

Financial Statements

ANNUAL BUDGET FOR THE YEAR ENDING 30 JUNE 2020

WESTERN METROPOLITAN REGIONAL COUNCIL
40 MARINE PARADE
COTTESLOE WA 6011

WESTERN METROPOLITAN REGIONAL COUNCIL
FINANCIAL STATEMENTS AND NOTES TO AND FORMING PART OF THE REVISED BUDGET
FOR THE YEAR ENDING 30 JUNE 2020

1.1	Rate Setting Statement [FM Reg. 22(1)(d)]	3
1.2	Statement of Comprehensive Income by Program [FM Reg. 22(1)(a)]	4
1.3	Statement of Comprehensive Income by Nature and Type [FM Reg. 22(1)(a)]	5
1.4	Statement of Financial Position	6
1.5	Statement of Cashflows [FM Reg. 22(1)(b)]	7
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET FOR THE YEAR ENDING 30 JUNE 2020		
1.6	Significant Accounting Policies	8
1.7	Component Functions / Activities [FM Reg. 27(m)]	11
1.8	Operating Revenue and Expressed by Nature and Type	12
1.9	Member Councils' Delegate Allowances [FM Reg. 27(l)]	12
1.10	Asset Movements [FM Reg. 27(d)]	13
1.11	Depreciation and amortisation [FM Reg. 27(n)]	14
1.12	Investment Information [FM Reg. 27(e) & 28]	14
1.13	Borrowings [FM Reg. 27(f) & 29]	14
1.14	Position at Commencement of the Financial Year [FM Reg.31]	15
1.15	Fees and Charges Revenue [FM Reg.41]	16
1.16	Trading Undertakings [FM Reg. 27(i)]	16
1.17	Major Trading Undertakings, Land Transactions and Major Land Transactions [FM Reg. 27(j) (k)]	16
1.18	Notes to the Cashflow Statement	17
1.19	Operating Statements by Operating Activities	18
1.20	Tonnage date	22
1.21	Reserve Balances [FM Reg. 27(g)]	23

1.1 RATE SETTING STATEMENT [FM REG. 22(1)(D)]

WESTERN METROPOLITAN REGIONAL COUNCIL

RATE SETTING STATEMENT

FOR THE YEAR ENDING 30 JUNE 2020

	NOTES	ORIGINAL BUDGET 2018/19 \$	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
OPERATING REVENUE					
Governance				-	
General purpose funding		74,400	55,000	55,000	42,880
Community amenities		5,032,235	4,243,837	4,159,809	3,131,636
		5,106,635	4,298,837	4,214,809	3,174,516
less					
OPERATING EXPENDITURE					
Governance		(906,816)	(342,196)	(41,606)	(52,745)
Community amenities		(4,982,481)	(6,101,492)	(6,037,638)	(5,727,471)
		(5,889,297)	(6,443,688)	(6,079,245)	(5,780,215)
NET OPERATING PROFIT/ (LOSS)					
		(782,662)	(2,144,851)	(1,864,436)	(2,605,699)
add					
Movement in employee benefit provisions (non-current)			1,898	4,456	2,677
Contributions for development of assets					
<i>Write back depreciation and amortisation</i>	1.11	175,850	202,214	174,742	125,989
less					
CAPITAL WORKS PROGRAM					
Governance		(5,000)	(11,000)	-	(7,500)
Community amenities		(32,000)	(83,000)	(52,494)	(281,500)
less contributions					
Transfers to Reserves		(74,400)	(55,000)	(55,000)	(42,880)
add funding sources					
Reserves utilised		651,304	1,251,402	1,028,869	760,759
Proceeds from sale of assets		3,000	7,000	7,000	10,000
Contributions		168,358	1,036,210	1,036,210	1,915,283
Opening funds	1.14	309,218	(295,314)	(295,314)	(15,967)
TO BE MADE UP FROM GENERAL RATES					
		0	0	-	-
SURPLUS/ (DEFICIT)					
		413,668	(90,440)	(15,967)	(138,838)

