



ANNUAL BUDGET

for the year ended 30 June 2022

8 Vasey Street
PO Box 92
Jerramungup WA 6337

Phone: 9835 1022

Fax: 9835 1161

2017/2018 ANNUAL REPORT

**“Progressive, Prosperous
and a Premium Place
to Live and Visit.”**



2017/2018 ANNUAL REPORT

Budget for the Financial Year 2021/2022 Presented and Adopted at
the Ordinary Meeting of Council held 28 July 2021.

Robert Lester

Shire President

Martin Cuthbert

Chief Executive Officer

2021/2022 BUDGET SUMMARY

The budget for the financial year 2021/2022 has been developed with consultation between executive staff, elected members and community submissions. The budget is also driven by the Shire's Corporate Business Plan and contains a number of projects and income/expenditure parameters from this document.

The Shire of Jerramungup remains committed to the recovery and growth of our community as we transition out of the economic strains placed upon us all during the COVID-19 pandemic and water deficiencies experienced across the Shire in the last 12 months. This budget supports our efforts to provide modern, well looked after facilities for our communities while maintaining our financial commitment to our large road network and ensure services continue to be available to our residents.

In the 2021/2022 financial year, 26% of rates raised will be from properties on a gross rental valuation (GRV) (predominately within the townsite), and 74% will be from unimproved valuation (UV)(rural). Good to strong market activity has continued to support and drive broadacre values with strong interest from family farmers and some large purchases from corporate investors seeing values continue to lift across the whole Shire.

Council agreed to a rate rise this financial year of 3.12%. Rates contribute towards the upkeep and maintenance of the Shire's infrastructure and a list of significant capital and operating expenditure factored into the 2021/2022 annual budget can be found in this document. It should be noted that the current economic market has also seen contractor and material costs significantly increase for capital and operating projects. The Shire believes that a 3.12% rate increase to the total yield will ensure Council services to the community and new capital and operating projects continue to be delivered to a high standard.

In conclusion I would like to thank Council and Staff for their commitment and support and I look forward to delivering real benefits to our community, the major projects identified in the 2021/2022 budget allow a planned approach to a sustainable future both economically and socially, assisting the continued economic sustainability of the local and regional area.



A handwritten signature in black ink, appearing to read 'Martin Cuthbert'. The signature is stylized and fluid, with a long horizontal stroke extending to the right.

Martin Cuthbert

Chief Executive Officer

KEY HIGHLIGHTS FOR 2021/2022

\$2.58 million Road Construction Program

The budget continues to focus on renewing and improving Council assets with particular focus on the road network, \$2.58 million will be spent on Council's road construction program with \$480,000 offset by Regional Road Group Funding and \$400,523 offset by Roads to Recovery Funding.

- Sealing, pavement repairs and shoulder reinstatement works will be carried out on Devils Creek Road, Swamp Road, Border Boxwood Road, Swarbrick Road, Bremer Bay Road, Moorshead Street, Newton Street and Java Sea Road
- Complete formation widening upgrades, gravel resheeting and drainage works will be carried out on Jerramungup North Road, Brook Road, Meechi Road, Cowalellup Road, Cuiss Road, Rabbit Proof Fence Road, Swamp Road, O'Dea Road-via Bremer Bay and Ocomup Road-via Bremer Bay.
- \$40,000 towards repairing and replacing footpaths and kerbing in Jerramungup and Bremer Bay
- Full reconstruction of the Bremer Bay Stand Pipe area including bitumen sealing
- \$33,000 towards the sealing of the Jerramungup Airstrip apron and taxiway.

Fishery Beach Marina Upgrade

The Shire of Jerramungup is planning to replace the existing recreational boat ramp and finger jetty at Fishery Beach Marina in Bremer Bay in 2021/2022. The structures have exceeded their intended design life, the jetty does not meet current standards and the ramps are in poor condition with ongoing maintenance requirements.

The Shire has received funding from the Department of Transport's Recreational Boating Facility Round 25 grant and allocated a portion of the funds received from the Department of Infrastructure, Transport, Regional Development and Communications to replace the facility with a new 2-lane public boat ramp and a wider finger jetty.



Fishery Beach Marina—Recreational Boat Ramp and Finger Jetty (2017)

\$4.2 million Jerramungup Swimming Pool Project

Works on the construction of the new 25m main pool, toddler's pool, pump shed with accessories, male/female/accessible toilets, change rooms and first aid room at the Jerramungup pool precinct began in May 2021. M/Construction were awarded the tender and have so far completed the demolition of the old structures making room for the new pool and equipment.

This project aims to provide residents of Jerramungup and surrounding areas with safe learn to swim facilities to assist with reducing the likelihood of drowning or near drowning incidents. This project also encourages a healthy and active community and aligns to supporting economic growth through retaining skilled employees and attracting people and families to live, work and contribute in the region.

The total budget allocation for 2021/2022 is \$4.2million with \$2.1 million in funding contributing to this project through the Building Better Regions Fund Round 4, \$1.4million from the Department of Education and \$700,000 from Drought Communities Funding.



Design Drawings of Proposed Upgraded Facilities

Contribution to the Refurbishment of the Boxwood Hill Sports Club Facility

The Boxwood Hill Combined Sports Club is an integral part of the Boxwood Hills Community with the Club providing social, recreational, physical and education activities to the community. Work commenced on the refurbishments to the facility in December 2019 which incorporates the installation of a new septic system, construction of new male and female toilets and change rooms, umpires room, medical room, storerooms, kids play area, increased social space and external verandahs.

This project was made possible through funding from the Building Better Regions Funding, Community Sport and Recreation Funding, contributions from the Boxwood Hill Combined Sports Club and Shire of Jerramungup contribution of \$270,000. A short-term loan of \$90,000 has also been allocated in the 2021/2022 Shire of Jerramungup budget to cover the Club shortfall until final grant funding is received on completion of the project.

The official opening of the new facilities is being held on Saturday 4 September 2021 which coincides with the Ongerup Association Sport grand final.



Design drawings of proposed upgraded facilities

Forward Planning

The Shire is committed to updating, developing and implementing framework which guides Council in identifying community needs and aspirations over the long term. The following plans have been selected to be updated in the 2021/2022 budget to enable forward planning to better support our community in times of need and foster better community preparedness.

- Asset Management Plans
- Long Term Financial Plan
- Tourism Strategy
- Health Services Strategy
- Economic Development Plan
- Reconciliation Action Plan
- Workforce Plan
- LEMA Review (project carryover from 2020/2021 and funded through AWARE grant)

A provision for \$50,000 has also been made for architectural consultancy services to finalise the design of the Bremer Bay Cultural Precinct.

Local Road and Community Infrastructure (LRCI) Program

The Australian Government's Local Roads and Community Infrastructure (LRCI) Program supports local governments to deliver priority projects to help communities recover from the impacts of COVID-19. Local Road and Community Infrastructure priority projects include the construction, maintenance and/or improvements to council-owned assets (including natural assets) that are generally accessible to the public that deliver benefits to the community, such as improved accessibility, visual amenity and safety benefits.

In 2020 the Shire received \$437,340 in funding under Phase 1 of the program with nominated projects being completed by 30 June 2021.

