

SHIRE OF BRIDGETOWN-GREENBUSHES

BUDGET

FOR THE YEAR ENDED 30 JUNE 2022

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

Bridgetown Greenbushes

The heart and soul of the South West

SHIRE OF BRIDGETOWN-GREENBUSHES
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
Revenue				
Rates	1(a)	4,891,268	4,676,825	4,672,388
Operating grants, subsidies and contributions	10(a)	1,876,078	2,745,141	2,097,704
Fees and charges	9	1,681,860	1,640,802	1,535,718
Interest earnings	13(a)	63,800	65,703	83,027
Other revenue	13(b)	237,254	316,342	151,594
		8,750,260	9,444,813	8,540,431
Expenses				
Employee costs		(5,128,734)	(4,480,342)	(4,722,949)
Materials and contracts		(3,150,164)	(2,338,502)	(3,292,024)
Utility charges		(299,580)	(285,888)	(303,741)
Depreciation on non-current assets	5	(3,618,588)	(3,675,264)	(3,752,464)
Interest expenses	13(d)	(65,139)	(68,718)	(68,819)
Insurance expenses		(288,224)	(272,225)	(264,564)
Other expenditure		(330,440)	(337,217)	(391,150)
		(12,880,869)	(11,458,156)	(12,795,711)
Subtotal		(4,130,609)	(2,013,343)	(4,255,280)
Non-operating grants, subsidies and contributions	10(b)	6,166,530	1,997,059	4,997,052
Profit on asset disposals	4(b)	1,700	21,022	8,100
Loss on asset disposals	4(b)	(8,100)	(15,167)	(15,240)
		6,160,130	2,002,914	4,989,912
Net result		2,029,521	(10,429)	734,632
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		2,029,521	(10,429)	734,632

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

SHIRE OF BRIDGETOWN-GREENBUSHES FOR THE YEAR ENDED 30 JUNE 2022

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 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 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 Bridgetown-Greenbushes controls resources to carry on its functions have been included in the financial statements forming part of this budget.

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 17 to the budget.

2020/21 ACTUAL BALANCES

Balances shown in this budget as 2020/21 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 2021 no new accounting policies are to be adopted and no new policies are expected to impact the annual budget.

KEY TERMS AND DEFINITIONS - NATURE OR TYPE

REVENUES

RATES

All rates levied under the *Local Government Act 1995*. these include general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered.

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.

REVENUES (CONTINUED)

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, rubbish collection fees, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, and rebates. reimbursements and recoveries.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of persons 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, memberships, periodicals, publications, hire expenses, rental costs, leases, postage and freight etc.

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. This also includes donations and subsidies made to community groups.

SHIRE OF BRIDGETOWN-GREENBUSHES
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
Revenue	1,9,10(a),13(a),13(b)	\$	\$	\$
Governance		1,169	16,474	369
General purpose funding		5,827,759	6,727,893	5,669,993
Law, order, public safety		610,665	583,751	590,120
Health		14,100	100	7,130
Education and welfare		5,710	553	5,859
Housing		34,580	22,144	24,045
Community amenities		1,099,354	1,065,475	1,036,956
Recreation and culture		660,801	353,684	727,444
Transport		190,142	183,607	179,715
Economic services		119,429	164,843	153,874
Other property and services		186,551	326,289	144,926
		8,750,260	9,444,813	8,540,431
Expenses excluding finance costs	5,12,13(c)(e)			
Governance		(1,235,956)	(1,060,606)	(1,153,838)
General purpose funding		(123,488)	(112,887)	(123,657)
Law, order, public safety		(1,160,888)	(1,097,984)	(1,198,592)
Health		(158,989)	(93,355)	(163,837)
Education and welfare		(213,915)	(172,417)	(195,474)
Housing		(34,580)	(23,350)	(21,939)
Community amenities		(1,927,359)	(1,708,674)	(1,831,169)
Recreation and culture		(3,224,783)	(2,562,994)	(3,107,158)
Transport		(3,855,081)	(3,684,281)	(4,035,383)
Economic services		(731,326)	(710,663)	(808,393)
Other property and services		(149,365)	(162,227)	(87,452)
		(12,815,730)	(11,389,438)	(12,726,892)
Finance costs	7,6(a),13(d)			
General purpose funding		(100)	(6)	(100)
Community amenities		(4,448)	(8,404)	(8,428)
Recreation and culture		(59,568)	(58,957)	(58,940)
Other property and services		(1,023)	(1,351)	(1,351)
		(65,139)	(68,718)	(68,819)
Subtotal		(4,130,609)	(2,013,343)	(4,255,280)
Non-operating grants, subsidies and contributions	10(b)	6,166,530	1,997,059	4,997,052
Profit on disposal of assets	4(b)	1,700	21,022	8,100
(Loss) on disposal of assets	4(b)	(8,100)	(15,167)	(15,240)
		6,160,130	2,002,914	4,989,912
Net result		2,029,521	(10,429)	734,632
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		2,029,521	(10,429)	734,632

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

Administration and operation of facilities and services to members of the council. Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services. Development of policies, strategic planning and long term financial plans.

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 community.

Supervision of various by-laws, fire prevention, emergency services and animal control.

HEALTH

To provide an operational framework for good community health.

Food quality, pest control, and support the operation of child health clinics.

EDUCATION AND WELFARE

To support disadvantaged persons, the elderly, children and youth.

Support with the provision of day care and pre-school facilities; assistance to playgroups, retirement villages, services for senior citizens and youth, and other voluntary services.

HOUSING

Help ensure adequate housing.

Maintenance of staff and rental housing.

COMMUNITY AMENITIES

Provide services required by the community.

Rubbish collection services, operation of refuse sites, environmental protection, administration of the town planning scheme, development of land, maintenance of cemeteries, maintenance and operation of public conveniences and storm water drainage maintenance.

RECREATION AND CULTURE

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

Maintenance of halls, the leisure centre and various reserves; operation of library, heritage facilities and cultural activities.

TRANSPORT

To provide effective and efficient transport services to the community.

Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, depot maintenance and parking control.

ECONOMIC SERVICES

To help promote the Shire and improve its economic wellbeing.

The regulation and provision of tourism, area promotion, economic development, building control, (agricultural) noxious weeds management and water standpipes.

OTHER PROPERTY AND SERVICES

Identification of expenses not included in programs above and for the pooling of costs that have been reallocated to the programs above.

Private works, plant repairs and operation costs, business units activities and directorate costs.

