



# **ANNUAL BUDGET**

**2018-19**

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## **Chairman's Introduction**

It gives me great pleasure to present the 2018/2019 Tamala Park Regional Council Annual Budget.

The TPRC Budget for 2018/2019 reflects a conservative approach to construction and expenditure consistent with prevailing economic conditions in Western Australia and predicted soft conditions for new lot sales.

Highlights of the Works program include:

- Civil construction for 38 lots;
- Portofino Boulevard extension;
- Significant landscape construction, including Catalina Beach Entry Statement;
- Construction of the Catalina Beach Sales Office;
- Continued Catalina branding and marketing, in conjunction with opening and promotion of the new Catalina Beach Sales office;
- 50 lot sales and 44 lot settlements.

It is anticipated that the local government participants will receive a return of capital in 2018/2019 amounting to \$4,000,000.

The 2018/2019 Budget compiled by the Tamala Park Regional Council progresses the development, subdivision and sales of land and will see continued consolidation of the Catalina

This significant works program will ensure that each member Council will continue to receive a return of capital into the future.

**Cr Giovanni Italiano JP**  
**Chairman**

## Chief Executive Officer's Summary

The TPRC Budget 2018/2019 sets out the programs, projects and allocation of resources required to perform the Municipal obligations and functions required by the Local Government Act and associated legislation.

The TPRC Budget 2018/2019 continues the civil works, landscaping and marketing undertaken to date in order to consolidate the Catalina Project. The TPRC Budget 2018/2019 reflects a conservative approach to sales/settlement rates and lot production/infrastructure expenditure consistent with the predicted soft conditions for new lot sales in Western Australia, and proposes 50 sales and 44 settlements. The proposed expenditure is detailed in the Budget and accompanying notes.

The major development costs are shown below:

	\$
Land & Special Sites Development	\$6,022,300
Consultants	\$627,487
Landscape	\$4,528,779
Infrastructure	\$141,182
Bulk Earthworks	\$78,905
Lot Production	\$3,600,062
Admin Land Development	\$869,990
Community Development	\$192,500
Contingency	\$827,760
Finance	\$86,868
Debtors /Creditors Movement	\$0
	<u>\$16,975,833</u>

The TPRC Budget 2018/2019 predicts that the TPRC can meet all cashflow obligations from investment income and existing cash funds.

The TPRC Budget 2018/2019 has been developed so that it is financially responsible and reflects current economic conditions.

**Tony Arias**  
**Chief Executive Officer**

## Budget Processes

This section lists the budget processes undertaken in order to adopt the Annual Budget in accordance with the Local Government Act 1995 and its Regulations.

The preparation of the budget begins with the Chief Executive Officer preparing the operating and capital components of the annual budget . A draft consolidated budget is then prepared and various iterations are considered by Council. An annual budget is prepared in accordance with the Act and submitted to Council for approval.

The budget is required to be adopted by 31 August in each year. The key dates for the budget process are summarised below:

<b>Budget process</b>	<b>Timing</b>
1. Officers prepare operating and capital estimates for inclusion in the budget.	Jun-18
2. Audit Committee considers draft budget	Aug-18
3. Proposed budget to Council for approval	Aug-18
4. Copy of adopted budget submitted to the Department	Sep-18

## **1. Budget Influences**

This section sets out the key budget influences arising from the internal and external environment within which the Council operates.

### **1.1 External influences**

In preparing the 2018/19 Annual Budget, a number of external influences have been taken into consideration, because they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- Consumer Price Index (CPI) increases on goods and services .
- Prevailing economic conditions .
- Demand for residential lots .

### **1.2 Internal influences**

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2018/19 Annual Budget. These matters have arisen from events occurring in the 2017/18 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2017/18 year. These matters and their financial impact are set out below:

- Budget surplus for the 2017/18 financial year ended 30 June 2018
- Internal financing of land subdivision and development.

### **1.3 Budget principles**

In response to these influences, budget principles were developed upon which the officers were to prepare their budgets. The principles included:

- CPI or market levels
- New revenue sources resulting from the sale of lots
- Salaries and wages to be increased in line with Average Weekly Earnings

### **1.4 Legislative requirements**

Under the Local Government Act 1995 ("the Act"), Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include a range of information required by the Local Government (Financial Management ) Regulations 1996 ("the Regulations") which support the Act.

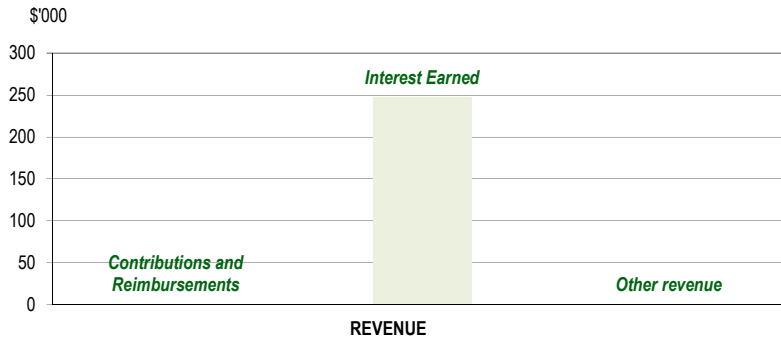
The 2018/19 Annual Budget, which is included in this report, is for the year 1 July 2018 to 30 June 2019 and is prepared in accordance with the Act and Regulations. The budget includes statutory statements being a budget comprehensive income, budget statement of financial activity, budget statement of cash flows, budget rate setting statement and notes forming part of the annual budget. These statements have been prepared for the year ended 30 June 2019 in accordance with Accounting Standards and other mandatory professional reporting requirements and in accordance with the Act and Regulations. It also includes detailed information about the capital works program to be undertaken and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

## 2. Analysis of Operating Budget

This section analyses the expected revenues and expenses of the Council for the 2018/19 year.

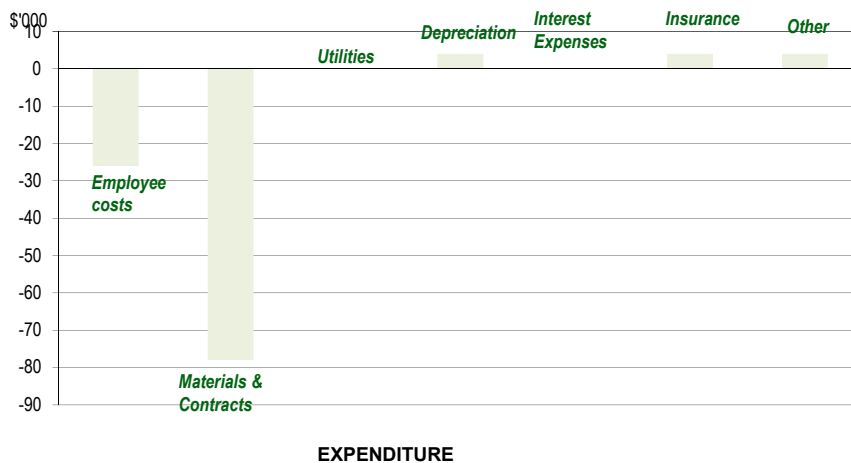
### 2.1 Operating revenue

Revenue Types	Budget	Budget	Variance
	2017/18 \$'000	2018/19 \$'000	\$'000
Contributions and Reimbursements	2	2	0
Interest Earned	793	1,040	247
Other revenue	0	0	0
<b>Total operating revenue</b>	<b>795</b>	<b>1,042</b>	<b>247</b>
Net gain on sale of assets	0	0	0



### 2.2 Operating expenditure

Expenditure Types	Budget	Budget	Variance
	2017/18 \$'000	2018/19 \$'000	\$'000
Employee Costs	752	726	-26
Materials and Contracts	483	405	-78
Utilities	6	6	0
Depreciation	21	25	4
Interest Expenses	0	0	0
Insurance	10	14	4
Other expenses	182	186	4
<b>Total operating expenditure</b>	<b>1,454</b>	<b>1,362</b>	<b>-92</b>
Net loss on sale of assets		2	



### 3. Analysis of Budgeted Cash Position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2017/18 year. Budgeting cash flows for Council is a key factor in providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment
- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

