



2019/20

# ANNUAL BUDGET



**SHIRE OF EXMOUTH**  
**BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2020**

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**SHIRE'S VISION**

To support and develop a vibrant, welcoming community that embraces its past its present and plans for a sustainable future.

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

**BY NATURE OR TYPE**

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
		\$	\$	\$
<b>Revenue</b>				
Rates	1(a)	3,434,306	3,416,224	3,417,400
Operating grants, subsidies and contributions	9	976,000	2,118,981	1,131,745
Fees and charges	8	7,165,610	7,569,571	7,368,108
Interest earnings	10(a)	195,051	238,777	164,655
Other revenue	10(b)	88,399	349,115	43,400
		11,859,366	13,692,668	12,125,308
<b>Expenses</b>				
Employee costs		(6,713,128)	(6,331,144)	(6,481,084)
Materials and contracts		(3,664,652)	(2,753,743)	(3,086,655)
Utility charges		(799,314)	(842,565)	(930,734)
Depreciation on non-current assets	5	(2,905,447)	(2,718,173)	(3,244,304)
Interest expenses	10(d)	(81,595)	(83,378)	(84,129)
Insurance expenses		(462,594)	(438,658)	(466,353)
Other expenditure		(437,779)	(206,212)	(407,851)
		(15,064,509)	(13,373,873)	(14,701,110)
<b>Subtotal</b>		(3,205,143)	318,795	(2,575,802)
Non-operating grants, subsidies and contributions	9	722,332	4,337,348	4,141,718
Profit on asset disposals	4(b)	0	77,294	6,939
Loss on asset disposals	4(b)	(131,359)	(39,403)	(179,979)
		590,973	4,375,239	3,968,678
<b>Net result</b>		<b>(2,614,170)</b>	<b>4,694,034</b>	<b>1,392,876</b>
<b>Other comprehensive income</b>				
Changes on revaluation of non-current assets		0	0	0
<b>Total other comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income</b>		<b>(2,614,170)</b>	<b>4,694,034</b>	<b>1,392,876</b>

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

## FOR THE YEAR ENDED 30TH JUNE 2020

**BASIS OF PREPARATION**

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

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

**THE LOCAL GOVERNMENT REPORTING ENTITY**

All funds through which the Shire of Exmouth 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.

**2018/19 ACTUAL BALANCES**

Balances shown in this budget as 2018/19 Actual are estimates as forecast at the time of budget preparation and are subject to final adjustments.

**CHANGE IN ACCOUNTING POLICIES**

On the 1 July 2019 the following new accounting policies are to be adopted and have impacted on the preparation of the budget:

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

Explanation of the changes arising from these standards is provided at Note 16.

**KEY TERMS AND DEFINITIONS - NATURE OR TYPE****REVENUES****RATES**

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

**SERVICE CHARGES**

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

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

**PROFIT ON ASSET DISPOSAL**

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

**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 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.



**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30TH JUNE 2020**
**BY REPORTING PROGRAM**

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
<b>Revenue</b>	1, 8, 9, 10(a),(b)	\$	\$	\$
Governance		0	171,168	8,200
General purpose funding		4,544,376	5,536,440	4,459,276
Law, order, public safety		16,020	52,571	41,570
Health		46,222	51,170	39,622
Education and welfare		1,600	2,612	1,600
Housing		44,200	64,333	59,932
Community amenities		1,242,442	1,254,187	1,202,223
Recreation and culture		709,450	767,494	811,178
Transport		4,624,579	5,455,728	5,251,439
Economic services		613,577	185,346	239,377
Other property and services		16,900	151,620	10,891
		11,859,366	13,692,669	12,125,308
<b>Expenses excluding finance costs</b>	5,10(c)(e)(f)(g)			
Governance		(780,925)	(812,660)	(801,710)
General purpose funding		(96,330)	(144,884)	(125,436)
Law, order, public safety		(335,438)	(450,626)	(402,714)
Health		(301,351)	(221,628)	(162,194)
Education and welfare		(69,998)	(80,029)	(87,179)
Housing		(21,990)	(31,692)	32,724
Community amenities		(1,811,343)	(1,750,176)	(2,004,892)
Recreation and culture		(4,797,129)	(3,969,194)	(5,297,115)
Transport		(5,344,984)	(5,235,041)	(5,222,169)
Economic services		(1,326,842)	(452,532)	(559,480)
Other property and services		45,458	(142,033)	13,184
		(14,840,872)	(13,290,495)	(14,616,981)
<b>Finance costs</b>	6, 10(d)			
Housing		(65,557)	(32,143)	(38,205)
Community amenities		(81,953)	(7,461)	(9,413)
Recreation and culture		(55,948)	(31,055)	(32,868)
Other property and services		(20,179)	(12,719)	(13,709)
		(223,637)	(83,378)	(94,195)
<b>Subtotal</b>		(3,205,143)	318,796	(2,585,868)
Non-operating grants, subsidies and contributions	9	722,332	4,337,348	4,141,718
Profit on disposal of assets	4(b)	0	77,294	6,939
(Loss) on disposal of assets	4(b)	(131,359)	(39,403)	(179,979)
		590,973	4,375,239	3,968,678
<b>Net result</b>		<b>(2,614,170)</b>	<b>4,694,035</b>	<b>1,382,810</b>
<b>Other comprehensive income</b>				
Changes on revaluation of non-current assets		0	0	0
<b>Total other comprehensive income</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income</b>		<b>(2,614,170)</b>	<b>4,694,035</b>	<b>1,382,810</b>

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

## FOR THE YEAR ENDED 30TH JUNE 2020

**KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS**

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

**OBJECTIVE****ACTIVITIES****GOVERNANCE**

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

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

**GENERAL PURPOSE FUNDING**

To collect revenue to allow for the provision of services.

The collection of rate revenue and the maintenance of valuation and rating records to support the collection process. General purpose government grant and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

To provide services to help ensure a safer and environmentally conscious community.

The provision of bushfire control services, animal control and support for emergency services, as well as the maintenance and enforcement of local laws.

**HEALTH**

To provide an operational framework for environment and community health.

Maternal and infant health, preventative service and environmental health.

**EDUCATION AND WELFARE**

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

Maintenance of play group and senior citizens buildings.

**HOUSING**

To provide housing to staff members.

Administration and operation of residential housing for council staff.

**COMMUNITY AMENITIES**

To provide services required by the community.

Maintenance of rubbish service to residents and maintenance of sanitary landfill sites. Town planning and regional development, maintenance of cemeteries and other community amenities.

**RECREATION AND CULTURE**

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

Maintenance of public halls, centres, swimming pool, beaches, recreation centre and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library and radio re-broadcasting facilities.

**TRANSPORT**

To provide safe, effective and efficient transport services to the community.

Construction and maintenance of roads, street, footpaths, depot, cycleways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc. Administration and operation of airport and aerodrome.

**ECONOMIC SERVICES**

The promotion of the district to increase economic activities and the provision of building control within the shire.

