

Elliston

UNIFORM PRESENTATION OF FINANCES	2004-05 Actual \$'000	2005-06 Estimate \$'000	2006-07 Budget \$'000
Operating Revenue ^{(a) (g)}			
Rates - General & Other	1,150	1,243	1,233
Statutory Charges	18	20	55
User Charges	19	22	6
Grants & Subsidies	857	1,219	1,269
Interest	19	25	25
Reimbursements	48	44	81
Commercial Activity Revenue	-		
Other	55	23	1,126
Total Operating Revenue	2,165	2,596	3,795
less Operating Expenses ^{(b) (g)}			
Employee Costs	618	568	997
Contractual Services	270	686	700
Materials	239	479	299
Interest	18	9	23
Depreciation	431	475	509
Other	204	312	1,384
Total Operating Expenses	1,779	2,529	3,912
Operating Surplus / (Deficit) ^(c)	386	67	(117)
Less: Net Outlays on Non-financial Assets			
Capital Expenditure on Renewal / Replacement of Existing Assets and New / Upgraded Assets	581	538	470
less Proceeds from Sale of Assets	8		
less Depreciation	431	475	509
less Capital Grants and Monetary Contributions specifically for New and Upgraded Assets ^(d)	-		
Net Outlays on Non-financial Assets	142	63	(39)
Equals: Net Lending / (Borrowing) for Financial Year ^(e)	244	4	(78)
Net Financial Liabilities as at 30 June ^(f)	(180)	(184)	(106)

- (a) Operating revenue excludes book gains on disposal of assets. Operating revenue includes grants for all purposes, except grants specifically required to be spent on new assets or upgrading assets.
- (b) Operating expenses exclude book losses on revaluation and/or disposal of assets.
- (c) Operating Surplus / (Deficit) measures the extent to which operating revenue is or is not sufficient to meet all of the costs of providing council services, which include depreciation. Where an operating deficit exists, some costs being incurred in the current year are not being met by today's ratepayers.
- (d) Excludes the value of non-financial assets donated to the Council. Similarly, capital expenditure on assets excludes non-financial assets donated to the Council.
- (e) Net Lending / (Borrowing) equals Operating Surplus / (Deficit), less Net Outlays on Non-financial Assets. The Net Lending / (Borrowing) result is a measure of the Council's overall (i.e. Operating and Capital) budget on an accrual basis. The Net Lending / (Borrowing) result can be expected to fluctuate from year to year, given the lumpy nature of some capital expenditure. Achieving a zero result on the Net Lending / (Borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's revenues.
- (f) Net Financial Liabilities equal Total Liabilities less Financial Assets (being Cash, Investments, Receivables, Prepayments etc). The amount of Net Lending in any one year decreases the level of Net Financial Liabilities in the year by that amount. Conversely, the amount of Net Borrowing increases the level of Net Financial Liabilities.
- (g) Some individual revenue and expense items will need to be updated to take account of changes stemming from the introduction of Australian International Financial Reporting Standards.