



Shire of Ravensthorpe

BUDGET 2021/22



Adopted 31 August 2021

SHIRE OF RAVENSTHORPE

BUDGET

FOR THE YEAR ENDED 30 JUNE 2022

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

Growing Our Community

SHIRE OF RAVENSTHORPE
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)	4,702,128	4,512,825	4,503,933
Operating grants, subsidies and contributions	10(a)	1,937,785	3,354,082	2,011,246
Fees and charges	9	2,710,880	2,166,936	2,137,072
Interest earnings	13(a)	59,000	57,021	78,300
Other revenue	13(b)	5,881,312	647,891	576,247
		15,291,105	10,738,755	9,306,798
Expenses				
Employee costs		(4,657,494)	(4,279,019)	(4,287,386)
Materials and contracts		(9,079,213)	(3,397,719)	(3,494,094)
Utility charges		(241,187)	(250,566)	(219,758)
Depreciation on non-current assets	5	(5,004,073)	(4,712,546)	(4,902,716)
Interest expenses	13(d)	(80,660)	(89,674)	(90,968)
Insurance expenses		(236,818)	(322,740)	(225,393)
Other expenditure		(336,703)	(355,285)	(355,930)
		(19,636,148)	(13,407,549)	(13,576,245)
Subtotal		(4,345,043)	(2,668,794)	(4,269,447)
Non-operating grants, subsidies and contributions	10(b)	8,979,138	2,436,075	9,166,318
Profit on asset disposals	4(b)	57,092	5,378	49,500
Loss on asset disposals	4(b)	(26,543)	(66,112)	(227,000)
		9,009,687	2,375,341	8,988,818
Net result		4,664,644	(293,453)	4,719,371
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		4,664,644	(293,453)	4,719,371

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

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 Ravensthorpe 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 16 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*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the *Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services.

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

PROFIT ON ASSET DISPOSAL

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

REVENUES (CONTINUED)

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

FEES AND CHARGES

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

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

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

EXPENSES

EMPLOYEE COSTS

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

MATERIALS AND CONTRACTS

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

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets includes loss on disposal of long term investments.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expense raised on all classes of assets.

INTEREST EXPENSES

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

OTHER EXPENDITURE

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

SHIRE OF RAVENSTHORPE
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		44,000	38,941	20,000
General purpose funding		5,841,357	6,529,575	5,504,055
Law, order, public safety		527,797	660,882	377,790
Health		5,200	5,200	15,500
Education and welfare		777,380	683,816	1,084,965
Housing		11,800	5,700	5,200
Community amenities		765,300	777,116	704,474
Recreation and culture		221,900	392,677	473,001
Transport		1,019,445	961,879	313,000
Economic services		322,614	380,595	341,468
Other property and services		5,754,312	302,374	467,345
		15,291,105	10,738,755	9,306,798
Expenses excluding finance costs	4(a),5,13(c)(e)(f)			
Governance		(887,656)	(936,216)	(965,894)
General purpose funding		(300,523)	(259,785)	(297,378)
Law, order, public safety		(1,141,160)	(1,058,636)	(859,274)
Health		(386,177)	(282,426)	(310,386)
Education and welfare		(1,244,462)	(1,068,233)	(1,082,697)
Housing		(192,336)	(210,120)	(237,151)
Community amenities		(1,563,482)	(1,394,400)	(1,618,187)
Recreation and culture		(2,046,807)	(1,856,508)	(1,902,641)
Transport		(5,336,736)	(4,941,766)	(5,094,362)
Economic services		(669,916)	(519,920)	(709,314)
Other property and services		(5,786,233)	(789,865)	(407,993)
		(19,555,488)	(13,317,875)	(13,485,277)
Finance costs	7,6(a),13(d)			
Law, order, public safety		(122)	(345)	(345)
Housing		(13,765)	(14,817)	(14,072)
Community amenities		(22,717)	(25,891)	(25,891)
Recreation and culture		(12,157)	(12,461)	(11,080)
Transport		(31,899)	(36,160)	(39,580)
		(80,660)	(89,674)	(90,968)
Subtotal		(4,345,043)	(2,668,794)	(4,269,447)
Non-operating grants, subsidies and contributions	10(b)	8,979,138	2,436,075	9,166,318
Profit on disposal of assets	4(b)	57,092	5,378	49,500
(Loss) on disposal of assets	4(b)	(26,543)	(66,112)	(227,000)
		9,009,687	2,375,341	8,988,818
Net result		4,664,644	(293,453)	4,719,371
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		4,664,644	(293,453)	4,719,371

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.

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services.

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer community

HEALTH

To provide an operational framework for environmental and community health.

EDUCATION AND WELFARE

To meet the needs of the community in these areas

HOUSING

Help ensure adequate housing for Council staff

COMMUNITY AMENITIES

Provide services required by the community

RECREATION AND CULTURE

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

TRANSPORT

To provide effective and efficient transport services to the community.

ECONOMIC SERVICES

To help promote the shire and its economic wellbeing.

OTHER PROPERTY AND SERVICES

To monitor and control the Shire's overhead operating accounts.

ACTIVITIES

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

Rates, general purpose government grants and interest revenue.

Supervision of various locals laws relating to fire prevention, emergency services and animal control.

Food quality and pest control, maintenance and contributions to health services and facilities.

Operation & provision of retirement units & Aged care services, Operation of the Cub House Child Care facility in Ravensthorpe & of Little Barrens Child Care in Hopetoun

Maintenance of staff and rental housing.

Rubbish collection services, operation of tips, noise control, administration of the town planning scheme, maintenance of cemeteries, control and maintenance of coastal reserves and other community/environmental services.

Maintenance of halls, sporting complexes, resource centres, parks and gardens and TV/Radio rebroadcast.

Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, parking facilities, traffic signs, depot maintenance and airstrips.

The regulation and provision of tourism, area promotion, building control, noxious weeds, vermin control and water supply including stand pipes.

Private works, plant repairs and operating costs. Licensing services, Future Fund and BankWest ATM.

SHIRE OF RAVENSTHORPE
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		4,702,128	4,584,638	4,666,433
Operating grants, subsidies and contributions		1,301,014	3,602,704	2,458,423
Fees and charges		2,710,880	2,166,936	2,137,072
Interest received		59,000	57,021	78,300
Goods and services tax received		749,974	777,917	752,742
Other revenue		5,881,312	647,891	576,247
		15,404,308	11,837,107	10,669,217
Payments				
Employee costs		(4,657,494)	(4,078,275)	(4,287,386)
Materials and contracts		(8,894,128)	(2,873,897)	(2,768,981)
Utility charges		(241,187)	(250,566)	(219,758)
Interest expenses		(80,660)	(92,668)	(90,968)
Insurance paid		(236,818)	(322,740)	(225,393)
Goods and services tax paid		(749,974)	(749,974)	(752,742)
Other expenditure		(336,703)	(355,285)	(355,930)
		(15,196,964)	(8,723,405)	(8,701,158)
Net cash provided by (used in) operating activities	3	207,344	3,113,702	1,968,059
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	4(a)	(10,260,209)	(2,344,380)	(9,081,671)
Payments for construction of infrastructure	4(a)	(3,373,639)	(1,792,591)	(4,231,049)
Non-operating grants, subsidies and contributions	10(b)	8,979,138	2,436,075	9,166,318
Proceeds from sale of plant and equipment	4(b)	275,549	237,743	393,500
Net cash provided by (used in) investing activities		(4,379,161)	(1,463,153)	(3,752,902)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(426,653)	(218,282)	(218,282)
Principal elements of lease payments	7	(124,398)	(121,000)	(121,000)
Net cash provided by (used in) financing activities		(551,051)	(339,282)	(339,282)
Net increase (decrease) in cash held		(4,722,868)	1,311,267	(2,124,125)
Cash at beginning of year		5,767,812	4,456,545	4,456,545
Cash and cash equivalents at the end of the year	3	1,044,944	5,767,812	2,332,420

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

SHIRE OF RAVENSTHORPE
RATE SETTING STATEMENT BY PROGRAM
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)	1,585,809	1,753,622	1,739,505
		1,585,809	1,753,622	1,739,505
Revenue from operating activities (excluding rates)				
Governance		44,000	38,941	20,000
General purpose funding		1,192,900	2,065,984	1,049,356
Law, order, public safety		527,797	660,882	377,790
Health		9,291	5,200	15,500
Education and welfare		777,380	683,816	1,084,965
Housing		11,800	5,700	5,200
Community amenities		765,300	777,116	704,474
Recreation and culture		233,264	392,677	474,001
Transport		1,054,445	961,879	358,500
Economic services		322,614	380,595	341,468
Other property and services		5,760,949	307,752	470,345
		10,699,740	6,280,542	4,901,599
Expenditure from operating activities				
Governance		(887,656)	(936,216)	(965,894)
General purpose funding		(300,523)	(259,785)	(297,378)
Law, order, public safety		(1,141,282)	(1,067,743)	(859,619)
Health		(386,177)	(282,426)	(325,386)
Education and welfare		(1,244,462)	(1,068,233)	(1,082,697)
Housing		(206,101)	(224,937)	(251,223)
Community amenities		(1,586,199)	(1,420,291)	(1,644,078)
Recreation and culture		(2,058,964)	(1,868,969)	(1,962,721)
Transport		(5,384,635)	(5,035,276)	(5,209,942)
Economic services		(669,916)	(519,920)	(709,314)
Other property and services		(5,796,776)	(789,865)	(494,993)
		(19,662,691)	(13,473,661)	(13,803,245)
Non-cash amounts excluded from operating activities	2(b)	4,973,524	4,926,323	5,080,216
Amount attributable to operating activities		(2,403,618)	(513,174)	(2,081,925)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		8,979,138	2,436,075	9,166,318
Payments for property, plant and equipment	4(a)	(10,260,209)	(2,344,380)	(9,081,671)
Payments for construction of infrastructure	4(a)	(3,373,639)	(1,792,591)	(4,231,049)
Proceeds from disposal of assets	4(b)	275,549	237,743	393,500
Amount attributable to investing activities		(4,379,161)	(1,463,153)	(3,752,902)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(426,653)	(218,282)	(218,282)
Principal elements of finance lease payments	7	(124,398)	(121,000)	(121,000)
Transfers to cash backed reserves (restricted assets)	8(a)	(172,479)	(1,513,566)	(1,530,000)
Transfers from cash backed reserves (restricted assets)	8(a)	2,857,852	951,393	3,249,410
Amount attributable to financing activities		2,134,322	(901,455)	1,380,128
Budgeted deficiency before imposition of general rates		(4,648,457)	(2,877,782)	(4,454,699)
Estimated amount to be raised from general rates	1	4,648,457	4,463,591	4,454,699
Net current assets at end of financial year - surplus/(deficit)	2(a)	0	1,585,809	0

