

**TAMALA PARK REGIONAL COUNCIL**

**ANNUAL BUDGET**

**FOR THE YEAR ENDED 30 JUNE 2023**

**LOCAL GOVERNMENT ACT 1995**

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**TAMALA PARK REGIONAL COUNCIL'S VISION**

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

**TAMALA PARK REGIONAL COUNCIL**  
**STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2022/23 Budget	2021/22 Actual	2021/22 Budget
		\$	\$	\$
<b>Revenue</b>				
Interest earnings	12(a)	890,426	304,540	337,115
Other revenue	12(b)	22,939	18,088	22,380
		913,365	322,628	359,495
<b>Expenses</b>				
Employee costs		(737,937)	(532,795)	(648,534)
Materials and contracts		(380,310)	(253,768)	(338,763)
Utility charges		(6,829)	0	(6,662)
Depreciation on non-current assets	6	(43,510)	(44,820)	(31,227)
Interest expenses	12(d)	(1,423)	(928)	(90)
Insurance expenses		(21,952)	(17,091)	(16,874)
Other expenditure		(171,255)	(155,951)	(171,005)
		(1,363,216)	(1,005,353)	(1,213,155)
		(449,851)	(682,725)	(853,660)
Profit on asset disposals	5(b)	0	0	5,312
Loss on asset disposals	5(b)	0	(1,744)	0
		0	(1,744)	5,312
<b>Net result for the period</b>		<b>(449,851)</b>	<b>(684,469)</b>	<b>(848,348)</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus		0	0	0
<b>Total other comprehensive income for the period</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>(449,851)</b>	<b>(684,469)</b>	<b>(848,348)</b>

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

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Operating grants, subsidies and contributions	394,629	(403,415)	0
Interest received	890,426	304,540	481,959
Goods and services tax received	52,253	28,408	9,492
Other revenue	22,939	18,088	22,380
	1,360,247	(52,379)	513,831
<b>Payments</b>			
Employee costs	(742,067)	(785,276)	(904,747)
Materials and contracts	(422,587)	(234,652)	(400,563)
Utility charges	(6,829)	0	(6,662)
Interest expenses	(1,423)	(928)	(90)
Insurance paid	(21,952)	(17,091)	(16,874)
Other expenditure	(171,255)	(155,951)	(171,005)
	(1,408,371)	(1,222,809)	(1,499,941)
<b>Net cash provided by (used in) operating activities</b>	4	(48,124)	(1,275,188)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant & equipment	5(a)	(5,000)	0
Proceeds from sale of property, plant and equipment	5(b)	0	55,000
<b>Net cash provided by (used in) investing activities</b>		(5,000)	55,000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Principal elements of lease payments	8	(33,577)	(35,659)
Proceeds on disposal of financial assets at amortised cost - term deposits		0	0
Payments for member contributions		(85,715,288)	(30,051,911)
Proceeds from member contributions		60,156,539	30,288,674
<b>Net cash provided by (used in) financing activities</b>		(25,592,326)	201,104
<b>Net increase (decrease) in cash held</b>		(25,645,450)	(1,019,084)
Cash at beginning of year		52,294,387	53,313,471
<b>Cash and cash equivalents at the end of the year</b>	4	<b>26,648,937</b>	<b>52,294,387</b>
		<b>11,486,338</b>	

