

**TOWN OF EAST FREMANTLE**  
**BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**TABLE OF CONTENTS**

	Page
Operating Statement By Nature or Type	1
Operating Statement By Program	2
Statement of Cash Flows	3
Rate Setting Statement	4
Notes to and Forming Part of the Budget	5 to 23

**TOWN OF EAST FREMANTLE**

**INCOME STATEMENT**

**BY NATURE OR TYPE**

**FOR THE YEAR ENDED 30TH JUNE 2008**

	NOTE	2007/08 Budget \$	2006/07 Actual \$	2006/07 Budget \$
<b>REVENUES FROM ORDINARY ACTIVITIES</b>				
Rates	8	4,085,220	3,821,346	3,805,097
Grants and Subsidies		734,716	701,720	664,816
Contributions Reimbursements and Donations		64,324	78,879	67,432
Fees and Charges	11	927,712	1,080,611	814,344
Interest Earnings	2(a)	147,804	190,346	132,804
Other Revenue		<u>188,690</u>	<u>30,821</u>	<u>152,180</u>
		6,148,466	5,903,723	5,636,673
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>				
Employee Costs		(2,072,077)	(1,882,203)	(1,919,779)
Materials and Contracts		(2,834,375)	(2,505,816)	(2,772,342)
Utilities		(223,643)	(236,435)	(253,062)
Depreciation	2(a)	(643,428)	(596,342)	(633,042)
Interest Expenses	2(a)	(62,887)	(71,518)	(71,519)
Insurance		(197,156)	(146,408)	(151,549)
Other Expenditure		<u>(79,700)</u>	<u>(104,785)</u>	<u>(77,850)</u>
		(6,113,266)	(5,543,507)	(5,879,143)
		35,200	360,216	(242,470)
Grants and Subsidies - Non-operating		374,799	48,629	181,467
Contributions - Non-operating		0	0	4,500
Profit on Asset Disposals	4	18,488	12,268	19,194
Loss on Asset Disposals	4	<u>(6,764)</u>	<u>(1,482)</u>	<u>0</u>
<b>NET RESULT</b>		<b><u>421,723</u></b>	<b><u>419,631</u></b>	<b><u>(37,309)</u></b>

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 2008**

	NOTE	2007/08 Budget \$	2006/07 Actual \$	2006/07 Budget \$
<b>OPERATING REVENUES (Refer Notes 1,2,8 to 13)</b>				
Governance		18,200	32,328	18,200
General Purpose Funding		4,459,143	4,230,267	4,157,401
Law, Order, Public Safety		18,260	17,433	17,760
Health		1,440	2,108	1,740
Education and Welfare		565,804	524,572	487,695
Housing		47,370	44,170	42,000
Community Amenities		294,827	276,417	279,500
Recreation and Culture		194,829	170,526	172,913
Transport		259,700	280,097	209,900
Economic Services		147,130	239,842	117,130
Other Property and Services		141,863	87,445	101,789
		<u>6,148,566</u>	<u>5,905,205</u>	<u>5,606,028</u>
<b>OPERATING EXPENSES (Refer Notes 1,2 &amp; 14)</b>				
Governance		(482,886)	(602,923)	(465,693)
General Purpose Funding		(183,456)	(163,212)	(175,715)
Law, Order, Public Safety		(129,751)	(103,809)	(113,920)
Health		(99,502)	(79,807)	(96,827)
Education and Welfare		(638,857)	(586,205)	(554,087)
Housing		(30,914)	(31,520)	(30,356)
Community Amenities		(1,478,901)	(1,432,276)	(1,588,125)
Recreation & Culture		(1,255,642)	(975,236)	(1,160,843)
Transport		(1,423,919)	(1,144,519)	(1,297,203)
Economic Services		(145,220)	(178,913)	(142,504)
Other Property and Services		(181,331)	(175,051)	(151,706)
		<u>(6,050,379)</u>	<u>(5,473,471)</u>	<u>(5,776,979)</u>
<b>BORROWING COSTS EXPENSE (Refer Notes 2 &amp; 5)</b>				
Governance		(11,442)	(12,517)	(12,517)
Community Amenities		(5,076)	(6,525)	(6,525)
Recreation & Culture		(14,784)	(17,181)	(17,181)
Transport		(31,585)	(35,295)	(35,295)
		<u>(62,887)</u>	<u>(71,518)</u>	<u>(71,519)</u>
<b>GRANTS/CONTRIBUTIONS FOR THE DEVELOPMENT OF ASSETS</b>				
Governance		0	0	0
Education & Welfare		0	48,629	0
Recreation & Culture		0	0	9,000
Transport		374,799	0	176,967
		<u>374,799</u>	<u>48,629</u>	<u>185,967</u>
<b>PROFIT/(LOSS) ON DISPOSAL OF ASSETS (Refer Note 4)</b>				
Governance		(6,764)	1,050	4,486
Health		0	2,521	863
Community Amenities		0	1,662	4,166
Recreation & Culture		0	0	1,069
Transport		17,558	5,553	8,610
Economic Services		930	0	0
		<u>11,724</u>	<u>10,786</u>	<u>19,194</u>
<b>NET RESULT</b>		<u><b>421,823</b></u>	<u><b>419,631</b></u>	<u><b>(37,309)</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 2008**

