

Shire of Kellerberrin



2019 / 2020 ANNUAL FINANCIAL BUDGET

Life as rich as the landscape

Adpoted 23rd July 2019
MIN128/19



SHIRE OF KELLERBERRIN
BUDGET
FOR THE YEAR ENDED 30 JUNE 2020

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SHIRE'S VISION

To welcome diversity, culture and industry; promote a safe a prosperous community with a rich, vibrant and sustainable lifestyle for all to enjoy.

**SHIRE OF KELLERBERRIN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2020**

BY NATURE OR TYPE

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
		\$	\$	\$
Revenue				
Rates	1(a)	2,239,173	2,149,788	2,090,583
Operating grants, subsidies and contributions	9	1,210,299	2,254,499	1,182,351
Fees and charges	8	681,182	691,195	591,450
Interest earnings	10(a)	48,020	59,661	30,700
Other revenue	10(b)	353,876	375,581	299,901
		4,532,550	5,530,704	4,194,985
Expenses				
Employee costs		(1,854,090)	(1,709,672)	(1,894,995)
Materials and contracts		(1,402,916)	(1,241,890)	(1,403,663)
Utility charges		(358,373)	(369,786)	(288,690)
Depreciation on non-current assets	5	(2,449,981)	(2,491,995)	(1,328,117)
Interest expenses	10(d)	(98,897)	(111,542)	(112,535)
Insurance expenses		(219,689)	(175,183)	(158,099)
Other expenditure		(70,126)	(42,141)	(236,328)
		(6,454,072)	(6,142,209)	(5,422,427)
Subtotal		(1,921,522)	(611,505)	(1,227,442)
Non-operating grants, subsidies and contributions	9	2,868,810	1,427,236	875,474
Profit on asset disposals	4(b)	48,000	15,665	29,233
Loss on asset disposals	4(b)	(71,952)	(21,466)	(3,900)
		2,844,858	1,421,435	900,807
Net result		923,336	809,930	(326,635)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		923,336	809,930	(326,635)

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

**SHIRE OF KELLERBERRIN
FOR THE YEAR ENDED 30TH JUNE 2020**

BASIS OF PREPARATION

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 13 to the budget.

2018/19 ACTUAL BALANCES

Balances shown in this budget as 2018/19 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 2019 the following new accounting policies are to be adopted and have impacted on the preparation of the budget:

- AASB 15 - Revenue from Contracts with Customers;
- AASB 16 - Leases; and
- AASB 1058 - Income of Not-for-Profit Entities

Explanation of the changes arising from these standards is provided at Note 15.

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 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.

**SHIRE OF KELLERBERRIN
FOR THE YEAR ENDED 30TH JUNE 2020**

REVENUES (CONTINUED)

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

FEES AND CHARGES

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

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

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

EXPENSES

EMPLOYEE COSTS

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

MATERIALS AND CONTRACTS

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

INTEREST EXPENSES

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

OTHER EXPENDITURE

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

SHIRE OF KELLERBERRIN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH JUNE 2020

BY REPORTING PROGRAM

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
Revenue	1, 8, 9, 10(a),(b)	\$	\$	\$
Governance		9,000	19,456	9,000
General purpose funding		3,404,976	4,296,813	3,291,721
Law, order, public safety		44,797	41,010	37,090
Health		16,000	13,488	10,560
Education and welfare		5,200	1,200	5,200
Housing		163,920	3,716	112,120
Community amenities		141,021	162,781	140,120
Recreation and culture		46,350	129,423	38,050
Transport		152,910	141,207	84,950
Economic services		408,376	442,572	326,174
Other property and services		140,000	279,038	140,000
		4,532,550	5,530,704	4,194,985
Expenses excluding finance costs	5,10(c)(e)(f)(g)			
Governance		(748,305)	(591,644)	(728,450)
General purpose funding		(230,080)	(193,235)	(175,102)
Law, order, public safety		(183,249)	(155,943)	(132,388)
Health		(112,890)	(101,293)	(92,405)
Education and welfare		(31,199)	(11,702)	(40,550)
Housing		(132,892)	(27,759)	24,522
Community amenities		(552,569)	(477,870)	(544,272)
Recreation and culture		(1,312,011)	(1,078,564)	(1,140,974)
Transport		(2,249,382)	(2,553,873)	(1,303,382)
Economic services		(627,586)	(530,675)	(461,894)
Other property and services		(175,012)	(308,109)	(714,997)
		(6,355,175)	(6,030,667)	(5,309,892)
Finance costs	6, 10(d)			
General purpose funding		0	0	(500)
Housing		(18,872)	(16,909)	(24,522)
Recreation and culture		(69,724)	(77,497)	(73,661)
Transport		0	(940)	(1,095)
Other property and services		(10,301)	(16,196)	(12,757)
		(98,897)	(111,542)	(112,535)
Subtotal		(1,921,522)	(611,505)	(1,227,442)
Non-operating grants, subsidies and contributions	9	2,868,810	1,427,236	875,474
Profit on disposal of assets	4(b)	48,000	15,665	29,233
(Loss) on disposal of assets	4(b)	(71,952)	(21,466)	(3,900)
		2,844,858	1,421,435	900,807
Net result		923,336	809,930	(326,635)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		923,336	809,930	(326,635)