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

SHIRE OF RAVENSTHORPE
RATE SETTING STATEMENT BY NATURE AND TYPE
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	1,585,809	1,753,622	1,739,505
		1,585,809	1,753,622	1,739,505
Revenue from operating activities (excluding rates)				
Specified area rates and rate revenue other than revenue raised from general rates	1(f)	53,671	49,234	49,234
Operating grants, subsidies and contributions	10(a)	1,937,785	3,354,082	2,011,246
Fees and charges	9	2,710,880	2,166,936	2,137,072
Interest earnings	13(a)	59,000	57,021	78,300
Other revenue	13(b)	5,881,312	647,891	576,247
Profit on asset disposals	4(b)	57,092	5,378	49,500
		10,699,740	6,280,542	4,901,599
Expenditure from operating activities				
Employee costs		(4,657,494)	(4,279,019)	(4,287,386)
Materials and contracts		(9,079,213)	(3,397,719)	(3,494,094)
Utility charges		(241,187)	(250,566)	(219,758)
Depreciation on non-current assets	5	(5,004,073)	(4,712,546)	(4,902,716)
Interest expenses	13(d)	(80,660)	(89,674)	(90,968)
Insurance expenses		(236,818)	(322,740)	(225,393)
Other expenditure		(336,703)	(355,285)	(355,930)
Loss on asset disposals	4(b)	(26,543)	(66,112)	(227,000)
		(19,662,691)	(13,473,661)	(13,803,245)
Non-cash amounts excluded from operating activities	2(b)	4,973,524	4,926,323	5,080,216
Amount attributable to operating activities		(2,403,618)	(513,174)	(2,081,925)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	10(b)	8,979,138	2,436,075	9,166,318
Payments for property, plant and equipment	4(a)	(10,260,209)	(2,344,380)	(9,081,671)
Payments for construction of infrastructure	4(a)	(3,373,639)	(1,792,591)	(4,231,049)
Proceeds from disposal of assets	4(b)	275,549	237,743	393,500
Amount attributable to investing activities		(4,379,161)	(1,463,153)	(3,752,902)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(426,653)	(218,282)	(218,282)
Principal elements of finance lease payments	6	(124,398)	(121,000)	(121,000)
Transfers to cash backed reserves (restricted assets)	8(a)	(172,479)	(1,513,566)	(1,530,000)
Transfers from cash backed reserves (restricted assets)	8(a)	2,857,852	951,393	3,249,410
Amount attributable to financing activities		2,134,322	(901,455)	1,380,128
Budgeted deficiency before general rates		(4,648,457)	(2,877,782)	(4,454,699)
Estimated amount to be raised from general rates	1(a)	4,648,457	4,463,591	4,454,699
Net current assets at end of financial year - surplus/(deficit)	2	0	1,585,809	0

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

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SHIRE OF RAVENSTHORPE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
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									
GRV Residential	0.12185	784	10,990,650	1,339,233	5,000	1,000	1,345,233	1,286,032	1,284,094
GRV Commercial	0.13683	33	1,434,092	196,227	0	0	196,227	191,473	181,906
GRV Industrial	0.16061	35	512,772	82,355	0	0	82,355	79,187	79,187
GRV Transient & Short Stay Accommodation	0.32746	2	852,800	279,260	0	0	279,260	268,519	268,519
Unimproved valuations									
UV Mining	0.08593	68	2,403,222	206,504	0	0	206,504	199,761	200,662
UV Other	0.00701	324	295,511,433	2,070,943	0	0	2,070,943	1,992,369	1,988,081
Sub-Totals		1,246	311,704,969	4,174,522	5,000	1,000	4,180,522	4,017,341	4,002,449
Minimum payment	\$								
Gross rental valuations									
GRV Residential	905	373	1,079,886	337,565	0	0	337,565	325,380	325,380
GRV Commercial	905	9	44,740	8,145	0	0	8,145	7,830	7,830
GRV Industrial	905	12	45,268	10,860	0	0	10,860	10,440	10,440
GRV Transient & Short Stay Accommodation	884	0	0	0	0	0	0	0	0
Unimproved valuations									
UV Mining	333	61	125,311	20,313	0	0	20,313	17,600	17,600
UV Other	884	103	6,633,252	91,052	0	0	91,052	85,000	85,000
Sub-Totals		558	7,928,457	467,935	0	0	467,935	446,250	446,250
		1,804	319,633,426	4,642,457	5,000	1,000	4,648,457	4,463,591	4,448,699
Discounts (Refer note 1(c))							0	0	1,000
Concessions (Refer note 1(c))							0	0	5,000
Total amount raised from general rates							4,648,457	4,463,591	4,454,699
Ex gratia rates							53,671	49,234	49,234
Total rates							4,702,128	4,512,825	4,503,933

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

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 rates
		\$	%	%
Option one				
Single full payment	13/10/2021			7.0%
Option two				
First instalment	13/10/2021			7.0%
Second instalment	13/12/2021	10	5.5%	7.0%
Third instalment	14/02/2022	10	5.5%	7.0%
Fourth instalment	15/04/2022	10	5.5%	7.0%

	2021/22 Budget revenue	2020/21 Actual revenue	2020/21 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	11,000	10,500	12,000
Instalment plan interest earned	15,000	13,950	15,000
Unpaid rates and service charge interest earned	20,000	17,833	27,000
	46,000	42,283	54,000

SHIRE OF RAVENSTHORPE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022

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	Properties within the townsite boundaries which have a zoning of residential or rural residential.	This rate is to contribute to service desired by the community	This is considered to be the base rate above which all other GRV rated properties are assessed
GRV Commercial	Properties zoned tourism or mixed use with predominately a commercial or tourism land use.	The objective is to raise additional revenue to contribute towards higher costs associated with commercial activity	The higher rate reflects the additional cost of servicing commercial activity including car parking, landscaping and other amenities. In addition, costs associated with tourism, economic development and regulatory compliance benefit this category.
GRV Industrial	Properties zoned light and general industry with predominately an industrial use.	The objective is to raise additional revenue to contribute towards higher costs associated with industrial activity	The higher rate reflects the additional cost of servicing industrial activity including car parking, landscaping and other amenities. Costs for environmental and regulatory compliances is higher for this category and is reflected in the rate in the dollar.
GRV Transient and Short Stay Accommodation	Properties predominately used for the purpose of Transient Workforce or Short Stay Accommodation.	The objective is to raise additional revenue to contribute towards higher costs associated with servicing this accommodation base.	The higher rate reflects additional costs including airport and sanitation infrastructure, recreational facilities including gymnasiums and swimming pool, together with a higher road use concentration within the Shire.
UV Rural	Consists of properties used predominately for rural purposes.	This rate is to contribute to service desired by the community	This is considered to be the base rate above which all other UV rated properties are assessed.
UV Mining	Properties with a land use associated with mining, exploration or prospecting purposes.	The objective is to raise additional revenue to contribute towards higher costs associated with mining activity	The higher rate reflects the ongoing costs involved in maintaining the Shire's substantial road network that services this land use.

