

Shire of Sandstone
Municipal Budget
2021/2022



Presented to Council: 26th August 2021

SHIRE OF SANDSTONE

BUDGET

FOR THE YEAR ENDED 30 JUNE 2022

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

A welcoming and friendly community recognising our rich heritage and embracing economic opportunity, whilst nurturing our natural and built environment

SHIRE OF SANDSTONE
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)	1,144,180	1,101,137	1,069,247
Operating grants, subsidies and contributions	9(a)	1,089,750	3,153,163	2,525,730
Fees and charges	8	318,180	203,046	220,229
Interest earnings	11(a)	36,000	37,425	54,096
Other revenue	11(b)	525,500	704,192	548,399
		3,113,610	5,198,963	4,417,701
Expenses				
Employee costs		(1,255,417)	(1,160,658)	(1,055,213)
Materials and contracts		(1,726,471)	(2,410,866)	(2,874,637)
Utility charges		(129,122)	(111,605)	(142,376)
Depreciation on non-current assets	5	(2,306,368)	(1,929,443)	(1,451,775)
Insurance expenses		(189,684)	(145,817)	(169,490)
Other expenditure		(86,050)	(105,789)	(86,306)
		(5,693,112)	(5,864,178)	(5,779,797)
Subtotal				
		(2,579,502)	(665,215)	(1,362,096)
Non-operating grants, subsidies and contributions	9(b)	831,837	940,010	906,704
Profit on asset disposals	4(b)	40,210	117,768	67,007
Loss on asset disposals	4(b)	(20,685)	0	0
		851,362	1,057,778	973,711
Net result				
		(1,728,140)	392,563	(388,385)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income				
		(1,728,140)	392,563	(388,385)

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

SHIRE OF SANDSTONE

FOR THE YEAR ENDED 30 JUNE 2022

BASIS OF PREPARATION

The budget has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

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

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

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

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 SANDSTONE
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
Revenue	1,8,9(a),11(a),11(b)	\$	\$	\$
Governance		0	1,000	0
General purpose funding		2,135,685	3,145,426	2,153,711
Law, order, public safety		12,520	11,068	13,626
Health		0	327	0
Housing		0	1,008	0
Community amenities		10,180	10,382	12,921
Recreation and culture		150,750	20,931	790
Transport		127,225	1,129,658	1,487,314
Economic services		629,500	754,725	640,216
Other property and services		47,750	124,437	109,123
		3,113,610	5,198,962	4,417,701
Expenses excluding finance costs	4(a),5,11(c)(d)(e)(f)			
Governance		(287,806)	(179,411)	(206,215)
General purpose funding		(150,222)	(122,721)	(136,694)
Law, order, public safety		(185,748)	(153,911)	(148,229)
Health		(41,132)	(28,028)	(43,194)
Housing		0	(8,964)	0
Community amenities		(183,305)	(160,358)	(207,398)
Recreation and culture		(502,922)	(439,562)	(682,395)
Transport		(2,755,785)	(3,376,329)	(3,263,539)
Economic services		(1,273,292)	(1,308,537)	(1,092,133)
Other property and services		(312,900)	(86,355)	0
		(5,693,112)	(5,864,176)	(5,779,797)
Subtotal		(2,579,502)	(665,214)	(1,362,096)
Non-operating grants, subsidies and contributions	9(b)	831,837	940,010	906,704
Profit on disposal of assets	4(b)	40,210	117,768	67,007
(Loss) on disposal of assets	4(b)	(20,685)	0	0
		851,362	1,057,778	973,711
Net result		(1,728,140)	392,564	(388,385)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		(1,728,140)	392,564	(388,385)

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

KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

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

OBJECTIVE

ACTIVITIES

GOVERNANCE

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

Includes the activity of members, council and the administrative support available to the council for the provision of governance of the district. Other cost relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services

Rates, General purpose government grants and interest revenue

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer and environmentally community

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

HEALTH

To provide an operational framework for environmental and community health

inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.

EDUCATION AND WELFARE

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

Maintenance of child mindind centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.

