



Annual Budget



2017/18

SHIRE OF TRAYNING
BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

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SHIRE OF TRAYNING
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2018

| | NOTE | 2017/18 Budget \$ | 2016/17 Actual \$ | 2016/17 Budget \$ |
|---|------|------------------------------|--------------------------------|--------------------------------|
| Revenue | | | | |
| Rates | 8 | 1,143,038 | 1,026,874 | 929,947 |
| Operating grants, subsidies and contributions | 15 | 1,790,122 | 2,817,157 | 2,064,831 |
| Fees and charges | 14 | 196,382 | 260,898 | 257,790 |
| Service charges | 11 | 0 | 0 | 0 |
| Interest earnings | 2(a) | 26,218 | 29,809 | 33,332 |
| Other revenue | 2(a) | 41,300 | 41,881 | 339,320 |
| | | <u>3,197,060</u> | <u>4,176,619</u> | <u>3,625,220</u> |
| Expenses | | | | |
| Employee costs | | (1,097,223) | (928,417) | (1,399,180) |
| Materials and contracts | | (1,103,435) | (1,434,265) | (1,409,982) |
| Utility charges | | (108,386) | (120,499) | (112,350) |
| Depreciation on non-current assets | 2(a) | (1,026,630) | (890,338) | (1,908,899) |
| Interest expenses | 2(a) | (21,296) | (23,938) | (26,357) |
| Insurance expenses | | (89,850) | (89,772) | (95,443) |
| Other expenditure | | (169,422) | (106,846) | (140,143) |
| | | <u>(3,616,242)</u> | <u>(3,594,075)</u> | <u>(5,092,354)</u> |
| | | (419,182) | 582,544 | (1,467,134) |
| Non-operating grants, subsidies and contributions | 15 | 852,891 | 988,277 | 1,288,360 |
| Profit on asset disposals | 6 | 10,517 | 0 | 8,000 |
| Loss on asset disposals | 6 | 0 | 0 | 0 |
| Loss on revaluation of non current assets | | 0 | 0 | 0 |
| Net result | | <u>444,226</u> | <u>1,570,821</u> | <u>(170,774)</u> |
| Other comprehensive income | | | | |
| Changes on revaluation of non-current assets | | 0 | 0 | 0 |
| Total other comprehensive income | | <u>0</u> | <u>0</u> | <u>0</u> |
| Total comprehensive income | | <u><u>444,226</u></u> | <u><u>1,570,821</u></u> | <u><u>(170,774)</u></u> |

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

SHIRE OF TRAYNING
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2018

| | NOTE | 2017/18 Budget \$ | 2016/17 Actual \$ | 2016/17 Budget \$ |
|---|------|-------------------------|-------------------------|-------------------------|
| Revenue (refer notes 1,2,8,10 to 15) | | | | |
| Governance | | 29,040 | 64,180 | 62,600 |
| General purpose funding | | 2,207,337 | 2,603,388 | 2,005,532 |
| Law, order, public safety | | 5,950 | 6,337 | 6,800 |
| Health | | 87,000 | 177,348 | 138,732 |
| Education and welfare | | 7,250 | 8,666 | 7,787 |
| Housing | | 53,027 | 41,448 | 48,656 |
| Community amenities | | 57,888 | 52,784 | 57,950 |
| Recreation and culture | | 45,662 | 27,421 | 50,622 |
| Transport | | 553,985 | 798,405 | 545,415 |
| Economic services | | 100,424 | 308,736 | 295,333 |
| Other property and services | | 49,497 | 87,906 | 97,254 |
| | | <u>3,197,060</u> | <u>4,176,619</u> | <u>3,316,681</u> |
| Expenses excluding finance costs (refer notes 1, 2 & 16) | | | | |
| Governance | | (512,193) | (342,473) | (310,753) |
| General purpose funding | | (23,220) | (77,378) | (90,920) |
| Law, order, public safety | | (42,781) | (73,022) | (89,685) |
| Health | | (141,739) | (164,396) | (183,412) |
| Education and welfare | | (135,673) | (73,005) | (78,593) |
| Housing | | (174,554) | (196,314) | (206,476) |
| Community amenities | | (151,627) | (165,991) | (204,960) |
| Recreation and culture | | (649,052) | (730,420) | (753,849) |
| Transport | | (1,420,586) | (1,066,768) | (2,078,155) |
| Economic services | | (372,919) | (746,901) | (734,710) |
| Other property and services | | 28,748 | 65,966 | (25,945) |
| | | <u>(3,595,596)</u> | <u>(3,570,702)</u> | <u>(4,757,458)</u> |
| Finance costs (refer notes 2 & 7) | | | | |
| Governance | | (1,997) | (2,779) | (3,698) |
| General purpose funding | | 0 | 0 | 0 |
| Law, order, public safety | | 0 | 0 | 0 |
| Health | | 0 | 0 | 0 |
| Education and welfare | | 0 | 0 | 0 |
| Housing | | 0 | 0 | 0 |
| Community amenities | | 0 | 0 | 0 |
| Recreation and culture | | (12,426) | (12,399) | (12,998) |
| Transport | | (494) | (2,020) | (3,332) |
| Economic services | | (5,729) | (6,178) | (6,329) |
| Other property and services | | 0 | 0 | 0 |
| | | <u>(20,646)</u> | <u>(23,376)</u> | <u>(26,357)</u> |
| | | (419,182) | 582,541 | (1,467,134) |
| Non-operating grants, subsidies and contributions | 15 | 852,891 | 988,277 | 1,288,360 |
| Profit on disposal of assets | 6 | 10,517 | 0 | 8,000 |
| (Loss) on disposal of assets | 6 | 0 | 0 | 0 |
| Loss on revaluation of non current assets | | 0 | 0 | 0 |
| | | <u>863,408</u> | <u>988,277</u> | <u>1,296,360</u> |
| Net result | | 444,226 | 1,570,818 | (170,774) |
| Other comprehensive income | | | | |
| Changes on revaluation of non-current assets | | 0 | 0 | 0 |
| Total other comprehensive income | | 0 | 0 | 0 |

| | | | |
|-----------------------------------|-----------------------|-------------------------|-------------------------|
| Total comprehensive income | <u>444,226</u> | <u>1,570,818</u> | <u>(170,774)</u> |
|-----------------------------------|-----------------------|-------------------------|-------------------------|

