

SHIRE OF CARNARVON
DRAFT ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

Unity, Humanity, Nature

A connected community across leaders, cultures and generations

A future for every young person

A job-rich economy, built on local strengths

A still-natural environment, looked after and used

The Shire of Carnarvon acknowledges the Yingarrda people as the Traditional Custodians of this land which we work and live on. We pay our respects to their Elders past, present and emerging and extend this respect to all Aboriginal people and their ongoing connection to this Country.

SHIRE OF CARNARVON
STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2022/23 Budget	2021/22 Actual	2021/22 Budget
		\$	\$	\$
Revenue				
Rates	2(a)	6,588,852	6,107,513	6,025,309
Operating grants, subsidies and contributions	11.	13,740,929	8,910,251	3,535,225
Fees and charges	15.	3,246,980	3,021,080	3,180,701
Interest earnings	12.(a)	82,500	87,841	83,500
Other revenue	12.(b)	281,750	528,905	259,268
		23,941,011	18,655,590	13,084,003
Expenses				
Employee costs		(7,694,543)	(6,742,599)	(6,898,727)
Materials and contracts		(17,548,507)	(5,523,895)	(5,560,361)
Utility charges		(834,200)	(803,541)	(813,400)
Depreciation on non-current assets	6.	(8,099,260)	(8,099,124)	(8,212,681)
Interest expenses	12.(d)	(25,986)	(25,513)	(44,634)
Insurance expenses		(557,451)	(568,069)	(540,661)
Other expenditure		(423,500)	(338,807)	(455,000)
		(35,183,447)	(22,101,548)	(22,525,464)
		(11,242,436)	(3,445,958)	(9,441,461)
Non-operating grants, subsidies and contributions	11.	7,005,789	4,516,810	7,356,828
Loss on asset disposals	5.(b)	0	0	(25,400)
		7,005,789	4,516,810	7,331,428
Net result for the period		(4,236,647)	1,070,852	(2,110,033)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus		0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(4,236,647)	1,070,852	(2,110,033)

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

SHIRE OF CARNARVON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

		2022/23	2021/22	2021/22
	NOTE	Budget	Actual	Budget
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		6,588,852	6,154,034	6,825,309
Operating grants, subsidies and contributions		10,171,163	10,406,248	3,965,914
Fees and charges		3,246,980	3,021,080	3,180,701
Interest received		82,500	87,841	83,500
Goods and services tax received		500,000	564,490	250,000
Other revenue		281,750	528,905	259,268
		20,871,245	20,762,598	14,564,692
Payments				
Employee costs		(7,694,543)	(6,750,398)	(6,898,727)
Materials and contracts		(17,548,507)	(4,750,549)	(4,860,361)
Utility charges		(834,200)	(803,541)	(813,400)
Interest expenses		(25,986)	(25,513)	(44,634)
Insurance paid		(557,451)	(568,069)	(540,661)
Goods and services tax paid		(500,000)	(500,000)	(250,000)
Other expenditure		(423,500)	(338,807)	(455,000)
		(27,584,187)	(13,736,877)	(13,862,783)
Net cash provided by (used in) operating activities	4.	(6,712,942)	7,025,721	701,909
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5.(a)	(2,987,772)	(503,883)	(1,923,266)
Payments for construction of infrastructure	5.(a)	(8,977,311)	(5,137,193)	(9,393,040)
Non-operating grants, subsidies and contributions		7,005,789	4,516,810	5,111,677
Proceeds from sale of property, plant and equipment	5.(b)	0	0	30,000
Net cash provided by (used in) investing activities		(4,959,294)	(1,124,265)	(6,174,629)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7.(a)	(157,575)	(44,830)	(44,831)
Principal elements of lease payments	8.	(310,181)	(334,286)	(298,028)
Proceeds from new borrowings	7.(a)	1,821,053	0	947,000
Net cash provided by (used in) financing activities		1,353,297	(379,117)	604,141
Net increase (decrease) in cash held		(10,318,939)	5,522,339	(4,868,579)
Cash at beginning of year		14,641,713	9,119,374	7,761,361
Cash and cash equivalents at the end of the year	4.	4,322,774	14,641,713	2,892,782

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

SHIRE OF CARNARVON
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023

		2022/23	2021/22	2021/22
	NOTE	Budget	Actual	Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	3	6,993,926	6,281,803	6,215,963
		6,993,926	6,281,803	6,215,963
Revenue from operating activities (excluding rates)				
Specified area and ex gratia rates	2.(a)(ii)	276,773	261,460	258,261
Operating grants, subsidies and contributions	11.	13,740,929	8,910,251	3,535,225
Fees and charges	15.	3,246,980	3,021,080	3,180,701
Interest earnings	12.(a)	82,500	87,841	83,500
Other revenue	12.(b)	281,750	528,905	259,268
		17,628,932	12,809,537	7,316,955
Expenditure from operating activities				
Employee costs		(7,694,543)	(6,742,599)	(6,898,727)
Materials and contracts		(17,548,507)	(5,523,895)	(5,560,361)
Utility charges		(834,200)	(803,541)	(813,400)
Depreciation on non-current assets	6.	(8,099,260)	(8,099,124)	(8,212,681)
Interest expenses	12.(d)	(25,986)	(25,513)	(44,634)
Insurance expenses		(557,451)	(568,069)	(540,661)
Other expenditure		(423,500)	(338,807)	(455,000)
Loss on asset disposals	5.(b)	0	0	(25,400)
		(35,183,447)	(22,101,548)	(22,550,864)
Non-cash amounts excluded from operating activities	3(b)	8,099,260	5,808,360	5,992,930
Amount attributable to operating activities		(2,461,329)	2,798,152	(3,025,016)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	11.	7,005,789	4,516,810	7,356,828
Payments for property, plant and equipment	5.	(2,987,772)	(503,883)	(1,923,266)
Payments for construction of infrastructure	5.	(8,977,311)	(5,137,193)	(9,393,040)
Proceeds from disposal of assets	5.	0	0	30,000
Amount attributable to investing activities		(4,959,294)	(1,124,265)	(3,929,478)
FINANCING ACTIVITIES				
Repayment of borrowings	7.(a)	(157,575)	(44,830)	(44,831)
Principal elements of finance lease payments	8	(310,181)	(330,383)	(298,028)
Proceeds from new borrowings	7	1,821,053	0	947,000
Transfers to cash backed reserves (restricted assets)	9.	(2,504,723)	(150,800)	(200,800)
Transfers from cash backed reserves (restricted assets)	9.	2,259,970	0	784,105
Amount attributable to financing activities		1,108,544	(526,014)	1,187,446
Budgeted deficiency before general rates		(6,312,079)	1,147,873	(5,767,048)
Estimated amount to be raised from general rates	2.	6,312,079	5,846,053	5,767,048
Net current assets at end of financial year - surplus/(deficit)	3	0	6,993,926	0

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

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SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

1 (a) BASIS OF PREPARATION

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

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

Accounting policies which have been adopted in the preparation of this annual 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.

Financial reporting disclosures in relation to assets and liabilities required by the Australian Accounting Standards have not been made unless considered important for the understanding of the budget or required by legislation.

