

CATALINA REGIONAL COUNCIL
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

LOCAL GOVERNMENT ACT 1995

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CATALINA REGIONAL COUNCIL'S VISION

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

**CATALINA REGIONAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2023/24 Budget	2022/23 Actual	2022/23 Budget
Revenue				
Interest revenue	10(a)	\$ 2,115,000	\$ 1,249,327	\$ 890,426
Other revenue	10(b)	0	27,500	22,939
		2,115,000	1,276,827	913,365
Expenses				
Employee costs		(727,668)	(669,803)	(737,937)
Materials and contracts		(277,100)	(246,791)	(380,310)
Utility charges		(5,000)	0	(6,829)
Depreciation	5	(43,932)	(43,932)	(43,510)
Finance costs	10(d)	(2,691)	(3,366)	(1,423)
Insurance		(23,302)	(19,596)	(21,952)
Other expenditure		(170,464)	(166,495)	(171,255)
		(1,250,157)	(1,149,983)	(1,363,216)
		864,843	126,844	(449,851)
Profit on asset disposals	4	0	318	0
		0	318	0
Net result for the period		864,843	127,162	(449,851)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		864,843	127,162	(449,851)

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

**CATALINA REGIONAL COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2023/24 Budget	2022/23 Actual	2022/23 Budget
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Grants, subsidies and contributions		\$ 210,721	\$ (466,092)	\$ 394,629
Interest revenue		2,115,000	1,249,327	890,426
Goods and services tax received		32,666	31,163	52,253
Other revenue		0	27,500	22,939
		2,358,387	841,898	1,360,247
Payments				
Employee costs		(734,214)	(650,297)	(742,067)
Materials and contracts		(411,540)	78,364	(422,587)
Utility charges		(5,000)	0	(6,829)
Finance costs		(2,691)	(3,366)	(1,423)
Insurance		(23,302)	(19,596)	(21,952)
Goods and services tax paid		(31,301)	(27,188)	(42,258)
Other expenditure		(170,464)	(166,495)	(171,255)
		(1,378,512)	(788,578)	(1,408,371)
Net cash provided by (used in) operating activities	3	979,875	53,320	(48,124)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	4(a)	0	0	(5,000)
Proceeds from sale of property, plant and equipment	4(a)	0	318	0
Net cash provided by (used in) investing activities		0	318	(5,000)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments for principal portion of lease liabilities	7	(34,966)	(33,086)	(33,577)
Payments for member contributions		(47,539,529)	(46,719,845)	(85,715,288)
Proceeds from member contributions		40,078,630	38,048,256	60,156,539
Net cash provided by (used in) financing activities		(7,495,865)	(8,704,675)	(25,592,326)
Net increase (decrease) in cash held		(6,515,990)	(8,651,037)	(25,645,450)
Cash at beginning of year		43,645,428	52,296,465	52,294,387
Cash and cash equivalents at the end of the year	3	37,129,438	43,645,428	26,648,937

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

**CATALINA REGIONAL COUNCIL
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2024**

		2023/24	2022/23	2022/23
	NOTE	Budget	Actual	Budget
OPERATING ACTIVITIES				
Revenue from operating activities				
Interest revenue	10(a)	\$ 2,115,000	\$ 1,249,327	\$ 890,426
Other revenue	10(b)	0	27,500	22,939
Profit on asset disposals	4	0	318	0
		2,115,000	1,277,145	913,365
Expenditure from operating activities				
Employee costs		(727,668)	(669,803)	(737,937)
Materials and contracts		(277,100)	(246,791)	(380,310)
Utility charges		(5,000)	0	(6,829)
Depreciation	5	(43,932)	(43,932)	(43,510)
Finance costs	10(d)	(2,691)	(3,366)	(1,423)
Insurance		(23,302)	(19,596)	(21,952)
Other expenditure		(170,464)	(166,495)	(171,255)
		(1,250,157)	(1,149,983)	(1,363,216)
Non-cash amounts excluded from operating activities	(b)	43,932	49,882	43,510
Amount attributable to operating activities		908,775	177,044	(406,341)
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from disposal of assets	4	0	318	0
		0	318	0
Outflows from investing activities				
Payments for property, plant and equipment	4(a)	0	0	(5,000)
		0	0	(5,000)
Amount attributable to investing activities		0	318	(5,000)
FINANCING ACTIVITIES				
Outflows from financing activities				
Payments for principal portion of lease liabilities	7	(34,966)	(33,086)	(33,577)
Payments for member contributions		(47,539,529)	(46,719,845)	(85,715,288)
Proceeds from member contributions		40,078,630	38,048,256	60,156,539
		(7,495,865)	(8,704,675)	(25,592,326)
Amount attributable to financing activities		(7,495,865)	(8,704,675)	(25,592,326)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	2	44,366,996	52,894,309	52,899,173
Amount attributable to operating activities		908,775	177,044	(406,341)
Amount attributable to investing activities		0	318	(5,000)
Amount attributable to financing activities		(7,495,865)	(8,704,675)	(25,592,326)
Surplus or deficit at the end of the financial year	2	37,779,906	44,366,996	26,895,506