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

1.2 STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM [FM REG. 22(1)(A)]

WESTERN METROPOLITAN REGIONAL COUNCIL

INCOME STATEMENT BY PROGRAM FOR THE YEAR ENDING 30 JUNE 2020

	NOTES	ORIGINAL BUDGET 2018/19 \$	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
REVENUE FROM ORDINARY ACTIVITIES					
General purpose funding		74,400	55,000	55,000	42,880
Community amenities		5,032,235	4,243,837	4,159,809	3,131,636
	1.8	5,106,635	4,298,837	4,214,809	3,174,516
EXPENSES FROM ORDINARY ACTIVITIES					
Governance		(906,816)	(342,196)	(41,606)	(52,745)
Community amenities		(4,982,481)	(6,101,492)	(6,037,638)	(5,727,471)
	1.8	(5,889,297)	(6,443,688)	(6,079,245)	(5,780,215)
Non-operating grants, subsidies and contributions		819,662	1,036,210	1,036,210	1,915,283
Profit/ (Loss) on disposal of assets			(4,137)	(4,137)	(7,332)
NET RESULT		37,000	(1,112,778)	(832,363)	(697,748)

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

**Budget Net Result is revenue - expenditure + legals*

1.3 STATEMENT OF COMPREHENSIVE INCOME BY NATURE AND TYPE [FM REG. 22(1)(A)]

WESTERN METROPOLITAN REGIONAL COUNCIL

INCOME STATEMENT BY NATURE AND TYPE FOR THE YEAR ENDING 30 JUNE 2020

	NOTES	ORIGINAL BUDGET 2018/19 \$	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
REVENUE FROM ORDINARY ACTIVITIES					
Fees and charges		5,029,955	4,043,244	3,958,564	3,080,036
Operating grants, subsidies and contributions		-	86,233	81,679	1,000
Interest earnings	1.12	76,680	58,200	58,157	45,880
Other income			111,160	116,409	47,600
		5,106,635	4,298,837	4,214,809	3,174,516
EXPENSES FROM ORDINARY ACTIVITIES					
Employee costs		(1,440,152)	(1,412,667)	(1,252,333)	(1,562,355)
Materials and contracts		(3,507,416)	(3,651,197)	(3,577,029)	(3,244,588)
Utility charges		(9,620)	(12,300)	(12,689)	(12,850)
Depreciation and amortisation	1.11	(175,850)	(202,214)	(174,742)	(125,989)
Insurance expenses		(75,755)	(58,327)	(57,840)	(60,732)
Other expenses		(680,504)	(1,106,982)	(1,004,611)	(773,702)
		(5,889,297)	(6,443,688)	(6,079,245)	(5,780,215)
Non-operating grants, subsidies and contributions		819,662	1,036,210	1,036,210	1,915,283
Profit/ (Loss) on disposal of assets	1.10		(4,137)	(4,137)	(7,332)
NET RESULT		37,000	(1,112,778)	(832,363)	(697,748)

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

1.4 STATEMENT OF FINANCIAL POSITION

WESTERN METROPOLITAN REGIONAL COUNCIL					
STATEMENT OF FINANCIAL POSITION					
FOR THE YEAR ENDING 30 JUNE 2020					
NOTES	ORIGINAL BUDGET 2018/19 \$	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$	
CURRENT ASSETS					
Cash	1.18	315,017	140,147	286,125	347,950
Reserves		1,262,924	1,536,884	1,759,418	1,041,539
Debtors		280,498	418,430	180,849	180,849
Prepayments		0	0	0	0
Accrued Income		23,394	83,941	0	0
Other Current Assets		4,050	4,050	4,050	4,050
TOTAL CURRENT ASSETS		1,885,884	2,183,452	2,230,442	1,574,388
CURRENT LIABILITIES					
Creditors		324,481	496,880	363,330	533,042
Provisions for leave		183,997	200,709	107,232	117,523
Current loans		0	0	0	0
Accruals		43,329	39,419	16,429	21,122
TOTAL CURRENT LIABILITIES		551,807	737,008	486,991	671,687
NET CURRENT ASSETS		1,334,077	1,446,444	1,743,451	902,701
NON-CURRENT ASSETS					
Land		0	0	0	0
Buildings		754,149	882,937	881,976	870,468
Furniture & Equipment		36,486	18,364	1,330	1,049
Plant & Equipment		557,363	551,292	550,897	756,828
Infrastructure		737,314	611,907	616,188	571,884
Intangibles		62,708	56,875	56,949	52,790
TOTAL NON-CURRENT ASSETS	1.10	2,148,020	2,121,375	2,107,340	2,253,019
NON-CURRENT LIABILITIES					
Provisions for leave		15,082	14,765	17,323	20,000
Non current loans		0	0	0	0
Other non-current liabilities		0	0	0	0
TOTAL NON-CURRENT LIABILITIES		15,082	14,765	17,323	20,000
NET ASSETS		3,467,015	3,553,053	3,833,468	3,135,719
EQUITY					
Retained surplus		2,204,091	1,544,094	1,601,975	1,622,105
Reserves (cash backed)		1,262,924	1,536,884	1,759,418	1,041,539
Asset Revaluation Surplus		0	472,075	472,075	472,075
TOTAL EQUITY		3,467,015	3,553,053	3,833,468	3,135,719