The LRCI Program Extension Phase 2 was announced in October 2020 with the Shire of Jerramungup receiving an additional funding allocation of \$321,185. This funding was available from 1 January 2021 with a project deadline of December 2021. Council identified 6 priority projects that would benefit the community and visitors in Phase 2 with details of each project found below.

Phase 3 of the LRCI Program has since been announced with the Shire of Jerramungup set to receive an additional funding allocation of \$874,680. This funding will be available from 1 January 2022, with construction due to be completed by 30 June 2023.

LRCI Phase 2 projects currently in progress or to be completed in 2021/2022:

1. \$214,677 is allocated towards various Council construction projects.

2. Park Safety Fencing

This project involves purchasing and erecting safety fencing at the Bremer Bay Skate Park and Jerramungup Roe Park to adhere to compliance requirements.

3. Basketball Facility Upgrades

This project will involve removing the existing basketball backboards and poles at Pelican Park in Bremer Bay and Roe Park in Jerramungup which were unsafe and installing new backboards and poles.

4. Dump Point

This project will see a dump and water point installed at the Lion's Park in Jerramungup. This will enable Recreational Vehicles (RVs) to dispose of their waste, including grey and black water and sewerage in an environmentally safe way.

5. Park Maintenance and Upgrades

This project involves replacing and repairing various playground equipment at Bremer Bay Skate Park and Jerramungup Roe Park to ensure these facilities are well maintained and safe for all users.

6. Mural Painting

This project will see a new mural painted on the Kokoda Op Shop building located in the Lion's Park Jerramungup which will replace the existing faded and discoloured mural.

Water Security

This project is in direct response to drought implications recently experienced across the Shire with the aim to better support our community through having improved access to water for agricultural and emergency response purposes.

\$73,000 Boxwood Hill Dam Catchment Upgrades

This project involves grading and forming the existing gravel pit, reshaping Circuit Road and other associated works. This project is funded by the Department of Water and Environmental Regulation.

Contributions to Sporting Clubs

Council considered requests from the Shire Sporting Clubs for financial assistance in the 2021/2022 budget to go towards operational costs. They are struggling to continue to maintain the grounds and facilities without financial assistance from the Shire due to a significant drop in volunteers over the years.

Council supported the request and agreed to an equal annual contribution of \$10,000 to all 3 sporting clubs within the Shire. The contribution is to go towards operational and maintenance costs associated with the grounds and facilities, however the contribution is on a condition that each Sporting Club provide their audited annual financial statements annually and a copy of their Sport and Recreation Plan.

Community Emergency Services

\$695,255 has been allocated in the budget towards bushfire mitigation activities, strategic fire break maintenance, BAL contour mapping for townsites, contractor response for bushfires, insurance/PPE for the Shire's volunteer bushfire brigades, allowance for Chief Bush Fire Control Officer and internal employee and plant related costs associated with the employment of Bushfire Risk Mitigation Coordinator and a Community Emergency Services Manager.

The Shire has received \$141,625 through the Department of Fire and Emergency Services Mitigation Activity Fund 2021/22.

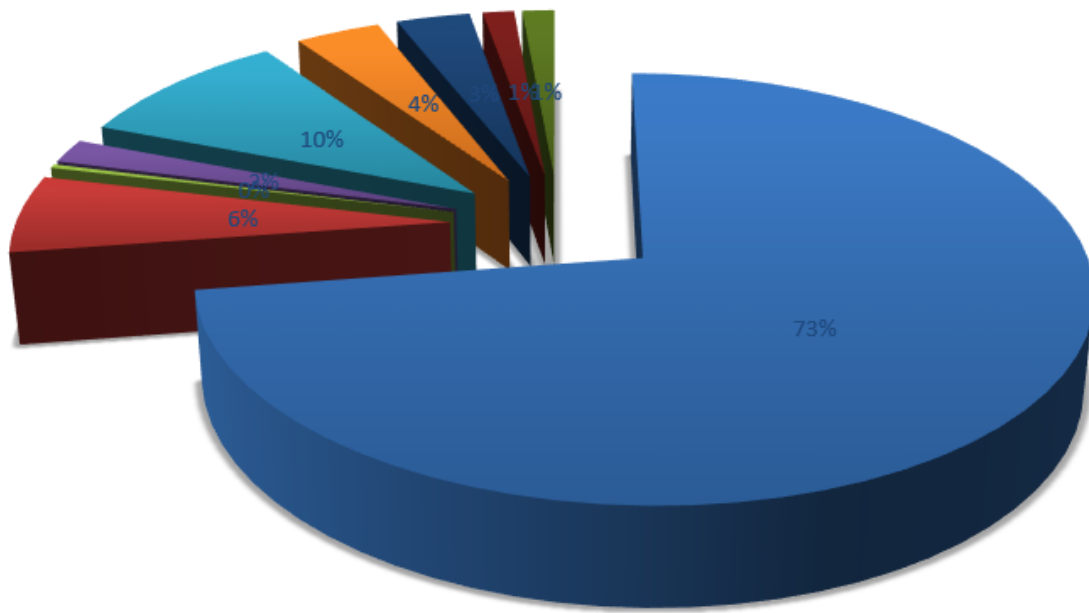


SIGNIFICANT AREAS OF OPERATIONAL EXPENDITURE WITHIN THE 2021/2022 BUDGET INCLUDE:

- \$1,289,000 in maintenance of roads, townsite streets, footpaths and traffic signs maintenance made up of contractor and internal employee and plant related costs;
- \$682,189 in waste management contractor expenses, regional landfill facility costs, contractor and material costs for the Jerramungup and Bremer Bay transfer stations and internal employee and plant related costs;
- \$228,598 in administrative and business support services for the medical services provider;
- \$242,449 in contractor and materials associated with upgrading Council's building infrastructure;
- \$76,537 in expenses relating to the Bremer Bay and Jerramungup libraries;
- \$695,255 in contractor and internal employee and plant related costs associated with fire prevention and fire fighting expenses;
- \$140,497 in Ranger services for contractor and internal employee and plant related costs;
- \$566,618 in contractor and internal employee and plant related costs associated with the maintenance of parks and gardens, walk trails, public toilets and fish cleaning facilities; and
- \$465,000 allocated to purchase a new maintenance grader due to the low interest rates currently being offered through Treasury this will be offset with a loan this also allows an opportunity to build up the Shire's plant reserve.