SHIRE OF BRIDGETOWN-GREENBUSHES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		4,885,790	4,702,815	4,662,388
Operating grants, subsidies and contributions		1,850,455	2,566,037	1,956,141
Fees and charges		1,711,860	1,639,302	1,565,718
Interest received		63,800	65,703	83,027
Goods and services tax received		428,150	355,677	428,150
Other revenue		237,254	316,342	151,594
		9,177,309	9,645,876	8,847,018
Payments				
Employee costs		(5,128,734)	(4,543,003)	(4,732,949)
Materials and contracts		(3,417,338)	(2,143,797)	(3,288,424)
Utility charges		(299,580)	(285,888)	(303,741)
Interest expenses		(65,139)	(68,725)	(68,819)
Insurance paid		(288,224)	(272,225)	(264,564)
Goods and services tax paid		(455,391)	(329,454)	(425,150)
Other expenditure		(330,440)	(337,217)	(389,990)
		(9,984,846)	(7,980,309)	(9,473,637)
Net cash provided by (used in) operating activities	3	(807,537)	1,665,567	(626,619)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	4(a)	(4,194,500)	(1,041,013)	(3,780,518)
Payments for construction of infrastructure	4(a)	(4,469,122)	(2,046,195)	(3,835,439)
Non-operating grants, subsidies and contributions		4,485,667	2,842,241	4,144,527
Proceeds from sale of plant and equipment	4(b)	114,300	228,725	314,760
Proceeds on financial assets at amortised cost - self supporting loans	6(a)	0	8,976	8,976
Net cash provided by (used in) investing activities		(4,063,655)	(7,266)	(3,147,694)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(181,402)	(260,735)	(260,734)
Principal elements of lease payments	7	(44,595)	(37,927)	(37,933)
Proceeds from new borrowings	6(a)	0	312,500	312,500
Net cash provided by (used in) financing activities		(225,997)	13,838	13,833
Net increase (decrease) in cash held		(5,097,189)	1,672,139	(3,760,480)
Cash at beginning of year		9,016,342	7,344,203	7,344,203
Cash and cash equivalents at the end of the year	3	3,919,153	9,016,342	3,583,723

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

SHIRE OF BRIDGETOWN-GREENBUSHES
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	2(a)	2,679,657	2,238,421	2,187,365
		2,679,657	2,238,421	2,187,365
Revenue from operating activities (excluding rates)				
Governance		1,169	16,474	369
General purpose funding		936,491	2,051,068	997,605
Law, order, public safety		610,665	583,751	593,120
Health		14,100	100	7,130
Education and welfare		5,710	553	5,859
Housing		34,580	22,144	24,045
Community amenities		1,100,054	1,066,457	1,039,556
Recreation and culture		660,801	353,684	727,944
Transport		191,142	203,647	181,715
Economic services		119,429	164,843	153,874
Other property and services		186,551	326,289	144,926
		3,860,692	4,789,010	3,876,143
Expenditure from operating activities				
Governance		(1,235,956)	(1,062,151)	(1,157,838)
General purpose funding		(123,588)	(112,893)	(123,757)
Law, order, public safety		(1,160,888)	(1,098,420)	(1,201,782)
Health		(158,989)	(93,355)	(163,837)
Education and welfare		(213,915)	(172,417)	(195,474)
Housing		(34,580)	(23,350)	(21,939)
Community amenities		(1,937,307)	(1,717,078)	(1,839,597)
Recreation and culture		(3,286,951)	(2,622,952)	(3,166,098)
Transport		(3,855,081)	(3,696,466)	(4,043,433)
Economic services		(731,326)	(710,663)	(808,393)
Other property and services		(150,388)	(163,578)	(88,803)
		(12,888,969)	(11,473,323)	(12,810,951)
Non-cash amounts excluded from operating activities	2(b)	3,624,988	2,566,805	2,680,398
Amount attributable to operating activities		(2,723,632)	(1,879,087)	(4,067,045)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		6,166,530	1,997,059	4,997,052
Payments for property, plant and equipment	4(a)	(4,194,500)	(1,041,013)	(3,780,518)
Payments for construction of infrastructure	4(a)	(4,469,122)	(2,046,195)	(3,835,439)
Proceeds from disposal of assets	4(b)	114,300	228,725	314,760
Proceeds from financial assets at amortised cost - self supporting loans	6(a)	0	8,976	8,976
Amount attributable to investing activities		(2,382,792)	(852,448)	(2,295,169)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(181,402)	(260,735)	(260,734)
Principal elements of finance lease payments	7	(44,595)	(37,927)	(37,933)
Proceeds from new borrowings	6(a)	0	312,500	312,500
Transfers to cash backed reserves (restricted assets)	8(a)	(549,992)	(1,040,055)	(541,529)
Transfers from cash backed reserves (restricted assets)	8(a)	991,145	1,760,584	2,217,522
Amount attributable to financing activities		215,156	734,367	1,689,826
Budgeted deficiency before imposition of general rates		(4,891,268)	(1,997,168)	(4,672,388)
Estimated amount to be raised from general rates	1	4,891,268	4,676,825	4,672,388
Net current assets at end of financial year - surplus/(deficit)	2(a)	0	2,679,657	0

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

SHIRE OF BRIDGETOWN-GREENBUSHES
INDEX OF NOTES TO THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

Rates	9
Net Current Assets	14
Reconciliation of Cash	17
Asset Acquisitions	19
Asset Disposals	20
Asset Depreciation	21
Borrowings	23
Leases	25
Reserves	26
Fees and Charges	30
Grant Revenue	30
Revenue Recognition	31
Elected Members Remuneration	32
Other Information	33
Major Land Transactions	34
Trading Undertakings and Major Trading Undertakings	34
Interest in Joint Arrangements	34
Trust Funds	34
Significant Accounting Policies - Other Information	35

