



A Fortunate Place



SHIRE OF WICKEPIN

ANNUAL BUDGET

20/21

SHIRE OF WICKEPIN

BUDGET

FOR THE YEAR ENDED 30 JUNE 2021

LOCAL GOVERNMENT ACT 1995

TABLE OF CONTENTS

Statement of Comprehensive Income by Nature or Type	2
Basis of Preparation	3
Statement of Comprehensive Income by Program	4
Statement of Cash Flows	6
Rate Setting Statement	7
Index of Notes to the Budget	8

SHIRE'S VISION

A collaborative Council, dedicated to maintaining and developing our community assets for the benefit of our residents whilst supporting a strong community, vibrant economy, successful businesses and sound environment.

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

	NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
		\$	\$	\$
Revenue				
Rates	1(a)	1,370,075	1,362,081	1,359,691
Operating grants, subsidies and contributions	9(a)	2,218,966	3,340,514	934,267
Fees and charges	8	419,641	510,298	430,494
Interest earnings	11(a)	35,500	47,320	61,500
Other revenue	11(b)	0	864	0
		4,044,182	5,261,077	2,785,952
Expenses				
Employee costs		(1,194,488)	(1,145,700)	(1,163,845)
Materials and contracts		(2,695,506)	(2,510,947)	(1,258,593)
Utility charges		(185,750)	(215,997)	(169,550)
Depreciation on non-current assets	5	(4,317,355)	(4,707,209)	(4,645,059)
Interest expenses	11(d)	(8,636)	(1,762)	(2,050)
Insurance expenses		(192,201)	(193,194)	(206,870)
Other expenditure		(11,000)	0	0
		(8,604,936)	(8,774,809)	(7,445,967)
Subtotal		(4,560,754)	(3,513,732)	(4,660,015)
Non-operating grants, subsidies and contributions	9(b)	2,235,640	656,234	656,234
Profit on asset disposals	4(b)	14,503	2,823	4,959
Loss on asset disposals	4(b)	(23,126)	(31,979)	(53,495)
		2,227,017	627,078	607,698
Net result		(2,333,737)	(2,886,654)	(4,052,317)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		(2,333,737)	(2,886,654)	(4,052,317)

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

SHIRE OF WICKEPIN

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 Wickepin 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 13 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 WICKEPIN
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
Revenue	1,8,9(a),11(a),11(b)	\$	\$	\$
Governance		105	24,243	105
General purpose funding		2,148,820	3,062,153	2,206,214
Law, order, public safety		87,111	102,447	82,105
Health		100	0	0
Education and welfare		4,050	754	300
Housing		1,382,808	1,585,836	75,250
Community amenities		172,970	184,815	171,363
Recreation and culture		16,073	22,969	18,832
Transport		138,500	135,824	137,468
Economic services		53,145	87,373	58,815
Other property and services		40,500	54,663	35,500
		4,044,182	5,261,077	2,785,952
Expenses excluding finance costs	4(a),5,11(c),(e),(f),(g)			
Governance		(474,680)	(425,704)	(460,690)
General purpose funding		(85,555)	(77,389)	(84,005)
Law, order, public safety		(219,127)	(214,376)	(224,858)
Health		(28,109)	(25,121)	(25,220)
Education and welfare		(25,427)	(11,273)	(29,985)
Housing		(1,454,842)	(1,632,580)	(158,688)
Community amenities		(371,839)	(343,650)	(410,981)
Recreation and culture		(1,062,810)	(1,060,841)	(1,082,137)
Transport		(4,476,783)	(4,614,592)	(4,701,163)
Economic services		(322,008)	(222,573)	(221,562)
Other property and services		(75,119)	(144,948)	(44,628)
		(8,596,299)	(8,773,047)	(7,443,917)
Finance costs	.6(a),11(d)			
Housing		(7,378)	(792)	(792)
Recreation and culture		(1,258)	(970)	(1,258)
		(8,636)	(1,762)	(2,050)
Subtotal		(4,560,753)	(3,513,732)	(4,660,015)
Non-operating grants, subsidies and contributions	9(b)	2,235,640	656,234	656,234
Profit on disposal of assets	4(b)	14,503	2,823	4,959
(Loss) on disposal of assets	4(b)	(23,126)	(31,979)	(53,495)
		2,227,017	627,078	607,698
Net result		(2,333,736)	(2,886,654)	(4,052,317)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		(2,333,736)	(2,886,654)	(4,052,317)

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

KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

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

OBJECTIVE

GOVERNANCE

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

ACTIVITIES

Includes the activities of members of Council and the administrative support available to the Council specific Council services, for the provision of the 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 conscious 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, immunisation services, mosquito control and the operation of medical centre.