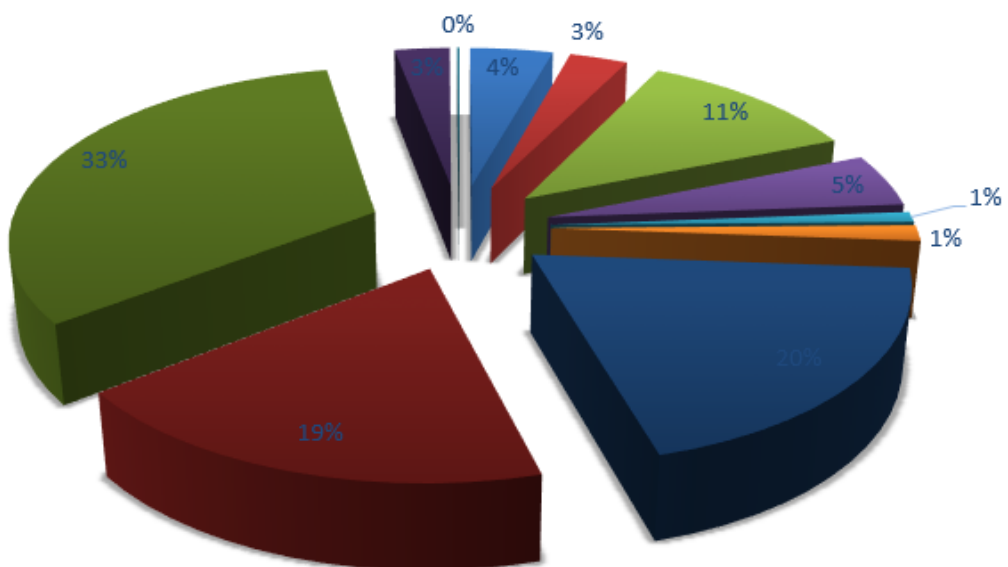


2021/2022 REVENUE BY PROGRAM



- General Purpose Funding
- Law, order, public safety
- Health
- Housing
- Community Amenities
- Recreation & Culture
- Transport
- Economic Services
- Other Property & Services

2021/2022 EXPENSES BY PROGRAM



- Governance
- General Purpose Funding
- Law, Order & Public Safety
- Health
- Education & Welfare
- Housing
- Community Amenities
- Recreation & Culture
- Transport
- Economic Services
- Other Property & Services

SHIRE OF JERRAMUNGUP

BUDGET

FOR THE YEAR ENDED 30 JUNE 2022

LOCAL GOVERNMENT ACT 1995

TABLE OF CONTENTS

Statement of Comprehensive Income by Nature or Type	2
Basis of Preparation	3
Statement of Comprehensive Income by Program	4
Statement of Cash Flows	6
Rate Setting Statement	7
Index of Notes to the Budget	9

SHIRE'S VISION

Progressive, Prosperous and a Premium Place to Live and Visit

SHIRE OF JERRAMUNGUP
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)	3,507,055	3,415,372	3,405,452
Operating grants, subsidies and contributions	10(a)	1,237,282	1,871,182	1,200,821
Fees and charges	9	778,043	787,469	719,420
Interest earnings	13(a)	34,500	33,376	55,375
Other revenue	13(b)	186,500	426,927	116,466
		5,743,380	6,534,326	5,497,534
Expenses				
Employee costs		(2,304,448)	(2,000,013)	(2,058,976)
Materials and contracts		(2,811,438)	(1,845,148)	(1,916,141)
Utility charges		(192,173)	(185,059)	(198,404)
Depreciation on non-current assets	5	(2,119,223)	(2,154,273)	(2,088,419)
Interest expenses	13(d)	(26,260)	(28,518)	(29,978)
Insurance expenses		(252,810)	(246,274)	(280,561)
Other expenditure		(153,981)	(277,949)	(141,688)
		(7,860,333)	(6,737,234)	(6,714,167)
Subtotal				
		(2,116,953)	(202,908)	(1,216,633)
Non-operating grants, subsidies and contributions	10(b)	6,452,594	2,486,891	6,151,375
Profit on asset disposals	4(b)	4,212	18,515	7,600
Loss on asset disposals	4(b)	(9,063)	(20,436)	(37,554)
		6,447,743	2,484,970	6,121,421
Net result				
		4,330,790	2,282,062	4,904,788
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income				
		4,330,790	2,282,062	4,904,788

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

SHIRE OF JERRAMUNGUP

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 Jerramungup 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 14 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 JERRAMUNGUP
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
Revenue	1,9,10(a),13(a),13(b)	\$	\$	\$
Governance		0	21,000	0
General purpose funding		4,173,574	4,855,467	4,090,444
Law, order, public safety		348,294	254,626	318,112
Health		17,650	17,034	17,548
Education and welfare		0	366	0
Housing		107,828	93,731	88,885
Community amenities		542,858	589,520	602,803
Recreation and culture		210,968	63,250	49,849
Transport		183,741	178,309	172,474
Economic services		78,291	60,455	73,139
Other property and services		80,176	400,568	84,280
		5,743,380	6,534,326	5,497,534
Expenses excluding finance costs	4(a),5,13(c)(e)(f)			
Governance		(337,117)	(303,571)	(305,948)
General purpose funding		(237,057)	(227,643)	(247,859)
Law, order, public safety		(899,574)	(607,087)	(881,905)
Health		(387,308)	(294,058)	(266,725)
Education and welfare		(75,439)	(80,788)	(86,241)
Housing		(114,487)	(99,216)	(60,292)
Community amenities		(1,532,785)	(1,169,507)	(1,360,915)
Recreation and culture		(1,461,007)	(959,095)	(890,963)
Transport		(2,555,225)	(2,250,870)	(2,356,407)
Economic services		(224,893)	(275,973)	(198,892)
Other property and services		(9,181)	(440,908)	(28,042)
		(7,834,073)	(6,708,716)	(6,684,189)
Finance costs	7,6(a),13(d)			
Housing		(7,290)	(7,739)	(8,060)
Community amenities		(4,793)	(6,040)	(6,403)
Transport		(10,942)	(13,393)	(14,702)
Other property and services		(3,235)	(1,346)	(813)
		(26,260)	(28,518)	(29,978)
Subtotal		(2,116,953)	(202,908)	(1,216,633)
Non-operating grants, subsidies and contributions	10(b)	6,452,594	2,486,891	6,151,375
Profit on disposal of assets	4(b)	4,212	18,515	7,600
(Loss) on disposal of assets	4(b)	(9,063)	(20,436)	(37,554)
		6,447,743	2,484,970	6,121,421
Net result		4,330,790	2,282,062	4,904,788
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		4,330,790	2,282,062	4,904,788

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

KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

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

OBJECTIVE

GOVERNANCE

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

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer community

HEALTH

To provide an operational framework for good community health

EDUCATION AND WELFARE

To meet the needs of the community in these areas

HOUSING

Help ensure adequate housing for key community personnel such as police

COMMUNITY AMENITIES

To provide services required by the community

RECREATION AND CULTURE

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

TRANSPORT

To provide safe and efficient transport services to the community

ECONOMIC SERVICES

To help promote the Shire and improve the economic wellbeing of the community

OTHER PROPERTY AND SERVICES

Other activities which contribute to the governance and operations of the Shire

ACTIVITIES

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

Rates, general purpose government grants & interest revenue

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

Food quality and pest control; maintenance and contributions to health services and facilities

Operation and provisions of services to seniors and child care centres within the shire

Maintenance of staff and rental housing

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

Maintenance of public halls, sporting complexes, resource centres, various parks and associated facilities, provision of library services in Jerramungup and Bremer Bay. Maintenance and upgrade of radio repeater service

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

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

Private works operation, plant repairs and operating costs, administration expenses