	NOTE	2007/08 Budget \$	2006/07 Actual \$	2006/07 Budget \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		4,085,220	3,821,346	3,805,097
Grants and Subsidies - operating		734,716	701,720	664,816
Contributions, Reimbursements & Donations		64,324	78,879	67,432
Fees and Charges		927,712	1,080,611	814,344
Interest Earnings		147,804	190,346	132,804
Other		188,690	30,821	152,180
		<u>6,148,466</u>	<u>5,903,723</u>	<u>5,636,673</u>
<b>Payments</b>				
Employee Costs		(2,072,077)	(1,882,203)	(1,919,779)
Materials and Contracts		(2,834,375)	(2,505,816)	(2,772,342)
Utilities (gas, electricity, water, etc)		(223,643)	(236,435)	(253,062)
Insurance		(197,156)	(146,408)	(151,549)
Interest		(62,887)	(71,518)	(71,519)
Other		(79,700)	(104,785)	(77,850)
		<u>(5,469,838)</u>	<u>(4,947,165)</u>	<u>(5,246,101)</u>
<b>Net Cash Provided By Operating Activities</b>	15(b)	<u>678,628</u>	<u>956,558</u>	<u>390,572</u>
<b>Cash Flows from Investing Activities</b>				
Payments for Purchase of Property, Plant & Equipment	3	(361,701)	(368,804)	(527,300)
Payments for Construction of Infrastructure	3	(1,413,750)	(441,285)	(920,250)
Grants/Contributions for the Development of Assets		374,799	48,629	185,967
Proceeds from Sale of Plant & Equipment	4	80,000	79,217	115,000
<b>Net Cash Used in Investing Activities</b>		<u>(1,320,652)</u>	<u>(682,243)</u>	<u>(1,146,583)</u>
<b>Cash Flows from Financing Activities</b>				
Repayment of Debentures	5	(134,873)	(132,243)	(131,843)
Proceeds from Self Supporting Loans		13,615	0	13,616
Proceeds from New Debentures	5	0	0	0
<b>Net Cash Provided By (Used In) Financing Activities</b>		<u>(121,258)</u>	<u>(132,243)</u>	<u>(118,227)</u>
<b>Net Increase (Decrease) in Cash Held</b>		(763,282)	719,801	(874,238)
Cash at Beginning of Year		2,248,860	1,529,059	1,874,775
<b>Cash at End of Year</b>	15(a)	<u><u>1,485,578</u></u>	<u><u>2,248,860</u></u>	<u><u>1,000,537</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 2008**