EDUCATION AND WELFARE

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

Support for childcare, development of services for the aged and rural counselling support.

HOUSING

To provide and maintain staff and other housing.

Provision and maintenance of staff and other housing.

COMMUNITY AMENITIES

To provide services required to the community.

Rubbish collection, operation of tip, noise control support for waste recycling, litter control, administration of town planning scheme, strategic planning, maintenance of cemetery, public conveniences and town drainage maintenance.

RECREATION AND CULTURE

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

Maintenance of halls, swimming facilities, recreation centres and various reserves, operation of library, maintenance of cultural heritage assets.

TRANSPORT

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

Construction and maintenance of streets, roads footpaths, drainage works, parking facilities, cleaning, lighting of streets, depot maintenance and airstrip maintenance.

ECONOMIC SERVICES

To help promote the shire and its economic wellbeing.

Tourism and area promotion including the maintenance and operation of caravan parks. Provision of rural services including weed control, vermin control and standpipes. Building control and community development activities.

SHIRE OF WICKEPIN

OTHER PROPERTY AND SERVICES

To monitor and control Council's overheads operating accounts.

Private works operations, plant repair and operation costs and engineering operation costs.

SHIRE OF WICKEPIN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates	1,370,075	1,359,607	1,359,691
Operating grants, subsidies and contributions	1,790,189	3,782,657	934,267
Fees and charges	419,641	510,298	430,494
Interest earnings	35,500	47,320	61,500
Goods and services tax	0	(77,743)	
Other revenue	0	864	
	3,615,405	5,623,003	2,785,952
Payments			
Employee costs	(1,194,488)	(1,055,132)	(1,163,845)
Materials and contracts	(2,695,506)	(2,469,803)	(1,258,593)
Utility charges	(185,750)	(215,997)	(169,550)
Interest expenses	(8,636)	(1,804)	(2,050)
Insurance expenses	(192,201)	(193,194)	(206,870)
Other expenditure	(11,000)	0	
	(4,287,581)	(3,935,930)	(2,800,908)
Net cash provided by (used in) operating activities	3 (672,176)	1,687,073	(14,956)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	4(a) (2,830,626)	(659,366)	(1,745,279)
Payments for construction of infrastructure	4(a) (1,346,805)	(962,192)	(977,576)
Non-operating grants, subsidies and contributions	2,235,640	656,234	656,234
Proceeds from sale of plant and equipment	4(b) 207,000	208,297	205,379
Proceeds on financial assets at amortised cost - self supporting loans	6(a) 6,582	6,326	6,326
Proceeds on disposal of financial assets at fair value through profit and loss	0	(865)	
Net cash provided by (used in) investing activities	(1,728,209)	(751,565)	(1,854,916)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	6(a) (32,474)	(31,014)	(31,013)
Proceeds from new borrowings	6(b) 440,000	0	0
Net cash provided by (used in) financing activities	407,526	(31,014)	(31,013)
Net increase (decrease) in cash held	(1,992,859)	904,494	(1,900,885)
Cash at beginning of year	4,608,507	3,704,011	3,565,169
Cash and cash equivalents at the end of the year	3 2,615,648	4,608,505	1,664,284