The local government reporting entity

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

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

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

2021/22 actual balances

Balances shown in this budget as 2021/22 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

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.

Comparative figures

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

Initial application of accounting standards

During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.

- *AASB 2020-3 Amendments to Australian Accounting Standards* - Annual Improvements 2018-2020 and Other Amendments
- *AASB 2020-6 Amendments to Australian Accounting Standards* - Classification of Liabilities as Current or Non-current - Deferral of Effective Date

It is not expected these standards will have an impact on the annual budget.

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- *AASB 2021-2 Amendments to Australian Accounting Standards* - Disclosure of Accounting Policies or Definition of Accounting Estimates
- *AASB 2021-6 Amendments to Australian Accounting Standards* - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

It is not expected these standards will have an impact on the annual budget.

Judgements, estimates and assumptions

The preparation of the annual 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 balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- estimation of fair values of land and buildings and investment property
- impairment of financial assets
- estimation uncertainties and judgements made in relation to lease accounting
- estimated useful life of assets

Rounding of figures

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

SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

1 (b) 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.

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.

1 (c) KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

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

OBJECTIVE

ACTIVITIES

Governance

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

Administration and operations of facilities and services to members of Council. Other costs which relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.

General purpose funding

To collect general revenue to allow for the provision of services.

Rates activity, general purpose grants, banking costs and interest revenue.

Law, order, public safety

To provide services to help ensure a safer community.

Supervision of various local laws, fire prevention, emergency services, CBD security, administration of the Crime Prevention Plan.

Health

To provide an operational framework for good community health.

Food quality and pest control, inspections and infant health. This function also provides for the implementation of the Healthy Lifestyles model.

Education and welfare

To meet the needs of the community in these areas.

Support pre-school facilities and assistance of seniors and retirement villages. This function also provides for Youth Strategy and the accounting of the Carnarvon Youth Co-Ordinating Networks finance as part of the agreement.

Housing

To meet the needs of the Shire of Carnarvon Staff.

Staff Housing.

Community amenities

To provide sanitary and essential services required by the community. To provide land development strategies and to process land development activities. Environmental sustainability.

Refuse collection services, operation of refuse site, administration of town planning scheme, cemetery services and maintenance, environmental protection services and land development services.

Recreation and culture

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

Operations of the Civic Centre (Camel Lane), aquatic centre and beach areas, regional library service, cultural and heritage services and facilities, reserves, parks and gardens.

Transport

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

Maintenance of streets, roads, footpaths, street lighting, airport. Agency for Department of Planning and Infrastructure's on line vehicle licensing services.

Economic services

To help promote and market the Shire of Carnarvon to the world and improve the economic well being. To ensure building development regulations are adhered to.

Noxious weed control, tourism and area promotion, building control and services.

Other property and services

To ensure works programs are operating efficiently.

Private works operations, public works operations and plant operations.

SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2022/23 Budgeted rate revenue	2022/23 Budgeted interim rates	2022/23 Budgeted back rates	2022/23 Budgeted total revenue	2021/22 Actual total revenue	2021/22 Budget total revenue		
		\$		\$	\$	\$	\$	\$	\$	\$		
(i) Differential general rates or general rates												
Residential	GRV	11.78720	1,284	22,281,709	2,626,390	25,000	(35,000)	2,616,390	2,440,554	2,457,459		
Commercial/Industrial	GRV	10.91810	265	15,578,600	1,700,887	0	0	1,700,887	1,604,489	1,601,810		
Special Use/Rural	GRV	11.78720	55	1,757,732	207,187	0	0	207,187	195,460	195,459		
Mining	UV	25.9827	47	833,994	216,694	0	0	216,694	123,001	127,001		
Pastoral	UV	11.83120	31	3,131,820	370,532	0	0	370,532	349,231	261,230		
Intensive Horticultural	UV	2.71260	170	20,882,500	566,459	0	0	566,459	532,098	524,097		
Sub-Total			1,852	64,466,355	5,688,149	25,000	(35,000)	5,678,149	5,244,833	5,167,056		
Minimum payment												
		\$										
Residential	GRV	1,228	395	3,236,508	485,060	0	0	485,060	457,639	457,639		
Commercial/Industrial	GRV	1,228	59	453,208	72,452	0	0	72,452	68,356	68,356		
Special Use/Rural	GRV	1,228	47	373,933	57,716	0	0	57,716	54,453	54,453		
Mining	UV	450	17	14,161	7,650	0	0	7,650	6,800	6,800		
Pastoral	UV	1,228	9	30,700	11,052	0	0	11,052	10,427	10,427		
Intensive Horticultural	UV	1,228	0	0	0	0	0	0	2,317	2,317		
Sub-Total			527	4,108,510	633,930	0	0	633,930	599,992	599,992		
Total amount raised from general rates					2,379	68,574,865	6,322,079	25,000	(35,000)	6,312,079	5,844,825	5,767,048
									6,312,079	5,846,053	5,767,048	
(ii) Specified area and ex gratia rates												
Specified area rates												
Coral Bay	GRV				264,001	0	0	264,001	249,058	249,061		
Ex-gratia rates												
					14,000	0	0	14,000	13,630	9,200		
Concessions on specified area and ex gratia rates (Refer note 2.(f))								(1,228)	(1,228)	0		
Total specified area and ex gratia rates								276,773	261,460	258,261		
Total rates								6,588,852	6,107,513	6,025,309		

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

The general rates detailed for the 2022/23 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.

2. 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				
Single full payment	11/11/2022	0	0.0%	7.0%
Option two				
First instalment	11/11/2022	0	0.0%	7.0%
Second instalment	17/03/2023	6.60	6.0%	7.0%
Option three				
First instalment	11/11/2022		0.0%	7.0%
Second instalment	11/01/2023	6.60	6.0%	7.0%
Third instalment	17/03/2023	6.60	6.0%	7.0%
Fourth instalment	19/05/2023	6.60	6.0%	7.0%

	2022/23 Budget revenue	2021/22 Actual revenue	2021/22 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	6,000	6,864	6,000
Instalment plan interest earned	18,500	18,605	22,000
Unpaid rates and service charge interest earned	62,000	69,236	60,000
	86,500	94,705	88,000

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

Differential rating is the method of applying a different rate in the dollar to a different category of property. This is allowed for and controlled by S6.33 of the Local Government Act 1995 and the Shire applies differential rates according to property usage for UV Rated properties. Properties with a GRV value are rated on a flat rate in the dollar.

Properties in the Shire of Carnarvon are valued with either a Gross Rental Value (GRV) which is used on urban properties around townsites and Unimproved Value (UV) which is predominantly used on rural properties.

The purpose of levying rates is to meet Council's budget requirements each financial year, so it can deliver facilities, services and community infrastructure. Property valuations provided by the Valuer General's Office (VGO) are used as the basis for the calculation of rates each year. Section 6.33 of the Local Government Act 1995 provides the ability to differentially rate properties based on zoning and/or land use as determined by the Shire of Carnarvon. The application of differential rating maintains equity on the rating of properties across the Shire. Preparation of the annual Budget is informed by two key Council documents, the 10-year Strategic Community Plan and the Long-Term Financial Plan. These documents provide the road map for budget preparation.

