

TOWN OF CLAREMONT
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

LOCAL GOVERNMENT ACT 1995

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TOWN'S VISION

Claremont will develop as a harmonious cosmopolitan town creating opportunities for community wellbeing and business prosperity; whilst respecting and celebrating the past.

TOWN OF CLAREMONT
STATEMENT OF COMPREHENSIVE INCOME BY NATURE
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	2023/24 Budget	2022/23 Actual	2022/23 Budget
Revenue				
		\$	\$	\$
Rates	2(a)	16,739,741	15,813,285	15,569,830
Operating grants, subsidies and contributions	11	272,645	218,086	322,646
Fees and charges	14	3,884,165	3,937,835	4,071,858
Interest revenue	12(a)	868,172	722,411	530,550
Other revenue	12(b)	517,470	615,030	501,832
		22,282,193	21,306,647	20,996,716
Expenses				
Employee costs	15	(8,447,148)	(8,015,268)	(8,447,386)
Materials and contracts		(7,955,391)	(6,538,549)	(7,779,585)
Utility charges		(552,399)	(568,723)	(531,409)
Depreciation	6	(4,034,247)	(3,525,301)	(4,034,247)
Finance costs	12(d)	(226,940)	(258,838)	(255,918)
Insurance		(276,366)	(263,630)	(265,867)
Other expenditure		(1,296,747)	(958,697)	(417,118)
		(22,789,238)	(20,129,006)	(21,731,530)
		(507,045)	1,177,641	(734,814)
Capital grants, subsidies and contributions	11	462,000	163,150	223,000
Profit on asset disposals	5	29,919	95,903	28,828
Loss on asset disposals		(10,037)	0	0
		481,882	259,053	251,828
Net result for the period		(25,163)	1,436,694	(482,986)
Other comprehensive income				
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(25,163)	1,436,694	(482,986)

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

TOWN OF CLAREMONT
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				
		\$	\$	\$
Rates		16,485,178	15,772,302	15,592,330
Operating grants, subsidies and contributions		1,174,563	813,482	1,630,646
Fees and charges		3,848,709	3,937,835	4,071,858
Interest revenue		846,629	722,411	530,550
Other revenue		462,573	615,030	501,832
		22,817,652	21,861,060	22,327,216
Payments				
Employee costs		(8,407,148)	(7,995,547)	(8,634,886)
Materials and contracts		(8,247,391)	(6,404,458)	(7,759,585)
Utility charges		(552,399)	(568,723)	(531,409)
Finance costs		(226,940)	(283,588)	(255,918)
Insurance		(276,366)	(263,630)	(265,867)
Other expenditure		(1,296,747)	(958,697)	(417,118)
		(19,006,991)	(16,474,643)	(17,864,783)
Net cash provided by (used in) operating activities	4	3,810,661	5,386,417	4,462,433
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(2,449,895)	(769,805)	(1,421,854)
Payments for construction of infrastructure	5(b)	(3,906,592)	(3,150,831)	(3,101,228)
Payments for intangible assets	5(c)	(253,925)	(76,900)	0
Capital grants, subsidies and contributions		442,000	163,150	284,332
Proceeds from sale of property, plant and equipment	5(a)	148,000	196,394	112,155
Net cash provided by (used in) investing activities		(6,020,412)	(3,637,992)	(4,126,595)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(255,646)	(2,727,098)	(2,727,098)
Payments for principal portion of lease liabilities	8	(51,990)	(57,609)	(91,160)
Payments for financial assets at amortised cost - term deposits		0	(2,161,623)	0
Proceeds on disposal of financial assets at amortised cost - term deposits		0	2,006,894	0
Net cash provided by (used in) financing activities		(307,636)	(2,939,436)	(2,818,258)
Net increase (decrease) in cash held		(2,517,387)	(1,191,011)	(2,482,420)
Cash at beginning of year		14,768,453	15,959,464	15,458,499
Cash and cash equivalents at the end of the year	4	12,251,066	14,768,453	12,976,079

