

CATALINA REGIONAL COUNCIL

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2025

LOCAL GOVERNMENT ACT 1995

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CATALINA REGIONAL COUNCIL'S VISION

To create an urban centre of choice, sustainability, community and opportunity.

**CATALINA REGIONAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
Revenue		\$	\$	\$
Interest revenue	8(a)	2,116,000	2,502,910	2,115,000
Other revenue		0	8,000	0
		2,116,000	2,510,910	2,115,000
Expenses				
Employee costs		(731,651)	(716,873)	(727,668)
Materials and contracts		(213,325)	(217,984)	(277,100)
Utility charges		(5,000)	0	(5,000)
Depreciation	5	(37,053)	(37,053)	(43,932)
Finance costs	8(c)	(1,905)	(2,913)	(2,691)
Insurance		(23,608)	(20,437)	(23,302)
Other expenditure		(175,006)	(194,586)	(170,464)
		(1,187,548)	(1,189,846)	(1,250,157)
		928,452	1,321,064	864,843
Fair value adjustments to investment property at fair value through profit or loss		0	1,235,000	0
		0	1,235,000	0
Net result for the period		928,452	2,556,064	864,843
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus		0	0	0
Share of comprehensive income of associates accounted for using the equity method		0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		928,452	2,556,064	864,843

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

**CATALINA REGIONAL COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts

	2024/25 Budget	2023/24 Actual	2023/24 Budget
Grants, subsidies and contributions	\$ 169,496	\$ 0	\$ 210,721
Interest revenue	2,116,000	2,502,910	2,115,000
Goods and services tax received	28,431	2,694	32,666
Other revenue	0	8,000	0
	2,313,927	2,513,604	2,358,387

Payments

Employee costs	(746,792)	(714,680)	(734,214)
Materials and contracts	(529,811)	(233,712)	(411,540)
Utility charges	(5,000)	0	(5,000)
Finance costs	(1,905)	(2,783)	(2,691)
Insurance paid	(23,608)	(20,437)	(23,302)
Goods and services tax paid	(26,760)	0	(31,301)
Other expenditure	(175,006)	(194,586)	(170,464)
	(1,508,882)	(1,166,198)	(1,378,512)

Net cash provided by operating activities

3 805,045 1,347,406 979,875

CASH FLOWS FROM FINANCING ACTIVITIES

Payments for principal portion of lease liabilities	(37,365)	(35,728)	(34,966)
Payments for land development			0
Payments for member contributions	(120,895,288)	(65,691,981)	(47,539,529)
Proceeds from member contributions	99,992,450	77,750,007	40,078,630
Proceeds on disposal of financial assets at amortised cost - term deposits	25,000,000	(3,062,363)	0

Net cash provided by (used in) financing activities

4,059,797 8,959,935 (7,495,865)

Net increase (decrease) in cash held

4,864,842 10,307,341 (6,515,990)

Cash at beginning of year

22,602,158 12,294,817 43,645,428

Cash and cash equivalents at the end of the year

3 **27,467,000** **22,602,158** **37,129,438**

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

**CATALINA REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025**

OPERATING ACTIVITIES

Revenue from operating activities

Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Interest revenue	2,116,000	2,502,910	2,115,000
Other revenue	0	8,000	0
Fair value adjustments to investment property at fair value through profit or loss	0	1,235,000	0
	2,116,000	3,745,910	2,115,000

Expenditure from operating activities

Employee costs	(731,651)	(716,873)	(727,668)
Materials and contracts	(213,325)	(217,984)	(277,100)
Utility charges	(5,000)	0	(5,000)
Depreciation	(37,053)	(37,053)	(43,932)
Finance costs	(1,905)	(2,913)	(2,691)
Insurance	(23,608)	(20,437)	(23,302)
Other expenditure	(175,006)	(194,586)	(170,464)
	(1,187,548)	(1,189,846)	(1,250,157)

Non cash amounts excluded from operating activities

	37,053	(11,265,093)	43,932
Amount attributable to operating activities	965,505	(8,709,029)	908,775