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

**TAMALA PARK REGIONAL COUNCIL  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2022/23 Budget	2021/22 Actual	2021/22 Budget
		\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
<b>Net current assets at start of financial year - surplus/(deficit)</b>	3	52,899,172	53,268,677	53,268,677
		52,899,172	53,268,677	53,268,677
<b>Revenue from operating activities (excluding rates)</b>				
Interest earnings	12(a)	890,426	304,540	337,115
Other revenue	12(b)	22,939	18,088	22,380
Profit on asset disposals	5(b)	0	0	5,312
		913,365	322,628	364,807
<b>Expenditure from operating activities</b>				
Employee costs		(737,937)	(532,795)	(648,534)
Materials and contracts		(380,310)	(253,768)	(338,763)
Utility charges		(6,829)	0	(6,662)
Depreciation on non-current assets	6	(43,510)	(44,820)	(31,227)
Interest expenses	12(d)	(1,423)	(928)	(90)
Insurance expenses		(21,952)	(17,091)	(16,874)
Other expenditure		(171,255)	(155,951)	(171,005)
Loss on asset disposals	5(b)	0	(1,744)	0
		(1,363,216)	(1,007,097)	(1,213,155)
Non-cash amounts excluded from operating activities	3(b)	43,510	58,860	25,915
<b>Amount attributable to operating activities</b>		52,492,831	52,643,068	52,446,244
<b>INVESTING ACTIVITIES</b>				
Payments for property, plant and equipment	5(a)	(5,000)	0	(5,000)
Proceeds from disposal of assets	5(b)	0	55,000	60,500
<b>Amount attributable to investing activities</b>		(5,000)	55,000	55,500
<b>Amount attributable to investing activities</b>		(5,000)	55,000	55,500
<b>FINANCING ACTIVITIES</b>				
Principal elements of finance lease payments	8	(33,577)	(35,659)	(20,878)
Payments for member contributions		(85,715,288)	(30,051,911)	(58,619,148)
Proceeds from member contributions		60,156,539	30,288,674	34,575,138
<b>Amount attributable to financing activities</b>		(25,992,326)	201,104	(24,064,888)
<b>Budgeted deficiency before general rates</b>		26,895,505	52,899,172	28,436,856
<b>Estimated amount to be raised from general rates</b>	2(a)	0	0	0
<b>Net current assets at end of financial year - surplus/(deficit)</b>	3	26,895,505	52,899,172	28,436,856

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

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**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2023**

**1 (a) BASIS OF PREPARATION**

The annual budget has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is 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 Tamala Park Regional Council to measure any vested improvements at zero.

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 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.

Financial reporting disclosures in relation to assets and liabilities required by the Australian Accounting Standards have not been made unless considered important for the understanding of the budget or required by legislation.

**The local government reporting entity**

All funds through which the Tamala Park Regional Council controls resources to carry on its functions have been included in the financial statements forming part of this 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 financial statements. A separate statement of those monies appears at Note 14 to the annual budget.

**2021/22 actual balances**

Balances shown in this budget as 2021/22 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.

**Initial application of accounting standards**

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

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date

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 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

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

**Rounding off figures**

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

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2023**

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

**REVENUES**

**PROFIT ON ASSET DISPOSAL**

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

**OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS**

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

**NON-OPERATING 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 can not be classified under the above headings, includes dividends, discounts, and rebates. Reimbursements and recoveries should be separated by note to ensure the correct calculation of ratios.

**EXPENSES**

**EMPLOYEE COSTS**

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

**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, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

**UTILITIES (GAS, ELECTRICITY, WATER, ETC.)**

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

**INSURANCE**

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

**LOSS ON ASSET DISPOSAL**

Loss on the disposal of fixed assets includes loss on disposal of long term investments.

**DEPRECIATION ON NON-CURRENT ASSETS**

Depreciation and amortisation expense raised on all classes of assets.

**INTEREST EXPENSES**

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

**OTHER EXPENDITURE**

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

**1 (c) 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 Tamala Park Regional Council's Community Vision, and for each of its broad activities/programs.

**OBJECTIVE**

**ACTIVITIES**

**Governance**

To provide good governance to the Regional Council	Member of Council Allowances and Reimbursements, and Administration Expenses.
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**General purpose funding**

To collect interest on investmentss	Interest revenue
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**Other property and services**

To monitor and control Councils overheads on operating accounts	Other Unclassified Activities.
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**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2023**