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

SHIRE OF TRAYNING
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

| | NOTE | 2017/18 Budget \$ | 2016/17 Actual \$ | 2016/17 Budget \$ |
|--|------|-------------------------|-------------------------|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts | | | | |
| Rates | | 1,180,038 | 1,018,817 | 954,947 |
| Operating grants, subsidies and contributions | | 1,829,116 | 2,845,649 | 2,064,831 |
| Fees and charges | | 197,382 | 260,898 | 257,790 |
| Service charges | | 0 | 0 | 0 |
| Interest earnings | | 26,218 | 29,809 | 33,332 |
| Goods and services tax | | 24,000 | 55,488 | 0 |
| Other revenue | | 41,800 | 41,881 | 339,320 |
| | | <u>3,298,554</u> | <u>4,252,542</u> | <u>3,650,220</u> |
| Payments | | | | |
| Employee costs | | (1,084,223) | (964,521) | (1,399,180) |
| Materials and contracts | | (1,070,636) | (1,319,691) | (1,414,482) |
| Utility charges | | (110,386) | (123,499) | (112,350) |
| Interest expenses | | (21,296) | (19,991) | (26,357) |
| Insurance expenses | | (90,850) | (89,772) | (95,443) |
| Goods and services tax | | (4,000) | (49,913) | 0 |
| Other expenditure | | (170,422) | (106,846) | (140,143) |
| | | <u>(2,551,813)</u> | <u>(2,674,233)</u> | <u>(3,187,955)</u> |
| Net cash provided by (used in) operating activities | 3(b) | <u>746,741</u> | <u>1,578,309</u> | <u>462,265</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Payments for development of land held for resale | 5 | 0 | 0 | 0 |
| Payments for purchase of property, plant & equipment | 5 | (281,335) | (217,690) | (1,390,000) |
| Payments for construction of infrastructure | 5 | (1,154,291) | (1,143,831) | (1,318,007) |
| Non-operating grants, subsidies and contributions used for the development of assets | | 852,891 | 988,277 | 1,288,360 |
| Proceeds from sale of plant & equipment | 6 | 63,033 | 0 | 8,000 |
| Net cash provided by (used in) investing activities | | <u>(519,702)</u> | <u>(373,245)</u> | <u>(1,411,647)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Repayment of borrowings | 7 | (83,033) | (96,013) | (96,013) |
| Advances to community groups | | 0 | 0 | 0 |
| Proceeds from self supporting loans | | 0 | 4,010 | 0 |
| Proceeds from new borrowings | 7 | 0 | 199,584 | 0 |
| Net cash provided by (used in) financing activities | | <u>(83,033)</u> | <u>107,582</u> | <u>(96,013)</u> |
| Net increase (decrease) in cash held | | 144,006 | 1,312,646 | (1,045,395) |
| Cash at beginning of year | | <u>1,916,274</u> | <u>1,505,771</u> | <u>1,385,442</u> |
| Cash and cash equivalents at the end of the year | 3(a) | <u><u>2,060,280</u></u> | <u><u>2,818,417</u></u> | <u><u>340,047</u></u> |

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

SHIRE OF TRAYNING
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

| | NOTE | 2017/18 Budget \$ | 2016/17 Actual \$ | 2016/17 Budget \$ |
|--|------|-------------------------|-------------------------|-------------------------|
| Net current assets at start of financial year - surplus/(deficit) | 4 | 24,763 | 367,040 | 374,095 |
| | | 24,763 | 367,040 | 374,095 |
| Revenue from operating activities (excluding rates) | | | | |
| Governance | | 29,040 | 64,180 | 62,600 |
| General purpose funding | | 1,064,299 | 1,576,514 | 1,075,585 |
| Law, order, public safety | | 5,950 | 6,337 | 6,800 |
| Health | | 89,517 | 177,348 | 138,732 |
| Education and welfare | | 7,250 | 8,666 | 7,787 |
| Housing | | 53,027 | 41,448 | 48,656 |
| Community amenities | | 57,888 | 52,784 | 57,950 |
| Recreation and culture | | 45,662 | 27,421 | 50,622 |
| Transport | | 561,985 | 798,405 | 553,415 |
| Economic services | | 100,424 | 308,736 | 295,333 |
| Other property and services | | 49,497 | 87,906 | 97,254 |
| | | 2,064,539 | 3,149,745 | 2,394,734 |
| Expenditure from operating activities | | | | |
| Governance | | (514,190) | (345,252) | (314,451) |
| General purpose funding | | (23,220) | (77,378) | (90,920) |
| Law, order, public safety | | (42,781) | (73,022) | (89,685) |
| Health | | (141,739) | (164,396) | (183,412) |
| Education and welfare | | (135,673) | (73,005) | (78,593) |
| Housing | | (174,554) | (196,314) | (206,476) |
| Community amenities | | (151,627) | (165,991) | (204,960) |
| Recreation and culture | | (661,478) | (742,819) | (766,847) |
| Transport | | (1,421,080) | (1,068,789) | (2,081,487) |
| Economic services | | (348,648) | (753,079) | (741,039) |
| Other property and services | | 28,748 | 65,966 | (25,945) |
| | | (3,586,243) | (3,594,076) | (4,783,815) |
| Operating activities excluded from budget | | | | |
| (Profit) on asset disposals | 6 | (10,517) | 0 | (8,000) |
| Loss on disposal of assets | 6 | 0 | 0 | 0 |
| Depreciation on assets | 2(a) | 1,026,630 | 890,338 | 1,908,899 |
| Movement in employee benefit provisions (non-current) | | | | |
| Amount attributable to operating activities | | (480,828) | 813,047 | (114,087) |
| INVESTING ACTIVITIES | | | | |
| Non-operating grants, subsidies and contributions | 15 | 852,891 | 988,277 | 1,288,360 |
| Purchase land held for resale | 5 | 0 | 0 | 0 |
| Purchase property, plant and equipment | 5 | (281,335) | (217,690) | (1,390,000) |
| Purchase and construction of infrastructure | 5 | (1,154,291) | (1,143,831) | (1,318,007) |
| Proceeds from disposal of assets | 6 | 63,033 | 0 | 8,000 |
| Amount attributable to investing activities | | (519,702) | (373,245) | (1,411,647) |
| FINANCING ACTIVITIES | | | | |
| Repayment of borrowings | 7 | (83,033) | (96,013) | (96,013) |
| Proceeds from new borrowings | 7 | 0 | 199,584 | 0 |
| Proceeds from self supporting loans | | 0 | 4,010 | 0 |
| Transfers to cash backed reserves (restricted assets) | 9 | (453,191) | (1,070,375) | (54,229) |
| Transfers from cash backed reserves (restricted assets) | 9 | 402,396 | 735,000 | 745,000 |
| Amount attributable to financing activities | | (133,828) | (227,793) | 594,758 |
| Budgeted deficiency before general rates | | (1,134,358) | 212,009 | (930,976) |
| Estimated amount to be raised from general rates | 8 | 1,130,810 | 1,026,874 | 929,947 |
| Net current assets at end of financial year - surplus/(deficit) | | (3,547) | 1,238,883 | (1,029) |

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

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. Material accounting policies which have been adopted in the preparation of this budget are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the budget has also 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.

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.

The local government reporting eEntity

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

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

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

(b) 2016/17 actual balances

Balances shown in this budget as 2016/17 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

(c) Rounding off figures

All figures shown in this budget, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Comparative figures

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

(e) 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.