1. RATES AND SERVICE CHARGES

(a) Rating Information

RATE TYPE	Rate in	Number of properties	Rateable value	2021/22 Budgeted rate revenue	2021/22 Budgeted interim rates	2021/22 Budgeted back rates	2021/22 Budgeted total revenue	2020/21 Actual total revenue	2020/21 Budget total revenue
	\$		\$	\$	\$	\$	\$	\$	\$
Differential general rate or general rate									
Gross rental valuations									
Shire	0.090527	1,791	28,735,216	2,601,313	10,000	1,000	2,612,313	2,470,812	2,468,604
Unimproved valuations									
Shire Rural	0.006469	467	184,439,000	1,193,136	0	0	1,193,136	1,159,976	1,162,611
Mining	0.072868	16	1,046,965	76,290	0	0	76,290	73,537	71,110
Sub-Totals		2,274	214,221,181	3,870,739	10,000	1,000	3,881,739	3,704,325	3,702,325
Minimum									
Minimum payment									
\$									
Gross rental valuations									
Shire	980.00	692	3,750,078	678,160	0	0	678,160	680,072	678,240
Unimproved valuations									
Shire Rural	1,215.00	267	35,227,420	324,405	0	0	324,405	295,504	295,504
Mining	517.00	15	33,990	7,755	0	0	7,755	6,358	5,753
Sub-Totals		974	39,011,488	1,010,320	0	0	1,010,320	981,934	979,497
		3,248	253,232,669	4,881,059	10,000	1,000	4,892,059	4,686,259	4,681,822
Concessions (Refer note 1(h))							(791)	(9,434)	(9,434)
Total amount raised from general rates							4,891,268	4,676,825	4,672,388

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

The general rates detailed for the 2021/22 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.

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 rate
		\$	%	%
Option one				
Single full payment	24/09/2021	0.00	0.0%	7.0%
Option two				
First instalment	24/09/2021	0.00	3.0%	7.0%
Second instalment	24/11/2021	8.50	3.0%	7.0%
Third instalment	24/01/2022	8.50	3.0%	7.0%
Fourth instalment	24/03/2022	8.50	3.0%	7.0%

In response to the COVID-19 pandemic Council has adopted Policy F.24 - COVID-19 Financial Hardship. Under that policy and in line with Local Government (COVID-19 Response) Order 2020, excluded persons will not be charged the above interest on instalments or overdue rates.

	2021/22 Budget revenue	2020/21 Actual revenue	2020/21 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	23,800	0	0
Instalment plan interest earned	9,000	8,607	9,000
Unpaid rates and service charge interest earned	19,800	22,921	18,775
	52,600	31,528	27,775

1. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

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
Rural (UV)	Consists of properties that are exclusively for rural use.	This rate contributes to the services desired by the community.	This is considered the base rate by which all other UV rated properties are assessed. The rate in the dollar applied ensures this rating category will pay a particular percentage of the overall rate yield to reflect the level of services provided.
Mining (UV)	Consists of mining and exploration tenements located in the district.	The objective is to raise additional revenue to contribute toward higher costs associated with mining activity.	The higher rate applied to this category reflects the Shire's experience that mining activities associated with these tenements impact as follows: <ul style="list-style-type: none"> • there is substantially greater burden on the Shire's internal road network caused by heavy haulage mining vehicles; • disturbance to the landscape on and adjacent to tenements requires Shire oversight and input with noxious weed mitigation and management; and • administration and oversight of the application and approvals process for new tenement areas noting that these applications do not attract a fee to the Shire.

(d) Differential Minimum Payment

Description	Characteristics	Objects	Reasons
Mining (UV)	Consists of mining and exploration tenements located in the district.	To ensure compliance with relevant rating provisions of the Local Government Act 1995.	A reduced minimum rate of \$517.00 will apply to Mining Unimproved Value properties to ensure not more than 50% of properties within this category are on the minimum rate as required by Section 6.35 of the Local Government Act 1995.

1. RATES AND SERVICE CHARGES (CONTINUED)

(e) Specified Area Rate

The Shire of Bridgetown-Greenbushes does not intend to impose specified area rates under Section 6.37 of the Local Government Act 1995 during the budget period.

(f) Landfill Site Maintenance Rate

Council, under Section 66 of the Waste Avoidance and Resource Recovery Act (WARR Act) will impose a Landfill Site Maintenance Rate on all rateable properties within the Shire for the purpose of funding all its waste services other than kerbside rubbish and recycling collection services. As detailed in Note 1(h) concessions are provided to owners of multiple properties in certain circumstances with regard to this rate.

	Basis of valuation	Rate in	Rateable value	2021/22 Budgeted revenue	Budget Amount to be applied to costs	Budget Amount to be set aside to reserve	2020/21 Actual revenue	2020/21 Budget revenue
WARR Act rate		\$	\$	\$	\$	\$	\$	\$
Minimum charge per assessment \$187.00	GRV	0.00022804	32,485,294	464,321	423,046	41,275	463,760	463,760
- Interim Rates	UV	0.00005471	220,747,375	143,055	130,338	12,717	141,185	141,185
				0	0	0	635	0
				607,376	553,384	53,992	605,580	604,945
Concessions				(14,960)	(14,960)	0	(14,773)	(15,895)
			253,232,669	592,416	538,424	53,992	590,807	589,050

(g) Rates Discounts

While Council does not provide a discount for early payment of rates, it will offer the following prizes for the early payment of rates in full by the due date of 24 September 2021:

- 1st Prize - \$400 Community Cash Vouchers (Provided by the Shire of Bridgetown-Greenbushes)
- 2nd Prize - \$200 Community Cash Vouchers (Provided by the Shire of Bridgetown-Greenbushes)

1. RATES AND SERVICE CHARGES (CONTINUED)

(h) Waivers or Concessions

Rate or fee and charge to which the waiver or concession is granted	Type	Discount %	Discount (\$)	2021/22 Budget	2020/21 Actual	2020/21 Budget	Circumstances in which discount is granted and objects and reasons of the waiver or concession
UV Rural rate	"Concession"	5.0%		\$ 791	\$ 1,412	\$ 1,412	A concession will apply to properties previously rated in the 'UV Urban Farmland' differential rating category. This concession is in recognition of the higher values applied to properties within the townsite as opposed to land outside of the townsite.
UV Rural rate	"Concession"		Various	0	8,022	8,022	A concession applied in 2020/21 to each property that would have received a rate increase as a result of a greater than the average increase in valuation (as included in the annual UV property revaluation roll) to ensure the same level of rating occurred as in 2019/20.
WARR Act Landfill Site Maintenance rate	"Concession"	100%		14,960	14,773	15,895	A concession will be granted as follows in relation to the Landfill Site Maintenance Rate to recognise that owners of multiple vacant properties would generate less landfill requirements than if the land was developed: "Where more than one assessment is held in identical name or names, no more than one charge will apply, except in the following situations: (i) A habitable dwelling house or commercial rented premises is situated on the additional property; or (ii) The additional properties are separated by more than 10 kilometres as measured cadastrally on an appropriate map."
				15,751	24,207	25,329	