SHIRE OF JERRAMUNGUP
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		3,507,055	3,408,152	3,405,452
Operating grants, subsidies and contributions		552,647	2,297,146	291,730
Fees and charges		78,043	787,469	719,420
Interest received		34,500	33,376	55,375
Goods and services tax received		84,660	633,250	191,019
Other revenue		186,500	426,927	116,466
		4,443,405	7,586,320	4,779,462
Payments				
Employee costs		(2,304,448)	(2,016,627)	(2,058,976)
Materials and contracts		(2,941,438)	(1,582,153)	(1,916,141)
Utility charges		(192,173)	(185,059)	(198,404)
Interest expenses		(26,260)	(22,015)	(29,978)
Insurance paid		(252,810)	(246,274)	(280,561)
Goods and services tax paid		(343,666)	(602,187)	(191,019)
Other expenditure		(153,981)	(277,949)	(141,688)
		(6,214,776)	(4,932,264)	(4,816,767)
Net cash provided by (used in) operating activities	3	(1,771,371)	2,654,056	(37,305)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	4(a)	(708,850)	(1,924,625)	(1,635,451)
Payments for construction of infrastructure	4(a)	(8,070,951)	(2,821,449)	(7,381,147)
Non-operating grants, subsidies and contributions	10(b)	6,452,594	2,486,891	6,680,447
Proceeds from sale of plant and equipment	4(b)	259,000	209,545	222,000
Net cash provided by (used in) investing activities		(2,068,207)	(2,049,638)	(2,114,151)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(209,435)	(196,748)	(196,749)
Principal elements of lease payments	7	(14,789)	(14,486)	(14,485)
Proceeds from new borrowings	6(a)	465,000	0	0
Net cash provided by (used in) financing activities		240,776	(211,234)	(211,234)
Net increase (decrease) in cash held		(3,598,802)	393,184	(2,362,690)
Cash at beginning of year		5,065,723	4,672,539	4,825,401
Cash and cash equivalents at the end of the year	3	1,466,921	5,065,723	2,462,711

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

SHIRE OF JERRAMUNGUP
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)	1,634,389	1,389,372	1,485,686
		1,634,389	1,389,372	1,485,686
Revenue from operating activities (excluding rates)				
Governance		0	21,000	0
General purpose funding		666,519	1,440,095	684,992
Law, order, public safety		348,294	254,626	318,112
Health		17,650	17,034	17,548
Education and welfare		0	366	0
Housing		107,828	93,731	88,885
Community amenities		542,858	589,520	602,803
Recreation and culture		210,968	63,250	49,849
Transport		185,247	178,309	172,474
Economic services		78,291	60,455	73,139
Other property and services		82,882	419,083	91,880
		2,240,537	3,137,469	2,099,682
Expenditure from operating activities				
Governance		(337,117)	(303,571)	(305,948)
General purpose funding		(237,057)	(227,643)	(247,859)
Law, order, public safety		(899,574)	(607,087)	(881,905)
Health		(387,308)	(294,058)	(266,725)
Education and welfare		(79,499)	(80,788)	(86,241)
Housing		(121,777)	(106,955)	(68,352)
Community amenities		(1,542,581)	(1,175,547)	(1,367,318)
Recreation and culture		(1,461,007)	(959,095)	(890,963)
Transport		(2,566,167)	(2,281,137)	(2,404,914)
Economic services		(224,893)	(275,973)	(198,892)
Other property and services		(12,416)	(445,816)	(32,604)
		(7,869,396)	(6,757,670)	(6,751,721)
Non-cash amounts excluded from operating activities	2(b)	2,124,074	2,151,295	2,118,769
Amount attributable to operating activities		(1,870,396)	(79,534)	(1,047,584)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	10(b)	6,452,594	2,486,891	6,151,375
Payments for property, plant and equipment	4(a)	(708,850)	(1,924,625)	(1,635,451)
Payments for construction of infrastructure	4(a)	(8,070,951)	(2,821,449)	(7,381,147)
Proceeds from disposal of assets	4(b)	259,000	209,545	222,000
		(2,068,207)	(2,049,638)	(2,643,223)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(209,435)	(196,748)	(196,749)
Principal elements of finance lease payments	7	(14,789)	(14,486)	(14,485)
Proceeds from new borrowings	6(a)	465,000	0	0
Transfers to cash backed reserves (restricted assets)	8(a)	(249,085)	(229,205)	(233,819)
Transfers from cash backed reserves (restricted assets)	8(a)	442,000	788,628	735,000
Amount attributable to financing activities		433,691	348,189	289,947
Budgeted deficiency before imposition of general rates		(3,504,912)	(1,780,983)	(3,400,860)
Estimated amount to be raised from general rates	1	3,507,055	3,415,372	3,405,452
Net current assets at end of financial year - surplus/(deficit)	2(a)	2,143	1,634,389	4,592

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

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

		2021/22	2020/21	2020/21
	NOTE	Budget	Actual	Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)				
	2	1,634,389	1,389,372	1,485,686
		1,634,389	1,389,372	1,485,686
Revenue from operating activities (excluding rates)				
Specified area and ex gratia rates	1(c)	53,472	52,100	52,100
Operating grants, subsidies and contributions	10(a)	1,237,282	1,871,182	1,200,821
Fees and charges	9	778,043	787,469	719,420
Interest earnings	13(a)	34,500	33,376	55,375
Other revenue	13(b)	186,500	426,927	116,466
Profit on asset disposals	4(b)	4,212	18,515	7,600
		2,294,009	3,189,569	2,151,782
Expenditure from operating activities				
Employee costs		(2,304,448)	(2,000,013)	(2,058,976)
Materials and contracts		(2,811,438)	(1,845,148)	(1,916,141)
Utility charges		(192,173)	(185,059)	(198,404)
Depreciation on non-current assets	5	(2,119,223)	(2,154,273)	(2,088,419)
Interest expenses	13(d)	(26,260)	(28,518)	(29,978)
Insurance expenses		(252,810)	(246,274)	(280,561)
Other expenditure		(153,981)	(277,949)	(141,688)
Loss on asset disposals	4(b)	(9,063)	(20,436)	(37,554)
		(7,869,396)	(6,757,670)	(6,751,721)
Non-cash amounts excluded from operating activities	2(b)	2,124,074	2,151,295	2,118,769
Amount attributable to operating activities		(1,816,924)	(27,434)	(995,484)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	10(b)	6,452,594	2,486,891	6,151,375
Payments for property, plant and equipment	4(a)	(708,850)	(1,924,625)	(1,635,451)
Payments for construction of infrastructure	4(a)	(8,070,951)	(2,821,449)	(7,381,147)
Proceeds from disposal of assets	4(b)	259,000	209,545	222,000
Amount attributable to investing activities		(2,068,207)	(2,049,638)	(2,643,223)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(209,435)	(196,748)	(196,749)
Principal elements of finance lease payments	6	(14,789)	(14,486)	(14,485)
Proceeds from new borrowings	6(b)	465,000	0	0
Transfers to cash backed reserves (restricted assets)	8(a)	(249,085)	(229,205)	(233,819)
Transfers from cash backed reserves (restricted assets)	8(a)	442,000	788,628	735,000
Amount attributable to financing activities		433,691	348,189	289,947
Budgeted deficiency before general rates		(3,451,440)	(1,728,883)	(3,348,760)
Estimated amount to be raised from general rates	1(a)	3,453,583	3,363,272	3,353,352
Net current assets at end of financial year - surplus/(deficit)	2	2,143	1,634,389	4,592

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

SHIRE OF JERRAMUNGUP
INDEX OF NOTES TO THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

Rates	10
Net Current Assets	13
Reconciliation of cash	16
Asset Acquisitions	17
Asset Disposals	18
Asset Depreciation	19
Borrowings	20
Leases	21
Reserves	22
Fees and Charges	24
Grant Revenue	24
Revenue Recognition	25
Other Information	27
Interests in Joint Arrangements	28
Trust	29
Significant Accounting Policies - Other Information	30