SHIRE OF RAVENSTHORPE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022

1. RATES AND SERVICE CHARGES (CONTINUED)

(d) Differential Minimum Payment

Description	Characteristics	Objects	Reasons
All rating categories above except UV Mining, UV Other & GRV Transient & Short Stay Accommodation	Refer Above	This rate is considered the minimum contribution for basic services and infrastructure	This is considered to be the base minimum for all GRV and UV rated properties except UV Mining, UV Other and GRV Transient & Short Stay Accommodation.
UV Mining	Properties with a land use associated with mining, exploration or prospecting purposes.	This rate is lower than other rating categories recognising relatively less costs associated with providing services to principally small undeveloped mining tenements.	This provides equitable distribution of the rate burden and ensures less than 50% of properties in this category are paying the minimum amount in accordance with Section 6.35 of the Local Government Act 1995.
UV Other & GRV Transient & Short Stay Accommodation	Properties used predominantly for rural purposes and transient accommodation.	This rate is lower than the base minimum.	This lower minimum reflects a slight discount on the base minimum in recognition of the level of access to basic services and infrastructure.

1. RATES AND SERVICE CHARGES (CONTINUED)

(e) Variation in Adopted Differential Rates to Local Public Notice

The following rates and minimum payments were previously set out in the local public notice giving notice of the intention to charge differential rates.

Differential general rate or general rate	Proposed Rate in \$	Adopted Rate in \$	Reasons for the difference
Gross rental valuations			
GRV Residential	0.121852	0.121852	No Change
GRV Commercial	0.136830	0.136830	No Change
GRV industrial	0.160607	0.160607	No Change
GRV - Transient & Short Stay Accommodation	0.327462	0.327462	No Change
Unimproved valuations			
UV - Mining	0.086944	0.085928	Adjusted down to maintain same yield after UV Revaluation
UV - Other	0.008465	0.007008	Adjusted down to maintain same yield after UV Revaluation
Minimum payment			
Gross rental valuations			
GRV Residential	905.00	905.00	No Change
GRV Commercial	905.00	905.00	No Change
GRV industrial	905.00	905.00	No Change
GRV - Transient & Short Stay Accommodation	884.00	884.00	No Change
Unimproved valuations			
UV - Mining	333.00	333.00	No Change
UV - Other	884.00	884.00	No Change

SHIRE OF RAVENSTHORPE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022
 1. RATES AND SERVICE CHARGES (CONTINUED)

(f) Specified Area Rate

	Basis of valuation	Rate in	Rateable value	2021/22 Budget specified area rate revenue	2021/22 Interim specified area rate revenue	2021/22 Back specified area rate revenue	2021/22 Total budget specified area rate revenue	2020/21 Actual revenue	2020/21 Budget revenue
Specified area rate		\$	\$	\$	\$	\$	\$	\$	\$
Ravensthorpe	GRV	0.02407	2,095,566	50,432	0	0	50,432	48,391	48,391
Ravensthorpe	Minimum	207.00000	418,715	16,560	0	0	16,560	16,000	16,000
Munglinup	GRV	0.02749	58,968	1,621	0	0	1,621	1,566	1,566
Munglinup	Minimum	207.00000	27,872	828	0	0	828	800	800
Sewerage - 1st Fixture	Minimum	207.00000		828	0	0	828	1,000	1,000
Sewerage - Additional Fixture	Minimum	129.00000		5,031	0	0	5,031	5,000	5,000
			2,601,121	75,300	0	0	75,300	72,757	72,757

	Purpose of the rate	Area or properties rate is to be imposed on	Budgeted rate applied to costs	Budgeted rate set aside to reserve	Reserve Amount to be applied to costs
Specified area rate			\$	\$	\$
Ravensthorpe	The effluent rate income services the maintenance and upgrade of the Ravensthorpe and Munglinup sewerage systems.	Ravensthorpe and Munglinup	75,300	0	0
Ravensthorpe					
Munglinup					
Munglinup					
Sewerage - 1st Fixture					
Sewerage - Additional Fixture			75,300	0	0

(g) Service Charges

The Shire will not raise service charges for the year ended 30th June 2022.

(h) Rates discounts

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2022.

SHIRE OF RAVENSTHORPE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022

2. NET CURRENT ASSETS

	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021
Note	\$	\$	\$
(a) Composition of estimated net current assets			
Current assets			
Cash and cash equivalents- unrestricted	3	(279,764)	1,055,960
Cash and cash equivalents - restricted	3	1,324,708	4,711,852
Receivables		639,414	704,414
Other assets		844,124	844,124
Inventories		2,273	2,358
		2,530,755	7,318,708
Less: current liabilities			
Trade and other payables		(1,206,048)	(1,021,048)
Lease liabilities	7	(124,398)	(124,398)
Long term borrowings	6	0	(426,653)
Employee provisions		(593,454)	(593,454)
		(1,923,900)	(2,867,324)
Net current assets		606,855	4,451,384
Less: Total adjustments to net current assets	2.(c)	(606,855)	(2,865,575)
Net current assets used in the Rate Setting Statement		0	1,585,809

SHIRE OF RAVENSTHORPE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022

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*.