	NOTE	2007/08 Budget \$	2006/07 Actual \$	2006/07 Budget \$
<b>REVENUES</b>	1,2			
Governance		18,200	33,378	22,686
General Purpose Funding		373,923	408,921	352,304
Law, Order, Public Safety		18,260	17,433	17,760
Health		1,440	4,629	2,603
Education and Welfare		565,804	573,201	487,695
Housing		47,370	44,170	42,000
Community Amenities		294,827	278,079	283,666
Recreation and Culture		194,829	170,526	182,982
Transport		652,057	285,649	395,477
Economic Services		148,060	239,842	117,130
Other Property and Services		141,863	87,445	101,789
		<u>2,456,633</u>	<u>2,143,273</u>	<u>2,006,093</u>
<b>EXPENSES</b>	1,2			
Governance		(501,092)	(615,440)	(478,210)
General Purpose Funding		(183,456)	(163,212)	(175,715)
Law, Order, Public Safety		(129,751)	(103,809)	(113,920)
Health		(99,502)	(79,807)	(96,827)
Education and Welfare		(638,857)	(586,205)	(554,087)
Housing		(30,914)	(31,520)	(30,356)
Community Amenities		(1,483,977)	(1,438,801)	(1,594,650)
Recreation & Culture		(1,270,426)	(992,417)	(1,178,024)
Transport		(1,455,504)	(1,179,813)	(1,332,498)
Economic Services		(145,220)	(178,913)	(142,504)
Other Property and Services		(181,331)	(175,051)	(151,707)
		<u>(6,120,030)</u>	<u>(5,544,988)</u>	<u>(5,848,499)</u>
<b>Adjustments for Cash Budget Requirements:</b>				
<b>Non-Cash Expenditure and Revenue</b>				
(Profit)/Loss on Asset Disposals	4	(11,724)	(10,786)	(19,194)
Depreciation on Assets	2(a)	643,428	596,342	633,042
<b>Capital Expenditure and Revenue</b>				
Purchase Land and Buildings	3	(124,701)	(187,310)	(257,500)
Purchase Infrastructure Assets	3	(1,413,750)	(441,285)	(920,250)
Purchase Plant and Equipment	3	(200,000)	(147,683)	(232,800)
Purchase Furniture and Equipment	3	(37,000)	(33,811)	(37,000)
Proceeds from Disposal of Assets	4	80,000	79,217	115,000
Repayment of Debentures	5	(134,873)	(132,243)	(131,843)
Proceeds from New Debentures	5	0	0	0
Self-Supporting Loan Principal Income		13,615	0	13,615
Transfers to Reserves (Restricted Assets)	6	(123,704)	(29,102)	(208,368)
Transfers to Trust (EF Tennis Club)		(3,600)	0	(3,600)
Transfers from Reserves (Restricted Assets)	6	81,000	104,973	494,664
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	7	809,486	591,543	591,543
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	7	0	809,486	0
<b>Amount Req'd to be Raised from Rates</b>	8	<u><b>(4,085,220)</b></u>	<u><b>(3,821,346)</b></u>	<u><b>(3,801,497)</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 2008**

**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, other mandatory professional reporting requirements and 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.

All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 16 to this budget.

**(c) 2006/07 Actual Balances**

Balances shown in this budget as 2006/07 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) Superannuation**

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

**(h) Investments**

All investments are valued at cost and interest on those investments is recognised when accrued.

**(i) Fixed Assets**

Property, plant and equipment and infrastructure assets are brought to account at cost or fair value less, where applicable, any accumulated depreciation, amortisation or impairment losses.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

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

**(j) Impairment**

In accordance with Australian Accounting Standards the Town'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.

At the time of adopting the budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2008.

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

**(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
Infrastrucutre	Various
Mobile Equipment	5 years
Electronic Equipment	5 years
Tools	5 years



**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

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

**(l) Land Held for Resale**

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

**(m) 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 provision for employees' benefits for annual leave and long service leave expected to be settled more than 12 months from the reporting date represents the present value of the estimated future cash outflows to be made by the employer resulting from the employees service to balance date.

TOWN OF EAST FREMANTLE

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

2. REVENUES AND EXPENSES	2007/08 Budget \$	2006/07 Actual \$	2006/07 Budget \$
<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	58,336	49,796	58,336
General Purpose Funding	0	0	0
Law, Order, Public Safety	835	1,560	835
Health	1,258	1,154	1,258
Education and Welfare	29,138	26,463	28,899
Housing	8,754	8,039	8,754
Community Amenities	37,372	43,514	37,372
Recreation and Culture	228,005	213,990	228,005
Transport	175,615	166,944	175,615
Economic Services	0	0	0
Other Property and Services	104,115	84,881	93,968
	<u>643,428</u>	<u>596,341</u>	<u>633,042</u>
<b><u>By Class</u></b>			
Land and Buildings	235,000	242,462	235,000
Furniture and Equipment	18,000	17,377	18,000
Plant and Equipment	145,386	119,317	135,000
Infrastructure	245,042	217,187	245,042
	<u>643,428</u>	<u>596,343</u>	<u>633,042</u>
<b>Borrowing Costs (Interest)</b>			
- Finance Lease Charges	0	0	0
- Debentures ( <i>refer note 5(a)</i> )	62,887	0	71,519
	<u>62,887</u>	<u>0</u>	<u>71,519</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	13,704	26,649	13,704
- Other Funds	110,000	134,498	95,000
Other Interest Revenue ( <i>refer note 13</i> )	24,100	20,266	24,100
	<u>147,804</u>	<u>181,413</u>	<u>132,804</u>