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

**CATALINA REGIONAL COUNCIL
FOR THE YEAR ENDED 30 JUNE 2024
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1(a) BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

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

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

The local government reporting entity

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

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

2022/23 actual balances

Balances shown in this budget as 2022/23 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

Budget comparative figures

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

Comparative figures

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

Rounding off figures

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

Initial application of accounting standards

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

- AASB 2021-2 Amendments to Australian Accounting Standards
 - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-6 Amendments to Australian Accounting Standards
 - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

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

New accounting standards for application in future years

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

- AASB 2014-10 Amendments to Australian Accounting Standards
 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards
 - Classification of Liabilities as Current or Non-current
- AASB 2021-7c Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards
 - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards
 - Non-current Liabilities with Covenants
- AASB 2022-10 Amendments to Australian Accounting Standards
 - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

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

Judgements, estimates and assumptions

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

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

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

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

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

1(b) KEY TERMS AND DEFINITIONS - NATURE OR TYPE

REVENUES

GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

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

PROFIT ON ASSET DISPOSAL

Gain on the disposal of assets including gains on the disposal of long-term investments.

EXPENSES

EMPLOYEE COSTS

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

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

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses (such as telephone and internet charges), advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. regional councils may wish to disclose more detail such as contract services, consultancy, information technology and rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

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

INSURANCE

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

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expenses raised on all classes of assets.

FINANCE COSTS

Interest and other costs of finance paid.

OTHER EXPENDITURE

Member's fees or levies and other expenses.

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

2 NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents
Financial assets
Receivables
Other assets

Less: current liabilities

Trade and other payables
Lease liabilities
Employee provisions

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Statement of Financial Activity

Note	2023/24 Budget 30 June 2024	2022/23 Actual 30 June 2023	2022/23 Budget 30 June 2023
	\$	\$	\$
3	2,129,438	1,612,598	26,648,937
	35,000,000	42,032,830	
	1,005,000	1,217,086	350,000
	5,000	10,800	10,000
	38,139,438	44,873,314	27,008,937
	(332,000)	(478,786)	(91,643)
7	(34,966)	(34,966)	(33,577)
	(27,532)	(27,532)	(21,788)
	(394,498)	(541,284)	(147,008)
	37,744,940	44,332,030	26,861,929
2(c)	34,966	34,966	33,577
	37,779,906	44,366,996	26,895,506

2. NET CURRENT ASSETS (CONTINUED)

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

Items excluded from calculation of budgeted deficiency

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

(b) Non-cash amounts excluded from operating activities

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

Adjustments to operating activities

Less: Profit on asset disposals
Add: Depreciation
Non-cash movements in non-current assets and liabilities:
- Employee provisions

Non cash amounts excluded from operating activities

Note	2023/24 Budget 30 June 2024	2022/23 Actual 30 June 2023	2022/23 Budget 30 June 2023
	\$	\$	\$
4	0	(318)	0
5	43,932	43,932	43,510
	0	6,268	
	43,932	49,882	43,510

(c) Current assets and liabilities excluded from budgeted deficiency

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

Adjustments to net current assets

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

Total adjustments to net current assets

	34,966	34,966	33,577
	34,966	34,966	33,577

2(d) NET CURRENT ASSETS (CONTINUED)

MATERIAL ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

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

TRADE AND OTHER PAYABLES

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

Superannuation

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

LAND HELD FOR RESALE

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

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

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

GOODS AND SERVICES TAX (GST)

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

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

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

TRADE AND OTHER RECEIVABLES

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

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

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

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

The Catalina Regional Council applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

PROVISIONS

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

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

3. RECONCILIATION OF CASH

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

	Note	2023/24 Budget	2022/23 Actual	2022/23 Budget
Cash at bank and on hand		\$ 2,129,438	\$ 1,612,598	\$ 10,138,957
Term deposits		35,000,000	42,032,830	16,509,980
Total cash and cash equivalents		37,129,438	43,645,428	26,648,937
Held as				
- Unrestricted cash and cash equivalents	2(a)	37,129,438	43,645,428	26,648,937
		37,129,438	43,645,428	26,648,937
Reconciliation of net cash provided by operating activities to net result				
Net result		864,843	127,162	(449,851)
Depreciation	5	43,932	43,932	43,510
(Profit)/loss on sale of asset	4	0	(318)	0
(Increase)/decrease in receivables		212,086	(462,117)	422,224
(Increase)/decrease in other assets		5,800	16,800	
Increase/(decrease) in payables		(146,786)	315,849	(64,007)
Increase/(decrease) in employee provisions		0	12,012	
Net cash from operating activities		979,875	53,320	(48,124)

MATERIAL ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

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

FINANCIAL ASSETS AT AMORTISED COST

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

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

4. FIXED ASSETS

The following assets are budgeted to be acquired and/or disposed of during the year.