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

Differential general rate

Description	Characteristics	Objects	Reasons
GRV Residential	GRV RESIDENTIAL rate applies to all GRV Valued properties in the Shire where the property is designated Residential during the Landgate valuation process and for properties where the predominant use of the land is for housing.	The Shire of Carnarvon recognises a cost for providing services to the 1,679 residential properties in the Shire is based on the Uniform General Rate. The Uniform General Rate is calculated on the requirements for the Rate Revenue needed to finance the operations of the Shire and is supported by the anticipated projects for 2022/23 and the efficiency measures that have been implemented along with the identified direction provided by the Strategic Community Plan and the Corporate Business Plan. The application of differential rating to maintain equity on the rating of properties across the Shire also influences the Uniform General Rate.	

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating (Continued)

Differential general rate

Description	Characteristics	Objects	Reasons
GRV Special Use/Rural	GRV SPECIAL USE/RURAL rate applies to all GRV Valued properties in the Shire where the property is designated Special use/Rural during the Landgate valuation process and for properties where the predominant use of the larger blocks of land is for minor rural pursuits, including stock, horses, etc. and contained within the greater townsite	The Shire of Carnarvon recognises a cost for providing services to the 102 special use/rural properties in the Shire is based on the Uniform General Rate. The Uniform General Rate is calculated on the requirements for the Rate Revenue needed to finance the operations of the Shire and is supported by the anticipated projects for 2020/2021 and the efficiency measures that have been implemented along with the identified direction provided by the Strategic Community Plan and the Corporate Business Plan. The application of differential rating to maintain equity on the rating of properties across the Shire also influences the Uniform General Rate.	
GRV Commercial/Industrial	GRV COMMERCIAL/INDUSTRIAL rate applies to all GRV Valued properties in the Shire where the property is designated Commercial/Industrial as opposed to GRV Residential or GRV Special Use/Rural during the Landgate valuation process and for properties where the predominant use of the land is for a commercial or industrial purpose.	The Shire of Carnarvon recognises a cost for providing services to 324 commercial or industrial purpose properties within the Shire boundaries compared to properties classified as Residential or Special Use/Rural located within the townsites. The Council endeavours to provide an incentive to encourage business expansion, development and support within the scope of the rating system. A boost to commercial and industrial properties can have a flow on effect to the wider community. The object of this differential category is to apply a differential rate to Commercial/Industrial purpose properties in the Shire in order to soften the impact of a significant increase in rates in this category in the 2019/2020 financial year and the detrimental effect on commercial and industrial businesses. These properties tend to have a higher valuation than other GRV properties due to the location and size of the properties. By applying the amended proposed rate in the dollar to this category, Council takes these impacts and higher valuation levels into consideration.	

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating (Continued)

Differential general rate

Description	Characteristics	Objects	Reasons
UV Mining	UV MINING rate applies to all UV Valued properties in the Shire where the predominant use of the land is for mining related purposes or for other general-purpose leases. These properties are usually a result of a mining tenement with common land uses including explorations, mining and prospecting.	Historically, the number of mining assessments has been in excess of pastoral leases while overall valuations have been around one tenth of pastoral valuations. This low valuation reflects the predominance of lower-value prospecting and exploration leases rather than higher value mining leases. The object of this differential category is to apply a differential rate to mining related properties in the Shire in order to raise additional revenue to offset the costs associated with reducing and rehabilitating environmental impacts as well as the costs related to the increased maintenance and renewal of assets and infrastructure required by the impact of heavy mining and vehicles. The Shire of Carnarvon recognises that mining related industries create a significant impact on the environment as well as the infrastructure within the Shire compared to properties that fall outside this land use. The reason this category is rated higher than the other two rates is to reflect the higher road infrastructure maintenance costs to the Shire as a result of use of extensive lengths of Shire roads throughout the year, and the relatively low total contribution from this sector to the overall total.	
UV Pastoral	UV PASTORAL rate applies to all UV Valued properties in the Shire where there is a pastoral lease in place and for properties where the predominant use of the land is for a rural purpose.	The Shire of Carnarvon recognises a high cost for providing services to pastoral and rural purpose properties within the Shire boundaries compared to properties located closer to townsites. The Shire incurs higher costs for infrastructure maintenance and service provision to UV Pastoral properties as a result of extra vehicle movements on the Shire's Road network due to the location and commercial nature of these properties outside of the town site. The object of this differential category is to apply a differential rate to pastoral and rural purpose properties in the Shire in order to raise additional revenue to offset the cost of providing and maintaining infrastructure and other Shire services. These properties tend to have a higher valuation than UV Mining properties due to the location and size of the properties. By applying the proposed rate in the dollar to this category, Council takes these associated costs and higher valuation levels into consideration.	

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating (Continued)

Differential general rate

Description	Characteristics	Objects	Reasons
UV Intensive Horticulture (Plantations)	UV Intensive Horticulture (Plantation) rating applies to all plantation properties on unimproved land use.	The Shire of Carnarvon recognises the higher costs incurred for infrastructure maintenance and service provision to UV Intensive Horticultural properties as a result of extra vehicle movements on the Shire's Road network due to the location and commercial nature of these properties outside the town site which places additional pressure on Shire infrastructure assets. The object of this differential category is to apply a differential rate to intensive horticulture related properties in the Shire in order to raise additional revenue to offset the costs associated with the Shire managing the above issues. Valuations applied to the intensive horticulture properties tend to be higher than those within the other UV rated categories, and in order to ensure equity in rates contribution across all categories Council takes these associated costs and valuation levels into consideration by applying a lower rate in the dollar.	

SHIRE OF CARNARVON
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2023

2. RATES AND SERVICE CHARGES (CONTINUED)

(d) Specified Area Rate

	Budgeted rate applied to costs	Budgeted rate set aside to reserve	Reserve Amount to be applied to costs	Purpose of the rate	Area or properties rate is to be imposed on
Specified area rate	\$	\$	\$		
GRV Coral Bay	264,001	0	0	This rate is raised to contribute to the maintenance and future deliberations of the Coral Bay Refuse Site. The rate will be applied in full to the Coral Bay Refuse Site. Any surplus is required to be transferred to a specific purpose reserve. A surplus is not anticipated.	All properties in Coral Bay based on GRV at \$0.07243 rate in the \$
	264,001	0	0		

(f) Waivers or concessions

Rate, fee or charge to which the waiver or concession is granted	Note	Type	Discount %	Discount (\$)	2022/23 Budget	2021/22 Actual	2021/22 Budget	Circumstances in which the waiver or concession is granted	Objects and reasons of the waiver or concession
OTC Dish Rates levied		Waiver		1,228	\$ 1,228	\$ 0	\$ 0	0 Upon Application to Council	To assist an entities ability to refurbish a Council owned Asset.
					1,228	0	0		

SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

3. NET CURRENT ASSETS

		2022/23 Budget 30 June 2023	2021/22 Actual 30 June 2022	2021/22 Budget 30 June 2022
Note		\$	\$	\$
(a) Composition of estimated net current assets				
Current assets				
	Cash and cash equivalents - unrestricted	4. 1,194,112	11,829,664	9,305
	Cash and cash equivalents - restricted	4. 3,128,662	2,812,049	2,883,477
	Receivables	1,395,853	1,395,853	317,531
	Inventories	104,895	104,895	13,090
		5,823,522	16,142,461	3,223,403
Less: current liabilities				
	Trade and other payables	(2,694,860)	(2,694,860)	(339,926)
	Contract liabilities	0	(3,569,766)	0
	Lease liabilities	8. (1,228)	(311,409)	(21,827)
	Long term borrowings	7. (39,390)	(7,720)	(7,719)
	Employee provisions	(579,587)	(579,587)	(1,003,582)
		(3,315,065)	(7,163,342)	(1,373,054)
	Net current assets	2,508,457	8,979,119	1,850,349
	Less: Total adjustments to net current assets	3.(c) (2,508,457)	(1,985,193)	(1,850,349)
	Net current assets used in the Rate Setting Statement	0	6,993,926	0

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

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.

