

**TOWN OF EAST FREMANTLE**

**INCOME STATEMENT**

**BY NATURE OR TYPE**

**FOR THE YEAR ENDED 30TH JUNE 2009**

	NOTE	2008/09 Budget \$	2007/08 Actual \$	2007/08 Budget \$
<b>REVENUES FROM ORDINARY ACTIVITIES</b>				
Rates	8	4,539,469	4,116,936	4,085,220
Grants and Subsidies		770,539	630,300	734,716
Contributions Reimbursements and Donations		89,848	75,115	64,324
Fees and Charges	11	942,207	1,264,593	927,712
Interest Earnings	2(a)	252,000	257,117	147,804
Other Revenue		162,930	137,419	188,690
		<u>6,756,993</u>	<u>6,481,480</u>	<u>6,148,466</u>
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>				
Employee Costs		(2,030,872)	(1,596,748)	(2,072,077)
Materials and Contracts		(3,240,619)	(2,589,413)	(2,834,375)
Utilities		(233,706)	(230,457)	(223,643)
Depreciation	2(a)	(673,073)	(595,753)	(643,428)
Interest Expenses	2(a)	(54,269)	(61,374)	(62,887)
Insurance		(192,489)	(168,628)	(197,156)
Other Expenditure		(99,400)	(80,628)	(79,700)
		<u>(6,524,428)</u>	<u>(5,323,001)</u>	<u>(6,113,266)</u>
Grants and Subsidies - Non-operating		346,662	42,667	374,799
Contributions - Non-operating		0	0	0
Profit on Asset Disposals	4	26,800	25,578	18,488
Loss on Asset Disposals	4	<u>(1,800)</u>	<u>(7,369)</u>	<u>(6,764)</u>
<b>NET RESULT</b>		<u><b>604,227</b></u>	<u><b>1,219,355</b></u>	<u><b>421,723</b></u>

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

**TOWN OF EAST FREMANTLE**

**INCOME STATEMENT**

**BY PROGRAM**

**FOR THE YEAR ENDED 30TH JUNE 2009**

	<b>NOTE</b>	<b>2008/09 Budget \$</b>	<b>2007/08 Actual \$</b>	<b>2007/08 Budget \$</b>
<b>OPERATING REVENUES (Refer Notes 1,2,8 to 13)</b>				
Governance		17,200	49,179	18,200
General Purpose Funding		5,055,669	4,599,080	4,459,143
Law, Order, Public Safety		19,400	27,471	18,260
Health		2,240	17,413	1,440
Education and Welfare		582,146	582,137	565,804
Housing		55,380	45,464	47,370
Community Amenities		162,950	292,434	294,827
Recreation and Culture		276,594	189,561	194,829
Transport		290,000	440,989	259,700
Economic Services		150,760	148,151	147,130
Other Property and Services		144,654	89,601	141,863
		<u>6,756,993</u>	<u>6,481,480</u>	<u>6,148,566</u>
<b>OPERATING EXPENSES (Refer Notes 1,2 &amp; 14)</b>				
Governance		(194,769)	(545,977)	(482,886)
General Purpose Funding		(504,297)	(176,418)	(183,456)
Law, Order, Public Safety		(135,961)	(108,130)	(129,751)
Health		(103,514)	(85,205)	(99,502)
Education and Welfare		(655,701)	(592,258)	(638,857)
Housing		(35,085)	(31,347)	(30,914)
Community Amenities		(1,629,486)	(1,141,113)	(1,478,901)
Recreation & Culture		(1,296,274)	(980,331)	(1,255,642)
Transport		(1,555,395)	(1,170,606)	(1,423,919)
Economic Services		(175,914)	(141,480)	(145,220)
Other Property and Services		(183,763)	(288,246)	(181,331)
		<u>(6,470,159)</u>	<u>(5,261,111)</u>	<u>(6,050,379)</u>
<b>BORROWING COSTS EXPENSE (Refer Notes 2 &amp; 5)</b>				
Governance		(10,290)	(11,442)	(11,442)
Community Amenities		(3,531)	(5,076)	(5,076)
Recreation & Culture		(12,805)	(14,784)	(14,784)
Transport		(27,643)	(30,587)	(31,585)
		<u>(54,269)</u>	<u>(61,889)</u>	<u>(62,887)</u>
<b>GRANTS/CONTRIBUTIONS FOR THE DEVELOPMENT OF ASSETS</b>				
Governance		0	0	0
Education & Welfare		0	0	0
Recreation & Culture		0	0	0
Transport		346,662	42,667	374,799
		<u>346,662</u>	<u>42,667</u>	<u>374,799</u>
<b>PROFIT/(LOSS) ON DISPOSAL OF ASSETS (Refer Note 4)</b>				
Governance		0	3,358	(6,764)
Law, Order & Public Safety		1,000	0	0
Community Amenities		(1,000)	0	0
Transport		25,000	14,639	17,558
Economic Services		0	211	930
		<u>25,000</u>	<u>18,208</u>	<u>11,724</u>
<b>NET RESULT</b>		<u><b>604,227</b></u>	<u><b>1,219,355</b></u>	<u><b>421,823</b></u>