Tourism, area promotion and building control.

**OTHER PROPERTY AND SERVICES**

To monitor and control Council's overheads operating accounts.

The provision of private works to the public and the maintenance of cost pools for plant operating, public works overheads and administration costs.



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

**BY NATURE OR TYPE**

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
		\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		3,434,306	3,416,224	3,576,179
Operating grants, subsidies and contributions		976,000	2,006,719	483,713
Fees and charges		7,165,610	7,610,186	7,368,108
Interest earnings		195,051	238,777	164,655
Goods and services tax		0	0	121,100
Other revenue		88,399	349,115	43,400
		11,859,366	13,621,021	11,757,155
<b>Payments</b>				
Employee costs		(6,713,128)	(6,368,085)	(6,339,794)
Materials and contracts		(3,664,652)	(3,090,032)	(3,233,702)
Utility charges		(799,314)	(842,565)	(930,734)
Interest expenses		(81,595)	(76,805)	(83,379)
Insurance expenses		(462,594)	(438,658)	(466,353)
Goods and services tax		0	0	(121,100)
Other expenditure		(437,779)	(206,212)	(407,851)
		(12,159,062)	(11,022,357)	(11,582,913)
<b>Net cash provided by (used in) operating activities</b>	3	(299,696)	2,598,664	174,242
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	4(a)	(2,158,100)	(1,031,750)	(1,974,500)
Payments for construction of infrastructure	4(a)	(2,015,170)	(3,053,493)	(3,148,202)
Non-operating grants, subsidies and contributions used for the development of assets	9	722,332	4,337,348	4,141,718
Proceeds from sale of land held for resale	4(b)	0	218,847	0
Proceeds from sale of plant & equipment	4(b)	80,500	108,046	122,319
<b>Net cash provided by (used in) investing activities</b>		(3,370,438)	578,998	(858,665)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	6(a)	(223,637)	(263,832)	(263,832)
Advances to community groups	6	0	60,000	0
Proceeds from self supporting loans	6(a)	0	65,000	55,000
Proceeds from new borrowings	6(b)	0	0	(60,000)
<b>Net cash provided by (used in) financing activities</b>		(223,637)	(138,832)	(268,832)
<b>Net increase (decrease) in cash held</b>		(3,893,771)	3,038,830	(953,255)
Cash at beginning of year		12,165,339	9,126,509	9,126,509
<b>Cash and cash equivalents at the end of the year</b>	3	<b>8,271,568</b>	<b>12,165,339</b>	<b>8,173,254</b>

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

**RATES SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2020**
**BY REPORTING PROGRAM**

	NOTE	2019/20 Budget	2018/19 Actual	2018/19 Budget
		\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>	2 (b)(i)	3,040,153	2,874,919	982,735
		3,040,153	2,874,919	982,735
<b>Revenue from operating activities (excluding rates)</b>				
Governance		0	171,168	8,200
General purpose funding		1,157,151	2,172,758	1,088,369
Law, order, public safety		16,020	52,571	41,570
Health		46,222	51,170	39,622
Education and welfare		1,600	2,612	1,600
Housing		44,200	64,333	59,932
Community amenities		1,242,442	1,260,703	1,202,223
Recreation and culture		709,450	767,494	811,178
Transport		4,624,579	5,458,092	5,251,439
Economic services		613,577	187,183	239,377
Other property and services		16,900	218,197	17,830
		8,472,141	10,406,281	8,761,340
<b>Expenditure from operating activities</b>				
Governance		(780,925)	(812,660)	(801,710)
General purpose funding		(96,330)	(144,884)	(125,436)
Law, order, public safety		(335,438)	(450,626)	(402,714)
Health		(301,351)	(221,628)	(162,194)
Education and welfare		(69,998)	(80,029)	(87,179)
Housing		(87,547)	(63,835)	(5,481)
Community amenities		(1,893,296)	(1,757,637)	(2,077,251)
Recreation and culture		(4,853,077)	(4,000,249)	(5,329,983)
Transport		(5,476,930)	(5,260,446)	(5,292,390)
Economic services		(1,326,842)	(460,522)	(590,885)
Other property and services		25,279	(160,760)	(15,932)
		(15,196,455)	(13,413,276)	(14,891,155)
Non-cash amounts excluded from operating activities	2 (b)(ii)	3,196,907	2,680,282	3,071,264
<b>Amount attributable to operating activities</b>		(487,254)	2,548,206	(2,075,816)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions	9	722,332	4,337,348	4,141,718
Purchase property, plant and equipment	4(a)	(2,158,100)	(1,031,750)	(1,974,500)
Purchase and construction of infrastructure	4(a)	(2,015,170)	(3,111,840)	(3,148,202)
Proceeds from disposal of assets	4(b)	80,500	108,046	122,319
<b>Amount attributable to investing activities</b>		(3,370,438)	301,804	(858,665)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	6(a)	(223,637)	(263,832)	(263,832)
Proceeds from new borrowings	6(b)	0	0	(60,000)
Proceeds from self supporting loans	6(a)	0	5,000	55,000
Transfers to cash backed reserves (restricted assets)	7(a)	(587,049)	(4,083,458)	(1,037,309)
Transfers from cash backed reserves (restricted assets)	7(a)	1,329,300	1,168,752	860,284
<b>Amount attributable to financing activities</b>		518,614	(3,173,538)	(445,857)
<b>Budgeted deficiency before general rates</b>		(3,339,078)	(323,528)	(3,380,338)
<b>Estimated amount to be raised from general rates</b>	1	3,387,225	3,363,681	3,364,109
<b>Net current assets at end of financial year - surplus/(deficit)</b>	2 (b)(i)	<b>48,147</b>	<b>3,040,153</b>	<b>(16,229)</b>

