from 6m to 7m (slk 30.7 - 32) and reseal 2016/17 works.	92,591	51,067	83,269	226,927		151,285	-		75,642
Moodiarrup Changerup Road	Reconstruct and widen 6m to 7m and improve drainage (slk 7.3-7.65)	34,816	21,992	51,356	108,164		66,849	-		41,315
<i>Roads to Recovery</i>										
Cordering North Road	Seal floodway	11,189	8,458	4,262	23,909		23,909	-		-
Extension of Growden Place	Subsoil drain, gravel and seal	48,715	31,240	29,574	109,529		109,529	-		-
Arthur Dinninup Road	Repair failings	13,925	9,916	17,956	41,797		41,797	-		-
Farrell Road	Remove and replace culverts and reinstate floodway	16,554	8,777	8,252	33,583		33,583	-		-
Bowelling McAlinden Road	Seal floodway	34,861	22,681	73,446	130,988		130,988	-		-
Howie Road	Improve drainage and sheet 4000m	50,611	38,642	5,300	94,553		94,553	-		-
Carrymunna Road	Seal floodway	15,131	7,842	5,576	28,549		28,549	-		-
Bowelling Duranillin	Reseal	-	-	120,770	120,770		120,770	-		-
Darkan South Road	Surface corrections and reseal	-	-	44,145	44,145		-	44,145		-
Carrymunna Road	Gravel sheet 1000km	15,131	8,545	6,000	29,676		13,922	10,000		5,754
<i>Shire</i>										
Rajander Road	Minor realignment - 300m	11,254	8,235	720	20,209		-	-		20,209
Dardadine South Road	Gravel sheet 1000m	8,648	8,545	1,300	18,493		-	-		18,493
Cordering South Road	Gravel sheet 3000m	11,189	3,978	4,262	19,429		-	-		19,429
Darling Road	Remove grid and replace with culvert and sheet	9,224	6,580	650	16,454		-	-		16,454
Dust Suppression - to be decided		7,914	4,633	6,172	18,719		-	-		18,719
Dust Suppression - extend Bunce		3,110	1,717	1,544	6,371		-	-		6,371
		548,180	317,815	2,803,573	3,669,567	396,000	1,073,115	258,245	1,377,378	564,830
<i>Reserve projects (works will be completed if time permits and sufficient funding remaining in R2R or in transport operating to cover material expense)</i>										
Bokal North Road	Gravel sheet and improve drainage over 3000	20,982	19,020	4,820	44,822					44,822
Bokal South Road	Gravel sheet 4000m	27,690	24,568	5,300	57,557					57,557
Gorn Road	Gravel sheet 1000m	9,955	6,407	1,500	17,862					17,862

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION TO THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2018**

EXPLANATION OF SURPLUS FOR 2016/17 FINANCIAL YEAR

Unspent grants carried forward		727,541
Financial assistance grants received in advance		493,715
Uncompleted projects, expenditure carried forward, and expenditure below budget		
Computer server	8,000	
Depot shed	10,000	
Cemetery unmarked grave project	5,000	
HRC furniture	20,000	
Transport - roads, footpaths,	12,000	
Refuse site maintenance	25,000	
Housing - community and GROH	11,261	
Museun project	20,000	
Lake	8,000	
Parks, sporting clubs and grounds	34,230	
Tourism, info bay and caravan park	4,000	
Standpipes and Duranillin water	4,000	
Economic development	4,500	
Bridge maintenance	40,000	
Capital furniture	7,000	
Depot shed (portion under carried forward projects)	19,458	
Townsite drainage	5,000	
Lake Towerrinning capital - barbecues	3,750	
Town oval water tank	2,620	
Shire funded road construction materials	17,363	
Wages	168,000	
off set by payments to BBG for landcare	(9,076)	
Workers compensation refunds	21,226	
Governance including 4WDL, coporate planning, public relations, compliance advert	39,127	
Welfare and education (youth, seniors, Kids Central	14,727	
Health (health officer and medical services)	13,058	
Townscape	6,000	
Town planning	7,500	
Groundworks project expenditure not budgeted	(79,633)	
off set by income received not budgeted	4,633	
Drummuster and urban storm water	3,500	
Halls	20,000	
Pool	10,000	
Building officer	4,000	
Adminstration - computers, stationary	12,000	
Insurance (bridges not insured, rebates and refunds)	31,200	
Diesel rebate	15,448	
Vehicle examinations	6,000	
private works	3,500	
caravan park income	(3,000)	
town planning	1,600	
rental income	10,000	
Kids central fees	(10,000)	
Dog fines	1,000	
Bank interest	(10,000)	
Rates discount	5,000	
Penalty on rates	7,000	
Cultural underspend and minor misc.	10,565	564,557
		1,785,813

