

**Attachment 2**

**Statutory Budget**

# CITY OF WANNEROO

## BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

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## CITY OF WANNEROO

## INCOME STATEMENT

## BY NATURE OR TYPE

FOR THE YEAR ENDED 30TH JUNE 2008

	Note	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b>Operating Revenues</b>				
Rates	9	47,352,317	41,609,794	41,089,890
Grants and Subsidies		7,409,786	7,747,563	6,807,102
Contributions Reimbursements and Donations		479,669	807,178	472,187
Fees and Charges	11	28,250,140	26,990,461	25,463,751
Interest Earnings	2(a)(ii)	6,057,896	7,278,339	4,294,979
Other Revenue		293,611	942,226	253,541
<b>Total Operating Revenues</b>		<b>89,843,419</b>	<b>85,375,561</b>	<b>78,381,450</b>
<b>Operating Expenses</b>				
Employee Costs		(47,948,646)	(42,245,001)	(41,668,584)
Materials and Contracts		(42,586,459)	(28,807,017)	(37,797,389)
Utilities		(3,121,760)	(2,594,428)	(2,586,615)
Depreciation	2(a)(i)	(20,401,143)	(18,823,281)	(19,401,143)
Interest Expenses	2(a)(i), 5(a)	(1,344,148)	(267,695)	(542,765)
Insurance		(736,627)	(684,316)	(788,575)
<b>Total Operating Expenses</b>		<b>(116,138,783)</b>	<b>(93,421,738)</b>	<b>(102,785,071)</b>
<b>Total for Operations</b>		<b>(26,295,364)</b>	<b>(8,046,177)</b>	<b>(24,403,621)</b>
<b>Non-Operating Amounts</b>				
Grants and Subsidies		13,070,477	9,928,952	4,660,720
Contributions Reimbursements and Donations		18,564,527	23,407,919	17,778,230
Contributions for the Development of Assets		30,000,000	37,424,440	30,000,000
Profit on Asset Disposals	4	4,200,000	4,917,667	5,905,999
Loss on Asset Disposals	4	(662,175)	(283,508)	(2,092,530)
<b>Net Result</b>	15(b)	<b>38,877,465</b>	<b>67,349,293</b>	<b>31,848,798</b>

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

## CITY OF WANNEROO

## INCOME STATEMENT

## BY PROGRAMME

FOR THE YEAR ENDED 30TH JUNE 2008

	Note 1, 2(b)	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b>Operating Revenues</b>				
Governance		267,133	343,043	470,320
General Purpose Funding		54,911,792	49,684,353	47,170,961
Law, Order, Public Safety		662,150	605,904	604,068
Health		220,583	125,502	301,525
Education and Welfare		3,213,149	3,046,041	2,989,522
Community Amenities		19,617,621	18,490,639	16,711,135
Recreation and Culture		3,957,903	4,218,625	3,705,461
Transport		521,881	653,268	201,580
Economic Services		3,500,578	3,773,877	3,585,580
Other Property and Services		2,970,629	4,434,309	2,689,222
<b>Total Operating Revenues</b>		<b>89,843,419</b>	<b>85,375,561</b>	<b>78,429,374</b>
<b>Operating Expenses</b>				
Governance		(2,902,222)	(3,370,632)	(3,945,548)
General Purpose Funding		(1,643,139)	(1,284,698)	(694,545)
Law, Order, Public Safety		(2,982,291)	(2,813,813)	(3,567,837)
Health		(1,852,030)	(1,538,190)	(1,301,646)
Education and Welfare		(6,026,991)	(5,176,553)	(5,653,965)
Community Amenities		(20,998,508)	(18,213,957)	(17,994,970)
Recreation & Culture		(26,599,984)	(22,120,548)	(19,612,063)
Transport		(25,259,001)	(24,454,207)	(19,188,907)
Economic Services		(2,839,533)	(2,374,544)	(3,728,088)
Other Property and Services		(23,690,936)	(11,806,901)	(26,602,661)
<b>Total Operating Expenses</b>		<b>(114,794,635)</b>	<b>(93,154,043)</b>	<b>(102,290,230)</b>
<b>Borrowing Cost Expense</b>	2(a)(i), 5(a)			
Governance		(1,170,141)	(267,695)	-
General Purpose Funding		(10,000)	-	-
Recreation and Culture		-	-	(530,715)
Community Amenities		(155,458)	-	(10,250)
Other Property Services		(8,549)	-	(1,800)
<b>Total Borrowing Cost Expense</b>		<b>(1,344,148)</b>	<b>(267,695)</b>	<b>(542,765)</b>
<b>Grants and Contributions Towards Assets</b>				
Governance		-	86,000	-
Recreation and Culture		8,584,656	2,931,600	839,390
Community Amenities		-	198,200	-
Transport		38,286,518	44,492,528	38,087,730
Law, Order, Public Safety		289,000	9,091	1,500
Economic Services		193,000	-	-
Other Property Services		14,281,830	23,043,892	13,510,330
<b>Total Grants and Contributions Towards Assets</b>		<b>61,635,004</b>	<b>70,761,311</b>	<b>52,438,950</b>
<b>Profit/(Loss) on Disposal of Assets</b>	4			
Governance		10,000	17,274	5,000
Recreation and Culture		3,150	(412,160)	-
Other Property and Services		3,524,675	5,029,045	3,808,469
<b>Total Profit/(Loss) on Disposal of Assets</b>		<b>3,537,825</b>	<b>4,634,159</b>	<b>3,813,469</b>
<b>Net Result</b>	15(b)	<b>38,877,465</b>	<b>67,349,293</b>	<b>31,848,798</b>

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

**CITY OF WANNEROO**  
**RATE SETTING STATEMENT**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

	Note 1	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b>Revenues</b>				
Fees and Charges	11	28,250,140	26,990,461	25,463,751
Government Grants and Subsidies Operating		7,409,786	7,747,563	6,807,102
Operating Contributions, Reimbursements and Donations		479,669	807,178	472,187
Interest Earnings Municipal	2(a)(ii)	2,430,000	2,355,611	1,186,000
Revenue from Other Councils		293,611	942,226	253,541
<b>Total Revenues</b>		<b>38,863,206</b>	<b>38,843,039</b>	<b>34,182,581</b>
<b>Expenses</b>				
Employee Costs		(47,948,646)	(42,245,001)	(41,668,584)
Materials and Contracts		(42,586,459)	(28,807,017)	(37,797,389)
Utilities (Gas, Electricity, Water etc)		(3,121,760)	(2,594,428)	(2,586,615)
Insurance		(736,627)	(684,316)	(788,575)
Interest Expenses	2(a)(i), 5(a)	(1,344,148)	(267,695)	(542,765)
Depreciation on Non-current Assets	2(a)(i)	(20,401,143)	(18,823,281)	(19,401,143)
<b>Total Expenses</b>		<b>(116,138,783)</b>	<b>(93,421,738)</b>	<b>(102,785,071)</b>
<b>Other Revenue and Expenses</b>				
Government Grants and Subsidies Capital		13,070,477	9,928,952	4,660,720
Interest Earnings Non Municipal	2(a)(ii)	3,627,896	4,922,728	3,108,979
Loss on Asset Disposal	4	(662,175)	(283,508)	(2,092,530)
Non Op. Cash Contributions, Reimbursements & Donations		18,564,527	23,407,919	17,778,230
Physical Assets Received from Developers		30,000,000	37,424,440	30,000,000
Profit on Asset Disposal	4	4,200,000	4,917,667	5,905,999
<b>Total Other Revenue and Expenses</b>		<b>68,800,725</b>	<b>80,318,198</b>	<b>59,361,398</b>
<b>Adjustments for Cash Budget Requirements</b>				
(Profit)/Loss on Asset Disposals	4	(3,537,825)	(4,634,159)	(3,813,469)
Depreciation on Assets	2(a)(i)	20,401,143	18,823,281	19,401,143
Physical Assets Received from Developers		(30,000,000)	(37,424,440)	(30,000,000)
<b>Total Adjustments for Cash Budget Requirements</b>		<b>(13,136,682)</b>	<b>(23,235,318)</b>	<b>(14,412,326)</b>
<b>Adjustments for Non-Operating Expenditure and Income</b>				
Capital Acquisitions		(97,660,054)	(24,667,873)	(47,237,367)
Investment in Tamala Park Regional Council	17	-	(2,723,573)	(2,647,859)
Proceeds from Disposal of Assets	4	5,741,215	6,677,458	6,076,284
Movement in Non-current Leave Provisions		-	(232,280)	-
Movement in other Non-current Assets		-	34,802	-
Repayment of Quinns Bridge Funding		3,000,000	-	-
Proceeds from Loan Borrowings		20,150,350	10,955,838	8,555,838
Repayment of Loan Principal	5(a)	(160,000)	(214,500)	(214,500)
<b>Total Adjustments for Non-Operating Expenditure and Income</b>		<b>(68,928,489)</b>	<b>(10,170,128)</b>	<b>(35,467,604)</b>
<b>Transfers</b>				
Transfers to Restricted Grants and Leave		-	(3,143,717)	-
Transfers from Restricted Grants and Leave		2,700,000	-	5,973,311
Transfers to Reserves	6	(12,989,832)	(18,503,251)	(11,847,893)
Transfers from Reserves	6	26,831,825	9,606,981	14,657,243
Transfers to Schemes	17(b)	(15,190,030)	(21,742,962)	(14,869,030)
Transfers from Schemes	17(b)	22,933,204	6,575,136	20,273,604
<b>Total Transfers</b>		<b>24,285,167</b>	<b>(27,207,813)</b>	<b>14,187,235</b>
<b>Surplus/(Deficit)</b>				
Estimated Surplus/(Deficit) July 1 B/Fwd	8	14,856,923	8,120,889	8,172,764
Estimated Surplus/(Deficit) June 30 C/Fwd	8	(4,045,616)	14,856,923	4,328,867
<b>Total Surplus/(Deficit)</b>		<b>18,902,539</b>	<b>(6,736,034)</b>	<b>3,843,897</b>
<b>Amount Required to be Raised from Rates</b>	9	<b>(47,352,317)</b>	<b>(41,609,794)</b>	<b>(41,089,890)</b>