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



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

1. RATES AND SERVICE CHARGES

(a) Rating Information

RATE TYPE	Rate in	Number of properties	Rateable value	2019/20 Budgeted rate revenue	2019/20 Budgeted interim rates	2019/20 Budgeted back rates	2019/20 Budgeted total revenue	2018/19 Actual total revenue	2018/19 Budget total revenue
	\$		\$	\$	\$	\$	\$	\$	\$
<b>Differential general rate or general rate</b>									
<b>Gross rental valuations</b>									
General	0.07510	1,182	29,077,947	2,183,754	5,000	0	2,188,754	2,150,792	2,167,155
Marina Developed	0.10130	98	3,515,907	356,161	0	0	356,161	334,563	325,789
Holiday Homes	0.10410	62	1,643,460	171,084	0	0	171,084	162,300	165,780
Vacant Land	0.15010	245	2,557,848	383,933	0	0	383,933	396,492	392,781
<b>Unimproved valuations</b>									
Mining	0.15990	15	337,135	53,908	1,000	0	54,908	50,394	48,121
Rural	0.08000	8	568,380	45,470	0	0	45,470	42,704	45,541
<b>Sub-Totals</b>		1,610	37,700,677	3,194,310	6,000	0	3,200,310	3,137,245	3,145,167
<b>Minimum</b>									
<b>Minimum payment</b>									
	\$								
<b>Gross rental valuations</b>									
General	930	84	842,002	78,120	0	0	78,120	70,980	60,060
Marina Developed	930	1	0	930	0	0	930	2,730	910
Holiday Homes	930	0	0	0	0	0	0	0	0
Vacant Land	735	142	476,176	104,370	0	0	104,370	149,240	161,070
<b>Unimproved valuations</b>									
Mining	230	12	8,925	2,760	0	0	2,760	9,000	9,000
Rural	735	1	5,800	735	0	0	735	700	700
<b>Sub-Totals</b>		240	1,332,903	186,915	0	0	186,915	232,650	231,740
		1,850	39,033,580	3,381,225	6,000	0	3,387,225	3,369,895	3,376,907
Discounts/concessions (Refer note 1(g))							0	(6,214)	(6,800)
<b>Total amount raised from general rates</b>							3,387,225	3,363,681	3,370,107
Specified area rates (Refer note 1(e))							33,345	52,542	47,293
<b>Total rates</b>							3,420,570	3,416,223	3,417,400

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

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

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

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

1. RATES AND SERVICE CHARGES (CONTINUED)

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

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

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
<b>Option one</b>				
Single full payment	3/09/2019	0	0.0%	11.0%
<b>Option two</b>				
First instalment	3/09/2019	0	0.0%	11.0%
Second instalment	15/11/2019	14.50	5.5%	11.0%
<b>Option three</b>				
First instalment	3/09/2019	0	0.0%	11.0%
Second instalment	15/11/2019	14.50	5.5%	11.0%
Third instalment	21/01/2020	14.50	5.5%	11.0%
Fourth instalment	31/03/2020	14.50	5.5%	11.0%

	2019/20 Budget revenue	2018/19 Actual revenue	2018/19 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	19,000	15,950	18,824
Instalment plan interest earned	18,000	17,081	17,924
Unpaid rates and service charge interest earned	40,000	47,480	40,000
	77,000	80,512	76,748



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

**1. RATES AND SERVICE CHARGES (CONTINUED)**

**(c) Objectives and Reasons for Differential Rating**

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

**Differential general rate**

<b>Description</b>	<b>Characteristics</b>	<b>Objects</b>	<b>Reasons</b>
GRV General	Properties zoned as: Industrial Mixed Use Strategic Industrial Tourist Composite Development Residential Residential Development Urban Residential (Preston Street)	Revenue derived from this category assists funding to operate efficiently the service levels expected by the community as outlined in our Strategic Plan and Corporate Business Plan	Means any land that is predominantly used for singular and multi-dwelling and is zoned in accordance with the characteristics detailed.
GRV Marina Developed	Properties within Wilderness Estate Developed properties zoned as marina.	The objective of this rate is to raise additional revenue required to fund costs associated with the higher level of maintenance provided to these properties including maintaining the seawall to north of marina, maintain jetties, canal footbridge, beach stabilisation, responsible for boat ramps and associated with car/trailer car park within the area and maintenance of waterway adjoining public open space.	The rate applies to developed properties zoned as marina.
GRV Holiday Homes	Restricted properties that have received town planning approval to operate as a short term holiday accommodation.	Means any land approved and predominantly used to provide holiday accommodation.	The rate in the dollar for these homes is acknowledging the approved use of the property as a holiday home. This additional amount is to contribute to Tourism and marketing and related projects throughout the district.

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

**1. RATES AND SERVICE CHARGES (CONTINUED)**

**(c) Objectives and Reasons for Differential Rating (continued)**

GRV Vacant Land	Vacant land located within the townsite boundaries	The onjective of this rate is to encourage development of vacant land and to assist with the higher level of service providedd to these properties.	This category is rated higher that the GRV General rate to assist with costs associated with firebreak maintenance, upgrade and renewal of the street network, roadside sweeping, CBD car parking, landscaping, dust control managements, drainage, footbridge lighting, street furniture and other amenities. Additionally it includes the deveelopment of tourist related services and infrastructure.
UV Mining	Properties with a land use associated with mining tenements	The objective of this rate is to raise additional revenue to fund costs associated with mining activity.	The objective is to raise additional revenue to contribute towards higher costs including but not limited to frequent heavy vehicle use over extensive lengths of Shire roads throughout the year.
UV Rural	Properties used predominantly for rural purposes.	This rate is required to meet our communtiy expectations and needs in our Strategic Community and Corporate Business Plan.	This is considered the base rate above which all other UV rated properties are assessed.

**(d) Differential Minimum Payment**

Description	Characteristics	Objects	Reasons
GRV Rate Categories	Includes all GRV rated properties.	This rate is considered the minimum contribution for basic services and infrastructure.	This is considered to be the base minimum for GRV rated properties.
UV Rate Categories	Includes all UV rated properties.	This rate is considered the minimum contribution for basic services and infrastructure.	This is considered to be the base minimum for UV rated properties.

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

1. RATES AND SERVICE CHARGES (CONTINUED)

(e) Specified Area Rate

	Basis of valuation	Rate in	Rateable value	2019/20 Budget specified area rate revenue	2019/20 Interim specified area rate revenue	2019/20 Back specified area rate revenue	2019/20 Total budget specified area rate revenue	2018/19 Actual revenue	2018/19 Budget revenue
<b>Specified area rate</b>		\$	\$	\$	\$	\$	\$	\$	\$
Marina Specified Area	GRV Marina	0.01339	2,490,327	33,345	0	0	33,345	52,542	47,293
			2,490,327	33,345	0	0	33,345	52,542	47,293

	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
<b>Specified area rate</b>			\$	\$	\$
Marina Specified Area	The proceeds of the rate applied in full on the environmental monitoring and maintenance of the canal waterway, dredging and entrance channel navigation including both onshore and offshore, cost of clearing the sand traps, maintaining the main breakwaters including all breakwaters and groynes surrounding and protecting the Outer Harbour and other preservation works in accordance with the Exmouth Marina Village agreement between Minister for Transport, Landcorp & Shire of Exmouth.	Properties zoned Marina and Marina canals	33,345	0	0
			33,345	0	0

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

1. RATES AND SERVICE CHARGES (CONTINUED)

(f) Service Charges

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

(g) Waivers or concessions

Rate or fee and charge to which the waiver or concession is granted	Type	Discount %	Discount (\$)	2019/20 Budget	2018/19 Actual	2018/19 Budget	Circumstances in which the waiver or concession is granted	Objects and reasons of the waiver or concession
WRITE OFF DII RATE	WAIVER		6,800	\$ 0	\$ 6,214	\$ 6,800		
				0	6,214	6,800		