Of the \$564,557 carried forward, \$248,496 is used to fund expenditure in the 2017/18 financial year and \$316,061 has been transferred to the building reserves for future building projects.

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION TO THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2018**

Grants and Contributions	Grant Provider	Type	Opening Balance	Budget Operating	Capital
General Purpose Funding				\$	\$
Grants Commission - General	WALGGC	Operating	-	218,454	-
Grants Commission - Roads	WALGGC	Operating	-	275,261	-
Grants Commission - Bridges	WALGGC	Operating - Tied	320,000	-	-
Law, Order and Public Safety					
FESA Grant - Operating Bush Fire Brigade	Dept. of Fire & Emergency Serv.	Operating - Tied	-	28,370	-
FESA Grant - Operating Bush Fire Brigade (1516)	Dept. of Fire & Emergency Serv.	Operating - Tied	-	-	-
Department of Water Contribution to radios	Dept. of Water	Operating - Tied	-	-	-
Education and Welfare					
Youth Week	Dept. Local Govt. and Comm.	Operating - Tied	-	1,000	-
Kids Central Quarterly Grant	Federal DEEWR	Operating	-	30,666	-
Kids Central Traineeship Grant	Federal DEEWR	Operating	-	-	-
Kids Central Professional Development	Federal DEEWR	Operating - Tied	-	-	-
CLGF Youth Development Scholarship	Dept. Local Govt. and Comm.	Operating - Tied	9,300	-	-
Community Amenities					
Fodder Shrubs	South West Catchment Council	Operating - Tied	-	-	-
Strategic Ground Works	South West Catchment Council	Operating - Tied	45,366	50,000	-
Recreation and Culture					
Health and Resource Centre expansion	LotteryWest	Non-operating	-	-	-
CRC Funding Health and Resource Centre expansion	Dept. of Regional Development	Non-operating	124,100	-	-
R4R CLGF 12-13 Health and Resource Centre expansion	Dept. of Regional Development	Non-operating	-	-	-
Health and Resource Centre expansion	Estate of E Brown	Non-operating	80,000	-	-
R4R CLGF 12-13 Darkan Town Hall Museum	Dept. of Regional Development	Non-operating	-	-	-
	Estate of E Brown	Operating - Tied	70,000	-	-
Darkan Swimming Pool	Dept. of Sport and Recreation	Operating - Tied	-	32,000	-
Nature Play Facility	LotteryWest	Non-operating	-	-	65,000
Mens Shed (Darkan, Dumbleyung, Lake Grace)	Dept. of Local Gov and Communities	Operating - Tied	16,630	-	-
Transport					
Roads To Recovery Grant - Cap	Roads to Recovery	Non-operating	54,145	-	598,040
RRG Grants - Capital Projects	Regional Road Group	Non-operating	-	-	342,286
Storm damage			-	12,487	-
Direct Grant	Main Roads	Operating	-	123,500	-
Economic Development					
Information Bay	Tourism Group Contrib		-	-	3,000
Kylie Dam Project	Department of Water	Non-operating	-	-	53,911
Kylie Dam Project	Landcare (trust)	Non-operating	-	-	11,318
Other Property & Services					
Youth Development	Dept. Local Govt and Comm	Operating - Tied	8,000	-	-
TOTALS			727,541	771,738	1,073,555

**SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION TO THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2018**