Adjustments to operating activities

Less: Profit on asset disposals

Add: Loss on disposal of assets

Add: Depreciation on assets

Movement in employee provisions

Non cash amounts excluded from operating activities

Note	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021	
	\$	\$	\$	
4(b)	(57,092)	(5,378)	(49,500)	
4(b)	26,543	66,112	227,000	
5	5,004,073	4,712,546	4,902,716	
	0	153,043	0	
	4,973,524	4,926,323	5,080,216	
(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 <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Cash - restricted reserves	8	(1,324,708)	(4,010,081)	(1,728,498)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		0	426,653	(218,282)
- Current portion of lease liabilities		124,398	124,398	1
- Current portion of employee benefit provisions held in reserve		593,455	593,455	437,159
Total adjustments to net current assets		(606,855)	(2,865,575)	(1,509,620)

**SHIRE OF RAVENSTHORPE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022**

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 Ravensthorpe 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 City recognises revenue for the prepaid rates that have not been refunded.

INVENTORIES

General

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

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

Superannuation

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

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

LAND HELD FOR RESALE

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

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

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.

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

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

PROVISIONS

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

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

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

CONTRACT LIABILITIES

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

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	44,944	4,767,812	2,332,420
Term deposits	1,000,000	1,000,000	0
Total cash and cash equivalents	1,044,944	5,767,812	2,332,420
Held as			
- Unrestricted cash and cash equivalents	(279,764)	1,055,960	603,922
- Restricted cash and cash equivalents	1,324,708	4,711,852	1,728,498
	1,044,944	5,767,812	2,332,420
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	1,324,708	4,711,852	1,728,498
	1,324,708	4,711,852	1,728,498
The restricted assets are a result of the following specific purposes to which the assets may be used:			
Reserves - cash/financial asset backed	8	1,324,708	4,010,081
Contract liabilities		0	701,771
		1,324,708	4,711,852
		4,711,852	1,728,498
Reconciliation of net cash provided by operating activities to net result			
Net result		4,664,644	(293,453)
Depreciation	5	5,004,073	4,712,546
(Profit)/loss on sale of asset	4(b)	(30,549)	60,734
(Increase)/decrease in receivables		65,000	(8,009)
(Increase)/decrease in inventories		85	0
(Increase)/decrease in other assets		0	588,220
Increase/(decrease) in payables		185,000	(19,691)
Increase/(decrease) in contract liabilities		(701,771)	356,387
Increase/(decrease) in employee provisions		0	153,043
Non-operating grants, subsidies and contributions		(8,979,138)	(2,436,075)
Net cash from operating activities		207,344	3,113,702

SIGNIFICANT ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 2 - Net Current Assets.

FINANCIAL ASSETS AT AMORTISED COST

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

SHIRE OF RAVENSTHORPE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
4. FIXED ASSETS

(a) Acquisition of Assets

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

Asset class	Reporting program											2021/22 Budget total	2020/21 Actual total	2020/21 Budget total
	Governance	General purpose funding	Law, order, public safety	Health	Education and welfare	Housing	Community amenities	Recreation and culture	Transport	Economic services	Other property and services			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Property, Plant and Equipment</i>														
Land - freehold land	0	0	0	0	0	0	0	70,360	0	0	0	70,360	82,491	100,000
Buildings - non-specialised	0	0	0	0	0	10,000	0	0	0	0	0	10,000	0	40,000
Buildings - specialised	0	0	743,056	0	0	0	28,260	7,979,920	93,462	0	0	8,844,698	1,073,406	6,884,071
Furniture and equipment	0	0	0	0	1,000	0	0	11,500	10,500	0	9,600	32,600	45,559	61,600
Plant and equipment	0	0	15,000	56,781	0	0	23,790	244,813	675,933	0	286,234	1,302,551	1,142,924	1,996,000
	0	0	758,056	56,781	1,000	10,000	52,050	8,236,233	850,255	0	295,834	10,260,209	2,344,380	9,081,671
<i>Infrastructure</i>														
Infrastructure - roads	0	0	0	0	0	0	0	1,413,561	0	0	0	1,413,561	1,312,068	2,387,022
Infrastructure - footpaths	0	0	0	0	0	0	0	30,900	0	0	0	30,900	146	63,250
Infrastructure - drainage	0	0	0	0	0	0	20,240	0	21,000	0	0	41,240	16,037	30,000
Infrastructure - parks and ovals	0	0	0	0	0	0	0	1,036,385	0	0	0	1,036,385	431,020	1,254,217
Infrastructure - other	0	0	0	0	300,000	0	361,660	0	70,000	87,700	0	819,360	48,069	464,360
Infrastructure - Airports	0	0	0	0	0	0	0	0	32,193	0	0	32,193	(14,749)	32,200
	0	0	0	0	300,000	0	381,900	1,036,385	1,567,654	87,700	0	3,373,639	1,792,591	4,231,049
Total acquisitions	0	0	758,056	56,781	301,000	10,000	433,950	9,272,618	2,417,909	87,700	295,834	13,633,848	4,136,971	13,312,720