HOUSING

To provide and maintain elderly residents housing

Provision and maintenance of elderly residents housing.

COMMUNITY AMENITIES

To provide services required by the community

Rubbish collection services, operation of landfill disposal sites, litter control, construction and maintenance of urban stormwater drains, protection of the environment and administration of town planning scheme, cemetery and public conveniences

RECREATION AND CULTURE

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

Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of park, gardens and playgrounds. Operation of library, museum and cultural facilities.

TRANSPORT

To provide safe, efficient transport services to the community

Construction and Maitenance of roads, street, footpaths, depots, cycleways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

ECONOMIC SERVICES

SHIRE OF SANDSTONE
FOR THE YEAR ENDED 30 JUNE 2022

To help promote the Shire and its economic wellbeing

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes and Building Control.

OTHER PROPERTY AND SERVICES

To monitor and control the Shire's overheads operating accounts

Private Works operation, plant repairs and operation costs and engineering operation costs in addition to administration costs.

SHIRE OF SANDSTONE
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		1,144,180	1,127,961	1,069,247
Operating grants, subsidies and contributions		1,089,750	3,300,111	2,525,730
Fees and charges		318,180	203,046	220,229
Interest received		36,000	37,425	54,096
Goods and services tax received		0	26,084	261,331
Other revenue		525,500	704,192	548,399
		3,113,610	5,398,819	4,679,032
Payments				
Employee costs		(1,255,417)	(1,218,863)	(1,055,213)
Materials and contracts		(1,726,471)	(2,355,440)	(2,698,982)
Utility charges		(129,122)	(111,605)	(142,376)
Interest expenses		0	394	0
Insurance paid		(189,684)	(145,817)	(169,490)
Goods and services tax paid		0	0	(261,331)
Other expenditure		(86,050)	(105,789)	(86,306)
		(3,386,744)	(3,937,120)	(4,413,698)
Net cash provided by (used in) operating activities	3	(273,134)	1,461,699	265,334
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	4(a)	(866,860)	(613,639)	(514,530)
Payments for construction of infrastructure	4(a)	(1,356,252)	(1,487,484)	(1,983,677)
Non-operating grants, subsidies and contributions	9(b)	831,837	940,010	906,704
Proceeds from sale of plant and equipment	4(b)	195,000	259,914	135,000
Net cash provided by (used in) investing activities		(1,196,275)	(901,199)	(1,456,503)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds on disposal of financial assets at amortised cost - term deposits		235,000	(1,080,310)	
Net cash provided by (used in) financing activities		235,000	(1,080,310)	0
Net increase (decrease) in cash held		(1,234,409)	(519,810)	(1,191,169)
Cash at beginning of year		1,759,732	2,262,123	2,267,689
Cash and cash equivalents at the end of the year	3	525,323	1,742,313	1,076,520