2. NET CURRENT ASSETS

	Note	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021
		\$	\$	\$
(a) Composition of estimated net current assets				
Current assets				
Cash and cash equivalents- unrestricted	3	790,458	3,652,889	969,340
Cash and cash equivalents - restricted	3	3,128,695	5,363,453	2,614,383
Receivables		394,176	423,698	375,176
Contract assets		0	85,119	0
Inventories		18,162	23,162	20,191
		4,331,491	9,548,321	3,979,090
Less: current liabilities				
Trade and other payables		(626,506)	(928,921)	(780,283)
Contract liabilities		0	(112,742)	0
Unspent non-operating grant, subsidies and contributions liability		0	(1,680,863)	0
Lease liabilities	7	(42,235)	(40,139)	(35,374)
Long term borrowings	6	(160,317)	(181,402)	(186,040)
Employee provisions		(762,213)	(762,213)	(770,946)
		(1,591,271)	(3,706,280)	(1,772,643)
Net current assets		2,740,220	5,842,041	2,206,447
Less: Total adjustments to net current assets	2.(c)	(2,740,220)	(3,162,384)	(2,206,447)
Net current assets used in the Rate Setting Statement		0	2,679,657	0

2. NET CURRENT ASSETS (CONTINUED)

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) Operating activities excluded from budgeted deficiency

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.

	Note	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021
		\$	\$	\$
Adjustments to operating activities				
Less: Profit on asset disposals	4(b)	(1,700)	(21,022)	(8,100)
Add: Loss on disposal of assets	4(b)	8,100	15,167	15,240
Add: Depreciation on assets	5	3,618,588	3,675,264	3,752,464
Movement in non-current pensioner deferred rates		0	(3,742)	0
Movement in non-current employee provisions		0	(19,055)	0
Movement in current contract liabilities associated with restricted cash		0	(1,080,648)	(1,080,648)
Movement in current employee provisions associated with restricted cash		0	841	1,442
Non cash amounts excluded from operating activities		3,624,988	2,566,805	2,680,398

(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: Unspent borrowings	6(c)	0	(312,500)	0
Less: Cash - restricted reserves	8	(3,128,695)	(3,257,348)	(2,614,383)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		160,317	181,402	186,040
- Current portion of lease liabilities		42,235	40,139	35,374
- Current portion of employee benefit provisions held in reserve		185,923	185,923	186,522
Total adjustments to net current assets		(2,740,220)	(3,162,384)	(2,206,447)

2 (d) 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 Bridgetown-Greenbushes 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.

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.

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.

TRADE AND OTHER RECEIVABLES (Continued)

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.

Superannuation

The Shire of Bridgetown-Greenbushes contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Bridgetown-Greenbushes contributes are defined contribution plans.

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.

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	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
Cash at bank and on hand		3,919,153	9,016,342	3,583,723
Total cash and cash equivalents		3,919,153	9,016,342	3,583,723
Held as				
- Unrestricted cash and cash equivalents		790,458	3,652,889	969,340
- Restricted cash and cash equivalents		3,128,695	5,363,453	2,614,383
		3,919,153	9,016,342	3,583,723
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		3,128,695	5,363,453	2,614,383
		3,128,695	5,363,453	2,614,383
The restricted assets are a result of the following specific purposes to which the assets may be used:				
Reserves - cash/financial asset backed	8	3,128,695	3,257,348	2,614,383
Unspent borrowings	6(c)	0	312,500	0
Contract liabilities		0	112,742	0
Unspent non-operating grants, subsidies and contribution liabilities		0	1,680,863	0
		3,128,695	5,363,453	2,614,383

3. RECONCILIATION OF CASH (CONTINUED)

	Note	2021/22 Budget	2020/21 Actual	2020/21 Budget
Reconciliation of net cash provided by operating activities to net result		\$	\$	\$
Net result		2,029,521	(10,429)	734,632
Depreciation	5	3,618,588	3,675,264	3,752,464
(Profit)/loss on sale of asset	4(b)	6,400	(5,855)	7,140
(Increase)/decrease in receivables		29,522	11,429	60,001
(Increase)/decrease in contract assets		85,119	(27,261)	49,559
(Increase)/decrease in inventories		5,000	(10,756)	(8,000)
Increase/(decrease) in payables		(302,415)	226,625	12,760
Increase/(decrease) in contract liabilities		(112,742)	(133,105)	(244,967)
Increase/(decrease) in unspent non-operating grants		(1,680,863)	845,182	(835,681)
Increase/(decrease) in employee provisions		0	(63,286)	(10,000)
Non-operating grants, subsidies and contributions		(4,485,667)	(2,842,241)	(4,144,527)
Net cash from operating activities		(807,537)	1,665,567	(626,619)

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.

4. FIXED ASSETS

(a) Acquisition of Assets

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

	Reporting program							2021/22 Budget total	2020/21 Actual total	2020/21 Budget total
	Governance	Law, order, public safety	Community amenities	Recreation and culture	Transport	Economic services	Other property and services			
Asset class	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<i>Property, Plant and Equipment</i>										
Land - freehold land	0	0	0	0	64,240	0	25,500	89,740	54,742	87,791
Buildings - non-specialised	0	0	0	0	0	0	0	0	0	15,000
Buildings - specialised	123,554	560,230	10,000	2,465,294	23,680	195,000	0	3,377,758	108,250	2,344,268
Furniture and equipment	25,247	0	0	9,000	0	0	0	34,247	12,617	37,864
Plant and equipment	43,550	55,205	42,000	37,000	515,000	0	0	692,755	865,404	1,295,595
	192,351	615,435	52,000	2,511,294	602,920	195,000	25,500	4,194,500	1,041,013	3,780,518
<i>Infrastructure</i>										
Infrastructure - roads	0	0	0	0	2,214,411	0	0	2,214,411	727,964	852,780
Infrastructure - footpaths	0	0	0	0	132,410	0	0	132,410	0	10,000
Infrastructure - drainage	0	0	114,153	0	0	0	0	114,153	24,467	40,374
Infrastructure - parks & ovals	0	0	0	1,110,654	0	6,320	0	1,116,974	603,700	1,053,686
Infrastructure - bridges	0	0	0	0	390,000	0	0	390,000	673,219	1,094,582
Infrastructure - other	0	0	50,000	15,560	435,614	0	0	501,174	16,845	784,017
	0	0	164,153	1,126,214	3,172,435	6,320	0	4,469,122	2,046,195	3,835,439
<i>Right of use assets</i>										
Plant and equipment	0	0	0	0	0	0	21,871	21,871	0	0
	0	0	0	0	0	0	21,871	21,871	0	0
Total acquisitions	192,351	615,435	216,153	3,637,508	3,775,355	201,320	47,371	8,685,493	3,087,208	7,615,957

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.