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

TOWN OF CLAREMONT
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				
		\$	\$	\$
Rates	2(a)	16,739,741	15,813,285	15,569,830
Operating grants, subsidies and contributions	11	272,645	218,086	322,646
Fees and charges	14	3,884,165	3,937,835	4,071,858
Interest revenue	12(a)	868,172	722,411	530,550
Other revenue	12(b)	517,470	615,030	501,832
Profit on asset disposals	5	29,919	95,903	28,828
		22,312,112	21,402,550	21,025,544
Expenditure from operating activities				
Employee costs	15	(8,447,148)	(8,015,268)	(8,447,386)
Materials and contracts		(7,955,391)	(6,538,549)	(7,779,585)
Utility charges		(552,399)	(568,723)	(531,409)
Depreciation	6	(4,034,247)	(3,525,301)	(4,034,247)
Finance costs	12(d)	(226,940)	(258,838)	(255,918)
Insurance		(276,366)	(263,630)	(265,867)
Other expenditure		(1,296,747)	(958,697)	(417,118)
Loss on asset disposals	5	(10,037)	0	0
		(22,799,275)	(20,129,006)	(21,731,530)
Non-cash amounts excluded from operating activities	3(b)	4,014,365	3,429,398	4,005,419
Amount attributable to operating activities		3,527,202	4,702,942	3,299,433
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions	11	462,000	163,150	223,000
Proceeds from disposal of assets	5	148,000	196,394	112,155
		610,000	359,544	335,155
Outflows from investing activities				
Payments for property, plant and equipment	5(a)	(2,449,895)	(769,805)	(1,421,854)
Payments for construction of infrastructure	5(b)	(3,906,592)	(3,150,831)	(3,101,228)
Payments for intangible assets		(253,925)	(76,900)	0
		(6,610,412)	(3,997,536)	(4,523,082)
Amount attributable to investing activities		(6,000,412)	(3,637,992)	(4,187,927)
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	9(a)	1,228,723	2,605,000	2,910,000
		1,228,723	2,605,000	2,910,000
Outflows from financing activities				
Repayment of borrowings	7(a)	(255,646)	(2,727,098)	(2,727,098)
Payments for principal portion of lease liabilities	8	(51,990)	(57,609)	(91,160)
Transfers to reserve accounts	9(a)	(807,167)	(867,778)	(628,055)
		(1,114,803)	(3,652,485)	(3,446,313)
Amount attributable to financing activities		113,920	(1,047,485)	(536,313)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	3	2,359,290	2,341,825	1,424,807
Amount attributable to operating activities		3,527,202	4,702,942	3,299,433
Amount attributable to investing activities		(6,000,412)	(3,637,992)	(4,187,927)
Amount attributable to financing activities		113,920	(1,047,485)	(536,313)
Surplus or deficit at the end of the financial year	3	0	2,359,290	0

**TOWN OF CLAREMONT
FOR THE YEAR ENDED 30 JUNE 2024
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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 Town 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 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 Town of Claremont 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 13 to the annual budget.

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.

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

Rounding off figures

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

TOWN OF CLAREMONT
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

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specific area rates, minimum payment, interim rates, back rates, ex-gratia rates, less discounts offered.

Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

OPERATING 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.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services and water.

Exclude rubbish removal charges which should not be classified as a service charge. 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.

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, 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.

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.

Local governments 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.

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.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expenses raised on all classes of assets.

FINANCE COSTS

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 levies including DFES levy and State taxes. Donations and subsidies made to community groups.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2023/24 Budgeted rate revenue	2023/24 Budgeted interim rates	2023/24 Budgeted total revenue	2022/23 Actual total revenue	2022/23 Budget total revenue
		\$		\$	\$	\$	\$	\$	\$
(i) General rates									
General Rates	Gross rental valuation	0.058281	3,276	152,956,110	8,914,435	180,000	9,094,435	13,870,771	13,476,630
Commercial Rates	Gross rental valuation	0.071741	272	69,818,852	5,008,874	0	5,008,874	0	0
Total general rates			3,548	222,774,962	13,923,309	180,000	14,103,309	13,870,771	13,476,630
		Minimum							
(ii) Minimum payment		\$							
General Rates	Gross rental valuation	1,421	1,774	34,344,720	2,520,854	0	2,520,854	1,882,240	2,033,200
Commercial Rates	Gross rental valuation	1,421	18	259,239	25,578	0	25,578	0	0
Total minimum payments			1,792	34,603,959	2,546,432	0	2,546,432	1,882,240	2,033,200
Total general rates and minimum payments			5,340	257,378,921	16,469,741	180,000	16,649,741	15,753,011	15,509,830
(iii) Specified area rates									
BID Program-CBD					90,000	0	90,000	60,274	60,000
					16,559,741	180,000	16,739,741	15,813,285	15,569,830
Discounts (Refer note 2(g))							0	0	0
Waivers or Concessions (Refer note 2(g))							0	0	0
Total rates					16,559,741	180,000	16,739,741	15,813,285	15,569,830

All rateable properties within the district used predominately for non-rural purposes are rated according to their Gross Rental Valuation (GRV).

The general rates detailed for the 2023/24 financial year have been determined by Council on the basis of raising the revenue required to meet the estimated deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than general rates and also 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 local government services/facilities.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

2. RATES AND SERVICE CHARGES (CONTINUED)

(b) Interest Charges and Instalments - Rates and Service Charges

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	7/09/2023		0.00%	11.00%
Option two				
First instalment	7/09/2023		0.00%	11.00%
Second instalment	15/11/2023	18	5.50%	11.00%
Third instalment	7/02/2024	18	5.50%	11.00%
Fourth instalment	2/05/2024	18	5.50%	11.00%
		2023/24 Budget revenue	2022/23 Actual revenue	2022/23 Budget revenue
		\$	\$	\$
Instalment plan admin charge revenue		75,000	70,956	67,000
Instalment plan interest earned		150,000	131,360	125,100
Unpaid rates and service charge interest earned		49,000	31,780	27,000
		274,000	234,096	219,100

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

To provide equity in the rating of properties across the Town the following rate categories have been determined for the implementation of differential rating.