#### 3.1 Budgeted cash flow statement

	Budget 2017/18 \$'000	Budget 2018/19 \$'000	Variance \$'000
<b>Cash flows from operating activities</b>			
<i>Receipts</i>			
Contributions and Reimbursements	2	2	0
Interest Earned	820	1,092	272
Other revenue	27	0	-27
	<b>849</b>	<b>1,094</b>	<b>245</b>
<i>Payments</i>			
Employee Costs	-752	-726	26
Materials and Contracts	-494	-434	60
Utilities	-6	-6	0
Insurance	-10	-14	-4
Other expenses	-182	-186	-4
	<b>-1,444</b>	<b>-1,366</b>	<b>78</b>
<b>Net cash provided by operating activities</b>	<b>-595</b>	<b>-272</b>	<b>323</b>
<b>Cash flows from investing activities</b>			
Receipts from disposal of assets	0	45	45
Receipts from sale of land	42,134	16,355	-25,779
Payments for development of land, plant and equipment	-55,686	-21,359	34,327
<b>Net cash provided by investing activities</b>	<b>-13,552</b>	<b>-4,959</b>	<b>8,593</b>
<b>Cash flows from financing activities</b>			
Contributions to be returned	-4,269	-4,209	60
<b>Net cash used in financing activities</b>	<b>-4,269</b>	<b>-4,209</b>	<b>60</b>
<b>Net decrease in cash and cash equivalents</b>	<b>-18,416</b>	<b>-9,440</b>	<b>8,976</b>
Cash and cash equivalents at the beg of the year	39,213	43,846	4,633
<b>Cash and cash equivalents at end of the year</b>	<b>20,797</b>	<b>34,406</b>	<b>13,609</b>



## **Statutory Draft Annual Budget**

The information in regard to the Draft Annual Budget Statements include:

- Budget Comprehensive Income Statement
- Budget Statement of Financial Activity
- Budget Rate Setting Statement
- Budget Statement of Cashflow
- Notes to and Forming Part of the Annual Budget
- Detailed Schedules

**TAMALA PARK REGIONAL COUNCIL  
BUDGET COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019**

2017/18 ADOPTED BUDGET		NOTES	2017/18 ACTUAL	2018/19 ADOPTED BUDGET
\$ (181,955)	<b>EXPENDITURE</b>	1,2,3,4,12,13	\$	\$
(1,272,884)	Governance		(166,839)	(186,390)
(\$1,454,839)	Other Property and Services		(735,718)	(1,176,530)
			(\$902,556)	(\$1,362,920)
793,512	<b>REVENUE</b>	1,2,3,4,11,13	1,059,875	1,040,633
2,035	General Purpose Funding		9,184	2,000
\$795,547	Other Property & Services		\$1,069,059	\$1,042,633
(\$659,292)			166,502	(320,287)
	<b>DISPOSAL OF ASSETS</b>	2,6		
0	Land		0	0
0	Plant and Equipment		0	(1,760)
0	Furniture and Equipment		0	0
\$0			\$0	(\$1,760)
(\$659,292)	<b>NET RESULT</b>		\$166,502	(\$322,047)
0	<b>OTHER COMPREHENSIVE INCOME</b>		0	0
\$0	Changes on revaluation of non current assets		\$0	\$0
	<b>TOTAL OTHER COMPREHENSIVE INCOME</b>			
(\$659,292)	<b>TOTAL COMPREHENSIVE INCOME</b>		\$166,502	(\$322,047)

**TAMALA PARK REGIONAL COUNCIL  
BUDGET FINANCIAL ACTIVITY STATEMENT FOR THE YEAR ENDING 30 JUNE 2019**

2017/18 ADOPTED		2017/18 ACTUAL	2018/19 ADOPTED BUDGET	2018/19 JULY	2018/19 AUGUST	2018/19 SEPTEMBER	2018/19 OCTOBER	2018/19 NOVEMBER	2018/19 DECEMBER	2018/19 JANUARY	2018/19 FEBRUARY	2018/19 MARCH	2018/19 APRIL	2018/19 MAY	2018/19 JUNE
<b>BUDGET</b>															
\$	<b>OPERATING REVENUE</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
793,512	General Purpose Funding	1,059,875	1,040,633	104,063	208,127	312,189	416,252	520,317	624,380	702,427	780,475	858,522	936,571	988,602	1,040,633
2,035	Other Property and Services	9,184	2,000	1000	1000	1000	2000	2000	2000	2000	2000	2000	2000	2000	2,000
<b>\$795,547</b>		<b>\$1,069,059</b>	<b>\$1,042,633</b>	<b>\$105,063</b>	<b>\$209,127</b>	<b>\$313,189</b>	<b>\$418,252</b>	<b>\$522,317</b>	<b>\$626,380</b>	<b>\$704,427</b>	<b>\$782,475</b>	<b>\$860,522</b>	<b>\$938,571</b>	<b>\$990,602</b>	<b>\$1,042,633</b>
(181,955)	<b>LESS OPERATING EXPENDITURE</b>	(166,839)	(186,390)	(875)	(1,750)	(46,597)	(47,472)	(48,347)	(93,195)	(94,070)	(94,945)	(139,792)	(140,667)	(141,542)	(186,390)
(1,272,884)	Governance	(735,718)	(1,176,530)	(99,796)	(193,727)	(290,709)	(391,580)	(484,436)	(582,492)	(675,349)	(769,280)	(866,261)	(960,193)	(1,053,049)	(1,176,530)
(1,454,839)	Other Property & Services	(902,556)	(1,362,920)	(100,671)	(195,477)	(337,306)	(439,052)	(532,783)	(675,687)	(769,418)	(864,225)	(1,006,053)	(1,100,860)	(1,194,591)	(1,362,920)
<b>(\$659,292)</b>	<i>Increase/Decrease</i>	<b>\$166,502</b>	<b>(\$320,287)</b>	<b>\$4,392</b>	<b>\$13,649</b>	<b>(\$24,117)</b>	<b>(\$20,800)</b>	<b>(\$10,467)</b>	<b>(\$49,307)</b>	<b>(\$64,991)</b>	<b>(\$81,750)</b>	<b>(\$145,531)</b>	<b>(\$162,289)</b>	<b>(\$203,988)</b>	<b>(\$320,287)</b>
	<b>ADD</b>														
0	Provision for Employee Entitlements	2,553	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Profit/Loss on the Disposal of Assets	0	(1,760)	0	0	0	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)
21,212	Depreciation Written Back	20,153	25,381	0	0	0	0	0	0	0	0	0	0	0	25,381
0	Book Value of Assets Sold Written Back	0	46,760	0	0	0	0	0	0	0	0	0	0	0	46,760
<b>\$21,212</b>		<b>\$22,706</b>	<b>\$70,381</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,760)</b>	<b>(\$1,760)</b>	<b>(\$1,760)</b>	<b>(\$1,760)</b>	<b>(\$1,760)</b>	<b>(\$1,760)</b>	<b>(\$1,760)</b>	<b>(\$1,760)</b>	<b>\$70,381</b>
<b>(\$638,080)</b>	<i>Sub Total</i>	<b>\$189,208</b>	<b>(\$249,905)</b>	<b>\$4,392</b>	<b>\$13,649</b>	<b>(\$24,117)</b>	<b>(\$22,560)</b>	<b>(\$12,227)</b>	<b>(\$51,067)</b>	<b>(\$66,751)</b>	<b>(\$83,510)</b>	<b>(\$147,291)</b>	<b>(\$164,049)</b>	<b>(\$205,748)</b>	<b>(\$249,905)</b>
	<b>LESS CAPITAL PROGRAMME</b>														
(26,250)	Purchase Plant and Equipment	0	(66,000)	0	0	0	(66,000)	(66,000)	(66,000)	(66,000)	(66,000)	(66,000)	(66,000)	(66,000)	(66,000)
0	Purchase Buildings and Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Purchase Furniture and Equipment	0	(16,000)	0	0	0	0	0	0	0	0	0	0	0	(16,000)
<b>(\$26,250)</b>		<b>\$0</b>	<b>(\$82,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$66,000)</b>	<b>(\$66,000)</b>	<b>(\$66,000)</b>	<b>(\$66,000)</b>	<b>(\$66,000)</b>	<b>(\$66,000)</b>	<b>(\$66,000)</b>	<b>(\$66,000)</b>	<b>(\$82,000)</b>
	<b>LESS MEMBERS EQUITY</b>														
	<b>Development of Land for Resale</b>														
40,372,252	Income Sale of Lots -Subdivision	22,021,893	14,405,835	305,000	1,201,400	1,503,714	4,296,663	5,272,149	6,572,153	7,225,587	8,179,590	9,921,229	11,667,721	13,051,376	14,405,835
1,761,500	Income Other -Subdivision	13,636	1,950,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,950,000	1,950,000	1,950,000	1,950,000
0	Income Other -Proceeds Sale of Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(55,659,496)	Development Costs - Subdivision	(13,349,159)	(21,277,191)	(1,070,875)	(1,527,275)	(3,937,383)	(6,202,090)	(7,857,674)	(9,269,318)	(10,921,134)	(12,193,655)	(13,464,393)	(20,017,697)	(21,307,619)	(21,277,191)
0	Development Costs - Apartments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(268,725)	Contribution Refund	(314,006)	(209,337)	0	0	0	0	0	0	0	0	0	0	0	(209,337)
(4,000,000)	Profit Distributions	(4,000,000)	(4,000,000)	0	0	0	0	0	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(4,000,000)
<b>(\$17,794,469)</b>		<b>\$4,372,365</b>	<b>(\$9,130,693)</b>	<b>\$634,125</b>	<b>\$1,074,125</b>	<b>(\$1,033,669)</b>	<b>(\$505,427)</b>	<b>(\$1,185,525)</b>	<b>(\$3,297,165)</b>	<b>(\$4,295,547)</b>	<b>(\$4,614,065)</b>	<b>(\$3,593,164)</b>	<b>(\$8,399,976)</b>	<b>(\$8,306,243)</b>	<b>(\$9,130,693)</b>
0	Plus Rounding	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>(\$17,820,719)</b>	<i>Sub Total</i>	<b>\$4,372,365</b>	<b>(\$9,212,693)</b>	<b>\$634,125</b>	<b>\$1,074,125</b>	<b>(\$1,033,669)</b>	<b>(\$571,427)</b>	<b>(\$1,251,525)</b>	<b>(\$3,363,165)</b>	<b>(\$4,361,547)</b>	<b>(\$4,680,065)</b>	<b>(\$3,659,164)</b>	<b>(\$8,465,976)</b>	<b>(\$8,372,243)</b>	<b>(\$9,212,694)</b>
<b>(\$18,458,800)</b>		<b>\$4,561,573</b>	<b>(\$9,462,598)</b>	<b>\$638,517</b>	<b>\$1,087,774</b>	<b>(\$1,057,786)</b>	<b>(\$593,987)</b>	<b>(\$1,263,752)</b>	<b>(\$3,414,232)</b>	<b>(\$4,428,298)</b>	<b>(\$4,763,575)</b>	<b>(\$3,806,455)</b>	<b>(\$8,630,025)</b>	<b>(\$8,577,991)</b>	<b>(\$9,462,599)</b>
	<b>LESS FUNDING FROM</b>														
39,260,668	Opening Funds	39,246,178	43,807,751	43,807,751	43,807,751	43,807,751	43,807,751	43,807,751	43,807,751	43,807,751	43,807,751	43,807,751	43,807,751	43,807,751	43,807,751
(20,801,868)	Closing Funds	(43,807,751)	(34,345,153)	(44,446,268)	(44,895,525)	(42,749,965)	(43,213,764)	(42,543,999)	(40,393,519)	(39,379,453)	(39,044,176)	(40,001,296)	(35,177,726)	(35,229,760)	(34,345,153)
<b>\$18,458,800</b>		<b>(\$4,561,573)</b>	<b>\$9,462,598</b>	<b>(\$638,517)</b>	<b>(\$1,087,774)</b>	<b>\$1,057,786</b>	<b>\$593,987</b>	<b>\$1,263,752</b>	<b>\$3,414,232</b>	<b>\$4,428,298</b>	<b>\$4,763,575</b>	<b>\$3,806,455</b>	<b>\$8,630,025</b>	<b>\$8,577,991</b>	<b>\$9,462,599</b>
<b>\$0</b>	<b>NET (SURPLUS)DEFICIT</b>	<b>\$0</b>	<b>(\$0)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$0)</b>	<b>(\$0)</b>	<b>(\$0)</b>	<b>(\$0)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$0)</b>	<b>(\$0)</b>