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

SHIRE OF SANDSTONE
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	2(a)	1,555,849	2,314,478	2,443,344
		1,555,849	2,314,478	2,443,344
Revenue from operating activities (excluding rates)				
Governance		0	1,000	0
General purpose funding		991,505	2,044,289	1,084,464
Law, order, public safety		12,520	11,068	13,626
Health		0	327	0
Housing		2,472	5,843	17,007
Community amenities		10,180	10,382	12,921
Recreation and culture		150,750	20,931	790
Transport		162,721	1,242,591	1,537,314
Economic services		629,500	754,725	640,216
Other property and services		49,992	124,437	109,123
		2,009,640	4,215,593	3,415,461
Expenditure from operating activities				
Governance		(287,806)	(179,411)	(206,215)
General purpose funding		(150,222)	(122,721)	(136,694)
Law, order, public safety		(185,748)	(153,911)	(148,229)
Health		(41,132)	(28,028)	(43,194)
Housing		0	(8,964)	0
Community amenities		(183,305)	(160,358)	(207,398)
Recreation and culture		(502,922)	(439,562)	(682,395)
Transport		(2,776,470)	(3,376,329)	(3,263,539)
Economic services		(1,273,292)	(1,308,537)	(1,092,133)
Other property and services		(312,900)	(86,355)	0
		(5,713,797)	(5,864,176)	(5,779,797)
Non-cash amounts excluded from operating activities	2(b)	2,190,099	1,752,901	1,384,768
Amount attributable to operating activities		41,791	2,418,796	1,463,776
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		831,837	940,010	906,704
Payments for property, plant and equipment	4(a)	(866,860)	(613,639)	(514,530)
Payments for construction of infrastructure	4(a)	(1,356,252)	(1,487,484)	(1,983,677)
Proceeds from disposal of assets	4(b)	195,000	259,914	135,000
		(1,196,275)	(901,199)	(1,456,503)
Amount attributable to investing activities		(1,196,275)	(901,199)	(1,456,503)
FINANCING ACTIVITIES				
Transfers to cash backed reserves (restricted assets)	7(a)	(489,696)	(1,080,310)	(1,076,520)
Transfers from cash backed reserves (restricted assets)	7(a)	500,000	0	0
Amount attributable to financing activities		10,304	(1,080,310)	(1,076,520)
Budgeted deficiency before imposition of general rates		(1,144,180)	437,287	(1,069,247)
Estimated amount to be raised from general rates	1	1,144,180	1,101,145	1,069,247
Net current assets at end of financial year - surplus/(deficit)	2(a)	0	1,538,432	0

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

SHIRE OF SANDSTONE
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SHIRE OF SANDSTONE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022
 1. RATES

(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									
Townsite	0.06576	33	221,193	14,546			14,546	14,866	13,846
Transient Workforce Accom	0.37195	4	72,020	26,788			26,788	26,788	26,788
Unimproved valuations									
Pastoral	0.06088	19	779,894	47,478			47,478	47,478	47,480
Mining	0.26891	159	3,982,519	1,070,943	5,000		1,075,943	1,049,488	1,006,688
Sub-Totals		215	5,055,626	1,159,755	5,000	0	1,164,755	1,138,620	1,094,802
Minimum									
Minimum payment									
	\$								
Gross rental valuations									
Townsite	200	35	9,890	7,000			7,000	6,820	6,820
Transient Workforce Accom	0	0					0		0
Unimproved valuations									
Pastoral	345	6	7,933	2,070			2,070	2,010	2,010
Mining	345	59	42,644	20,355			20,355	18,425	18,425
Sub-Totals		100	60,467	29,425	0	0	29,425	27,255	27,255
		315	5,116,093	1,189,180	5,000	0	1,194,180	1,165,875	1,122,057
Discounts (Refer note 1(e))							(50,000)	(64,730)	(52,810)
Total amount raised from general rates							1,144,180	1,101,145	1,069,247

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

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.

SHIRE OF SANDSTONE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022
 1. RATES (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		0		7.0%
First instalment		0		
Second instalment				
Option three				
First instalment		0	0.0%	7.0%
Second instalment		10	3.0%	7.0%
Third instalment		10	3.0%	7.0%
Fourth instalment		10	3.0%	7.0%

	2021/22 Budget revenue	2020/21 Actual revenue	2020/21 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	3,200	3,180	2,000
Instalment plan interest earned	4,500	4,112	4,500
Unpaid rates and service charge interest earned	4,000	4,239	7,300
	11,700	11,530	13,800

SHIRE OF SANDSTONE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022
 1. RATES (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 Townsite	This rating category applies to properties located within the townsite boundaries that are used for singular and multi-dwellings that are zones Residential/Townsite under the Town Planning Scheme. This category is considered by Council to be the base by which all GRV rated properties are assessed.	The object of the GRV rate in the two categories for GRV Townsite require a fair contribution to the revenue requirements of the Shire, while not risking additional financial pressure on the users in those areas that affect their long term viability. They have been in the past, and are likely to continue into the long term future, to provide the main support for the social and economical life of the Shire.	the reason for the levels of rates and minimum payments set for each categories is that they allow a fair contribution to the revenue requirements of the Shire at the highest sustainable level.
GRV Transient Workers Accommodation	This rating category covers mining leases that have improvements on the land and are located within the Shire boundary	The object of the GRV rate in the two categories for GRV Townsites requires a fair contribution to the revenue requirements of the Shire, while not risking additional financial pressure on the users in those areas that affect their long term viability. They have been in the past, and are likely to continue into the long term future, to provide the main support for the social and economic life of the Shire	The rate reflects the cost of servicing mining activities including road infrastructure and other amenities