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

**SHIRE OF KELLERBERRIN
FOR THE YEAR ENDED 30TH JUNE 2020**

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 Council, Other costs that relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services

Rates, general purpose government grants and interest revenue

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer 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 and pest control, immunisation services

EDUCATION AND WELFARE

To meet the needs of the community in these areas

Provision of Pre-School facilities

HOUSING

To provide and maintain housing for staff and the community.

Provision and maintenance of housing for staff and the community.

COMMUNITY AMENITIES

Provide services required by the community

Rubbish collection services, operation of tips, noise control, administration of town planning scheme, maintenance of cemetery and provision of Land Care Services.

RECREATION AND CULTURE

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

Maintenance of halls, aquatic centre, recreation centre, reserves and parks, library

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, licensing services and airstrip maintenance

ECONOMIC SERVICES

To help promote the Shire and improve its economic wellbeing

The regulation and provision of tourism, area promotion, building control, sale yards, noxious weeds, vermin control and standpipes

OTHER PROPERTY AND SERVICES

Pooled costs and other unclassified transactions

Private works operations, plant repairs and operations costs.

SHIRE OF KELLERBERRIN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2020

BY NATURE OR TYPE

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		2,235,673	2,135,478	2,124,358
Operating grants, subsidies and contributions		1,201,674	2,216,380	1,236,049
Fees and charges		681,182	691,195	614,762
Interest earnings		48,020	59,661	30,749
Goods and services tax		265,787	277,139	172,720
Other revenue		353,876	375,581	250,882
		4,786,212	5,755,434	4,429,520
Payments				
Employee costs		(1,854,090)	(1,690,511)	(1,828,217)
Materials and contracts		(1,659,516)	(1,112,380)	(1,456,247)
Utility charges		(358,373)	(369,786)	(276,751)
Interest expenses		(97,697)	(109,806)	(112,100)
Insurance expenses		(219,689)	(175,183)	(158,099)
Goods and services tax		(265,787)	(265,787)	(172,720)
Other expenditure		(70,126)	(42,141)	(234,181)
		(4,525,278)	(3,765,594)	(4,238,314)
Net cash provided by (used in) operating activities	3	260,934	1,989,840	191,206
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	4(a)	(518,395)	(1,304,815)	(1,232,126)
Payments for construction of infrastructure	4(a)	(3,999,160)	(1,433,916)	(1,608,075)
Non-operating grants, subsidies and contributions used for the development of assets	9	2,868,810	1,427,236	875,474
Proceeds from sale of plant & equipment	4(b)	373,000	322,355	191,541
Net cash provided by (used in) investing activities		(1,275,745)	(989,140)	(1,773,186)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(186,291)	(194,689)	(209,771)
Proceeds from new borrowings	6(b)	0	700,000	700,000
Net cash provided by (used in) financing activities		(186,291)	505,311	490,229
Net increase (decrease) in cash held		(1,201,102)	1,506,011	(1,091,751)
Cash at beginning of year		3,288,149	1,782,138	1,780,619
Cash and cash equivalents at the end of the year	3	2,087,047	3,288,149	688,868

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

SHIRE OF KELLERBERRIN
RATES SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2020