**TAMALA PARK REGIONAL COUNCIL  
BUDGET RATE SETTING STATEMENT FOR THE YEAR ENDING 30 JUNE 2019**

2017/18 ADOPTED BUDGET		NOTES	2017/18 ACTUAL	2018/19 ADOPTED BUDGET
\$	<b>REVENUE</b>	1,2,3,4,11,13	\$	\$
793,512	General Purpose Funding		1,059,875	1,040,633
2,035	Other Property and Services		9,184	2,000
<b>\$795,547</b>			<b>\$1,069,059</b>	<b>\$1,042,633</b>
	<b>LESS EXPENDITURE</b>	1,2,3,4,12,13		
(181,955)	Governance		(166,839)	(186,390)
(1,272,884)	Other Property & Services		(735,718)	(1,176,530)
<b>(\$1,454,839)</b>			<b>(\$902,556)</b>	<b>(\$1,362,920)</b>
<b>(\$659,292)</b>	<i>Increase(Decrease)</i>		<b>\$166,502</b>	<b>(\$320,287)</b>
	<b>ADD</b>			
	0 Book Value of Assets Sold Written Back		0	46,760
	0 Profit/Loss on the Disposal of Assets		0	(1,760)
	0 Provision for Employee Entitlements		2,553	0
21,212	Depreciation Written Back		20,153	25,381
<b>\$21,212</b>			<b>\$22,706</b>	<b>\$70,381</b>
<b>(\$638,080)</b>	<i>Sub Total</i>		<b>\$189,208</b>	<b>(\$249,905)</b>
	<b>LESS CAPITAL PROGRAMME</b>	1,14		
	0 Purchase Land & Buildings		0	0
(26,250)	Purchase Plant and Equipment		0	(66,000)
	0 Purchase Furniture and Equipment		0	(16,000)
<b>(\$26,250)</b>			<b>\$0</b>	<b>(\$82,000)</b>
	<b>LESS MEMBERS EQUITY</b>			
	<b>Development of Land for Resale</b>			
40,372,252	Income Sale of Lots -Subdivision		22,021,893	14,405,835
1,761,500	Income Other -Subdivision		13,636	1,950,000
(55,659,496)	Development Costs - Subdivision		(13,349,159)	(21,277,191)
(268,725)	Contribution Refund		(314,006)	(209,337)
(4,000,000)	Profit Distributions		(4,000,000)	(4,000,000)
<b>(\$17,794,469)</b>			<b>\$4,372,365</b>	<b>(\$9,130,693)</b>
0				0
<b>\$0</b>			<b>\$0</b>	<b>\$0</b>
<b>(\$18,458,800)</b>	<i>Sub Total</i>		<b>\$4,561,573</b>	<b>(\$9,462,598)</b>
	<b>LESS FUNDING FROM</b>			
39,260,668	Opening Funds	26	39,246,178	43,807,751
(20,801,868)	Closing Funds	26	(43,807,751)	(34,345,153)
<b>\$18,458,800</b>			<b>(\$4,561,573)</b>	<b>\$9,462,598</b>
<b>\$0</b>	<b>TO BE MADE UP FROM RATES</b>		<b>\$0</b>	<b>(\$0)</b>

**TAMALA PARK REGIONAL COUNCIL**  
**BUDGET STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE 2019**

2017/18 ADOPTED BUDGET		NOTES	2017/18 ACTUAL	2018/19 ADOPTED BUDGET
<b>\$</b>	<b>Cash Flows from operating activities</b>		<b>\$</b>	<b>\$</b>
	<b>PAYMENTS</b>			
(751,839)	Employee Costs		(550,056)	(725,924)
0	Materials & Contracts		0	0
(493,920)	- Professional Consulting Fees		(136,537)	(434,324)
(6,450)	- Other		0	(6,450)
(10,469)	Utilities		(10,894)	(13,880)
0	Insurance		(190)	0
(181,955)	Goods and Services Tax		(170,341)	(186,390)
<b>(\$1,444,633)</b>	Other		<b>(\$868,018)</b>	<b>(\$1,366,967)</b>
	<b>RECEIPTS</b>			
2,035	Contributions and Donations Reimbursements		0	2,000
819,753	Interest Received		1,103,965	1,092,082
27,267	Other		24,727	0
<b>\$849,055</b>			<b>\$1,128,692</b>	<b>\$1,094,082</b>
<b>(\$595,578)</b>	<b>Net Cash flows from Operating Activities</b>	<b>9</b>	<b>\$260,674</b>	<b>(\$272,885)</b>
	<b>Cash flows from investing activities</b>			
	<b>Payments</b>			
(26,250)	Purchase Plant and Equipment		0	(66,000)
0	Purchase Furniture and Equipment		0	(16,000)
0	Purchase Land & Buildings		0	0
	<b>Receipts</b>			
0	Disposal of Plant and Equipment		0	45,000
<b>(\$26,250)</b>			<b>\$0</b>	<b>(\$37,000)</b>
	<b>Members Equity</b>			
	<b>Payments</b>			
(55,659,496)	- Development of Land for Resale		(16,488,721)	(21,277,191)
(268,725)	-Contribution to be Returned		0	(209,337)
(4,000,000)	-Change in Contributed Equity		(1,174,443)	(4,000,000)
0	-Capital Returned		0	0
<b>(\$59,928,221)</b>			<b>(\$17,663,164)</b>	<b>(\$25,486,528)</b>
	<b>Receipts</b>			
40,372,252	-Income Sale of Lots -Subdivision		22,035,529	14,405,835
1,761,500	-Income Other -Subdivision		0	1,950,000
<b>\$42,133,752</b>			<b>\$22,035,529</b>	<b>\$16,355,835</b>
<b>(\$17,820,719)</b>	<b>Net cash flows from investing activities</b>		<b>\$4,372,365</b>	<b>(\$9,167,693)</b>
	<b>Cash flows from financing activities</b>			
<b>\$0</b>	<b>Net cash flows from financing activities</b>		<b>\$0</b>	<b>\$0</b>
<b>(\$18,416,297)</b>	<b>Net (decrease)/increase in cash held</b>		<b>\$4,633,039</b>	<b>(\$9,440,578)</b>
39,213,368	<b>Cash at the Beginning of Reporting Period</b>		39,213,368	43,846,407
<b>\$20,797,071</b>	<b>Cash at the End of Reporting Period</b>	<b>5</b>	<b>\$43,846,407</b>	<b>\$34,405,829</b>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**1 SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies which have been adopted in the preparation of this annual budget are:

**(a) Basis of Preparation**

The annual budget has been prepared in accordance with the applicable Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations. 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 accounting policies have been consistently applied, unless otherwise stated.

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

All Funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of the annual 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 annual budget, but a separate budget of those appears at Note 10.

**(c) 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.

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.

**(d) Cash and Cash Equivalents**

Cash and cash equivalents comprise of cash at bank and in hand and short term deposits and which 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.

**(e) Trade and Other Receivables**

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

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

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Inventories**

***General***

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

***Land Held for Resale***

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

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

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

**(g) Fixed Assets**

Each class of fixed assets is carried at or fair value less where applicable, any accumulated depreciation and impairment losses.

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non current assets at Fair Value became mandatory.

The amendments allow for a phasing in of fair value in relation to fixed assets over three years as follows:

- (a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and
  - (b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government -
    - (i) that are plant and equipment; and
    - (ii) that are -
      - (I) land and buildings; or-
      - (II) Infrastructure;
- and
- (c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

Thereafter, in accordance with the regulations, each asset class must be revalued at least every 3 years.

In 2013, Council commenced the process of adopting Fair Value in accordance with the Regulations.

***Land Under Control***

In accordance with Local Government (Financial Management) Regulation 16(a), the Council is required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of state or regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They are then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note. Whilst they were initially recorded at cost, fair value at the date of acquisition is deemed cost as per AASB 116.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Consequently, these assets were initially recognised at cost but revalued along with other items of Land and Buildings at 30 June 2014.

***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.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

***Revaluation***

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 decreases are recognised in profit or loss.

***Transitional Arrangements***

During the time it takes to transition the carrying value of non-current assets from the cost approach to the fair value approach, the Council may still be utilising both methods across differing asset classes.

Those assets carried at cost will be carried in accordance with the policy detailed in the ***Initial Recognition*** section as detailed above.

Those assets carried at fair value will be carried in accordance with the ***Revaluation*** Methodology section as detailed above.

***Early Adoption of AASB 13 - Fair Value Measurement***

Whilst the new accounting standard in relation to Fair Value, AASB 13 – Fair Value Measurement only become applicable for the year ended 30 June 2014 (in relation to Council), given the legislative need to commence using Fair Value methodology in the previous reporting period (year ended 30 June 2013) the Council chose to early adopt AASB 13 (as allowed for in the standard).

As a consequence, the principles embodied in AASB 13 - Fair Value Measurement have been applied to the previous reporting period (year ended 30 June 2013).

***Land under Roads***

In Western Australia, all land under roads in Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council as not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16 (a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local government from recognising such land as an asset.

Whilst this treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management ) regulation 4(2)provides,in the event of such inconsistency, the Local Government (Financial Management ) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

***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.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- a) Restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or
- b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

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

Computer Equipment	4 years
Furniture and Equipment	4 to 10 years
Printers, Photocopiers and Scanners	5 years
Floorcoverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 12 years
Infrastructure	30 to 50 years

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

When revalued assets are disposed of, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

***Capitalisation Threshold***

Expenditure on items of equipment under \$1,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

**(i) Fair Value of Assets and Liabilities**

When performing a revaluation, the Council uses a mix of both independent and management valuations using the following as a guide:

Fair Value is the price that Council would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

***Fair Value Hierarchy***

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

**Level 1**

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2**

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

***Valuation techniques***

The Council selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Council are consistent with one or more of the following valuation approaches:

**Market approach**

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

**Income approach**

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

**Cost approach**

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability and considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

**(j) Financial Instruments**

***Initial Recognition and Measurement***

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

***Classification and Subsequent Measurement***

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principle repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (d) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instruments to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

***(i) Financial assets at fair value through profit and loss***

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss. Assets in this category are classified as current assets.

***(ii) Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in non-current assets, where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

*(iv) Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current.

*(v) Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

**Impairment**

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Council no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Impairment of Assets**

In accordance with Australian Accounting Standards the Council'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 impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

**(k) Trade and Other Payables**

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council 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.

**(l) Employee Benefits**

**Short-Term Employee Benefits**

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

**Other Long-Term Employee Benefits**

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits 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 or 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 Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the 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.

**(m) Borrowing Costs**

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(n) Provisions**

Provisions are recognised when the 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.

**(o) Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Council, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

**(p) Investment in Associates**

An associate is an entity over which the Council has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Council's share of net assets of the associate. In addition, the Council's share of the profit or loss of the associate is included in the Council's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Council's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Council and the associate are eliminated to the extent of the Council's interest in the associate.

When the Council's share of losses in an associate equals or exceeds its interest in the associate, the Council discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Council will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**1 SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(q) Interests in Joint Arrangements**

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

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

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 22.

**(r) 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.

**(s) Superannuation**

The Council contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Council contributes are defined contribution plans.

**(t) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where the 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 even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the Council's intentions to release for sale.

**(u) Rounding Off Figures**

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

**(v) Comparative Figures**

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**2 OPERATING, REVENUES AND EXPENSES**

The Operating Revenue and Expenses as reported in the Annual Budget includes:

Adopted Budget 2017/18		Actual 2017/18	Adopted Budget 2018/19
\$		\$	\$
	<b>Charging as Expense</b>		
21,212	Depreciation on Non-Current Assets	20,153	25,381
	<b>Crediting as Revenue</b>		
0	Profit/(Loss) on Sale of Non-Current Assets	0	0
793,512	Interest Earnings	1,059,875	1,040,633
<b>793,512</b>		<b>1,059,875</b>	<b>1,040,633</b>

**3 DESCRIPTION OF FUNCTIONS/ACTIVITIES**

The principal activities of the Council covers the provisions of general purpose funding, governance and other property services as permitted under the Local Government Description of Programs

**General Purpose Funding**

Interest Received on Investments.

**Governance**

Member of Council Allowances and Reimbursements, and Administration Expenses.

**Other Property and Services**

Other Unclassified Activities.

**Statement of Objective**

The Regional Council has a specific regional purpose which is:

a) To undertake, in accordance with the objectives, the rezoning, subdivision, development, marketing and sale of the land, comprising the developable portion of lot 118 Mindarie (now Lot 9504); and

b) To carry out and do all other acts and things which are reasonably necessary for bringing into effect of the matters referred to in paragraph (a)

The objectives of the Regional council are:

1. To develop and improve the value of the land.
2. To maximise, with prudent risk parameters, the financial return to the Participants.
3. To balance economic, social and environmental issues, and
4. To produce a quality development demonstrating the best urban design and development practice.



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**4 OPERATING REVENUES AND EXPENSES**

Operating expenses and revenues classified according to nature and type.