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

**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 2008**

**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 and operation costs and depot maintenance.

**TOWN OF EAST FREMANTLE  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2008**

<b>3. ACQUISITION OF ASSETS</b>	<b>2007/08 Budget \$</b>
The following assets are budgeted to be acquired during the year:	
<b><u>By Program</u></b>	
<b>Governance</b>	
Plant & Equipment	69,000
Furniture & Equipment	37,000
 <b>Community Amenities</b>	
Infrastructure	993,192
Buildings	79,701
 <b>Recreation and Culture</b>	
Plant & Equipment	68,000
Buildings	4,500
Infrastructure	70,200
 <b>Transport</b>	
Plant & Equipment	42,000
Infrastructure	390,858
 <b>Economic Services</b>	
Plant & Equipment	21,000
	<u>1,775,451</u>
 <b><u>By Class</u></b>	
Land and Buildings	124,701
Infrastructure Assets	1,413,750
Plant and Equipment	200,000
Furniture and Equipment	37,000
	<u>1,775,451</u>

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 2008**

**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>Program</b>	<b>Asset</b>	<b>2007/08 BUDGET</b>	<b>2007/08 BUDGET</b>	<b>2007/08 BUDGET</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Governance</b>				
	CEO's Ford Fairlane 1BUS159 (cfwd)	34,008	28,000	(6,008)
	EMFA Ford Falcon 1CDI381	14,756	14,000	(756)
<b>Economic Services</b>				
	BS Toyota Camry	13,070	14,000	930
<b>Recreation &amp; Culture</b>				
	Isuzu Mower 1BFK342	0	0	0
<b>Transport</b>				
	Toyota Dual Cab Utility 1BFM099 (cfwd)	0	12,000	12,000
	Ford Courier Utility 1BRM938 (cfwd)	6,442	12,000	5,558
		68,276	80,000	11,724

<b>By Class</b>	<b>Net Book Value</b>	<b>Sale Proceeds</b>	<b>Profit(Loss)</b>
	<b>2007/08 BUDGET</b>	<b>2007/08 BUDGET</b>	<b>2007/08 BUDGET</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Plant &amp; Equipment</b>			
As per above	68,276	80,000	11,724
	68,276	80,000	11,724

**Summary**

**2007/08  
BUDGET**  
\$

Profit on Asset Disposals	18,488
Loss on Asset Disposals	(6,764)
	11,724

**TOWN OF EAST FREMANTLE  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2008**

**5. INFORMATION ON BORROWINGS**

(a) Debenture Repayments

#	Particulars	Principal 2007/08	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments	
				2007/08 Budget \$	2006/07 Actual \$	2007/08 Budget \$	2006/07 Actual \$	2007/08 Budget \$	2006/07 Actual \$
	<b>Administration</b>								
179	Organisational Reform	164,846		15,931	14,946	148,915	179,702	11,442	12,428
	<b>Community Amenities</b>								
173	George Street Beautification	44,338		5,128	4,819	39,210	49,132	2,951	3,260
176	Recycling Bins	37,940		18,376	17,261	19,564	55,201	2,125	3,241
	<b>Recreation and Culture</b>								
165	East Fremantle Tennis Club *	5,414		5,414	10,294	0	15,708	187	908
167	East Fremantle Bowling Club *	27,236		3,528	3,322	23,708	30,557	1,614	1,820
169	Foreshore/Landscaping	82,763		9,573	8,995	73,190	91,713	5,508	6,086
171	Playground Equipment	47,293		5,470	5,140	41,823	52,407	3,147	3,478
175	Automatic Reticulation	65,028		7,522	7,068	57,506	72,060	4,328	4,782
	<b>Transport</b>								
168	Footpath Construction	88,675		10,257	9,638	78,418	98,264	5,902	6,521
170	Construction Works	40,199		4,650	4,369	35,549	44,546	2,675	2,956
174	Local Area Traffic Management	29,558		3,419	3,213	26,139	32,755	1,967	2,174
178	Road and Footpath Construction	98,908		9,559	8,967	89,349	107,821	6,865	7,457
182	Road and Footpath Construction	131,581		19,319	18,426	112,262	149,970	6,171	7,064
184	Road and Footpath Construction	140,261		16,727	15,785	123,534	156,046	8,005	8,947
		1,004,040	0	134,873	132,243	869,167	1,135,884	62,887	71,122

All debenture repayments are to be financed by general purpose revenue except Loans 165 & 167 which are self-supporting

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

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

(b) New Debentures - 2007/08

Council does not propose raising any new loans during 2007/08.