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Forecast fair value adjustments

All fair value adjustments relating to remeasurement of financial assets at fair value through profit or loss (if any) and changes on revaluation of non-current assets are impacted upon by external forces and not able to be reliably estimated at the time of budget adoption.

Fair value adjustments relating to the re-measurement of financial assets at fair value through profit or loss will be assessed at the time they occur with compensating budget amendments made as necessary.

It is anticipated, in all instances, any changes upon revaluation of non-current assets will relate to non-cash transactions and as such, have no impact on this budget document.

(g) Rates, grants, donations and other contributions

Rates, grants, donations and other contributions are recognised as revenues when the Shire of Trayning obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(h) 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.

(i) Superannuation

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

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

(j) 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 4 - Net Current Assets.

(k) Trade and other receivables

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

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

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

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) 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.

Land held for resale

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

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

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

(m) Fixed assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Mandatory requirement to revalue non-current assets

Effective from 1 July 2012, the *Local Government (Financial Management) Regulations* were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the Shire of Trayning commenced the process of adopting fair value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at fair value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Shire of Trayning revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire of Trayning includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation of the next anniversary date in accordance with the mandatory measurement framework detailed above.

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Fixed assets (continued)

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Land under roads

In Western Australia, all land under roads is Crown land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the fact *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, *Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Shire

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Fixed assets (continued)

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.

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

| | |
|--|-----------------|
| Buildings | 40 years |
| Furniture and Equipment | 10 years |
| Plant and Equipment | 10 years |
| Sealed roads and streets | |
| formation | not depreciated |
| pavement | 50 years |
| seal | |
| - bituminous seals | 10 years |
| Gravel roads | |
| formation | not depreciated |
| pavement | 50 years |
| gravel sheet | 10 years |
| Formed roads | |
| formation | not depreciated |
| pavement | 50 years |
| Footpaths - slab | 10 years |
| Water supply piping & drainage systems | 40 years |
| Airstrip | |
| formation | not depreciated |
| seal | |
| - bituminous seals | 10 years |
| gravel sheet | 10 years |

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.

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 TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Fair value of assets and liabilities

When performing a revaluation, the Shire of Trayning uses a mix of both independent and management valuations using the following as a guide:

Fair value is the price that the Shire of Trayning would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire of Trayning selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire of Trayning are consistent with one or more of the following valuation approaches:

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Fair value of assets and liabilities (continued)

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire of Trayning gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability and considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The mandatory measurement framework imposed by the *Local Government (Financial Management) Regulations* requires, as a minimum, all assets to be revalued at least every 3 years. Relevant disclosures, in accordance with the requirements of Australian Accounting Standards have been made in the budget as necessary.

(o) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Shire of Trayning becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Shire of Trayning commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments and any reduction for impairment; and
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method.

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial instruments (continued)

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit and loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short term profit taking. Assets in this category are classified as current assets. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Shire of Trayning management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available for sale financial assets are classified as non-current.

(v) Financial liabilities

Non-derivative financial liabilities (excl. financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in the profit or loss.

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial instruments (continued)

Impairment

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

Derecognition

Financial assets are derecognised where the contractual rights for receipt of cash flows expire or the asset is transferred to another party, whereby the Shire of Trayning no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(p) Impairment of assets

In accordance with Australian Accounting Standards the Shire of Trayning assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revaluation decrease in accordance with that other standard.

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Impairment of assets (continued)

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of adopting this budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2018.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on this budget document.

(q) 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 Trayning 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.

(r) Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations or service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire of Trayning's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire of Trayning does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) 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.

(t) Provisions

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

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

(u) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Shire of Trayning, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(v) Investment in associates

An associate is an entity over which the Shire of Trayning has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire of Trayning's share of net assets of the associate. In addition, the Shire of Trayning's share of the profit or loss of the associate is included in the

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Shire of Trayning's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Investment in associates (continued)

Profits and losses resulting from transactions between the Shire of Trayning and the associate are eliminated to the extent of the Shire of Trayning's interest in the associate.

When the Shire of Trayning's share of losses in an associate equals or exceeds its interest in the associate, the Shire of Trayning discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Shire of Trayning will resume recognising its share of these profits once its share of the profits equals the share of the losses not recognised.

(x) 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. Refer to note 1(o) for a description of the equity method of accounting.

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 Trayning's interests, in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 20.

(y) Current and non-current classification

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

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

| REVENUES AND EXPENSES | 2017/18 Budget \$ | 2016/17 Actual \$ | 2016/17 Budget \$ |
|--|----------------------------------|----------------------------------|----------------------------------|
| Net result | | | |
| The net result includes: | | | |
| Charging as an expense: | | | |
| Auditors remuneration | | | |
| Audit services | 27,000 | 24,922 | 28,000 |
| Other services | | 80 | 5,000 |
| Depreciation by program | | | |
| Governance | 25,076 | 27,306 | 27,500 |
| General purpose funding | 0 | 0 | 0 |
| Law, order, public safety | 1,420 | 1,161 | 1,420 |
| Health | 10,688 | 0 | 0 |
| Education and welfare | 20,986 | 6,508 | 5,750 |
| Housing | 79,850 | 93,247 | 79,850 |
| Community amenities | 4,310 | 2,176 | 2,600 |
| Recreation and culture | 160,980 | 160,555 | 158,600 |
| Transport | 647,600 | 521,259 | 1,536,729 |
| Economic services | 9,720 | 11,236 | 7,850 |
| Other property and services | 66,000 | 66,890 | 88,600 |
| | <u>1,026,630</u> | <u>890,338</u> | <u>1,908,899</u> |
| Depreciation by asset class | | | |
| Land and buildings | 235,858 | 214,805 | 195,494 |
| Furniture and equipment | 8,220 | 5,610 | 7,834 |
| Plant and equipment | 83,368 | 67,254 | 84,835 |
| Roads | 554,963 | 488,545 | 1,389,446 |
| Footpaths | 26,905 | 13,081 | 112,416 |
| Drainage | 0 | 0 | 0 |
| Other | 94,053 | 79,720 | 80,216 |
| Airstrip | 9,993 | 9,160 | 25,889 |
| Water | 13,270 | 12,164 | 12,769 |
| | <u>1,026,630</u> | <u>890,338</u> | <u>1,908,899</u> |
| Interest expenses (finance costs) | | | |
| - Borrowings (refer note 7(a)) | 20,646 | 21,291 | 26,357 |
| Other | 650 | 562 | 0 |
| | <u>21,296</u> | <u>21,853</u> | <u>26,357</u> |
| Crediting as revenues: | | | |
| Interest earnings | | | |
| Investments | | | |
| - Reserve funds | 15,027 | 10,308 | 8,032 |
| - Other funds | 3,491 | 4,923 | 20,000 |
| Other interest revenue (refer note 12) | 7,700 | 15,302 | 5,300 |
| | <u>26,218</u> | <u>30,533</u> | <u>33,332</u> |
| Other revenue | | | |
| Reimbursements and recoveries | 41,300 | 41,881 | 339,320 |
| | <u>41,300</u> | <u>41,881</u> | <u>339,320</u> |

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

REVENUES AND EXPENSES (Continued)

(b) Statement of objective

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.