SHIRE OF JERRAMUNGUP
 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									
GRV Properties	0.10160	559	6,951,480	706,270	0	0	706,270	674,086	671,961
Unimproved valuations									
UV Properties	0.00824	323	304,078,000	2,505,603	0	0	2,505,603	2,454,098	2,449,326
UV Mining	0.00824			0	0	0	0	0	0
Sub-Totals		882	311,029,480	3,211,873	0	0	3,211,873	3,128,184	3,121,287
Minimum									
Minimum payment									
\$									
Gross rental valuations									
GRV Properties	695	299	1,196,410	207,805	0	0	207,805	211,355	209,610
Unimproved valuations									
UV Properties	695	36	1,550,100	25,020	0	0	25,020	23,920	22,605
UV Mining	695	13	96,491	9,035	0	0	9,035	0	0
Sub-Totals		348	2,843,001	241,860	0	0	241,860	235,275	232,215
		1,230	313,872,481	3,453,733	0	0	3,453,733	3,363,459	3,353,502
Rates written off							(150)	(187)	(150)
Total amount raised from general rates							3,453,583	3,363,272	3,353,352
Ex gratia rates							53,472	52,100	52,100
Total rates							3,507,055	3,415,372	3,405,452

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

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 JERRAMUNGUP
 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	24-Sep-21	0	0.0%	0.0%
Option two				
First instalment	24-Sep-21	0	0.0%	7.0%
Second instalment	28-Jan-22	8	5.5%	7.0%
Option three				
First instalment	24-Sep-21	0	0.0%	7.0%
Second instalment	26-Nov-21	8	5.5%	7.0%
Third instalment	28-Jan-22	8	5.5%	7.0%
Fourth instalment	01-Apr-22	8	5.5%	7.0%

	2021/22 Budget revenue	2020/21 Actual revenue	2020/21 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	6,000	0	0
Instalment plan interest earned	14,000	13,851	16,000
Unpaid rates and service charge interest earned	7,000	7,607	6,000
	27,000	21,458	22,000

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

(c) Specified Area Rate

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

(c) Service Charges

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

(c) Rates discounts

The Shire did not offer a discount on payment of rates for the year ended 30 June 2022.

(c) Waivers or concessions

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

SHIRE OF JERRAMUNGUP
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
Receivables
Inventories

Less: current liabilities

Trade and other payables
Contract liabilities
Lease liabilities
Long term borrowings
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
	\$	\$	\$
3	0	1,209,599	744,633
3	1,466,921	3,856,124	1,718,078
	571,868	1,124,515	553,156
	14,666	14,666	32,948
	2,053,455	6,204,904	3,048,815
	(312,822)	(442,822)	(1,037,718)
	0	(2,196,288)	0
7	(15,100)	(14,789)	(14,789)
6	(209,435)	(177,355)	(177,355)
	(402,392)	(402,392)	(354,777)
	(939,749)	(3,233,646)	(1,584,639)
	1,113,706	2,971,258	1,464,176
2.(c)	(1,111,563)	(1,336,869)	(1,459,584)
	2,143	1,634,389	4,592

SHIRE OF JERRAMUNGUP
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 Jerramungup 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 Jerramungup contributes to a number of superannuation funds on behalf of employees.

All funds to which the Shire of Jerramungup 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 JERRAMUNGUP
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	1,466,921	5,065,723	2,462,711
Total cash and cash equivalents	1,466,921	5,065,723	2,462,711
Held as			
- Unrestricted cash and cash equivalents	0	1,209,599	744,633
- Restricted cash and cash equivalents	1,466,921	3,856,124	1,718,078
	1,466,921	5,065,723	2,462,711
Restrictions			
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	1,466,921	3,856,124	1,718,078
	1,466,921	3,856,124	1,718,078
The restricted assets are a result of the following specific purposes to which the assets may be used:			
Reserves - cash/financial asset backed	8	1,466,921	1,659,836
Contract liabilities		0	2,196,288
		1,466,921	3,856,124
		3,856,124	1,718,078
Reconciliation of net cash provided by operating activities to net result			
Net result		4,330,790	2,282,062
Depreciation	5	2,119,223	2,154,273
(Profit)/loss on sale of asset	4(b)	4,851	1,921
(Increase)/decrease in receivables		552,647	(69,030)
(Increase)/decrease in contract assets		0	0
(Increase)/decrease in inventories		0	15,792
Increase/(decrease) in payables		(130,000)	219,376
Increase/(decrease) in contract liabilities		(2,196,288)	505,845
Increase/(decrease) in employee provisions		0	30,708
Non-operating grants, subsidies and contributions		(6,452,594)	(2,486,891)
Net cash from operating activities		(1,771,371)	2,654,056
		2,654,056	(37,305)

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

(a) Acquisition of Assets

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

Asset class	Reporting program						2021/22 Budget total	2020/21 Actual total	2020/21 Budget total
	Housing	Community amenities	Recreation and culture	Transport	Economic services	Other property and services			
	\$	\$	\$	\$	\$	\$	\$	\$	
<i>Property, Plant and Equipment</i>									
Buildings - non-specialised	14,000	0	0	0	0	0	14,000	1,226,878	814,640
Buildings - specialised	0	30,000	0	0	0	0	30,000	0	0
Furniture and equipment	0	0	0	0	0	0	0	30,995	142,951
Plant and equipment	0	65,000	0	477,850	0	122,000	664,850	666,752	677,860
	14,000	95,000	0	477,850	0	122,000	708,850	1,924,625	1,635,451
<i>Infrastructure</i>									
Infrastructure - roads	0	0	0	2,542,427	0	0	2,542,427	2,150,499	2,996,673
Other infrastructure - Footpaths	0	0	0	40,800	0	0	40,800	0	0
Other infrastructure - Parks & Ovals	0	0	75,000	0	0	0	75,000	0	0
Other infrastructure - Other	0	26,000	5,284,746	30,000	71,978	0	5,412,724	670,950	4,384,474
	0	26,000	5,359,746	2,613,227	71,978	0	8,070,951	2,821,449	7,381,147
Total acquisitions	14,000	121,000	5,359,746	3,091,077	71,978	122,000	8,779,801	4,746,074	9,016,598

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

SIGNIFICANT ACCOUNTING POLICIES

RECOGNITION OF ASSETS

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

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

SHIRE OF JERRAMUNGUP
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												
Education and welfare	8,060	4,000	0	(4,060)	0	0	0	0	0	0	0	0
Community amenities	50,003	45,000	0	(5,003)	0	0	0	0	0	0	0	0
Transport	148,494	150,000	1,506	0	135,510	118,636	0	(16,874)	167,805	134,000	0	(33,805)
Other property and services	57,294	60,000	2,706	0	75,956	90,909	18,515	(3,562)	84,149	88,000	7,600	(3,749)
	263,851	259,000	4,212	(9,063)	211,466	209,545	18,515	(20,436)	251,954	222,000	7,600	(37,554)
By Class												
<i>Property, Plant and Equipment</i>												
Plant and equipment	263,851	259,000	4,212	(9,063)	211,466	209,545	18,515	(20,436)	251,954	222,000	7,600	(37,554)
	263,851	259,000	4,212	(9,063)	211,466	209,545	18,515	(20,436)	251,954	222,000	7,600	(37,554)