	2023/24 Budget Additions	2023/24 Budget In-kind Additions	2023/24 Budget Disposals - Net Book Value	2023/24 Budget Disposals - Sale Proceeds	2023/24 Budget Disposals - Profit or Loss	2022/23 Actual Additions	2022/23 Actual In- kind Additions	2022/23 Disposals - Net Book Value	2022/23 Actual Disposals - Sale Proceeds	2022/23 Actual Disposals - Profit or Loss	2022/23 Budget Additions	2022/23 Budget In-kind Additions	2022/23 Budget Disposals - Net Book Value	2022/23 Budget Disposals - Sale Proceeds	2022/23 Budget Disposals - Profit or Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Property, Plant and Equipment															
Furniture and equipment	0	0	0	0	0	0	0	0	318	318	5,000	0	0	0	0
Total	0	0	0	0	0	0	0	0	318	318	5,000	0	0	0	0
(b) Right of Use Assets															
Right of use - buildings	0	0	0	0	0	10,968	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	10,968	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	10,968	0	0	318	318	5,000	0	0	0	0

MATERIAL ACCOUNTING POLICIES

RECOGNITION OF ASSETS

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

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

GAINS AND LOSSES ON DISPOSAL

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

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

5. DEPRECIATION

By Class

Improvements to Leasehold Property
Right of use - furniture and fittings

By Program

Other property and services

2023/24 Budget	2022/23 Actual	2022/23 Budget
\$	\$	\$
9,555	9,555	9,555
34,377	34,377	33,955
43,932	43,932	43,510
43,932	43,932	43,510
43,932	43,932	43,510

MATERIAL ACCOUNTING POLICIES

DEPRECIATION

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

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

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

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

Improvements to Leasehold Property	Based on remaining lease term
Furniture and equipment	4 to 10 Years
Plant and equipment	5 to 15 Years
Right of use - buildings	Based on remaining lease term

6. BORROWINGS

The Catalina Regional Council has not budgeted to have any borrowings for the year ended 30th June 2024 and did not have or budget to have any borrowings for the year ended 30th June 2023

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

6. BORROWINGS

(a) New borrowings - 2023/24

The Catalina Regional Council does not intend to undertake any new borrowings for the year ended 30th June 2024

(b) Unspent borrowings

The Catalina Regional Council had no unspent borrowing funds as at 30th June 2023 nor is it expected to have unspent borrowing funds as at 30th June 2024.

(c) Credit Facilities

**Undrawn borrowing facilities
credit standby arrangements**
Bank overdraft limit
Bank overdraft at balance date
Credit card limit
Credit card balance at balance date
Total amount of credit unused

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
Bank overdraft limit	0	0	0
Bank overdraft at balance date			
Credit card limit	10,000	10,000	10,000
Credit card balance at balance date	0	(5,080)	0
Total amount of credit unused	10,000	4,920	10,000

7. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2023/24 Budget	Budget Lease	2023/24 Budget	Actual Principal	2022/23 Actual	Actual Lease	2022/23 Actual	Budget Principal	2022/23 Budget	Budget Lease	Budget Lease	2022/23 Budget		
					Principal 1 July 2023	New Leases	Principal outstanding 30 June 2024	Interest Repayments		Principal 1 July 2022	New Leases	Principal repayments	outstanding 30 June 2023	Interest repayments	Principal 1 July 2022	New Leases	Principal repayments	outstanding 30 June 2023	Interest repayments
Unit 2 369 Scarborough Beach Road, Innaloo	IRL1/170€	City of Stirling	2.00%	36	\$ 128,798	\$ 0	\$ (34,966)	\$ 93,832	\$ (2,691)	\$ 150,916	\$ 10,968	\$ (33,086)	\$ 128,798	\$ (3,366)	\$ 87,082	\$ 0	\$ (33,577)	\$ 53,505	\$ (1,423)
					128,798	0	(34,966)	93,832	(2,691)	150,916	10,968	(33,086)	128,798	(3,366)	87,082	0	(33,577)	53,505	(1,423)

MATERIAL ACCOUNTING POLICIES

LEASES

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

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

LEASE LIABILITIES

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

8. REVENUE RECOGNITION

MATERIAL ACCOUNTING POLICIES

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

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

**CATALINA REGIONAL COUNCIL
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2024**

9. PROGRAM INFORMATION

(a) Key Terms and Definitions - Reporting Programs

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

OBJECTIVE

ACTIVITIES

Governance

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

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

General purpose funding

To collect revenue - interest on investments

Interest revenue.