**3. NET CURRENT ASSETS**

	2022/23 Budget 30 June 2023	2021/22 Actual 30 June 2022	2021/22 Budget 30 June 2022
Note	\$	\$	\$
<b>(a) Composition of estimated net current assets</b>			
<b>Current assets</b>			
Cash and cash equivalents - unrestricted	4	26,648,937	73,294,387
Cash and cash equivalents - restricted	4	0	(21,000,000)
Financial assets - restricted	4	0	17,000,000
Receivables		350,000	754,624
Other current assets		10,000	27,600
		27,008,937	53,076,611
<b>Less: current liabilities</b>			
Trade and other payables		(91,644)	(155,651)
Lease liabilities	8	(33,577)	(33,577)
Employee provisions		(21,788)	(21,788)
		(147,009)	(211,016)
<b>Net current assets</b>		26,861,928	52,865,595
<b>Less: Total adjustments to net current assets</b>	3.(c)	33,577	33,577
<b>Net current assets used in the Rate Setting Statement</b>		26,895,505	52,899,172

**3. 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 Rate Setting Statement in accordance with *Financial Management Regulation 32*.

	2022/23 Budget 30 June 2023	2021/22 Actual 30 June 2022	2021/22 Budget 30 June 2022
Note	\$	\$	\$
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	5(b)	0	0
Add: Loss on disposal of assets	5(b)	0	(5,312)
Add: Depreciation on assets	6	1,744	0
Movement in non-current employee provisions		43,510	44,820
		0	12,296
<b>Non cash amounts excluded from operating activities</b>		43,510	58,860

**(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 Rate Setting Statement 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		0	
- Current portion of lease liabilities		33,577	33,577
<b>Total adjustments to net current assets</b>		33,577	33,577

**3 (d) NET CURRENT ASSETS (CONTINUED)**

**SIGNIFICANT ACCOUNTING POLICIES**

**CURRENT AND NON-CURRENT CLASSIFICATION**

An asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Tamala Park Regional Council's operational cycle. In the case of liabilities where the Tamala Park Regional Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Tamala Park 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 Tamala Park Regional Council prior to the end of the financial year that are unpaid and arise when the Tamala Park 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.

**PREPAID RATES**

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Tamala Park Regional Council recognises revenue for the prepaid rates that have not been refunded.

**INVENTORIES**

**General**

Inventories are measured 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.

**Superannuation**

The Tamala Park Regional Council contributes to a number of superannuation funds on behalf of employees.

All funds to which the Tamala Park 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.

**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 goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Trade receivables are held with the objective to collect the contractual cashflows and therefore 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 Tamala Park Regional Council applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables.

**PROVISIONS**

Provisions are recognised when the Tamala Park 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 Tamala Park 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 Tamala Park 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 statement of financial position. The Tamala Park Regional Council's obligations to employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

#### 4. 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	2022/23 Budget	2021/22 Actual	2021/22 Budget
Cash at bank and on hand		\$ 10,138,957	\$ 10,225,658	\$ 3,486,338
Term deposits		16,509,980	42,068,729	8,000,000
<b>Total cash and cash equivalents</b>		<b>26,648,937</b>	<b>52,294,387</b>	<b>11,486,338</b>
Held as				
- Unrestricted cash and cash equivalents	3(a)	26,648,937	52,294,387	11,486,338
		26,648,937	52,294,387	11,486,338
<b>Restrictions</b>				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents		0	(21,000,000)	0
		0	(21,000,000)	0
		0	0	0
<b>Reconciliation of net cash provided by operating activities to net result</b>				
<b>Net result</b>		(449,851)	(684,469)	(848,348)
Depreciation	6	43,510	44,820	31,227
(Profit)/loss on sale of asset	5(b)	0	1,744	(5,312)
Share of profit or (loss) of associates accounted for using the equity method		0	0	0
(Increase)/decrease in receivables		422,224	(427,523)	154,336
Increase/(decrease) in payables		(64,007)	39,370	(79,281)
Increase/(decrease) in employee provisions		0	(249,130)	(238,732)
<b>Net cash from operating activities</b>		<b>(48,124)</b>	<b>(1,275,188)</b>	<b>(986,110)</b>

#### SIGNIFICANT 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 Tamala Park 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.