(b) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with *Financial Management Regulation 32*.

Adjustments to operating activities

		2022/23 Budget 30 June 2023	2021/22 Actual 30 June 2022	2021/22 Budget 30 June 2022
Note		\$	\$	\$
	Add: Loss on disposal of assets	5.(b) 0	0	25,400
	Add: Depreciation on assets	6. 8,099,260	8,099,124	8,212,681
	Movement in non-current contract liability	0	1,290,706	0
	Movement of non-current lease liability	0	(3,905)	0
	Movement in current contract liabilities associated with restricted cash	0	(3,569,766)	(2,245,151)
	Movement in current employee provisions associated with restricted cash	0	(7,799)	0
	Non cash amounts excluded from operating activities	8,099,260	5,808,360	5,992,930

(c) 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 in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

Adjustments to net current assets

	Less: Cash - restricted reserves	9. (3,128,662)	(2,883,909)	(2,883,477)
	Add: Current liabilities not expected to be cleared at end of year			
	- Current portion of borrowings	39,390	7,720	7,719
	- Current portion of lease liabilities	1,228	311,409	21,827
	- Current portion of employee benefit provisions	579,587	579,587	1,003,582
	Total adjustments to net current assets	(2,508,457)	(1,985,193)	(1,850,349)

3. NET CURRENT ASSETS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

An asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire'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 or 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 Carnarvon becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

PREPAID RATES

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

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 Carnarvon contributes to a number of superannuation funds on behalf of employees.

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

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.

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.

TRADE AND OTHER RECEIVABLES

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

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

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

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

PROVISIONS

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

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

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

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.

4. 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	2022/23 Budget	2021/22 Actual	2021/22 Budget
Cash at bank and on hand		\$ 4,322,774	\$ 14,641,713	\$ 2,892,782
Total cash and cash equivalents		4,322,774	14,641,713	2,892,782
Held as				
- Unrestricted cash and cash equivalents	3.(a)	1,194,112	8,188,038	9,305
- Restricted cash and cash equivalents	3.(a)	3,128,662	6,453,675	2,883,477
		4,322,774	14,641,713	2,892,782
Restrictions				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents		3,128,662	2,812,049	2,883,477
The restricted assets are a result of the following specific purposes to which the assets may be used:				
Financially backed reserves	9.	3,128,662	2,883,909	2,883,477
Contract liabilities		0	3,569,766	0
		3,128,662	6,453,675	2,883,477
Reconciliation of net cash provided by operating activities to net result				
Net result		(4,236,647)	1,070,849	(2,110,033)
Depreciation	6.	8,099,260	8,099,124	8,212,681
(Profit)/loss on sale of asset	5.(b)	0	0	25,400
(Increase)/decrease in receivables		0	296,385	1,230,689
(Increase)/decrease in inventories		0	(41,805)	50,000
Increase/(decrease) in payables		0	835,070	650,000
Increase/(decrease) in contract liabilities		(3,569,766)	1,290,706	0
Increase/(decrease) in employee provisions		0	(7,798)	0
Non-operating grants, subsidies and contributions		(7,005,789)	(4,516,810)	(7,356,828)
Net cash from operating activities		(6,712,942)	7,025,721	701,909

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 3 - 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 CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

5. FIXED ASSETS

(a) Acquisition of Assets

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

Reporting program

Asset class	Reporting program							2022/23	2021/22	2021/22
	Governance	Law, order, public safety	Housing	Community amenities	Recreation and culture	Transport	Economic services	Budget total	Actual total	Budget total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Property, Plant and Equipment</i>										
Buildings - non-specialised	300,000	0	92,000	100,000	721,772	107,000	0	1,320,772	70,116	466,416
Furniture and equipment	75,000	0	0	0	50,000	0	0	125,000	71,250	111,000
Plant and equipment	0	0	0	725,000	12,000	805,000	0	1,542,000	362,517	1,345,850
	375,000	0	92,000	825,000	783,772	912,000	0	2,987,772	503,883	1,923,266
<i>Infrastructure</i>										
Infrastructure - roads	0	0	0	0	0	4,088,436	0	4,088,436	3,599,925	5,398,253
Infrastructure - footpaths	0	0	0	0	0	447,500	0	447,500	38,090	198,724
Infrastructure - drainage	0	0	0	0	0	40,000	0	40,000	52,143	40,000
Infrastructure - parks and ovals	0	0	0	0	1,041,815	0	0	1,041,815	22,297	925,497
Infrastructure - landfill	0	0	0	320,000	0	0	0	320,000	84,488	395,000
Other infrastructure airport	0	0	0	0	0	620,496	0	620,496	785,586	1,152,911
Other infrastructure other	0	119,350	0	20,000	1,585,620	0	694,094	2,419,064	554,663	1,282,655
	0	119,350	0	340,000	2,627,435	5,196,432	694,094	8,977,311	5,137,193	9,393,040
Total acquisitions	375,000	119,350	92,000	1,165,000	3,411,207	6,108,432	694,094	11,965,083	5,641,075	11,316,306

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 CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

5. FIXED ASSETS

(b) Disposals of Assets

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

	2022/23 Budget Net Book Value	2022/23 Budget Sale Proceeds	2022/23 Budget Profit	2022/23 Budget Loss	2021/22 Actual Net Book Value	2021/22 Actual Sale Proceeds	2021/22 Actual Profit	2021/22 Actual Loss	2021/22 Budget Net Book Value	2021/22 Budget Sale Proceeds	2021/22 Budget Profit	2021/22 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
By Asset												
Rubbish Truck	0	0	0	0	0	0	0	0	46,500	23,000	0	(23,500)
Utility Vehicle		0	0	0				0	8,900	7,000		(1,900)
	0	0	0	0	0	0	0	0	55,400	30,000	0	(25,400)
By Program												
Economic services		0	0	0		0	0	0	55,400	30,000	0	(25,400)
	0	0	0	0	0	0	0	0	55,400	30,000	0	(25,400)
By Class												
<u>Property, Plant and Equipment</u>												
Plant and equipment	0	0	0	0	0	0	0	0	55,400	30,000	0	(25,400)
	0	0	0	0	0	0	0	0	55,400	30,000	0	(25,400)