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

**TOWN OF EAST FREMANTLE**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 30TH JUNE 2009**

	NOTE	2008/09 Budget \$	2007/08 Actual \$	2007/08 Budget \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		4,539,469	4,116,936	4,085,220
Grants and Subsidies - operating		770,539	630,300	734,716
Contributions, Reimbursements & Donations		89,848	75,115	64,324
Fees and Charges		942,207	1,264,593	927,712
Interest Earnings		252,000	257,117	147,804
Other		162,930	137,419	188,690
		<u>6,756,993</u>	<u>6,481,480</u>	<u>6,148,466</u>
<b>Payments</b>				
Employee Costs		(2,030,872)	(1,596,748)	(2,072,077)
Materials and Contracts		(3,240,619)	(2,589,413)	(2,834,375)
Utilities (gas, electricity, water, etc)		(233,706)	(230,457)	(223,643)
Insurance		(192,489)	(168,628)	(197,156)
Interest		(54,269)	(61,374)	(62,887)
Other		(99,400)	(80,628)	(79,700)
		<u>(5,851,355)</u>	<u>(4,727,248)</u>	<u>(5,469,838)</u>
<b>Net Cash Provided By Operating Activities</b>	15(b)	<u>905,638</u>	<u>1,754,232</u>	<u>678,628</u>
<b>Cash Flows from Investing Activities</b>				
Payments for Purchase of Property, Plant & Equipment	3	(521,689)	(237,608)	(361,701)
Payments for Construction of Infrastructure	3	(1,463,156)	(346,861)	(1,413,750)
Grants/Contributions for the Development of Assets		346,662	42,667	374,799
Proceeds from Sale of Plant & Equipment	4	<u>69,000</u>	<u>71,340</u>	<u>80,000</u>
<b>Net Cash Used in Investing Activities</b>		<u>(1,569,183)</u>	<u>(470,462)</u>	<u>(1,320,652)</u>
<b>Cash Flows from Financing Activities</b>				
Repayment of Debentures	5	(137,891)	(136,387)	(134,873)
Proceeds from Self Supporting Loans		5,141	8,942	13,615
Proceeds from New Debentures	5	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Cash Provided By (Used In) Financing Activities</b>		<u>(132,750)</u>	<u>(127,445)</u>	<u>(121,258)</u>
<b>Net Increase (Decrease) in Cash Held</b>		<u>(796,295)</u>	<u>1,143,385</u>	<u>(763,282)</u>
Cash at Beginning of Year		3,384,327	2,240,942	2,248,860
<b>Cash at End of Year</b>	15(a)	<u><u>2,588,032</u></u>	<u><u>3,384,327</u></u>	<u><u>1,485,578</u></u>