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

SHIRE OF WICKEPIN
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

NOTE	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
OPERATING ACTIVITIES			
Net current assets at start of financial year - surplus/(deficit)	1,663,980	1,397,212	1,405,042
	1,663,980	1,397,212	1,405,042
Revenue from operating activities (excluding rates)			
Governance	8,208	27,066	105
General purpose funding	778,745	1,700,072	846,523
Law, order, public safety	87,111	102,447	82,105
Health	100	0	0
Education and welfare	4,050	754	300
Housing	1,382,808	1,585,836	75,250
Community amenities	172,970	184,815	171,363
Recreation and culture	16,073	22,969	18,832
Transport	144,900	135,824	142,427
Economic services	53,145	87,373	58,815
Other property and services	40,500	54,663	35,500
	2,688,610	3,901,819	1,431,220
Expenditure from operating activities			
Governance	(474,680)	(425,704)	(465,549)
General purpose funding	(85,555)	(77,389)	(84,005)
Law, order, public safety	(219,127)	(214,376)	(224,858)
Health	(28,109)	(25,121)	(25,220)
Education and welfare	(25,427)	(11,273)	(29,985)
Housing	(1,462,220)	(1,633,372)	(159,480)
Community amenities	(371,839)	(343,650)	(410,981)
Recreation and culture	(1,064,068)	(1,061,811)	(1,083,395)
Transport	(4,499,909)	(4,646,571)	(4,749,799)
Economic services	(322,008)	(222,573)	(221,562)
Other property and services	(75,119)	(144,948)	(44,628)
	(8,628,061)	(8,806,788)	(7,499,462)
Non-cash amounts excluded from operating activities	2 (a)(i) 4,326,724	4,737,622	4,695,357
Amount attributable to operating activities	51,253	1,229,865	32,157
INVESTING ACTIVITIES			
Non-operating grants, subsidies and contributions	9(b) 2,235,640	656,234	656,234
Purchase property, plant and equipment	4(a) (2,830,626)	(659,366)	(1,745,279)
Purchase and construction of infrastructure	4(a) (1,346,805)	(962,192)	(977,576)
Proceeds from disposal of assets	4(b) 207,000	208,297	205,379
Proceeds from self supporting loans	6(a) 6,582	6,326	6,326
Amount attributable to investing activities	(1,728,209)	(750,700)	(1,854,916)
FINANCING ACTIVITIES			
Repayment of borrowings	6(a) (32,474)	(31,014)	(31,013)
Proceeds from new borrowings	6(b) 440,000	0	0
Transfers to cash backed reserves (restricted assets)	7(a) (157,999)	(146,255)	(157,141)
Transfers from cash backed reserves (restricted assets)	7(a) 51,321	0	651,221
Amount attributable to financing activities	300,848	(177,269)	463,067
Budgeted deficiency before general rates	(1,376,108)	301,896	(1,359,692)
Estimated amount to be raised from general rates	1 1,370,074	1,362,084	1,359,691
Net current assets at end of financial year - surplus/(deficit)	2 (a)(iii) (6,034)	1,663,980	(1)

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

SHIRE OF WICKEPIN
INDEX OF NOTES TO THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

Note 1	Rates	15
Note 2	Net Current Assets	23
Note 3	Reconciliation of Cash	26
Note 4(a)	Asset Acquisitions	27
Note 4(b)	Asset Disposals	28
Note 5	Asset Depreciation	29
Note 6	Borrowings	30
Note 7	Leases	35
Note 8	Reserves	36
Note 9	Fees and Charges	37
Note 10	Grant Revenue	37
Note 11	Revenue Recognition	39
Note 12	Other Information	40
Note 13	Major Land Transactions	41
Note 14	Trading Undertakings and Major Trading Undertakings	42
Note 15	Interests in Joint Arrangements	43
Note 16	Trust	44
Note 17	Significant Accounting Policies - Other Information	45
Note 18	Change in Accounting Policies	46

SHIRE OF WICKEPIN
 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	0.07030	194	1,819,215	127,891			127,891	127,897	127,894
Unimproved valuations									
UV	0.008885	276	148,824,148	1,322,300			1,322,300	1,319,745	1,321,730
Sub-Totals		470	150,643,363	1,450,191	0	0	1,450,191	1,447,642	1,449,624
Minimum									
Minimum payment									
Gross rental valuations									
GRV	400	63	91,032	25,200			25,200	25,200	25,200
Unimproved valuations									
UV	400	15	357,552	6,000			6,000	6,000	6,000
Sub-Totals		78	448,584	31,200	0	0	31,200	31,200	31,200
		548	151,091,947	1,481,391	0	0	1,481,391	1,478,842	1,480,824
Discounts (Refer note 1(e))							(128,497)	(128,445)	(132,820)
Concessions (Refer note 1(f))							0	(47)	(47)
Total amount raised from general rates							1,352,894	1,350,350	1,347,957
Ex-gratia rates							17,180	11,734	11,734