COMMUNITY VISION

The Shire of Trayning is an active, safe and vibrant community that works together with honesty and is respectful of the values of all. We are committed to a progressive, diverse and profitable community that supports healthy lifestyles sustained by good social values and engaged youth. Our natural assets are valued, protected and enhanced for future generations.

GOVERNANCE

Activities:

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

GENERAL PURPOSE FUNDING

Activities:

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Activities:

Supervision of various local laws, fire prevention, emergency services and animals.

HEALTH

Activities:

Food quality control, pest control, immunisation services and community health service inspection

EDUCATION AND WELFARE

Activities:

Operation of Home and Community Care services, assistance to playgroups and other voluntary services.

HOUSING

Activities:

Maintenance of staff and rental housing.

**SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

REVENUES AND EXPENSES (Continued)

(b) Statement of objective (Continued)

COMMUNITY AMENITIES

Activities:

Refuse collection services, operation of refuse sites, maintenance of cemeteries, septic tank inspection and pump out services, storm water drainage maintenance and regional development.

RECREATION AND CULTURE

Activities:

Maintenance of halls, community centres, aquatic centre, recreation facilities and reserves, operation of library, TV retransmission and preparation of Shire history.

TRANSPORT

Activities:

Construction and maintenance of streets and roads, cleaning and lighting of streets, depot maintenance, airstrip maintenance and vehicle licensing services.

ECONOMIC SERVICES

Activities:

Regulation and provision of tourism, area promotion, building control, noxious weeds, vermin control and economic services.

OTHER PROPERTY & SERVICES

Activities:

Private works operations, plant repairs and operation costs.

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

NOTES TO THE STATEMENT OF CASH FLOWS

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:

| | 2017/18 | 2016/17 | 2016/17 |
|---------------------|----------------|------------------|----------------|
| | Budget | Actual | Budget |
| | \$ | \$ | \$ |
| Cash - unrestricted | (217,012) | (14,754) | 282 |
| Cash - restricted | 401,976 | 1,931,028 | 401,976 |
| | <u>184,964</u> | <u>1,916,274</u> | <u>402,258</u> |

The following restrictions have been imposed by regulation or other externally imposed requirements:

| | | | |
|-------------------------------------|------------------|------------------|----------------|
| Long Service Leave Reserve | 69,657 | 68,905 | 29,222 |
| Plant Reserve | 229,354 | 375,000 | 274,063 |
| Building Reserve | 126,705 | 8,913 | 9,011 |
| Facilities Reserve | 7,541 | 7,350 | 7,430 |
| Medical Facilities Reserve | 55,553 | 54,145 | 54,739 |
| Refuse Site Reserve | 4,225 | 4,118 | 4,437 |
| Swimming Pool Reserve | 45,325 | 21,759 | 8,855 |
| Unspent Grants Reserve | 743,208 | 870,208 | 0 |
| Community Recreation Centre Reserve | 18,184 | 17,723 | 14,217 |
| Staff Housing Reserve | 112,840 | 0 | 0 |
| Economic Development Reserve | 15,000 | 0 | 0 |
| Sewerage Reserve | 51,324 | 0 | 0 |
| | <u>1,478,917</u> | <u>1,428,122</u> | <u>401,976</u> |

Reconciliation of net cash provided by operating activities to net result

| | | | |
|--|----------------|------------------|----------------|
| Net result | 444,226 | 1,570,818 | (170,774) |
| Depreciation | 1,026,630 | 890,338 | 1,908,899 |
| (Profit)/loss on sale of asset | (10,517) | 0 | (8,000) |
| Loss on revaluation of non current assets | 0 | 0 | 0 |
| (Increase)/decrease in receivables | 102,994 | 1,128 | 25,000 |
| (Increase)/decrease in inventories | 6,000 | (10,125) | (4,500) |
| Increase/(decrease) in payables | 7,699 | (2,719) | 0 |
| Increase/(decrease) in employee provisions | 11,000 | (7,739) | 0 |
| Grants/contributions for the development of assets | (852,891) | (988,277) | (1,288,360) |
| Net cash from operating activities | <u>735,141</u> | <u>1,453,424</u> | <u>462,265</u> |

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

| | 2017/18 Budget \$ | 2016/17 Actual \$ | 2016/17 Budget \$ |
|--|-------------------------|----------------------------------|----------------------------------|
| Undrawn borrowing facilities credit standby arrangements | | | |
| Bank overdraft limit | 200,000 | 200,000 | 200,000 |
| Bank overdraft at balance date | 0 | 0 | 0 |
| Credit card limit | 20,000 | 7,000 | 7,000 |
| Credit card balance at balance date | 0 | 0 | 0 |
| Total amount of credit unused | <u>220,000</u> | <u>207,000</u> | <u>207,000</u> |
| Loan facilities | | | |
| Loan facilities in use at balance date | <u>566,654</u> | <u>649,687</u> | <u>547,870</u> |
| Unused loan facilities at balance date | <u>0</u> | <u>0</u> | <u>0</u> |
| | Note | 2017/18 Budget \$ | 2016/17 Actual \$ |
| NET CURRENT ASSETS | | | |
| Composition of estimated net current assets | | | |
| Current assets | | | |
| Cash - unrestricted | 3(a) | (217,012) | (14,754) |
| Cash - restricted reserves | 3(a) | 401,976 | 1,931,028 |
| Receivables | | 144,383 | 268,370 |
| Inventories | | 28,211 | 34,211 |
| | | <u>357,558</u> | <u>2,218,855</u> |
| Less: current liabilities | | | |
| Trade and other payables | | (283,972) | (200,206) |
| Short term borrowings | | 0 | 0 |
| Long term borrowings | | (241,539) | (75,474) |
| Provisions | | (195,861) | (213,361) |
| | | <u>(721,372)</u> | <u>(489,041)</u> |
| Unadjusted net current assets | | (363,814) | 1,729,814 |
| Differences between the net current assets at the end of each financial year in the rate setting statement and net current assets detailed above arise from amounts which have been excluded when calculating the budget deficiency in accordance with <i>Local Government (Financial Management) Regulation 32</i> as movements for these items have been funded within the budget estimates. These differences are disclosed as adjustments below. | | | |
| Adjustments | | | |
| Less: Cash - restricted reserves | 3(a) | (1,478,917) | (1,931,028) |
| Less: Land held for resale | | 0 | 0 |
| Less: Current loans - clubs / institutions | | 0 | 0 |
| Add: Current portion of borrowings | | 241,539 | 75,474 |
| Add: Current liabilities not expected to be cleared at end of year | | 283,972 | 150,503 |
| Adjusted net current assets - surplus/(deficit) | | <u>(1,317,220)</u> | <u>24,763</u> |