Adopted Budget 2017/18 \$		Actual 2017/18 \$	Adopted Budget 2018/19 \$
	<b>Operating Expenses</b>		
(751,839)	Employee Costs	(569,806)	(725,924)
0	Materials and Contracts		
	Professional Consulting fees	0	0
(482,915)	Other	(131,362)	(404,895)
(6,450)	Utility Charges (Gas, Electricity, Water, etc)	0	(6,450)
(21,212)	Depreciation on Non-Current Assets	(20,153)	(25,381)
0	Loss on Asset Disposals	0	(1,760)
(10,469)	Insurance Expenses	(10,894)	(13,879)
(181,955)	Other Expenses	(170,342)	(186,391)
<b>(1,454,839)</b>	<b>Agrees with Statement of Comprehensive Income</b>	<b>(902,557)</b>	<b>(1,364,680)</b>
	<b>Operating Revenues</b>		
793,512	Interest Earnings	1,059,875	1,040,633
2,035	Contributions and Donations Reimbursements	0	2,000
0	Profit on Asset Disposals	0	0
0	Other	9,184	0
<b>795,547</b>	<b>Agrees with Statement of Comprehensive Income</b>	<b>1,069,059</b>	<b>1,042,633</b>
<b>(659,292)</b>	<b>Net Result</b>	<b>166,502</b>	<b>(322,047)</b>
	<b>Other Comprehensive Income</b>		
0	Changes on Revaluation of Non - Current Assets	-	0
<b>(659,292)</b>	<b>Total Comprehensive Income</b>	<b>166,502</b>	<b>(322,047)</b>

**5 CASH**

Adopted Budget 2017/18 \$		Actual 2017/18 \$	Adopted Budget 2018/19 \$
0	Cash on Hand	0	0
20,797,071	Cash at Bank	43,846,407	34,405,829
0	Investments	0	0
<b>20,797,071</b>	Represented by:-	<b>43,846,407</b>	<b>34,405,829</b>
0	Restricted	0	0
20,797,071	Unrestricted	43,846,407	34,405,829
<b>20,797,071</b>		<b>43,846,407</b>	<b>34,405,829</b>

**6 DISPOSAL OF ASSETS**

**(A) DISPOSAL OF ASSETS BY CLASS**

Asset by Class	Proceeds Sale of Assets \$	Written Down Value \$	Gain/(Loss) on Disposal \$
Furniture and Equipment	0	0	0
Land and Buildings	0	0	0
Plant and Equipment	45,000	46,760	(1,760)
<b>TOTAL BY CLASS OF ASSETS</b>	<b>45,000</b>	<b>46,760</b>	<b>(1,760)</b>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**(B) DISPOSAL OF ASSETS BY PROGRAM**

	Proceeds Sale of Assets	Written Down Value	Gain/(Loss) on Disposal
	\$	\$	\$
Other Property and Services	45,000	46,760	(1,760)
<b>TOTAL BY PROGRAM</b>	<b>45,000</b>	<b>46,760</b>	<b>(1,760)</b>

**(C) BORROWING COSTS INCURRED AND CAPITALISED AS PART OF A QUALIFYING ASSET**

No Borrowing Costs were incorporated in the Annual Budget as Assets purchased are to be funded from General Purpose Funding.

**7 BORROWINGS INFORMATION**

**(a) Loans Raised in Financial Year**

No Loans are anticipated to be raised during the year:

**(b) Loan Repayments**

No Loans Repayments anticipated to be raised during the year:

**(a) Overdraft**

The Regional Council has no overdraft facility and it is not anticipated such a facility will be required during the year ended 30 June 2019

**8 RESERVES**

The Regional Council has no Reserve Accounts set aside for specific purposes and does not intend to set aside any cash during the year ended 30

**9 CASH FLOW INFORMATION**

Reconciliation of cash flows with change in net result from operations.

For the purpose of the Cash Flow Statement, cash includes cash on hand and in or at call deposits with Banks or Financial Institutions.

Adopted Budget 2017/18		Actual 2017/18	Adopted Budget 2018/19
\$		\$	\$
	<b>Change in net result from operations</b>		
(659,293)	Net Result	166,502	(322,047)
21,212	Depreciation	20,153	25,381
0	(Profit) loss on sale of Fixed Assets	0	1,760
	<b>Change in Assets and Liabilities</b>		
0	Increase/(Decrease) in Provisions - Employee Entitlements	19,483	0
53,508	(Increase)/Decrease in Receivables	59,444	51,449
(11,005)	Increase/(Decrease) in Payables	(4,908)	(29,428)
<b>(595,578)</b>	Cash flows from Operations	<b>260,674</b>	<b>(272,885)</b>
6,000	Credit Card Facility	6,000	6,000
0	Amount Utilised	(299)	0
<b>6,000</b>	Unused Facility available	<b>5,701</b>	<b>6,000</b>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**10 TRUST FUND INFORMATION**

The Regional Council has no funds held in Trust on behalf of third parties.

**11 INVESTMENTS**

Earnings from Investments is summarised as follows:

Adopted Budget 2017/18 \$		Actual 2017/18 \$	Adopted Budget 2018/19 \$
793,512	General Account	1,059,875	1,040,633
<b>793,512</b>	<b>TOTAL</b>	<b>1,059,875</b>	<b>1,040,633</b>

**12 COUNCIL MEMBERS - FEES, EXPENSES AND ALLOWANCES**

The 2018/2019 Budget provides for the following:

Adopted Budget 2017/18 \$		Actual 2017/18 \$	Adopted Budget 2018/19 \$
	<b>- Annual Attendance Fee</b>		
133,954	- Elected Members Remuneration	130,687	137,303
2050	-Alternate Elected Members Remuneration	708	2000
	<b>- Telecommunication, Travel, and Information Technology Allowance</b>		
0	- Telecommunication	0	0
0	- Information Technology	0	0
0	- Travel Expenses	0	0
	<b>- Annual Local Government Allowance</b>		
20,361	- Chairman	19,864	20,870
5,090	- Deputy Chairman	4,966	5,217

**13 DEPRECIATION ON NON-CURRENT ASSETS**

The Depreciation charge included in the Annual Budget is summarised as follows:

**BY PROGRAM**

Adopted Budget 2017/18 \$		Actual 2017/18 \$	Adopted Budget 2018/19 \$
21,212	Other Property and Services	20,153	25,381
<b>21,212</b>	<b>TOTAL</b>	<b>20,153</b>	<b>25,381</b>

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**13 DEPRECIATION ON NON-CURRENT ASSETS**

**BY CLASS**

Adopted Budget 2017/18		Actual 2017/18	Adopted Budget 2018/19
\$		\$	\$
3,910	Furniture and Equipment	4,852	6,432
5,539	Improvements to Leasehold Property	5,539	5,539
11,763	Plant and Equipment	9762	13,410
<b>21,212</b>	<b>TOTAL</b>	<b>20,153</b>	<b>25,381</b>

**14 ACQUISITION OF ASSETS**

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

**BY PROGRAM**

Adopted Budget 2017/18		Actual 2017/18	Adopted Budget 2018/19
\$		\$	\$
	Other Property and Service		
0	General Office Fit out	0	0
0	Office Equipment	0	16,000
0	Furniture	0	0
26,250	Motor Vehicle - Work Vehicle	0	66,000
<b>26,250</b>		<b>0</b>	<b>82,000</b>

Adopted Budget 2017/18		Actual 2017/18	Adopted Budget 2017/18
\$		\$	\$
0	Land and Buildings	0	0
26250	Plant and Equipment	0	66,000
0	Furniture and Equipment	0	16,000
<b>26,250</b>		<b>0</b>	<b>82,000</b>

**15 FEES AND CHARGES INFORMATION**

In accordance with Financial Management Regulation 25, the estimates of total revenue from Fees and Charges for each program is summarised as follows:

No fees and charges are to be raised during the year ended 30 June 2019

**16 RATING INFORMATION**

A Regional Council does not impose rates

**17 SPECIFIED AREA RATE**

No specified area rates will be levied during the year 2018/19

**18 SERVICE CHARGES**

No specified area rates will be imposed during the year 2018/19

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**19 INFORMATION ABOUT DISCOUNTS, INCENTIVES, CONCESSIONS AND WRITE OFFS**

The Regional Council does not anticipate to offer discounts, incentives, concessions or write-offs

**20 INTEREST CHARGES FOR THE LATE PAYMENT OF RATES CHARGES**

Pursuant to Section 6.51 of the Local Government Act and Financial Management Regulation 27(a) the Regional Council will not impose an interest charge .