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

**TOWN OF EAST FREMANTLE  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30TH JUNE 2009**

	NOTE	2008/09 Budget \$	2007/08 Actual \$	2007/08 Budget \$
<b>REVENUES</b>	1,2			
Governance		17,200	52,537	18,200
General Purpose Funding		516,200	556,867	373,923
Law, Order, Public Safety		20,400	27,471	18,260
Health		2,240	17,413	1,440
Education and Welfare		582,146	582,137	565,804
Housing		55,380	45,464	47,370
Community Amenities		162,950	292,434	294,827
Recreation and Culture		276,594	189,561	194,829
Transport		662,462	498,295	652,057
Economic Services		150,760	148,362	148,060
Other Property and Services		144,654	89,601	141,863
		<u>2,590,986</u>	<u>2,500,142</u>	<u>2,456,634</u>
<b>EXPENSES</b>	1,2			
Governance		(205,059)	(557,419)	(501,092)
General Purpose Funding		(504,297)	(176,418)	(183,456)
Law, Order, Public Safety		(135,961)	(108,130)	(129,751)
Health		(103,514)	(85,205)	(99,502)
Education and Welfare		(655,701)	(592,258)	(638,857)
Housing		(35,085)	(31,347)	(30,914)
Community Amenities		(1,634,017)	(1,146,189)	(1,483,977)
Recreation & Culture		(1,309,079)	(995,115)	(1,270,426)
Transport		(1,583,838)	(1,201,193)	(1,455,504)
Economic Services		(175,914)	(141,480)	(145,220)
Other Property and Services		(183,763)	(288,246)	(181,331)
		<u>(6,526,228)</u>	<u>(5,323,000)</u>	<u>(6,120,031)</u>
<b>Adjustments for Cash Budget Requirements:</b>				
<b>Non-Cash Expenditure and Revenue</b>				
(Profit)/Loss on Asset Disposals	4	(25,000)	(18,209)	(11,724)
Depreciation on Assets	2(a)	673,073	595,753	643,428
<b>Capital Expenditure and Revenue</b>				
Purchase Land and Buildings	3	(262,989)	(57,125)	(124,701)
Purchase Infrastructure Assets	3	(1,463,156)	(346,861)	(1,413,750)
Purchase Plant and Equipment	3	(197,200)	(172,895)	(200,000)
Purchase Furniture and Equipment	3	(61,500)	(7,588)	(37,000)
Proceeds from Disposal of Assets	4	69,000	71,340	80,000
Repayment of Debentures	5	(137,891)	(136,387)	(134,873)
Proceeds from New Debentures	5	0	0	0
Self-Supporting Loan Principal Income		5,141	8,942	13,615
Transfers to Reserves (Restricted Assets)	6	(191,000)	(1,223,020)	(123,704)
Transfers to Trust (EF Tennis Club)		0	0	(3,600)
Transfers from Reserves (Restricted Assets)	6	86,000	81,000	81,000
<b>ADD</b> Estimated Surplus/(Deficit) July 1 B/Fwd	7	904,768	890,463	809,486
<b>LESS</b> Estimated Surplus/(Deficit) June 30 C/Fwd	7	3,473	904,768	0
<b>Amount Req'd to be Raised from Rates</b>	8	<u><b>(4,539,469)</b></u>	<u><b>(4,042,213)</b></u>	<u><b>(4,085,220)</b></u>

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

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**1. SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of Accounting**

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), other mandatory professional reporting requirements, the Local Government Act 1995 (as amended) and accompanying regulations (as amended). The budget has also been prepared on the accrual basis under the convention of historical cost accounting.

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

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

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

**(c) 2007/08 Actual Balances**

Balances shown in this budget as 2007/08 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

**(d) Rounding Off Figures**

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

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

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

**(f) Goods and Services Tax**

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

**(g) Cash and Cash Equivalents**

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

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

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

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

**(h) Trade and Other Receivables**

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

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

**(i) 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.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

**(j) Fixed Assets**

***Initial Recognition***

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

***Revaluation***

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

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

***Land Under Roads***

Land under roads is excluded from infrastructure in accordance with the transitional arrangements available under AASB 1045 and in accordance with legislative requirements.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

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

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

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

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

Buildings	40 years
Furniture and Equipment	10 years
Plant and Equipment	8 years
Infrastructure	Various
Mobile Equipment	5 years
Electronic Equipment	5 years
Tools	5 years

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

Council classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investment was acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, revalues this designation at each reporting date.

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. 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. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except those with maturities less than 12 months from the reporting date, which are classified as current assets.

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

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.



TOWN OF EAST FREMANTLE

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2009

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Investments and Other Financial Assets (Continued)

**Recognition and derecognition**

Regular purchases and sales of financial assets are recognised on trade-date, the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all the financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

**Subsequent measurement**

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from the financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when Council's right to receive payments is established. Changes in the fair value of other than monetary and non-monetary securities classified as available for-sale are recognised in equity.

**Impairment**

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the profit or loss - is removed from the equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available-for-sale are not reversed through the income statement.

(m) **Estimation of Fair Value**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.



**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

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

**(n) Impairment**

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 estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

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

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.

At the time of adopting the budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2009.

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

**(o) Trade and Other Payables**

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

**(p) Employee Benefits**

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

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

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

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

The liability for long service leave is recognised in the provision for employee benefits and measured as as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

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

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

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

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

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

***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.

**(r) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

**(s) Superannuation**

The Town of East Fremantle contributes to the Local Government Superannuation Scheme and the Occupational Superannuation Fund. Both Funds are defined contribution schemes.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent a cash refund or a reduction in the future payments is available.

**(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 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 resale where it is held as non-current based on Council's intentions to release for sale.