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

2 (a). NET CURRENT ASSETS

		2019/20 Budget 30 June 2020	2019/20 Budget 01 July 2019	2018/19 Estimated Actual 30 June 2019	2018/19 Budget 30 June 2019
	Note	\$	\$	\$	\$
<b>Composition of estimated net current assets</b>					
<b>Current assets</b>					
Cash - unrestricted	3	(1,080,588)	2,813,183	2,813,183	2,432,837
Cash - restricted reserves	3	9,352,157	9,352,157	9,352,157	6,239,677
Receivables		1,822,643	1,822,643	1,822,643	1,684,852
Inventories		55,830	55,830	55,830	28,847
		10,150,042	14,043,813	14,043,813	10,386,213
<b>Less: current liabilities</b>					
Trade and other payables		(925,066)	(925,066)	(925,066)	(901,141)
Contract liabilities		(180,620)	(180,620)	(180,620)	
Long term borrowings		0	(223,637)	(223,637)	(263,832)
Provisions		(958,906)	(958,906)	(958,906)	(828,375)
		(2,064,592)	(2,288,229)	(2,288,229)	(1,993,348)
<b>Net current assets</b>		<b>8,085,450</b>	<b>11,755,584</b>	<b>11,755,584</b>	<b>8,392,865</b>

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

2 (b). NET CURRENT ASSETS (CONTINUED)

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

Operating activities excluded from budgeted deficiency

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

	Note	2019/20 Budget 30 June 2020	2019/20 Budget 01 July 2019	2018/19 Estimated Actual 30 June 2019	2018/19 Budget 30 June 2019
		\$	\$	\$	\$
<b>(i) Current assets and liabilities excluded from budgeted deficiency</b>					
<b>Net current assets</b>	2	8,085,450	11,755,584	11,755,584	8,392,865
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement.					
<b>Adjustments to net current assets</b>					
Less: Unspent borrowings	6(c)		(410,000)	(410,000)	
Less: Cash - restricted reserves	3	(9,352,157)	(9,352,157)	(9,352,157)	(6,239,677)
Less: Current assets not expected to be received at end of year					
- current portion of self supporting loans receivable			0		(4,000)
- Land held for resale		0	0	0	(1,446,263)
Add: Current liabilities associated with restricted assets					
- Unspent grants, contributions and reimbursements		180,620	(180,620)	(180,620)	
Add: Current liabilities not expected to be cleared at end of year					
- Current portion of borrowings		0	223,637	223,637	263,832
- Employee benefit provisions		697,572	898,711	898,711	(966,120)
Add: Movement in provisions between current and non-current provisions			104,998	104,998	
<b>Adjusted net current assets - surplus/(deficit)</b>		(388,515)	3,040,153	3,040,153	637
<b>(ii) Operating activities excluded from budgeted deficiency</b>					
The following non-cash revenue or expenditure has been excluded from operating activities within the Rate Setting Statement.					
<b>Adjustments to operating activities</b>					
Less: Profit on asset disposals	4(b)	0	(77,294)	(77,294)	6,939
Less: Movement in liabilities associated with restricted cash		160,101			
Add: Loss on disposal of assets	4(b)	131,359	39,403	39,403	(179,979)
Add: Depreciation on assets	5	2,905,447	2,718,173	2,718,173	3,244,304
<b>Non cash amounts excluded from operating activities</b>		3,196,907	2,680,282	2,680,282	3,071,264

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

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

Refer to note 16 for further explanation of the impact of the changes in accounting policies

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

**2 (c). NET CURRENT ASSETS (CONTINUED)**

**SIGNIFICANT ACCOUNTING POLICIES**

**CURRENT AND NON-CURRENT CLASSIFICATION**

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

**TRADE AND OTHER PAYABLES**

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

**CONTRACT ASSETS**

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

**PROVISIONS**

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

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

**INVENTORIES**

**General**

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

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

**Superannuation**

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

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

**TRADE AND OTHER RECEIVABLES**

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

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

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

**CONTRACT LIABILITIES**

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

**EMPLOYEE BENEFITS**

**Short-term employee benefits**

Provision is made for the Shire of Exmouth'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 Exmouth'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 Exmouth's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

**LAND HELD FOR RESALE**

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

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

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

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

**3. RECONCILIATION OF CASH**

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

	<b>2019/20 Budget</b>	<b>2018/19 Actual</b>	<b>2018/19 Budget</b>
	\$	\$	\$
Cash - unrestricted	(1,080,588)	2,813,183	1,618,478
Cash - restricted	8,609,905	9,352,156	6,614,775
	7,529,317	12,165,339	8,233,253
The following restrictions have been imposed by regulation or other externally imposed requirements:			
Leave Reserve	697,572	688,110	259,092
Aviation reserve	1,232,588	1,244,600	975,986
Building Infrastructure Preservation Reserve	585,256	628,949	374,694
Community Development Fund	1,358,002	1,360,721	1,644,279
Community Interest Free Loans Reserve	345,355	339,770	336,135
Insurance/Natural Disasters Reserve	184,069	181,056	179,023
Marina Canal Reserve	313,921	308,782	304,904
Marina Village Asset Replacement Reserve	33,460	32,912	32,302
Ningaloo Centre	335,643	253,095	150,000
Plant Reserve	579,424	984,318	720,376
Public Radio Infrastructure	5,188	5,103	5,000
Rehabilitation Reserve	252,900	249,415	207,063
Roads Reserve	591,106	586,492	280,700
Shire Staff Housing Reserve	135,479	134,917	34,525
Swimming Pool Reserve	549,079	541,961	437,300
Town Planning Reserve	21,969	21,621	21,378
Waste & Recycle Management Reserve	803,302	1,062,442	652,018
Unspent Grants & Contributions Reserve	(142,300)	0	0
Mosquito Management	10,000	10,000	0
Land Acquisition & Disposal Reserve	717,892	717,892	0
	8,609,905	9,352,156	6,614,775
<b>Reconciliation of net cash provided by operating activities to net result</b>			
<b>Net result</b>	(2,614,757)	4,694,035	1,382,810
Depreciation	2,905,447	2,718,173	3,244,304
(Profit)/loss on sale of asset	131,359	(37,891)	173,040
(Increase)/decrease in receivables	0	(71,647)	(489,253)
(Increase)/decrease in contract assets	0	0	0
(Increase)/decrease in inventories	0	26,983	(4,327)
Increase/(decrease) in payables	0	(916,897)	23,699
Increase/(decrease) in contract liabilities	0	0	0
Increase/(decrease) in employee provisions	0	129,080	(24,380)
Change in accounting policies transferred to retained surplus (refer to Note 16)	0	0	0
Grants/contributions for the development of assets	(722,332)	(4,337,348)	(4,141,718)
<b>Net cash from operating activities</b>	(300,283)	2,204,488	164,175