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

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 WICKEPIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2021

1. RATES AND SERVICE CHARGES (CONTINUED)

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

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

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one	25/09/2020			8.0%
Option two	25/09/2020	5		8.0%
	25/11/2020	5		8.0%
	25/01/2021	5		8.0%
	25/03/2021	5		8.0%

	2020/21 Budget revenue	2019/20 Actual revenue	2019/20 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	3,500	5,435	4,500
	3,500	5,435	4,500

SHIRE OF WICKEPIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2021

1. RATES AND SERVICE CHARGES (CONTINUED)

(c) Specified Area Rate

The Shire did not raise specified area rates for the year ended 30 June 2021.

(d) Service Charges

The Shire did not raise service charges for the year ended 30 June 2021.

1. RATES AND SERVICE CHARGES (CONTINUED)

(e) Rates discounts

Rate or fee to which discount is granted	Discount %	Discount (\$)	2020/21 Budget	2019/20 Actual	2019/20 Budget	Circumstances in which discount is granted
Rate Discount	10.0%		\$ 128,450	\$ 128,445	\$ 132,820	Discount is granted to Ratepayers who pay rates in full within 35 days of date of issue of rates
			128,450	128,445	132,820	

(f) Waivers or concessions

Rate or fee and charge to which the waiver or concession is granted	Type	Discount %	Discount (\$)	2020/21 Budget	2019/20 Actual	2019/20 Budget	Circumstances in which the waiver or concession is granted	Objects and reasons of the waiver or concession
General Rates and Charges \	Waiver			\$ (25)	\$ (47)	\$ (25)	Rates Balance less than \$5.00	Write off small balances for administration efficiency
				(25)	(47)	(25)		

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 Actual 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) (14,503)	(2,823)	(4,959)
Less: Movement in contract liabilities associated with restricted cash	0	0	1,762
Less: Movement in employee liabilities associated with restricted cash	746	1,257	
Add: Loss on disposal of assets	4(b) 23,126	31,979	53,495
Add: Depreciation on assets	5 4,317,355	4,707,209	4,645,059
Non cash amounts excluded from operating activities	4,326,724	4,737,622	4,695,357
(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: Cash - restricted reserves	3 (2,355,569)	(2,248,891)	(1,608,557)
Less: Current assets not expected to be received at end of year - current portion of self supporting loans receivable	(6,848)	(6,582)	
Add: Current liabilities not expected to be cleared at end of year - Current portion of borrowings	32,848	6,582	1
- Employee benefit provisions	99,497	98,751	99,255
Total adjustments to net current assets	(2,230,072)	(2,150,140)	(1,509,301)

2 (a). NET CURRENT ASSETS (CONTINUED)

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

	Note	2020/21 Budget 30 June 2021	2019/20 Actual 30 June 2020	2019/20 Budget 30 June 2020
		\$	\$	\$
(iii) Composition of estimated net current assets				
Current assets				
Cash and cash equivalents- unrestricted	3	260,079	1,930,839	55,727
Cash and cash equivalents - restricted				
Cash backed reserves	3	2,355,569	2,248,891	1,608,557
Unspent grants, subsidies and contributions	9	0	428,777	0
Financial assets - unrestricted		6,848	6,582	
Receivables		161,623	161,623	81,091
		2,784,119	4,776,712	1,745,375
Less: current liabilities				
Trade and other payables		(322,941)	(322,941)	(36,957)
Contract liabilities		0	(428,777)	
Long term borrowings		(32,848)	(6,582)	(1)
Provisions		(204,292)	(204,292)	(199,118)
		(560,081)	(962,592)	(236,076)
Net current assets		2,224,038	3,814,120	1,509,299
Less: Total adjustments to net current assets	2 (a)(ii)	(2,230,072)	(2,150,140)	(1,509,301)
Closing funding surplus / (deficit)		(6,034)	1,663,980	(2)

SHIRE OF WICKEPIN
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 Wickepin 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 Wickepin contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Wickepin 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 Wickepin'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 Wickepin'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 Wickepin's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