Subsidies and Contributions (additional to grants)

ESL Admin Grant	4000
Governance Contrib (i.e. Aust Day Contrib)	300
Landcare from trust towards officer	15000
Sporting clubs (reserves and insurance)	18000
WACH Contribution - loan interest and guarantee fee	3289
Diesel Rebate	24000
	<hr/>
	64589
Operating grants	771738
	<hr/>
	836327

Reimbursements

HRC (towards pharmacy software)	1500
Health Dept towards HRC	4700
Drummuster	1000
Sports Clubs (insurance and garden for DDSC)	4500
Staff Reimb Other (uniform, insurance rebate, training)	2000
Staff Vehicle	2860
	<hr/>
	16560

Fees and Charges

Instalment charges on rates	600
Rate enquiry (property sales)	600
Dog Registration	1500
Cat Registration	100
Town Planning	1000
Childcare fees	75000
Kids Central memberships	1000
Licences issued by Health Officer	200
Room hire in Health and Resource Centre	200
GROH housing lease (teachers)	67000
Community housing rent	40000
Refuse Charges (residential)	27500
Refuse Charges (commercial)	16500
Cemetery	1500
Septic tank fees - Health Officer	500
Hall Hire	200
Swimming Pool	8300
Community gym	3000
History book sales	50
Caravan park income	20000
Building permit fees	1200
Duranillin Water	1500
Sale of water from standpipes	5000
Contribution from AW Plates sales (t/fer heritage)	300
Private works	8000
vehicle licencing commission	8000
vehicle inspection fees	10000
Staff housing rent	17000
Plant Use (Quil water tank)	200
The Shed memberships	1000
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	316950

SHIRE OF WEST ARTHUR
SUPPLEMENTARY INFORMATION TO THE BUDGET
FOR THE YEAR ENDING 30 JUNE 2018

	2017/18 Budget	2016/17 Actual	2016/17 Budget
Employee Costs			
Total of all wages	1,869,256	1,786,358	1,957,618
CESM		9,631	16,014
Kids Central (super, insurance, training- partially funded)	22,000	13,635	24,550
Landcare		-	4,303
Staff housing	30,000	30,780	33,550
Training	11,116	5,489	17,676
LSL Accruals		27,939	
Annual leave accruals		25,475	
Uniform and work clothes	6,500	3,182	6,500
Superannuation other	170,000	152,906	167,072
Insurance on staff (not including Kids Central)	43,000	41,806	39,894
Employee costs other	9,000	8,894	9,000
FBT	3,000	2,621	3,000
	2,163,872	2,108,716	2,279,177
Less allocated to capital works	- 548,179	- 521,921	- 533,649
	1,615,693	1,586,795	1,745,528
Materials and Contracts			
Rates and valuations	23,300	22,854	21,000
GP Grant			900
Investing - bank fees	6,500	6,537	6,500
Council meeting, chambers maintenance, councillor training	5,800	1,922	10,500
Election expenses	11,500		
Corporate planning, management of asset plans etc	9,000	9,125	30,000
Public relations (Aust Day, web site, governance functions)	7,000	5,267	9,000
Local laws - WALGA service and advertising reviews	1,000	713	2,000
Compliance and Audit	17,500	22,893	18,000
Governance memberships and collaborative projects(WAGLA, 4WDI	18,000	14,373	22,000
Fire control, brigades, ESL expenditure, emergency management	24,000	38,279	31,400
Ranger services and dog control	2,000	501	2,000
Seniors, education, youth, welfare, families	4,600	2,274	11,500
Kids Central	18,000	23,845	29,345
Health officer, fruit fly	9,500	5,151	9,500
Health and Resource Centre (includes new furniture)	27,000	6,048	27,000
Medical services	18,000	15,244	23,000
GROH and community housing	30,100	16,804	27,813
WACH loan guarantee fee	3,290	1,015,682	1,088,833
Waste services	60,500	51,817	81,500
Landcare officer	25,000	9,201	2,000
Grant funded landcare project	95,366	82,900	3,266
Townscate, stormwater and environmental management	2,000	-	8,000
Town planning	8,000	2,535	10,000
Public conveniences	8,000	8,285	6,000
Cemeteries (includes surveying and grave works)	15,000	507	6,000
Halls	13,000	4,987	25,000
Lake	10,000	2,190	10,000
Pool (includes \$32,000 funding)	47,000	44,143	53,000
Parks, reserves, sporting clubs, trails, oval, gym	42,500	22,413	52,000
Library, historical, cultural (includes museum and shed community d	136,630	50,728	149,500
Roads, bridges and footpaths (transport)	450,650	86,467	403,500
Weed control	1,500	1,458	1,500
Tourism, caravan park, information bay	14,500	18,317	14,000
Building officer	8,000	5,526	9,000
Water supply (Duranillin and standpipes)	5,000	1,061	5,000
Economic development	5,000	908	5,668
Vehicle licensing services	1,000	182	1,700
Adminstration	40,000	51,669	64,000
Occupation health and safety - risk service	6,500	6,841	7,824
Plant operation costs	258,000	264,741	262,000
	1,489,236	1,924,388	2,550,749
Less plant costs allocated to capital	- 317,815	- 257,444	- 413,511
	1,171,421	1,666,944	2,137,238