(c) Unspent Debentures

Council had no unspent debenture funds as at 30th June 2007 nor is it expected to have unspent debenture funds as at 30th June 2008.

(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 2007/08.



**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

	2007/08 Budget \$	2006/07 Actual \$	2006/07 Budget \$
<b>6. RESERVES</b>			
<b>Cash Backed Reserves</b>			
<b>(a) Specified Area Reserve</b>			
Opening Balance	0	1,644	1,644
Amount Set Aside / Transfer to Reserve	0	20	0
Amount Used / Transfer from Reserve	0	(1,664)	(1,644)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(b) Plant Replacement Reserve</b>			
Opening Balance	22,529	29	29
Amount Set Aside / Transfer to Reserve	60,073	22,500	52,500
Amount Used / Transfer from Reserve	(81,000)	0	(30,000)
	<u>1,602</u>	<u>22,529</u>	<u>22,529</u>
<b>(c) Staff Leave Reserve</b>			
Opening Balance	122,918	87,367	87,367
Amount Set Aside / Transfer to Reserve	5,874	35,551	33,805
Amount Used / Transfer from Reserve	0	0	0
	<u>128,792</u>	<u>122,918</u>	<u>121,172</u>
<b>(d) Office Reserve</b>			
Opening Balance	0	15,805	15,805
Amount Set Aside / Transfer to Reserve	0	195	0
Amount Used / Transfer from Reserve	0	(16,000)	(15,805)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(e) Town Planning Reserve</b>			
Opening Balance	0	15,545	1,545
Amount Set Aside / Transfer to Reserve	0	192	0
Amount Used / Transfer from Reserve	0	(15,737)	(1,545)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(f) Leeuwin Reserve</b>			
Opening Balance	0	28,188	28,188
Amount Set Aside / Transfer to Reserve	0	347	0
Amount Used / Transfer from Reserve	0	(28,535)	(28,188)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(g) Centennial Reserve</b>			
Opening Balance	0	2,691	2,691
Amount Set Aside / Transfer to Reserve	0	33	0
Amount Used / Transfer from Reserve	0	(2,724)	(2,691)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(h) ARC/ Legal Costs Reserve</b>			
Opening Balance	0	259,864	259,864
Amount Set Aside / Transfer to Reserve	0	0	0
Amount Used / Transfer from Reserve	0	(259,864)	(259,864)
	<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 2008

	2007/08 Budget \$	2006/07 Actual \$	2006/07 Budget \$
<b>6. RESERVES (Continued)</b>			
<b>(i) Long Service Leave Reserve</b>			
Opening Balance	0	28,613	28,613
Amount Set Aside / Transfer to Reserve	0	1,455	0
Amount Used / Transfer from Reserve	0	(30,068)	(28,613)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(j) Asbestos Removal Reserve</b>			
Opening Balance	0	7,142	7,142
Amount Set Aside / Transfer to Reserve	0	88	0
Amount Used / Transfer from Reserve	0	(7,230)	(7,142)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(k) General Reserve</b>			
Opening Balance	0	172	172
Amount Set Aside / Transfer to Reserve	0	2	0
Amount Used / Transfer from Reserve	0	(174)	(172)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>(l) Civic Buildings Reserve</b>			
Opening Balance	112,337	0	0
Amount Set Aside / Transfer to Reserve	57,757	159,008	122,063
Amount Used / Transfer from Reserve	0	(46,671)	(105,000)
	<u>170,094</u>	<u>112,337</u>	<u>17,063</u>
<b>Total Cash Backed Reserves</b>	<u><u>300,488</u></u>	<u><u>257,784</u></u>	<u><u>160,765</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 2008