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 CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

6. ASSET DEPRECIATION

By Program

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

By Class

Buildings - non-specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - footpaths
Infrastructure - drainage
Infrastructure - Levee System
Infrastructure - parks and ovals
Infrastructure - landfill
Other infrastructure airport
Other infrastructure other
Other infrastructure - Carparks
Other infrastructure bridges
Right of use - plant and equipment
Right of use - furniture and fittings

	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
	148,870	148,859	193,879
	80,790	80,778	74,338
	6,820	6,815	262
	66,710	66,700	0
	12,000	11,998	30,458
	123,730	123,721	41,793
	1,142,310	1,142,281	1,069,132
	6,276,520	6,276,471	6,237,924
	1,320	1,320	1,308
	240,190	240,181	563,587
	8,099,260	8,099,124	8,212,681
	960,512	960,496	940,704
	56,420	56,419	55,438
	280,048	280,043	271,708
	4,876,057	4,875,975	4,784,502
	203,558	203,555	199,914
	308,065	308,060	302,745
	41,851	41,850	41,185
	297,009	297,004	279,578
	20,810	20,810	20,479
	622,410	622,400	610,979
	229,985	229,981	210,197
	20,227	20,227	19,906
	152,003	152,000	149,586
	25,304	25,304	320,454
	5,000	5,000	5,306
	8,099,260	8,099,124	8,212,681

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:

Asset Class	Useful life
Buildings	20 - 90 years
Furniture and Equipment	5 years
Plant and Equipment	4 - 50 years
Footpaths	40 - 80 years
Other Infrastructure	10 - 90 years
Right of use - plant and equipment	Based on the remaining lease
Right of use - furniture and fittings	Based on the remaining lease

DEPRECIATION (Continued)

Asset Class	Useful life
Sealed roads and streets	
- clearing and earthworks	not depreciated
- construction/road base	24 years
- kerbing	60 years
original surfacing and major re-surfacing	
- bituminous seals	14 years
- asphalt surfaces	14 years
Gravel roads	
- clearing and earthworks	not depreciated
- construction/road base	24 years
- gravel sheet	12 years
Formed roads (unsealed)	
- clearing and earthworks	not depreciated
- construction/road base	24 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. end of each financial year.

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

SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

7. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

Purpose	Loan		Interest	Budget	2022/23	2022/23	Budget	2022/23	Actual	2021/22	Actual	2021/22	Budget	2021/22	2021/22	Budget	2021/22
	Number	Institution	Rate	Principal 1 July 2022	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2023	Budget Interest Repayments	Principal 1 July 2021	Actual Principal Repayments	Principal outstanding 30 June 2022	Actual Interest Repayments	Principal 1 July 2021	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2022	Actual Interest Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Transport																	
Airport Corrective Works	216	WATC *	3.1%	174,578	0	(47,110)	127,468	(6,343)	219,408	(44,830)	174,578	(7,797)	264,239		(44,831)	219,408	(7,720)
Water Truck	TBC	WATC*	1.5%	0	0	0	0	0	0	0	0	0	0	256,720	0	256,720	(11,103)
Rubbish Trust	TBC	WATC*	1.5%	0	0	0	0	0	0	0	0	0	0	353,000	0	353,000	0
Utility Vehicles (5)	TBC	WATC*	1.5%	0	0	0	0	0	0	0	0	0	0	227,280	0	227,280	0
LWB Utility Truck	TBC	WATC*	1.5%	0	0	0	0	0	0	0	0	0	0	110,000	0	110,000	0
Plant and Equipment	TBC	WATC*	3.5%	0	1,821,053	(110,465)	1,710,589	(9,000)	0	0	0	0	0	0	0	0	0
				174,578	1,821,053	(157,575)	1,838,056	(15,343)	219,408	(44,830)	174,578	(7,797)	264,239	947,000	(44,831)	1,166,408	(18,823)

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

SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

7. INFORMATION ON BORROWINGS

(b) New borrowings - 2022/23

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
Purchase of Plant and Vehicles	WATC	Debenture	7	3.5%	\$ 1,821,053	\$ 65,200	\$ 1,821,053	\$ 0

The Shire had no unspent borrowing funds as at 30th June 2022 nor is it expected to have unspent borrowing funds as at 30th June 2023.

(c) Credit Facilities

	2022/23 Budget	2021/22 Actual	2021/22 Budget
Undrawn borrowing facilities credit standby arrangements	\$	\$	\$
Bank overdraft limit	200,000	200,000	200,000
Bank overdraft at balance date	0	0	0
Credit card limit	13,000	13,000	13,000
Credit card balance at balance date	(5,000)	(3,822)	(5,000)
Total amount of credit unused	208,000	209,178	208,000
Loan facilities			
Loan facilities in use at balance date	1,838,056	174,578	1,166,408

Overdraft details	Purpose overdraft was established	Amount b/fwd 1 July 2022	2022/23 Budgeted Increase/ (Decrease)	Amount as at 30th June 2023
ANZ	Cashflow	\$ 200,000	\$ 0	\$ 200,000
		200,000	0	200,000

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 CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