BY REPORTING PROGRAM

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	2 (b)(i)	2,020,281	1,230,968	1,244,747
		2,020,281	1,230,968	1,244,747
Revenue from operating activities (excluding rates)				
Governance		34,000	30,541	15,623
General purpose funding		1,193,406	2,173,459	1,201,138
Law, order, public safety		44,797	41,010	37,090
Health		16,000	13,488	10,560
Education and welfare		5,200	1,200	5,200
Housing		163,920	3,716	112,120
Community amenities		141,021	162,781	140,120
Recreation and culture		46,350	129,423	38,050
Transport		159,910	145,787	107,560
Economic services		408,376	442,572	326,174
Other property and services		156,000	279,038	140,000
		2,368,980	3,423,015	2,133,635
Expenditure from operating activities				
Governance		(748,305)	(598,513)	(732,350)
General purpose funding		(230,080)	(193,235)	(175,602)
Law, order, public safety		(183,249)	(155,943)	(132,388)
Health		(112,890)	(101,293)	(92,405)
Education and welfare		(31,199)	(11,702)	(40,550)
Housing		(151,764)	(44,668)	0
Community amenities		(552,569)	(477,870)	(544,272)
Recreation and culture		(1,381,735)	(1,156,061)	(1,214,635)
Transport		(2,321,334)	(2,569,410)	(1,304,477)
Economic services		(627,586)	(530,675)	(461,894)
Other property and services		(185,313)	(324,305)	(727,754)
		(6,526,024)	(6,163,675)	(5,426,327)
Non-cash amounts excluded from operating activities	2 (b)(ii)	2,473,933	2,497,796	1,302,784
Amount attributable to operating activities		337,170	988,104	(745,161)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	9	2,868,810	1,427,236	875,474
Purchase property, plant and equipment	4(a)	(518,395)	(1,304,815)	(1,232,126)
Purchase and construction of infrastructure	4(a)	(3,999,160)	(1,433,916)	(1,608,075)
Proceeds from disposal of assets	4(b)	373,000	322,355	191,541
Amount attributable to investing activities		(1,275,745)	(989,140)	(1,773,186)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(186,291)	(194,689)	(209,771)
Proceeds from new borrowings	6(b)	0	700,000	700,000
Transfers to cash backed reserves (restricted assets)	7(a)	(1,258,099)	(296,348)	(62,465)
Transfers from cash backed reserves (restricted assets)	7(a)	171,395	0	0
Amount attributable to financing activities		(1,272,995)	208,963	427,764
Budgeted deficiency before general rates		(2,211,570)	207,927	(2,090,583)
Estimated amount to be raised from general rates	1	2,211,570	2,123,354	2,090,583
Net current assets at end of financial year - surplus/(deficit)	2 (b)(i)	0	2,331,281	0

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

SHIRE OF KELLERBERRIN
RATES SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2020

BY NATURE OR TYPE

	NOTE	2019/20 Budget \$	2018/19 Actual \$	2018/19 Budget \$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	2 (b)(i)	2,020,281	1,230,968	1,244,747
		2,020,281	1,230,968	1,244,747
Revenue from operating activities (excluding rates)				
Rate revenue other than revenue raised from general rates	1	27,603	26,414	0
Operating grants, subsidies and contributions	9	1,210,299	2,254,499	1,182,351
Fees and charges	8	681,182	691,195	591,450
Interest earnings	10(a)	48,020	59,661	30,700
Other revenue	10(b)	353,876	375,581	299,901
Profit on asset disposals	4(b)	48,000	15,665	29,233
		2,368,980	3,423,015	2,133,635
Expenditure from operating activities				
Employee costs		(1,854,090)	(1,709,672)	(1,894,995)
Materials and contracts		(1,402,916)	(1,241,890)	(1,403,663)
Utility charges		(358,373)	(369,786)	(288,690)
Depreciation on non-current assets	5	(2,449,981)	(2,491,995)	(1,328,117)
Interest expenses	10(d)	(98,897)	(111,542)	(112,535)
Insurance expenses		(219,689)	(175,183)	(158,099)
Other expenditure		(70,126)	(42,141)	(236,328)
Loss on asset disposals	4(b)	(71,952)	(21,466)	(3,900)
		(6,526,024)	(6,163,675)	(5,426,327)
Operating activities excluded from budgeted deficiency				
Non-cash amounts excluded from operating activities	2 (b)(ii)	2,473,933	2,497,796	1,302,784
Amount attributable to operating activities		337,170	988,104	(745,161)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	9	2,868,810	1,427,236	875,474
Purchase property, plant and equipment	4(a)	(518,395)	(1,304,815)	(1,232,126)
Purchase and construction of infrastructure	4(a)	(3,999,160)	(1,433,916)	(1,608,075)
Proceeds from disposal of assets	4(b)	373,000	322,355	191,541
Amount attributable to investing activities		(1,275,745)	(989,140)	(1,773,186)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(186,291)	(194,689)	(209,771)
Proceeds from new borrowings	6	0	700,000	700,000
Transfers to cash backed reserves (restricted assets)	7(a)	(1,258,099)	(296,348)	(62,465)
Transfers from cash backed reserves (restricted assets)	7(a)	171,395	0	0
Amount attributable to financing activities		(1,272,995)	208,963	427,764
Budgeted deficiency before general rates		(2,211,570)	207,927	(2,090,583)
Estimated amount to be raised from general rates	1	2,211,570	2,123,354	2,090,583
Net current assets at end of financial year - surplus/(deficit)	2 (b)(i)	0	2,331,281	0