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

CITY OF WANNEROO

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30TH JUNE 2008

	Note	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		47,202,317	41,501,303	41,007,890
Grants and Subsidies - operating		7,033,089	7,747,512	6,127,136
Contributions, Reimbursements & Donations		479,669	807,178	1,326,893
Fees and Charges		26,272,630	26,140,562	19,046,876
Interest Earnings		6,057,896	7,278,339	2,985,853
Goods and Services Tax		4,700,000	4,799,236	4,080,000
Other		278,930	1,145,220	4,807,371
<b>Total Receipts</b>		<b>92,024,531</b>	<b>89,419,350</b>	<b>79,382,019</b>
<b>Payments</b>				
Employee Costs		(47,469,160)	(40,186,430)	(31,913,144)
Materials and Contracts		(45,875,473)	(27,358,922)	(45,510,493)
Utilities (gas, electricity, water, etc)		(3,121,760)	(2,594,428)	(2,958,420)
Insurance		(685,063)	(684,316)	(733,375)
Interest		(1,344,148)	(267,695)	(542,765)
Goods and Services Tax		(5,100,000)	(4,830,128)	(4,085,000)
<b>Total Payments</b>		<b>(103,595,604)</b>	<b>(75,921,919)</b>	<b>(85,743,197)</b>
<b>Net Cash from Operating Activities</b>	15(b)	<b>(11,571,073)</b>	<b>13,497,431</b>	<b>(6,361,178)</b>
<b>Cash Flows from Investing Activities</b>				
Payments for Development of Land Held for Resale	17	-	(2,723,573)	(2,647,859)
Payments for Purchase of Property, Plant & Equip		(62,480,139)	(14,314,096)	(21,113,434)
Payments for Construction of Infrastructure		(35,179,915)	(10,353,778)	(26,123,933)
Grants/Contributions for the Development of Assets		31,635,004	33,336,871	23,797,650
Repayment of Quinns Bridge Funding		3,000,000	-	-
Proceeds from Disposal of Assets	4	5,741,215	6,677,458	6,076,284
<b>Net Cash From Investing Activities</b>		<b>(57,283,835)</b>	<b>12,622,882</b>	<b>(20,011,292)</b>
<b>Cash Flows from Financing Activities</b>				
Repayment of Loans	5(a)	(160,000)	(214,500)	(214,500)
Proceeds from New Loans	5	20,150,350	10,955,838	8,555,838
<b>Net Cash from Financing Activities</b>		<b>19,990,350</b>	<b>10,741,338</b>	<b>8,341,338</b>
<b>Net Increase/(Decrease) in Cash Held</b>		<b>(48,864,558)</b>	<b>36,861,651</b>	<b>(18,031,132)</b>
Cash at Beginning of Year		115,073,170	78,211,519	78,211,518
<b>Cash at End of Year</b>	15(a)	<b>66,208,612</b>	<b>115,073,170</b>	<b>60,180,386</b>

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

## CITY OF WANNEROO

### NOTES TO AND FORMING PART OF THE BUDGET

#### FOR THE YEAR ENDED 30TH JUNE 2008

#### 1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this financial report are:

**(a) Basis of Accounting**

The budget has been prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended). The budget has also been prepared on the accrual basis under the convention of historical cost accounting.

**(b) The Local Government Reporting Entity**

All Funds through which the City 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, but a separate statement of those monies appears at Note 16 to this budget.

**(c) 2006/07 Actual Balances**

Balances shown in this budget as 2006/07 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

**(d) Rounding Off Figures**

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

**(e) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

**(f) Goods and Services Tax**

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

**(g) Superannuation**

The City of Wanneroo contributes to the Local Government Superannuation Scheme and the Occupational Superannuation Fund. Both funds are defined contribution schemes.

**(h) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

**CITY OF WANNEROO**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(i) Trade and Other Receivables**

Trade receivables, which generally have 30 - 90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibility of trade 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.

**(j) Fixed Assets**

***Initial Recognition***

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed includes the cost of all materials, direct labour and variable and fixed overheads.

***Revaluation***

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on a basis to reflect the already consumed or expired future economic benefits.

Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

**(k) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are separately and systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings	40 years
Bus Shelters	50 years
Car Parks - sealed	40 years
Information Technology Hardware	3 years
Information Technology Software	2 years
Footpaths	40 years
Furniture and Equipment	10 years
Heavy Vehicles - 1,201 kg to 4,000 kg	6 years/100,000 km's (45% residual)
Heavy Vehicles - 4,001 kg to 9,000 kg	6 years/200,000 km's (40% residual)
Heavy Vehicles - 9,001 kg to 12,000 kg	8 years/500,000 km's (48% residual)
Heavy Vehicles - refuse	5 years (20% residual)
Light Vehicles	3 years (60% residual)
Other Plant and Equipment	10 years
Parks and Reserves	50 years
Plant	10 years (50% residual)
Public Accessways	40 years
Reserve/Playground Equipment	10 years
Sealed roads and streets - major re-surfacing	15 years
Sealed roads and streets - original surfacing	40 years
Street Lighting	25 years
Tennis/Basketball Courts	40 years
Underpasses	80 years
Water supply piping & drainage systems	80 years

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(l) Investments and Other Financial Assets**

Financial Assets in the scope of AASB 139 'Financial Instruments: Recognition and Measurement' are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The City determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year end.

**(m) Land Held for Resale**

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

**(n) Impairment**

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

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

At the time of adopting the budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2008.

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

**(o) Trade and Other Payables**

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(p) Employee Benefits**

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

**(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)**

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the City has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the City expects to pay and includes related on-costs.

**(ii) Annual Leave and Long Service Leave (Long-term Benefits)**

The provision for employees' benefits for annual leave and long service leave expected to be settled more than 12 months from the reporting date represents the present value of the estimated future cash outflows to be made by the employer resulting from the employees service to balance date.