## 5. FIXED ASSETS

### (a) Acquisition of Assets

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

#### Reporting program

Asset class	Other property and services	2022/23 Budget total	2021/22 Actual total	2021/22 Budget total
	\$	\$	\$	\$
<i>Property, Plant and Equipment</i>				
Furniture and equipment	5,000	5,000	0	5,000
	5,000	5,000	0	5,000
<i>Right of use assets</i>				
Right of use - buildings	0	0	101,863	0
	0	0	101,863	0
<b>Total acquisitions</b>	5,000	5,000	101,863	5,000

### SIGNIFICANT 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.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2023**

**5. FIXED ASSETS**

**(b) Disposals of Assets**

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

	2022/23 Budget Net Book Value	2022/23 Budget Sale Proceeds	2022/23 Budget Profit	2022/23 Budget Loss	2021/22 Actual Net Book Value	2021/22 Actual Sale Proceeds	2021/22 Actual Profit	2021/22 Actual Loss	2021/22 Budget Net Book Value	2021/22 Budget Sale Proceeds	2021/22 Budget Profit	2021/22 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>By Program</b>												
Other property and services	0	0	0	0	56,744	55,000	0	(1,744)	55,188	60,500	5,312	0
	0	0	0	0	56,744	55,000	0	(1,744)	55,188	60,500	5,312	0
<b>By Class</b>												
<i>Property, Plant and Equipment</i>												
Plant and equipment	0	0	0	0	56,744	55,000		(1,744)	55,188	60,500	5,312	0
	0	0	0	0	56,744	55,000	0	(1,744)	55,188	60,500	5,312	0

**SIGNIFICANT ACCOUNTING POLICIES**

**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.

**6. ASSET DEPRECIATION**

**By Program**

Other property and services

**By Class**

Improvements to Leasehold Property

Plant and equipment

Right of use - buildings

<b>2022/23 Budget</b>	<b>2021/22 Actual</b>	<b>2021/22 Budget</b>
\$	\$	\$
43,510	44,820	31,227
<b>43,510</b>	<b>44,820</b>	<b>31,227</b>
9,555	9,555	9,557
0	0	1,556
33,955	35,265	20,114
<b>43,510</b>	<b>44,820</b>	<b>31,227</b>

**SIGNIFICANT 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:

Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Right of use - buildings	Based on the remaining lease term

**AMORTISATION**

The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The assets residual value of intangible assets is considered to be zero and useful live and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2023**

**7. INFORMATION ON BORROWINGS**

**(a) Borrowing repayments**

The Tamala Park Regional Council has not budgeted to have any borrowings for the year ended 30th June 2023 and did not have or budget to have any borrowings for the year ended 30th June 2022

7. INFORMATION ON BORROWINGS

(b) Credit Facilities

	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
<b>Undrawn borrowing facilities credit standby arrangements</b>			
Credit card limit	10,000	10,000	10,000
Credit card balance at balance date	0	(1,823)	0
<b>Total amount of credit unused</b>	10,000	8,177	10,000



**TAMALA PARK REGIONAL COUNCIL  
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**8. LEASE LIABILITIES**

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2022/23 Budget	2022/23 Budget Lease	Budget Lease	2022/23 Budget Lease	Actual	2021/22 Actual	2021/22 Actual	Actual	2021/22 Actual	Budget	2021/22 Budget	2021/22 Budget	Budget Lease	2021/22 Budget Lease
					Principal	New Leases	Principal	outstanding	Principal	New Leases	Principal	outstanding	Principal	New Leases	Principal	outstanding	Principal	New Leases	Principal
					1 July 2022			30 June 2023		1 July 2021			30 June 2022		1 July 2021		30 June 2022		
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Other property and services</b>																			
Unit 2 369 Scarborough Beach Road, Innaloo	STIRLI/170672	City of Stirling	2.00%	36	87,082	0	(33,577)	53,505	(1,423)	20,878	101,863	(35,659)	87,082	(928)	20,878	0	(20,878)	0	(90)
					87,082	0	(33,577)	53,505	(1,423)	20,878	101,863	(35,659)	87,082	(928)	20,878	0	(20,878)	0	(90)