Differential general rate

Description	Characteristics	Objects	Reasons
General Rate	Properties used for residential purposes and vacant land	The purpose of imposing a GRV differential rating for residential is to obtain a fair and equitable form of revenue raising from the categories of properties in the Town.	The rate in the dollar and minimum rate have been set on the basis that ratepayers make a reasonable contribution to the cost of all of the local government services and facilities.
Commercial Rate	Non residential and non vacant land used for other purpose	The purpose of imposing a GRV differential rating for commercial is to obtain a fair and equitable form of revenue raising from the categories of properties in the Town.	The Claremont Town Centre and Stirling Highway corridor is the main location for commercial and industrial development and has large volumes of traffic and a higher impact on the Town's resources including Health, Planning, Civil Maintenance, and Building works. The rate in the dollar and minimum rate have been set to provide for a reasonable contribution towards these costs.

(d) Differential Minimum Payment

General Rate	Properties used for residential purposes and vacant land	The purpose of imposing a GRV differential rating for residential is to obtain a fair and equitable form of revenue raising from the categories of properties in the Town.	The rate in the dollar and minimum rate have been set on the basis that ratepayers make a reasonable contribution to the cost of all of the local government services and facilities.
Commercial Rate	Non residential and non vacant land used for other purpose	The purpose of imposing a GRV differential rating for commercial is to obtain a fair and equitable form of revenue raising from the categories of properties in the Town.	The Claremont Town Centre and Stirling Highway corridor is the main location for commercial and industrial development and has large volumes of traffic and a higher impact on the Town's resources including Health, Planning, Civil Maintenance, and Building works. The rate in the dollar and minimum rate have been set to provide for a reasonable contribution towards these costs.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

2. RATES AND SERVICE CHARGES (CONTINUED)

(e) Specified Area Rate

	Budgeted rate applied to costs	Budgeted rate set aside to reserve	Reserve Amount to be applied to costs	Purpose of the rate	Area or properties rate is to be imposed on
Specified area rate	\$	\$	\$		
BID Program-CBD	90,000	0	90,000	Promotion of CBD through marketing, advertising, festivals, street activities etc.	Commercial properties within CBD, bounded by Stirling Hwy, Stirling Rd, Guger St and Leura Ave.
	90,000	0	90,000		

(f) Service Charges

There are no service charges for the year ended 30th June 2024.

(g) Waivers or concessions

The Town does not anticipate any waivers or concessions for the year ended 30th June 2024.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents	4	12,715,607	14,768,453	12,976,079
Receivables		570,628	1,570,628	737,250
Contract assets		81,508	81,508	15,000
Inventories		27,372	35,372	10,000
Other assets		7,563	7,563	0

Less: current liabilities

Trade and other payables		(2,191,168)	(2,491,168)	(2,121,522)
Capital grant/contribution liability		(12,763)	(12,763)	0
Lease liabilities	8	(43,981)	(51,990)	(165,500)
Long term borrowings	7	(477,461)	(255,646)	(114,758)
Employee provisions		(802,471)	(762,471)	(1,020,439)
Other provisions		(91,578)	(111,578)	(61,332)

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Rate Setting Statement

Note	2023/24 Budget 30 June 2024	2022/23 Actual 30 June 2023	2022/23 Budget 30 June 2023
	\$	\$	\$
	13,402,678	16,463,524	13,738,329
	(2,191,168)	(2,491,168)	(2,121,522)
	(12,763)	(12,763)	0
	(43,981)	(51,990)	(165,500)
	(477,461)	(255,646)	(114,758)
	(802,471)	(762,471)	(1,020,439)
	(91,578)	(111,578)	(61,332)
	(3,619,422)	(3,685,616)	(3,483,551)
	9,783,256	12,777,908	10,254,778
3(c)	(9,783,256)	(10,418,618)	(10,254,778)
	0	2,359,290	0

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*.

Adjustments to operating activities

Less: Profit on asset disposals	5	(29,919)	(95,903)	(28,828)
Add: Loss on asset disposals	5	10,037	0	0
Add: Depreciation	6	4,034,247	3,525,301	4,034,247
Movement in current employee provisions associated with restricted cash		0		110,000
Non-cash movements in non-current assets and liabilities:				
- Pensioner deferred rates		0	0	(22,500)
- Employee provisions		0	0	(87,500)

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
	\$	\$	\$
	4,014,365	3,429,398	4,005,419

(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

Less: Cash - reserve accounts	9	(10,991,791)	(11,413,347)	(11,150,702)
Less: Current assets not expected to be received at end of year				
- Rates receivable				(45,000)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		477,461	255,646	114,758
- Current portion of lease liabilities		43,981	51,990	165,500
- Current portion of employee benefit provisions held in reserve		687,093	687,093	660,666

Total adjustments to net current assets

	(9,783,256)	(10,418,618)	(10,254,778)
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3(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 Town's operational cycle. In the case of liabilities where the Town 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 Town's intentions to release for sale.