**CITY OF WANNEROO**

**NOTES TO AND FORMING PART OF THE BUDGET**

**FOR THE YEAR ENDED 30TH JUNE 2008**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(q) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the City has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

2. REVENUES AND EXPENSES

(a) Net Result from Ordinary Activities was arrived at after:

	Note	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b>(i) Charging as Expenses:</b>				
<b>Depreciation</b>				
<b>By Programme</b>				
Governance		1,317,499	1,347,887	629,795
Law, Order, Public Safety		2,764	2,663	4,831
Health		7,517	7,246	4,491
Education and Welfare		16,567	15,771	12,086
Community Amenities		140,230	137,319	139,878
Recreation and Culture		1,694,761	1,710,047	21,113
Transport		14,664,210	13,020,343	14,656,304
Economic Services		7,107	7,149	2,687
Other Property and Services		2,550,488	2,574,856	3,929,958
		<b>20,401,143</b>	<b>18,823,281</b>	<b>19,401,143</b>
<b>By Class</b>				
Land and Buildings		1,551,010	1,495,792	1,474,983
Furniture and Equipment		901,744	961,476	857,544
Plant		2,545,846	2,571,071	2,421,055
Other Infrastructure Assets		15,402,543	13,794,942	14,647,561
		<b>20,401,143</b>	<b>18,823,281</b>	<b>19,401,143</b>
<b>Borrowing Costs (Interest)</b>				
- Loans	5(a)	1,344,148	267,695	542,765
		<b>1,344,148</b>	<b>267,695</b>	<b>542,765</b>
<b>(ii) Crediting as Revenues:</b>				
<b>Interest Earnings</b>				
<b>Investments</b>				
- Reserve Funds		904,129	1,514,997	856,055
- Sinking Funds		4,627	2,627	28,910
- Other Interest Revenue	13	720,940	589,322	866,814
		<b>1,629,696</b>	<b>2,106,946</b>	<b>1,751,779</b>
- Municipal Funds		2,430,000	2,355,611	1,186,000
		<b>4,059,696</b>	<b>4,462,557</b>	<b>2,937,779</b>
- Town Planning Scheme Funds	17(b)	1,998,200	2,815,782	1,357,200
		<b>6,057,896</b>	<b>7,278,339</b>	<b>4,294,979</b>

## CITY OF WANNEROO

### NOTES TO AND FORMING PART OF THE BUDGET

#### FOR THE YEAR ENDED 30TH JUNE 2008

## 2. REVENUES AND EXPENSES (Continued)

### (b) Statement of Objective

In order to discharge its responsibilities to the community, the City has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities/programmes.

Council operations as disclosed in this budget encompass the following service orientated activities/programmes:

#### **Governance**

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

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.

#### **General Purpose Funding**

Objectives: To collect revenue to allow for the provision of services.

Activities: Rates, general purpose government grants and interest revenue.

#### **Law, Order and Public Safety**

Objectives: To provide services to help ensure a safer community.

Activities: Supervision of various local-laws, fire prevention, emergency services, animal control, and property and surveillance services.

#### **Health**

Objectives: To provide an operational framework for good community health.

Activities: Food quality and pest control, immunisation services and operation of child health clinics.

#### **Education and Welfare**

Objectives: To meet the needs of the community in these areas.

Activities: Operation of senior citizens centres, day care centres and pre-school facilities, assistance to playgroups, retirement villages and other voluntary services.

#### **Community Amenities**

Objectives: Provide services required by the community.

Activities: Rubbish collection services, noise control, administration of the town planning and regional development and community amenities.

#### **Recreation and Culture**

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

Activities: Maintenance of halls, the aquatic centre, recreation centres, golf courses, various reserves and operation of libraries.

#### **Transport**

Objectives: To provide effective and efficient transport services to the community.

Activities: Construction and maintenance of streets, roads, bridges, the cleaning and lighting of streets and traffic lights, and depot maintenance.

**CITY OF WANNEROO**

**NOTES TO AND FORMING PART OF THE BUDGET**

**FOR THE YEAR ENDED 30TH JUNE 2008**

**2. REVENUES AND EXPENSES (Continued)**

**(b) Statement of Objective (Continued)**

**Economic Services**

Objectives: To help promote the City and improve its economic well being.

Activities: Economic development, the promotion of tourism, area promotion and building control.

**Other Property and Services**

Objectives: To accommodate otherwise unclassified activities of the City.

Activities: Private works, plant repairs and operation costs, Town Planning Schemes and other unclassified activities.

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

3. ACQUISITION OF ASSETS

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

	2007/2008 Budget \$
<b><u>By Programme</u></b>	
<b>Governance</b>	
Furniture and Equipment	1,431,949
Land and Buildings	35,000
Plant and Equipment	364,175
	<b>1,831,124</b>
<b>Law, Order, Public Safety</b>	
Land and Buildings	378,100
	<b>378,100</b>
<b>Education and Welfare</b>	
Land and Buildings	50,000
	<b>50,000</b>
<b>Community Amenities</b>	
Land and Buildings	4,537,114
Plant and Equipment	8,105,818
	<b>12,642,932</b>
<b>Recreation and Culture</b>	
Land and Buildings	28,881,502
Infrastructure Assets - Drainage	95,389
Infrastructure Assets - Parks and Ovals	10,412,570
Infrastructure Assets - Pathways	62,500
Infrastructure Assets - Roads	202,000
Plant and Equipment	881,357
Furniture and Equipment	1,028,220
	<b>41,563,538</b>
<b>Transport</b>	
Infrastructure Assets - Drainage	4,715,000
Infrastructure Assets - Pathways	3,531,200
Infrastructure Assets - Roads	45,911,256
	<b>54,157,456</b>
<b>Economic Services</b>	
Land and Buildings	576,600
	<b>576,600</b>
<b>Other Property and Services</b>	
Land and Buildings	13,033,350
Infrastructure Assets - Drainage	250,000
Plant and Equipment	3,091,954
Furniture and Equipment	85,000
	<b>16,460,304</b>
	<b>127,660,054</b>
<b><u>By Class</u></b>	
Land and Buildings	47,491,666
Infrastructure Assets - Drainage	5,060,389
Infrastructure Assets - Parks and Ovals	10,412,570
Infrastructure Assets - Pathways	3,593,700
Infrastructure Assets - Roads	46,113,256
Plant and Equipment	12,443,304
Furniture and Equipment	2,545,169
	<b>127,660,054</b>

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

**CITY OF WANNEROO**

**NOTES TO AND FORMING PART OF THE BUDGET**

**FOR THE YEAR ENDED 30TH JUNE 2008**

**4. DISPOSALS OF ASSETS**

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

	Note 15(b)	Net Book Value 2007/2008 BUDGET \$	Sale Proceeds 2007/2008 BUDGET \$	Profit/(Loss) 2007/2008 BUDGET \$
<b><u>By Programme</u></b>				
Other Property and Services		2,203,390	5,728,065	3,524,675
Governance		-	10,000	10,000
Recreation and Culture		-	3,150	3,150
		<u>2,203,390</u>	<u>5,741,215</u>	<u>3,537,825</u>
<b><u>By Class</u></b>				
Plant and Equipment		2,203,390	1,541,215	(662,175)
Land and Buildings		-	4,200,000	4,200,000
		<u>2,203,390</u>	<u>5,741,215</u>	<u>3,537,825</u>
<b><u>Summary</u></b>				
Profit on Asset Disposals				4,200,000
Loss on Asset Disposals				(662,175)
				<u>3,537,825</u>

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

5. INFORMATION ON BORROWINGS

a) Loan Repayments

Particulars	Principal 01-Jul-07	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments		
			2007/2008 Budget \$	2006/2007 Actual (est.) \$	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2007/2008 Budget \$	2006/2007 Actual (est.) \$	
Loan 132 - Building Construction	-	-	-	150,000	-	-	-	-	8,025
Badgerup Materials Recovery Facility	-	-	-	-	-	-	-	-	-
- City of Swan	-	-	-	32,250	-	-	-	-	-
- City of Joondalup	-	-	-	32,250	-	-	-	-	-
MRF - Plant Refit	-	-	-	-	-	-	-	-	-
- City of Swan	1,200,000	-	80,000	-	1,120,000	1,200,000	-	-	-
- City of Joondalup	1,200,000	-	80,000	-	1,120,000	1,200,000	-	-	-
State Treasury	8,555,838	20,150,350	-	-	28,706,188	8,555,838	1,344,148	259,670	-
<b>Totals</b>	<b>10,955,838</b>	<b>20,150,350</b>	<b>160,000</b>	<b>214,500</b>	<b>30,946,188</b>	<b>10,955,838</b>	<b>1,344,148</b>	<b>267,695</b>	

All loan repayments are to be financed by general purpose revenue.

b) New Loans - 2007/2008

Particulars/Purpose Cash Flow Statement	Amount Borrowed	Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate	Amount Used	Balance Unspent \$
Capital Works	20,150,350	State Treasury	Fixed	20	1,344,148	6.25%	20,150,350	-

c) Unspent Loans

Council had \$10,438,388 unspent debenture funds as at 30th June 2007 but is not expected to have unspent debenture funds as at 30th June 2008.

d) Overdraft

Council established an overdraft facility of \$1,000,000 in 2002 to assist with short term liquidity requirements. The balance of the bank overdraft at 30 June 2007 was NIL.