CONTRACT LIABILITIES

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

SHIRE OF WICKEPIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

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	2,615,648	4,608,507	1,664,284
	2,615,648	4,608,507	1,664,284
- Unrestricted cash and cash equivalents	260,079	1,930,839	55,727
- Restricted cash and cash equivalents	2,355,569	2,677,668	1,608,557
	2,615,648	4,608,507	1,664,284
The following restrictions have been imposed by regulation or other externally imposed requirements on cash and cash equivalents:			
Leave reserve	99,497	98,751	99,255
Plant Reserve	381,055	337,504	305,236
Building Reserve	498,597	494,856	147,376
Fire Fighter Reserve	22,708	22,538	23,015
Cottage Homes Reserve	59,569	54,160	53,999
Special Events Reserve	14,940	14,828	14,905
Computer Reserve	41,562	31,325	32,460
Young Singles Reserve	96,077	90,394	91,831
Saleyards Reserve	44,843	39,544	40,720
Sewerage Reserve	298,166	266,154	268,306
Refuse Site Reserve	124,452	123,518	124,149
Land Development Reserve	119,130	118,236	118,841
Aged Persons Reserve	222,321	271,589	5,756
Swimming Pool Reserve	202,615	201,095	207,997
Albert Facey Homestead Reserve	9,986	9,911	9,962
Fuel Depot Reserve	120,051	74,488	64,749
Unspent grants, subsidies and contributions	9 0	428,777	
	2,355,569	2,677,668	1,608,557
Reconciliation of net cash provided by operating activities to net result			
Net result	(2,333,736)	(2,886,654)	(4,052,317)
Depreciation	5 4,317,355	4,707,209	4,645,059
(Profit)/loss on sale of asset	4(b) 8,623	29,156	48,536
(Increase)/decrease in receivables	0	(66,851)	
Increase/(decrease) in payables	0	133,460	
Increase/(decrease) in contract liabilities	(428,777)	428,777	
Increase/(decrease) in employee provisions	0	(1,790)	
Non-operating grants, subsidies and contributions	(2,235,640)	(656,234)	(656,234)
Net cash from operating activities	(672,175)	1,687,073	(14,956)

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 WICKEPIN
 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	2019/20	2019/20
	Governance	Housing	Community amenities	Recreation and culture	Transport	Economic services	Budget total	Actual total	Budget total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Property, Plant and Equipment</i>									
Buildings - non-specialised		1,820,226		70,000	25,000	340,000	2,255,226	12,727	1,062,000
Buildings - specialised				42,400			42,400	58,220	86,000
Furniture and equipment							0		7,900
Plant and equipment	91,000				442,000		533,000	588,418	589,379
	91,000	1,820,226	0	112,400	467,000	340,000	2,830,626	659,366	1,745,279
<i>Infrastructure</i>									
Infrastructure - roads					1,161,805		1,161,805	925,006	957,576
Infrastructure - Footpaths					20,000		20,000	18,996	20,000
Infrastructure - Parks & Gardens			24,000	35,000	45,000	61,000	165,000	18,190	
	0	0	24,000	35,000	1,226,805	61,000	1,346,805	962,192	977,576
Total acquisitions	91,000	1,820,226	24,000	147,400	1,693,805	401,000	4,177,431	1,621,557	2,722,855

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 WICKEPIN
 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 Actual Net Book Value	2019/20 Actual Sale Proceeds	2019/20 Actual Profit	2019/20 Actual Loss	2019/20 Budget Net Book Value	2019/20 Budget Sale Proceeds	2019/20 Budget Profit	2019/20 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
By Program												
Governance	75,554	83,657	8,103	0	68,868	71,691	2,823	0	65,505	60,646	0	(4,859)
Transport	140,069	123,343	6,400	(23,126)	168,585	136,606	0	(31,979)	188,410	144,733	4,959	(48,636)
	215,623	207,000	14,503	(23,126)	237,453	208,297	2,823	(31,979)	253,915	205,379	4,959	(53,495)
By Class												
<i>Property, Plant and Equipment</i>												
Plant and equipment	215,623	207,000	14,503	(23,126)	237,453	208,297	2,823	(31,979)	253,915	205,379	4,959	(53,495)
	215,623	207,000	14,503	(23,126)	237,453	208,297	2,823	(31,979)	253,915	205,379	4,959	(53,495)