4. FIXED ASSETS (CONTINUED)

(b) Disposals of Assets

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

	2021/22 Budget Net Book Value	2021/22 Budget Sale Proceeds	2021/22 Budget Profit	2021/22 Budget Loss	2020/21 Actual Net Book Value	2020/21 Actual Sale Proceeds	2020/21 Actual Profit	2020/21 Actual Loss	2020/21 Budget Net Book Value	2020/21 Budget Sale Proceeds	2020/21 Budget Profit	2020/21 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
By Program												
Governance	0	0	0	0	17,000	15,455	0	(1,545)	17,000	13,000	0	(4,000)
Law, order, public safety	6,200	6,200	0	0	7,709	7,273	0	(436)	35,000	34,810	3,000	(3,190)
Community amenities	20,900	16,100	700	(5,500)	2,415	3,397	982	0	2,400	5,000	2,600	0
Recreation and culture	5,600	3,000	0	(2,600)	2,000	999	0	(1,001)	2,000	2,500	500	0
Transport	88,000	89,000	1,000	0	181,044	188,899	20,040	(12,185)	252,500	246,450	2,000	(8,050)
Economic services	0	0	0	0	12,702	12,702	0	0	13,000	13,000	0	0
	120,700	114,300	1,700	(8,100)	222,870	228,725	21,022	(15,167)	321,900	314,760	8,100	(15,240)
By Class												
Plant and equipment	120,700	114,300	1,700	(8,100)	222,870	228,725	21,022	(15,167)	321,900	314,760	8,100	(15,240)
	120,700	114,300	1,700	(8,100)	222,870	228,725	21,022	(15,167)	321,900	314,760	8,100	(15,240)

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

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.

5. ASSET DEPRECIATION

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
By Program			
Governance	1,712	1,712	1,711
Law, order, public safety	185,808	225,538	222,185
Education and welfare	17,288	17,285	17,290
Housing	20,208	18,717	18,442
Community amenities	170,944	170,504	170,938
Recreation and culture	595,408	595,702	594,504
Transport	2,261,615	2,245,333	2,241,477
Economic services	26,622	26,119	26,116
Other property and services	338,983	374,354	459,801
	3,618,588	3,675,264	3,752,464
By Class			
Buildings	520,641	517,542	517,541
Furniture and equipment	24,441	23,244	19,427
Plant and equipment	405,684	489,541	570,994
Infrastructure - roads	1,966,366	1,967,343	1,964,296
Infrastructure - footpaths	63,570	63,570	63,570
Infrastructure - drainage	93,031	92,590	93,024
Infrastructure - parks & ovals	150,864	150,864	149,258
Infrastructure - bridges	195,697	178,596	178,596
Infrastructure - other	153,813	152,305	156,087
Right of use - plant and equipment	9,378	4,566	4,568
Right of use - furniture and equipment	35,103	35,103	35,103
	3,618,588	3,675,264	3,752,464

5. ASSET DEPRECIATION (CONTINUED)

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	30 to 120 Years
Furniture and equipment	4 to 15 Years
Plant and equipment	3 to 25 Years
Infrastructure - Roads	80 to 100 Years
Infrastructure - Footpaths	40 to 50 Years
Infrastructure - Drainage	80 Years
Infrastructure - Parks and ovals	15 to 50 Years
Bridges	
Road bridges	80 Years
Pedestrian bridges	50 Years
Infrastructure - Other	
Car parks pavement	60 Years
Car parks seal	25 Years
Street furniture	15 Years
Bus shelters	15 Years
Reservoirs and dams	50 Years
Swimming pool infrastructure	50 Years
All other infrastructure	15 to 50 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 life and amortisation methods are reviewed at the end of each financial year.

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

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	2021/22	2021/22	Budget	2021/22	Actual	2020/21	2020/21	Actual	2020/21	Budget	2020/21	2020/21	Budget	2020/21
				Principal	Budget	Budget	Principal	Principal		Actual	Actual	Principal	Actual		Principal	Budget	Budget	Budget
				1 July 2021	New Loans	Repayments	Outstanding 30 June 2022	Repayments	1 July 2020	New Loans	Repayments	Outstanding 30 June 2021	Repayments	1 July 2020	New Loans	Repayments	Outstanding 30 June 2021	Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Community amenities																		
Landfill Plant	108	WATC	4.13%	25,665	0	(25,665)	0	(798)	50,302	0	(24,637)	25,665	(1,821)	50,302	0	(24,637)	25,665	(1,826)
Landfill Site New Cell	113	WATC	2.28%	0	0	0	0	0	104,585	0	(104,585)	0	(1,786)	104,585	0	(104,585)	0	(1,792)
Liquid Waste & Inert Waste Site	114	WATC	2.73%	49,961	0	(24,642)	25,319	(1,197)	73,943	0	(23,982)	49,961	(1,852)	73,943	0	(23,982)	49,961	(1,856)
Landfill Cell Extension	115	WATC	1.61%	60,959	0	(19,994)	40,965	(901)	80,636	0	(19,677)	60,959	(1,214)	80,636	0	(19,677)	60,959	(1,219)
Liquid Waste Facility	116	WATC	1.96%	81,529	0	(9,509)	72,020	(1,552)	90,855	0	(9,326)	81,529	(1,732)	90,855	0	(9,325)	81,530	(1,735)
Recreation and culture																		
Bridgetown Swimming Pool	112	WATC	4.04%	1,331,517	0	(72,390)	1,259,127	(53,069)	1,401,069	0	(69,552)	1,331,517	(55,900)	1,401,069		(69,552)	1,331,517	(55,908)
Youth Precinct Redevelopment	117	WATC	1.49%	189,500	0	(17,708)	171,792	(2,761)	0	189,500	0	189,500	(15)	0	189,500	0	189,500	0
Bridgetown Civic Centre Revitalisation	118	WATC	1.49%	123,000	0	(11,494)	111,506	(1,792)	0	123,000	0	123,000	(10)	0	123,000	0	123,000	0
				1,862,131	0	(181,402)	1,680,729	(62,070)	1,801,390	312,500	(251,759)	1,862,131	(64,330)	1,801,390	312,500	(251,758)	1,862,132	(64,336)
Self Supporting Loans																		
Recreation and culture																		
Bridgetown Bowling Club	110	WATC	0.0373	0	0	0	0	0	8,976	0	(8,976)	0	(251)	8,976	0	(8,976)	0	(252)
				0	0	0	0	0	8,976	0	(8,976)	0	(251)	8,976	0	(8,976)	0	(252)
				1,862,131	0	(181,402)	1,680,729	(62,070)	1,810,366	312,500	(260,735)	1,862,131	(64,581)	1,810,366	312,500	(260,734)	1,862,132	(64,588)

Debenture repayments are to be financed by general purpose revenue with the exception of the following:

- Loan 108, 114, 115 and 116 are funded by the Landfill Site Maintenance Rate.