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

6. RESERVES

Cash Backed Reserves

	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b>(a) Asset Preservation Reserve</b>			
Opening Balance	9,089	2,159	2,159
Amount Set Aside / Transfer to Reserve	5,271	6,930	7,412
Amount Used / Transfer from Reserve	-	-	-
Closing Balance	14,360	9,089	9,571
<b>(b) Asset Replacement Reserve</b>			
Opening Balance	6,859,448	5,256,761	5,256,761
Amount Set Aside / Transfer to Reserve	4,404,353	4,759,019	4,642,534
Amount Used / Transfer from Reserve	(10,264,821)	(3,156,332)	(5,637,636)
Closing Balance	998,980	6,859,448	4,261,659
<b>(c) Badgerup/Ocean Reef Road Construction Reserve</b>			
Opening Balance	3,589	3,370	3,370
Amount Set Aside / Transfer to Reserve	107	219	202
Amount Used / Transfer from Reserve	-	-	-
Closing Balance	3,696	3,589	3,572
<b>(d) Butler Collaborative Planning Agreement Reserve</b>			
Opening Balance	1,618,077	1,897,277	1,897,277
Amount Set Aside / Transfer to Reserve	158,205	232,800	146,095
Amount Used / Transfer from Reserve	-	(512,000)	(512,000)
Closing Balance	1,776,282	1,618,077	1,531,372
<b>(e) Cash in Lieu of Parking Reserve</b>			
Opening Balance	-	-	1
Amount Set Aside / Transfer to Reserve	-	-	2,282
Amount Used / Transfer from Reserve	-	-	(23,515)
Closing Balance	-	-	(21,232)
<b>(f) Cash in Lieu of Public Open Space Reserve</b>			
Opening Balance	2,063,607	1,937,941	1,781,278
Amount Set Aside / Transfer to Reserve	61,478	125,666	106,945
Amount Used / Transfer from Reserve	(485,000)	-	-
Closing Balance	1,640,085	2,063,607	1,888,223
<b>(g) City of Wanneroo Townsite Reserve</b>			
Opening Balance	127,947	120,158	120,158
Amount Set Aside / Transfer to Reserve	99,515	1,507,789	1,503,904
Amount Used / Transfer from Reserve	(218,000)	(1,500,000)	(1,500,000)
Closing Balance	9,462	127,947	124,062
<b>(h) City of Wanneroo Establishment Reserve</b>			
Opening Balance	92,934	87,272	87,272
Amount Set Aside / Transfer to Reserve	2,769	5,662	5,385
Amount Used / Transfer from Reserve	(95,703)	-	-
Closing Balance	-	92,934	92,657

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

6. RESERVES (Continued)  
Cash Backed Reserves (Continued)

	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b>(i) Commercial Refuse Reserve</b>			
Opening Balance	562,520	408,227	626,859
Amount Set Aside / Transfer to Reserve	866,758	428,650	335,413
Amount Used / Transfer from Reserve	(664,283)	(274,357)	(360,000)
Closing Balance	764,995	562,520	602,272
<b>(j) Commercial Refuse - Plant Replacement Reserve</b>			
Opening Balance	485,305	289,354	289,354
Amount Set Aside / Transfer to Reserve	239,458	225,325	268,163
Amount Used / Transfer from Reserve	(801,543)	(29,374)	(543,000)
Closing Balance	(76,780)	485,305	14,517
<b>(k) Domestic Refuse Reserve</b>			
Opening Balance	552,864	633,583	571,613
Amount Set Aside / Transfer to Reserve	3,152,220	989,923	462,926
Amount Used / Transfer from Reserve	(3,550,000)	(1,070,642)	(1,610,924)
Closing Balance	155,084	552,864	(576,385)
<b>(l) Domestic Refuse - Plant Replacement Reserve</b>			
Opening Balance	3,128,976	3,115,269	3,115,269
Amount Set Aside / Transfer to Reserve	1,093,217	1,347,804	1,250,930
Amount Used / Transfer from Reserve	(2,498,240)	(1,334,097)	(1,996,000)
Closing Balance	1,723,953	3,128,976	2,370,199
<b>(m) Golf Courses Reserve</b>			
Opening Balance	68,704	619,544	619,544
Amount Set Aside / Transfer to Reserve	122,047	239,103	153,186
Amount Used / Transfer from Reserve	(120,000)	(789,943)	(799,141)
Closing Balance	70,751	68,704	(26,411)
<b>(n) Heavy Vehicle Replacement Reserve</b>			
Opening Balance	1,120,308	632,665	632,665
Amount Set Aside / Transfer to Reserve	463,376	582,141	564,318
Amount Used / Transfer from Reserve	(400,050)	(94,498)	(472,700)
Closing Balance	1,183,634	1,120,308	724,283
<b>(o) Light Vehicle Replacement Reserve</b>			
Opening Balance	149,717	314,359	314,359
Amount Set Aside / Transfer to Reserve	504,460	551,956	553,361
Amount Used / Transfer from Reserve	(618,016)	(716,598)	(888,027)
Closing Balance	36,161	149,717	(20,307)
<b>(p) Marmion Avenue - Tokyu Contribution (1997/1998) Reserve</b>			
Opening Balance	1,120,152	1,051,915	1,051,915
Amount Set Aside / Transfer to Reserve	33,371	68,237	63,157
Amount Used / Transfer from Reserve	(1,153,523)	-	-
Closing Balance	-	1,120,152	1,115,072

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

6. RESERVES (Continued)  
Cash Backed Reserves (Continued)

	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b>(q) Plant Replacement Reserve</b>			
Opening Balance	1,104,014	542,205	542,205
Amount Set Aside / Transfer to Reserve	582,890	679,716	689,458
Amount Used / Transfer from Reserve	(657,646)	(117,907)	(264,300)
Closing Balance	1,029,258	1,104,014	967,363
<b>(r) Quinns Rock Caravan Park Reserve</b>			
Opening Balance	201,163	66,256	66,256
Amount Set Aside / Transfer to Reserve	55,993	146,140	30,460
Amount Used / Transfer from Reserve	(30,000)	(11,233)	(50,000)
Closing Balance	227,156	201,163	46,716
<b>(s) Resource Recovery Domestic Refuse Reserve</b>			
Opening Balance	1,176,331	308,434	308,434
Amount Set Aside / Transfer to Reserve	885,045	867,897	885,161
Amount Used / Transfer from Reserve	-	-	-
Closing Balance	2,061,376	1,176,331	1,193,595
<b>(t) Road Maintenance - Northern Quarry Area Reserve</b>			
Opening Balance	1,767	1,659	1,659
Amount Set Aside / Transfer to Reserve	53	108	100
Amount Used / Transfer from Reserve	-	-	-
Closing Balance	1,820	1,767	1,759
<b>(u) Road Maintenance Southern Quarry Area Reserve</b>			
Opening Balance	170,150	159,785	159,785
Amount Set Aside / Transfer to Reserve	5,069	10,365	9,594
Amount Used / Transfer from Reserve	-	-	-
Closing Balance	175,219	170,150	169,379
<b>(v) Section 20A Land Reserve</b>			
Opening Balance	1,271,548	230,590	230,590
Amount Set Aside / Transfer to Reserve	37,881	1,040,958	13,845
Amount Used / Transfer from Reserve	(1,200,000)	-	-
Closing Balance	109,429	1,271,548	244,435
<b>(w) Town Planning Scheme 20 - District Road Headworks Reserve</b>			
Opening Balance	3,164,246	2,479,352	2,573,478
Amount Set Aside / Transfer to Reserve	97,072	684,894	153,062
Amount Used / Transfer from Reserve	-	-	-
Closing Balance	3,261,318	3,164,246	2,726,540
<b>(x) Material Recoveries Facility Upgrade Reserve</b>			
Opening Balance	4,001,949	-	-
Amount Set Aside / Transfer to Reserve	119,224	4,001,949	-
Amount Used / Transfer from Reserve	(4,075,000)	-	-
Closing Balance	46,173	4,001,949	-
<b>Total Cash Backed Reserves</b>	<b>15,212,412</b>	<b>29,054,405</b>	<b>17,442,911</b>

All of the above reserve accounts are to be supported by money held in financial institutions.