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 WICKEPIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2021

5. ASSET DEPRECIATION

By Program

Governance
Law, order, public safety
Housing
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

By Class

Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - Footpaths
Infrastructure - Parks & Gardens
Infrastructure - Bridges
Infrastructure - Sewerage

2020/21 Budget	2019/20 Actual	2019/20 Budget
\$	\$	\$
27,230	29,632	27,500
76,281	83,113	53,600
33,894	36,929	46,883
45,600	51,426	49,268
396,360	432,178	408,990
3,673,665	4,003,599	3,997,148
37,825	41,221	46,100
26,500	29,111	15,570
4,317,355	4,707,209	4,645,059
250,355	272,238	273,059
15,000	20,256	21,000
350,000	422,323	360,000
3,392,000	3,666,370	3,660,000
17,000	17,632	17,000
251,700	262,500	270,000
34,300	38,080	37,000
7,000	7,809	7,000
4,317,355	4,707,209	4,645,059

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 - specialised	50 to 80 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Infrastructure - roads	
Infrastructure - Footpaths	20 years
Infrastructure - Parks & Gardens	80 years
Infrastructure - Bridges	30 to 75 years
Infrastructure - Sewerage	10 to 60 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 WICKEPIN
 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	Budget	2020/21	2020/21	Budget	2020/21	Actual	2019/20	2019/20	Actual	2019/20	Budget	2019/20	2019/20	Budget	2019/20
				Principal	Budget	Budget	Principal	Actual		Actual	Principal	Actual	Principal		Budget	Budget	Budget	Principal
				1 July 2020	New Loans	Principal Repayments	Principal outstanding 30 June 2021	Budget Interest Repayments	Principal 1 July 2019	New Loans	Principal Repayments	Principal outstanding 30 June 2020	Actual Interest Repayments	Principal 1 July 2019	New Loans	Principal Repayments	Principal outstanding 30 June 2020	Budget Interest Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing																		
CEO Residence	100	WATC		0			0		24,688		(24,688)	0	(792)	24,687		(24,687)	0	(792)
Staff Housing	103	WATC		0	440,000	(25,892)	414,108	(7,378)				0					0	
Recreation and culture																		
				0	440,000	(25,892)	414,108	(7,378)	24,688	0	(24,688)	0	(792)	24,687	0	(24,687)	0	(792)
Self Supporting Loans																		
Recreation and culture																		
WDSC Bowling Greens	102	WATC	0.04	20,555	0	(6,582)	13,973	(1,258)	26,881	0	(6,326)	20,555	(970)	26,881	0	(6,326)	20,555	(1,258)
				20,555	0	(6,582)	13,973	(1,258)	26,881	0	(6,326)	20,555	(970)	26,881	0	(6,326)	20,555	(1,258)
				20,555	440,000	(32,474)	428,081	(8,636)	51,569	0	(31,014)	20,555	(1,762)	51,568	0	(31,013)	20,555	(2,050)

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 WICKEPIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2021

6. INFORMATION ON BORROWINGS

(b) New borrowings - 2020/21

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
Staff Housing	WATC		10	%	\$ 440,000	\$ 7,378	\$ 440,000	\$ 0
					440,000	7,378	440,000	0

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30 June 2020 nor is it expected to have unspent borrowing funds as at 30 June 2021.

(d) Credit Facilities

	2020/21 Budget	2019/20 Actual	2019/20 Budget
Undrawn borrowing facilities credit standby arrangements	\$	\$	\$
Bank overdraft limit			
Bank overdraft at balance date			
Credit card limit	5,000	5,000	5,000
Credit card balance at balance date			
Total amount of credit unused	5,000	5,000	5,000
Loan facilities			
Loan facilities in use at balance date	428,081	20,555	20,555