# TOWN OF EAST FREMANTLE

## NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2009

	2008/09 Budget \$	2007/08 Actual \$	2007/08 Budget \$
<b>2. REVENUES AND EXPENSES</b>			
<b>(a) Net Result from Ordinary Activities was arrived at after:</b>			
(i) Charging as Expenses:			
<b>Depreciation</b>			
<b><u>By Program</u></b>			
Governance	59,600	48,257	58,336
General Purpose Funding	0	0	0
Law, Order, Public Safety	1,620	1,079	835
Health	1,260	1,154	1,258
Education and Welfare	24,850	22,740	29,138
Housing	8,800	8,039	8,754
Community Amenities	47,781	43,426	37,372
Recreation and Culture	238,900	220,172	228,005
Transport	186,147	172,585	175,615
Economic Services	0	0	0
Other Property and Services	104,115	78,301	104,115
	<u>673,073</u>	<u>595,753</u>	<u>643,428</u>
<b><u>By Class</u></b>			
Land and Buildings	252,068	223,112	235,000
Furniture and Equipment	19,800	17,600	18,000
Plant and Equipment	148,890	149,492	145,386
Infrastructure	252,315	205,549	245,042
	<u>673,073</u>	<u>595,753</u>	<u>643,428</u>
<b>Borrowing Costs (Interest)</b>			
- Finance Lease Charges	0	0	0
- Debentures (refer note 5(a))	54,269	61,374	62,887
	<u>54,269</u>	<u>61,374</u>	<u>62,887</u>
<b>Rental Charges</b>			
- Operating Leases	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
(ii) Crediting as Revenues:			
<b>Interest Earnings</b>			
Investments			
- Reserve Funds	36,000	12,499	13,704
- Other Funds	216,000	215,986	110,000
Other Interest Revenue (refer note 13)	28,100	28,632	24,100
	<u>280,100</u>	<u>257,117</u>	<u>147,804</u>

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

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

**(b) Statement of Objective**

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

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

**GENERAL PURPOSE FUNDING**

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

Activities: Rating, General Purpose Government Grants and the earning of Interest.

**LAW, ORDER, PUBLIC SAFETY**

Objective: To provide Bushfire Prevention Services and Animal ( Dog ) Control services.

Activities: Supervision, Enforcement of Bushfire Act and Dog Act.

**HEALTH**

Objective: To provide an operational framework for good community health in conjunction with the Health Department of W.A.

Activities: Health Inspection Services regarding food quality, pest control etc and the provision of Doctor and Dental Surgery facilities and Child Health Clinics.

**EDUCATION AND WELFARE**

Objective: to provide assistance to senior citizens welfare and home and community care, and the provision of services including meals on wheels

**HOUSING**

Objective: Help to ensure that adequate housing is available to staff and the community.

Activities: Provision and maintenance of 5 rental properties

**COMMUNITY AMENITIES**

Objective: To provide community amenities and other infrastructure as required by the community.

Activities: Rubbish Collection and Disposal, maintenance of Rubbish Tips and recycling, administration of Town Planning Schemes for the Town including provision of residential, commercial and Townscape facilities.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

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

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

**RECREATION AND CULTURE**

Objective: To establish and manage efficiently sport and recreation infrastructure and resources which will help the social well being and health of the community.

Activities: The provision and maintenance in conjunction with the various communities of public halls, recreation grounds, sport pavilions and the joint operation of the City of Fremantle Library.

**TRANSPORT**

Objective: To provide effective and efficient transport infrastructure to the community.

Activities: Construction and maintenance of streets, roads, bridges; the cleaning and lighting of streets;

**ECONOMIC SERVICES**

Objective: To help promote the Shire and improve its economic wellbeing.

Activities: The regulation and provision of tourism, area promotion activities and building control.

**OTHER PROPERTY & SERVICES**

Objective: To provide other services etc, not elsewhere included.