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

SHIRE OF KELLERBERRIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30TH JUNE 2020

1. RATES AND SERVICE CHARGES

(a) Rating Information

RATE TYPE	Rate in \$	Number of properties	Rateable value \$	2019/20 Budgeted		2019/20 Budgeted back rates \$	2019/20 Budgeted total revenue \$	2018/19 Actual total revenue \$	2018/19 Budget total revenue \$
				rate revenue \$	interim rates \$				
Differential general rate									
Gross rental valuations									
GRV Kellerberrin Residential	0.133680	330	2,959,372	395,859	0	0	395,859	381,092	378,816
GRV Other Residential	0.133680	3	19,240	2,572	0	0	2,572	2,455	2,455
GRV Kellerberrin Commercial	0.153600	29	645,937	99,216	0	0	99,216	103,555	69,379
GRV Other Commercial	0.153600	3	27,976	4,297	0	0	4,297	4,112	4,112
Unimproved valuations									
UV Mining Tenements	0.020650	0	0	0	0	0	0	0	0
UV Rural	0.020650	267	75,794,000	1,565,146	0	0	1,565,146	1,498,346	1,502,849
Sub-Totals		632	79,446,525	2,067,090	0	0	2,067,090	1,989,560	1,957,611
Minimum payment									
Gross rental valuations									
GRV Kellerberrin Residential	782	61	74,059	47,702	0	0	47,702	42,636	42,636
GRV Other Residential	782	26	37,668	20,332	0	0	20,332	19,448	19,448
GRV Kellerberrin Commercial	859	26	72,194	22,334	0	0	22,334	22,194	21,372
GRV Other Commercial	859	2	170	1,718	0	0	1,718	1,644	1,644
Unimproved valuations									
UV Mining Tenements	782	1	2,805	782	0	0	782	748	748
UV Rural	782	66	1,155,100	51,612	0	0	51,612	47,124	47,124
Sub-Totals		182	1,341,996	144,480	0	0	144,480	133,794	132,972
Discounts/concessions (Refer note 1(g))									
		814	80,788,521	2,211,570	0	0	2,211,570	2,123,354	2,090,583
Total amount raised from general rates									
Ex-Gratia Rates							2,211,570	2,123,354	2,090,583
Specified area rates (Refer note 1(e))							27,603	26,414	0
Total rates							0	0	0
SHIRE OF KELLERBERRIN							2,239,173	2,149,768	2,090,583

**NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

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

The general rates detailed for the 2019/20 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

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

SHIRE OF KELLERBERRIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30TH JUNE 2020

1. RATES AND SERVICE CHARGES (CONTINUED)

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

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

Instalment options	Date due	Instalment plan admin charge \$	Instalment plan interest rate %	Unpaid rates interest rates %
Option one				
Full Payment	29/08/2019	0	0.0%	11.0%
Option two				
First Instalment	29/08/2019	0	5.5%	11.0%
Second Instalment	2/01/2020	5	5.5%	11.0%
Option three				
First Instalment	29/08/2019	0	5.5%	11.0%
Second Instalment	31/10/2019	5	5.5%	11.0%
Third Instalment	2/01/2020	5	5.5%	11.0%
Fourth Instalment	3/03/2020	5	5.5%	11.0%
		2019/20 Budget revenue \$		2018/19 Actual revenue \$
Instalment plan admin charge revenue		2,000		1,895
Instalment plan interest earned		6,000		5,637
Unpaid rates and service charge interest earned		15,000		14,102
		23,000		21,634
				2018/19 Budget revenue \$
				1,500
				6,000
				12,500
				20,000

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
GRV Residential	Land predominantly used for Residential or other Non-rural purposes	The objective is to raise revenue to contribute to services desired by the community.	This is considered to be the base rate on which all other GRV rate levels are assessed.
GRV Commercial	Land predominately used for Commercial and Industrial purposes	The objective is to raise additional revenue at a higher level than similarly valued residential and rural land.	A higher rate is applied to this land use category to achieve a greater contribution to reflect the additional costs of servicing commercial and industrial activities including parking, waste control, landscaping and other infrastructure.