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

5. ACQUISITION OF ASSETS

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

| Asset class | Reporting program | | | | | | | | | | | 2017/18 Budget total \$ | 2016/17 Actual 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 and buildings | | | | | | 50,000 | | 10,939 | | | | | 60,939 | 42,815 |
| Furniture and equipment | 13,000 | | | | | | | | | | | | 13,000 | 16,000 |
| Plant and equipment | | | | | | | | 7,000 | 140,396 | | | | 147,396 | 49,082 |
| Motor Vehicles | | | | 60,000 | | | | | | | | | 60,000 | 109,794 |
| | 13,000 | 0 | 0 | 60,000 | 0 | 50,000 | 0 | 17,939 | 140,396 | 0 | 0 | 0 | 281,335 | 217,690 |
| <i>Infrastructure</i> | | | | | | | | | | | | | | |
| Roads | | | | | | | | | 857,600 | | | | 857,600 | 1,143,831 |
| Footpaths | | | | | | | | | 89,103 | | | | 89,103 | |
| Drainage | | | | | | | | | | | | | | |
| Parks and ovals | | | | | | | | | | | | | | |
| Other | | | | | | | | | 198,588 | | | | 198,588 | |
| Airstrip | | | | | | | | | 9,000 | | | | 9,000 | |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,154,291 | 0 | 0 | 0 | 1,154,291 | 1,143,831 |
| Total acquisitions | 13,000 | 0 | 0 | 60,000 | 0 | 50,000 | 0 | 17,939 | 1,294,687 | 0 | 0 | 0 | 1,435,626 | 1,361,522 |

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

- plant replacement programme
- other property, plant and equipment
- road replacement programme
- other parks and ovals

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

6. DISPOSALS OF ASSETS

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

By Program

| | Net book value | Sale proceeds | 2017/18 Budget | | 2016/17 Actual | | 2016/17 Budget | |
|-----------|---------------------------|--------------------------|-----------------------|-------------|-----------------------|-------------|-----------------------|-------------|
| | | | Profit | Loss | Profit | Loss | Profit | Loss |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Health | 52,517 | 55,033 | 2,517 | 0 | 0 | 0 | 0 | 0 |
| Transport | 0 | 8,000 | 8,000 | 0 | 0 | 0 | 8,000 | 0 |
| | 52,517 | 63,033 | 10,517 | 0 | 0 | 0 | 8,000 | 0 |

By Class

| | Net book value | Sale proceeds | 2017/18 Budget | | 2016/17 Actual | | 2016/17 Budget | |
|--------------------------------|---------------------------|--------------------------|-----------------------|-------------|-----------------------|-------------|-----------------------|-------------|
| | | | Profit | Loss | Profit | Loss | Profit | Loss |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Land and buildings | | | | | | | | |
| Furniture and equipment | | | | | | | | |
| Plant and equipment | 52,517 | 63,033 | 10,517 | | 0 | 0 | 8,000 | 0 |
| | 52,517 | 63,033 | 10,517 | 0 | 0 | 0 | 8,000 | 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

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

7. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

| Purpose | Principal 1-Jul-17 | New loans | Principal repayments | | Principal outstanding | | Interest repayments | |
|------------------------------------|-----------------------|--------------|-------------------------|-------------------------|--------------------------|-------------------------|-------------------------|-------------------------|
| | | | 2017/18 Budget \$ | 2016/17 Actual \$ | 2017/18 Budget \$ | 2016/17 Actual \$ | 2017/18 Budget \$ | 2016/17 Actual \$ |
| Recreation and culture | | | | | | | | |
| Loan 69 - Community Recreatic | 337,455 | | 12,968 | 12,545 | 324,487 | 337,455 | 11,164 | 11,458 |
| Transport | | | | | | | | |
| Loan 66 - Grader | 17,079 | | 17,079 | 32,733 | 0 | 17,079 | 494 | 2,020 |
| Economic services | | | | | | | | |
| Loan 68 - Trayning Unmanned | 150,669 | | 15,232 | 14,774 | 135,437 | 150,669 | 4,056 | 2,297 |
| Loan 70 - Trayning Unmanned | 63,785 | | 6,357 | 6,215 | 57,428 | 63,785 | 1,673 | 1,796 |
| Other property and services | | | | | | | | |
| Loan 65 - Works Crew Housing | 41,446 | | 27,237 | 25,736 | 14,209 | 41,446 | 1,997 | 2,779 |
| | 610,434 | 0 | 78,873 | 92,003 | 531,561 | 610,434 | 19,384 | 20,350 |
| Self Supporting Loans | | | | | | | | |
| Housing | | | | | | | | |
| Loan 67 - SSL Bowls Resurface | 39,253 | | 4,160 | 4,010 | 35,093 | 39,253 | 1,262 | 941 |
| | 39,253 | 0 | 4,160 | 4,010 | 35,093 | 39,253 | 1,262 | 941 |
| | 649,687 | 0 | 83,033 | 96,013 | 566,654 | 649,687 | 20,646 | 21,291 |

All borrowing repayments will be financed by general purpose revenue.

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

7. INFORMATION ON BORROWINGS (Continued)

(b) New borrowings - 2017/18

| Particulars/Purpose | Institution | Loan type | Term (years) | Interest rate % | Amount borrowed budget \$ | Total interest & charges \$ | Amount used budget \$ | Balance unspent \$ |
|---------------------|-------------|-----------|--------------|-----------------|---------------------------|-----------------------------|-----------------------|--------------------|
| | | | | | 0 | 0 | 0 | 0 |
| | | | | | 0 | 0 | 0 | 0 |

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2017 nor is it expected to have unspent borrowing funds as at 30th June 2018.

(d) Overdraft

The Shire has not utilised an overdraft facility during the financial year although an overdraft facility of \$200,000 with the Westpac Banking Corporation does exist. It is not anticipated that this facility will be required to be utilised during 2017/18.