**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.



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

#### 4. FIXED ASSETS

##### (a) Acquisition of Assets

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

Asset class	Reporting program							2019/20 Budget total	2018/19 Actual total	2018/19 Budget total
	Law, order, public safety	Housing	Community amenities	Recreation and culture	Transport	Economic services	Other property and services			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<u>Property, Plant and Equipment</u>										
Land - freehold land	0	0	0	0	0	0	0	0	0	0
Land - vested in and under the cor	0	0	0	0	0	0	0	0	0	0
Buildings - non-specialised	0	87,000	0	0	0	0	0	87,000	210,255	705,000
Buildings - specialised	0	0	0	886,500	189,600	0	0	1,076,100	30,320	70,000
Furniture and equipment	0	0	0	0	0	0	0	0	152,082	127,500
Plant and equipment	0	0	53,000	0	942,000	0	0	995,000	639,093	1,072,000
	0	87,000	53,000	886,500	1,131,600	0	0	2,158,100	1,031,750	1,974,500
<u>Infrastructure</u>										
Infrastructure - Roads	0	0	0	10,000	908,782	0	0	918,782	2,599,936	2,439,318
Infrastructure - Other	15,000	0	310,388	449,000	280,000	20,000	22,000	1,096,388	511,904	708,884
	15,000	0	310,388	459,000	1,188,782	20,000	22,000	2,015,170	3,111,840	3,148,202
<u>Land Held for Resale</u>										
Land held for resale	0	0	0	0	0	0	0	0	0	0
<u>Investment Property</u>										
Land	0	0	0	0	0	0	0	0	0	0
Buildings	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
<b>Total acquisitions</b>	15,000	87,000	363,388	1,345,500	2,320,382	20,000	22,000	4,173,270	4,143,590	5,122,702

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

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

**4. FIXED ASSETS (CONTINUED)**

**(b) Disposals of Assets**

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

	2019/20 Budget Net Book Value	2019/20 Budget Sale Proceeds	2019/20 Budget Profit	2019/20 Budget Loss	2018/19 Actual Net Book Value	2018/19 Actual Sale Proceeds	2018/19 Actual Profit	2018/19 Actual Loss	2018/19 Budget Net Book Value	2018/19 Budget Sale Proceeds	2018/19 Budget Profit	2018/19 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>By Program</b>												
Community amenities	0	0	0	0	15,984	22,500	6,516	0	94,546	31,600	0	(62,946)
Transport	211,859	80,500	0	(131,359)	59,496	36,455	2,364	(25,405)	122,001	51,780	0	(70,221)
Economic services	0	0	0	0	36,153	30,000	1,837	(7,990)	48,405	17,000	0	(31,405)
Other property and services	0	0	0	0	25,099	19,091	66,577	(6,008)	30,407	21,939	6,939	(15,407)
	211,859	80,500	0	(131,359)	136,732	108,046	77,294	(39,403)	295,359	122,319	6,939	(179,979)
<b>By Class</b>												
<u>Property, Plant and Equipment</u>												
Plant and equipment	211,859	80,500		(131,359)	136,732	108,046	77,294	(39,403)	295,359	122,319	6,939	(179,979)
	211,859	80,500	0	(131,359)	136,732	108,046	77,294	(39,403)	295,359	122,319	6,939	(179,979)

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

**DISPOSALS OF ASSETS**

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

<b>By Program</b>	Net Book Value	Sale Proceeds	Profit	Loss
	\$	\$	\$	\$
<b>Transport</b>				
P0045 2010 Kubota Mower EX 7560	3,050	2,800		(250)
P054 Fuso Canter Dual Cab EX 7843	25,000	6,400		(18,600)
P076 2013 Mitsubishi Fuso Sumo	35,993	6,000		(29,993)
P005 2010 Ford Ranger Crew Cab 1DHS614	6,545	5,780		(765)
P064 2012 Toyota Hiace Commuter Bus	21,194	6,800		(14,394)
P065 2012 Toyota Hilux Dual Cab EX040	15,000	4,590		(10,410)
P069 2013 Toyota Hilux Dual Cab EX8971	15,405	4,590		(10,815)
P070 2013 Toyota Hilux Dual Cab EX7416	15,405	6,800		(8,605)
P073 2013 Toyota Hilux 3009EX	15,405	5,780		(9,625)
P096 2015 Holden Colorado	29,263	15,480		(13,783)
P097 Holden Colorado	29,599	15,480		(14,119)
	211,859	80,500		(131,359)

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

**5. ASSET DEPRECIATION**

**By Program**

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

**By Class**

Buildings - non-specialised
Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - Roads
Infrastructure - Other

2019/20 Budget	2018/19 Actual	2018/19 Budget
\$	\$	\$
12,863	0	9,492
0	14,451	2,497
13,534	30,182	32,736
39,260	43,281	34,531
108,559	126,164	53,601
112,482	116,626	242,147
670,251	188,494	1,124,263
1,569,258	1,614,686	1,380,027
51,536	62,055	72,949
327,704	522,235	292,061
2,905,447	2,718,173	3,244,304
89,322	101,912	966,197
572,339	93,052	0
260,478	287,660	146,031
392,711	594,536	186,650
1,097,405	1,119,332	822,749
493,192	521,681	1,122,677
2,905,447	2,718,173	3,244,304

**SIGNIFICANT ACCOUNTING POLICIES**

**DEPRECIATION**

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

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

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

Buildings - non-specialised	30-50 years
Buildings - specialised	30-50 years
Furniture and equipment	
Computer equipment & software	3-5 years
Furniture & other equipment	5-10 years
Plant and equipment	
Minor equipment	2-5 years
Light to medium vehicles	2-5 years
Medium to heavy plant & equipment	3-10 years
Infrastructure - Roads	
Subgrade & gravel sheet	not depreciated
Sealed pavement	40 years
Surface - Asphalt	20 years
Surface - Brick paving	30 years
Surface - Concrete	80 years
Surface - Spray seal	10-13 years
Drainage - Stormwater	60-80 years
Drainage - Culverts	30-80 years

**DEPRECIATION (CONTINUED)**

Infrastructure - Roads (continued)

Drainage - Sealed/concrete floodway	40-80 years
Drainage - Gravel floodway	10-15 years
Footpaths	30-40 years
Street lighting	15 years
Cattle grid	80 years
Bridges	50 years

Infrastructure - Other

Airfields - runway, apron	20-50 years
Boat ramps and jetties	40-50 years
Sea wall	80 years
Public Spaces - Lighting	30-50 years
Public Spaces - Furniture	15-20 years
Public Spaces - Structures	20-50 years
Public Spaces - Courts, skatepark	40-50 years
Public Spaces - Reticulations, irrigation	30-40 years