6. RESERVES (Continued)	2007/08 Budget \$	2006/07 Actual \$	2006/07 Budget \$
<b>Summary of Transfers To Cash Backed Reserves</b>			
<b>Transfers to Reserves</b>			
Specified Area Reserve	0	20	0
Plant Replacement Reserve	60,073	22,500	52,500
Annual Leave Reserve	5,874	35,551	33,805
Office Reserve	0	195	0
Town Planning Reserve	0	192	0
Leeuwin Reserve	0	347	0
Centennial Reserve	0	33	0
ARC/ Legal Costs Reserve	0	0	0
Long Service Leave Reserve	0	1,455	0
Asbestos Removal Reserve	0	88	0
General Reserve- EFFC Lighting	0	2	0
Civi Buildings Reserve	57,757	159,008	122,063
	<u>123,704</u>	<u>219,391</u>	<u>208,368</u>
<b>Transfers from Reserves</b>			
Specified Area Reserve	0	(1,664)	(1,644)
Plant Replacement Reserve	(81,000)	0	(30,000)
Annual Leave Reserve	0	0	0
Office Reserve	0	(16,000)	(15,805)
Town Planning Reserve	0	(15,737)	(1,545)
Leeuwin Reserve	0	(28,535)	(28,188)
Centennial Reserve	0	(2,724)	(2,691)
ARC/ Legal Costs Reserve	0	(259,864)	(259,864)
Long Service Leave Reserve	0	(30,068)	(28,613)
Asbestos Removal Reserve	0	(7,230)	(7,142)
General Reserve- EFFC Lighting	0	(174)	(172)
Civi Buildings Reserve	0	(46,671)	(105,000)
	<u>(81,000)</u>	<u>(408,667)</u>	<u>(480,664)</u>
<b>Total Transfer to/(from) Reserves</b>	<u>42,704</u>	<u>(189,276)</u>	<u>(272,296)</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

**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 2008**

	<b>2007/08</b>	<b>2006/07</b>
	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>7. NET CURRENT ASSETS</b>		
<b>(a) Composition of Estimated Net Current Asset Position</b>		
<b>CURRENT ASSETS</b>		
Cash - Unrestricted	360,328	1,187,172
Cash - Restricted	1,125,250	1,061,688
Receivables	0	109,178
Inventories	0	0
	1,485,578	2,358,038
<b>LESS: CURRENT LIABILITIES</b>		
Payables and Provisions	0	(609,682)
NET CURRENT ASSET POSITION	1,485,578	1,748,356
Less: Cash - Restricted	(1,125,250)	(938,770)
ESTIMATED SURPLUS/(DEFICIENCY) C/FWD	<b>360,328</b>	<b>809,586</b>

The estimated surplus/(deficiency) c/fwd in the 2006/07 actual column represents the surplus (deficit) brought forward as at 1 July 2007.

The estimated surplus/(deficiency) c/fwd in the 2007/08 budget column represents the surplus (deficit) carried forward as at 30 June 2008.

**(b) Composition of Estimated Net Surplus Position as at 30 June 2007**

The following projects programmed for 2006/07 but not commenced/completed have been carried forward to 2007/08

<b>Account Name</b>	<b>Account Number</b>	<b>Amount</b>
		<b>\$</b>
East Fremantle Clubhouse works	E11623	4,500
Plympton Steps	E11634	22,000
Henry James Reserve Embankment	E11643	3,200
George St reconstruction	E12610	250,472
Footpath - Hubble St	E12617	17,800
Footpath - Locke Cr	E12618	1,250
Footpath - Chauncy St	E12619	9,900
Footpath - Hapgood St	E12620	11,100
Footpath - Dalgety St	E12624	30,736
Footpath - View Tce	E12627	1,800
Footpath - Pier St	E12628	14,800
Pier St - Limestone protection	E12683	50,000
Footpath - Riverside Rd	E12694	3,000
Dovenby House landscaping	E10626	45,712
East Fremantle Lacrosse Club fencing	E11651	9,000
Old Royal George Hotel Risk assessment	E14601	24,989
General Unspent Monies	Various	309,227
		<b>809,486</b>