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

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

By Program

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

By Class

Buildings - non-specialised
Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Other infrastructure - Footpaths
Other infrastructure - Drainage
Other infrastructure - Parks & Ovals
Other infrastructure - Sewerage
Other infrastructure - Aerodromes
Other infrastructure - Other
Right of use - furniture and fittings

2021/22 Budget	2020/21 Actual	2020/21 Budget
\$	\$	\$
25,961	25,960	23,444
5,081	5,081	3,729
19,031	19,031	20,894
118,260	108,401	54,246
88,401	88,401	41,028
450,871	450,997	286,148
995,701	990,439	1,273,210
64,084	64,083	48,606
351,833	401,880	337,114
2,119,223	2,154,273	2,088,419
200,000	200,000	197,496
424,913	415,054	323,899
3,635	3,755	21,865
312,009	362,057	298,685
575,278	570,014	650,126
37,100	37,100	37,100
339,827	339,827	339,732
128,969	128,971	128,627
26,315	26,315	26,315
22,909	22,909	22,909
33,602	33,605	27,200
14,666	14,666	14,465
2,119,223	2,154,273	2,088,419

SIGNIFICANT ACCOUNTING POLICIES

DEPRECIATION

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

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

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

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

Buildings - non-specialised	30 to 50 years
Buildings - specialised	50 to 80 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Infrastructure - roads	
Other infrastructure - Footpaths	20 years
Other infrastructure - Drainage	80 years
Other infrastructure - Parks & Ovals	30 to 75 years
Other infrastructure - Sewerage	10 to 60 Years
Other infrastructure - Aerodromes	10 to 60 Years
Other infrastructure - Other	10 to 60 Years
Right of use - plant and equipment	Based on the remaining lease

AMORTISATION

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

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

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

SHIRE OF JERRAMUNGUP
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
6. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

Purpose	Loan Number	Institution	Interest Rate	Budget	2021/22	2021/22	Budget	2021/22	Actual	2020/21	2020/21	Actual	2020/21	Budget	2020/21	2020/21	Budget	2020/21
				Principal	Budget	Budget	Principal	Principal		Actual	Actual	Principal	Actual		Principal	Principal	Principal	Principal
				1 July 2021	New Loans	Repayments	outstanding 30 June 2022	Repayments	1 July 2020	New Loans	Repayments	outstanding 30 June 2021	Repayments	1 July 2020	New Loans	Repayments	outstanding 30 June 2021	Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing																		
Staff Housing/Seniors	264	WATC	1.65%	453,616	0	(47,152)	406,464	(7,290)	500,000	0	(46,384)	453,616	(7,739)	500,000	0	(46,385)	453,615	(8,060)
Community amenities																		
Housing Bremer Bay	261	WATC	4.30%	121,027	0	(38,638)	82,389	(4,793)	158,057	0	(37,030)	121,027	(6,040)	158,057	0	(37,030)	121,027	(6,403)
Transport																		
Bremer Bay Townsite	260	WATC	4.10%	116,854	0	(57,241)	59,613	(4,210)	171,819	0	(54,965)	116,854	(5,783)	171,819	0	(54,965)	116,854	(6,487)
Grader	262	WATC	2.28%	0	0	0	0	0	25,100	0	(25,100)	0	(416)	25,100	0	(25,100)	0	(430)
Bremer Bay Townsite	263	WATC	3.14%	222,924	0	(34,321)	188,603	(6,732)	256,193	0	(33,269)	222,924	(7,610)	256,193	0	(33,269)	222,924	(7,785)
Grader	265	WATC	1.1%	0	465,000	(32,083)	432,917	(2,422)	0	0	0	0	0	0	0	0	0	0
				914,421	465,000	(209,435)	1,169,986	(25,447)	1,111,169	0	(196,748)	914,421	(27,588)	1,111,169	0	(196,749)	914,420	(29,165)

All borrowing repayments will be financed by general purpose revenue.

SHIRE OF JERRAMUNGUP
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022
 6. INFORMATION ON BORROWINGS

(b) New borrowings - 2021/22

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
				%	\$	\$	\$	\$
Grader (Maintenance)	WATC	Debenture	7	1.1%	465,000	18,080	465,000	0
					465,000	18,080	465,000	0

(c) Unspent borrowings

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

(d) Credit Facilities

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	15,000	15,000	15,000
Credit card balance at balance date	0	0	0
Total amount of credit unused	15,000	15,000	15,000
Loan facilities			
Loan facilities in use at balance date	1,169,986	914,421	914,420
Unused loan facilities at balance date	0	0	0

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 JERRAMUNGUP
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
7. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2021/22 Budget	Budget Lease	2021/22 Budget	Actual Principal	2020/21 Actual	Actual Lease	2020/21 Actual	Budget	2020/21 Budget	Budget Lease	Budget Lease	2020/21 Budget		
					Principal	New Leases	Principal	Lease outstanding		Principal repayments	Lease Principal outstanding	Lease repayments	Principal	New Leases	Principal repayments	Lease outstanding	Principal	New Leases	Principal repayments
					1 July 2021		30 June 2022		1 July 2020				1 July 2020						
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Other property and services																			
Photocopier - Konica Minolta	M0466400	Classic Funding Group	2.1%	48	31,161		(14,789)	16,372	(508)	45,647				0	(14,485)	31,162	(813)		
					31,161	0	(14,789)	16,372	(508)	45,647	0	(14,486)	31,161	(813)	45,647	0	(14,485)	31,162	(813)

SIGNIFICANT ACCOUNTING POLICIES

LEASES

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

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

LEASE LIABILITIES

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

Budget	\$
Current	15,100
Non-Current	<u>1,272</u>
	16,372

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

(a) Cash Backed Reserves - Movement

	2021/22 Budget Opening Balance	2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance	2020/21 Actual Opening Balance	2020/21 Actual Transfer to	2020/21 Actual Transfer (from)	2020/21 Actual Closing Balance	2020/21 Budget Opening Balance	2020/21 Budget Transfer to	2020/21 Budget Transfer (from)	2020/21 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Leave reserve	76,064	10,076	(20,000)	66,140	65,954	10,110	0	76,064	65,954	10,396	(10,000)	66,350
(b) Plant reserve	58,426	10,058	0	68,484	58,334	92	0	58,426	58,334	350	(10,000)	48,684
(c) Community recreation reserve	25,696	86,369	(75,000)	37,065	213,430	82,266	(270,000)	25,696	213,430	83,281	(200,000)	96,711
(d) Bremer Bay youth camp reserve	54,112	54	0	54,166	54,027	85	0	54,112	54,027	324	0	54,351
(e) Building reserve	237,876	238	(184,000)	54,114	656,840	1,036	(420,000)	237,876	656,840	3,941	(420,000)	240,781
(f) Bremer Bay retirement units reserve	20,038	20	0	20,058	99,928	110	(80,000)	20,038	99,928	599	(80,000)	20,527
(g) JMP retirement units reserve	97,502	98	0	97,600	97,348	154	0	97,502	8,809	10,053	0	18,862
(h) Jerramungup entertainment centre re	18,829	10,019	0	28,848	8,809	10,020	0	18,829	97,348	584	0	97,932
(i) Effluent reserve	806,887	72,877	(25,000)	854,764	733,617	73,270	0	806,887	733,617	71,176	(10,000)	794,793
(j) Point Henry fire levy reserve	27,837	21,698	(15,000)	34,535	24,744	21,721	(18,628)	27,837	24,745	21,818	0	46,563
(k) Bremer Bay boat ramp reserve	118,354	118	(115,000)	3,472	118,168	186	0	118,354	118,168	709	(5,000)	113,877
(l) Capital works reserve	19,526	10,020	0	29,546	9,505	10,021	0	19,526	9,505	10,057	0	19,562
(m) Swimming pool reserve	8,550	9	(8,000)	559	8,537	13	0	8,550	8,537	51	0	8,588
(n) Roe park reserve	72,956	10,073	0	83,029	62,851	10,105	0	72,956	62,851	10,377	0	73,228
(o) Developers contributions reserve	7,177	0	0	7,177	7,167	10	0	7,177	7,166	43	0	7,209
(p) Skate park reserve	10,006	10,010	0	20,016	0	10,006	0	10,006	0	10,060	0	10,060
(q) Regional landfill facility reserve	0	7,348	0	7,348	0	0	0	0	0	0	0	0
	1,659,836	249,085	(442,000)	1,466,921	2,219,259	229,205	(788,628)	1,659,836	2,219,259	233,819	(735,000)	1,718,078