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

1.5 STATEMENT OF CASHFLOWS [FM REG. 22(1)(B)]

WESTERN METROPOLITAN REGIONAL COUNCIL			
CASHFLOW STATEMENT			
FOR THE YEAR ENDING 30 JUNE 2020			
NOTES	AUDITED ACTUAL 2017/18 \$	REVISED BUDGET 2018/19 \$	BUDGET 2019/20 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Fees and charges	5,616,727	3,896,568	3,080,036
Operating grants, subsidies and contributions	13,226	86,233	1,000
Interest earnings	59,800	58,200	45,880
Other income	40,246	111,160	47,600
GST and other tax refund	-	-	-
Receipts from operations	5,729,999	4,152,161	3,174,516
Employee costs	(1,243,843)	(1,402,125)	(1,549,387)
Materials and contracts	(3,721,026)	(3,899,157)	(3,074,875)
Utility charges	(10,952)	(12,300)	(12,850)
Insurance expenses	(66,967)	(58,327)	(60,732)
Other expenses	(1,228,624)	(1,106,982)	(773,702)
GST and other tax paid	(18,118)	-	-
Payments from operations	(6,289,530)	(6,478,892)	(5,471,546)
NET CASH PROVIDED BY OPERATING ACTIVITIES	(559,531)	(2,326,731)	(2,297,030)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property, plant and equipment	-	(88,000)	(268,000)
Payment for purchase of infrastructure	-	(6,000)	(21,000)
Non-operating grants, subsidies and contributions	-	1,036,210	1,915,283
Proceeds from sale of plant and equipment	-	7,000	10,000
NET CASH USED IN INVESTING ACTIVITIES	-	949,210	1,636,283
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash receipts from sale of investments	-	-	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	-	-	-
SUMMARY OF CASH FLOWS			
Net increase/ (decrease) in cash and cash equivalents	(559,531)	(1,377,521)	(660,747)
Cash and cash equivalents at the beginning of the year	3,614,082	3,054,551	2,045,543
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3,054,551	1,677,030	1,384,797

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

NOTES TO AND FORMING PART OF THE ANNUAL BUDGET FOR THE YEAR ENDING 30 JUNE 2020

1.6. SIGNIFICANT ACCOUNTING POLICIES

The significant policies that have been adopted in the preparation of this budget are:-

(a) Basis of Accounting

The budget statements have been drawn up in accordance with the accounting concepts, standards and disclosure requirements of the Australian accounting bodies, the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996. They have been prepared on the accrual basis under the convention of historical cost accounting.

(b) The Local Government Reporting Entity

The budget statements have been prepared on the basis of two funds (Municipal and Reserve Funds). For the purposes of reporting the Western Metropolitan Regional Council as a single unit, all transactions and balances in respect to the Municipal and Reserve Funds have been consolidated.

(c) Fixed Assets

Each class of asset within either property, plant and equipment or infrastructure are carried at cost or fair value less any accumulated depreciation or impairment. In accordance with Local Government (Financial Management) Regulations, each class of asset is revalued every 3 years. Assets acquired between initial recognition and the next revaluation of the asset class, in accordance with the mandatory measurement framework, are carried at cost less accumulated depreciation as management believes this to be an approximation of fair value. These assets will be subject to subsequent revaluation on the next anniversary date in accordance with the mandatory measurement framework.