## CITY OF WANNEROO

## NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

## 6. RESERVES (Continued)

## Cash Backed Reserves (Continued)

Summary of Transfers To Cash Backed Reserves	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b>Transfers to Reserves</b>			
Asset Preservation Reserve	5,271	6,930	7,412
Asset Replacement Reserve	4,404,353	4,759,019	4,642,534
Badgerup/Ocean Reef Road Construction Reserve	107	219	202
Butler Collaborative Planning Agreement Reserve	158,205	232,800	146,095
Cash in Lieu of Parking Reserve	-	-	2,282
Cash in Lieu of Public Open Space Reserve	61,478	125,666	106,945
City of Wanneroo Townsite Reserve	99,515	1,507,789	1,503,904
City of Wanneroo Establishment Reserve	2,769	5,662	5,385
Commercial Refuse Reserve	866,758	428,650	335,413
Commercial Refuse - Plant Replacement Reserve	239,458	225,325	268,163
Domestic Refuse Reserve	3,152,220	989,923	462,926
Domestic Refuse - Plant Replacement Reserve	1,093,217	1,347,804	1,250,930
Golf Courses Reserve	122,047	239,103	153,186
Heavy Vehicle Replacement Reserve	463,376	582,141	564,318
Light Vehicle Replacement Reserve	504,460	551,956	553,361
Marmion Avenue - Tokyu Contribution (1997/1998) Reserve	33,371	68,237	63,157
Plant Replacement Reserve	582,890	679,716	689,458
Quinns Rock Caravan Park Reserve	55,993	146,140	30,460
Resource Recovery Domestic Refuse Reserve	885,045	867,897	885,161
Road Maintenance - Northern Quarry Area Reserve	53	108	100
Road Maintenance Southern Quarry Area Reserve	5,069	10,365	9,594
Section 20A Land Reserve	37,881	1,040,958	13,845
Town Planning Scheme 20 - District Road Headworks Reserve	97,072	684,894	153,062
Material Recoveries Facility Upgrade Reserve	119,224	4,001,949	-
<b>Total Transfers to Reserves</b>	<b>12,989,832</b>	<b>18,503,251</b>	<b>11,847,893</b>
<b>Transfers from Reserves</b>			
Asset Preservation Reserve	-	-	-
Asset Replacement Reserve	(10,264,821)	(3,156,332)	(5,637,636)
Badgerup/Ocean Reef Road Construction Reserve	-	-	-
Butler Collaborative Planning Agreement Reserve	-	(512,000)	(512,000)
Cash in Lieu of Parking Reserve	-	-	(23,515)
Cash in Lieu of Public Open Space Reserve	(485,000)	-	-
City of Wanneroo Townsite Reserve	(218,000)	(1,500,000)	(1,500,000)
City of Wanneroo Establishment Reserve	(95,703)	-	-
Commercial Refuse Reserve	(664,283)	(274,357)	(360,000)
Commercial Refuse - Plant Replacement Reserve	(801,543)	(29,374)	(543,000)
Domestic Refuse Reserve	(3,550,000)	(1,070,642)	(1,610,924)
Domestic Refuse - Plant Replacement Reserve	(2,498,240)	(1,334,097)	(1,996,000)
Golf Courses Reserve	(120,000)	(789,943)	(799,141)
Heavy Vehicle Replacement Reserve	(400,050)	(94,498)	(472,700)
Light Vehicle Replacement Reserve	(618,016)	(716,598)	(888,027)
Marmion Avenue - Tokyu Contribution (1997/1998) Reserve	(1,153,523)	-	-
Plant Replacement Reserve	(657,646)	(117,907)	(264,300)
Quinns Rock Caravan Park Reserve	(30,000)	(11,233)	(50,000)
Resource Recovery Domestic Refuse Reserve	-	-	-
Road Maintenance - Northern Quarry Area Reserve	-	-	-
Road Maintenance Southern Quarry Area Reserve	-	-	-
Section 20A Land Reserve	(1,200,000)	-	-
Town Planning Scheme 20 - District Road Headworks Reserve	-	-	-
Material Recoveries Facility Upgrade Reserve	(4,075,000)	-	-
<b>Total Transfers from Reserves</b>	<b>(26,831,825)</b>	<b>(9,606,981)</b>	<b>(14,657,243)</b>
<b>Total Transfer to/(from) Reserves</b>	<b>(13,841,993)</b>	<b>8,896,270</b>	<b>(2,809,350)</b>

## CITY OF WANNEROO

### NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

#### 6. RESERVES (Continued)

##### Cash Backed Reserves (Continued)

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

##### **City of Wanneroo Townsite Reserve**

- To be used for the redevelopment of the new townsite. Purpose included the building of the new Civic Building for the City of Wanneroo as well as landscape works associated with the new Civic Building. In addition the reserve was used to re-construct Dundobar Road, by reducing the height some 5 metres.

##### **City of Wanneroo Establishment Reserve**

- To be used for the establishment of the new City of Wanneroo. Establishment included the fit out of the new Civic Building together with all associated furniture and fixtures, IT equipment, office equipment and stationery.

##### **Badgerup/Ocean Reef Road Construction Reserve**

- Represents developer contributions towards future roadworks.

##### **Cash in Lieu of Parking Reserve**

- To be used to fund future car parking requirements.

##### **Cash in Lieu of Public Open Space Reserve**

- To be used to fund future public open space requirements.

##### **Marmion Avenue - Tokyu Contribution (1997/1998) Reserve**

- To be used for the future construction of Marmion Avenue to Yanchep.

##### **Road Maintenance - Northern Quarry Area Reserve**

- To be used for repairing and maintaining roads in the immediate area of quarries.

##### **Road Maintenance - Southern Quarry Area Reserve**

- To be used for repairing and maintaining roads in the immediate area of quarries.

##### **Section 20A Land Reserve**

- To be used for capital improvements on recreation reserves in the general locality from what funds were sourced.

##### **Town Planning Scheme 20 - District Road Headworks Reserve**

- To be used for the construction of District Distribution Roads associated with Town Planning Scheme 20.

##### **Domestic Refuse Reserve**

- To be used for additional requirements specifically needed for the provision of the domestic collection service.

##### **Domestic Refuse - Plant Replacement Reserve**

- To be used to provide vehicles, plant and equipment used specifically for the provision of the domestic refuse collection service.

##### **Heavy Vehicle Replacement Reserve**

- To be used to replace Council's fleet of heavy vehicles.

##### **Light Vehicle Replacement Reserve**

- To be used to replace Council's fleet of light vehicles.

##### **Plant Replacement Reserve**

- To be used to replace Council's plant and equipment.

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

6. RESERVES (Continued)

Cash Backed Reserves (Continued)

**Commercial Refuse Reserve**

- To be used for additional requirements specifically needed for the provision of the commercial refuse collection service.

**Commercial Refuse - Plant Replacement Reserve**

- To be used to provide vehicles, plant and equipment used specifically for the provision of the commercial refuse collection service.

**Quinns Rocks Caravan Park Reserve**

- To be used to provide improvements to the Quinns Rocks Caravan Park.

**Golf Course Reserve**

- To be used for the capital improvement of the Carramar and Marangaroo Golf Courses.