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Town prior to the end of the financial year that are unpaid and arise when the Town 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.

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 Town 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 Town contributes to a number of superannuation funds on behalf of employees. All funds to which the Town 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 Town'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.

CONTRACT LIABILITIES

Contract liabilities represent the Town's obligation to transfer goods or services to a customer for which the Town has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

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 Town 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 Town 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 Town 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 Town'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 Town'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 Town'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 Town's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Town 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.

CONTRACT ASSETS

Contract assets primarily relate to the Town's right to consideration for work completed but not billed at the end of the period.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

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	2023/24 Budget	2022/23 Actual	2022/23 Budget
Cash at bank and on hand		\$ 2,455,456	\$ 3,508,302	\$ 11,976,079
Term deposits		10,260,151	11,260,151	1,000,000
Total cash and cash equivalents		12,715,607	14,768,453	12,976,079
Held as				
- Unrestricted cash and cash equivalents	3(a)	1,723,816	3,355,106	1,764,045
- Restricted cash and cash equivalents	3(a)	10,991,791	11,413,347	11,212,034
		12,715,607	14,768,453	12,976,079
Restrictions				
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		10,991,791	11,413,347	11,212,034
		10,991,791	11,413,347	11,212,034
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Financially backed reserves	9	10,991,791	11,413,347	11,150,702
Other provisions				61,332
		10,991,791	11,413,347	11,212,034
Reconciliation of net cash provided by operating activities to net result				
Net result		(25,163)	1,436,694	(482,986)
Depreciation	6	4,034,247	3,525,301	4,034,247
(Profit)/loss on sale of asset	5	(19,882)	(95,903)	(28,828)
(Increase)/decrease in receivables		1,000,000	524,482	1,345,500
(Increase)/decrease in contract assets		0	29,931	(15,000)
(Increase)/decrease in inventories		8,000	0	0
(Increase)/decrease in other assets		0	80,399	0
Increase/(decrease) in payables		(300,000)	28,942	20,000
Increase/(decrease) in other provision		(20,000)	0	61,332
Increase/(decrease) in employee provisions		40,000	19,721	(187,500)
Capital grants, subsidies and contributions		(442,000)	(163,150)	(284,332)
Net cash from operating activities		4,275,202	5,386,417	4,462,433

**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.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 3 - Net Current Assets.

FINANCIAL ASSETS AT AMORTISED COST

The Town 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.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

5. FIXED ASSETS

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

	2023/24 Budget 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 Disposals - Net Book Value	2022/23 Actual Disposals - Sale Proceeds	2022/23 Actual Disposals - Profit or Loss	2022/23 Budget 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												
Buildings - specialised	2,093,895	0	0	0	453,457	0	0	0	808,500	0	0	0
Furniture and equipment	100,000	0	0	0	164,307	0	0	0	412,354	0	0	0
Motor Vehicles	256,000	128,118	148,000	19,882	152,041	100,491	196,394	95,903	201,000	83,327	112,155	28,828
Total	2,449,895	128,118	148,000	19,882	769,805	100,491	196,394	95,903	1,421,854	83,327	112,155	28,828
(b) Infrastructure												
Infrastructure - roads	1,869,705	0	0	0	1,005,343	0	0	0	985,768	0	0	0
Infrastructure - footpaths	761,736	0	0	0	754,045	0	0	0	663,900	0	0	0
Infrastructure - drainage	338,467	0	0	0	260,000	0	0	0	260,000	0	0	0
Infrastructure - parks and ovals	833,679	0	0	0	522,888	0	0	0	530,000	0	0	0
Other infrastructure - car parks	0	0	0	0	421,560	0	0	0	421,560	0	0	0
Other infrastructure - artwork	103,005	0	0	0	186,995	0	0	0	240,000	0	0	0
Total	3,906,592	0	0	0	3,150,831	0	0	0	3,101,228	0	0	0
(c) Intangible Assets												
Intangible assets - enterprise system - Datascape	187,845	0	0	0	76,900	0	0	0	0	0	0	0
Intangible assets - other software	66,080	0	0	0	0	0	0	0	0	0	0	0
Total	253,925	0	0	0	76,900	0	0	0	0	0	0	0
Total	6,610,412	128,118	148,000	19,882	3,997,536	100,491	196,394	95,903	4,523,082	83,327	112,155	28,828

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.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

6. DEPRECIATION

By Class

Buildings - non-specialised
Buildings - specialised
Furniture and equipment
Plant and equipment
Electronic Equipment
Infrastructure - roads
Infrastructure - footpaths
Infrastructure - drainage
Infrastructure - parks and ovals
Other infrastructure - car parks
Other infrastructure - artwork
Right of use - plant and equipment

By Program

Governance
Law, order, public safety
Health
Education and welfare
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