SIGNIFICANT ACCOUNTING POLICIES

BORROWING COSTS

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

SHIRE OF WICKEPIN
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 Budget Opening Balance	2020/21 Budget Transfer to	2020/21 Budget Transfer (from)	2020/21 Budget Closing Balance	2019/20 Actual Opening Balance	2019/20 Actual Transfer to	2019/20 Actual Transfer (from)	2019/20 Actual Closing Balance	2019/20 Budget Opening Balance	2019/20 Budget Transfer to	2019/20 Budget Transfer (from)	2019/20 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Leave reserve	98,751	746		99,497	97,494	1,257		98,751	97,493	1,762		99,255
(b) Plant Reserve	337,504	43,551		381,055	333,214	4,290		337,504	333,214	6,022	(34,000)	305,236
(c) Building Reserve	494,856	3,741		498,597	488,548	6,308		494,856	488,547	8,829	(350,000)	147,376
(d) Fire Fighter Reserve	22,538	170		22,708	22,253	285		22,538	22,606	409		23,015
(e) Cottage Homes Reserve	54,160	5,409		59,569	38,659	15,501		54,160	38,307	15,692		53,999
(f) Special Events Reserve	14,828	112		14,940	14,639	189		14,828	14,640	265		14,905
(g) Computer Reserve	31,325	10,237		41,562	25,990	5,335		31,325	25,990	6,470		32,460
(h) Young Singles Reserve	90,394	5,683		96,077	84,307	6,087		90,394	84,307	7,524		91,831
(i) Saleyards Reserve	39,544	5,299		44,843	34,104	5,440		39,544	34,104	6,616		40,720
(j) Sewerage Reserve	266,154	32,012		298,166	222,447	43,707		266,154	222,448	45,858		268,306
(k) Refuse Site Reserve	123,518	934		124,452	121,945	1,573		123,518	121,945	2,204		124,149
(l) Land Development Reserve	118,236	894		119,130	116,731	1,505		118,236	116,731	2,110		118,841
(m) Aged Persons Reserve	271,589	2,053	(51,321)	222,321	268,131	3,458		271,589	268,131	4,846	(267,221)	5,756
(n) Swimming Pool Reserve	201,095	1,520		202,615	173,853	27,242		201,095	173,853	34,144		207,997
(o) Albert Facey Homestead Reserve	9,911	75		9,986	9,785	126		9,911	9,785	177		9,962
(p) Fuel Depot Reserve	74,488	45,563		120,051	50,536	23,952		74,488	50,536	14,213		64,749
	2,248,891	157,999	(51,321)	2,355,569	2,102,636	146,255	0	2,248,891	2,102,637	157,141	(651,221)	1,608,557

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) Leave reserve	ongoing	to be used to fund annual and long service leave requirements
(b) Plant Reserve	ongoing	to be used for the purchase of road plant, machinery and equipment
(c) Building Reserve	ongoing	to be used for the construction of new buildings, predominantly staff housing
(d) Fire Fighter Reserve	ongoing	to be used to fund the provision of bushfire equipment for brigades
(e) Cottage Homes Reserve	ongoing	to be used for the future maintenance and construction of new Cottage Home Units
(f) Special Events Reserve	ongoing	to be used to fund special events and celebrations
(g) Computer Reserve	ongoing	purchase, upgrade or replacement of hardware as necessary
(h) Young Singles Reserve	ongoing	additional income over expenditure held for future repairs or improvements
(i) Saleyards Reserve	ongoing	additional income over expenditure held for future repairs or improvements
(j) Sewerage Reserve	ongoing	additional income over expenditure held for future repairs or improvements
(k) Refuse Site Reserve	ongoing	additional income over expenditure held for the future creation or maintenance of the refuse site
(l) Land Development Reserve	ongoing	income received from the sale of the English House held for future development of the English Land.
(m) Aged Persons Reserve	ongoing	to be used for the construction and future maintenance requirements for Aged Person Accommodation units
(n) Swimming Pool Reserve	ongoing	to be used to fund major repairs or improvements at the Wickepin Swimming Pool
(o) Albert Facey Homestead Reserve	ongoing	to be used for the refurbishment and future maintenance requirements of Albert Facey Homestead
(p) Fuel Depot Reserve	ongoing	to be used for future maintenance and upgrade of Wickepin Fuel Facility

SHIRE OF WICKEPIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2021

8. FEES & CHARGES REVENUE

	2020/21 Budget	2019/20 Actual	2019/20 Budget
Governance	\$ 105	\$ 5,405	\$ 105
General purpose funding	4,050	22,371	6,470
Law, order, public safety	51,748	51,433	50,859
Health	300	0	300
Education and welfare	100	755	
Housing	69,650	71,160	75,250
Community amenities	172,970	184,815	171,363
Recreation and culture	16,073	20,969	18,832
Transport	11,000	11,356	13,000
Economic services	88,645	87,373	58,815
Other property and services	5,000	54,663	35,500
	419,641	510,298	430,494