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

(d) Depreciation

Items of property, plant and equipment, including buildings, but excluding freehold land, are depreciated over their estimated useful lives on a straight line and diminishing basis as follows:-

Classification	Years
Buildings	50
Office Furniture (incl. Computer Equipment)	3.33-5
Plant & Equipment	6.66-20
Infrastructure Assets	10-20

(e) Employee Entitlements

The provision for employee entitlements relates to amounts expected to be paid to employees for annual leave and long service leave and is based on legal and contractual entitlements and assessments having regard to experience of staff departures and leave utilisation. Current wage rates are used in the calculation of the provisions. Sick leave is non-vesting and therefore no liability is recognised for the current sick leave entitlements of employees.

Annual leave is accrued on a pro rata basis and the amount assessed as due to employees is classified in the accounts as a current liability.

Long Service Leave is recognised in full for all employees with seven or more years in Local Government and the amount assessed as being due to these employees is classified as a current liability. Long Service Leave for employees with up to seven years is calculated on a pro rata basis, the amount assessed being classified as a non-current liability.

(f) Grants, Donations and Other Contributions

All grants, donations and other contributions are recognised as revenues during the reporting period and the expenditure of those monies are expected to be made in the manner specified under the conditions upon which the Municipality will receive those monies.

(g) Investments

All investments are valued at cost and interest income on those investments is recognised when accrued.

(h) Superannuation Fund

The Western Metropolitan Regional Council encourages employees to participate in the Local Government Superannuation Scheme and has a policy that it will contribute up to 6% where employees are members and contribute a minimum of 5% of salary to the Superannuation Fund. The 2019/20 Superannuation Guarantee is set at 9.5%. Contributions are shown as an expense. No liability has been recognised in these financial statements.

(i) Comparative Figures

The actual revenue and expenditure figures as at 30 June 2016, as listed in this budget, have been finalised and confirmed by audit. As such, the figures quoted are audited revenues and expenditures.

(j) Materiality

This budget has been framed in accordance with Australian Accounting Standard AAS5 - Materiality. Information is material if its omission, misstatement or nondisclosure has the potential to adversely affect:

- decisions about the allocation of scarce resources made by the users of this budget, or
- discharge of accountability by the management or governing body of the entity.

(k) Change in Accounting Policy

Generally there are no significant changes in accounting policy anticipated in this budget. The Goods and Services Tax (GST), is applied to all transactions through the transfer station. The application of the GST does not change the final net position, as most transactions are claimed as a business input credit. The Western Metropolitan Regional Council has been issued an Australian Business Number (ABN) and is registered to submit GST returns on a quarterly basis.

(l) Definition of Cash

For the purpose of the Statement of Cashflows incorporated into this Budget, the definition of “cash” means cash on hand and cash equivalent:-

“cash on hand” means notes and coins held, and deposits held at call with a bank or financial institution.

“cash equivalents” means highly liquid investments which are readily convertible to cash on hand at the investor’s option and which an entity uses in its cash management function on a day-to-day basis; and borrowings which are integral to the cash management function and which are not subject to a term facility.

1.7 COMPONENT FUNCTIONS/ACTIVITIES

Statement of Objectives

The WMRC was formally constituted in September 1989 to undertake waste management in the Western Suburbs on behalf of the following Municipalities:

Stakeholders	Percentage of Share
City of Subiaco	36.56
Town of Claremont	22.88
Town of Mosman Park	19.38
Town of Cottesloe	17.50
Shire of Peppermint Grove	3.68

The WMRC is dedicated to providing high quality services to the Member Council's communities for the efficient collection and disposal of waste delivered to the Regional Council transfer station through the following service orientated program which it has established.

The City of Subiaco's boundaries were changed with the loss of their South Ward. Accordingly a percentage adjustment was made for the 2018/19 year.

Component of Functions [FM Reg. 27(m)]

The activities relating to the Council's functions reported in the Operating Statement.

Governance

Member Council elected delegates, and corporate support services. Includes the administration and operation of facilities and services to members of Council and other costs that relate to the tasks of assisting members on matters which do not concern specific Council services.