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

UV Pastoral	<p>This rating category applies to all pastoral leases that have been granted under the repealed Land Act 1933 and expire on the 30 June 2015. Renewal of pastoral leases is administered by the Department of Lands</p>	<p>The object of the UV Rural rate requires a fair contribution to the revenue requirements of the Shire while not risking additional financial pressure on the user in those areas that affect their long term viability. They have been in the past, and are likely to continue into the future, to provide the main support for the social and economic life of the Shire.</p>	<p>The proposed rate is comparatively low when compared to the mining UV rates due to the following:</p> <ol style="list-style-type: none"> 1 The minimal impact on or requirements that the pastoral industry has on or for Shire service and 2 To Infrastructure; 3 To encourage a diversification of land use other than mining and related activities; 4 Mining activities have a greater impact on road infrastructure due to movement of heavy haulage trucks, mining rigs and light vehicles; 5 Mining Activity have and require a higher level of governance for licences, clearing permits etc; and 5 mining imposes greater damage to the environment with clearing, drilling and mining activities.
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UV Mining	<p>This rating category covers mining leases that have improvements on the land and are located within the Shire boundary</p>	<p>The object of the UV Mining rate is to permit the imposition of rates on the mining of land which reasonably proportional to the financial resources of those who will bear the burden of the rates, and striking a reasonable balance between the capacity to pay and the fairness of the requirement. In dealing with the object of rate, it should be remembered that operators in the mining industry when they come to the district have the advantage of established Shire services and facilities which often have been provided by the rate contribution in the long term by ratepayers in other sectors, who will continue in the long term future to contribute in the same way . The maintenance of Shire assets and services for the benefit of all users, long term and short term, is a burden which to a significant extent falls upon the long term ratepayer.</p>	<p>This is comparatively higher than the UV Pastoral rating category due to the ongoing costs involved in maintaining the road network that services this land use as the Shires local authority boundaries extend 32,889 square kilometres. Mining activities have a greater impact on road infrastructure due to movement of heavy haulage truck, mining rigs and light vehicles. The large scale equipment and operations of mining results in the Shire road network requiring ongoing maintenance to service these users. Mining activities have and require a higher level of governance for licences, clearing permits etc and impose greater damage to the environment with clearing, drilling and mining activities.</p>
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SHIRE OF SANDSTONE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022
 1. RATES (CONTINUED)

(d) 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
GRV Town Site	6.74040	6.57600	
GRV Transient Workers Accommodation	38.12530	37.19540	
UV Pastoral	6.23990	6.08770	
UV Mining	27.56340	26.89110	

Minimum payment	Proposed Minimum \$	Adopted Minimum \$	Reasons for the difference
GRV Town Site	200	200	
GRV Transient Workers Accommodation	200	200	
UV Pastoral	345	345	
UV Mining	345	345	

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

The Shire did not raise specified area rates for the year ended 30th June 2022.

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

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

(e) Rates discounts

Rate or fee to which discount is granted	Discount %	Discount (\$)	2021/22 Budget	2020/21 Actual	2020/21 Budget	Circumstances in which discount is granted
Discount on Early Payment	3.5%	0	\$ 50,000	\$ 64,730	\$ 7,288	Payment in full received by due date (14 Days after issue date)
Discount on Mining Effected by COVID	5.0%	0			45,522	Discount on rates levied
			50,000	64,730	52,810	

(f) Waivers or concessions

Rate or fee and charge to which the waiver or concession is granted	Type	Discount %	Discount (\$)	2021/22 Budget	2020/21 Actual	2020/21 Budget	Circumstances in which the waiver or concession is granted	Objects and reasons of the waiver or concession
Businessess affected by COVID	"Waiver"	50.0%	0	\$	\$	\$ 7,605	Reduction in rates levied	Downturn and forced closeure for business reliant on the tourist ndustry
				0	0	7,605		