INVESTING ACTIVITIES

Outflows from investing activities

Right of use assets received - non cash	0	(3,760)	0
	0	(3,760)	0

Non-cash amounts excluded from investing activities

	0	3,760	0
Amount attributable to investing activities	0	0	0

FINANCING ACTIVITIES

Inflows from financing activities

Leases liabilities recognised	0	3,890	0
	0	3,890	0

Outflows from financing activities

Payments for member contributions	(120,895,288)	(65,369,680)	(47,539,529)
Proceeds from member contributions	99,992,450	77,693,400	40,078,630
Payments for principal portion of lease liabilities	(37,365)	(35,728)	(34,966)
	(20,940,203)	12,287,992	(7,495,865)

Non-cash amounts excluded from financing activities

	0	(3,890)	0
Amount attributable to financing activities	(20,940,203)	12,287,992	(7,495,865)

MOVEMENT IN SURPLUS OR DEFICIT

Surplus at the start of the financial year

Amount attributable to operating activities	47,927,569	44,348,606	44,366,996
Amount attributable to operating activities	965,505	(8,709,029)	908,775
Amount attributable to financing activities	(20,940,203)	12,287,992	(7,495,865)
Surplus/(deficit)	27,952,871	47,927,569	37,779,906

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

**CATALINA REGIONAL COUNCIL
FOR THE YEAR ENDED 30 JUNE 2025
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1 BASIS OF PREPARATION

The annual budget is a forward looking document and has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the annual budget be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Catalina Regional Council to measure any vested improvements at zero cost.

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

The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements.

2023/24 actual balances

Balances shown in this budget as 2023/24 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

Budget comparative figures

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

Comparative figures

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

Rounding off figures

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

Statement of Cashflows

Investing and financing transactions that do not require the use of cash or cash equivalents shall be excluded from a statement of cash flows. Such transactions shall be disclosed elsewhere in the financial statements in a way that provides all the relevant information about these investing and financing activities.

Initial application of accounting standards

During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
 - AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
 - AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
 - AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements
 - AASB 2023-3 Amendments to Australian Accounting Standards - Disclosure of Non-current Liabilities with Covenants: Tier 2
- It is not expected these standards will have an impact on the annual budget.

- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities, became mandatory during the budget year. Amendments to AASB 13 Fair Value Measurement impacts the future determination of fair value when revaluing assets using the cost approach. Timing of future revaluations is defined by regulation 17A of *Local Government (Financial Management) Regulations 1996*. Impacts of this pronouncement are yet to be quantified and are dependent on the timing of future revaluations of asset classes. No material impact is expected in relation to the 2024-25 statutory budget.

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-9 Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector
- AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability

It is not expected these standards will have an impact on the annual budget.

Judgements, estimates and assumptions

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

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

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- estimation of fair values of land and buildings and investment property
- impairment of financial assets
- estimation uncertainties and judgements made in relation to lease accounting
- estimated useful life of assets
- estimation of provisions
- estimation of fair value of leases

CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

2 NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents
 Financial assets
 Receivables
 Other assets

Less: current liabilities

Trade and other payables
 Lease liabilities
 Employee provisions

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Statement of Financial Activity

(b) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

Adjustments to net current assets

Add: Current liabilities not expected to be cleared at end of year
 - Current portion of lease liabilities

Total adjustments to net current assets

Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
	\$	\$	\$
3	27,467,000	22,602,158	2,129,438
	0	25,000,000	35,000,000
	702,000	873,167	1,005,000
	10,000	42,995	5,000
	<u>28,179,000</u>	<u>48,518,320</u>	<u>38,139,438</u>
	(200,000)	(564,622)	(332,000)
7	0	(37,365)	(34,966)
	(26,129)	(26,129)	(27,532)
	<u>(226,129)</u>	<u>(628,116)</u>	<u>(394,498)</u>
	27,952,871	47,890,204	37,744,940
2(b)	0	37,365	34,966
	<u>27,952,871</u>	<u>47,927,569</u>	<u>37,779,906</u>
	0	37,365	34,966
	<u>0</u>	<u>37,365</u>	<u>34,966</u>

CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

2 NET CURRENT ASSETS

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

Items excluded from calculation of budgeted deficiency

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

(c) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

Adjustments to operating activities

Add: CPI increase on right of use lease agreement
 Add: Depreciation
 Non-cash movements in non-current assets and liabilities:
 - Financial assets at amortised cost
 - Investment property
 - Employee provisions

Non cash amounts excluded from operating activities

Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
	\$ 0	\$ 130	\$ 0
5	37,053	37,053	43,932
	0	(10,076,500)	0
	0	(1,235,000)	0
	0	9,224	0
	37,053	(11,265,093)	43,932