Community Amenities

Costs associated with the financing, administration, operation and maintenance of the Transfer Station, including green waste and weigh-bridge activities.

1.8 OPERATING REVENUE AND EXPENSES BY NATURE AND TYPE

	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
Revenue/Income:		
Fees and charges	3,958,564	3,080,036
Operating grants	81,679	1,000
Interest earnings	58,157	45,880
Other income	116,409	47,600
Agrees with Income Statement	4,214,809	3,174,516
Expenses		
Employee costs	(1,252,333)	(1,562,355)
Materials and contracts	(3,577,029)	(3,244,588)
Utility charges	(12,689)	(12,850)
Depreciation on non-current assets	(174,742)	(125,989)
Insurance expenses	(57,840)	(60,732)
Other expenses	(1,004,611)	(773,702)
Agrees with Income Statement	(6,079,245)	(5,780,215)
	(1,864,436)	(2,605,699)
Non-operating grants, subsidies and contributions	1,036,210	1,915,283
Profit/Loss on Disposal of Assets	(4,137)	(7,332)
Operating Surplus	(832,363)	(697,748)

1.9 MEMBER COUNCILS' DELEGATE ALLOWANCES [FM REG. 27(L)]

	REVISED BUDGET 2018/19 \$	EST ACTUAL 2018/19 \$	BUDGET 2019/20 \$
Member Councils Delegate Sitting Fees	35,000	36,150	36,400
Other Allowances	5,000	4,000	4,000
Total	40,000	40,150	40,400

1.10 ASSET MOVEMENTS [FM REG. 27(D)]

Asset Classification	Balance 30/06/2019	Disposal	Depreciation/ amortisation	Additions	Balance 30/06/2020
Right to use land	56,949	-	4,159	-	52,790
Land & Buildings	881,976	-	17,508	6,000	870,468
Furniture & Equipment	1,330	-	3,781	3,500	1,049
Plant & Equipment	550,897	17,332	35,237	258,500	756,828
Infrastructure	616,188	-	65,304	21,000	571,884
Total	2,107,340	17,332	125,989	289,000	2,253,018

Asset Acquisitions for 2019-20

An allocation has been made for the purchase of assets as listed below:

Item	Classification	Budget
HHW Carport cover	Buildings	\$ 6,000.00
HHW Plumbing to cover	Infrastructure	\$ 6,000.00
Electric Gates	Infrastructure	\$ 5,000.00
Replacement Fencing	Infrastructure	\$ 10,000.00
New Phone System	Office Furniture	\$ 3,500.00
Replacement Vehicle AH	Plant & Equipment	\$ 23,000.00
Silo Replacement	Plant & Equipment	\$ 200,000.00
Silo bay back flap works	Plant & Equipment	\$ 20,000.00
Safety Equipment	Plant & Equipment	\$ 8,000.00
Portable Water Stations	Plant & Equipment	\$ 7,500.00
Total		\$ 289,000.00

Asset Disposals for 2019-20

An allocation has been made for the disposal of assets as listed below:

Item	Classification	Cost	Acc Dep'n	Revaluation	WDV	Proceeds	Profit on Sale	Loss on Sale
Suzuki	Plant and Equipment	22,599	5,267	-	17,332	10,000	-	(7,332)
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total		22,599	5,267	-	17,332	10,000	-	(7,332)

1.11 DEPRECIATION AND AMORTISATION

By non-current asset classification

	REVISED BUDGET	EST ACTUAL	BUDGET
	2018/19	2018/19	2019/20
Right to use land	4,375	4,301	4,159
Land & Buildings	29,774	25,735	17,508
Furniture & Equipment	8,728	6,624	3,781
Plant & Equipment	86,935	75,961	35,237
Infrastructure	72,402	62,121	65,304
Total	202,214	174,742	125,989

By Program [FM Reg. 27(n)]

	REVISED BUDGET	EST ACTUAL	BUDGET
	2018/19	2018/19	2019/20
General purpose fundin	11,228	9,169	7,113
Community amenities	190,986	165,573	118,877
Total	202,214	174,742	125,989

1.12 INVESTMENT INFORMATION [FM REG. 27(E) & 28]

All investments are valued at cost and interest on those investments is recognised when accrued.