(d) Differential Minimum Payment

Description	Characteristics	Objects	Reasons
GRV Residential	Land predominant used for residential or other non-rural purposes	This payment level is considered the minimum contribution for basic services and infrastructure provided to residential and other non-rural land.	The Council believes a minimum payment level should be applied to all rateable land regardless of the value of the property to contribute to basic public services and infrastructure.
GRV Commercial Industrial	Land predominately used for Commercial and Industrial purposes	This payment level is considered the minimum contribution for basic services and infrastructure provided to commercial and industrial land.	The Council believes a minimum payment level should be applied to all rateable land regardless of the value of the property to contribute to basic public services and infrastructure. A higher minimum payment level is applied to all commercial and industrial properties to reflect the additional costs of servicing commercial and industrial activities including parking, waste control, landscaping and other infrastructure.

1. RATES AND SERVICE CHARGES (CONTINUED)

(e) Specified Area Rate

The Shire did not raise specified area rates for the year ended 30th June 2020.

(f) Service Charges

The Shire did not raise service charges for the year ended 30th June 2020.

(g) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2020.

SHIRE OF KELLERBERRIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30TH JUNE 2020

2 (a). NET CURRENT ASSETS

Note	2019/20	2019/20	2018/19	2018/19	
	Budget	Budget	Estimated	Budget	
	30 June 2020	01 July 2019	30 June 2019	30 June 2019	
	\$	\$	\$	\$	
Composition of estimated net current assets					
Current assets					
Cash - unrestricted	3	77,592	2,365,398	2,365,398	0
Cash - restricted reserves	3	2,009,455	922,751	922,751	688,867
Receivables		358,647	346,522	346,522	185,033
Inventories		5,384	3,784	3,784	3,784
		2,451,078	3,638,455	3,638,455	877,684
Less: current liabilities					
Trade and other payables		(421,560)	(675,360)	(364,360)	(188,817)
Long term borrowings		186,291	0	0	(631,619)
Provisions		(189,692)	(189,692)	(189,692)	(216,040)
		(424,961)	(865,052)	(554,052)	(1,036,476)
Net current assets		2,026,117	2,773,403	3,084,403	(158,792)

2 (b). NET CURRENT ASSETS (CONTINUED)

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

Operating activities excluded from budgeted deficiency

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

	Note	2019/20 Budget 30 June 2020	2019/20 Budget 01 July 2019	2018/19 Estimated Actual 30 June 2019	2018/19 Budget 30 June 2019
		\$	\$	\$	\$
(i) Current assets and liabilities excluded from budgeted deficiency					
Net current assets	2	2,026,117	2,773,403	3,084,403	(158,782)
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement.					
Adjustments to net current assets					
Less: Cash - restricted reserves	3	(2,009,455)	(922,751)	(922,751)	(688,867)
Add: Current liabilities not expected to be cleared at end of year					
- Current portion of borrowings		(186,291)	0	0	631,619
- Employee benefit provisions		189,692	189,692	189,692	216,040
Add: Movement in provisions between current and non-current provisions		(20,063)	(20,063)	(20,063)	0
Adjusted net current assets - surplus/(deficit)		0	2,020,281	2,331,281	0
(ii) Operating activities excluded from budgeted deficiency					
The following non-cash revenue or expenditure has been excluded from operating activities within the Rate Setting Statement.					
Adjustments to operating activities					
Less: Profit on asset disposals	4(b)	(48,000)	(15,665)	(15,665)	(29,233)
Less: Non-cash grants and contributions for assets		0	(311,000)	0	0
Add: Loss on disposal of assets	4(b)	71,952	21,466	21,466	3,900
Add: Change in accounting policies	15	0	311,000	0	0
Add: Depreciation on assets	5	2,449,981	2,491,995	2,491,995	1,328,117
Non cash amounts excluded from operating activities		2,473,933	2,497,796	2,497,796	1,302,784

(iii) Reason for adjustment to Adjusted net current assets - surplus/(deficit) on 1 July 2019

The Shire has elected to retrospectively apply the cumulative effect of applying AASB 1058 Income of Not-for-Profit Entities at the date of initial application of the standard, being 1 July 2019. The impact of applying the standard was to recognise unspent grants and contributions for construction of recognisable non-financial assets controlled by the Shire as a liability. The opening budgeted surplus/deficit on 1 July 2019 has been amended accordingly from the estimated actual closing surplus/deficit. Refer to note 15 for further explanation of the impact of the changes in accounting policies

2 (c). NET CURRENT ASSETS (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

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

TRADE AND OTHER PAYABLES

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

CONTRACT ASSETS

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

PROVISIONS

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

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

INVENTORIES

General

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

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

Superannuation

The Shire of Kellerberrin contributes to a number of superannuation funds on behalf of employees.