**21 MAJOR LAND TRANSACTIONS**

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

(a) 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) The land owned from time to time by the participants jointly or by the TPRC:

Land being part of Lot 118 Mindarie  
Land between Lot 118 and the Mitchell Freeway Reserve  
Any land that may be acquired by the TPRC

(c) Revenue and Expenditure associated with the Project:

<b>Adopted Budget 2017/18</b>	<b>Resoning, Subdivision, Development and Sale of land</b>	<b>Actual 2017/18</b>	<b>Adopted Budget 2018/19</b>
<b>\$</b>		<b>\$</b>	<b>\$</b>
<b>Revenue</b>			
13,525,744	Participants Equity	0	4,921,356
42,133,752	Sale of Lots	22,035,529	16,355,835
<b>55,659,496</b>		<b>22,035,529</b>	<b>21,277,191</b>
<b>Expenditure</b>			
49,247,240	Land Development Costs	11,024,177	16,373,346
827,319	Consultancy Fees	314,568	627,487
795,000	Sales and Marketing	297,079	494,000
4,729,937	Selling Expenses	1,686,054	3,734,358
60,000	Other	27,281	48,000
0	Participants Equity	8,686,370	0
<b>55,659,496</b>		<b>22,035,529</b>	<b>21,277,191</b>

**22 JOINT VENTURE**

The Regional Council does not anticipate any joint venture

**23 TRADING UNDERTAKINGS**

The Regional Council does not anticipate any trading undertakings.

**24 CAPITAL AND LEASING COMMITMENTS**

Council does not have any Capital and Leasing Commitments.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE ANNUAL BUDGET  
FOR THE YEAR ENDING 30TH JUNE 2019**

**25 FINANCIAL INSTRUMENTS**

(a) Interest Rate Risk

The following table details the Regional Council exposure to interest rate risks projected to 30th June 2019.

	Average Interest %	Variable Interest Rate \$	Fixed Interest Rate Less than 1 year \$	Maturity 1 to 5 years \$	Non Interest Bearing \$	Total \$
<b>Financial Assets</b>						
Cash on Hand						0
Cash	2.50	0	34,405,829			34,405,829
Trade Receivables					200,000	200,000
		<u>0</u>	<u>34,405,829</u>	<u>0</u>	<u>200,000</u>	<u>34,605,829</u>
<b>Financial Liabilities</b>						
Creditors and Provisions					260,675	260,675
		<u>0</u>	<u>0</u>	<u>0</u>	<u>260,675</u>	<u>260,675</u>

(b) Regional Council does not have any material credit risk exposure to any single debtor under any financial instruments entered into.

(c) The aggregate net fair values and carry amounts of financial assets and financial liabilities are disclosed in the notes to and forming part of the Annual Budget.

**26 POSITION AT COMMENCEMENT OF FINANCIAL YEAR**

Determination of opening funds:

Adopted Budget 2017/18 \$		Actual 2017/18 \$	Adopted Budget 2018/19 \$
0	<b>Current Assets</b>	0	0
20,797,071	Cash On Hand	43,846,407	34,405,829
254,800	Cash at Bank	251,449	200,000
<u>21,051,871</u>	Receivables	<u>44,097,856</u>	<u>34,605,829</u>
	<b>LESS CURRENT LIABILITIES</b>		
39,129	Payables	49,429	20,000
210,874	Provisions - Employees Entitlements	260,675	240,676
<u>250,003</u>		<u>310,104</u>	<u>260,676</u>
<u>20,801,868</u>	<b>SURPLUS OF CURRENT ASSETS OVER CURRENT LIABILITIES</b>	<u>43,787,752</u>	<u>34,345,153</u>

**27 MEMBER COUNCILS' EQUITY IN THE TAMALA PARK REGIONAL COUNCIL**

Adopted Budget 2017/18 \$			Actual 2016/17 \$	Adopted Budget 2017/18 \$
41,204,150	<b>Members Equity</b>		41,193,461	45,732,329
(659,292)	Accumulated surplus		166,502	(322,047)
(13,525,744)	Total Comprehensive Income		8,686,370	(4,921,356)
(4,268,725)	Change in Contributed Equity		(4,314,004)	(4,209,337)
<u>22,750,389</u>	Contribution Returned		<u>45,732,329</u>	<u>36,279,589</u>
	<b>Total Equity</b>			
	<b>Share</b>			
1,895,866	Town of Cambridge	One Twelfth	3,811,027	3,023,299
3,791,732	City of Joondalup	One Sixth	7,622,055	6,046,598
1,895,866	City of Perth	One Twelfth	3,811,027	3,023,299
7,583,463	City of Stirling	One Third	15,244,110	12,093,196
1,895,866	Town of Victoria Park	One Twelfth	3,811,027	3,023,299
1,895,866	Town of Vincent	One Twelfth	3,811,027	3,023,299
3,791,732	City of Wanneroo	One Sixth	7,622,055	6,046,598
<u>22,750,389</u>			<u>45,732,329</u>	<u>36,279,589</u>

**Tamala Park Regional Council  
Annual Budget 2018-2019**

Details By function Under The Following Programme Titles  
And Type Of Activities Within The Programme

	ACTUAL 2017-2018		Adopted Budget 2017-2018		Adopted Budget 2018-2019	
	Income	Expenditure	Income	Expenditure	Income	Expenditure
<b>Proceeds Sale of Assets</b>						
00000 Proceeds Sale of Assets - Motor Vehicle CEO	\$0	\$0	\$0	\$0	(\$45,000)	\$0
<b>Written Down Value</b>						
00000 Written Down Value - Motor Vehicle CEO	\$0	\$0	\$0	\$0	\$0	\$46,760
<b>Sub Total - GAIN/LOSS ON DISPOSAL OF ASSET</b>	\$0	\$0	\$0	\$0	(\$45,000)	\$46,760
<b>Total - GAIN/LOSS ON DISPOSAL OF ASSET</b>	\$0	\$0	\$0	\$0	(\$45,000)	\$46,760
<b>ABNORMAL ITEMS</b>						
<b>Sub Total - ABNORMAL ITEMS</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total - ABNORMAL ITEMS</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total - OPERATING STATEMENT</b>	\$0	\$0	\$0	\$0	(\$45,000)	\$46,760
<b>OTHER GENERAL PURPOSE FUNDING</b>						
<b>OPERATING EXPENDITURE</b>						
<b>Sub Total - OTHER GENERAL PURPOSE FUNDING OP/EXP</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>OPERATING INCOME</b>						
1032030 - Interest on Investment	(\$1,059,875)	\$0	(\$793,512)	\$0	(\$1,040,633)	\$0
<b>Sub Total - OTHER GENERAL PURPOSE FUNDING OP/INC</b>	(\$1,059,875)	\$0	(\$793,512)	\$0	(\$1,040,633)	\$0
<b>Total - OTHER GENERAL PURPOSE FUNDING</b>	(\$1,059,875)	\$0	(\$793,512)	\$0	(\$1,040,633)	\$0
<b>Total - GENERAL PURPOSE FUNDING</b>	(\$1,059,875)	\$0	(\$793,512)	\$0	(\$1,040,633)	\$0
<b>GOVERNANCE</b>						
<b>MEMBERS OF COUNCIL</b>						
<b>OPERATING EXPENDITURE</b>						
E041005 - Chairman Allowance	\$0	\$19,864	\$0	\$20,361	\$0	\$20,870
E041010 - Deputy Chair Allowance	\$0	\$4,966	\$0	\$5,090	\$0	\$5,217
E041018 - Composite Allowance	\$0	\$130,687	\$0	\$133,954	\$0	\$137,303
E041019 - Alternative Member Meeting Fee	\$0	\$708	\$0	\$2,050	\$0	\$2,000
E041020 - Conference Expenses	\$0	\$7,792	\$0	\$10,250	\$0	\$10,500
E041030 - Other Costs	\$0	\$2,822	\$0	\$10,250	\$0	\$10,500
<b>Sub Total - MEMBERS OF COUNCIL OP/EXP</b>	\$0	\$166,839	\$0	\$181,955	\$0	\$186,390
<b>OPERATING INCOME</b>						
<b>Sub Total - MEMBERS OF COUNCIL OP/INC</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total - GOVERNANCE</b>	\$0	\$166,839	\$0	\$181,955	\$0	\$186,390
<b>Total - GOVERNANCE</b>	\$0	\$166,839	\$0	\$181,955	\$0	\$186,390
<b>OTHER PROPERTY AND SERVICES</b>						
<b>SALARIES AND WAGES</b>						
<b>OPERATING EXPENDITURE</b>						
New - Gross Total Salaries and Wages	\$0	\$0	\$0	\$610,598	\$0	\$610,598
New - Gross Total Salaries and Wages Allocated	\$0	\$0	\$0	(\$610,598)	\$0	(\$610,598)
<b>Sub Total - SALARIES AND WAGES OP/EXP</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total - SALARIES AND WAGES</b>	\$0	\$0	\$0	\$0	\$0	\$0

**Tamala Park Regional Council  
Annual Budget 2018-2019**

Details By function Under The Following Programme Titles  
And Type Of Activities Within The Programme