	REVISED BUDGET	EST ACTUAL	BUDGET
	2018/19	2018/19	2019/20
Investments			
- Reserves	55,000	55,000	42,880
- Other funds	3,200	3,157	3,000
Total	58,200	58,157	45,880

1.13 BORROWINGS [FM REG. 27(F) & 29]

a) Borrowings brought forward

There are no unspent balances of money borrowed in previous years as at 30 June 2020.

b) Overdraft Outstanding at end of financial year

The Council will have no outstanding overdraft accounts as at the 30 June 2020.

c) Proposed Borrowing

The Council does not propose any new borrowing for the financial year 2019-20.

1.14 POSITION AT COMMENCEMENT OF THE FINANCIAL YEAR [FM REG. 31]

The position at the commencement of the financial year has been calculated as per Local Government (Financial Management) Regulations 31 and 32 as follows. The final figures for the 30 June 2017 are as per audited financial statements.

	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
Cash & Investments		
Cash on Hand	600	600
Cash - Unrestricted	285,525	347,350
Cash - Restricted	1,759,418	1,041,539
	<u>2,045,543</u>	<u>1,389,489</u>
Receivables		
Sundry Debtors	180,849	180,849
Accrued Income	0	0
LSL Receivable from EMRC	4,050	4,050
TFN Withholding Credits	0	0
	<u>184,899</u>	<u>184,899</u>
Total Current Assets	2,230,442	1,574,388
<u>Current Liabilities</u>		
Trade and other Payables		
Sundry Creditors	(12,747)	(180,043)
Accrued Salaries and Wages	(16,429)	(21,122)
ATO Liabilities	(317,646)	(317,646)
Bond received	(15,000)	(15,000)
Payroll Liabilities	(17,937)	(20,353)
	<u>(379,758)</u>	<u>(554,164)</u>
PROVISIONS		
Provision for Annual Leave	(104,710)	(115,000)
Provision for Long Service Leave	(2,523)	(2,523)
	<u>(107,232)</u>	<u>(117,523)</u>
Total Current Liabilities	(486,991)	(671,687)
Net Current Assets	1,743,451	902,701
<u>Adjustments</u>		
Less Cash Backed Reserves	(1,759,418)	(1,041,539)
Opening Balance C/fwd from 2018/19	(15,967)	(138,838)

1.15 FEES AND CHARGES REVENUE [FM REG. 41]

	REVISED BUDGET	EST ACTUAL	BUDGET
	2018/19	2018/19	2019/20
	\$	\$	\$
Community amenities	4,043,244	3,958,564	3,080,036
Total	4,043,244	3,958,564	3,080,036

1.16 TRADING UNDERTAKINGS [FM REG. 27(I)]

It is not anticipated that any trading undertakings or major trading undertakings will occur in 2019/20.

1.17 MAJOR TRADING UNDERTAKINGS, LAND TRANSACTIONS AND MAJOR LAND TRANSACTIONS [FM REG. 27(J)(K)]

It is not anticipated that any of these activities will occur in 2019/20.

1.18 NOTES TO THE CASHFLOW STATEMENT

(a) Reconciliation of net cash used in operating activities to operating result:-

<u>Current Assets</u>	ESTIMATED	
	ACTUAL 2018/19	BUDGET 2019/20
	\$	\$
Change in net assets resulting from operations	(832,363)	(697,748)
Depreciation	174,742	125,989
Profit/ (Loss) on sale of assets	4,137	7,332
Increase/ (Decrease) in employee Provisions	4,456	12,967
(Increase)/ Decrease in Receivables	174,846	0
Increase/ (Decrease) in Payables	(420,929)	169,712
Non-operating grants, subsidies and contributions	(1,036,210)	(1,915,283)
Net cash provided by operating activities	(1,931,321)	(2,297,030)

(b) Reconciliation of Cash:-

For the purpose of the cashflow statement, the Council considers cash to include cash on hand and in banks and investments in money market instruments. Cash at the end of the reporting period as shown in cashflow statement is reconciled to the related items in the balance sheet as follows:-