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

TRADE AND OTHER RECEIVABLES

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

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

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

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.

EMPLOYEE BENEFITS

Short-term employee benefits

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

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

LAND HELD FOR RESALE

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

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

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

**SHIRE OF KELLERBERRIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

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:

	2019/20 Budget	2018/19 Actual	2018/19 Budget
	\$	\$	\$
Cash - unrestricted	77,592	2,365,398	0
Cash - restricted	2,009,455	922,751	688,867
	2,087,047	3,288,149	688,867
The following restrictions have been imposed by regulation or other externally imposed requirements:			
Leave Reserve	76,826	55,862	55,664
Plant Replacement Reserve	249,380	217,795	38,834
Special Projects Reserve	44,588	44,588	45,398
Housing Reserve	191,259	60,432	60,219
Community Bus Reserve	67,335	66,426	66,192
Swimming Pool Reserve	1,246,252	394,753	393,045
Pathways Reserve	51,056	1,056	1,075
Sports and Recreation Reserve	82,959	81,839	28,440
	2,009,455	922,751	688,867
Reconciliation of net cash provided by operating activities to net result			
Net result	923,336	809,930	(326,635)
Depreciation	2,449,981	2,491,995	1,328,117
(Profit)/loss on sale of asset	23,952	5,801	(25,333)
(Increase)/decrease in receivables	(12,125)	(41,057)	120,451
(Increase)/decrease in contract assets	0	0	
(Increase)/decrease in inventories	(1,600)	0	
Increase/(decrease) in payables	(564,800)	130,344	44,730
Increase/(decrease) in contract liabilities	0	0	
Increase/(decrease) in employee provisions	0	20,063	(74,650)
Change in accounting policies transferred to retained surplus (refer to Note 15)	311,000	0	0
Grants/contributions for the development of assets	(2,868,810)	(1,427,236)	(875,474)
Net cash from operating activities	260,934	1,989,840	191,206

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.

SHIRE OF KELLERBERRIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020

4. FIXED ASSETS

(a) Acquisition of Assets

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

Asset class	Reporting program							
	Governance	Community amenities	Recreation and culture	Transport	Economic services	Other property and services	2018/19	
							Budget total	Actual total
	\$	\$	\$	\$	\$	\$	\$	\$
<u>Property, Plant and Equipment</u>								
Buildings - non-specialised	20,000	0	0	0	0	0	814,259	765,000
Furniture and equipment	20,000	0	0	0	0	0	127,167	26,150
Plant and equipment	185,000	0	0	293,395	0	0	363,389	440,976
	225,000	0	0	293,395	0	0	1,304,815	1,232,126
<u>Infrastructure</u>								
Infrastructure - Roads	0	0	0	3,600,887	0	0	1,339,734	1,586,415
Infrastructure - Footpaths	0	0	0	62,622	0	0	0	0
Infrastructure - Public Facilities	0	80,000	65,651	0	110,000	80,000	94,182	21,660
	0	80,000	65,651	3,663,509	110,000	80,000	1,433,916	1,608,075
Total acquisitions	225,000	80,000	65,651	3,956,904	110,000	80,000	2,738,731	2,840,201