	ACTUAL 2017-2018		Adopted Budget 2017-2018		Adopted Budget 2018-2019	
	Income	Expenditure	Income	Expenditure	Income	Expenditure
<b>UNCLASSIFIED</b>						
<b>OPERATING EXPENDITURE</b>						
<b>Administration</b>						
E145005 - Salaries - Basic Costs	\$0	\$497,360	\$0	\$610,598	\$0	\$610,598
E145007 - Salaries Occ. Superannuation	\$0	\$40,435	\$0	\$58,007	\$0	\$58,007
E145009 - Salaries WALGS Superannuation	\$0	\$0	\$0	\$5,544	\$0	\$0
E145011 - Advertising Staff Vacancies	\$0	\$0	\$0	\$5,384	\$0	\$5,519
E145015 - Insurance W/comp.	\$0	\$8,693	\$0	\$12,000	\$0	\$9,000
E145017 - Medical Exam. Costs	\$0	\$0	\$0	\$323	\$0	\$300
E145019 - Staff Training & Dev.	\$0	\$889	\$0	\$5,384	\$0	\$5,000
E145020 - Conference Expenses	\$0	\$4,451	\$0	\$16,153	\$0	\$10,000
E145021 - Telephone - Staff Reimbursement	\$0	\$0	\$0	\$754	\$0	\$0
E145024 - Travel Expenses CEO	\$0	\$464	\$0	\$10,769	\$0	\$5,000
E145025 - Other Accom & Property Costs	\$0	\$40,811	\$0	\$37,691	\$0	\$43,000
E145027 - Advertising General	\$0	\$0	\$0	\$16,153	\$0	\$16,557
E145029 - Advertising Public/Statutory	\$0	\$610	\$0	\$16,153	\$0	\$5,000
E145031 - Graphics Consumables	\$0	\$0	\$0	\$5,384	\$0	\$5,000
E145033 - Photocopying	\$0	\$642	\$0	\$2,692	\$0	\$2,000
E145037 - Postage, Courier & Freight	\$0	\$729	\$0	\$1,292	\$0	\$1,200
E145039 - Printing	\$0	\$138	\$0	\$5,384	\$0	\$5,000
E145043 - Stationery	\$0	\$764	\$0	\$2,154	\$0	\$2,000
E145045 - Other Admin Expenses	\$0	\$2,066	\$0	\$16,153	\$0	\$5,000
E145047 - Office Telephones & Faxes	\$0	\$1,152	\$0	\$3,231	\$0	\$2,000
E145049 - Mobil Phones, Pages, Radios	\$0	\$1,119	\$0	\$2,154	\$0	\$2,000
E145053 - Bank Charges	\$0	\$101	\$0	\$2,154	\$0	\$2,208
E145055 - Credit Charges	\$0	\$90	\$0	\$215	\$0	\$200
E145057 - Audit Fees	\$0	\$9,263	\$0	\$8,668	\$0	\$10,450
E145059 - Membership Fees	\$0	\$7,638	\$0	\$7,688	\$0	\$7,880
E145061 - Legal Expenses (General)	\$0	\$6,885	\$0	\$30,750	\$0	\$20,000
E145069 - Valuation Fees	\$0	\$0	\$0	\$51,250	\$0	\$30,000
E145075 - Promotions	\$0	\$7,630	\$0	\$15,375	\$0	\$10,000
E145077 - Business Hospitality Expenses	\$0	\$613	\$0	\$10,250	\$0	\$20,000
E145079 - Consultancy	\$0	\$0	\$0	\$20,500	\$0	\$20,000
E145082 - Lawyers	\$0	\$0	\$0	\$30,750	\$0	\$30,000
E145083 - Research	\$0	\$0	\$0	\$30,750	\$0	\$25,000
E145100 - Safety Clothes and Equipment	\$0	\$0	\$0	\$1,025	\$0	\$1,000
E145086 - Probity Auditor	\$0	\$0	\$0	\$20,500	\$0	\$15,000
E145087 - Computer Software Mtce	\$0	\$654	\$0	\$5,125	\$0	\$5,125
E145088 - Accounting Management	\$0	\$35,113	\$0	\$53,845	\$0	\$50,000
E145089 - Computer Software Purchase	\$0	\$2,356	\$0	\$30,000	\$0	\$20,000
E145091 - Computer Sundries	\$0	\$0	\$0	\$5,125	\$0	\$5,125
E145092 - Data Communication Links	\$0	\$0	\$0	\$5,638	\$0	\$5,000
E145093 - Internet Provider Costs	\$0	\$6,895	\$0	\$10,763	\$0	\$7,500
E145094 - Plant & Equipment Purchase Non-Capital	\$0	\$0	\$0	\$2,050	\$0	\$2,000
E145095 - Furniture & Equipment Purchase	\$0	\$1,817	\$0	\$5,125	\$0	\$5,000
E145097 - Hire of Equipment	\$0	\$0	\$0	\$2,050	\$0	\$2,000
E145099 - Vehicle Operating Expense	\$0	\$3,624	\$0	\$16,153	\$0	\$6,000
E145013 - Fringe Benefit Tax -Motor Vehicle	\$0	\$15,857	\$0	\$10,769	\$0	\$16,500
E145101 - Consumable Stores	\$0	\$781	\$0	\$1,025	\$0	\$1,000
E145103 - Newspapers & Periodicals	\$0	\$0	\$0	\$205	\$0	\$200
E145041 - Signage/Decals	\$0	\$974	\$0	\$0	\$0	\$0
E145105 - Publications & Brochures	\$0	\$0	\$0	\$513	\$0	\$500
E145107 - Subscriptions	\$0	\$0	\$0	\$1,025	\$0	\$500
E145109 - Parking Expenses	\$0	\$56	\$0	\$323	\$0	\$200
E145111 - Plans	\$0	\$0	\$0	\$1,538	\$0	\$0
E145113 - Emergency Services	\$0	\$0	\$0	\$10,250	\$0	\$10,250
E145117 - Electricity	\$0	\$0	\$0	\$6,450	\$0	\$6,450
E145121 - Insurance - Public Liability	\$0	\$2,649	\$0	\$2,649	\$0	\$2,781
E145123 - Insurance - Property (ISR)	\$0	\$4,478	\$0	\$4,478	\$0	\$7,331
E145126 - Insurance - Personal Accident	\$0	\$1,275	\$0	\$850	\$0	\$1,275
E145127 - Insurance - Other	\$0	\$2,492	\$0	\$2,492	\$0	\$2,492
E145222 - Depreciation	\$0	\$20,153	\$0	\$21,212	\$0	\$25,381
E145451 - GST management	\$0	\$0	\$0	\$0	\$0	\$0
E145452 - Recruitment_Human Resources	\$0	\$4,000	\$0	\$0	\$0	\$0
0000000- Record Management Consultancy	\$0	\$0	\$0	\$10,000	\$0	\$10,000
<b>Sub Total - UNCLASSIFIED OP/EXP</b>	\$0	\$735,718	\$0	\$1,272,884	\$0	\$1,176,530
<b>OPERATING INCOME</b>						
I145012 - Reimbursements	(\$8,901)	\$0	(\$2,035)	\$0	(\$2,000)	\$0
I145012 - Income Other	(\$283)	\$0	\$0	\$0	\$0	\$0
<b>Sub Total - UNCLASSIFIED OP/INC</b>	(\$9,184)	\$0	(\$2,035)	\$0	(\$2,000)	\$0
<b>Total - UNCLASSIFIED</b>	(\$9,184)	\$735,718	(\$2,035)	\$1,272,884	(\$2,000)	\$1,176,530
<b>Total - OTHER PROPERTY AND SERVICES</b>	(\$9,184)	\$735,718	(\$2,035)	\$1,272,884	(\$2,000)	\$1,176,530
					(\$1,087,633)	\$1,409,680



**Tamala Park Regional Council  
Annual Budget 2018-2019**

Details By function Under The Following Programme Titles  
And Type Of Activities Within The Programme