AASB 101.10(e)
AASB 101.51
AASB 101.112

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

LGA S6.2(4)(b)
FM Reg 23(a)

8. RATING INFORMATION

| RATE TYPE | Rate in \$ | Number of properties | Rateable value \$ | 2017/18 Budgeted rate revenue \$ | 2017/18 Budgeted interim rates \$ | 2017/18 Budgeted back rates \$ | 2017/18 Budgeted total revenue \$ | 2016/17 Actual \$ |
|--|---------------|----------------------------|-------------------------|--|---|--|---|-------------------------|
| Differential general rate or general rate GRV | | | | | | | | |
| Kununoppin Trayning | 0.218558 | 105 | 579,488 | 126,652 | | | 126,652 | 121,440 |
| Yelbeni | 0.218558 | 3 | 11,660 | 2,548 | | | 2,548 | 2,474 |
| Commercial | 0.218558 | 12 | 84,010 | 18,361 | | | 18,361 | 17,826 |
| UV | | | | | | | | |
| Rural | 0.020851 | 210 | 48,738,000 | 1,016,236 | | | 1,016,236 | 871,454 |
| Mining | 0.020851 | 0 | 0 | 0 | | | 0 | 0 |
| Sub-Totals | | 330 | 49,413,158 | 1,163,797 | 0 | 0 | 1,163,797 | 1,013,194 |
| Minimum payment \$ | | | | | | | | |
| GRV | | | | | | | | |
| Kununoppin Trayning | 310 | 31 | 13,411 | 9,610 | | | 9,610 | 9,300 |
| Yelbeni | 310 | 6 | 925 | 1,860 | | | 1,860 | 1,800 |
| Commercial | 310 | 2 | 455 | 620 | | | 620 | 600 |
| UV | | | | | | | | |
| Rural | 340 | 6 | 54,700 | 2,040 | | | 2,040 | 1,980 |
| Mining | 340 | 0 | 0 | 0 | | | 0 | 0 |
| Sub-Totals | | 45 | 69,491 | 14,130 | 0 | 0 | 14,130 | 13,680 |
| | | 375 | 49,482,649 | 1,177,927 | 0 | 0 | 1,177,927 | 1,026,874 |
| Discounts/concessions (Refer note 13) | | | | | | | (47,117) | 0 |
| Total amount raised from general rates | | | | | | | 1,130,810 | 1,026,874 |
| Specified area rates (Refer note 10) | | | | | | | 0 | 0 |
| Ex Gratia Rates | | | | | | | 12,228 | |
| Total rates | | | | | | | 1,143,038 | 1,026,874 |

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

8(a). RATING INFORMATION

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

The general rates detailed above for the 2017/18 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 the Local Government services/facilities.

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

9. CASH BACKED RESERVES

| | 2017/18 Budget Opening balance \$ | 2017/18 Budget Transfer to \$ | 2017/18 Budget Transfer (from) \$ | 2017/18 Budget Closing balance \$ | 2016/17 Actual Opening balance \$ | 2016/17 Actual Transfer to \$ | 2016/17 Actual Transfer (from) \$ | 2016/17 Actual Closing balance \$ | 2016/17 Budget Opening balance \$ | 2016/17 Budget Transfer to \$ | 2016/17 Budget Transfer (from) \$ | 2016/17 Budget Closing balance \$ |
|-------------------------------------|---|---|---|---|---|---|---|---|---|---|---|---|
| Long Service Leave Reserve | 68,905 | 752 | | 69,657 | 28,509 | 40,396 | 0 | 68,905 | 28,509 | 713 | 0 | 29,222 |
| Plant Reserve | 375,000 | 129,750 | (275,396) | 229,354 | 355,061 | 94,939 | (75,000) | 375,000 | 355,061 | 4,002 | (85,000) | 274,063 |
| Building Reserve | 8,913 | 117,792 | | 126,705 | 8,791 | 122 | 0 | 8,913 | 8,791 | 220 | 0 | 9,011 |
| Facilities Reserve | 7,350 | 191 | | 7,541 | 7,249 | 101 | 0 | 7,350 | 7,249 | 181 | 0 | 7,430 |
| Medical Facilities Reserve | 54,145 | 1,408 | | 55,553 | 53,404 | 741 | 0 | 54,145 | 53,404 | 1,335 | 0 | 54,739 |
| Refuse Site Reserve | 4,118 | 107 | | 4,225 | 28,719 | 399 | (25,000) | 4,118 | 28,719 | 718 | (25,000) | 4,437 |
| Swimming Pool Reserve | 21,759 | 23,566 | | 45,325 | 8,639 | 13,120 | 0 | 21,759 | 8,639 | 216 | 0 | 8,855 |
| Unspent Grants Reserve | 870,208 | 0 | (127,000) | 743,208 | 350,000 | 870,208 | (350,000) | 870,208 | 350,000 | 0 | (350,000) | 0 |
| Community Recreation Centre Reserve | 17,723 | 461 | | 18,184 | 252,373 | 50,350 | (285,000) | 17,723 | 252,373 | 46,844 | (285,000) | 14,217 |
| Staff Housing Reserve | 0 | 112,840 | | 112,840 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Economic Development Reserve | 0 | 15,000 | | 15,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sewerage Reserve | 0 | 51,324 | | 51,324 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | <u>1,428,122</u> | <u>453,191</u> | <u>(402,396)</u> | <u>1,478,917</u> | <u>1,092,747</u> | <u>1,070,375</u> | <u>(735,000)</u> | <u>1,428,122</u> | <u>1,092,747</u> | <u>54,229</u> | <u>(745,000)</u> | <u>401,976</u> |

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

9. CASH BACKED RESERVES (Continued)

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 | Purpose of the reserve |
|-------------------------------------|--|
| Long Service Leave Reserve | To be used to fund annual and long service leave requirements. |
| Plant Reserve | To be used for the purchase of major plant. |
| Building Reserve | To be used for the construction of housing and other facilities. |
| Facilities Reserve | To be used to provide new facilities to the shire. |
| Medical Facilities Reserve | To be used to maintain the services of a doctor and other medical services. |
| Refuse Site Reserve | To be used to upgrade and expand rubbish tips within the Shire. |
| Swimming Pool Reserve | To be used upgrade the swimming pool and aquatic centre facilities. |
| Unspent Grants Reserve | To be used to set aside grant and loan funds received and committed to be spent on specific projects or in future financial reporting periods. |
| Community Recreation Centre Reserve | To be used for the construction of a Community Recreation Centre |
| Economic Development Reserve | To be used to fund the marketing plans for the marketing of Trayning as a place to live |
| Sewerage Reserve | To be used to fund the construction of a sewerage pond |

**SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

10. SPECIFIED AREA RATE

| | Basis of valuation | Rate in \$ | Rateable value \$ | 2017/18 Budgeted specified area rate revenue \$ | 2017/18 Interim specified area rate revenue \$ | 2017/18 Back specified area rate revenue \$ | 2017/18 Total specified area rate revenue \$ | 2016/17 Actual revenue \$ |
|---------------------|--------------------|------------|-------------------|---|--|---|--|---------------------------|
| Specified area rate | | | | | | | | |
| Nil | | | | 0 | | | 0 | |
| | | | 0 | 0 | 0 | 0 | 0 | 0 |

| | 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 | | | | | |
| Nil | | | | | |
| | | | 0 | 0 | 0 |