**SHIRE OF WEST ARTHUR
FEES AND CHARGES
FOR THE YEAR ENDED 30 JUNE 2018**

I111110 DARKAN TOWN HALL

Hall Hire

Functions including kitchen and at least one hall	110.00
Meetings including use of kitchen	77.00
Meetings not including use of kitchen (using one area of hall)	44.00

A bond of \$200 is applicable on all function bookings.

Equipment Hire

Hire of Chairs	0.55
Hire of Trestles	5.50

Local community and not for profit groups have free use of the Darkan Town Hall.

I073110 WEST ARTHUR HEALTH AND RESOURCE CENTRE

Office Hire

Hourly Rate	6.60
Day Rate	38.50

Meeting Room - Half Day/Evening

Private Business Rate	44.00
Community/Non Profit (free for organisations who are members of CRC)	6.60

Meeting Room - Full Day

Private Business Rate	77.00
Community/Non Profit (free for organisations who are members of CRC)	13.20

*Fees are for room hire only, the CRC may charge extra for services and use of facilities
All allied health professionals have free use of the HRC*

HOUSING

GST Free

I143100 Staff Housing

(Rental by non Shire staff will be 200% of the applicable charge)

15 Nangip Crescent	as per contract
52 Hillman Street	93.50
10 Gibbs Street	93.50
22 Hillman Street	as per contract
31 Arthur Street	76.50
7 Hillman Street	64.00
8 Hillman Street	81.50

I091110 Community Housing

Hillman Street Units	
Unit 1/10 Hillman St	139.00
Unit 2/10 Hillman St	151.00
Unit 3/12 Hillman St	151.00
Unit 4/12 Hillman St	139.00
25 Nangip Crescent	156.00
18 Gibbs Street	156.00

(A legislative notice period is required before rental increases commence).

**SHIRE OF WEST ARTHUR
FEES AND CHARGES
FOR THE YEAR ENDED 30 JUNE 2018**

I141110 PRIVATE WORKS

Per Hour

Graders	210.00
Prime Mover only	150.00
Prime Mover with one trailer	200.00
Truck - 5 Tonne	125.00
JCB Backhoe	155.00
Dozer	230.00
Loader	210.00
Rollers	160.00
Tractor	85.00
Tractor with implement	115.00
Bobcat	115.00
Squirrel (one operator included)	85.00
Road Broom (ute and one operator included)	110.00
Tree Saw (Includes loader and one operator)	250.00
Labour	57.00
Labour (time & 1/2)	75.00
Labour (double time)	87.00
(All plant above includes operator)	

Per km

Ute - cents/km	0.90
Compactor - per day (no operator)	62.00

Per m3

*Sand (non ratepayer) - per cubic metre	9.00
*Gravel (non ratepayer) - per cubic metre	9.00
* Gravel or sand supplied to ratepayers will be at cost plus plant and labour	