(d) Non-cash amounts excluded from investing activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

Adjustments to investing activities

Right of use assets received - non cash

Non cash amounts excluded from investing activities

Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
	\$ 0	\$ 3,760	\$ 0
	0	3,760	0

(e) Non-cash amounts excluded from financing activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

Adjustments to financing activities

Less: Lease liability recognised

Non cash amounts excluded from financing activities

Note	2024/25 Budget 30 June 2025	2023/24 Actual 30 June 2024	2023/24 Budget 30 June 2024
	\$ 0	\$ (3,890)	\$ 0
	0	(3,890)	0

2 NET CURRENT ASSETS

(f) MATERIAL ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Catalina Regional Council's operational cycle. In the case of liabilities where the Catalina Regional Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Catalina Regional Council's intentions to release for sale.

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Catalina Regional Council prior to the end of the financial year that are unpaid and arise when the Catalina Regional Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

SUPERANNUATION

The Catalina Regional Council contributes to a number of superannuation funds on behalf of employees. All funds to which the Cata contributes are defined contribution plans.

LAND HELD FOR RESALE

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

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

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

GOODS AND SERVICES TAX (GST)

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

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

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

TRADE AND OTHER RECEIVABLES

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

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Trade receivables are held with the objective to collect the contractual cashflows and therefore the Catalina Regional Council measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The Catalina Regional Council applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated

PROVISIONS

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

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

The Catalina Regional Council's obligations for short-term employee benefits such as, wages, salaries and sick leave are recognised as a part of current trade and other payables in the determination of the net current asset position.

The Catalina Regional Council's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the determination of the net current asset position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025**

3. RECONCILIATION OF CASH

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

Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Cash at bank and on hand	2,467,000	3,602,158	2,129,438
Term deposits	25,000,000	19,000,000	35,000,000
Total cash and cash equivalents	27,467,000	22,602,158	37,129,438
Held as			
- Unrestricted cash and cash equivalents	27,467,000	57,678,658	37,129,438
- Restricted cash and cash equivalents	0	(35,076,500)	0
2(a)	27,467,000	22,602,158	37,129,438
Restrictions			
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	0	(35,076,500)	0
- Restricted financial assets at amortised cost - term deposits	0	35,076,500	0
The assets are restricted as a result of the specified purposes associated with the liabilities below:			
	0	0	0
Reconciliation of net cash provided by operating activities to net result			
Net result	928,452	2,556,064	864,843
Depreciation	37,053	37,053	43,932
CPI adjustment to lease payments	0	130	0
Adjustments to fair value adjustments to investment property at fair value through profit or loss	0	(1,235,000)	0
(Increase)/decrease in receivables	171,167	2,694	212,086
(Increase)/decrease in other assets	32,995	(32,195)	5,800
Increase/(decrease) in payables	(364,622)	10,839	(146,786)
Increase/(decrease) in employee provisions	0	7,821	0
Net cash from operating activities	805,045	1,347,406	979,875

MATERIAL ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

FINANCIAL ASSETS AT AMORTISED COST

The Catalina Regional Council classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

CATALINA REGIONAL COUNCIL
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2025

4. PROPERTY, PLANT AND EQUIPMENT

	2024/25 Budget						2023/24 Actual						2023/24 Budget					
	Additions	In-kind Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	In-kind Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	In-kind Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Right of Use Assets																		
Right of use - buildings	0	0	0	0	0	0	3,760	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	3,760	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	3,760	0	0	0	0	0	0	0	0	0	0	0

MATERIAL ACCOUNTING POLICIES

RECOGNITION OF ASSETS

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

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

GAINS AND LOSSES ON DISPOSAL

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

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025**

5. DEPRECIATION

By Class

Improvements to Leasehold Property
Right of use - furniture and fittings

By Program

Other property and services

2024/25 Budget	2023/24 Actual	2023/24 Budget
\$	\$	\$
0	0	9,555
37,053	37,053	34,377
37,053	37,053	43,932
37,053	37,053	43,932
37,053	37,053	43,932

MATERIAL ACCOUNTING POLICIES

DEPRECIATION

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

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

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

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

Improvements to Leasehold Property	Based on the remaining lease
Right of use - furniture and fittings	Based on the remaining lease

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025**

6. BORROWINGS

(a) New borrowings - 2024/25

The Catalina Regional Council does not intend to undertake any new borrowings for the year ended 30th June 2025

(b) Unspent borrowings

The Catalina Regional Council had no unspent borrowing funds as at 30th June 2024 nor is it expected to have unspent borrowing funds as at 30th June 2025.