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

- The Shire's Long Term financial Plan

SHIRE OF KELLERBERRIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020

4. FIXED ASSETS (CONTINUED)

(b) Disposals of Assets

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

	2019/20		2019/20		2019/20		2018/19		2018/19		2018/19		2018/19		2018/19		
	Budget	Budget	2019/20	2019/20	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	
	Net Book	Sale	Budget	Budget	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
	Value	Proceeds	Loss	Loss	Net Book	Net Book	Net Book	Net Book	Net Book	Net Book	Net Book	Net Book	Net Book	Net Book	Net Book	Net Book	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
By Program																	
Governance	138,000	163,000	25,000	0	205,329	209,545	11,085	(6,869)	92,913	95,636	6,623	(3,900)					
Transport	163,952	99,000	7,000	(71,952)	122,827	112,810	4,580	(14,597)	73,295	95,905	22,610	0					
Other property and services	95,000	111,000	16,000	0		0	0	0									
	396,952	373,000	48,000	(71,952)	328,156	322,355	15,665	(21,466)	166,208	191,541	29,233	(3,900)					
By Class																	
<u>Property, Plant and Equipment</u>																	
Buildings - non-specialised	75,000	80,000	5,000	0		0											
Plant and equipment	321,952	293,000	43,000	(71,952)	328,156	322,355	15,665	(21,466)	166,208	191,541	29,233	(3,900)					
	396,952	373,000	48,000	(71,952)	328,156	322,355	15,665	(21,466)	166,208	191,541	29,233	(3,900)					

**SHIRE OF KELLERBERRIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2020**

5. 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
Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - Roads
Infrastructure - Footpaths
Infrastructure - Drainage
Infrastructure - Public Facilities

	2019/20 Budget	2018/19 Actual	2018/19 Budget
	\$	\$	\$
	37,193	37,192	38,144
	75,205	75,205	36,431
	8,242	8,243	9,559
	5,018	5,018	4,218
	37,284	37,284	37,188
	20,993	20,993	12,893
	383,934	383,935	409,992
	1,428,188	1,428,188	469,072
	24,147	24,147	17,753
	429,777	471,790	292,867
	2,449,981	2,491,995	1,328,117
	38,674	38,674	193,676
	239,430	239,430	0
	28,848	28,848	15,190
	568,419	568,419	118,825
	1,177,733	1,219,747	854,379
	41,716	41,716	8,484
	118,192	118,192	5,448
	236,969	236,969	132,115
	2,449,981	2,491,995	1,328,117

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.

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

Buildings - non-specialised	30 to 50 years
Buildings - specialised	30 to 50 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
User defined 1	
Sealed roads and streets - pavement	50 years
Seal	20 - 25 years
Gravel roads - formation	not depreciated
Gravel roads - pavement	50 years
Gravel roads - gravel sheet	12 years
Formed roads - formation	not depreciated
Formed roads - pavement	50 years
Public facilities	20-45 years
Sewerage piping	100 years
Water supply piping & drainage systems	75 years

DEPRECIATION (CONTINUED)

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

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

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.

SHIRE OF KELLERBERRIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30TH JUNE 2019

6. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

Purpose	2019/20		2019/20		2019/20		2018/19		2018/19		2018/19		2018/19		2018/19		2018/19		2018/19	
	Budget Principal 1 July 2019	Budget New loans	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding 30 June 2020	Actual Principal 1 July 2018	Actual New loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding 30 June 2019	Budget Principal 1 July 2018	Budget New loans	Budget Principal repayments	Budget Interest repayments	Budget Principal outstanding 30 June 2019	Budget Principal outstanding 30 June 2019				
Housing																				
Police Houses (Hammond St)	654,425	0	62,373	18,872	592,052	0	700,000	45,575	16,908	654,425	0	700,000	60,657	24,522	639,343					
Recreation and culture																				
Loan 118 - Recreation Centre	1,118,360	0	64,292	69,724	1,054,068	1,178,715	0	60,355	77,497	1,118,360	0	60,355	73,661	1,118,360						
Transport																				
Loan 116A Grader - John Deere	0	0	0	0	0	31,589	0	31,589	940	0	0	31,589	1,085	0						
Other property and services																				
Loan 117 Residence Leake Street	24,294	0	24,294	1,071	0	47,227	0	22,933	3,698	24,294	0	22,933	2,432	24,294						
Loan 119 14 CEACA Units	305,256	0	35,332	9,230	269,924	339,493	0	34,237	12,498	305,256	0	34,237	10,325	305,256						
	2,102,335	0	186,291	98,897	1,916,044	1,597,024	700,000	194,689	111,542	2,102,335	700,000	209,771	112,035	2,087,252						

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.
The self supporting loan(s) repayment will be fully reimbursed.

SHIRE OF KELLERBERRIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30TH JUNE 2020

6. INFORMATION ON BORROWINGS (CONTINUED)

(b) New borrowings - 2019/20

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2020

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2019 nor is it expected to have unspent borrowing funds as at 30th June 2020.