Activities: Private Works operations, Council plant repairs, operation costs and depot maintenance.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**3. ACQUISITION OF ASSETS**

**2008/09**  
**Budget**  
**\$**

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

**By Program**

**Governance**

Furniture & Equipment	61,500
-----------------------	--------

**Community Amenities**

Plant & Equipment	24,000
Buildings	91,000
Infrastructure	30,000

**Recreation and Culture**

Plant & Equipment	37,200
Buildings	97,000

**Transport**

Plant & Equipment	136,000
Infrastructure	1,483,156

**Other Property**

Buildings	24,989
	1,984,845

**By Class**

Land and Buildings	262,989
Infrastructure Assets	1,463,156
Plant and Equipment	197,200
Furniture and Equipment	61,500
	1,984,845

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

**TOWN OF EAST FREMANTLE**

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

**FOR THE YEAR ENDED 30TH JUNE 2009**

**4. DISPOSALS OF ASSETS**

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

<b>By Program</b>		<b>Net Book Value</b>	<b>Sale Proceeds</b>	<b>Profit(Loss)</b>
		<b>2008/09 BUDGET</b>	<b>2008/09 BUDGET</b>	<b>2008/09 BUDGET</b>
<b>Program</b>	<b>Asset</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Law, Order &amp; Public Safety</b>				
	Ford Falcon Utility 1CDI 380	12,000	13,000	1,000
<b>Community Amenities</b>				
	Ford Focus Sedan 1CIO 382	14,000	13,000	(1,000)
<b>Recreation &amp; Culture</b>				
	Toyota Trademate 1BTK 901	3,200	14,000	10,800
<b>Transport</b>				
	Ford Focus Sedan 1CJQ 020	13,800	13,000	(800)
	Isuzu Truck 1AYK 901	0	15,000	15,000
	Miscellaneous equipment		1,000	
		43,000	69,000	25,000

<b>By Class</b>		<b>Net Book Value</b>	<b>Sale Proceeds</b>	<b>Profit(Loss)</b>
		<b>2008/09 BUDGET</b>	<b>2008/09 BUDGET</b>	<b>2008/09 BUDGET</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Plant &amp; Equipment</b>				
	As per above	43,000	69,000	25,000
		43,000	69,000	25,000

<b>Summary</b>	<b>2008/09 BUDGET</b>
	<b>\$</b>

Profit on Asset Disposals		26,800
Loss on Asset Disposals		(1,800)
		25,000



**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**5. INFORMATION ON BORROWINGS**

(a) Debenture Repayments

#	Particulars	Principal 2007/08	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments	
				2008/09 Budget \$	2007/08 Actual \$	2008/09 Budget \$	2007/08 Actual \$	2008/09 Budget \$	2007/08 Actual \$
179	Administration Organisational Reform	148,915		17,084	15,931	131,831	148,915	10,290	11,442
	<b>Community Amenities</b>								
173	George Street Beautification	39,210		5,486	5,128	33,724	39,210	2,593	2,951
176	Recycling Bins	19,564		19,564	18,376	0	19,564	938	2,125
	<b>Recreation and Culture</b>								
165	East Fremantle Tennis Club *	0		0	5,414	0	0	0	188
167	East Fremantle Bowling Club *	23,708		3,747	3,528	19,961	23,708	1,394	1,614
169	Foreshore/Landscaping	73,190		10,240	9,573	62,950	73,190	4,841	5,508
171	Playground Equipment	41,823		5,851	5,470	35,972	41,823	2,766	3,147
175	Automatic Reticulation	57,506		8,046	7,522	49,460	57,507	3,804	4,328
	<b>Transport</b>								
168	Footpath Construction	78,418		10,972	10,257	67,446	78,418	5,187	5,902
170	Construction Works	35,549		4,974	4,650	30,575	35,550	2,351	2,675
174	Local Area Traffic Management	26,139		3,657	3,419	22,482	26,139	1,729	1,967
178	Road and Footpath Construction	89,349		10,250	9,559	79,099	89,349	6,174	6,865
182	Road and Footpath Construction	112,262		20,295	19,319	91,967	112,262	5,195	4,657
184	Road and Footpath Construction	123,534		17,725	18,240	105,809	122,020	7,007	8,005
		869,167	0	137,891	136,386	731,276	867,655	54,269	61,374

All debenture repayments are to be financed by general purpose revenue except Loan 165 which is self-supporting

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**5. INFORMATION ON BORROWINGS (Continued)**

**(b) New Debentures - 2008/09**

Council does not propose raising any new loans during 2008/09.

**(c) Unspent Debentures**

Council had no unspent debenture funds as at 30th June 2008 nor is it expected to have unspent debenture funds as at 30th June 2009.

**(d) Overdraft**

Council has not utilised an overdraft facility during the financial year although an overdraft facility of \$100,000 with the Commonwealth Bank does exist. It is not anticipated that this facility will be required to be utilised during 2008/09.