Other property and services

To monitor and control overheads on operating accounts

Other unclassified activities

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

9. PROGRAM INFORMATION (Continued)

(b) Income and expenses

	2023/24	2022/23	2022/23
	Budget	Actual	Budget
Income excluding grants, subsidies and contributions	\$	\$	\$
General purpose funding	2,115,000	1,249,327	913,365
Other property and services	0	27,818	0
Expenses			
Governance	(170,464)	(166,495)	(171,255)
Other property and services	(1,079,693)	(983,488)	(1,191,961)
Total expenses	(1,250,157)	(1,149,983)	(1,363,216)
Net result for the period	864,843	127,162	(449,851)

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

10. OTHER INFORMATION

The net result includes as revenues

(a) Interest earnings

Investments
- Other funds

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
	2,115,000	1,249,327	890,426
	2,115,000	1,249,327	890,426

(b) Other revenue

Reimbursements and recoveries

	0	27,500	22,939
	0	27,500	22,939

The net result includes as expenses

(c) Auditors remuneration

Audit services

	(31,500)	(30,900)	(30,750)
	(31,500)	(30,900)	(30,750)

(d) Interest expenses (finance costs)

expense on lease liabilities (refer Note 7)

	2,691	3,366	1,423
	2,691	3,366	1,423

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

11. ELECTED MEMBERS REMUNERATION

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
Member - Cr Bianca Sandri			
President's allowance	20,875	20,565	20,565
Meeting attendance fees	16,480	16,235	16,235
	37,355	36,800	36,800
Member - Cr Suzanne Migdale			
Deputy President's allowance	5,219	5,141	5,141
Meeting attendance fees	10,990	10,824	10,824
	16,209	15,965	15,965
Member - Cr John Chester			
Meeting attendance fees	10,990	10,824	10,824
	10,990	10,824	10,824
Member - Cr Jane Cutler			
Meeting attendance fees	0	4,853	10,824
	0	4,853	10,824
Member - Cr Brent Fleton			
Meeting attendance fees	10,990	10,824	10,824
	10,990	10,824	10,824
Member - Cr Bronwyn Ife			
Meeting attendance fees	10,990	10,824	10,824
	10,990	10,824	10,824
Member - Cr Nige Jones			
Meeting attendance fees	10,990	10,824	10,824
	10,990	10,824	10,824
Member - Cr Tony Krsticevic			
Meeting attendance fees	10,990	10,824	10,824
	10,990	10,824	10,824
Member - Cr Glynis Parker			
Meeting attendance fees	10,990	10,824	10,824
	10,990	10,824	10,824
Member - Cr Karlo Perkov			
Meeting attendance fees	10,990	10,824	10,824
	10,990	10,824	10,824
Member - Cr Brett Treby			
Meeting attendance fees	10,990	10,824	10,824
	10,990	10,824	10,824
Member - Cr Ashley Wallace			
Meeting attendance fees	10,990	10,824	10,824
	10,990	10,824	10,824
Member - Cr Aliane Hadden-Casey			
Meeting attendance fees	10,990	5,971	0
	10,990	5,971	0
Total Elected Member Remuneration	163,464	161,005	161,005
President's allowance	20,875	20,565	20,565
Deputy President's allowance	5,219	5,141	5,141
Meeting attendance fees	137,370	135,299	135,299
	163,464	161,005	161,005

**CATALINA REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

12. MAJOR LAND TRANSACTIONS

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

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

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

(a) Details

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

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

(b) Current year transactions

Note	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
Operating revenue			
Income Sale of Lots - Subdivision	40,078,630	38,043,954	60,156,539
Capital expenditure			
Land Development Costs	5(a) (20,057,871)	(21,886,780)	(54,129,441)
Consultancy Fees	(484,377)	(201,099)	(516,456)
Sales and Marketing	(200,000)	(272,844)	(540,000)
Selling Expenses	(3,772,577)	(2,034,010)	(5,792,184)
Other	(104,700)	(35,504)	(86,000)
	(24,619,525)	(24,430,237)	(61,064,081)

(c) Expected future cash flows

	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	\$	\$	\$	\$	\$	\$
Cash outflows						
Payments for development costs - subdivision	(24,619,525)	(25,285,042)	(35,619,017)	(25,860,003)	(29,976,481)	(141,360,068)
	(24,619,525)	(25,285,042)	(35,619,017)	(25,860,003)	(29,976,481)	(141,360,068)
Cash Inflows						
Proceeds income sale of Lots	40,078,630	34,634,906	44,039,743	52,798,576	35,842,188	207,394,043
	40,078,630	34,634,906	44,039,743	52,798,576	35,842,188	207,394,043
Net cash flows	15,459,105	9,349,864	8,420,726	26,938,573	5,865,707	66,033,975