**SIGNIFICANT ACCOUNTING POLICIES**

**LEASES**

At the inception of a contract, the Tamala Park 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 Tamala Park 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.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2023**

**10. REVENUE RECOGNITION**

**SIGNIFICANT ACCOUNTING POLICIES**

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

<b>Revenue Category</b>	<b>Nature of goods and services</b>	<b>When obligations typically satisfied</b>	<b>Payment terms</b>	<b>Returns/Refunds/Warranties</b>	<b>Determination of transaction price</b>	<b>Allocating transaction price</b>	<b>Measuring obligations for returns</b>	<b>Revenue recognition</b>
Commissions	Commissions on investments	Over time	Payment in full in arrears	None	Set by mutual agreement with the provider of service	On receipt of funds	Not applicable	When assets are controlled
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

## 11. PROGRAM INFORMATION

Income and expenses	2022/23 Budget	2021/22 Actual	2021/22 Budget
<b>Income excluding grants, subsidies and contributions</b>	\$	\$	\$
General purpose funding	890,426	304,540	337,115
Other property and services	22,939	18,088	27,692
	<u>913,365</u>	<u>322,628</u>	<u>364,807</u>
<b>Total Income</b>	913,365	322,628	364,807
<b>Expenses</b>			
Governance	(171,255)	(158,486)	(171,005)
Other property and services	(1,191,961)	(848,611)	(1,042,150)
<b>Total expenses</b>	<u>(1,363,216)</u>	<u>(1,007,097)</u>	<u>(1,213,155)</u>
<b>Net result for the period</b>	<u>(449,851)</u>	<u>(684,469)</u>	<u>(848,348)</u>

## 12. OTHER INFORMATION

	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
<b>The net result includes as revenues</b>			
<b>(a) Interest earnings</b>			
Investments			
- Other funds	890,426	304,540	337,115
	890,426	304,540	337,115
<b>(b) Other revenue</b>			
Reimbursements and recoveries	22,939	18,088	22,380
	22,939	18,088	22,380
<b>The net result includes as expenses</b>			
<b>(c) Auditors remuneration</b>			
Audit services	30,750	30,000	30,000
	30,750	30,000	30,000
<b>(d) Interest expenses (finance costs)</b>			
Interest expense on lease liabilities	1,423	928	90
	1,423	928	90