(c) Credit Facilities

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Undrawn borrowing facilities credit standby arrangements			
Credit card limit	10,000	10,000	10,000
Credit card balance at balance date	0	(1,075)	0
Total amount of credit unused	10,000	8,925	10,000

CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

7. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2024/25 Budget	2024/25 Budget	Budget Lease	2024/25 Budget	Actual	2023/24 Actual	2023/24 Actual	Actual Lease	2023/24 Actual	Budget	2023/24 Budget	2023/24 Budget	Budget Lease	2023/24 Budget
					Principal 1 July 2024	New Leases	Lease Principal Repayments	Principal outstanding 30 June 2025	Lease Interest Repayments	Principal 1 July 2023	New Leases	Lease Principal repayments	Principal outstanding 30 June 2024	Lease Interest repayments	Principal 1 July 2023	New Leases	Lease Principal repayments	Principal outstanding 30 June 2024	Lease Interest repayments
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Unit 2 369 Scarborough Beach Road, Innaloo	STIRLI/210937	City of Stirling	2.50%	NA	97,208	0	(37,365)	59,843	(1,905)	129,046	3,890	(35,728)	97,208	(2,913)	128,798	0	(34,966)	93,832	(2,691)
					97,208	0	(37,365)	59,843	(1,905)	129,046	3,890	(35,728)	97,208	(2,913)	128,798	0	(34,966)	93,832	(2,691)

MATERIAL ACCOUNTING POLICIES

LEASES

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

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

LEASE LIABILITIES

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

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025**

8. OTHER INFORMATION

	2024/25 Budget	2023/24 Actual	2023/24 Budget
The net result includes as revenues	\$	\$	\$
(a) Interest earnings			
Investments	2,116,000	2,502,910	2,115,000
	<u>2,116,000</u>	<u>2,502,910</u>	<u>2,115,000</u>
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	36,100	34,700	31,500
	<u>36,100</u>	<u>34,700</u>	<u>31,500</u>
(c) Interest expenses (finance costs)			
Interest on lease liabilities (refer Note 7)	1,905	2,913	2,691
	<u>1,905</u>	<u>2,913</u>	<u>2,691</u>

**CATALINA REGIONAL COUNCIL
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FOR THE YEAR ENDED 30 JUNE 2025**

9. ELECTED MEMBERS REMUNERATION

	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Member - Cr Bianca Sandri			
Chairperson's allowance	0	10,360	20,875
Meeting attendance fees	0	8,179	16,480
	0	18,539	37,355
Member - Cr Suzanne Migdale			
Deputy Chairperson's allowance	5,428	5,200	5,219
Meeting attendance fees	11,429	10,948	10,990
	16,857	16,148	16,209
Member - Cr John Chester			
Meeting attendance fees	11,430	10,948	10,990
	11,430	10,948	10,990
Member - Cr Brent Fleton			
Meeting attendance fees	11,430	10,948	10,990
	11,430	10,948	10,990
Member - Cr Bronwyn Ife			
Meeting attendance fees	0	5,453	10,990
	0	5,453	10,990
Member - Cr Nige Jones			
Meeting attendance fees	0	5,454	10,990
	0	5,454	10,990
Member - Cr Tony Krsticevic			
Chairperson's allowance	21,710	10,438	0
Meeting attendance fees	17,139	13,694	10,990
	38,849	24,132	10,990
Member - Cr Glynis Parker			
Meeting attendance fees	0	5,453	10,990
	0	5,453	10,990
Member - Cr Karlo Perkov			
Meeting attendance fees	11,430	10,948	10,990
	11,430	10,948	10,990
Member - Cr Brett Treby			
Meeting attendance fees	0	5,454	10,990
	0	5,454	10,990
Member - Cr Ashley Wallace			
Meeting attendance fees	11,430	10,948	10,990
	11,430	10,948	10,990
Member - Cr Aliane Hadden-Casey			
Meeting attendance fees	0	5,454	10,990
	0	5,454	10,990
Member - Cr Lewis Hutton			
Meeting attendance fees	11,430	5,495	0
	11,430	5,495	0
Member - Cr Claire Anderson			
Meeting attendance fees	11,430	5,495	0
	11,430	5,495	0
Member - Cr Helen Berry			
Meeting attendance fees	11,430	5,495	0
	11,430	5,495	0
Member - Cr Sonet Coetzee			
Meeting attendance fees	11,430	5,495	0
	11,430	5,495	0
Member - Cr David Lagon			
Meeting attendance fees	11,430	5,495	0
	11,430	5,495	0
Member - Cr Jane Cutler			
Meeting attendance fees	11,430	5,495	0
	11,430	5,495	0
Total Elected Member Remuneration	170,006	162,849	163,464
President's allowance	21,710	20,798	20,875
Deputy President's allowance	5,428	5,200	5,219
Meeting attendance fees	142,868	136,851	137,370
	170,006	162,849	163,464