**TOWN OF EAST FREMANTLE**

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

**FOR THE YEAR ENDED 30TH JUNE 2009**

	2008/09 Budget \$	2007/08 Actual \$	2007/08 Budget \$
<b>6. RESERVES</b>			
<b>Cash Backed Reserves</b>			
<b>(a) Specified Area Reserve</b>			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	0	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(b) Plant Replacement Reserve</b>			
Opening Balance	52,712	22,530	22,529
Amount Set Aside / Transfer to Reserve	80,000	111,182	60,073
Amount Used / Transfer from Reserve	(86,000)	(81,000)	(81,000)
	<u>46,712</u>	<u>52,712</u>	<u>1,602</u>
<b>(c) Staff Leave Reserve</b>			
Opening Balance	200,474	123,244	122,918
Amount Set Aside / Transfer to Reserve	36,000	77,230	5,874
Amount Used / Transfer from Reserve	0	0	0
	<u>236,474</u>	<u>200,474</u>	<u>128,792</u>
<b>(d) Office Reserve</b>			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	25,000	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>25,000</u>	<u>0</u>	<u>0</u>
<b>(e) Town Planning Reserve</b>			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	0	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(f) Leeuwin Reserve</b>			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	0	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(g) Centennial Reserve</b>			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	0	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(h) Legal Costs Reserve</b>			
Opening Balance	250,000	0	0
Amount Set Aside / Transfer to Reserve	0	250,000	0
Amount Used / Transfer from Reserve	0	0	0
	<u>250,000</u>	<u>250,000</u>	<u>0</u>

**TOWN OF EAST FREMANTLE**

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

**FOR THE YEAR ENDED 30TH JUNE 2009**

	<b>2008/09 Budget \$</b>	<b>2007/08 Actual \$</b>	<b>2007/08 Budget \$</b>
<b>6. RESERVES (Continued)</b>			
<b>(i) Long Service Leave Reserve</b>			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	0	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(j) HACC Reserve</b>			
Opening Balance	51,000	0	0
Amount Set Aside / Transfer to Reserve	0	51,000	0
Amount Used / Transfer from Reserve	0	0	0
	<u>51,000</u>	<u>51,000</u>	<u>0</u>
<b>(k) Strategic Plan Reserve</b>			
Opening Balance	421,000	0	0
Amount Set Aside / Transfer to Reserve	0	421,000	0
Amount Used / Transfer from Reserve	0	0	0
	<u>421,000</u>	<u>421,000</u>	<u>0</u>
<b>(l) Civic Buildings Reserve</b>			
Opening Balance	405,088	92,480	112,337
Amount Set Aside / Transfer to Reserve	50,000	312,608	57,757
Amount Used / Transfer from Reserve	0	0	0
	<u>455,088</u>	<u>405,088</u>	<u>170,094</u>
<b>Total Cash Backed Reserves</b>	<u><u>1,485,274</u></u>	<u><u>1,380,274</u></u>	<u><u>300,488</u></u>

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

**TOWN OF EAST FREMANTLE**

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

**FOR THE YEAR ENDED 30TH JUNE 2009**

	<b>2008/09 Budget \$</b>	<b>2007/08 Actual \$</b>	<b>2007/08 Budget \$</b>
<b>6. RESERVES (Continued)</b>			
<b>Summary of Transfers</b>			
<b>To Cash Backed Reserves</b>			
<b>Transfers to Reserves</b>			
Specified Area Reserve	0	0	0
Plant Replacement Reserve	80,000	111,182	60,073
Annual Leave Reserve	36,000	77,230	5,874
Office Reserve	25,000	0	0
Town Planning Reserve	0	0	0
Leeuwin Reserve	0	0	0
Centennial Reserve	0	0	0
Legal Costs Reserve	0	250,000	0
Long Service Leave Reserve	0	0	0
HACC Reserve	0	51,000	0
Strategic Plan Reserve	0	421,000	0
Civic Buildings Reserve	50,000	312,608	57,757
	<u><b>191,000</b></u>	<u><b>1,223,020</b></u>	<u><b>123,704</b></u>
<b>Transfers from Reserves</b>			
Specified Area Reserve	0	0	0
Plant Replacement Reserve	(86,000)	(81,000)	(81,000)
Annual Leave Reserve	0	0	0
Office Reserve	0	0	0
Town Planning Reserve	0	0	0
Leeuwin Reserve	0	0	0
Centennial Reserve	0	0	0
Legal Costs Reserve	0	0	0
Long Service Leave Reserve	0	0	0
HACC Reserve	0	0	0
Strategic Plan Reserve	0	0	0
Civic Buildings Reserve	0	0	0
	<u><b>(86,000)</b></u>	<u><b>(81,000)</b></u>	<u><b>(81,000)</b></u>
<b>Total Transfer to/(from) Reserves</b>	<u><b>105,000</b></u>	<u><b>1,142,020</b></u>	<u><b>42,704</b></u>

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

**Plant Replacement Reserve**

- to be used for the replacement of major items of roadmaking plant.