SHIRE OF SANDSTONE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022
 2. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents- unrestricted

Cash and cash equivalents - restricted

Financial assets - restricted

Receivables

Inventories

Less: current liabilities

Trade and other payables

Contract liabilities

Employee provisions

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Rate Setting Statement

Note	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021
	\$	\$	\$
	150,950	1,610,055	(3,936,474)
	374,373	149,677	5,012,994
	4,786,632	5,021,632	3,936,474
	33,240	33,240	73,351
	134,964	134,964	143,046
	5,480,159	6,949,568	5,229,391
	(222,410)	(222,410)	(216,397)
	(149,677)	(149,677)	
	(96,744)	(96,744)	(112,888)
	(468,831)	(468,831)	(329,285)
	5,011,328	6,480,737	4,900,106
2.(c)	(5,011,328)	(4,924,888)	(4,900,106)
	0	1,555,849	0

SHIRE OF SANDSTONE
 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 non-current employee provisions
 Movement in current employee provisions associated with restricted cash

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)	(40,210)	(117,768)	(67,007)
4(b)	20,685	0	0
5	2,306,368	1,929,443	1,451,775
	0	(1,316)	
	(96,744)	(57,458)	
	2,190,099	1,752,901	1,384,768

(c) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

Adjustments to net current assets

Less: Cash - restricted reserves
 Add: Current liabilities not expected to be cleared at end of year
 - Current portion of employee benefit provisions held in reserve

Total adjustments to net current assets

7	(5,011,328)	(5,021,632)	(5,012,994)
		96,744	112,888
	(5,011,328)	(4,924,888)	(4,900,106)

SHIRE OF SANDSTONE
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 Sandstone 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 Sandstone contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Sandstone 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.

SHIRE OF SANDSTONE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
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		\$ 525,323	\$ 1,759,732	\$ 1,076,520
Total cash and cash equivalents		525,323	1,759,732	1,076,520
Held as				
- Unrestricted cash and cash equivalents		150,950	1,610,055	(3,936,474)
- Restricted cash and cash equivalents		374,373	149,677	5,012,994
		525,323	1,759,732	1,076,520
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		374,373	149,677	5,012,994
- Restricted financial assets at amortised cost - term deposits		4,786,632	5,021,632	0
		5,161,005	5,171,309	5,012,994
The restricted assets are a result of the following specific purposes to which the assets may be used:				
Reserves - cash/financial asset backed	7	5,011,328	5,021,632	5,012,994
Contract liabilities		149,677	149,677	0
		5,161,005	5,171,309	5,012,994
Reconciliation of net cash provided by operating activities to net result				
Net result		(1,728,140)	392,564	(388,385)
Depreciation	5	2,306,368	1,929,443	1,451,775
(Profit)/loss on sale of asset	4(b)	(19,525)	(117,768)	(67,007)
(Increase)/decrease in receivables		0	50,179	
(Increase)/decrease in inventories		0	(11,080)	
Increase/(decrease) in payables		0	67,469	175,655
Increase/(decrease) in contract liabilities		0	149,677	
Increase/(decrease) in employee provisions		0	(58,774)	
Non-operating grants, subsidies and contributions		(831,837)	(940,010)	(906,704)
Net cash from operating activities		(273,134)	1,461,700	265,334

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 SANDSTONE
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.