**Asset Replacement Reserve**

- To be used for the purpose of receiving the proceeds of the sale of significant property assets. Funds held are to be used in acquiring new or replacement assets for the City.

**Asset Preservation Reserve**

- To be used for the purpose of structural maintenance or other enhancements to the leased building portfolio on a needs basis.

**Butler Collaborative Planning Agreement Reserve**

- For the purpose of meeting future maintenance costs of infrastructure in Stage 1, Brighton Estate, Butler as established in the Butler Collaborative Planning Agreement and any such other related expenditure as from time to time be approved by an absolute majority of council provided such expenditure shall be within the Brighton Estate.

**Resource Recovery Domestic Refuse Reserve**

- For the purpose of off-setting expected increases in domestic refuse charges when the Resource Recovery Facility comes on stream.

**Materials Recovery Facility Upgrade Reserve**

- For the purpose of capital expenditure outlay required to be undertaken, on behalf of the owners, for the Materials recovery Facility.

**Interest Earnings**

- Each reserve listed above receives interest on funds held in investments. All funds are pooled in Managed Funds and not individually invested. Interest earnings are apportioned on the basis of the proportionate daily balance held in each reserve and are calculated on a monthly basis.

The above Reserves are not expected to be used within a set period as further transfers to the reserves are expected as funds are utilised with the exception of the Butler Collaborative Planning Agreement Reserve.

7. RESERVES

Asset Revaluation

Asset revaluation reserves have arisen on revaluation of the following class of non-current assets:

Note	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b>Furniture and Equipment (Artworks and Artifacts)</b>			
Opening Balance	246,092	-	246,092
Revaluation Increment	-	246,092	-
<b>Total Asset Revaluation Reserves</b>	<b>246,092</b>	<b>246,092</b>	<b>246,092</b>

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

8. NET CURRENT ASSETS

Composition of Estimated Net Current Asset Position

	Note	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b>Current Assets</b>				
Cash - Unrestricted	15(a)	(2,329,861)	21,824,755	9,931,423
Cash - Restricted	15(a)	68,538,473	93,248,415	50,248,963
Receivables		6,819,449	5,759,386	4,605,738
Inventories		150,000	163,958	110,947
<b>Total Current Assets</b>		<b>73,178,061</b>	120,996,514	64,897,071
<b>Less Current Liabilities</b>				
Payables and Provisions		(13,729,220)	(18,095,192)	(13,758,900)
<b>Net Current Asset Position</b>		<b>59,448,841</b>	102,901,322	51,138,171
Plus: Leave Provisions not Cash Backed		5,044,016	5,044,016	3,439,659
Plus: Interest Bearing Liabilities	5(a)	-	160,000	-
Less: Cash - Restricted	15(a)	(68,538,473)	(93,248,415)	(50,248,963)
<b>Estimated Surplus/(Deficiency) C/Fwd</b>		<b>(4,045,616)</b>	14,856,923	4,328,867

The estimated surplus/(deficiency) c/fwd in the 2006/2007 actual column represents the surplus (deficit) brought forward as at 1 July 2007

The estimated surplus/(deficiency) c/fwd in the 2007/2008 budget column represents the surplus (deficit) carried forward as at 30 June 2008.

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

9. RATING INFORMATION - 2007/2008 FINANCIAL YEAR

Rate Type	Rate in \$	Number of Properties	Rateable Value \$	2007/2008 Budgeted Rate Revenue \$	2007/2008 Budgeted Interim Rates \$	2007/2008 Budgeted Total Revenue \$	2006/2007 Actual (est.) \$
<b>Differential General Rate</b>							
GRV Residential	7.9451	35,756	324,524,059	25,783,807	1,378,470	27,162,277	20,533,651
GRV Commercial	7.9144	361	41,721,716	3,302,023	83,024	3,385,047	2,984,778
GRV Industrial	7.9144	967	36,089,729	2,856,285	44,889	2,901,174	2,435,961
GRV Rural	7.9143	1,070	11,514,240	911,271	(14,667)	896,604	844,890
GRV Caravan and Park Home	7.9142	96	726,804	57,521	-	57,521	104,939
UV Residential	0.2968	338	223,293,288	662,735	-	662,735	492,934
UV Commercial Improved	0.2969	2	2,960,000	8,788	-	8,788	8,288
UV Industrial	0.2969	5	6,320,000	18,764	-	18,764	17,910
UV Rural and Mining	0.2968	1,311	1,870,941,667	5,552,955	8,284	5,561,239	4,440,720
<b>Sub-Totals</b>		<b>39,906</b>	<b>2,518,091,503</b>	<b>39,154,149</b>	<b>1,500,000</b>	<b>40,654,149</b>	<b>31,864,071</b>
	<b>Minimum \$</b>						
<b>Minimum Rates</b>							
GRV Residential	526	11,747	61,587,661	6,178,922	-	6,178,922	8,986,184
GRV Commercial	847	70	518,152	59,290	-	59,290	94,700
GRV Industrial	847	464	3,834,835	393,008	-	393,008	577,670
GRV Rural	526	32	173,194	16,832	-	16,832	33,138
GRV Caravan and Park Home	-	-	-	-	-	-	-
UV Residential	-	-	-	-	-	-	39,976
UV Rural and Mining	526	91	9,762,823	47,866	-	47,866	7,364
<b>Sub-Totals</b>		<b>12,404</b>	<b>75,876,665</b>	<b>6,695,918</b>	<b>-</b>	<b>6,695,918</b>	<b>9,739,032</b>
<b>Totals</b>						<b>47,350,067</b>	<b>41,603,103</b>
<b>Ex Gratia Rates</b>						<b>2,250</b>	<b>6,691</b>
<b>Grand Totals</b>						<b>47,352,317</b>	<b>41,609,794</b>

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

The general rates detailed above for the 2007/2008 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 bearing considering the extent of any increase in rating over the level adopted in the previous year.

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

10. SERVICE CHARGES - 2007/2008 FINANCIAL YEAR

The City did not charge any Service Charges for the 2006/2007 Financial Year, nor did it budget for any Service Charge for the 2007/2008 Financial Year.

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

11. FEES AND CHARGES REVENUE

	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
Governance	115,123	121,421	112,007
General Purpose Funding	152,460	157,156	146,110
Law, Order, Public Safety	374,550	419,815	338,541
Health	107,772	92,505	113,666
Education and Welfare	298,349	276,689	321,900
Community Amenities	19,474,288	17,918,783	16,820,912
Recreation & Culture	3,488,714	3,689,725	3,456,865
Transport	380,250	333,204	510,000
Economic Services	3,378,072	3,562,976	3,131,437
Other Property & Services	480,562	418,187	512,313
	<u>28,250,140</u>	<u>26,990,461</u>	<u>25,463,751</u>

12. DISCOUNTS, INCENTIVES, CONCESSIONS AND WRITE-OFFS - 2007/2008 FINANCIAL YEAR

No discounts have been budgeted for the 2007/2008 Financial Year.

13. INTEREST CHARGES AND INSTALMENTS - 2007/2008 FINANCIAL YEAR

An interest rate of 8.45% per annum will be charged on all rates, both current and arrears, that remain unpaid after 35 days from the issue date of the rate notice. It is estimated this will generate income of \$232,651. Three option plans will be available to ratepayers for payment of their rates by instalments.

**Option 1 (Full Payment)**

Full amount of rates and charges, including arrears, to be paid on or before 35 days from the issue date appearing on the rate notice.

**Option 2 (Two Instalments)**

First instalment to be received on or before 35 days after the issue date appearing on the rate notice, including all arrears and half of the current rates and service charges. The second and final instalment will be due and payable 63 days after the due date of the first instalment.

**Option 3 (Four Instalments)**

First instalment to be received on or before 35 days after the issue date appearing on the rate notice, including all arrears and a quarter of the current rates and service charges. The second, third and fourth instalments are to be made at 63 day intervals, thereafter.

**Cost of Instalment Options**

The cost of the instalment options will comprise of simple interest of 5.5% per annum, calculated from the date the first instalment is due and payable, together with an administration fee of \$5.00 for each instalment.