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

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

**RECOGNITION OF ASSETS**

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

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

6. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

Purpose	Budget Principal 1 July 2019	2019/20 Budget New loans	2019/20 Budget Principal repayments	2019/20 Budget Interest repayments	Budget Principal outstanding 30 June 2020	Actual Principal 1 July 2018	2018/19 Actual New loans	2018/19 Actual Principal repayments	2018/19 Actual Interest repayments	Actual Principal outstanding 30 June 2019	Budget Principal 1 July 2018	2018/19 Budget New loans	2018/19 Budget Principal repayments	2018/19 Budget Interest repayments	Budget Principal outstanding 30 June 2019
		\$	\$	\$	\$			\$	\$	\$		\$	\$	\$	\$
<b>Housing</b>															
77 - Snapper Loop land	0	0	0	0	0	47,955	0	47,955	1,586	0	47,955	0	47,955	4,640	0
80 - Staff Dwellings	614,540	0	65,557	27,659	548,983	677,075	0	62,535	30,558	614,540	677,075	0	62,535	33,565	614,540
<b>Community amenities</b>															
81 - Rubbish truck	301,868	0	81,953	5,579	219,915	381,881	0	80,013	7,461	301,868	331,881	0	80,013	9,413	251,868
<b>Recreation and culture</b>															
82 - Ningaloo Centre	893,499	0	55,948	29,292	837,551	947,629	0	54,130	31,055	893,499	947,628	0	54,130	32,868	893,498
<b>Other property and services</b>															
76 - 1 Bennett Street	239,054	0	20,179	11,797	218,875	258,253	0	19,199	12,719	239,054	258,253	0	19,199	13,709	239,054
	2,048,961	0	223,637	74,327	1,825,324	2,312,793	0	263,832	83,378	2,048,961	2,262,792	0	263,832	94,195	1,998,960
	2,048,961	0	223,637	74,327	1,825,324	2,312,793	0	263,832	83,378	2,048,961	2,262,792	0	263,832	94,195	1,998,960

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.

The self supporting loan(s) repayment will be fully reimbursed.



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

**6. INFORMATION ON BORROWINGS (CONTINUED)**

**(b) New borrowings - 2019/20**

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

**(c) Unspent borrowings**

Loan Details	Purpose of the loan	Year loan taken	Amount b/fwd.	Amount used 2019/20 Budget	Amount as at 30th June 2020
Rubbish Truck			\$ 410,000	\$ (410,000)	\$ 0
			410,000	(410,000)	0

**(d) Credit Facilities**

	2019/20 Budget	2018/19 Actual	2018/19 Budget
<b>Undrawn borrowing facilities</b>	\$	\$	\$
<b>credit standby arrangements</b>			
Bank overdraft limit	400,000	400	0
Bank overdraft at balance date	0	0	0
Credit card limit	24,000	24,000	0
Credit card balance at balance date	0	12,380	0
<b>Total amount of credit unused</b>	424,000	36,780	0
<b>Loan facilities</b>			
Loan facilities in use at balance date	1,825,324	2,048,961	1,998,960
Unused loan facilities at balance date	410,000	410,000	410,000

**SIGNIFICANT ACCOUNTING POLICIES**

**BORROWING COSTS**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

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

## 7. CASH BACKED RESERVES

### (a) Cash Backed Reserves - Movement

	2019/20 Budget Opening Balance	2019/20 Budget Transfer to	2019/20 Budget Transfer (from)	2019/20 Budget Closing Balance	2018/19 Actual Opening Balance	2018/19 Actual Transfer to	2018/19 Actual Transfer (from)	2018/19 Actual Closing Balance	2018/19 Budget Opening Balance	2018/19 Budget Transfer to	2018/19 Budget Transfer (from)	2018/19 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Leave Reserve	688,110	9,462	0	697,572	255,275	432,835	0	688,110	255,275	3,817	0	259,092
Aviation reserve	1,244,600	17,988	(30,000)	1,232,588	1,173,441	171,159	(100,000)	1,244,600	1,173,441	17,545	(215,000)	975,986
Building Infrastructure Preservation Reserve	628,949	6,307	(50,000)	585,256	369,175	259,774	0	628,949	369,174	5,520	0	374,694
Community Development Fund	1,360,721	27,281	(30,000)	1,358,002	1,659,472	40,294	(339,045)	1,360,721	1,659,472	24,807	(40,000)	1,644,279
Community Interest Free Loans Reserve	339,770	5,585	0	345,355	390,299	9,471	(60,000)	339,770	390,299	5,836	(60,000)	336,135
Insurance/Natural Disasters Reserve	181,056	3,013	0	184,069	176,386	4,670	0	181,056	176,386	2,637	0	179,023
Marina Canal Reserve	308,782	5,139	0	313,921	255,079	53,703	0	308,782	255,079	49,825	0	304,904
Marina Village Asset Replacement Reserve	32,912	548	0	33,460	5,986	26,926	0	32,912	5,986	26,316	0	32,302
Ningaloo Centre	253,095	82,548	0	335,643	0	253,095	0	253,095	0	150,000	0	150,000
Plant Reserve	984,318	402,106	(807,000)	579,424	719,476	614,842	(350,000)	984,318	719,476	350,900	(350,000)	720,376
Public Radio Infrastructure	5,103	85	0	5,188	0	5,103	0	5,103	0	5,000	0	5,000
Rehabilitation Reserve	249,415	3,485	0	252,900	204,013	45,402	0	249,415	204,013	3,050	0	207,063
Roads Reserve	586,492	4,614	0	591,106	0	586,492	0	586,492	0	280,700	0	280,700
Shire Staff Housing Reserve	134,917	562	0	135,479	34,016	100,901	0	134,917	34,016	509	0	34,525
Swimming Pool Reserve	541,961	7,118	0	549,079	430,561	111,400	0	541,961	430,562	6,738	0	437,300
Town Planning Reserve	21,621	348	0	21,969	21,063	558	0	21,621	21,063	315	0	21,378
Waste & Recycle Management Reserve	1,062,442	10,860	(270,000)	803,302	648,923	413,519	0	1,062,442	648,924	104,094	(101,000)	652,018
Unspent Grants & Contributions Reserve	0	0	(142,300)	(142,300)	94,285	225,422	(319,707)	0	94,284	0	(94,284)	0
Mosquito Management	10,000	0	0	10,000	0	10,000	0	10,000	0	0	0	0
Land Acquisition & Disposal Reserve	717,892	0	0	717,892	0	717,892	0	717,892	0	0	0	0
	9,352,156	587,049	(1,329,300)	8,609,905	6,437,450	4,083,458	(1,168,752)	9,352,156	6,437,450	1,037,609	(860,284)	6,614,775