9. GRANT REVENUE

	Unspent grants, subsidies and contributions liability					Grants, subsidies and contributions revenue		
	Liability 1 July 2020	Increase in Liability	Liability Reduction (As revenue)	Total Liability 30 June 2021	Current Liability 30 June 2021	2020/21 Budget	2019/20 Actual	2019/20 Budget
By Program:	\$	\$	\$	\$	\$	\$	\$	\$
(a) Operating grants, subsidies and contributions								
Governance				0			5,000	
General purpose funding				0		739,195	1,643,355	778,553
Law, order, public safety				0		35,363	51,015	31,246
Education and welfare				0		3,750		
Housing				0		1,313,158	1,514,676	
Recreation and culture				0			2,000	
Transport				0		127,500	124,468	124,468
	0	0	0	0	0	2,218,966	3,340,514	934,267
(b) Non-operating grants, subsidies and contributions								
Housing	428,777		(428,777)	0	0	1,300,205	0	0
Community amenities				0		363,866	0	0
Transport				0		571,569	656,234	656,234
	428,777	0	(428,777)	0	0	2,235,640	656,234	656,234
Total	428,777	0	(428,777)	0	0	4,454,606	3,996,748	1,590,501

(c) Unspent grants, subsidies and contributions were restricted as follows:

	Budget Closing Balance 30 June 2021	Actual Balance 30 June 2020
Unspent grants, subsidies and contributions	0	428,777
	0	428,777

SHIRE OF WICKEPIN
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 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	17,000	27,117	38,000
- Other funds	15,000	14,769	19,000
Late payment of fees and charges *	3,500	5,435	4,500
	35,500	47,321	61,500
* The Shire has resolved to charge interest under section 6.13 for the late payment of any amount of money at 5%.			
(b) Other revenue			
Reimbursements and recoveries	0	864	0
	0	864	0
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	22,000	16,800	19,000
	22,000	16,800	19,000
(d) Interest expenses (finance costs)			
Borrowings (refer Note 6(a))	8,636	1,762	2,050
	8,636	1,762	2,050
(e) Elected members remuneration			
Meeting fees	12,500	12,388	12,500
Mayor/President's allowance	4,500	4,500	4,500
Deputy Mayor/President's allowance	1,000	1,083	1,000
Travelling expenses	4,500	4,062	6,195
Telecommunications allowance	4,500	4,030	4,500
	27,000	26,063	28,695
(f) Write offs			
General rate	25	47	25
	25	47	25
(g) Low Value lease expenses			
Office equipment	9,648	9,005	10,632
	9,648	9,005	10,632

12. INTERESTS IN JOINT ARRANGEMENTS

The Shire of Wickepin did jointly own a Speed Alert Trailer with Shire of Cuballing- This has been cancelled.
 An outdoor Movie Screen and projector is jointly owned by the Shire of Wickepin, Cuballing and Pingelly
 The Movie Screen and Projector are stored at the Wickepin Community Centre

	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
Non-current assets			
Plant and equipment	6,000	6,000	21,000
Less: accumulated depreciation	(4,800)	(4,800)	(8,100)
	1,200	1,200	12,900

SIGNIFICANT ACCOUNTING POLICIES

INTERESTS IN JOINT ARRANGEMENTS

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

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

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

13. TRUST FUNDS

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

Detail	Balance 30 June 2020	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2021
	\$	\$	\$	\$
WDSC Replacement Greens	119,339	15,000		134,339
Yealering Replacement Greens	55,708			55,708
Miscellaneous	6,375			6,375
	181,422	15,000	0	196,422

14. SIGNIFICANT ACCOUNTING POLICIES - OTHER INFORMATION

GOODS AND SERVICES TAX (GST)

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

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

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

CRITICAL ACCOUNTING ESTIMATES

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

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

ROUNDING OFF FIGURES

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

COMPARATIVE FIGURES

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

BUDGET COMPARATIVE FIGURES

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