6. INFORMATION ON BORROWINGS (CONTINUED)

(b) New Borrowings - 2021/22

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2022.

(c) Unspent Borrowings

Particulars/Purpose	Year loan taken	Amount b/fwd.	Amount used 2021/22 Budget	New loans unspent at 30 June 2022	Amount as at 30 June 2022
		\$	\$	\$	\$
Youth Precinct Redevelopment	2020/21	189,500	189,500	0	0
Bridgetown Civic Centre Revitalisation	2020/21	123,000	123,000	0	0
		312,500	312,500	0	0

(d) Credit Facilities

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	10,000	10,000	10,000
Credit card balance at balance date	0	2,328	0
Total amount of credit unused	10,000	7,672	10,000
Loan facilities			
Loan facilities in use at balance date	1,680,729	1,862,131	1,862,132

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.

7. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget	2021/22	Budget	2021/22	Actual	2020/21	Actual	2020/21	Budget	2020/21	Budget	2020/21			
					Lease Principal 1 July 2021	2021/22 Budget New Leases	Lease Principal Repayments 30 June 2022	Lease Principal Outstanding 30 June 2022		Lease Interest Repayments 1 July 2020	2020/21 Actual Leases	Lease Principal Repayments 30 June 2021		Lease Interest Repayments 1 July 2020	2020/21 Budget Leases	Lease Principal Repayments 30 June 2021	Lease Interest Repayments 1 July 2020		
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$			
Recreation and culture																			
Gym Equipment	003	Macquarie Bank Ltd	3.5%	48 months	70,950	0	(25,045)	45,905	(1,946)	95,161	0	(24,211)	70,950	(2,780)	95,161	0	(24,211)	70,950	(2,780)
Other property and services																			
Photocopiers and Printers	002	Maia Financial Pty Ltd	4.5%	48 months	26,010	0	(9,565)	16,445	(908)	35,168	0	(9,158)	26,010	(1,315)	35,168	0	(9,158)	26,010	(1,315)
CESM Vehicle	001	Custom Service Leasing	1.1%	36 months	764	5,725	(5,529)	960	(45)	5,322	0	(4,558)	764	(36)	5,327	0	(4,564)	763	(36)
EHO Vehicle	004	SG Fleet	0.6%	36 months	0	16,146	(4,456)	11,690	(70)	0	0	0	0	0	0	0	0	0	0
					97,724	21,871	(44,595)	75,000	(2,969)	135,651	0	(37,927)	97,724	(4,131)	135,656	0	(37,933)	97,723	(4,131)

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. These 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 are discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

8. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

	2021/22 Budget Opening Balance	2021/22 2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance	2020/21 Actual Opening Balance	2020/21 2020/21 Actual Transfer to	2020/21 Actual Transfer (from)	2020/21 Actual Closing Balance	2020/21 Budget Opening Balance	2020/21 2020/21 Budget Transfer to	2020/21 Budget Transfer (from)	2020/21 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Leave reserve	185,923	881	0	186,804	185,080	843	0	185,923	185,080	1,442	0	186,522
(b) Plant reserve	487,150	295,309	(441,000)	341,459	681,975	284,879	(479,704)	487,150	681,975	288,471	(685,500)	284,946
(c) Land and building reserve	684,975	3,245	0	688,220	574,343	110,632	0	684,975	574,343	4,473	(23,417)	555,399
(d) Bushfire reserve	28,367	10,134	0	38,501	18,284	10,083	0	28,367	18,284	10,142	(7,500)	20,926
(e) Maranup Ford Road maintenance reserve	5,365	25	0	5,390	5,341	24	0	5,365	5,341	42	0	5,383
(f) Subdivision reserve	234,079	11,109	(9,351)	235,837	250,238	8,127	(24,286)	234,079	250,238	11,949	(24,286)	237,901
(g) Sanitation reserve	100,587	49,468	(53,306)	96,749	100,131	456	0	100,587	100,131	780	(50,000)	50,911
(h) Recreation centre floor and solar reserve	214,317	11,015	0	225,332	203,391	10,926	0	214,317	203,391	11,584	0	214,975
(i) Refuse site post closure reserve	233,491	6,106	(43,000)	196,597	227,558	5,933	0	233,491	227,558	6,772	(43,000)	191,330
(j) Drainage reserve	67,751	321	0	68,072	61,023	10,278	(3,550)	67,751	61,023	10,475	(8,850)	62,648
(k) Community bus replacement reserve	61,444	5,291	0	66,735	56,188	5,256	0	61,444	56,189	5,438	0	61,627
(l) SBS tower and infrastructure replacement reserve	32,246	153	(4,350)	28,049	32,100	146	0	32,246	32,100	250	0	32,350
(m) Playground equipment reserve	40,376	6,191	0	46,567	34,127	6,249	0	40,376	34,126	4,116	0	38,242
(n) Swimming pool reserve	4,521	0	(4,521)	0	4,500	21	0	4,521	4,500	35	0	4,535
(o) Car park reserve	968	5	0	973	964	4	0	968	963	8	0	971
(p) Building maintenance reserve	219,599	1,040	0	220,639	225,833	1,028	(7,262)	219,599	225,833	1,759	0	227,592
(q) Strategic projects reserve	146,432	10,694	0	157,126	135,970	10,462	0	146,432	135,970	11,059	(64,481)	82,548
(r) Matched grants reserve	54,909	10,260	(4,978)	60,191	51,697	10,234	(7,022)	54,909	51,697	10,403	(12,000)	50,100
(s) Aged care infrastructure reserve	57,187	271	0	57,458	56,928	259	0	57,187	56,928	443	0	57,371
(t) Equipment reserve	6,135	29	0	6,164	6,107	28	0	6,135	6,107	48	0	6,155