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

## 7. CASH BACKED RESERVES

### (b) Cash Backed Reserves - Purposes

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

Reserve name	Anticipated date of use	Purpose of the reserve
Leave Reserve		To be used for annual and long service leave requirements.
Aviation reserve		To be used to fund aviation improvements.
Building Infrastructure Preservation Reserve		To be used for the development, preservation and maintenance of building infrastructure within the Shire of Exmouth.
Community Development Fund		To be used for major community development initiatives.
Community Interest Free Loans Reserve		To be used to fund major community development projects
Insurance/Natural Disasters Reserve		To be used for the purpose of funding insurance claims where the excee is higher than the cost of repairs in addition to any weather related insurance/WANDRRRA claims.
Marina Canal Reserve		To be used for the purpose of funding future dredging costs as well as environmental water control and maintenance of the canals. These funds were derived from levying specified area rate titles Marina Specified Area Rate.
Marina Village Asset Replacement Reserve		To be used for the preservation and maintenance of infrastructure related to the Exmouth Marina Village.
Ningaloo Centre		To be used for the preservation and maintenance of the Ningaloo Centre.
Plant Reserve		To be used for the purchase of major plant and equipment.
Public Radio Infrastructure		To be used for to maintain the rebroadcasting infrastructure.
Rehabilitation Reserve		To be used to manage the funds associated with the environmental rehabilitation of the sand and gravel pits within the Shire of Exmouth.
Roads Reserve		To be used for the preservation and maintenance of roads.
Shire Staff Housing Reserve		To be used to fund housing for staff.
Swimming Pool Reserve		To be used to fund swimming pool upgrades.
Town Planning Reserve		To be used for the purpose of funding a review of the fture Town Planning Scheme.
Waste & Recycle Management Reserve		To be used to fund capital and operational costs of Refuse Site including implementation of post closure plan.
Unspent Grants & Contributions Reserve		To be used for the purpose of containing funds that are dervied from unspent or prepaid grants and contributions from external parties.
Mosquito Management		To be used in years where mosquito-borne disease/nuisance is greater than normal.
Land Acquisition & Disposal Reserve		To be used to fund the acquisition and disposal of Shire owned land and buildings.

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

**8. FEES & CHARGES REVENUE**

	<b>2019/20 Budget</b>	<b>2018/19 Actual</b>	<b>2018/19 Budget</b>
	\$	\$	\$
General purpose funding	41,100	41,773	34,824
Law, order, public safety	12,020	13,247	8,495
Health	36,222	51,170	39,622
Education and welfare	100	432	100
Housing	44,200	61,798	59,932
Community amenities	1,129,767	1,258,788	1,202,223
Recreation and culture	573,470	607,451	602,685
Transport	4,624,579	5,345,015	5,188,520
Economic services	597,577	187,096	229,377
Other property and services	900	2,801	2,330
	<b>7,059,935</b>	<b>7,569,571</b>	<b>7,368,108</b>

**9. GRANT REVENUE**

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

**By Program:**

**Operating grants, subsidies and contributions**

Governance	920,000	1,892,207	0
General purpose funding	0	0	886,690
Law, order, public safety	0	20,254	28,575
Recreation and culture	160,000	89,595	145,000
Transport	0	95,419	55,980
Other property and services	16,000	21,507	15,500
	<b>1,096,000</b>	<b>2,118,981</b>	<b>1,131,745</b>

**Non-operating grants, subsidies and contributions**

Law, order, public safety	0	151,847	140,000
Recreation and culture	290,000	1,416,985	1,724,000
Transport	432,332	2,768,516	2,277,718
	<b>722,332</b>	<b>4,337,348</b>	<b>4,141,718</b>



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

**10. OTHER INFORMATION**

**The net result includes as revenues**

**(a) Interest earnings**

Investments

- Reserve funds

- Other funds

Other interest revenue (refer note 1b)

**(b) Other revenue**

Reimbursements and recoveries

**The net result includes as expenses**

**(c) Auditors remuneration**

Audit services

Other services

**(d) Interest expenses (finance costs)**

Borrowings (refer Note 6(a))

Interest expense on lease liabilities

**(e) Elected members remuneration**

Meeting fees

Mayor/President's allowance

Deputy Mayor/President's allowance

Travelling expenses

Telecommunications allowance

**(f) Write offs**

General rate

**(g) Low Value lease expenses**

Office equipment

Plant and equipment

	2019/20 Budget	2018/19 Actual	2018/19 Budget
	\$	\$	\$
	117,051	157,641	89,231
	18,000	16,574	17,500
	58,000	64,562	57,924
	193,051	238,777	164,655
	88,399	349,115	43,400
	88,399	349,115	43,400
	51,500	46,000	46,000
	35,800	30,417	17,000
	87,300	76,417	63,000
	74,327	83,378	94,195
	0	0	0
	74,327	83,378	94,195
	85,752	63,703	63,669
	29,565	21,955	21,955
	7,391	5,489	5,489
	18,900	12,740	17,320
	4,000	3,744	3,900
	145,608	107,632	112,333
	0	6,214	6,800
	0	6,214	6,800
	60,600	66,060	75,011
	120,000	114,611	120,450
	180,600	180,671	195,461

**SIGNIFICANT ACCOUNTING POLICIES**

**LEASES**

At inception of a contract, an entity shall assess 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 lessee shall recognise a right-of-use asset and a lease liability.

At the commencement date, a lessee shall measure the right-of-use asset at cost.

**LEASES (CONTINUED)**

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

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

## 11. MAJOR LAND TRANSACTIONS

It is not anticipated any land transactions or major land transactions will occur in 2019/20.

## 12. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Learmonth Airport is the general aviation and regular passenger transport airport for the Shire of Exmouth, including Heliport operations. It is the main regional base for aircraft charter operations and private flying in Exmouth.

### (a) Details

The Shire is Responsible for operating the civil terminals, apron, and taxiway. The RAAF are responsible for maintaining the other civil facilities used for civil aviation with Defence legislation and regulations

### (b) Statement of Comprehensive Income

	2018/19 Actual	2019/20 Budget	2020/21 Forecast	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast
	\$	\$	\$	\$	\$	\$	\$
<b>Revenue</b>							
Fees and charges	5,200,682	4,536,579	4,627,311	4,719,857	4,814,254	4,910,539	5,008,750
	5,200,682	4,536,579	4,627,311	4,719,857	4,814,254	4,910,539	5,008,750
<b>Expenditure</b>							
Employee costs	1,472,350	1,402,571	1,430,622	1,459,235	1,488,420	1,518,188	1,548,552
Materials and contracts	424,920	608,095	620,257	632,662	645,315	658,222	671,386
Utility charges	103,434	125,000	127,500	130,050	132,651	135,304	138,010
Insurance expenses	56,851	58,894	60,072	61,273	62,499	63,749	65,024
Other expenses	502,206	420,302	428,708	437,282	446,028	454,948	464,047
Depreciation	351,875	338,037	344,798	351,694	358,728	365,902	373,220
	2,911,636	2,952,899	3,011,957	3,072,196	3,133,640	3,196,313	3,260,239
<b>NET RESULT</b>	2,289,046	1,583,680	1,615,354	1,647,661	1,680,614	1,714,226	1,748,511
<b>Other comprehensive income</b>							
<b>Total other comprehensive income</b>	0	0	0	0	0	0	0
<b>TOTAL COMPREHENSIVE INCOME</b>	2,289,046	1,583,680	1,615,354	1,647,661	1,680,614	1,714,226	1,748,511

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

**13. INTERESTS IN JOINT ARRANGEMENTS**

It is not anticipated the Shire will be party to any joint venture arrangements during 2019/20.