**CATALINA REGIONAL COUNCIL
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FOR THE YEAR ENDED 30 JUNE 2025**

10. MAJOR LAND TRANSACTIONS

The project is undertaken on behalf of the Catalina Regional Council's seven participating councils. The Establishment Agreement details the following:

The land owned from time to time by the participants jointly or by the Catalina Regional Council:

Land being part of Lot 118 Mindarie

Land between Lot 118 and the Mitchell Freeway Reserve

Any land that may be acquired by the CRC

(a) Details

The participants are the owners of the land, in shares as set out below:

Town of Cambridge	One Twelfth
City of Joondalup	One Sixth
City of Perth	One Twelfth
City of Stirling	One Third
Town of Victoria Park	One Twelfth
Town of Vincent	One Twelfth
City of Wanneroo	One Sixth

(b) Current year transactions

Note	2024/25 Budget	2023/24 Actual	2023/24 Budget
	\$	\$	\$
Operating revenue			
Income Sale of Lots - Subdivision	99,992,450	77,693,400	40,078,630
Capital expenditure			
Land Development Costs	5(a) (65,409,688)	(33,783,760)	(22,920,875)
Consultancy Fees	(253,110)	(255,284)	(484,377)
Sales and Marketing	(222,117)	(147,021)	(200,000)
Sellings Expenses	(9,265,873)	(3,927,443)	(3,772,577)
Other	(94,500)	(73,400)	(104,700)
	24,747,162	39,506,492	12,596,101

(c) Expected future cash flows

	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	\$	\$	\$	\$	\$	\$
Cash outflows						
Payments for development costs - subdivision	(75,245,288)	(45,040,771)	(5,554,469)	(2,450,384)	(1,358,969)	(129,649,881)
	(75,245,288)	(45,040,771)	(5,554,469)	(2,450,384)	(1,358,969)	(129,649,881)
Cash Inflows						
Proceeds - sale of lots	99,992,450	121,788,699	29,090,743	2,499,874	2,550,332	255,922,098
	99,992,450	121,788,699	29,090,743	2,499,874	2,550,332	255,922,098
Net cash flows	24,747,162	76,747,928	23,536,274	49,490	1,191,363	126,272,217

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025**

11. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

GRANTS, SUBSIDIES AND CONTRIBUTIONS

All amounts received as grants, subsidies and contributions that are not capital grants.

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

INTEREST REVENUE

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

OTHER REVENUE / INCOME

Other revenue, which cannot be classified under the above headings, includes dividends, discounts, rebates etc.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

Note *AASB 119 Employee Benefits* provides a definition of employee benefits which should be considered.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses (such as telephone and internet charges), advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc.

Local governments may wish to disclose more detail such as contract services, consultancy, information technology and rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expenses raised on all classes of assets.

FINANCE COSTS

Interest and other costs of finance paid.

OTHER EXPENDITURE

Member's fees or levies and other expenses

11. REVENUE AND EXPENDITURE

(b) Revenue Recognition

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of Revenue recognition
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

**CATALINA REGIONAL COUNCIL
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2025**

12. PROGRAM INFORMATION

Key Terms and Definitions - Reporting Programs

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

OBJECTIVE

Governance

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

General purpose funding

To collect revenue - interest on investments

Other property and services

To monitor and control overheads on operating accounts

ACTIVITIES

Administration and operation facilities and services to the members of the Council. Other costs that relate to the tasks of assisting elected members on matters which do not concern other specific functions/activities of the Regional Council are also recorded here.

Interest revenue.

Other unclassified activities