(b) Cash Backed Reserves - Purposes

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Anticipated date of use	Purpose of the reserve
(a) Leave reserve	Ongoing	To be used to fund annual and long service leave requirements
(b) Plant reserve	Ongoing	To be used for the purchase of major plant
(c) Community recreation reserve	Ongoing	To be used to assist local sporting groups to upgrade their facilities
(d) Bremer Bay youth camp reserve	Ongoing	For the ongoing management and future upgrade of the reserve land on Lot 70 Bremer Bay Road
(e) Building reserve	Ongoing	To fund capital construction of new council buildings and to fund capital renewal of buildings
(f) Bremer Bay retirement units reserve	Ongoing	To be used for the provisions required at the units
(g) JMP retirement units reserve	Ongoing	To be used for the provisions required at the units
(h) Jerramungup entertainment centre re	Ongoing	To be used for the capital building requirements
(i) Effluent reserve	Ongoing	To be used to maintain the efficient running of the facility
(j) Point Henry fire levy reserve	Ongoing	To be used for the provision, maintenance and construction of strategic fire prevention activities within the Point Henry Peninsular
(k) Bremer Bay boat ramp reserve	Ongoing	To be used to upgrade and maintain the boat ramp facility at Fisheries Beach in Bremer Bay
(l) Capital works reserve	Ongoing	To be used to supplement future capital works programs
(m) Swimming pool reserve	Ongoing	To preserve and surplus funds from the Jerramungup Swimming Pool's operations for future financial requirements for the Jerramungup Swimming Pool and associated facilities
(n) Roe park reserve	Ongoing	To provide funding for the replacement of assets within Roe Park, Jerramungup
(o) Developers contributions reserve	Ongoing	To be used to hold developer contributions until expenditure is complete
(p) Skate park reserve	Ongoing	To be used to hold car park contributions until the funds are utilised
(q) Regional landfill facility reserve	Ongoing	To be used for capital and rehabilitation costs associated with the landfill facility

9. FEES & CHARGES REVENUE

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
General purpose funding	0	0	6,600
Law, order, public safety	32,820	27,364	24,820
Health	17,650	7,865	7,363
Education and welfare	0	204	0
Housing	90,128	83,118	72,385
Community amenities	519,358	552,436	506,527
Recreation and culture	18,492	16,253	11,386
Transport	18,304	21,653	21,200
Economic services	78,291	60,159	66,139
Other property and services	3,000	18,417	3,000
	778,043	787,469	719,420

10. GRANT REVENUE

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
By Program:			
(a) Operating grants, subsidies and contributions			
Governance	0	21,000	0
General purpose funding	616,169	1,395,058	615,017
Law, order, public safety	321,474	226,825	293,292
Community amenities	21,000	34,157	73,776
Recreation and culture	102,026	42,573	62,182
Transport	165,437	151,274	151,274
Economic services	0	295	0
Other property and services	11,176	0	5,280
	1,237,282	1,871,182	1,200,821
(b) Non-operating grants, subsidies and contributions			
Housing	0	414,143	339,552
Community amenities	0	23,217	0
Recreation and culture	5,198,939	678,331	4,277,000
Transport	1,183,200	1,197,863	1,287,863
Economic services	70,455	173,337	246,960
	6,452,594	2,486,891	6,151,375
Total grants, subsidies and contributions	7,689,876	4,358,073	7,352,196

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

SIGNIFICANT ACCOUNTING POLICIES

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition	Accounting standard
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	AASB 15 AASB 1058
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	AASB 15 AASB 1058
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	AASB 15 AASB 1058
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	AASB 15
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	AASB 15
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	AASB 1058
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	AASB 1058
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	AASB 1058
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	AASB 1058
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	AASB 15 AASB 1058
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	AASB 1058
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	AASB 1058
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	AASB 15
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	AASB 15
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	AASB 1058
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	AASB 1058
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	AASB 15
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	AASB 15

12. ELECTED MEMBERS REMUNERATION

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Cr Robert Lester (President)			
President's allowance	12,000	12,000	12,000
Meeting attendance fees	14,000	14,000	14,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	2,500	0	2,500
	29,500	27,000	29,500
Cr Joanne Iffla (Deputy President)			
Deputy President's allowance	3,000	3,000	3,000
Meeting attendance fees	7,000	7,000	7,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	1,500	0	1,500
	12,500	11,000	12,500
Cr William Bailey [Elected Member]			
Meeting attendance fees	7,000	7,000	7,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	1,500	0	1,500
	9,500	8,000	9,500
Cr Julie Leenhouders [Elected Member]			
Meeting attendance fees	7,000	7,000	7,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	1,500	0	1,500
	9,500	8,000	9,500
Cr Rex Parsons [Elected Member]			
Meeting attendance fees	7,000	7,000	7,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	1,500	0	1,500
	9,500	8,000	9,500
Cr Andrew Price [Elected Member]			
Meeting attendance fees	7,000	7,000	7,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	1,500	297	1,500
	9,500	8,297	9,500
Cr Drew Dawson [Elected Member]			
Meeting attendance fees	7,000	7,000	7,000
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	1,500	416	1,500
	9,500	8,416	9,500
	89,500	78,713	89,500
President's allowance	12,000	12,000	12,000
Deputy President's allowance	3,000	3,000	3,000
Meeting attendance fees	56,000	56,000	56,000
Annual allowance for ICT expenses	7,000	7,000	7,000
Travel and accommodation expenses	11,500	713	11,500
	89,500	78,713	89,500

13. OTHER INFORMATION

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	1,654	3,467	13,375
- Other funds	11,846	8,451	20,000
Other interest revenue (refer note 1b)	21,000	21,458	22,000
	34,500	33,376	55,375
(b) Other revenue			
Reimbursements and recoveries	186,500	426,927	116,466
	186,500	426,927	116,466
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	37,000	30,000	37,000
	37,000	30,000	37,000
(d) Interest expenses (finance costs)			
Borrowings (refer Note 6(a))	25,447	27,588	29,165
Interest expense on lease liabilities	813	930	813
	26,260	28,518	29,978
(e) Write offs			
General rate	150	187	150
	150	187	150
(f) Low Value lease expenses			
Solar Panel Lease	5,072	5,702	5,072
Vehicle leases less than 12 months	31,950	22,251	25,085
	37,022	27,953	30,157

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

SIGNIFICANT ACCOUNTING POLICIES

INTERESTS IN JOINT ARRANGEMENTS

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

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

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

14. TRUST FUNDS

The Shire does not hold any funds in trust at the 30 June 2021 and does not expect to hold any trust funds at the end of the budget year.