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2023**

**13. MEMBERS REMUNERATION**

	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
<b>Member - Cr Bianca Sandri</b>			
Chairperson's allowance	20,565	10,157	0
Meeting attendance fees	16,235	13,299	10,824
	<u>36,800</u>	<u>23,456</u>	<u>10,824</u>
<b>Member - Cr Suzanne Migdale</b>			
Deputy Chairperson's allowance	5,141	2,539	0
Meeting attendance fees	10,824	10,626	10,824
	<u>15,965</u>	<u>13,165</u>	<u>10,824</u>
<b>Member - Cr John Chester</b>			
Meeting attendance fees	10,824	10,626	10,824
	<u>10,824</u>	<u>10,626</u>	<u>10,824</u>
<b>Member - Cr Jane Cutler</b>			
Meeting attendance fees	10,824	1,413	0
	<u>10,824</u>	<u>1,413</u>	<u>0</u>
<b>Member - Cr Brent Fleeton</b>			
Meeting attendance fees	10,824	10,626	10,824
	<u>10,824</u>	<u>10,626</u>	<u>10,824</u>
<b>Member - Cr David Lagan</b>			
Meeting attendance fees	0	5,280	10,824
	<u>0</u>	<u>5,280</u>	<u>10,824</u>
<b>Member - Cr Bronwyn Ife</b>			
Meeting attendance fees	10,824	5,346	0
	<u>10,824</u>	<u>5,346</u>	<u>0</u>
<b>Member - Cr Nige Jones</b>			
Meeting attendance fees	10,824	5,346	0
	<u>10,824</u>	<u>5,346</u>	<u>0</u>
<b>Member - Cr Tony Krsticevic</b>			
Meeting attendance fees	10,824	5,346	0
	<u>10,824</u>	<u>5,346</u>	<u>0</u>
<b>Member - Cr Glynis Parker</b>			
Meeting attendance fees	10,824	5,346	0
	<u>10,824</u>	<u>5,346</u>	<u>0</u>
<b>Member - Cr Philppa Taylor</b>			
Meeting attendance fees	0	5,280	10,824
	<u>0</u>	<u>5,280</u>	<u>10,824</u>
<b>Member - Cr Karlo Perkov</b>			
Meeting attendance fees	10,824	5,346	0
	<u>10,824</u>	<u>5,346</u>	<u>0</u>
<b>Member - Cr Brett Treby</b>			
Meeting attendance fees	10,824	10,626	0
	<u>10,824</u>	<u>10,626</u>	<u>0</u>
<b>Member - Cr Ashley Wallace</b>			
Meeting attendance fees	10,824	5,346	10,824
	<u>10,824</u>	<u>5,346</u>	<u>10,824</u>
<b>Member - Cr Karen Caddy</b>			
Chairperson's allowance	0	10,032	20,565
Meeting attendance fees	0	7,919	16,235
	<u>0</u>	<u>17,951</u>	<u>36,800</u>
<b>Member - Cr Clairs Anderson</b>			
Meeting attendance fees	0	5,280	10,824
	<u>0</u>	<u>5,280</u>	<u>10,824</u>
<b>Member - Cr Joanne Fotakis</b>			
Meeting attendance fees	0	5,280	10,824
	<u>0</u>	<u>5,280</u>	<u>10,824</u>
<b>Member - Cr Andres Timmermanis</b>			
Deputy Chairperson's allowance	0	2,508	5,141
Meeting attendance fees	0	9,213	10,824
	<u>0</u>	<u>11,721</u>	<u>15,965</u>
<b>Member - Cr Domenic Zappa</b>			
Meeting attendance fees	0	5,280	10,824
	<u>0</u>	<u>5,280</u>	<u>10,824</u>
<b>Total Member Remuneration</b>	<u>161,005</u>	<u>158,060</u>	<u>161,005</u>
Chairperson's allowance	20,565	20,189	20,565
Deputy Chairperson's allowance	5,141	5,047	5,141
Meeting attendance fees	135,299	132,824	135,299
	<u>161,005</u>	<u>158,060</u>	<u>161,005</u>

#### 14. MAJOR LAND TRANSACTIONS

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

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

##### (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	2022/23 Budget	2021/22 Actual	2021/22 Budget
	\$	\$	\$
<b>Operating revenue</b>			
Income Sale of Lots - Subdivision	60,156,539	30,288,674	34,575,138
<b>Capital expenditure</b>			
Land Development Costs	5(a) (54,129,441)	(15,551,141)	(40,605,848)
Consultancy Fees	(516,456)	(252,232)	(433,863)
Sales and Marketing	(540,000)	(145,114)	(400,000)
Selling Expenses	(5,792,184)	(1,678,551)	(4,244,632)
Other	(86,000)	(44,556)	(130,000)
	(907,542)	12,617,080	(11,239,205)

##### (c) Expected future cash flows

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	\$	\$	\$	\$	\$	\$
<b>Cash outflows</b>						
Development Costs - Subdivision	(61,064,081)	(39,019,864)	(27,971,684)	(25,493,401)	(35,109,238)	(188,658,268)
	(61,064,081)	(39,019,864)	(27,971,684)	(25,493,401)	(35,109,238)	(188,658,268)
<b>Cash Inflows</b>						
Income Sale of Lots - Subdivision	60,156,539	68,588,855	45,258,782	36,886,931	38,141,444	249,032,551
	60,156,539	68,588,855	45,258,782	36,886,931	38,141,444	249,032,551
<b>Net cash flows</b>	(907,542)	29,568,991	17,287,098	11,393,530	3,032,206	60,374,283