2023/24 Budget	2022/23 Actual	2022/23 Budget
\$	\$	\$
29,042	25,378	29,042
818,260	715,032	818,260
48,231	42,146	48,231
252,850	220,951	252,850
166,953	145,891	166,953
1,409,565	1,231,740	1,409,565
569,606	497,746	569,606
56,811	49,644	56,811
566,044	494,634	566,044
101,064	88,314	101,064
13,649	11,927	13,649
2,172	1,898	2,172
4,034,247	3,525,301	4,034,247
367,103	367,088	367,103
35,595	74,310	35,595
20,072	17,988	20,072
41,483	29,160	41,483
56,838	52,464	56,838
1,136,012	891,760	1,136,012
2,230,440	1,922,701	2,230,440
82,952	68,940	82,952
63,752	100,890	63,752
4,034,247	3,525,301	4,034,247

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:

Buildings - non-specialised	40 to 80 years
Buildings - specialised	40 to 80 years
Furniture and equipment	3 to 10 years
Plant and equipment	3 to 10 years
Electronic Equipment	3 to 10 years
Infrastructure - roads	20 to 50 years
Infrastructure - footpaths	30 to 50 years
Infrastructure - drainage	90 to 100 years
Infrastructure - parks and ovals	10 to 40 years
Other infrastructure - car parks	20 to 50 years
Other infrastructure - artwork	40 to 50 years
Right of use - buildings	40 to 80 years
Right of use - plant and equipment	3 to 10 years
Right of use - furniture and fittings	3 to 10 years

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

7. BORROWINGS

(a) Borrowing repayments

Movement in borrowings and interest between the beginning and the end of the current financial year.

Purpose	Loan Number	Institution	Interest Rate	Budget	2023/24	Budget	2023/24	Actual	2022/23	Actual	2022/23	Budget	2022/23	Budget	2022/23
				Principal 1 July 2023	Budget Principal Repayments	Principal outstanding 30 June 2024	Budget Interest Repayments	Principal 1 July 2022	Actual Principal Repayments	Principal outstanding 30 June 2023	Actual Interest Repayments	Principal 1 July 2022	Budget Principal Repayments	Principal outstanding 30 June 2023	Budget Interest Repayments
Aquatic Centre Refurb	1	WATC	3.17%	\$ 524,283	\$ (56,561)	\$ 467,722	\$ (32,357)	\$ 577,422	\$ (53,139)	\$ 524,283	\$ (35,779)	\$ 577,422	\$ (53,139)	\$ 524,283	\$ (35,779)
333 Stirling Hwy	2B	WATC	2.73%	4,262,377	(140,888)	4,121,489	(165,490)	4,480,645	(218,268)	4,262,377	(120,842)	4,480,645	(218,268)	4,262,377	(120,842)
Claremont Community Hub	3	WATC	2.23%	628,632	(58,197)	570,435	(27,334)	684,323	(55,691)	628,632	(29,839)	684,323	(55,691)	628,632	(29,839)
Undrground Power	5	WATC	2.94%	0	0	0	0	2,400,000	(2,400,000)	0	(69,458)	2,400,000	(2,400,000)	0	(69,458)
				5,415,292	(255,646)	5,159,646	(225,181)	8,142,390	(2,727,098)	5,415,292	(255,918)	8,142,390	(2,727,098)	5,415,292	(255,918)

All borrowing repayments will be financed by general purpose revenue.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

7. BORROWINGS

(b) New borrowings - 2023/24

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

(c) Unspent borrowings

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

(d) Credit Facilities

**Undrawn borrowing facilities
credit standby arrangements**
Credit card limit
Total amount of credit unused

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
	57,000	57,000	57,000
	57,000	57,000	57,000
Loan facilities			
Loan facilities in use at balance date	5,159,646	5,415,292	5,415,292

MATERIAL ACCOUNTING POLICIES

BORROWING COSTS

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

8. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2023/24	Budget Lease	2023/24	Actual	2022/23	Actual	2022/23	Budget	2022/23	Budget	Budget	2022/23
					Principal 1 July 2023	Lease Principal Repayments	Principal outstanding 30 June 2024	Lease Interest Repayments	Principal 1 July 2022	Lease Principal repayments	Lease Principal outstanding 30 June 2023	Lease Interest repayments	Principal 1 July 2022	New Leases	Lease Principal repayments	Lease Principal outstanding 30 June 2023	Lease Interest repayments
Telephony		TBA			\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 36,000	\$ (12,000)	\$ 24,000	\$ 0
Data & Software Storage		Dell	2.71%	3	50,438	(28,532)	21,906	(1,001)	78,220	(27,782)	50,438	(1,756)	0	84,000	(28,000)	56,000	0
Printer/ Copiers		Kyocera	2.05%	3	27,190	(9,975)	17,215	(441)	35,967	(8,777)	27,190	(640)	32,823	0	(9,160)	23,663	(1,256)
Wide Area Network		TPG			0	0	0	0	0	0	0	0	0	114,000	(28,500)	85,500	0
Coffee Machine		Gesha Coffee Co.	0.71%	3	2,239	(1,790)	449	(10)	4,017	(1,778)	2,239	(23)	4,650	0	(1,800)	2,850	(19)
Parking Bays - Bunnings		Charter Hall	1.69%	10	23,586	(11,693)	11,893	(307)	35,085	(11,499)	23,586	(501)	36,300	0	(11,700)	24,600	0
Mt Claremont Depot		Western Power	0.43%	3	0	0	0	0	5,848	(5,848)	0	0	0	0	0	0	0
Museum Storage		Defreites & Ryan	2.08%	1	0	0	0	0	1,925	(1,925)	0	0	0	0	0	0	0
					103,453	(51,990)	51,463	(1,759)	161,062	(57,609)	103,453	(2,920)	73,773	234,000	(91,160)	216,613	(1,275)