Reporting program

Asset class	Recreation and culture	Transport	Economic services	Other property and services	2021/22 Budget total	2020/21 Actual total	2020/21 Budget total
	\$	\$	\$	\$	\$	\$	\$
<i>Property, Plant and Equipment</i>							
Land - vested in and under the control of council					0	0	
Buildings - non-specialised					0	130,056	135,790
Buildings - specialised	140,417				140,417		
Furniture and equipment					0	0	
Plant and equipment		512,000	124,443	90,000	726,443	483,583	378,740
Other property, plant and equipmen	0				0	0	
Other property, plant and equipmen	0				0	0	
Other property, plant and equipmen	0				0	0	
Other property, plant and equipmen	0				0	0	
Other property, plant and equipmen	0				0	0	
	140,417	512,000	124,443	90,000	866,860	613,639	514,530
<i>Infrastructure</i>							
Infrastructure - roads		1,238,252			1,238,252	1,362,002	1,816,777
Other Infrastructure Parks & Garder	58,000				58,000	113,977	69,900
Other Infrastructure Footpaths					0	0	
Other Infrastructure Airport					0	0	
Other Infrastructure Others	40,000		20,000		60,000	11,505	97,000
	98,000	1,238,252	20,000	0	1,356,252	1,487,484	1,983,677
Total acquisitions	238,417	1,750,252	144,443	90,000	2,223,112	2,101,123	2,498,207

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 SANDSTONE
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												
Housing	62,528	65,000	2,472	0	34,665	39,500	4,835	0	47,993	65,000	17,007	0
Transport	60,189	75,000	35,496	(20,685)	57,481	170,414	112,933	0	20,000	70,000	50,000	0
Other property and services	52,758	55,000	2,242	0	50,000	50,000	0	0	0	0	0	0
	175,475	195,000	40,210	(20,685)	142,146	259,914	117,768	0	67,993	135,000	67,007	0
By Class												
<i>Property, Plant and Equipment</i>												
Land - freehold land	10,000	10,000	0		50,000	50,000	0	0		0		
Buildings - non-specialised		0				0			47,993	65,000	17,007	
Buildings - specialised	52,528	55,000	2,472		34,665	39,500	4,835			0		
Plant and equipment	112,947	130,000	37,738	(20,685)	57,481	170,414	112,933		20,000	70,000	50,000	
	175,475	195,000	40,210	(20,685)	142,146	259,914	117,768	0	67,993	135,000	67,007	0

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

- Staff housing programme
- 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.

SHIRE OF SANDSTONE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
5. ASSET DEPRECIATION

By Program

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

By Class

Buildings - non-specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Other Infrastructure Parks & Gardens
Other Infrastructure Footpaths
Other Infrastructure Airport
Other Infrastructure Others

2021/22 Budget	2020/21 Actual	2020/21 Budget
\$	\$	\$
2,838	2,836	6,283
105,682	102,913	108,817
5,200	4,789	0
136,207	136,068	207,358
1,339,899	966,602	500,029
108,560	108,973	44,929
607,982	607,263	584,359
2,306,368	1,929,443	1,451,775
368,516	289,589	281,968
4,120	9,083	10,903
580,095	571,374	603,744
1,253,459	880,219	438,392
33,742	110,778	72,516
3,846	3,866	3,991
31,618	31,589	23,552
30,972	32,944	16,709
2,306,368	1,929,442	1,451,775

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
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Infrastructure - roads	
Other Infrastructure Parks & Gardens	20 years
Other Infrastructure Footpaths	80 years
Other Infrastructure Airport	30 to 75 years
Other Infrastructure Others	10 to 60 Years

AMORTISATION

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

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

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

SHIRE OF SANDSTONE
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.

The Shire has not budgeted to have any borrowings for the year ended 30th June 2022 and did not have or budget to have any borrowings for the year ended 30th June 2021

SHIRE OF SANDSTONE
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 does not intend to undertake any new borrowings for the year ended 30th June 2022

(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.