8. CASH BACKED RESERVES (CONTINUED)

(a) Cash Backed Reserves - Movement (Continued)

	2021/22 Budget Opening Balance	2021/22 2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance	2020/21 Actual Opening Balance	2020/21 Actual 2020/21 Transfer to	2020/21 Actual Transfer (from)	2020/21 Actual Closing Balance	2020/21 Budget Opening Balance	2020/21 Budget 2020/21 Transfer to	2020/21 Budget Transfer (from)	2020/21 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(u) Assets and GRV valuation reserve	75,205	22,356	0	97,561	99,253	32,452	(56,500)	75,205	99,253	32,773	(80,000)	52,026
(v) Bridgetown Leisure Centre reserve	41,000	194	(33,234)	7,960	60,724	276	(20,000)	41,000	60,724	473	(20,000)	41,197
(w) Trails reserve	31,751	5,150	0	36,901	26,630	5,121	0	31,751	26,630	5,207	0	31,837
(x) Light fleet vehicle reserve	127,029	90,602	(54,905)	162,726	91,150	117,491	(81,612)	127,029	91,150	113,230	(117,840)	86,540
(y) Blackspot works reserve	30,286	10,143	0	40,429	20,194	10,092	0	30,286	20,194	10,157	0	30,351
(z) Unspent grants and loans reserve	398,755	0	(342,500)	56,255	1,080,648	398,755	(1,080,648)	398,755	1,080,648	0	(1,080,648)	0
	3,569,848	549,992	(991,145)	3,128,695	4,290,377	1,040,055	(1,760,584)	3,569,848	4,290,376	541,529	(2,217,522)	2,614,383

(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 major plant.
(c) Land and building reserve	Ongoing	To be used for the future acquisition and development of land and buildings.
(d) Bushfire reserve	Ongoing	To be used for the purchase of district fire fighting equipment, buildings and fire fighting plant.
(e) Maranup Ford Road maintenance reserve	Ongoing	To be used to maintain the section of Maranup Ford Road between the old and new entrances to the Talison Mine.
(f) Subdivision reserve	Ongoing	To be used for the construction of sub-division feeder roads and road upgrades where it is a condition of planning or development approval.

8. CASH BACKED RESERVES (CONTINUED)

(b) Cash Backed Reserves - Purposes (Continued)

Reserve name	Anticipated date of use	Purpose of the reserve
(g) Sanitation reserve	Ongoing	To be used for the provision of waste management services and waste facilities.
(h) Recreation centre floor and solar reserve	Ongoing	To be used to fund future timber floor and solar equipment replacements at the Bridgetown Leisure Centre.
(i) Refuse site post closure reserve	Ongoing	To be used to rehabilitate the Shire's refuse sites.
(j) Drainage reserve	Ongoing	To be used for drainage upgrade works.
(k) Community bus replacement reserve	Ongoing	To be used to purchase a replacement community bus.
(l) SBS tower and infrastructure replacement reserve	Ongoing	To be used for replacement of the SBS tower and associated infrastructure.
(m) Playground equipment reserve	Ongoing	To be used for replacement of playground equipment.
(n) Swimming pool reserve	2021/22	To be used for studies on the pool for life expectancy and upgrades required to enable its future usage.
(o) Car park reserve	Ongoing	To hold contributions for funding car park construction.
(p) Building maintenance reserve	Ongoing	To be used to fund the renewal of council buildings and facilities.
(q) Strategic projects reserve	Ongoing	To be used to fund strategic planning actions and other strategic initiatives as determined by the Council.
(r) Matched grants reserve	Ongoing	To provide a funding mechanism for grants that require a matched funding component.
(s) Aged care infrastructure reserve	Ongoing	To contribute to the construction of non-council aged care buildings.
(t) Equipment reserve	Ongoing	To be used to fund the purchase of gym and exercise equipment.
(u) Assets and GRV valuation reserve	Ongoing	To be used to fund future property and infrastructure revaluations.
(v) Bridgetown Leisure Centre reserve	Ongoing	To be used for the purpose of funding initiatives and improvements at the Bridgetown Leisure Centre.
(w) Trails reserve	Ongoing	To be used for funding of new local trail initiatives and projects.
(x) Light fleet vehicle reserve	Ongoing	To be used for the purchase of light fleet vehicles.
(y) Blackspot works reserve	Ongoing	To provide a funding mechanism for Blackspot Grant projects that require a matched funding component.
(z) Unspent grants and loans reserve	Ongoing	To be used for the recording of unspent grant and loan funds.

8. CASH BACKED RESERVES (CONTINUED)

(c) Cash Backed Reserves - Change in Use

The Shire of Bridgetown-Greenbushes has resolved to make changes to the purpose of the following reserve accounts:

Reserve name	Purpose of the reserve
Land and building reserve	From: To be used for the future acquisition of land and buildings. To: To be used for the future acquisition and development of land and buildings.
Building maintenance reserve	From: To be used to fund capital improvements to council buildings and facilities. To: To be used to fund the renewal of council buildings and facilities.
Bridgetown Leisure Centre reserve	From: To be used for the purpose of funding new initiatives at the Bridgetown Leisure Centre. To: To be used for the purpose of funding initiatives and improvements at the Bridgetown Leisure Centre.

9. FEES & CHARGES REVENUE

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Governance	269	115	269
General purpose funding	57,800	70,600	26,250
Law, order, public safety	36,050	39,709	32,350
Health	14,100	100	7,130
Education and welfare	10	10	9
Housing	33,800	21,376	22,960
Community amenities	1,099,354	1,062,452	1,035,956
Recreation and culture	253,883	244,610	228,820
Transport	5,600	5,017	5,500
Economic services	114,144	129,446	113,474
Other property and services	66,850	67,367	63,000
	1,681,860	1,640,802	1,535,718

10. GRANT REVENUE

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
By Program:			
(a) Operating grants, subsidies and contributions			
General purpose funding	804,891	1,915,016	878,580
Law, order, public safety	507,101	543,724	540,770
Education and welfare	5,000	0	5,000
Recreation and culture	379,544	87,896	469,339
Transport	174,542	163,505	164,015
Economic services	5,000	35,000	40,000
	1,876,078	2,745,141	2,097,704
(b) Non-operating grants, subsidies and contributions			
Law, order, public safety	548,258	33,309	613,944
Community amenities	11,364	0	11,364
Recreation and culture	2,491,457	538,870	2,603,458
Transport	2,985,451	1,424,880	1,768,286
Economic services	130,000	0	0
	6,166,530	1,997,059	4,997,052
Total grants, subsidies and contributions	8,042,608	4,742,200	7,094,756