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

11. SERVICE CHARGES

| | Amount of charge \$ | 2017/18 Budgeted revenue \$ | Budget Amount to be applied to costs \$ | Budget Amount to be set aside to reserve \$ | Reserve Amount to be applied to costs \$ | 2016/17 Actual revenue \$ |
|----------------|------------------------------|--------------------------------------|---|---|--|------------------------------------|
| Service charge | | | | | | |
| Nil | | | | | | |
| | | 0 | 0 | 0 | 0 | 0 |

| Nature of the service charge | Objects of the charge | Reasons for the charge | Area/Properties charge to be imposed on |
|------------------------------|-----------------------|------------------------|--|
|------------------------------|-----------------------|------------------------|--|

Nil

No interest will be charged on the late payment of service charges

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

12. 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 | 21st August 2017 | \$ - | 0.00% | 11.00% |
| Option three | | | | |
| Four Instalments | 21st August 2017 | \$ 15.00 | 5.50% | 11.00% |
| | 23rd October 2017 | \$ 15.00 | 5.50% | 11.00% |
| | 21st December 2017 | \$ 15.00 | 5.50% | 11.00% |
| | 21st February 2018 | \$ 15.00 | 5.50% | 11.00% |

| | 2017/18 Budget revenue \$ | 2016/17 Actual \$ |
|--------------------------------------|--|----------------------------------|
| Instalment plan admin charge revenue | 1,200 | 1,440 |
| Instalment plan interest earned | 1,200 | 1,330 |
| Unpaid rates interest earned | 6,500 | 13,972 |
| | <u>8,900</u> | <u>16,742</u> |

**SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

13. PAYMENT DISCOUNTS, WAIVERS AND CONCESSIONS

Rates discounts

| Rate or fee to which discount is granted | Disc % or Amount (\$) | 2017/18 Budget \$ | 2016/17 Actual \$ | Circumstances in which discount is granted |
|--|-----------------------------|-------------------------|-------------------------|--|
| Rates | 5% | 47,117 | | Payment of full rates amount owing including arrears, received within 21 days from issuing of Rates Notices. |
| | | <u>47,117</u> | <u>0</u> | |

Waivers or concessions

| Rate or fee and charge to which the waiver or concession is granted | Type | Disc % or Amount (\$) | 2017/18 Budget \$ | 2016/17 Actual \$ | Circumstances in which the waiver or concession is granted | Objects of the waiver or concession | Reasons for the waiver or concession |
|---|------|-----------------------------|-------------------------|-------------------------|--|-------------------------------------|--------------------------------------|
| Nil | | | <u>0</u> | <u>0</u> | | | |

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

| | 2017/18 Budget \$ | 2016/17 Actual \$ |
|--|----------------------------------|----------------------------------|
| 14. FEES & CHARGES REVENUE | | |
| Governance | 3,640 | 25,782 |
| General purpose funding | 1,200 | 1,440 |
| Law, order, public safety | 1,450 | 1,731 |
| Health | 26,800 | 27,978 |
| Education and welfare | | 0 |
| Housing | 53,027 | 41,448 |
| Community amenities | 53,588 | 48,978 |
| Recreation and culture | 10,900 | 17,744 |
| Transport | | 0 |
| Economic services | 18,630 | 27,892 |
| Other property and services | 27,147 | 67,905 |
| | <u>196,382</u> | <u>260,898</u> |
| 15. GRANT REVENUE | | |
| Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income: | | |
| By Program: | | |
| Operating grants, subsidies and contributions | | |
| Governance | 13,500 | 25,007 |
| General purpose funding | 1,038,643 | 1,546,812 |
| Law, order, public safety | 4,000 | 4,000 |
| Health | 60,000 | 149,370 |
| Education and welfare | 7,250 | 8,666 |
| Housing | 0 | 0 |
| Community amenities | 4,300 | 3,807 |
| Recreation and culture | 33,500 | 8,736 |
| Transport | 545,485 | 787,188 |
| Economic services | 80,444 | 280,050 |
| Other property and services | 3,000 | 3,523 |
| | <u>1,790,122</u> | <u>2,817,157</u> |
| Non-operating grants, subsidies and contributions | | |
| Governance | 0 | 0 |
| General purpose funding | 0 | 0 |
| Law, order, public safety | 0 | 0 |
| Health | 7,000 | 0 |
| Education and welfare | 0 | 1,730 |
| Housing | 0 | 0 |
| Community amenities | 0 | 0 |
| Recreation and culture | 68,858 | 124,800 |
| Transport | 777,033 | 861,747 |
| Economic services | 0 | 0 |
| Other property and services | 0 | 0 |
| | <u>852,891</u> | <u>988,277</u> |

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

| | 2017/18 Budget \$ | 2016/17 Actual \$ |
|--|----------------------------------|----------------------------------|
| 16. ELECTED MEMBERS REMUNERATION | | |
| The following fees, expenses and allowances were paid to council members and/or the President. | | |
| Meeting fees | 34,480 | 29,085 |
| Mayor/President's allowance | 12,350 | 12,350 |
| Deputy Mayor/President's allowance | 3,088 | 3,088 |
| Travelling expenses | 4,500 | 4,620 |
| Telecommunications allowance | 10,850 | 388 |
| | 65,268 | 49,530 |

17. TRUST FUNDS

Funds held at balance date over which the local government has no control and which are not included in the financial statements are as follows:

| Detail | Balance 1-Jul-17 \$ | Estimated amounts received \$ | Estimated amounts paid (\$) | Estimated balance 30-Jun-18 \$ |
|-------------------------------------|---------------------------|--|--------------------------------------|---|
| Councillor Nominations | 0 | 320 | (320) | 0 |
| Ninghan Fitness Centre | 222 | 0 | (222) | 0 |
| Toy Library | 771 | 0 | 0 | 771 |
| Red FM Radio/Gym | 317 | 0 | 0 | 317 |
| Kununoppin Fire Brigade | 500 | 0 | 0 | 500 |
| Shire Housing Bonds | 6,088 | 1,800 | (964) | 6,924 |
| Trayning Golf Club Funds | 5,903 | 0 | 0 | 5,903 |
| Halls and Equipment Hire Bond | 100 | 400 | (300) | 200 |
| Unidentified Deposits | 3,018 | 0 | 0 | 3,018 |
| South Ninghan Catchment Group Funds | 2,416 | 0 | 0 | 2,416 |
| Repertory Funds | 1,707 | 0 | 0 | 1,707 |
| Aqua Bubble Donations | 971 | 0 | (971) | 0 |
| Ninghan Farm Focus Group | 250 | 0 | 0 | 250 |
| Playgroup Funds | 1,226 | 0 | (1,226) | 0 |
| Police Licensing | 12,345 | 280,000 | (280,345) | 12,000 |
| | 35,833 | 282,520 | (284,348) | 22,005 |

SHIRE OF TRAYNING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

18. MAJOR LAND TRANSACTIONS

It is not anticipated that any major land transactions will occur in 2017/18

19. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

It is not anticipated any trading undertakings or major trading undertakings will occur in 2017/18.