(d) Credit Facilities

	2019/20 Budget	2018/19 Actual	2018/19 Budget
	\$	\$	\$
Undrawn borrowing facilities			
credit standby arrangements			
Bank overdraft limit	500,000	500,000	500,000
Bank overdraft at balance date	0	0	0
Credit card limit	15,000	15,000	15,000
Credit card balance at balance date	0	(378)	0
Total amount of credit unused	515,000	514,622	515,000
Loan facilities			
Loan facilities in use at balance date	1,916,044	2,102,335	2,087,252

Overdraft details	Purpose overdraft was established	Year overdraft established	Amount b/fwd 1 July 2019	2019/20 Budgeted Increase/ (Decrease)	Amount as at 30th June 2020
			\$	\$	\$
NAB	To cover shortfalls in cash flows when required	June 2013	500,000	0	500,000
			500,000	0	500,000

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 KELLERBERRIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30TH JUNE 2020

7. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

	2019/20	2019/20	2019/20	2019/20	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19
	Budget	2019/20	2019/20	2019/20	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19
	Opening	Budget	Budget	Budget	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Budget
	Balance	Transfer to	Transfer	Closing	Opening	Transfer	Opening	Transfer	Transfer	Transfer	Transfer	Closing
	Balance	Transfer to	(from)	Balance	Balance	(from)	Balance	(from)	(from)	(from)	(from)	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave Reserve	55,862	20,764	0	76,626	42,206	13,656	42,206	13,458	13,458	0	55,862	55,864
Plant Replacement Reserve	217,795	202,980	(171,395)	249,380	142	217,653	141	38,693	38,693	0	217,795	38,834
Special Projects Reserve	44,588	0	0	44,588	44,588	0	44,588	810	810	0	44,588	45,398
Housing Reserve	60,432	130,827	0	191,259	59,144	1,288	59,144	1,075	1,075	0	60,432	60,219
Community Bus Reserve	66,426	909	0	67,335	65,010	1,416	65,010	1,182	1,182	0	66,426	66,192
Swimming Pool Reserve	394,753	851,499	0	1,246,252	386,030	8,723	386,030	7,015	7,015	0	394,753	393,045
Pathways Reserve	1,056	50,000	0	51,056	1,056	0	1,056	19	19	0	1,056	1,075
Sports and Recreation Reserve	81,839	1,120	0	82,959	28,227	53,612	28,228	212	212	0	81,839	28,440
	922,751	1,258,099	(171,395)	2,009,455	626,403	296,348	626,403	62,465	62,465	0	922,751	688,867

(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
Leave Reserve	Ongoing	To be used to fund employees Long Service Leave
Plant Replacement Reserve	Ongoing	To be used for the future purchase of Plant and Machinery
Special Projects Reserve	Ongoing	To be used in the funding of Special Projects
Housing Reserve	Ongoing	To be used for the provision of Staff Housing
Community Bus Reserve	Ongoing	To subsidise the replacement of Community Bus
Swimming Pool Reserve	Ongoing	To be used to improve the Swimming Pool Facilities
Pathways Reserve	Ongoing	To be used for the construction of new Pathways
Sports and Recreation Reserve	Ongoing	To provide Sporting and Recreation Amenities

SHIRE OF KELLERBERRIN
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30TH JUNE 2020

8. FEES & CHARGES REVENUE

	2019/20 Budget	2018/19 Actual	2018/19 Budget
	\$	\$	\$
Governance	4,000	4,148	4,000
General purpose funding	75,191	73,446	73,300
Law, order, public safety	6,000	6,743	4,000
Health	16,000	13,488	10,560
Education and welfare	5,200	1,200	5,200
Housing	153,920	(14,761)	106,120
Community amenities	141,021	138,066	140,120
Recreation and culture	21,350	28,026	15,050
Transport	7,000	7,904	6,500
Economic services	156,500	246,886	126,600
Other property and services	95,000	186,049	100,000
	<u>681,182</u>	<u>691,195</u>	<u>591,450</u>

9. GRANT REVENUE

Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:

By Program:

Operating grants, subsidies and contributions

Governance	0	1,228	0
General purpose funding	1,025,592	1,996,811	1,066,261
Law, order, public safety	38,797	34,267	33,090
Community amenities	0	24,624	0
Recreation and culture	0	63,836	0
Transport	145,910	133,302	83,000
Economic services	0	432	0
	<u>1,210,299</u>	<u>2,254,500</u>	<u>1,182,351</u>

Non-operating grants, subsidies and contributions

Governance	0	103,605	0
Law, order, public safety	0	8,238	0
Recreation and culture	0	0	5,000
Transport	2,868,810	1,315,393	870,474
	<u>2,868,810</u>	<u>1,427,236</u>	<u>875,474</u>