	ESTIMATED	
	ACTUAL 2018/19	BUDGET 2019/20
	\$	\$
Cash & Investments		
Cash on Hand	600	600
Cash - Unrestricted	285,525	347,350
Cash - Restricted	1,759,418	1,041,539
	<u>2,045,543</u>	<u>1,389,489</u>

1.19 OPERATING STATEMENTS BY OPERATING ACTIVITIES

ADMINISTRATION - GENERAL ALLOCATIONS	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
REVENUE FROM ORDINARY ACTIVITIES			
Interest earnings	58,200	58,157	45,880
Other income	87,960	93,277	25,000
	146,160	151,433	70,880
EXPENSES FROM ORDINARY ACTIVITIES			
Employee costs	(514,480)	(503,986)	(609,591)
Materials and contracts	(357,956)	(359,555)	(278,967)
Depreciation and amortisation	(11,228)	(9,169)	(7,113)
Insurance expenses	(36,800)	(36,313)	(38,129)
Other expenses	(1,064,342)	(923,489)	(730,302)
	(1,984,806)	(1,832,513)	(1,664,101)
NET RESULT	(1,838,646)	(1,681,079)	(1,593,221)
Allocate Administration			
Governance	330,956	302,594	286,780
Transfer station	1,011,255	924,594	940,001
Comms & Ed	275,797	252,162	223,051
Greenwaste	220,638	201,729	143,390
Surplus/ (Deficit)	-	(0)	1

SITE ALLOCATIONS	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
REVENUE FROM ORDINARY ACTIVITIES			
Fees and charges			
Operating grants, subsidies and contributions			
Interest earnings			
Other income			
	-	-	-
EXPENSES FROM ORDINARY ACTIVITIES			
Employee costs	(649,249)	(493,288)	(661,978)
Materials and contracts	(209,100)	(219,586)	(174,518)
Utility charges	(12,300)	(135,537)	(97,210)
Depreciation and amortisation	(190,986)	(27,452)	(28,762)
Insurance expenses	(21,527)	(21,527)	(22,603)
Other expenses	(1,640)	(500)	(33,065)
	(1,084,802)	(897,890)	(1,018,136)
NET RESULT	(1,084,802)	(897,890)	(1,018,136)
Allocate Site Costs			
Transfer station	976,322	808,101	916,322
Greenwaste	108,480	89,789	101,815
Surplus/ (Deficit)	-	0	1

TRANSFER STATION OPERATIONS	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
REVENUE FROM ORDINARY ACTIVITIES			
Fees and charges	3,516,394	3,419,749	2,570,920
Operating grants, subsidies and contributions	-	-	-
Interest earnings	-	-	-
Other income	23,200	23,132	22,600
	3,539,594	3,442,882	2,593,520
EXPENSES FROM ORDINARY ACTIVITIES			
Employee costs	-	-	-
Materials and contracts	(2,749,416)	(2,912,929)	(2,696,808)
Utility charges	-	-	-
Depreciation and amortisation	-	-	-
Insurance expenses	-	-	-
Other expenses	-	-	-
	(2,749,416)	(2,912,929)	(2,696,808)
NET RESULT	790,178	529,953	(103,288)
Administration allocations	(1,011,255)	(924,594)	(940,001)
Site costs allocations	(976,322)	(808,101)	(916,322)
Surplus/ (Deficit)	(1,197,399)	(1,202,742)	(1,959,611)

GREENWASTE OPERATIONS	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
REVENUE FROM ORDINARY ACTIVITIES			
Fees and charges	368,500	380,465	509,116
Operating grants, subsidies and contributions	-	-	-
Interest earnings	-	-	-
Other income	-	-	-
	368,500	380,465	509,116
EXPENSES FROM ORDINARY ACTIVITIES			
Employee costs	-	-	-
Materials and contracts	(220,395)	(253,499)	(311,686)
Utility charges	-	-	-
Depreciation and amortisation	-	-	-
Insurance expenses	-	-	-
Other expenses	-	-	-
	(220,395)	(253,499)	(311,686)
NET RESULT	148,105	126,966	197,430
Administration allocations	(220,638)	(201,729)	(143,390)
Site costs allocations	(108,480)	(89,789)	(101,815)
Surplus/ (Deficit)	(181,013)	(164,552)	(47,775)