**TOWN OF EAST FREMANTLE  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30TH JUNE 2008**

**8. RATING INFORMATION - 2007/08 FINANCIAL YEAR**

<u>RATE TYPE</u>	Rate in \$	Number of Properties	Rateable Value \$	2007/08 Budgeted Rate Revenue \$	2007/08 Budgeted Interim Rates \$	2007/08 Budgeted Back Rates \$	2007/08 Budgeted Total Revenue \$	2006/07 Actual \$
<b>Differential General Rate</b>								
Residential	9.4438	3,056	34,560,293	3,263,805	30,000		3,293,805	3,052,419
Commercial	12.0147	99	5,482,741	658,735			658,735	609,296
<b>Sub-Totals</b>		3,155	40,043,034	3,922,540	30,000	0	3,952,540	3,661,715
<b>Minimum Rates</b>	<b>Minimum \$</b>							
Residential	620	214	1,282,447	132,680			132,680	124,605
Commercial	775	0					0	0
<b>Sub-Totals</b>		214	1,282,447	132,680	0	0	132,680	124,605
Specified Area Rates (Refer note 9)							4,085,220	3,786,320
Discounts								
<b>Totals</b>							4,085,220	3,786,320

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 2007/08 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 2008**

**9. SPECIFIED AREA RATE - 2007/08 FINANCIAL YEAR**

No specified area rate has been levied for the 2007/08 year.

**10. SERVICE CHARGES - 2006/07 FINANCIAL YEAR - LOCAL GOVERNMENT ACT**

No service charges have been imposed for the 2007/08 year.

<b>11. FEES &amp; CHARGES REVENUE</b>	<b>2007/08 Budget \$</b>	<b>2006/07 Actual \$</b>
Governance	16,200	15,106
General Purpose Funding	44,500	44,555
Law, Order, Public Safety	2,200	9,436
Health	1,440	2,017
Education and Welfare	20,607	17,752
Housing	47,370	44,170
Community Amenities	294,827	275,229
Recreation & Culture	129,205	122,132
Transport	225,000	234,382
Economic Services	4,500	89,121
Other Property & Services	141,863	70,767
	<u><b>927,712</b></u>	<u><b>924,667</b></u>

**12. DISCOUNTS, CONCESSIONS, & WRITE-OFFS  
- 2007/08 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 2007.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30TH JUNE 2008**

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

	<b>2007/08 Budget \$</b>	<b>2006/07 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 - 12th September 2007.

Payment by two equal instalments by 12th September 2007 & 14th November 2007.

Payment by four equal instalments by 12th September 2007, 14th November 2007, 15th January 2008 & 18th March 2008.

<b>14. COUNCILLORS' REMUNERATION</b>	<b>2007/08 Budget \$</b>	<b>2006/07 Actual \$</b>
The following fees, expenses and allowances were paid to council members and/or the president.		
Councillor Meeting Fees	56,000	53,083
Mayoral Meeting Fees	14,000	14,000
Mayoral Allowance	12,000	12,000
Deputy Mayoral Allowance	3,000	3,000
Expenses Reimbursed	4,000	0
	<u>89,000</u>	<u>82,083</u>

TOWN OF EAST FREMANTLE

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30TH JUNE 2008

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:

	2007/08 Budget \$	2006/07 Actual \$	2006/07 Budget \$
Cash - Unrestricted	360,328	1,187,172	283,973
Cash - Restricted	1,125,250	1,061,688	716,564
	<u>1,485,578</u>	<u>2,248,860</u>	<u>1,000,537</u>

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

Specified Area Rates	0	0	0
Plant Replacement Reserve	1,602	22,530	22,529
Staff Leave Reserve	128,792	122,918	121,172
Office Reserve	0	0	0
Town Planning Reserve	0	0	0
Leeuwin Reserve	0	0	0
General Reserve	0	0	0
Centennial Reserve	0	0	0
Arts Recreation & Comm Reserve	0	0	0
Long Service Leave Reserve	0	0	0
Asbestos Removal Reserve	0	0	0
Civic Buildings Reserve	170,094	91,478	17,063
Trust Funds	415,000	407,223	230,000
Mooring Pens	59,000	59,200	38,800
Bonds	45,000	49,431	45,000
Footpath Deposits	305,762	308,908	242,000
	<u>1,125,250</u>	<u>1,061,688</u>	<u>716,564</u>

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

Net Result	421,723	419,631	(37,309)
Depreciation	643,428	596,342	633,042
(Profit)/Loss on Sale of Asset	(11,724)	(10,786)	(19,194)
(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	(374,799)	(48,629)	(185,967)
<b>Net Cash from Operating Activities</b>	<u>678,628</u>	<u>956,558</u>	<u>390,572</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 2008**

**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 2007/2008 Financial Year

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

There will be no major undertakings during the 2007/2008 Financial Year.