8. LEASE LIABILITIES

Purpose	Lease Number	Lease Institution	Lease Interest Rate	Lease Term	Budget Lease	2022/23 Budget Lease	Budget Lease	2022/23 Budget Lease	Actual Principal	2021/22 Actual New Leases	2021/22 Actual Lease repayments	Actual Lease Principal outstanding	2021/22 Actual Lease repayments	Budget Principal	2021/22 Budget Lease repayments	Budget Lease Principal outstanding	2021/22 Budget Lease Interest
					Principal 1 July 2022	Principal 1 July 2022	Principal 30 June 2023	Principal 30 June 2023	Principal 1 July 2021	Principal 1 July 2021	Principal 30 June 2022	Principal 30 June 2022	Principal 1 July 2021	Principal 1 July 2021	Principal 30 June 2022	Principal 30 June 2022	
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Other property and services																	
Richo		Richo		48	1,614	0	1,614	0	2,426	0	(812)	1,614	0	2,426	(2,426)	0	(11)
Easifleet P330		Easifleet	2.5%	48	7,739	(2,205)	5,534	(98)	0	7,739	0	7,739	0	0	0	0	0
Easifleet P330B		Easifleet	2.5%	12	1,586	(1,586)	(0)	(10)	4,103	370	(2,887)	1,586	(64)	4,180	(2,877)	1,303	(74)
Easifleet P331		Easifleet	2.5%	60	2,533	(1,150)	1,383	(9)		6,200	(3,667)	2,533	0	0	0	0	0
Easifleet P331B		Easifleet	2.5%	12	0		0	0	892	0	(892)	0	(96)	5,370	(4,475)	895	(72)
Easifleet PUTE35		Easifleet	2.5%	60	2,816	(1,778)	1,038	(35)	0	3,912	(1,096)	2,816	0	0	0	0	0
Easifleet PUTE35B		Easifleet	1.9%	12	0		0	0	1,591	0	(1,591)	0	(39)	1,600	(1,600)	0	(10)
Easifleet PUTE36		Easifleet	1.9%	60	3,419	(2,395)	1,024	(51)		5,001	(1,582)	3,419	0	0	0	0	0
Easifleet PUTE36B		Easifleet	1.9%	12	0		0	0	1,822	0	(1,822)	0	(42)	1,832	(1,832)	0	(11)
Easifleet PUTE37		Easifleet	1.9%	60	2,444	(1,580)	864	(31)	0	2,717	(273)	2,444	0	0	0	0	0
Easifleet PUTE37B		Easifleet	1.9%	12	0	0	0	0	2,001	994	(2,995)	0	(32)	2,013	(2,013)	0	(12)
Easifleet P339		Easifleet	2.5%		0	0	0	0	597	0	(597)	0	(32)	0	0	0	0
Easifleet P339		Easifleet	2.5%		4,872	(3,165)	1,707	(116)	0	6,496	(1,624)	4,872	0	0	0	0	0
Easifleet P343		Easifleet	2.7%	60	10,419	(6,504)	3,914	(196)	16,590	0	(6,171)	10,419	(333)	17,201	(6,658)	10,543	(375)
SG Fleet P299		SG Fleet	3.3%	120	59,897	(33,763)	26,134	(1,494)	91,206	0	(31,309)	59,897	(2,455)	91,206	(31,223)	59,983	(2,540)
SG Fleet P303		SG Fleet	3.3%	120	63,049	(37,183)	25,866	0	97,624	0	(34,575)	63,049	(2,608)	97,624	(34,480)	63,144	(2,703)
SG Fleet P342		SG Fleet	2.5%	36	0		0	0	14,140	0	(14,140)	0	(657)	14,140	(14,140)	0	(104)
SG Fleet P342		SG Fleet	2.5%		35,138	(22,737)	12,400	(594)		45,475	(10,337)	35,138	0	0	0	0	0
SG Fleet P344		SG Fleet	2.5%	36	0	0	0	0	13,162	0	(13,162)	0	(395)	13,161	(13,161)	0	(124)
SG Fleet P344		SG Fleet	2.5%		27,186	(15,950)	11,237	(476)		31,899	(4,713)	27,186	0	0	0	0	0
SG Fleet P345		SG Fleet	2.5%	36	0		0	0	15,047	0	(15,047)	0	(372)	15,047	(15,047)	0	(158)
SG Fleet P345		SG Fleet	2.5%		28,659	(16,053)	12,606	(511)		32,106	(3,447)	28,659	0	0	0	0	0
SG Fleet P346		SG Fleet	2.7%	60	12,489	(7,684)	4,805	(249)	19,741	0	(7,252)	12,489	(432)	19,741	(7,235)	12,506	(449)
SG Fleet P312		SG Fleet		12	0	0	0	0	0	0	0	0	0	0	0	0	0
SG Fleet P347		SG Fleet	2.7%	60	145,866	(66,979)	78,887	(3,192)	208,078	0	(62,212)	145,866	(4,766)	208,077	(62,071)	146,006	(4,907)
SG Fleet P348		SG Fleet	2.7%	60	55,450	(24,579)	30,871	(1,224)	78,228	0	(22,778)	55,450	(1,801)	78,228	(26,432)	51,796	(1,853)
SG Fleet P349		SG Fleet	2.7%	60	23,419	(10,385)	13,034	(517)	33,043	0	(9,624)	23,419	(761)	33,053	(9,602)	23,451	(783)
SG Gleet P350		SG Gleet	2.7%	60	17,470	(7,744)	9,726	(386)	24,646	0	(7,176)	17,470	(567)	24,646	(7,160)	17,486	(584)
SG Fleet P351		SG Fleet	2.7%	60	16,503	(7,076)	9,427	(352)	22,521	0	(6,018)	16,503	(468)	22,521	(6,543)	15,978	(533)
SG Fleet P356		SG Fleet	2.5%	36	4,138	(4,138)	0	(26)	13,965	0	(9,827)	4,138	(218)	13,966	(9,806)	4,160	(238)
SG Fleet P354		SG Fleet	2.5%	36	5,608	(5,608)	0	(35)	18,926	0	(13,318)	5,608	(295)	18,927	(13,290)	5,637	(323)
SG Fleet P353		SG Fleet	2.5%	36	4,093	(4,093)	0	(29)	15,434	0	(11,341)	4,093	(240)	15,434	(10,838)	4,596	(263)
SG Fleet P352		SG Fleet	2.7%	60	16,944	(7,271)	9,673	(409)	24,793	0	(7,849)	16,944	(578)	24,793	(6,677)	18,116	(594)
SG Fleet P355		SG Fleet	2.5%	60	4,559	(4,559)	0	(42)	13,466	0	(8,907)	4,559	(224)	13,466	(8,442)	5,024	(241)
SG Feet P369		SG Feet	2.5%		30,706	(14,016)	16,691	(559)	0	42,048	(11,341)	30,706	(240)	0	0	0	0
					588,616	(310,181)	278,434	(10,643)	734,042	184,957	(330,383)	588,616	(17,716)	738,651	(298,028)	440,623	(16,962)

SIGNIFICANT ACCOUNTING POLICIES

LEASES

At the inception of a contract, the Shire assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and a lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

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.

SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

9. FINANCIALLY BACKED RESERVES

(a) Financially Backed Reserves - Movement

	2022/23 Budget Opening Balance	2022/23 Budget Transfer to	2022/23 Budget Transfer (from)	2022/23 Budget Closing Balance	2021/22 Actual Opening Balance	2021/22 Actual Transfer to	2021/22 Actual Transfer (from)	2021/22 Actual Closing Balance	2021/22 Budget Opening Balance	2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by legislation												
(a) SAR - Coral Bay Waste Reserve	71,860	0	0	71,860	71,860	0	0	71,860	21,859	50,000	0	71,859
	71,860	0	0	71,860	71,860	0	0	71,860	21,859	50,000	0	71,859
Restricted by council												
(b) Leave Reserve	330,125	22,791	0	352,916	230,125	100,000	0	330,125	229,798	100,000	0	329,798
(c) Plant Reserve	192,457	22,791	0	215,248	192,457	0	0	192,457	192,449	0	0	192,449
(d) Waste Disposal Reserve	153,324	0	0	153,324	103,324	50,000	0	153,324	103,320	50,000	0	153,320
(e) Public Ablutions Reserve	1,764	0	(1,764)	0	1,764	0	0	1,764	1,764	0	0	1,764
(f) Staff Housing Reserve	700,540	0	(700,540)	0	700,540	0	0	700,540	700,510	0	0	700,510
(g) Civic Centre Reserve	60,515	0	(60,515)	0	60,515	0	0	60,515	60,512	0	0	60,512
(h) It Replacement Reserve	107,065	0	(107,065)	0	107,065	0	0	107,065	107,061	0	0	107,061
(i) Airport Reserve	59,302	0	(59,302)	0	59,302	0	0	59,302	59,299	0	0	59,299
(j) Surge/Fascine Wall Reserve	414,442	0	(414,442)	0	414,442	0	0	414,442	414,424	0	0	414,424
(k) Town Planning Reserve	1,451	0	(1,451)	0	1,451	0	0	1,451	1,451	0	0	1,451
(l) Fascine Dredging Reserve	84,693	0	(84,693)	0	84,693	0	0	84,693	84,690	0	0	84,690
(m) Flood Mitigation Reserve	11,886	0	(11,886)	0	11,886	0	0	11,886	11,885	0	0	11,885
(n) Oto/Nasa Reserve	21,368	0	(21,368)	0	21,368	0	0	21,368	21,367	0	0	21,367
(o) Blowholes Reserve	2,750	130,000	(132,750)	0	2,750	0	0	2,750	2,750	0	0	2,750
(p) Land & Infrastructure Development Reserve	224,864	0	(224,864)	0	224,864	0	0	224,864	224,854	0	0	224,854
(q) Asset Management Reserve	38,896	0	(38,896)	0	38,896	0	0	38,896	38,894	0	0	38,894
(r) Emergency Response Reserve	265,402	0	(265,402)	0	265,402	0	0	265,402	265,391	0	0	265,391
(s) Mosquito Management Reserve	6,173	800	0	6,973	5,373	800	0	6,173	5,373	800	0	6,173
(t) Country Roads Grading Reserve	135,032	0	(135,032)	0	135,032	0	0	135,032	135,026	0	0	135,026
(u) Unspent Grants Reserve	0	0	0	0	0	0	0	0	784,105	0	(784,105)	0
(v) Airport Renewal and Upgrade Reserve	0	59,302	0	59,302	0	0	0	0	0	0	0	0
(w) Asset Upgrades and Renewal Reserve	0	527,623	0	527,623	0	0	0	0	0	0	0	0
(x) Emergency Management Reserve	0	288,683	0	288,683	0	0	0	0	0	0	0	0
(y) Fascine Upgrade and Renewal Reserve	0	394,579	0	394,579	0	0	0	0	0	0	0	0
(z) Strategic Projects Reserve	0	925,404	0	925,404	0	0	0	0	0	0	0	0
(aa) Blowholes Reserve Management Funds	0	132,750	0	132,750	0	0	0	0	0	0	0	0
	2,812,049	2,504,723	(2,259,970)	3,056,802	2,661,249	150,800	0	2,812,049	3,444,923	150,800	(784,105)	2,811,618
	2,883,909	2,504,723	(2,259,970)	3,128,662	2,733,109	150,800	0	2,883,909	3,466,782	200,800	(784,105)	2,883,477

SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023
9. FINANCIALLY BACKED RESERVES

(b) Financially 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) SAR - Coral Bay Waste Reserve	Ongoing	To be used for maintenance and capital costs associated with Coral Bay Refuse Site. Annual transfer being revenue as raised by Specified Area Rate raised less expenditure at Coral Bay Waste facility and services, (excludes depreciation).
(b) Leave Reserve	Ongoing	To fund the current annual and long service leave requirements.
(c) Plant Reserve	Ongoing	To fund the acquisition of new plant as per the Plant Replacement program.
(d) Waste Disposal Reserve	Ongoing	To be used for maintenance or capital expenditure at Browns Range Refuse Site. Annual transfer being revenue as raised by waste charge, less actual expenditure (excluding depreciation) on Carnarvon waste management facilities and service .
(e) Public Ablutions Reserve	Close & Transfer	To be used to contribute to replacement of major upgrades on Shire of Carnarvon, to be closed and transferred to new Asset Upgrades and Renewal Reserve.
(f) Staff Housing Reserve	Close & Transfer	To be used for major maintenance and capital purchases with respect to staff housing., to be closed and transferred to Strategic Projects Reserve.
(g) Civic Centre Reserve	Close & Transfer	To be used for major building and equipment upgrades to Carnarvon Civic Centre, to be closed and transferred to new Asset Upgrades and Renewal Reserve.
(h) It Replacement Reserve	Close & Transfer	To be used to fund the Shire of Carnarvon Information Technology Strategy, to be closed and transferred to new Asset Upgrades and Renewal Reserve.
(i) Airport Reserve	Close & Transfer	To be used to contribute to capital costs in relation to the Carnarvon Airport.
(j) Surge/Fascine Wall Reserve	Close & Transfer	To be used for capital upgrade costs associated with the Fascine Wall.
(k) Town Planning Reserve	Close & Transfer	To be used to contribute to funding town planning scheme reviews, new scheme & relevant town planning purposes, to be closed and transferred to new Asset Upgrades and Renewal Reserve.
(l) Fascine Dredging Reserve	Close & Transfer	To be used for capital upgrade costs associated with the Fascine Wall.
(m) Flood Mitigation Reserve	Close & Transfer	To be used to finance Council's obligations with respect to the Flood Mitigation Strategy, to be closed and transferred to Emergency Management Reserve.
(n) Otc/Nasa Reserve	Close & Transfer	To be used for the development & conservation of the OTC site, to be closed and transferred to new Asset Upgrades and Renewal Reserve.
(o) Blowholes Reserve	Close & Repurpose	To be used to assist with the removal of shack debris and post demolition rehabilitation of shack area, to be closed and transferred to Strategic Projects Reserve.
(p) Land & Infrastructure Development Reserve	Close & Transfer	To be used for the purchase of land and development of infrastructure within the Shire of Carnarvon, to be closed and transferred to Strategic Projects Reserve.
(q) Asset Management Reserve	Close & Transfer	To be used for the replacement and improvement of specified assets within the Shire of Carnarvon in accordance with the Shire's Asset Management Plan, to be closed and transferred to new Asset Upgrades and Renewal Reserve.
(r) Emergency Response Reserve	Close & Transfer	To be used in the preparation for and providing immediate assistance, relief and recovery to the community in response to an Emergency within the Shire of Carnarvon, to be closed and transferred to Emergency Management Reserve.
(s) Mosquito Management Reserve	Ongoing	To be used for the purpose of delivering services to assist in mosquito management within the Shire of Carnarvon, which includes funding from the Department of Health.
(t) Country Roads Grading Reserve	Close & Transfer	To be used for the country roads grading program in seasons when the climatic conditions are suitable, to be closed and transferred to new Asset Upgrades and Renewal Reserve.
(u) Unspent Grants Reserve	Closed 2022	Reserve redundant due to change in Accounting standards that require unspent grants to be treated as a liability.
(v) Airport Renewal and Upgrade Reserve	New 2022-23	To fund upgrades and renewal at the Carnarvon Airport.
(w) Asset Upgrades and Renewal Reserve	New 2022-23	To fund the upgrade and renewal of existing assets.
(x) Emergency Management Reserve	New 2022-23	To be used in the preparation for and providing immediate assistance, relief and recovery to the community in response to an emergency within the Shire of Carnarvon.
(y) Fascine Upgrade and Renewal Reserve	New 2022-23	To fund the upgrades and renewal of Fascine Infrastructure.
(z) Strategic Projects Reserve	New 2022-23	To fund development of strategic projects and new infrastructure .
(aa) Blowholes Reserve Management Funds	New 2022-23	To fund the implementation of the Blowholes Reserve management plan

SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023
9. FINANCIALLY BACKED RESERVES

(c) Cash Backed Reserves - Change in Use

The Shire has resolved to consolidate its Reserve funds as noted above. This money is to be used or set aside for a purpose other than the purpose for which the account was established. The new purpose of each Reserve is set out below.