**Staff Leave Reserve**

- to be used to fund accrued long service and annual leave requirements

**Office Reserve**

- to be used to fund upgrade of IT equipment

**HACC**

- to be used for HACC leave and capital replacement funds

**Strategic Plan Reserves**

- to fund initiatives identified in the Strategic Plan

**Civic Buildings Reserve**

- to fund major maintenance/capital works on all Council-owned buildings

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

	2008/09 Budget \$	2007/08 Actual \$
<b>7. NET CURRENT ASSETS</b>		
<b>(a) Composition of Estimated Net Current Asset Position</b>		
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	172,558	1,073,853
Cash - Restricted	2,415,474	2,310,474
Receivables	100,000	109,100
Inventories	0	0
	<u>2,688,032</u>	<u>3,493,427</u>
<b>LESS: CURRENT LIABILITIES</b>		
Payables and Provisions	<u>(269,085)</u>	<u>(278,185)</u>
<b>NET CURRENT ASSET POSITION</b>	2,418,947	3,215,242
Less: Cash - Restricted	<u>(2,415,474)</u>	<u>(2,310,474)</u>
<b>ESTIMATED SURPLUS/(DEFICIENCY) C/FWD</b>	<u><u>3,473</u></u>	<u><u>904,768</u></u>

The estimated surplus/(deficiency) c/fwd in the 2007/08 actual column represents the surplus (deficit) brought forward as at 1 July 2008.

The estimated surplus/(deficiency) c/fwd in the 2008/09 budget column represents the surplus (deficit) carried forward as at 30 June 2009.

**(b) Composition of Estimated Net Surplus Position as at 30 June 2008**

The following projects programmed for 2007/08 but not commenced/completed have been carried forward to 2008/09

Account Name	Account Number	Amount \$
Design Guidelines for TOEF		49,579
Municipal Inventory		50,000
Strategic Urban Plan		15,900
Preston Point Road		154,131
Stirling Hwy Marmion St Intersection		20,000
Footpath replacement		175,479
George Street roadworks		83,690
Stratford St Catchment Area		130,000
General Unspent Monies		225,989
		<u><u>904,768</u></u>

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**8. RATING INFORMATION - 2008/09 FINANCIAL YEAR**

<b>RATE TYPE</b>	<b>Rate in \$</b>	<b>Number of Properties</b>	<b>Rateable Value \$</b>	<b>2008/09 Budgeted Rate Revenue \$</b>	<b>2008/09 Budgeted Interim Rates \$</b>	<b>2008/09 Budgeted Back Rates \$</b>	<b>2008/09 Budgeted Total Revenue \$</b>	<b>2007/08 Actual \$</b>
<b>Differential General Rate</b>								
Residential	7.5700	2,882	47,870,691	3,623,811	30,000	0	3,653,811	3,251,418
Commercial	10.4939	99	7,151,367	750,457	0	0	750,457	658,735
<b>Sub-Totals</b>		2,981	55,022,058	4,374,269	30,000	0	4,404,269	3,910,153
<b>Minimum Rates</b>	<b>Minimum \$</b>							
Residential	650	208	1,530,360	135,200	0	0	135,200	132,060
Commercial	800	0	0	0	0	0	0	0
<b>Sub-Totals</b>		208	1,530,360	135,200	0	0	135,200	132,060
<b>Specified Area Rates</b> (Refer note 9)							4,539,469	4,042,213
<b>Discounts</b>							4,539,469	4,042,213
<b>Totals</b>							4,539,469	4,042,213

All land except exempt land in the Town of East Fremantle is rated according to its Gross Rental Value (GRV).

The general rates detailed above for the 2008/09 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

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



**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**9. SPECIFIED AREA RATE - 2008/09 FINANCIAL YEAR**

No specified area rate has been levied for the 2008/09 year.

**10. SERVICE CHARGES - 2008/09 FINANCIAL YEAR - LOCAL GOVERNMENT ACT**

No service charges have been imposed for the 2008/09 year.