	ACTUAL 2017-2018		Adopted Budget 2017-2018		Adopted Budget 2018-2019	
	Income	Expenditure	Income	Expenditure	Income	Expenditure
<b>MEMBERS EQUITY</b>						
<b>EXPENDITURE</b>						
Contribution Refund	\$0	\$314,006	\$0	\$268,725	\$0	\$209,337
Profit Distributions	\$0	\$4,000,000	\$0	\$4,000,000	\$0	\$4,000,000
<b>Sub Total - MEMBERS EQUITY</b>	<b>\$0</b>	<b>\$4,314,006</b>	<b>\$0</b>	<b>\$4,268,725</b>	<b>\$0</b>	<b>\$4,209,337</b>
<b>INCOME</b>						
I145011 - Income Sale on Lots	(\$22,021,893)	\$0	(\$40,372,252)	\$0	(\$14,405,835)	\$0
I145012 - Income Other	(\$13,636)	\$0	(\$1,761,500)	\$0	(\$1,950,000)	\$0
<b>Sub Total - MEMBERS EQUITY</b>	<b>(\$22,035,529)</b>	<b>\$0</b>	<b>(\$42,133,752)</b>	<b>\$0</b>	<b>(\$16,355,835)</b>	<b>\$0</b>
<b>Total - MEMBERS EQUITY</b>	<b>(\$22,035,529)</b>	<b>\$0</b>	<b>(\$42,133,752)</b>	<b>\$4,268,725</b>	<b>(\$16,355,835)</b>	<b>\$4,209,337</b>
<b>Total - MEMBERS EQUITY</b>	<b>(\$22,035,529)</b>	<b>\$4,314,006</b>	<b>(\$42,133,752)</b>	<b>\$4,268,725</b>	<b>(\$16,355,835)</b>	<b>\$4,209,337</b>
<b>SURPLUS</b>						
New (Surplus) / Deficit - Brought Forward	(\$39,246,178)	\$0	(\$39,260,668)	\$0	(\$43,807,751)	\$0
New (Surplus) / Deficit - Carried Forward	\$0	\$43,807,751	\$0	\$20,801,868	\$0	\$34,345,153
<b>Sub Total - SURPLUS C/FWD</b>	<b>(\$39,246,178)</b>	<b>\$43,807,751</b>	<b>(\$39,260,668)</b>	<b>\$20,801,868</b>	<b>(\$43,807,751)</b>	<b>\$34,345,153</b>
<b>Total - SURPLUS</b>	<b>(\$39,246,178)</b>	<b>\$43,807,751</b>	<b>(\$39,260,668)</b>	<b>\$20,801,868</b>	<b>(\$43,807,751)</b>	<b>\$34,345,153</b>
<b>DEPRECIATION</b>						
New - Depreciation Written Back	\$0	(\$20,153)	\$0	(\$21,212)	\$0	(\$25,381)
New - Employee Provisions	\$0	(\$2,553)	\$0	\$0	\$0	\$0
New - Book Value of Assets Written Back	\$0	\$0	\$0	\$0	\$0	(\$46,760)
<b>Sub Total - DEPRECIATION WRITTEN BACK</b>	<b>\$0</b>	<b>(\$22,706)</b>	<b>\$0</b>	<b>(\$21,212)</b>	<b>\$0</b>	<b>(\$72,141)</b>
<b>Total - DEPRECIATION</b>	<b>\$0</b>	<b>(\$22,706)</b>	<b>\$0</b>	<b>(\$21,212)</b>	<b>\$0</b>	<b>(\$72,141)</b>
<b>FURNITURE AND EQUIPMENT</b>						
<b>OTHER PROPERTY AND SERVICES</b>						
<b>EXPENDITURE</b>						
E168513 - General Office Equipment	\$0	\$0	\$0	\$0	\$0	\$10,000
E168565 - Office Furniture CEO	\$0	\$0	\$0	\$0	\$0	\$5,000
E168566 - Computer Equipment	\$0	\$0	\$0	\$0	\$0	\$0
E168567 - Phones	\$0	\$0	\$0	\$0	\$0	\$0
E168524 - Sony Bravia Conference Room TV	\$0	\$0	\$0	\$0	\$0	\$1,000
<b>Sub Total - CAPITAL WORKS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,000</b>
<b>Total- OTHER PROPERTY AND SERVICES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,000</b>
<b>Total - FURNITURE AND EQUIPMENT</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,000</b>
<b>LAND AND BUILDINGS</b>						
<b>OTHER PROPERTY AND SERVICES</b>						
<b>EXPENDITURE</b>						
E168565 - Office Furniture Overhead Cupboards	\$0	\$0	\$0	\$0	\$0	\$0
<b>Sub Total - CAPITAL WORKS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total - OTHER PROPERTY AND SERVICES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total - LAND AND BUILDINGS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>PLANT AND EQUIPMENT</b>						
<b>OTHER PROPERTY AND SERVICES</b>						
<b>EXPENDITURE</b>						
0000000 Motor Vehicle - CEO	\$0	\$0	\$0	\$0	\$0	\$66,000
0000000 Work Vehicle	\$0	\$0	\$0	\$26,250	\$0	\$0
<b>Sub Total - CAPITAL WORKS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26,250</b>	<b>\$0</b>	<b>\$66,000</b>
<b>Total - OTHER PROPERTY AND SERVICES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26,250</b>	<b>\$0</b>	<b>\$66,000</b>
<b>Total - PLANT AND EQUIPMENT</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26,250</b>	<b>\$0</b>	<b>\$66,000</b>

**Tamala Park Regional Council  
Annual Budget 2018-2019**

Details By function Under The Following Programme Titles  
And Type Of Activities Within The Programme

	ACTUAL 2017-2018		Adopted Budget 2017-2018		Adopted Budget 2018-2019	
	Income	Expenditure	Income	Expenditure	Income	Expenditure
<b>INFRASTRUCTURE ASSETS - OTHER</b>						
<b>Land Development Costs</b>						
New-Land & Special Sites Development	\$0	\$284,229	\$0	\$10,889,547	\$0	\$6,022,300
99.4 - Land Develop - Consultants	\$0	\$314,568	\$0	\$827,319	\$0	\$627,487
99.5 - Land Develop - Landscape	\$0	\$5,514,384	\$0	\$11,872,836	\$0	\$4,528,779
99.1 - Land Develop - Infrastructure	\$0	\$1,312,703	\$0	\$6,583,296	\$0	\$141,182
99.9 - Land Develop - Bulk Earthworks	\$0	\$29,700	\$0	\$4,388,016	\$0	\$78,905
99.2 - Land Develop - Lot Production	\$0	\$3,300,849	\$0	\$10,835,010	\$0	\$3,600,062
99.6 - Land Develop - Admin Land Dev	\$0	\$484,467	\$0	\$1,074,460	\$0	\$869,990
New-Community Development	\$0	\$97,597	\$0	\$192,500	\$0	\$192,500
New-Contingency	\$0	\$0	\$0	\$2,460,212	\$0	\$827,760
New-finance	\$0	\$0	\$0	\$960,971	\$0	\$86,868
Debtors /Creditors Movement	\$0	\$0	\$0	(\$9,608)	\$0	\$0
<b>Consultancy</b>						
-Env Innovation Consultancies	\$0	\$0				
-Admin-Operational Consultancies						
E145451 - GST management	\$0	\$6,774	\$0	\$20,000	\$0	\$20,000
E145452 - Recruitment_Human Resources	\$0	\$0	\$0	\$10,000	\$0	\$5,000
<b>Property Development Services</b>						
<b>-Property Admin and Approvals</b>						
E145041 - Signage/Decals	\$0	\$0	\$0	\$5,000	\$0	\$5,000
E145042 - Branding/Marketing	\$0	\$0	\$0	\$10,000	\$0	\$10,000
<b>-Mtce Services-Land</b>						
E145204 - Fences/Walls	\$0	\$0	\$0	\$10,000	\$0	\$3,000
E145206 - MtceServices-Land	\$0	\$0	\$0	\$5,000	\$0	\$5,000
<b>-Sales Expenditure</b>						
E145216 - Direct Selling Expenses	\$0	\$1,686,054	\$0	\$4,729,937	\$0	\$3,734,358
E145218 - Sales and Marketing	\$0	\$297,079	\$0	\$795,000	\$0	\$494,000
<b>-Other Expenditure</b>						
E145029 - Advertising Public/Statutory	\$0	\$8,852	\$0	\$0	\$0	\$10,000
E145061 - Legal Expenses (General)	\$0	\$9,578	\$0	\$0	\$0	\$10,000
E145086 - Probity Auditor	\$0	\$2,325	\$0	\$0	\$0	\$5,000
<b>Sub Total - CAPITAL WORKS</b>	\$0	\$13,349,159	\$0	\$55,659,496	\$0	\$21,277,191
<b>Total - OTHER</b>	\$0	\$13,349,159	\$0	\$55,659,496	\$0	\$21,277,191
<b>Total - INFRASTRUCTURE ASSETS - OTHER</b>	\$0	\$13,349,159	\$0	\$55,659,496	\$0	\$21,277,191
<b>GRAND TOTALS</b>	(\$62,350,766)	\$62,350,766	(\$82,189,967)	\$82,189,967	(\$61,251,219)	\$61,251,219
		(\$0)		(\$0)		\$0