In addition to the late payment interest of 8.45% per annum, an administration fee of \$20.00 per assessment, will be charged to any ratepayers wishing to enter into special payment agreements with the City.

The total revenue from the imposition of the interest and administration fees during the 2007/2008 financial year is estimated at \$720,940. This is dissected as follows:

Note	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
Administration Charges	488,289	441,673	422,888
Interest Charges	232,651	147,649	443,926
2a(ii)	<u>720,940</u>	<u>589,322</u>	<u>866,814</u>

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

14. COUNCILLORS' REMUNERATION

The following fees, expenses and allowances were paid to Council Members and/or the Mayor.

	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
Meeting Fees	112,000	110,053	112,000
Mayor's Allowance	60,000	60,000	60,000
Deputy Mayor's Allowance	15,000	11,500	15,000
Expense Recoupment	84,140	45,996	80,000
Conference Expenses	62,000	3,322	62,000
	<b>333,140</b>	<b>230,871</b>	<b>329,000</b>

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

15. NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

	Note	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
Cash - Unrestricted	8	(2,329,861)	21,824,755	9,931,423
Cash - Restricted	8	68,538,473	93,248,415	50,248,963
		<u>66,208,612</u>	<u>115,073,170</u>	<u>60,180,386</u>

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

Asset Preservation Reserve		14,360	9,089	9,571
Asset Replacement Reserve		998,980	6,859,448	4,261,618
Badgerup/Ocean Reef Road Construction Reserve		3,696	3,589	3,572
Butler Collaborative Planning Agreement Reserve		1,776,282	1,618,077	1,531,372
Cash in Lieu of Parking Reserve		-	-	(21,232)
Cash in Lieu of Public Open Space Reserve		1,640,085	2,063,607	1,888,223
City of Wanneroo Townsite Reserve		9,462	127,947	124,062
City of Wanneroo Establishment Reserve		-	92,934	92,657
Commercial Refuse Reserve		764,995	562,520	602,272
Commercial Refuse - Plant Replacement Reserve		(76,780)	485,305	14,517
Domestic Refuse Reserve		155,084	552,864	(576,385)
Domestic Refuse - Plant Replacement Reserve		1,723,953	3,128,976	2,370,199
Golf Courses Reserve		70,751	68,704	(26,411)
Heavy Vehicle Replacement Reserve		1,183,634	1,120,308	724,283
Light Vehicle Replacement Reserve		36,161	149,717	(20,307)
Marmion Avenue - Tokyu Contribution (1997/1998) Reserve		-	1,120,152	1,115,072
Plant Replacement Reserve		1,029,258	1,104,014	967,363
Quinns Rock Caravan Park Reserve		227,156	201,163	46,716
Resource Recovery Domestic Refuse Reserve		2,061,376	1,176,331	1,193,595
Road Maintenance - Northern Quarry Area Reserve		1,820	1,767	1,759
Road Maintenance Southern Quarry Area Reserve		175,219	170,150	169,379
Section 20A Land Reserve		109,429	1,271,548	244,435
Town Planning Scheme 20 - District Road Headworks Reserve		3,261,318	3,164,246	2,726,540
Material Recoveries Facility Upgrade Reserve		46,173	4,001,949	-
Town Planning Schemes		45,635,317	53,803,266	32,806,093
Unspent Grants and Contributions		7,690,744	10,390,744	-
	8	<u>68,538,473</u>	<u>93,248,415</u>	<u>50,248,963</u>

(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result

Net Result		38,877,465	67,349,293	31,848,798
Depreciation	2(a)(i)	20,401,143	18,823,281	19,401,143
Profit/(Loss) on Sale of Asset	4	3,537,825	4,634,159	3,813,469
(Increase)/Decrease in Receivables		(1,060,063)	(855,694)	-
(Increase)/Decrease in Inventories		13,958	(53,011)	-
Increase/(Decrease) in Payables		(6,416,067)	2,256,956	-
Increase/(Decrease) in Employee Provisions		1,785,320	1,372,076	-
Grants/Contributions for the Development of Assets		(61,635,004)	(70,761,311)	(53,797,650)
<b>Net Cash from Operating Activities</b>		<u>(11,571,073)</u>	<u>13,497,431</u>	<u>(6,361,178)</u>

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

15. NOTES TO THE CASH FLOW STATEMENT (Continued)

(c) Undrawn Borrowing Facilities Credit Standby Arrangements

	Note	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
Bank Overdraft limit		1,000,000	1,000,000	1,000,000
Bank Overdraft at Balance Date	5(d)	-	-	-
Credit Card limit		48,000	48,000	38,000
Credit Card Balance at Balance Date		-	-	-
<b>Total Amount of Credit Unused</b>		<b>1,048,000</b>	<b>1,048,000</b>	<b>1,038,000</b>
<b>Loan Facilities</b>				
Loan Facilities in use at Balance Date	5	30,946,188	10,955,838	8,555,838
Unused Loan Facilities at Balance Date		-	-	-

**CITY OF WANNEROO**

**NOTES TO AND FORMING PART OF THE BUDGET**

**FOR THE YEAR ENDED 30TH JUNE 2008**

**16. TRUST FUNDS**

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

Detail	Balance 01-Jul-07 \$	Amounts Received \$	Amounts Paid \$	Balance 30-Jun-08 \$
Trust Bank	18,526	1,000	-	19,526
Yanchep Bus	153,846	7,500	-	161,346
<b>Totals</b>	<b>172,372</b>	<b>8,500</b>	<b>-</b>	<b>180,872</b>

**17. MAJOR LAND TRANSACTIONS**

**Land and Buildings**

**Sale of Lot 155 Wanneroo Road, Wanneroo**

The 2006/2007 Budget included the disposition of part Lot 155 Wanneroo Road to the Wanneroo Shopping Centre owners (Wanneroo Centre Pty Ltd). Settlement of the Lot 155 Wanneroo Road, Wanneroo transaction was expected to occur in 2006/2007, however the sale has been delayed pending finalisation of the subdivision, expected to take place early in 2007/2008. Given the formal sale agreement was executed in 2006/07, the proceeds have been brought to account in the current financial year. At its ordinary meeting of 28 June 2005, Council authorised the transfer of \$1,500,000 from the Asset Replacement Reserve to the Wanneroo Townsite Reserve to fund redevelopment of the Old Civic Centre. These funds were originally to have come from the sale of Lot 155 Wanneroo Road and will be transferred back to the Asset Replacement Reserve upon settlement of Lot 155 Wanneroo Road.

**Subdivision of Part Lot 257 Motivation Drive, Wangara**

The Council adopted a business plan addressing a proposal to subdivide the rear section of Lot 257 for the subdivision development of 9 industrial Lots and subsequent sale. The development received subdivision approval in conjunction with LandCorp's Enterprise Park stage 10. Funds have been provided in the 2007/08 for the subdivision works, with proceeds likely to be received from the sale in 2008/09.

**Joint Venture Subdivision of Lot 6 Flynn Drive, Neerabup**

The Council has endorsed a proposal for a joint venture subdivision development with LandCorp of each organisation's land in Neerabup. This will be a long term project, with the 2007/08 budget including a provision for \$9m for the first stage of development. Proceeds are likely to commence to be received at the end of the financial year.

**Subdivision of Lot 2692 Wattle Avenue, Neerabup**

The Council has prepared a business plan addressing a proposal for the subdivision of Lot 2692 Wattle Avenue, Neerabup for the purpose of developing industrial land. Any land sales will be implemented in accordance with the requirements of s3.58 of the Local Government Act 1995.