14. SIGNIFICANT ACCOUNTING POLICIES - OTHER INFORMATION

GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

CRITICAL ACCOUNTING ESTIMATES

The preparation of a budget in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

COMPARATIVE FIGURES

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

BUDGET COMPARATIVE FIGURES

Unless otherwise stated, the budget comparative figures shown in the budget relate to the original budget estimate for the relevant item of disclosure.

2021/2022 Draft Budget Draft Road Infrastructure Construction Program

	Project	Section Information	Proposed Works	Total Budget	Allocated Materials / Contracts	Wages / Plant
Type 1 Road	Jerramungup North Carry over	SLK: 17.00 - 19.33	Gravel Resheet 3.5km's (from the bitumen 3.5km North)	\$72,826	\$22,500	\$50,326
Type 1 Road	Brook Road	SLK: 0.03 - 3.50	Gravel Resheet 3.5km's (from the bitumen 3.5km North)	\$149,444	\$55,450	\$93,994
Type 1 Road	Meechi Road	SLK: 0.03 - 3.50	Form & Gravel Resheet 3.5km's (this will complete the resheeting on the road.)	\$152,766	\$57,500	\$95,266
Type 1 Road	Meechi Road	SLK: 10.8	Devils Creek repairs (Flood June 2021)	\$101,232	\$28,750	\$72,482
Type 1 Road	Cowalleup Road	SLK 9.50 - 12.14, 17.35 - 19.00, 19.20 - 19.60	Form & Gravel Resheet 4.69km all up.	\$286,250	\$118,450	\$167,800
Type 1 Road	Rabbit Proof Fence Road	SLK: 22.425 - 27.425	Form & Gravel Resheet 5km's(White rd to Exchange Rd)	\$297,498	\$121,500	\$175,998
Type 1 Road	Swamp Road	SLK 12.93 - 15.93	Gravel Resheet 3km's (end of bitumen to Meechi Rd)	\$141,477	\$51,050	\$90,427
Storm Water issues	O'Dea Road-Via bremer Bay	600meters	Gravel Resheet and drainage issues 0.6km's	\$29,658	\$7,000	\$22,658
Storm Water issues	Ocomop Road-Via Bremer Bay	450meters	Gravel Resheet and drainage issues through swamp system 0.45km's	\$36,273	\$13,200	\$23,073
	George Street access and parking Bremer Bay	All	Full reconstruction and bitumen sealing	\$12,212	\$10,000	\$2,212
Council Funded Construction Total				\$1,279,635	\$485,400	\$794,235
	Jerramungup Footpaths and Kerbing (including Memorial Rd Bus Bay)	TBA	Repair, replace and new paths and kerbing	\$20,000	\$15,000	\$5,000
	Bremer Bay Footpaths and kerbing	TBA	Repair, replace and new paths and kerbing	\$20,000	\$15,000	\$5,000
	Bremer Bay Footpath from Roundabout to Telegraph	50/50 funding will only go ahead if the funding is successful	Construct 300 meters of Dual path		\$0	\$0
Council Footpath Construction Total				\$40,000	\$30,000	\$10,000
	Jerramungup Caravan Dump Point - Carry Over	Truck Stop	Install Dump point	\$30,000	\$26,000	\$4,000
	Bremer Bay Stormwater - John/Susan St laneway		Storm Water and retaining wall works	\$30,000	\$30,000	\$0
	Jerramungup Aerodrome apron and taxiway reseal		Pre sealing works and bitumen seal	\$33,000	\$25,000	\$8,000
	Bremer Bay Stand pipe area (Depot)- Carry Over	All	Full reconstruction and bitumen sealing	\$16,000	\$10,000	\$6,000
	Boxwood Hill DWER Project - Carry Over		Grade/Form existing gravel pit, reshape Circuit Road and other associated works	\$71,000	\$22,000	\$49,000
	Fencing Sewer Pond - Jerramungup Sports Area		Chain Mesh Fence surrounds of pond 250meters (remove old ring lock and pickets)	\$25,000	\$25,000	\$0
	Waste Sites	Bremer Bay and Jerramungup	OH&S issues with drop off bays & cardboard drop off (both), Bremer Bay - site hut mould and damage and toilet	\$25,000	\$25,000	\$0
	Works depots (Bremer bay and Jerramungup)		Bitumen seal main areas	\$40,000	\$25,000	\$15,000
	Continue the Jerramungup Street scape (Tobruk Street)		For Consideration			
Council Other Construction Total				\$270,000	\$97,000	\$64,000
RRG	Devils Creek Road	SLK: 28.5 - 32.0	Second coat seal and minor pavement repairs	\$180,000	\$170,198	\$9,802
RRG	Swamp Road	SLK: 6.20 - 12.40	Second coat seal and minor pavement repairs	\$240,000	\$224,015	\$15,985
RGG	Borden Boxwood Road	SLK: 5.83 - 10.18	Second coat seal and minor pavement repairs	\$162,000	\$156,177	\$5,823
RRG	Cuiss Road	SLK: 0.00 - 3.00	Gravel Resheet	\$150,000	\$67,812	\$82,188
RRG	Swarbrick Road	SLK: 0.00 - 3.99	Reseal and pavement repairs	\$120,000	\$112,455	\$7,545
MRWA Projects Total				\$852,000	\$730,657	\$121,343
RR	Bremer Bay Road (from Cuneo Rd to End), Re construct and seal Fish cleaning area and bottom carpark.	SLK: 1.55 - 2.55	Widen shoulders and seal to 9.4m wide (including Dual path) install white lining, signage and RPM's for barrier for path, reconstruct and seal both car parking areas.	\$148,600	\$102,400	\$46,200
	Moorshead Street Main	Tobruk St to Vasse St	Remove damaged kerbing, repair failed surface and asphalt road surface, New semi mount kerbing.	\$62,500	\$41,600	\$20,900
	Moorshead/Newton Street Industrial	Memorial Rd to Bennett St	Full reconstruction and sealing, including storm water drainage	\$105,600	\$50,000	\$55,600
	Java Sea Road - Full reconstruction	SLK: 0.00 - 0.15	Full reconstruction and sealing, including storm water drainage	\$95,305	\$50,000	\$45,305
			R2R allocation for the period 2019/20 to 2023-24 is \$2,002,616 (\$400,523 annually) to be apportioned equally over 5 years - Council must spend at least \$634,535 each year from its own resources: R2R funding \$400,523 (Council funding \$12,477)	\$412,006	\$244,000	\$168,006
Roads to Recovery Projects Total						
Total Road and Footpath Construction				\$2,583,641	\$1,490,057	\$1,093,584