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

**14. 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:

<b>Detail</b>	<b>Balance 1 July 2019</b>	<b>Estimated amounts received</b>	<b>Estimated amounts paid</b>	<b>Estimated balance 30 June 2020</b>
	\$	\$	\$	\$
Hall & Rec Centre Bonds	8,350	0	0	8,350
Council nomination fees	0	0	0	0
Sundries	700	0	0	700
Cash in lieu POS	378,888	0	0	378,888
BCITF	1,588	0	0	1,588
BSL levy	2,401	0	0	2,401
Unclaimed monies	6,916	0	0	6,916
Bond deed exmouth marina holdings	18,186	0	0	18,186
Key bonds	1,150	0	0	1,150
Donations for other organisations	135	0	0	135
Exmouth Volunteer Fire & Rescue	50,828	0	0	50,828
	469,142	0	0	469,142

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

### 15. 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.

#### REVENUE RECOGNITION

Accounting Policies for the recognition of income and revenue from contracts with customers is described in Note 16.

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

**16. SIGNIFICANT ACCOUNTING POLICIES - CHANGE  
IN ACCOUNTING POLICIES**

This note explains the impact of the adoption of AASB 15 Revenue from Contracts with Customers, AASB 16 Leases and AASB 1058 Income for Not-for-Profit Entities.

**REVENUE FROM CONTRACTS WITH CUSTOMERS**

The Shire of Exmouth adopted AASB 15 on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the Shire of Exmouth has adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 July 2019):

	AASB 118 carrying amount 30 June 19	Reclassification	AASB 15 carrying amount 01 July 19
	\$	\$	\$
Contract assets	0	0	0
Contract liabilities - current			
Unspent grants, contributions and reimbursements	0	180,620	180,620
Developer contributions	0	0	0
Contract liabilities non-current			
Developer contributions	0	0	0
Cash in lieu of parking	0	0	0
Adjustment to retained surplus from adoption of AASB 15	0	(180,620)	0

**LEASES**

On adoption of AASB 16, for leases which had previously been classified as an 'operating lease' when applying AASB 117, the Shire of Exmouth is not required to make any adjustments on transition for leases for which the underlying asset is of low value. 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).

**INCOME FOR NOT-FOR-PROFIT ENTITIES**

The Shire of Exmouth has adopted AASB 1058 from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions AASB 1058, the Shire of Exmouth has adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods shall not be restated in accordance with AASB 1058 transition requirements.

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes occurred to the following financial statement line items by application of AASB as compared to AASB 1004 Contributions before the change:

	AASB 1004 carrying amount 30 June 19	Reclassification	AASB 1058 carrying amount 01 July 19
	\$	\$	\$
Trade and other payables	0	36,334	
Adjustment to retained surplus from adoption of AASB 1058	0	(36,334)	

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance give rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 the prepaid rates were recognised as a financial asset and a related amount was recognised as a financial liability and no income was recognised by the Shire of Exmouth. When the taxable event occurs the financial liability is extinguished and the Shire of Exmouth recognises income for the prepaid rates that have not been refunded.

Assets that were acquired for consideration that was significantly less than fair value principally to enable the Shire of Exmouth to further its objectives may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.

Volunteer Services in relation to Volunteer Fire Services have been recognised in budgeted revenue and budgeted expenditure as the fair value of the services can be reliably estimated and the services would have been purchased if they had not been donated.

The impact on the Shire of Exmouth of the changes as at 1 July 2019 is as follows:

	2019	
	\$	
Retained surplus - 30/06/2019		
Adjustment to retained surplus from adoption of AASB 15	(180,620)	
Adjustment to retained surplus from adoption of AASB 1058	(36,334)	(216,954)
Retained surplus - 01/07/2019		(216,954)

**RATES SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2020**

**BY NATURE OR TYPE**

	NOTE	2019/20 Budget \$	2018/19 Actual \$	2018/19 Budget \$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>	2 (b)(i)	3,040,153	2,874,919	982,735
		3,040,153	2,874,919	982,735
<b>Revenue from operating activities (excluding rates)</b>				
Specified area rates	1(e)	47,081	52,542	47,293
Operating grants, subsidies and contributions	9	976,000	2,118,981	1,131,745
Fees and charges	8	7,165,610	7,569,571	7,368,108
Interest earnings	10(a)	195,051	238,777	164,655
Other revenue	10(b)	88,399	349,115	43,400
Profit on asset disposals	4(b)	0	77,294	6,939
		8,472,141	10,406,280	8,762,140
<b>Expenditure from operating activities</b>				
Employee costs		(6,713,128)	(6,331,144)	(6,481,084)
Materials and contracts		(3,664,652)	(2,753,743)	(3,086,655)
Utility charges		(799,314)	(842,565)	(930,734)
Depreciation on non-current assets	5	(2,905,447)	(2,718,173)	(3,244,304)
Interest expenses	10(d)	(81,595)	(83,378)	(84,129)
Insurance expenses		(462,594)	(438,658)	(466,353)
Other expenditure		(437,779)	(206,212)	(407,851)
Loss on asset disposals	4(b)	(131,359)	(39,403)	(179,979)
		(15,196,455)	(13,413,276)	(14,881,089)
<b>Operating activities excluded from budgeted deficiency</b>				
Non-cash amounts excluded from operating activities	2 (b)(ii)	3,196,907	2,680,282	3,071,264
<b>Amount attributable to operating activities</b>		(487,254)	2,548,205	(2,064,950)
<b>INVESTING ACTIVITIES</b>				
Non-operating grants, subsidies and contributions	9	722,332	4,337,348	4,141,718
Purchase investment property	4(a)	0	0	0
Purchase property, plant and equipment	4(a)	(2,158,100)	(1,031,750)	(1,974,500)
Purchase and construction of infrastructure	4(a)	(2,015,170)	(3,111,840)	(3,148,202)
Proceeds from disposal of assets	4(b)	80,500	108,046	122,319
<b>Amount attributable to investing activities</b>		(3,370,438)	301,804	(858,665)
<b>FINANCING ACTIVITIES</b>				
Repayment of borrowings	6(a)	(223,637)	(263,832)	(263,832)
Proceeds from new borrowings	6	0	0	(60,000)
Proceeds from self supporting loans	6(a)	0	5,000	55,000
Transfers to cash backed reserves (restricted assets)	7(a)	(587,049)	(4,083,458)	(1,037,309)
Transfers from cash backed reserves (restricted assets)	7(a)	1,329,300	1,168,752	860,284
<b>Amount attributable to financing activities</b>		518,614	(3,173,538)	(445,857)
<b>Budgeted deficiency before general rates</b>		(3,339,078)	(323,529)	(3,369,472)
<b>Estimated amount to be raised from general rates</b>	1	3,387,225	3,363,681	3,364,109
<b>Net current assets at end of financial year - surplus/(deficit)</b>	2 (b)(i)	48,147	3,040,152	(5,363)

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