MATERIAL ACCOUNTING POLICIES

LEASES

At the inception of a contract, the Town 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 Town 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.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2023/24 Budget Opening Balance	2023/24 Budget Transfer to	2023/24 Budget Transfer (from)	2023/24 Budget Closing Balance	2022/23 Actual Opening Balance	2022/23 Actual Transfer to	2022/23 Actual Transfer (from)	2022/23 Actual Closing Balance	2022/23 Budget Opening Balance	2022/23 Budget Transfer to	2022/23 Budget Transfer (from)	2022/23 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by legislation												
(a) NEP Developer Contributions	467,398	18,696	0	486,094	459,798	7,600	0	467,398	459,798	7,600	0	467,398
(b) Cash in lieu of Parking	572,060	22,882	0	594,942	561,760	10,300	0	572,060	561,760	10,300	0	572,060
(c) Claremont Town Centre - Specified Area Rate	184,790	7,392	0	192,182	240,390	4,400	(60,000)	184,790	240,390	4,400	(60,000)	184,790
	1,224,248	48,970	0	1,273,218	1,261,948	22,300	(60,000)	1,224,248	1,261,948	22,300	(60,000)	1,224,248
Restricted by council												
(c) Pool Upgrade	593,609	23,744	(555,000)	62,353	581,109	12,500	0	593,609	686,109	12,500	(105,000)	593,609
(d) Plant Replacement	171,396	6,856	0	178,252	168,396	3,000	0	171,396	168,396	3,000	0	171,396
(e) Irrigation and Drainage	510,380	20,415	0	530,795	599,380	11,000	(100,000)	510,380	599,380	11,000	(100,000)	510,380
(f) Public Art	191,491	7,660	(30,000)	169,151	168,491	23,000	0	191,491	168,491	23,000	0	191,491
(g) Parking	1,225,477	49,019	0	1,274,496	1,203,477	22,000	0	1,225,477	1,203,477	22,000	0	1,225,477
(h) Building	462,612	18,504	0	481,116	452,212	10,400	0	462,612	572,212	10,400	(120,000)	462,612
(i) Future Fund	5,007,545	351,852	(200,000)	5,159,397	7,058,090	394,455	(2,445,000)	5,007,545	7,138,090	394,455	(2,525,000)	5,007,545
(j) Claremont Joint Venture	1,012,691	40,508	0	1,053,199	994,691	18,000	0	1,012,691	994,691	18,000	0	1,012,691
(k) Heritage Grant	90,587	3,623	(4,000)	90,210	89,187	1,400	0	90,587	89,187	1,400	0	90,587
(l) Employee Entitlement	660,666	26,427	0	687,093	550,666	110,000	0	660,666	550,666	110,000	0	660,666
(m) WESROC Contributions	262,645	209,589	(439,723)	32,511	22,922	239,723	0	262,645	0	0	0	0
	10,189,099	758,197	(1,228,723)	9,718,573	11,888,621	845,478	(2,545,000)	10,189,099	12,170,699	605,755	(2,850,000)	9,926,454
	11,413,347	807,167	(1,228,723)	10,991,791	13,150,569	867,778	(2,605,000)	11,413,347	13,432,647	628,055	(2,910,000)	11,150,702

(b) Reserve Accounts - Purposes

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Anticipated date of use	Purpose of the reserve
(a) NEP Developer Contributions	Ongoing	To accumulate funds to cover the Town's contribution to NEP Development arising from ownership of Lot 11578 Claremont Crescent.
(b) Cash in lieu of Parking	Ongoing	To provide for the purchase of land for car parking in accordance with Clause 33(2).
(c) Claremont Town Centre - Specified Area Rate	Ongoing	To fund promotion and publicity of Claremont CBD
(c) Pool Upgrade	Ongoing	To fund major maintenance of the Claremont Pool
(d) Plant Replacement	Ongoing	To provide for the replacement of major items of heavy plant.
(e) Irrigation and Drainage	Ongoing	To provide funds for the replacement, renewal and upgrade of irrigation and drainage
(f) Public Art	Ongoing	To assist with the programmed purchase and development of Public Art assets throughout the Town.
(g) Parking	Ongoing	To provide for the purchase, upgrade or renewal of parking infrastructure.
(h) Building	Ongoing	To provide for building renewal in accordance with Council's Asset Management Plans.
(i) Future Fund	Ongoing	To provide for the future planning and undertaking of capital and infrastructure works in the Town.
(j) Claremont Joint Venture	Ongoing	To provide for traffic modifications/road works within the Town Centre zone and the surrounding roads
(k) Heritage Grant	Ongoing	To assist with funding of the Town's heritage grant maintenance program
(l) Employee Entitlement	Ongoing	To fund annual and long service leave requirements
(m) WESROC Contributions	Ongoing	To fund the Western Suburbs Regional Organisation of Councils projects and initiatives and hold funds contributed by each member council.

