

Goyder

UNIFORM PRESENTATION OF FINANCES	2004-05 Actual \$'000	2005-06 Estimate \$'000	2006-07 Budget \$'000
Operating Revenue ^{(a) (g)}			
Rates - General & Other	2,902	3,046	3,216
Statutory Charges	276	83	73
User Charges	324	319	314
Grants & Subsidies	2,936	3,957	3,953
Interest	44	41	36
Reimbursements	235	349	554
Commercial Activity Revenue	-	-	-
Other	312	65	73
Total Operating Revenue	7,030	7,859	8,218
less Operating Expenses ^{(b) (g)}			
Employee Costs	1,904	2,243	2,328
Contractual Services	945	1,282	1,489
Materials	1,286	1,303	1,549
Interest	111	107	177
Depreciation	1,932	1,932	2,067
Other	1,076	1,318	1,354
Total Operating Expenses	7,252	8,185	8,964
Operating Surplus / (Deficit) ^(c)	(223)	(326)	(746)
Less: Net Outlays on Non-financial Assets			
Capital Expenditure on Renewal / Replacement of Existing Assets and New / Upgraded Assets	1,325	1,140	2,160
less Proceeds from Sale of Assets	449	341	-
less Depreciation	1,932	1,932	2,067
less Grants and Contributions specifically for New / Upgraded Assets ^(d)	-	-	-
Net Outlays on Non-financial Assets	(1,056)	(1,133)	93
Equals: Net Lending / (Borrowing) for Financial Year ^(e)	833	807	(838)
Net Financial Liabilities as at 30 June ^(f)	769	(184)	654

- (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.