20. INTERESTS IN JOINT ARRANGEMENTS

It is not anticipated the Shire will be party to any joint venture arrangements during 2017/18.

**SHIRE OF TRAINING
CAPITAL EXPENDITURE BY PROGRAM
FOR THE PERIOD ENDING 30 JUNE 2018**

| | CAPITAL EXPENDITURE | | | | | | | SOURCES OF FUNDING | | | | | | | | | |
|--|----------------------------|----------------------|--------------------------|---------------|----------------|----------------|---------------------------------|-------------------------------------|--------------------------------------|---------------------------|-------------------------|------------------------|------------------------------|---------------|----------------|--------------------------|------------------|
| | Property Plant & Equipment | | | | Infrastructure | | Total Capital Expenditure | Restricted Monies Prior Years | Capital Grants & Contributions | Regional Road Group | Roads to Recovery | Country LG Funds | Other Specific Funding | Loan Funds | Reserves | Disposal of Assets | Council Funds |
| Land & Buildings | Motor Vehicles | Plant & Equipment | Furniture & Equipment | Roads | Other | | | | | | | | | | | | |
| Governance | | | | | | | | | | | | | | | | | |
| Upgrade to Server Computer | | | | 13,000 | | | 13,000 | | | | | | | | | | 13,000 |
| Total - Other Governance | 0 | 0 | 0 | 13,000 | 0 | 0 | 13,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 13,000 |
| Health | | | | | | | | | | | | | | | | | |
| Purchase Doctors Vehicle | | | 60,000 | | | | 60,000 | | 7,000 | | | | | | | 50,000 | 3,000 |
| Total - Health | 0 | 0 | 60,000 | 0 | 0 | 0 | 60,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,000 |
| Housing | | | | | | | | | | | | | | | | | |
| Lot 11 Wilson St Kununoppin | 10,000 | | | | | | 10,000 | | | | | | | | | | 10,000 |
| Lot 75 Adam Street | 20,000 | | | | | | 20,000 | | | | | | | | | | 20,000 |
| Lot 144 Adam Street | 20,000 | | | | | | 20,000 | | | | | | | | | | 20,000 |
| Total - Housing | 50,000 | 0 | 0 | 0 | 0 | 0 | 50,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50,000 |
| Community Amenities | | | | | | | | | | | | | | | | | |
| Sewage Waste Dump - Kununoppin Refuse Site | | | | | | | 32,201 | | | | | | | | | | 32,201 |
| Upgrade to Cemetery | | | | | | | 13,208 | | | | | | | | | | 13,208 |
| Total - Community Amenities | 0 | 0 | 0 | 0 | 0 | 45,409 | 45,409 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 45,409 |
| Recreation and Culture | | | | | | | | | | | | | | | | | |
| Trayning Hall Refurbishment | 10,939 | | | | | | 10,939 | | | | | | | | | | 10,939 |
| Aqua Vac - Swimming Pool | | | 7,000 | | | | 7,000 | | | | | | | | | | 7,000 |
| Trayning Town Dam - Rotor Catchment Renewal | | | | | | 105,935 | 105,935 | | | | | 68,858 | | | | | 37,077 |
| Total - Public Halls & Civic Centres | 10,939 | 0 | 7,000 | 0 | 0 | 105,935 | 123,874 | 0 | 0 | 0 | 0 | 68,858 | 0 | 0 | 0 | 0 | 55,016 |
| Construction - Roads, Bridges & Depots | | | | | | | | | | | | | | | | | |
| <i>Road Construction - WANDRRA</i> | | | | | | | | | | | | | | | | | |
| Couper Road Flood Damage | | | | | 117,598 | | 117,598 | | | | | | | | | 117,598 | |
| Kellerberrin - Yelbeni Road | | | | | 147,325 | | 147,325 | | | | | | | | | 147,325 | |
| | | | | | | | 0 | | | | | | | | | | |
| <i>Road Construction - Rrg</i> | | | | | | | | | | | | | | | | | |
| Kununoppin - Mukinbudin Road - Widen and Reconstruct | | | | | 461,975 | | 461,975 | | | 307,972 | | | | | | | 154,003 |
| | | | | | | | 0 | | | | | | | | | | |
| <i>Road Construction - Rtr</i> | | | | | | | | | | | | | | | | | |
| Trayning North Road - Widen, resheet & reform drainage | | | | | 85,344 | | 85,344 | 85,344 | | | | | | | | | |
| Lockyer Road - Widen, resheet & reform drainage | | | | | 45,358 | | 45,358 | | | 45,358 | | | | | | | |
| | | | | | | | 0 | | | | | | | | | | |
| <i>Footpath Construction</i> | | | | | | | | | | | | | | | | | |
| New footpath from ILU's to Community Centre Kununoppin | | | | | | 67,586 | 67,586 | | | | | | | | | | 67,586 |
| New footpath from Shire Depot to Trayning Primary School | | | | | | 21,516 | 21,516 | | | | | | | | | | 21,516 |
| | | | | | | | 0 | | | | | | | | | | |
| <i>Kerbing</i> | | | | | | | | | | | | | | | | | |
| Coronation Street | | | | | | 37,244 | 37,244 | | | | | | | | | | 37,244 |
| | | | | | | | 0 | | | | | | | | | | |
| <i>Aerodromes</i> | | | | | | | | | | | | | | | | | |
| Airstrip Line Marking | | | | | | 9,000 | 9,000 | | | | | | | | | | 9,000 |
| Total - Construction - Roads, Bridges & Depots | 0 | 0 | 0 | 0 | 857,600 | 135,347 | 992,947 | 85,344 | 0 | 307,972 | 45,358 | 0 | 264,923 | 0 | 0 | 0 | 289,350 |
| Road Plant Purchases | | | | | | | | | | | | | | | | | |
| Rear Discharge JD X350R Mower | | | 8,396 | | | | 8,396 | | | | | | | | | 8,396 | |
| Bobcat Trailer with ramps | | | 17,000 | | | | 17,000 | | | | | | | | | 17,000 | |
| Sidetipper | | | 85,000 | | | | 85,000 | | | | | | | | | 85,000 | |
| Dolly | | | 30,000 | | | | 30,000 | | | | | | | | | 30,000 | |
| Total - Road Plant Purchases | 0 | 0 | 140,396 | 0 | 0 | 0 | 140,396 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 140,396 | 0 | 0 |
| Tourism & Area Promotion | | | | | | | | | | | | | | | | | |
| Sewerage Pump Pit | | | | | | 10,000 | 10,000 | | | | | | | | | | 10,000 |
| Total - Tourism & Area Promotion | 0 | 0 | 0 | 0 | 0 | 10,000 | 10,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10,000 |
| OVERALL TOTALS | 60,939 | 0 | 207,396 | 13,000 | 857,600 | 296,691 | 1,435,626 | 85,344 | 0 | 307,972 | 45,358 | 0 | 333,781 | 0 | 140,396 | 0 | 465,775 |