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

SIGNIFICANT ACCOUNTING POLICIES

RECOGNITION OF ASSETS

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

SHIRE OF RAVENSTHORPE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022

4. FIXED ASSETS

(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												
Law, order, public safety	0	0	0	0	8,762	0	0	(8,762)	0	0	0	0
Health	35,000	39,091	4,091	0	0	0	0	0	35,000	20,000	0	(15,000)
Recreation and culture	67,000	78,364	11,364	0	0	0	0	0	99,000	51,000	1,000	(49,000)
Transport	30,000	49,000	35,000	(16,000)	200,672	143,322	0	(57,350)	241,000	210,500	45,500	(76,000)
Other property and services	113,000	109,094	6,637	(10,543)	89,043	94,421	5,378	0	196,000	112,000	3,000	(87,000)
	245,000	275,549	57,092	(26,543)	298,477	237,743	5,378	(66,112)	571,000	393,500	49,500	(227,000)
By Class												
<u>Property, Plant and Equipment</u>												
Plant and equipment	245,000	275,549	57,092	(26,543)	298,477	237,743	5,378	(66,112)	571,000	393,500	49,500	(227,000)
	245,000	275,549	57,092	(26,543)	298,477	237,743	5,378	(66,112)	571,000	393,500	49,500	(227,000)

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

- Plant replacement programme

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

By Program

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 - parks and ovals
Infrastructure - other
Infrastructure - Airports
Right of use - plant and equipment

2021/22 Budget	2020/21 Actual	2020/21 Budget
\$	\$	\$
168,210	170,540	168,415
21,447	19,659	23,651
63,775	58,461	63,532
36,634	33,581	35,512
265,788	243,640	265,690
639,669	586,364	639,083
3,197,560	2,931,098	3,148,611
43,983	40,318	38,996
567,007	628,885	519,226
5,004,073	4,712,546	4,902,716
36,634	36,213	35,984
675,363	616,452	660,902
111,911	101,160	50,088
600,643	659,719	686,292
2,553,032	2,340,279	2,467,259
121,861	111,706	117,971
406,339	372,478	399,373
138,689	128,557	136,972
150,528	137,983	142,987
86,080	78,907	83,971
122,993	129,092	120,917
5,004,073	4,712,546	4,902,716

SIGNIFICANT ACCOUNTING POLICIES

DEPRECIATION

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

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

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

Buildings - 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
Infrastructure - roads	20 to 50 years
Infrastructure - footpaths	20 years
Infrastructure - drainage	75 to 100 years
Infrastructure - parks and ovals	20 to 50 years
Infrastructure - other	20 to 50 years
Infrastructure - Airports	20 to 50 years
Right of use - plant and equipment	Based on the remaining lease

AMORTISATION

The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The assets residual value of intangible assets is considered to be zero and useful live and amortisation method are reviewed at the end of each financial year.

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

SHIRE OF RAVENSTHORPE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

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	Actual	Actual	Principal	Budget	Budget	Budget	Principal	Budget
				1 July 2021	New Loans	Repayments	outstanding 30 June 2022	Repayments	1 July 2020	New Loans	Repayments	30 June 2021	Repayments	1 July 2020	New Loans	Repayments	30 June 2021	Repayments	
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Housing																			
Loan 145 - Staff Housing	145	WATC*	2.86%	154,192	0	(36,922)	117,270	(5,453)	190,080	0	(35,888)	154,192	(6,073)	190,080	0	(35,888)	154,192	(6,186)	
Loan 147 - Daw Street	147	WATC*	3.36%	205,318	0	(17,592)	187,726	(8,312)	222,334	0	(17,016)	205,318	(8,744)	222,334	0	(17,016)	205,318	(7,886)	
Community amenities																			
Recreation and culture																			
Loan 146 - HCC	146	WATC*	3.59%	284,301	0	(14,602)	269,699	(12,157)	298,392	0	(14,091)	284,301	(12,461)	298,392	0	(14,091)	284,301	(11,080)	
Transport																			
Loan 138D - Town Streets	138D	WATC*	6.67%	232,135	0	(232,135)	0	(16,766)	262,694	0	(30,559)	232,135	(17,817)	262,694	0	(30,559)	232,135	(18,961)	
Loan 144 - Town Streets	144	WATC*	4.98%	55,265	0	(55,265)	0	(2,978)	107,876	0	(52,611)	55,265	(4,972)	107,876	0	(52,611)	55,265	(7,251)	
Loan 143B - Town Streets	143B	WATC*	2.86%	138,087	0	(33,065)	105,022	(4,884)	170,227	0	(32,140)	138,087	(5,439)	170,227	0	(32,140)	138,087	(5,540)	
Loan 138E - Town Streets	1383	WATC*	3.02%	196,989	0	(37,072)	159,917	(7,271)	232,966	0	(35,977)	196,989	(7,932)	232,966	0	(35,977)	196,989	(7,828)	
				1,266,287	0	(426,653)	839,634	(57,821)	1,484,569	0	(218,282)	1,266,287	(63,438)	1,484,569	0	(218,282)	1,266,287	(64,732)	

* WA Treasury Corporation

All borrowing repayments will be financed by general purpose revenue.

SHIRE OF RAVENSTHORPE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

6. INFORMATION ON BORROWINGS

(b) New borrowings - 2021/22

The Shire has no new loan borrowings for 2021/22

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2021 nor is it expected to have unspent borrowing funds as at 30th June 2022.

(d) Credit Facilities

	2021/22 Budget	2020/21 Actual	2020/21 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	26,000	26,000	26,000
Credit card balance at balance date	0	(16,599)	0
Total amount of credit unused	526,000	509,401	526,000
Loan facilities			
Loan facilities in use at balance date	839,634	1,266,287	1,266,287

Overdraft details	Purpose overdraft was established	Year overdraft established	Amount b/fwd 1 July 2021	2021/22	
				Budgeted Increase/ (Decrease)	Amount as at 30th June 2022
			\$	\$	\$
Bankwest	Working Capital	2009	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 RAVENSTHORPE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

7. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease Principal	2021/22 Budget Lease New	2021/22 Budget Lease Principal Repayments	Budget Lease Principal outstanding 30 June 2022	2021/22 Budget Lease Repayments	Actual Principal 1 July 2020	2020/21 Actual Lease New	2020/21 Actual Lease Principal repayments	Actual Lease Principal outstanding 30 June 2021	2020/21 Actual Lease Interest repayments	Budget Principal 1 July 2020	2020/21 Budget Lease New	2020/21 Budget Lease Principal repayments	Budget Lease Principal outstanding 30 June 2021	2020/21 Budget Lease Interest repayments
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Law, order, public safety																			
CESO Holden Colorado	3	SG Fleet		3 yrs	16,538	0	(16,538)	0	(122)	32,852	0	(16,314)	16,538	(345)	32,852	0	(16,314)	16,538	(345)
Community amenities																			
Bomag Compactor	1	SG Fleet	3.0%	10 yrs	548,192	0	(73,407)	474,785	(15,390)	619,439	0	(71,247)	548,192	(17,550)	664,874	0	(71,247)	593,627	(17,550)
Komatsu Wheel Loader	2	SG Fleet	3.0%	10 yrs	260,763	0	(34,453)	226,310	(7,327)	294,202	0	(33,439)	260,763	(8,341)	283,024	0	(33,439)	249,585	(8,341)
					825,493	0	(124,398)	701,095	(22,839)	946,493	0	(121,000)	825,493	(26,236)	980,750	0	(121,000)	859,750	(26,236)

SIGNIFICANT ACCOUNTING POLICIES

LEASES

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

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

LEASE LIABILITIES

The present value of future lease payments not paid at the reporting date discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

SHIRE OF RAVENSTHORPE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022
 8. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

	2021/22 Budget Opening Balance	2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance	2020/21 Actual Opening Balance	2020/21 Actual Transfer to	2020/21 Actual Transfer (from)	2020/21 Actual Closing Balance	2020/21 Budget Opening Balance	2020/21 Budget Transfer to	2020/21 Budget Transfer (from)	2020/21 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Leave Reserve	42,854	214	0	43,068	42,686	168	0	42,854	42,686	371	0	43,057
(b) Plant Reserve	1,036,963	5,172	(987,212)	54,923	900,488	953,542	(817,067)	1,036,963	900,487	957,835	(1,569,500)	288,822
(c) Emergency Farm Water Reserve	12,249	61	0	12,310	12,201	48	0	12,249	12,201	106	0	12,307
(d) Building Reserve	1,719,473	68,784	(1,515,000)	273,257	1,386,509	455,455	(122,491)	1,719,473	1,386,509	462,065	(1,630,000)	218,574
(e) Road and Footpath Reserve	497,519	34,751	(267,135)	265,135	495,961	1,558	0	497,519	395,961	103,445	0	499,406
(f) Swimming Pool Upgrade Reserve	45,086	225	0	45,311	(55,091)	100,177	0	45,086	44,909	391	0	45,300
(g) Airport Reserve	381,488	1,903	(88,505)	294,886	379,992	1,496	0	381,488	379,993	3,306	(18,050)	365,249
(h) Waste and Sewerage Reserve	274,449	21,369	0	295,818	285,162	1,122	(11,835)	274,449	285,162	2,481	(31,860)	255,783
(i) Recreation Reserve	0	20,000	0	20,000	0	0	0	0	0	0	0	0
(j) IT and Equipment Reserve	0	20,000	0	20,000	0	0	0	0	0	0	0	0
(k) Floater Road Reserve	0	0	0	0	0	0	0	0	0	0	0	0
	4,010,081	172,479	(2,857,852)	1,324,708	3,447,908	1,513,566	(951,393)	4,010,081	3,447,908	1,530,000	(3,249,410)	1,728,498

(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 long service leave and non-current annual leave requirements.
(b) Plant Reserve	Ongoing	To be used to assist in the purchasing of major plant and machinery.
(c) Emergency Farm Water Reserve	Ongoing	To be used for the repair and/or construction of emergency farm water supplies.
(d) Building Reserve	Ongoing	To be used for the construction, refurbishment, modification or renovation of all buildings.
(e) Road and Footpath Reserve	Ongoing	To be used for the construction, rejuvenation, resealing or repair to the road & footpath network.
(f) Swimming Pool Upgrade Reserve	Ongoing	To be used towards any major repairs or renovations of the Ravensthorpe Swimming Pool.
(g) Airport Reserve	Ongoing	To be used for the construction, reconstruction, repairs or modification of activities including buildings, tarmac, airstrip and associated infrastructure at the Ravensthorpe Airport.
(h) Waste and Sewerage Reserve	Ongoing	To be used for the repair and/or construction of waste and sewerage facilities.
(i) Recreation Reserve	Ongoing	To be used for the construction, renewal, refurbishment and upgrade of all recreation facilities and reserves
(j) IT and Equipment Reserve	Ongoing	To be used for the upgrade and renewal of hardware, communication and software technological systems and machinery
(k) Floater Road Reserve	2020/21	To be used for the holding of pre-paid funds for the sealed section of Floater Road

SHIRE OF RAVENSTHORPE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022

9. FEES & CHARGES REVENUE

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

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
	24,000	28,400	22,000
	35,300	39,641	31,500
	5,200	5,200	15,500
	754,380	252,479	990,915
	11,800	5,700	5,200
	675,300	697,979	613,957
	59,900	41,687	54,000
	825,000	778,270	132,000
	287,000	281,627	247,000
	33,000	35,953	25,000
	2,710,880	2,166,936	2,137,072

10. GRANT REVENUE

By Program:

(a) Operating grants, subsidies and contributions

Governance
General purpose funding
Law, order, public safety
Education and welfare
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
	4,000	0	0
	1,036,229	1,908,641	890,822
	492,497	621,193	328,905
	3,000	90,276	94,050
	0	10,601	0
	162,000	350,991	419,001
	194,445	183,610	181,000
	35,614	98,968	94,468
	10,000	89,802	3,000
	1,937,785	3,354,082	2,011,246