**Town Planning Schemes**

**(a) Details**

The City's major land transactions relate to its role in Town Planning and Regional Development. In addition to its involvement with the Cities of Perth, Stirling, Joondalup and the Towns of Vincent, Cambridge and Victoria Park with Lot 17 Mindarie, the City has one Town Planning Scheme and two "Development Areas" in operation:-

- Town Planning Scheme 5 - Landsdale
- East Wanneroo Development Area Cells 1 - 8
- Berkley Road Local Structure Plan

**CITY OF WANNEROO**

**NOTES TO AND FORMING PART OF THE BUDGET**

**FOR THE YEAR ENDED 30TH JUNE 2008**

**17 MAJOR LAND TRANSACTIONS (Continued)**

**Town Planning Schemes (Continued)**

**(b) Current Year Transactions**

<b>Town Planning Scheme</b>	<b>Balance 1-July-07 \$</b>	<b>Transfers To \$</b>	<b>Transfers From \$</b>	<b>Balance 30-Jun-08 \$</b>
Town Planning Scheme 5 (Landsdale)	445,328	15,000	-	460,328
Berkley Road Structure Plan Area	1,657,664	50,000	2,366	1,705,298
<b>Sub Total</b>	<b>2,102,992</b>	<b>65,000</b>	<b>2,366</b>	<b>2,165,626</b>
East Wanneroo Development Area (Cell 1)	15,085,525	4,180,944	4,086,536	15,179,933
East Wanneroo Development Area (Cell 2)	(230,890)	2,211,815	1,694,397	286,528
East Wanneroo Development Area (Cell 3)	1,013,531	53,000	136,416	930,115
East Wanneroo Development Area (Cell 4)	7,366,855	(34,544)	5,448,403	1,883,908
East Wanneroo Development Area (Cell 5)	9,416,561	2,738,960	2,236,120	9,919,401
East Wanneroo Development Area (Cell 6)	12,166,416	1,305,205	4,597,872	8,873,749
East Wanneroo Development Area (Cell 7)	77,560	597,500	100,528	574,532
East Wanneroo Development Area (Cell 8)	6,379,941	4,072,150	4,630,566	5,821,525
<b>Sub Total - East Wanneroo Development Areas</b>	<b>51,275,499</b>	<b>15,125,030</b>	<b>22,930,838</b>	<b>43,469,691</b>
<b>Total</b>	<b>53,378,491</b>	<b>15,190,030</b>	<b>22,933,204</b>	<b>45,635,317</b>

Full details of the budgeted transactions for each Scheme during 2007/2008 are listed below:

	<b>Balance 1-July-07 \$</b>	<b>Transfers To \$</b>	<b>Transfers From \$</b>	<b>Balance 30-Jun-08 \$</b>
<b>Town Planning Scheme 5 (Landsdale)</b>				
Opening Balance	445,328	-	-	-
Transfer to Scheme - Interest Earned	-	15,000	-	-
	<b>445,328</b>	<b>15,000</b>	-	<b>460,328</b>
<b>Berkley Road Structure Plan Area</b>				
Opening Balance	1,657,664	-	-	-
Transfer to Scheme - Interest Earned	-	50,000	-	-
Transfer to Scheme	-	-	-	-
Works Expenditure	-	-	2,366	-
	<b>1,657,664</b>	<b>50,000</b>	<b>2,366</b>	<b>1,705,298</b>
<b>East Wanneroo Development Area (Cell 1)</b>				
Opening Balance	15,085,525	-	-	-
Transfer to Scheme - Interest Earned	-	508,900	-	-
Transfer to Scheme	-	3,672,044	-	-
Works Expenditure	-	-	4,086,536	-
	<b>15,085,525</b>	<b>4,180,944</b>	<b>4,086,536</b>	<b>15,179,933</b>
<b>East Wanneroo Development Area (Cell 2)</b>				
Opening Balance	(230,890)	-	-	-
Transfer to Scheme - Interest Earned	-	108,900	-	-
Transfer to Scheme	-	2,102,915	-	-
Works Expenditure	-	-	1,694,397	-
	<b>(230,890)</b>	<b>2,211,815</b>	<b>1,694,397</b>	<b>286,528</b>
<b>East Wanneroo Development Area (Cell 3)</b>				
Opening Balance	1,013,531	-	-	-
Transfer to Scheme - Interest Earned	-	53,000	-	-
Works Expenditure	-	-	136,416	-
	<b>1,013,531</b>	<b>53,000</b>	<b>136,416</b>	<b>930,115</b>

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

17. MAJOR LAND TRANSACTIONS (Continued)  
Town Planning Schemes (Continued)

	Balance 1-July-07 \$	Transfers To \$	Transfers From \$	Balance 30-Jun-08 \$
<b>East Wanneroo Development Area (Cell 4)</b>				
Opening Balance	7,366,855	-	-	-
Transfer to Scheme - Interest Earned	-	301,250	-	-
Transfer to Scheme	-	(335,794)	-	-
Works Expenditure	-	-	5,448,403	-
	<u>7,366,855</u>	<u>(34,544)</u>	<u>5,448,403</u>	<u>1,883,908</u>
<b>East Wanneroo Development Area (Cell 5)</b>				
Opening Balance	9,416,561	-	-	-
Transfer to Scheme - Interest Earned	-	199,750	-	-
Transfer to Scheme	-	2,539,210	-	-
Works Expenditure	-	-	2,236,120	-
	<u>9,416,561</u>	<u>2,738,960</u>	<u>2,236,120</u>	<u>9,919,401</u>
<b>East Wanneroo Development Area (Cell 6)</b>				
Opening Balance	12,166,416	-	-	-
Transfer to Scheme - Interest Earned	-	713,000	-	-
Transfer to Scheme	-	592,205	-	-
Works Expenditure	-	-	4,597,872	-
	<u>12,166,416</u>	<u>1,305,205</u>	<u>4,597,872</u>	<u>8,873,749</u>
<b>East Wanneroo Development Area (Cell 7)</b>				
Opening Balance	77,560	-	-	-
Transfer to Scheme - Interest Earned	-	20,000	-	-
Transfer to Scheme	-	577,500	-	-
Works Expenditure	-	-	100,528	-
	<u>77,560</u>	<u>597,500</u>	<u>100,528</u>	<u>574,532</u>
<b>East Wanneroo Development Area (Cell 8)</b>				
Opening Balance	6,379,941	-	-	-
Transfer to Scheme - Interest Earned	-	28,400	-	-
Transfer to Scheme	-	4,043,750	-	-
Works Expenditure	-	-	4,630,566	-
	<u>6,379,941</u>	<u>4,072,150</u>	<u>4,630,566</u>	<u>5,821,525</u>
<b>Totals</b>	<u><u>53,378,491</u></u>	<u><u>15,190,030</u></u>	<u><u>22,933,204</u></u>	<u><u>45,635,317</u></u>

CITY OF WANNEROO

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

18. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

A commercial refuse collection service is undertaken by the City on a regular basis. In addition, the City has operated a Materials Recovery Facility in a cooperative agreement with the Cities of Joondalup and Swan, to receive and process domestic recycling material. The operating income and expenditure for the 2007/2008 Financial Year for these undertakings are as follows:

	2007/2008 Budget \$	2006/2007 Actual (est.) \$	2006/2007 Budget \$
<b><u>Commercial Refuse Collection</u></b>			
<b>Operating Income</b>			
Fees and Charges	2,865,600	2,698,580	2,478,900
<b>Total Income</b>	<b>2,865,600</b>	<b>2,698,580</b>	<b>2,478,900</b>
<b>Operating Expenditure</b>			
Employee Costs	(703,728)	(541,984)	(542,873)
Materials and Contracts	(1,676,836)	(1,426,191)	(1,320,404)
Other Expenditure incl. Depn	(478,884)	(461,672)	(378,674)
<b>Total Expenditure</b>	<b>(2,859,448)</b>	<b>(2,429,847)</b>	<b>(2,241,951)</b>
<b>Net Operating Profit/(Loss)</b>	<b>6,152</b>	<b>268,733</b>	<b>236,949</b>
<b><u>Materials Recovery Facility</u></b>			
<b>Operating Income</b>			
Fees and Charges	2,200,080	2,056,521	2,163,000
<b>Total Income</b>	<b>2,200,080</b>	<b>2,056,521</b>	<b>2,163,000</b>
<b>Operating Expenditure</b>			
Materials and Contracts	(2,344,911)	(1,830,310)	(2,095,380)
Other Expenditure incl. Depn	(225,174)	(184,136)	(55,574)
<b>Total Expenditure</b>	<b>(2,570,085)</b>	<b>(2,014,446)</b>	<b>(2,150,954)</b>
<b>Net Operating Profit/(Loss)</b>	<b>(370,005)</b>	<b>42,075</b>	<b>12,046</b>