11. 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
Operating Grants and subsidies	Grant contracts with customers - with and without agreements and subsidies	Over time or no obligations. Dependant upon arrangement	Fixed term transfer for funds based on agreed milestones and reporting or not applicable. Dependant upon arrangement	Contract obligation if project not complete or not applicable. Dependant upon arrangement	Set by mutual agreement with customer or when cash is received. Dependant upon arrangement	Based on the progress of works to match performance obligations or on receipt of funds. Dependant upon arrangement	Returns limited to repayment of transactional price or not applicable. Dependant upon arrangement	Output method based on project milestone and/or completion date matched to performance obligations, or when asset is controlled. Dependant upon arrangement
Non-operating Grants	Construction or acquisition of recognisable non-financial assets	Over time	Fixed term transfer for funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transactional price	Output method based on project milestone and/or completion date matched to performance obligations
Fees and Charges	Charges made for council provided services, facility hire, fines, sale of good and licences	Single point in time and over time. Dependant upon fee	In full in advance or on normal credit trading terms. Dependant upon fee	Dependant upon good or service provided	Adopted by council annually, set by state legislation, or limited by legislation to the cost of provision, or set by mutual agreement with customers. Dependant upon fee	Based on timing of provision of associated goods or service	Returns limited to repayment of transactional price for non provision of service or faulty goods in accordance with Council policy or State Legislation	Output method based on provision of service or completion of works
Other Revenue	Other revenue that cannot be classified into the above categories	Single point in time and over time. Dependant upon fee	In full in advance or on normal credit trading terms. Dependant upon fee	Dependant upon good or service provided	Adopted by council annually, set by state legislation, or limited by legislation to the cost of provision, or set by mutual agreement with customers. Dependant upon fee	Based on timing of provision of associated goods or service	Returns limited to repayment of transactional price for non provision of service or faulty goods in accordance with Council policy or State Legislation	Output method based on provision of service or completion of works

12. ELECTED MEMBERS REMUNERATION

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
President			
President's allowance	8,611	7,750	7,750
Meeting attendance fees	10,333	9,300	9,300
Annual allowance for ICT expenses	2,087	1,878	1,878
	<u>21,031</u>	<u>18,928</u>	<u>18,928</u>
Deputy President			
Deputy President's allowance	2,153	1,938	1,938
Meeting attendance fees	8,611	7,750	7,750
Annual allowance for ICT expenses	2,087	1,878	1,878
	<u>12,851</u>	<u>11,566</u>	<u>11,566</u>
Councillor 3			
Meeting attendance fees	8,611	7,750	7,750
Annual allowance for ICT expenses	2,087	1,878	1,878
	<u>10,698</u>	<u>9,628</u>	<u>9,628</u>
Councillor 4			
Meeting attendance fees	8,611	7,750	7,750
Annual allowance for ICT expenses	2,087	1,878	1,878
	<u>10,698</u>	<u>9,628</u>	<u>9,628</u>
Councillor 5			
Meeting attendance fees	8,611	7,750	7,750
Annual allowance for ICT expenses	2,087	1,878	1,878
	<u>10,698</u>	<u>9,628</u>	<u>9,628</u>
Councillor 6			
Meeting attendance fees	8,611	7,750	7,750
Annual allowance for ICT expenses	2,087	1,878	1,878
	<u>10,698</u>	<u>9,628</u>	<u>9,628</u>
Councillor 7			
Meeting attendance fees	8,611	7,750	7,750
Annual allowance for ICT expenses	2,087	1,878	1,878
	<u>10,698</u>	<u>9,628</u>	<u>9,628</u>
Councillor 8			
Meeting attendance fees	8,611	7,750	7,750
Annual allowance for ICT expenses	2,087	1,878	1,878
	<u>10,698</u>	<u>9,628</u>	<u>9,628</u>
Councillor 9			
Meeting attendance fees	8,611	7,750	7,750
Annual allowance for ICT expenses	2,087	1,878	1,878
	<u>10,698</u>	<u>9,628</u>	<u>9,628</u>
Total Elected Member Remuneration	<u>108,768</u>	<u>97,890</u>	<u>97,890</u>
President's allowance	8,611	7,750	7,750
Deputy President's allowance	2,153	1,938	1,938
Meeting attendance fees	79,221	71,300	71,300
Annual allowance for ICT expenses	18,783	16,902	16,902
	<u>108,768</u>	<u>97,890</u>	<u>97,890</u>

13. OTHER INFORMATION

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	15,000	12,854	25,000
- Other funds	20,000	21,070	30,000
Self supporting loans	0	251	252
Other interest revenue (refer note 1b)	28,800	31,528	27,775
	63,800	65,703	83,027
(b) Other revenue			
Reimbursements and recoveries	55,346	64,297	61,457
Other	181,908	252,045	90,137
	237,254	316,342	151,594
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	24,600	23,750	22,750
Other services	5,000	1,960	5,000
	29,600	25,710	27,750
(d) Interest expenses (finance costs)			
Borrowings (refer Note 6(a))	62,070	64,581	64,588
Interest expense on lease liabilities	2,969	4,131	4,131
Other	100	6	100
	65,139	68,718	68,819
(e) Write offs			
General rate	100	114	100
Fees and charges	0	74	0
	100	188	100

14. MAJOR LAND TRANSACTIONS

It is not anticipated any land transactions or major land transactions will occur in 2021/22.

15. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

It is not anticipated the Shire will be party to any trading undertakings or major trading undertakings during 2021/22.

16. INTERESTS IN JOINT ARRANGEMENTS

It is not anticipated the Shire will be party to any joint venture arrangements during 2021/22.

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. Any interests in the assets liabilities revenue and expenses of joint operations are included in the respective line items of the financial statements.

17. 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 2021	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2022
	\$	\$	\$	\$
Accommodation - Visitor Centre	13,352	120,000	(133,352)	0
South West Coach Lines	0	1,500	(1,500)	0
Other Visitor Centre Commission Sales	159	2,000	(2,159)	0
TransWA	520	7,200	(7,720)	0
F Draper	703	0	0	703
Unclaimed Monies	252	0	0	252
	14,986	130,700	(144,731)	955

18. 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.