COMMUNICATIONS & EDUCATION OPERATIONS	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2018/19 \$
REVENUE FROM ORDINARY ACTIVITIES			
Fees and charges	158,350	158,350	-
Operating grants, subsidies and contributions	86,233	81,679	1,000
Interest earnings	-	-	-
Other income	-	-	-
	244,583	240,029	1,000
EXPENSES FROM ORDINARY ACTIVITIES			
Employee costs	(248,938)	(2,508)	(3,740)
Materials and contracts	(113,330)	(90,199)	(35,800)
Utility charges	-	-	-
Depreciation and amortisation	-	-	-
Insurance expenses	-	-	-
Other expenses	-	-	-
	(362,268)	(92,707)	(39,540)
NET RESULT	(117,685)	147,321	(38,540)
Administration allocations	(275,797)	(252,162)	(223,051)
Surplus/ (Deficit)	(393,482)	(104,841)	(261,591)

GOVERNANCE ALLOCATIONS	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
REVENUE FROM ORDINARY ACTIVITIES			
Fees and charges	-	-	-
Operating grants, subsidies and contributions	-	-	-
Interest earnings	-	-	-
Other income	-	-	-
	-	-	-
EXPENSES FROM ORDINARY ACTIVITIES			
Employee costs	-	-	-
Materials and contracts	(1,000)	(58,157)	(52,480)
Utility charges	-	-	-
Depreciation and amortisation	-	-	-
Insurance expenses	-	-	-
Other expenses	(41,000)	(21,759)	7,332
	(42,000)	(79,916)	(45,148)
NET RESULT	(42,000)	(79,916)	(45,148)
Administration allocations	(330,956)	(302,594)	(286,780)
Surplus/ (Deficit)	(372,956)	(382,510)	(331,928)

1.20 TONNAGE DATA

MEMBER COUNCILS	Revised Budget 2018/19		Annual Budget 2019/20	
	Waste (tonnes)	Green (tonnes)	Waste (tonnes)	Green (tonnes)
Subiaco	5380	660	4945	822.5
Claremont	2224	590	2345	1544
Cottesloe	1830	280	1805	1788
Mosman Park	2312	560	1850	2032
Peppermint Grove	825	140	755	170
Sub Total	12571	2230	11700	6357
OTHER				
Commercial Customers	3600	1800	3020	2370
Resident Services	1540	430	1540	500
Sub Total	5140	2230	4560	2870
TOTAL	17711	4460	16260	9227

1.21 RESERVE BALANCES [FM REG. 27(G)]

SUMMARY			
	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
Opening Balance	2,733,287	2,733,287	1,759,418
Transfers to Reserve			
- Interest earnings	55,000	55,000	42,880
- Other revenue	-	-	225,989
Transfers from Reserve			
- Capital purchases	-	-	(289,000)
- Other funding	(1,251,402)	(1,028,869)	(697,748)
Projected balance at 30 June	1,536,885	1,759,418	1,041,539

Administration DiCOM Project Reserve			
	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
Opening Balance	2,200,986	2,200,986	1,189,021
Transfers to Reserve			
- Interest earnings	47,555.00	47,555.00	34,894.44
- Other revenue	-	-	100,000
Transfers from Reserve			
- Capital purchases	-	-	-
- Other funding	(1,251,402)	(1,059,520)	(697,748)
Projected balance at 30 June	997,139	1,189,021	626,167

FUTURE DEVELOPMENT RESERVE			
	REVISED BUDGET 2018/19 \$	ESTIMATED ACTUAL 2018/19 \$	BUDGET 2019/20 \$
Opening Balance	532,301	532,301	570,397
Transfers to Reserve			
- Interest earnings	7,445.00	\$7,445.00	7,985.56
- Other revenue	-	-	125,989
Transfers from Reserve			
- Capital purchases	-	-	(289,000)
- Other funding	-	30,651	-
Projected balance at 30 June	539,746	570,397	415,372

*\$30,651 is transfer from Admin Reserve to Future Development Reserve

*\$125,989 is writing back depreciation