10. 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
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service, additional bins	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Property Hire and entry	Casual hire of Town facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Memberships and entrance fees for Aquatic Centre	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Infringements	Infringements issued for breaches of and pursuant to Local Laws	Over time	Payment in arrears	Not applicable	Limited by Legislation and Adopted by council			On issue of the infringement
Leases	Lease revenue	Over time	Payment on a monthly (or annual) basis in advance	Not applicable	Adopted by council and Set by mutual agreement with the customer	Apportioned equally across the access period		
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing (bus stop advertising, recovery of recyclables)	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	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

**TOWN OF CLAREMONT
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FOR THE YEAR ENDED 30 JUNE 2024**

11. 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 Town's Community Vision, and for each of its broad activities/programs.

OBJECTIVE	ACTIVITIES
<p>Governance To Provide a decision making process for the efficient allocation of scarce resources.</p>	Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.
<p>General purpose funding To collect revenue to allow for the provision of services.</p>	Rates, general purpose government grants and interest revenue.
<p>Law, order, public safety To provide services to help ensure a safer community.</p>	Supervision and enforcement of various local laws relating to security, fire prevention, emergency services, parking and animal control.
<p>Health To provide an operational framework for environmental and community health.</p>	Inspection of food outlets and their control, provision of waste services, noise control.
<p>Education and welfare To provide services to disadvantaged persons, the elderly, children and youth.</p>	Pre-schools, aged and disabled, senior citizens, welfare administration, donations to welfare organisations.
<p>Community amenities To provide services required by the community.</p>	Rubbish collections, recycling, litter control, public litter bins, town planning control/studies.
<p>Recreation and culture To establish and effectively manage infrastructure and resource which will help the social wellbeing of the community.</p>	Provision of facilities and support of organisations with leisure activities and sport including halls, sports grounds, parks and gardens, community development and the library.
<p>Transport To provide safe, effective and efficient transport and parking services to the community.</p>	Roads, footpaths, cycleways, right of way, drainage, road verges, median strips, street lighting, street cleaning, street trees, traffic surveys, parking services, traffic management and underground power.
<p>Economic services To help promote the Town and its economic wellbeing.</p>	Building services, commercial leases, strategic planning and activities involving the Royal Agricultural Society, Claremont Now and Anzac Cottage.
<p>Other property and services To provide effective and efficient property services to the community and to monitor and control the Town's overhead operating accounts.</p>	Public works overheads, plant/vehicle operations, private works and other property.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

11. PROGRAM INFORMATION (Continued)

(b) Income and expenses

	2023/24 Budget	2022/23 Actual	2022/23 Budget
Income excluding grants, subsidies and contributions	\$	\$	\$
Governance	295,211	265,872	189,920
General purpose funding	17,441,741	16,626,868	16,120,180
Law, order, public safety	21,250	32,488	18,000
Health	99,000	115,155	78,380
Community amenities	376,450	303,256	436,850
Recreation and culture	1,481,962	1,537,340	1,732,370
Transport	1,544,067	1,330,351	1,206,040
Economic services	749,867	764,338	889,330
Other property and services	29,919	208,796	31,828
	22,039,467	21,184,464	20,702,898
Operating grants, subsidies and contributions			
Governance	0	2,489	0
General purpose funding	180,396	90,647	180,396
Law, order, public safety	0	(4,318)	0
Recreation and culture	2,249	598	2,250
Transport	0	126,270	80,000
Economic services	90,000	2,400	60,000
	272,645	218,086	322,646
Capital grants, subsidies and contributions			
Recreation and culture	239,000	0	15,000
Transport	223,000	163,150	208,000
	462,000	163,150	223,000
Total Income	22,774,112	21,565,700	21,248,544
Expenses			
Governance	(2,275,043)	(2,150,585)	(2,151,817)
General purpose funding	(366,475)	(363,920)	(448,576)
Law, order, public safety	(857,230)	(819,079)	(851,960)
Health	(477,501)	(485,899)	(512,512)
Education and welfare	(1,012,597)	(189,087)	(206,555)
Community amenities	(3,483,036)	(3,160,379)	(3,512,375)
Recreation and culture	(4,829,933)	(5,060,555)	(5,198,938)
Transport	(5,753,261)	(4,575,169)	(4,304,937)
Economic services	(2,117,395)	(1,953,293)	(2,371,574)
Other property and services	(1,626,804)	(1,371,040)	(2,172,286)
Total expenses	(22,799,275)	(20,129,006)	(21,731,530)
Net result for the period	(25,163)	1,436,694	(482,986)