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 SANDSTONE
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022
 7. 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) Employee Entitlement Reserve	\$ 225,506	\$ 20,909	\$ 0	\$ 246,415	\$ 223,510	\$ 1,996	\$ 0	\$ 225,506	\$ 223,510	\$ 1,788	\$ 0	\$ 225,298
(b) Plant Replacement Reserve	1,172,130	\$204,724	(500,000)	876,854	171,215	1,000,915	0	1,172,130	170,669	1,046,394	0	1,217,063
(c) Building Reserve	1,407,331	\$5,445	0	1,412,776	1,345,576	61,755	0	1,407,331	1,342,906	10,743	0	1,353,649
(d) Airport Reserve	295,512	\$1,190	0	296,702	292,895	2,617	0	295,512	292,894	2,343	0	295,237
(e) Road & Flood Damage Reserve	689,923	\$2,778	0	692,701	684,970	4,954	0	689,923	684,969	5,480	0	690,449
(f) Information Technology Reserve	48,463	\$50,195	0	98,658	48,034	429	0	48,463	48,034	384	0	48,418
(g) Refuse Disposal Reserve	41,674	\$168	0	41,842	41,305	369	0	41,674	41,305	330	0	41,635
(h) Housing Reserve	322,995	\$200,997	0	523,992	320,723	2,272	0	322,995	320,723	2,566	0	323,289
(i) Community Development Reserve	818,098	\$3,290	0	821,388	813,096	5,002	0	818,098	811,464	6,492	0	817,956
	5,021,632	489,696	(500,000)	5,011,328	3,941,322	1,080,310	0	5,021,632	3,936,474	1,076,520	0	5,012,994

(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) Employee Entitlement Reserve		to fund annual and long service leave requirements.
(b) Plant Replacement Reserve		to fund the purchase of plant
(c) Building Reserve		to fund construction & maintenance of council buildings
(d) Airport Reserve		to fund upgrades to the Sandstone Airport
(e) Road & Flood Damage Reserve		to fund Road infrastructure and rehabilitation of borrow pits, and flood damage
(f) Information Technology Reserve		to fund maintenance and replacement of computer equipment
(g) Refuse Disposal Reserve		to fund the development of the landfill site
(h) Housing Reserve		to fund maintenance & replacement of council employees housing requirements
(i) Community Development Reserve		to fund projects that benefit the community as determined from time to time

8. FEES & CHARGES REVENUE

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
General purpose funding	3,200	3,219	2,162
Law, order, public safety	550	330	691
Health	0	327	0
Community amenities	10,180	10,382	12,921
Recreation and culture	150,750	20,931	790
Economic services	150,000	160,168	197,621
Other property and services	3,500	7,689	6,044
	318,180	203,046	220,229

9. GRANT REVENUE

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
By Program:			
(a) Operating grants, subsidies and contributions			
Governance	0	1,000	0
General purpose funding	950,305	2,003,260	1,025,481
Law, order, public safety	11,970	10,738	12,935
Housing	0	1,008	
Transport	127,225	1,123,410	1,487,314
Other property and services	250	13,747	
	1,089,750	3,153,163	2,525,730
(b) Non-operating grants, subsidies and contributions			
Housing	0	(0)	0
Transport	831,837	940,010	906,704
	831,837	940,010	906,704
Total grants, subsidies and contributions	1,921,587	4,093,173	3,432,434

SHIRE OF SANDSTONE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
10. REVENUE RECOGNITION

SIGNIFICANT ACCOUNTING POLICIES

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

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

11. OTHER INFORMATION

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	20,000	22,921	31,496
- Other funds	7,500	6,154	10,800
Other interest revenue (refer note 1b)	8,500	8,350	11,800
	36,000	37,425	54,096
* The Shire has resolved to charge interest under section 6.13 for the late payment of any amount of money at .			
(b) Other revenue			
Reimbursements and recoveries	525,500	704,192	548,399
	525,500	704,192	548,399
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	45,000	44,149	46,280
	45,000	44,149	46,280
(d) Elected members remuneration			
Meeting fees	12,125	16,700	13,475
Mayor/President's allowance	4,625	4,375	3,500
Travelling expenses	6,000	6,860	6,000
Telecommunications allowance	3,000	3,000	3,000
	25,750	30,935	25,975
(e) Write offs			
General rate	0		1,000
	0	0	1,000

SHIRE OF SANDSTONE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
12. MAJOR LAND TRANSACTIONS

(a) Details

The Shire of Sandstone has no major Land Transactions and does not intend to in 2021/2022

13. 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
	\$	\$	\$	\$
Nomination Deposits	0	240	(240)	0
Housing Bonds	6,300	1,200	(1,200)	6,300
	6,300	1,440	(1,440)	6,300