<b>11. FEES &amp; CHARGES REVENUE</b>	<b>2008/09 Budget \$</b>	<b>2007/08 Actual \$</b>
Governance	17,200	142,461
General Purpose Funding	46,200	43,331
Law, Order, Public Safety	10,700	10,041
Health	1,860	17,413
Education and Welfare	10,307	165,369
Housing	55,380	50,368
Community Amenities	158,102	293,479
Recreation & Culture	254,628	154,732
Transport	230,000	252,713
Economic Services	95,630	54,804
Other Property & Services	62,200	79,882
	<b><u>942,207</u></b>	<b><u>1,264,593</u></b>

**12. DISCOUNTS, CONCESSIONS, & WRITE-OFFS  
- 2008/09 FINANCIAL YEAR**

No discounts or concessions are allowed on any monies owing to Council.

No provision has been made to write off any moneys owing to Council as at 1st July 2008.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**13. INTEREST CHARGES AND INSTALMENTS - 2007/08 FINANCIAL YEAR**

	<b>2008/09 Budget \$</b>	<b>2007/08 Actual \$</b>
Late payment Interest %	5.50	5.50
Installment Charges	\$15	\$15
Special Instalment Charge	\$50	\$50

Council requires payment of rates by one of three payment plans as follows:

Payment in full by due date - 2nd September 2008.

Payment by two equal instalments by 2nd September 2008 & 6th January 2008.

Payment by four equal instalments by 2nd September 2008, 4th November 2008, 6th January 2009 & 10th March 2009.

**14. COUNCILLORS' REMUNERATION**

	<b>2008/09 Budget \$</b>	<b>2007/08 Actual \$</b>
--	----------------------------------	----------------------------------

The following fees, expenses and allowances were paid to council members and/or the president.

Councillor Meeting Fees	56,000	72,385
Mayoral Meeting Fees	14,000	12,000
Mayoral Allowance	12,000	12,000
Deputy Mayoral Allowance	3,000	3,000
Expenses Reimbursed	3,250	325
	<u>88,250</u>	<u>99,710</u>

## TOWN OF EAST FREMANTLE

## NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2009

## 15. NOTES TO THE STATEMENT OF CASH FLOWS

## (a) Reconciliation of Cash

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

	2008/09 Budget \$	2007/08 Actual \$	2007/08 Budget \$
Cash - Unrestricted	172,558	1,073,853	360,328
Cash - Restricted	2,415,474	2,310,474	1,125,250
	<u>2,588,032</u>	<u>3,384,327</u>	<u>1,485,578</u>

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

Plant Replacement Reserve	46,712	52,712	1,602
Staff Leave Reserve	236,474	200,474	128,792
Office Reserve	25,000	0	0
Town Planning Reserve	0	0	0
Leeuwin Reserve	0	0	0
General Reserve	0	0	0
Centennial Reserve	0	0	0
ARC/Legal fees Reserve	250,000	250,000	0
HACC	51,000	51,000	0
Strategic Plan Reserve	421,000	421,000	0
Civic Buildings Reserve	455,088	405,088	170,094
Trust Funds	448,000	448,000	415,000
Mooring Pens	59,200	59,200	59,000
Bonds	81,000	81,000	45,000
Footpath Deposits	342,000	342,000	305,762
	<u>2,415,474</u>	<u>2,310,474</u>	<u>1,125,250</u>

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

Net Result	<u>604,227</u>	<u>1,219,355</u>	<u>421,723</u>
Depreciation	673,073	595,753	643,428
(Profit)/Loss on Sale of Asset	(25,000)	(18,208)	(11,724)
(Increase)/Decrease in Receivables	0	0	0
Increase/(Decrease) in Payables	0	0	0
Increase/(Decrease) in Employee Provisions	0	0	0
Grants/Contributions for the Development of Assets	(346,662)	(42,668)	(374,799)
<b>Net Cash from Operating Activities</b>	<u>905,638</u>	<u>1,754,232</u>	<u>678,628</u>

(c) Undrawn Borrowing Facilities  
Credit Standby Arrangements

Bank Overdraft limit	100,000	100,000	100,000
Bank Overdraft at Balance Date	0	0	0
Credit Card limit	0	0	0
Credit Card Balance at Balance Date	0	0	0
<b>Total Amount of Credit Unused</b>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

## Loan Facilities

Loan Facilities in use at Balance Date	<u>0</u>	<u>0</u>	<u>0</u>
Unused Loan Facilities at Balance Date	<u>0</u>	<u>0</u>	<u>0</u>

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2009**

**16. TRUST FUNDS**

Council holds no funds held at balance date over which it has no control.

**17. MAJOR LAND TRANSACTIONS**

There will be no major land transactions during the 2008/2009 Financial Year

**18. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

There will be no major undertakings during the 2008/2009 Financial Year.