(b) Non-operating grants, subsidies and contributions

General purpose funding
Law, order, public safety
Education and welfare
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

	0	100,000	0
	724,856	0	0
	300,000	0	180,000
	284,000	0	250,000
	6,867,502	1,513,420	6,794,966
	738,780	803,019	1,941,352
	64,000	0	0
	0	19,636	0
	8,979,138	2,436,075	9,166,318
	10,916,923	5,790,157	11,177,564

Total grants, subsidies and contributions

SHIRE OF RAVENSTHORPE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

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
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

12. ELECTED MEMBERS REMUNERATION

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Cr Keith Dunlop, Shire President			
President's allowance	13,800	13,400	13,400
Meeting attendance fees	21,000	20,300	20,300
Annual allowance for ICT expenses	1,200	1,100	1,100
Travel and accommodation expenses	1,571	4,071	1,571
	37,571	38,871	36,371
Cr Jules Belli, Deputy Shire President			
Deputy President's allowance	3,450	3,350	3,350
Meeting attendance fees	14,000	13,600	13,600
Annual allowance for ICT expenses	1,200	1,100	1,100
Travel and accommodation expenses	1,571	809	1,571
	20,221	18,859	19,621
Cr Ian Goldfinch			
Meeting attendance fees	14,000	13,600	13,600
Annual allowance for ICT expenses	1,200	1,100	1,100
Travel and accommodation expenses	1,571		1,571
	16,771	14,700	16,271
Cr Sue Leighton			
Meeting attendance fees	14,000	12,343	13,600
Annual allowance for ICT expenses	1,200	998	1,100
Travel and accommodation expenses	1,571	1,144	1,571
	16,771	14,485	16,271
Cr Tom Major			
Meeting attendance fees	14,000	13,600	13,600
Annual allowance for ICT expenses	1,200	1,100	1,100
Travel and accommodation expenses	1,571	390	1,571
	16,771	15,090	16,271
Cr Mark Mudie			
Meeting attendance fees	14,000	13,600	13,600
Annual allowance for ICT expenses	1,200	1,100	1,100
Travel and accommodation expenses	1,571	2,486	1,571
	16,771	17,186	16,271
Cr Graham Richardson			
Meeting attendance fees	14,000	13,600	13,600
Annual allowance for ICT expenses	1,200	1,100	1,100
Travel and accommodation expenses	1,574	1,489	1,574
	16,774	16,189	16,274
	141,650	135,380	137,350
President's allowance	13,800	13,400	13,400
Deputy President's allowance	3,450	3,350	3,350
Meeting attendance fees	105,000	100,643	101,900
Annual allowance for ICT expenses	8,400	7,598	7,700
Travel and accommodation expenses	11,000	10,389	11,000
	141,650	135,380	137,350

13. OTHER INFORMATION

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	20,000	13,566	30,000
- Other funds	4,000	11,672	6,300
Other interest revenue (refer note 1b)	35,000	31,783	42,000
	59,000	57,021	78,300
(b) Other revenue			
Reimbursements and recoveries	86,112	458,564	454,702
Other	5,795,200	189,327	121,545
	5,881,312	647,891	576,247
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	28,000	30,000	32,000
Other services	5,500	160	0
	33,500	30,160	32,000
(d) Interest expenses (finance costs)			
Borrowings (refer Note 6(a))	57,821	63,438	64,732
Interest expense on lease liabilities	22,839	26,236	26,236
	80,660	89,674	90,968
(e) Write offs			
General rate	2,000	287	8,000
	2,000	287	8,000

14. MAJOR LAND TRANSACTIONS

It is not anticipated the Shire will be party to any Major Land Transactions or Trading Undertakings during 2021/22.

15. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

It is not anticipated the Shire will be party to any Major Trading Transactions or Trading Undertakings during 2021/22.

15. INTERESTS IN JOINT ARRANGEMENTS

1. Regional Record Service

The Shire of Ravensthorpe together with the City of Kalgoorlie-Boulder and with the Shires of Coolgardie, Dundas, Esperance, Laverton, Leonora, Menzies, Ngaanyatjarraku and Wiluna have a joint arrangement with regard to the provision of a Regional Record service. The only asset under this joint arrangement is a building.

The Shire of Ravensthorpe's one-tenth share of this asset is included in Land and Buildings as follows:

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Non-current assets			
Specialised Buildings	72,500	72,500	72,500
Less: accumulated depreciation	(14,500)	(11,600)	(11,500)
	58,000	60,900	61,000

2. Ravensthorpe Region Landfill

The Shire of Ravensthorpe together with the Shire of Jerramungup, have entered into a joint operation with regard to a regional waste management facility located on Reserve 7380, Moir Road Ravensthorpe.

The agreement between both Shire's govern the operation of the waste facility, covering operating and capital costs, responsibilities of the two Shire's, setting of fees and charges, record keeping etc. The Shire of Ravensthorpe is responsible for the day to day management of the facility. Key operating decisions in relations to the operating cost and future capital cost of the facility are to be agreed by both Shire's.

The regional waste facility commenced its operation in February 2018. Building of the facility was fully funded and is recognised in the financials of the Shire of Ravensthorpe as outlined below:

	2020/21 Budget	2019/20 Actual	2019/20 Budget
	\$	\$	\$
Non-current assets			
Infrastructure - Other	2,194,385	2,194,385	2,191,685
Less: accumulated depreciation	(390,546)	(317,473)	(316,901)
	1,803,839	1,876,912	1,874,784

SIGNIFICANT ACCOUNTING POLICIES

INTERESTS IN JOINT ARRANGEMENTS

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

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

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

16. 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
Nil	\$ 0	\$ 0	\$ 0	\$ 0
	0	0	0	0

16. 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.