Each

I122030 Slabs - Second Hand	1.00
Second Hand Grader Blades (or sold with scrap metal)	5.50

Per Tonne

Blue Metal - seconds (per tonne)	30.00
Blue Metal - not seconds (per tonne)	50.00

Per m3

I102160 Asbestos Disposal (plus cost of staff time and equipment)	55.00
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**SHIRE OF WEST ARTHUR
FEES AND CHARGES
FOR THE YEAR ENDED 30 JUNE 2018**

I107140 CEMETARY FEES	
Internments	550.00
Re-opening of grave for exhumation (Where contractors used - cost)	550.00
Re-internment after exhumation (Where contractors used - cost)	550.00
Permission to erect a headstone, a monument to enclose with, kerb any grave, to erect a nameplate	30.00
Grave Reservation Fee	50.00
Niche Wall - includes reservation fee - single	30.00
Niche Wall - includes reservation fee double (Cost of Niche Wall plaque additional)	60.00
I134130 SCHEME STANDPIPE WATER	
Standpipe water - per Kilolitre	2.50
Standpipe water - Minimum (No GST is applicable on standpipe water if more than 100 litres is obtained.)	10.00
I116110 HISTORY BOOKS	
Hard Cover	27.50
Paperback (Postage extra)	19.80
I141035 SPECIAL SERIES - AW NUMBER PLATES	
	Statutory Fees
Statutory fees + \$50	+\$50
I051115 FIRE MAPS	
Fire Maps	18.00
RUBBISH RATES	
I101110 Rubbish Collection	200.00
Recycle bin - non service areas	64.00
DURANILLIN WATER SUPPLY	
I136110 Annual service charge	120.00
I134120 Water Usage - per kilolitre (notice to be given before increase takes place)	1.50
KIDS CENTRAL	
Membership	
Kid's Central yearly family membership (Includes compulsory DDSC membership)	70.00
I064010 Electric Swipe Key (Authorised for Kids Central)	20.00
Childcare	
I064015 Kids Central Childcare - Daily Rate	70.00
I064015 Kids Central Childcare - Half Day Rate	35.00
I064015 Kids Central Childcare - Casual Hourly Rate	9.50

**SHIRE OF WEST ARTHUR
FEES AND CHARGES
FOR THE YEAR ENDED 30 JUNE 2018**

I147120 THE SHED		
Membership - Yearly		50.00
Membership - Pensioner/Seniors Concession		25.00
Locker Hire		35.00
Hourly Rate		30.00
Social membership		5.00
I112110 DARKAN SWIMMING POOL MEMBERSHIP		
Single Membership		70.00
Family Membership		100.00
Student Membership (between the age of 18 and 23)		20.00
Visitors - Adults		3.00
Visitors - Children		2.00
Group course fees		16.50
Individual course fees		49.50
Babyswim classes - Pool Member	\$7 per lesson	
Babyswim classes - Non-Pool Member	\$10 per lesson	
Swipe Key (Authorised for Darkan Swimming Pool)		20.00
I113140 COMMUNITY GYM MEMBERSHIP		
Single		60.00
Family		90.00
Concession		30.00
(Fees due 1 October. 50% if joining after 1 April)		
I132040 DARKAN CARAVAN PARK		
Per night - site (2 people)		18.00
Per Night - Extra person (each)/Use of shower only		5.00
Weekly - Powered Site (2 people)		110.00
Weekly - Extra person (each)		33.00
Chalet - one night (2 people)		160.00
Chalet - two or more nights (2 people) per night		130.00
Chalet - extra person per night		15.00
Washing Machine Cycle		3.00
Dryer		1.00
I043003 COPYING AND DISTRIBUTION OF DOCUMENTS		
Photocopy per page (single or double sided)	0.20 per page	
Postage		cost
I031732 RATE ENQUIRIES		
Account enquiry on settlement		50.00
Rates Assessment Credit Card Payment Surcharge (Rates, Refuse, ESL)		0.75%
I106390 TOWN PLANNING FEES		
Item	Maximum fee allowed by Department of Planning	