Cash Backed Reserve	Proposed new purpose of the reserve	Objects of changing of the reserve	Reasons for changing the use of the reserve	2022/23 Budget amount to be used	2022/23 Budget amount change of purpose
				\$	\$
(v) Airport Renewal and Upgrade Reserve	To fund upgrades and renewal at the Carnarvon Airport.			0	59,302
(w) Asset Upgrades and Renewal Reserve	To fund the upgrade and renewal of existing assets.			0	499,135
(x) Emergency Management Reserve	To fund the preparation for emergencies and to fund provision of immediate assistance, relief and recovery to the community in response to an Emergency within the Shire of Carnarvon			0	277,288
(y) Fascine Upgrade and Renewal Reserve	To fund the upgrades and renewal of Fascine Infrastructure.			0	366,091
(z) Strategic Projects Reserve	To fund development of strategic projects and new infrastructure .			0	925,404
(aa) Blowholes Reserve Management Funds	To fund the implementation of the Blowholes Reserve management plan.			0	132,750
				0	2,259,970

SHIRE OF CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

10. REVENUE RECOGNITION

SIGNIFICANT ACCOUNTING POLICIES

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	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
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
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

11. PROGRAM INFORMATION

Income and expenses	2022/23 Budget	2021/22 Actual	2021/22 Budget
Income excluding grants, subsidies and contributions			
	\$	\$	\$
Governance	22,600	89,766	35,884
General purpose funding	6,451,351	6,000,949	5,900,348
Law, order, public safety	28,000	36,680	29,100
Health	37,680	39,879	37,600
Education and welfare	56,000	50,465	66,000
Housing	0	535	0
Community amenities	2,236,751	2,165,685	2,086,561
Recreation and culture	69,700	277,975	81,333
Transport	933,800	724,268	727,389
Economic services	303,700	332,818	341,775
Other property and services	60,500	26,320	242,788
	10,200,082	9,745,340	9,548,778
Operating grants, subsidies and contributions			
Governance	0	72,000	30,000
General purpose funding	1,715,414	6,384,000	2,438,527
Law, order, public safety	325,793	375,202	355,512
Health	36,136	4,617	8,000
Education and welfare	377,333	397,996	244,190
Community amenities	437,060	85,000	0
Recreation and culture	3,000	70,476	49,866
Transport	10,796,193	1,517,181	409,130
Economic services	50,000	3,778	0
	13,740,929	8,910,250	3,535,225
Non-operating grants, subsidies and contributions			
Governance	300,000	0	0
Law, order, public safety	119,350	164,920	151,500
Community amenities	150,000	25,000	206,000
Recreation and culture	2,646,241	610,623	1,878,395
Transport	3,166,104	3,594,649	4,916,721
Economic services	624,094	121,618	204,212
	7,005,789	4,516,810	7,356,827
Total Income	30,946,800	23,172,400	20,440,830
Expenses			
Governance	(768,588)	(1,252,619)	(1,475,458)
General purpose funding	(144,426)	(287,173)	(270,954)
Law, order, public safety	(1,485,851)	(1,204,445)	(1,122,956)
Health	(500,290)	(630,370)	(781,701)
Education and welfare	(1,007,992)	(744,683)	(840,461)
Housing	(188,223)	(11,127)	(184,842)
Community amenities	(3,102,178)	(2,125,777)	(1,960,933)
Recreation and culture	(4,806,158)	(4,071,427)	(4,220,064)
Transport	(21,351,573)	(10,151,351)	(9,341,491)
Economic services	(1,760,981)	(1,073,333)	(1,352,130)
Other property and services	(67,187)	(549,243)	(999,874)
Total expenses	(35,183,447)	(22,101,548)	(22,550,864)
Net result for the period	(4,236,647)	1,070,852	(2,110,034)

12. OTHER INFORMATION

	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Other funds	2,000	0	1,500
Other interest revenue (refer note 1b)	80,500	87,841	82,000
	82,500	87,841	83,500
(b) Other revenue			
Reimbursements and recoveries	113,950	312,708	143,938
Other	167,800	216,197	115,330
	281,750	528,905	259,268
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	80,000	7,570	80,000
	80,000	7,570	80,000
(d) Interest expenses (finance costs)			
Borrowings (refer Note 7.(a))	15,343	7,797	18,823
Interest expense on lease liabilities	10,643	17,716	16,962
Other	0	0	8,849
	25,986	25,513	44,634

13. ELECTED MEMBERS REMUNERATION

	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
President E Smith			
President's allowance	47,000	46,896	46,000
Meeting attendance fees	18,750	17,484	17,625
	65,750	64,380	63,625
Cr B Maslen			
Deputy President's allowance	11,500	11,724	11,500
Meeting attendance fees	18,750	17,484	17,625
	30,250	29,208	29,125
Cr J Nelson			
Meeting attendance fees	0	2,914	0
	0	2,914	0
Cr A Cotrell			
Meeting attendance fees	18,750	13,113	17,625
	18,750	13,113	17,625
Cr A Fullarton			
Meeting attendance fees	18,750	17,484	17,625
	18,750	17,484	17,625
Cr K Pinner			
Meeting attendance fees	0	4,371	0
	0	4,371	0
Cr L Skender			
Meeting attendance fees	18,750	17,484	17,625
	18,750	17,484	17,625
Cr M Ferreirinha			
Meeting attendance fees	18,750	13,113	17,625
	18,750	13,113	17,625
CR K Simpson			
Meeting attendance fees	0	4,371	0
	0	4,371	0
CR T Langley			
Meeting attendance fees	18,750	13,113	17,625
	18,750	13,113	17,625
Cr L Vandeleur			
Meeting attendance fees	18,750	17,484	17,625
	18,750	17,484	17,625
General - Not allocated per Councillor			
Training	25,000	5,000	40,000
	25,000	5,000	40,000
Total Elected Member Remuneration	233,500	202,035	238,500
President's allowance	47,000	46,896	46,000
Deputy President's allowance	11,500	11,724	11,500
Meeting attendance fees	150,000	138,415	141,000
Training	25,000	5,000	40,000
	233,500	202,035	238,500

14. TRUST FUNDS

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

Detail	Balance 30 June 2022	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2023
	\$	\$	\$	\$
Private Works	138,034	0	(138,034)	0
Public Open Space Deposits	140,674	0	0	140,674
	278,708	0	(138,034)	140,674

15. FEES AND CHARGES

	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
By Program:			
Governance	8,900	4,470	8,834
Law, order, public safety	13,000	15,480	15,500
Health	37,680	38,933	37,000
Housing	0	500	0
Community amenities	1,940,000	1,909,353	1,829,500
Recreation and culture	67,900	75,517	80,433
Transport	924,800	703,826	721,389
Economic services	189,700	198,945	251,445
Other property and services	25,000	23,404	200,000
	3,246,980	3,021,080	3,180,701

The subsequent pages detail the fees and charges proposed to be imposed by the local government.