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024**

12. OTHER INFORMATION

	2023/24 Budget	2022/23 Actual	2022/23 Budget
The net result includes as revenues			
	\$	\$	\$
(a) Interest earnings			
Investments			
- Reserve accounts	439,172	298,194	239,900
- Other funds	230,000	261,077	138,550
Other interest revenue	199,000	163,140	152,100
	868,172	722,411	530,550
(b) Other revenue			
Reimbursements and recoveries	353,771	453,660	501,832
Other	163,699	161,370	0
	517,470	615,030	501,832
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	70,000	55,990	55,000
Other services	0	3,750	10,000
	70,000	59,740	65,000
(d) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	225,181	255,918	255,918
Expense on lease liabilities (refer Note 8)	1,759	2,920	1,275
	226,940	258,838	257,193
(e) Write offs			
General rate	0	105	0
	0	105	0

TOWN OF CLAREMONT
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FOR THE YEAR ENDED 30 JUNE 2024

13. ELECTED MEMBERS REMUNERATION

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
Elected member 1 - Mayor			
Mayor's allowance	38,450	37,881	37,881
Meeting attendance fees	17,030	25,976	25,976
ICT expenses	500	0	0
Annual allowance for ICT expenses	3,500	3,500	3,500
	59,480	67,357	67,357
Elected member 2 - Deputy Mayor			
Deputy Mayor's allowance	9,613	9,471	9,471
Meeting attendance fees	17,030	16,776	16,776
Annual allowance for ICT expenses	3,500	3,500	3,500
	30,143	29,747	29,747
Elected member 3			
Meeting attendance fees	17,030	16,776	16,776
Annual allowance for ICT expenses	3,500	3,500	3,500
	20,530	20,276	20,276
Elected member 4			
Meeting attendance fees	17,030	16,776	16,776
Annual allowance for ICT expenses	3,500	3,500	3,500
	20,530	20,276	20,276
Elected member 5			
Meeting attendance fees	26,370	16,776	16,776
Annual allowance for ICT expenses	3,500	3,500	3,500
	29,870	20,276	20,276
Elected member 6			
Meeting attendance fees	5,500	16,776	16,776
Annual allowance for ICT expenses	1,000	3,500	3,500
	6,500	20,276	20,276
Elected member 7			
Meeting attendance fees	17,030	16,776	16,776
Annual allowance for ICT expenses	3,500	3,500	3,500
	20,530	20,276	20,276
Elected member 8			
Meeting attendance fees	17,030	16,776	16,776
Annual allowance for ICT expenses	3,500	3,500	3,500
	20,530	20,276	20,276
Elected member 9			
Meeting attendance fees	17,030	16,776	16,776
Annual allowance for ICT expenses	3,500	3,500	3,500
	20,530	20,276	20,276
Elected member 10			
Meeting attendance fees	17,030	16,776	16,776
Annual allowance for ICT expenses	3,500	3,500	3,500
	20,530	20,276	20,276
Total Elected Member Remuneration	249,173	259,312	259,312
Mayor's allowance	38,450	37,881	37,881
Deputy Mayor's allowance	9,613	9,471	9,471
Meeting attendance fees	168,110	176,960	176,960
Annual allowance for ICT expenses	32,500	35,000	35,000
	249,173	259,312	259,312

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2024

14. FEES AND CHARGES

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
By Program:			
Governance	0	194	120
General purpose funding	110,000	105,305	117,000
Law, order, public safety	21,250	24,126	18,000
Health	99,000	110,431	78,380
Community amenities	333,450	281,732	405,850
Recreation and culture	1,415,790	1,512,036	1,518,310
Transport	1,205,000	1,211,109	1,088,000
Economic services	699,675	602,248	846,198
Other property and services	0	90,654	0
	3,884,165	3,937,835	4,071,858

15. EMPLOYEE COSTS

	2023/24 Budget	2022/23 Actual	2022/23 Budget
	\$	\$	\$
Salaries	6,965,454	6,600,757	6,610,466
Salaries - Casuals	610,000	620,127	490,000
Annual Leave Loading	81,882	80,636	79,390
Allowances	93,149	102,380	84,550
PAC Bonus	19,509	14,186	13,733
Superannuation	1,062,525	779,868	900,487
Staff Recruitment	30,000	23,176	25,000
Staff Training/Conferences	60,000	42,853	45,000
Staff Uniforms/Protective Clothing	17,000	14,586	17,000
OHS Expenses	20,000	9,310	15,000
Workers Compensation Insurance	96,000	89,621	91,560
Fringe Benefit Tax	80,000	47,772	75,200
Internal Recovery to Capital Works	(688,371)	(410,004)	0
	8,447,148	8,015,268	8,447,386