

TOWN OF CLAREMONT

BUDGET

FOR THE YEAR ENDED 30 JUNE 2022

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 OR TYPE
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
Revenue				
Rates	1(a)(c)	15,145,393	14,858,292	14,821,593
Operating grants, subsidies and contributions	9(a)	188,154	239,198	184,021
Fees and charges	8	3,059,163	3,150,119	2,532,224
Interest earnings	11(a)	301,033	323,129	446,413
Other revenue	11(b)	415,750	436,639	253,750
		19,109,493	19,007,377	18,238,001
Expenses				
Employee costs		(7,562,134)	(7,046,559)	(6,793,091)
Materials and contracts		(6,942,160)	(6,324,678)	(6,437,893)
Utility charges		(486,637)	(522,928)	(537,687)
Depreciation on non-current assets	5	(3,218,603)	(3,188,715)	(3,233,457)
Interest expenses	11(d)	(308,372)	(409,387)	(409,387)
Insurance expenses		(259,512)	(199,256)	(221,522)
Other expenditure		(665,019)	(562,786)	(1,111,614)
		(19,442,437)	(18,254,309)	(18,744,651)
Subtotal		(332,944)	753,068	(506,650)
Non-operating grants, subsidies and contributions	9(b)	1,895,000	808,368	2,605,536
Profit on asset disposals	4(b)	18,543	81,799	17,658
Loss on asset disposals	4(b)	0	0	(21,249)
		1,913,543	890,167	2,601,945
Net result		1,580,599	1,643,235	2,095,295
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		1,580,599	1,643,235	2,095,295

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

TOWN OF CLAREMONT

FOR THE YEAR ENDED 30 JUNE 2022

BASIS OF PREPARATION

The 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 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.

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 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 budget.

2020/21 ACTUAL BALANCES

Balances shown in this budget as 2020/21 Actual are estimates as forecast at the time of budget preparation and are subject to final adjustments.

CHANGE IN ACCOUNTING POLICIES

On the 1 July 2021 no new accounting policies are to be adopted and no new policies are expected to impact the annual budget.

KEY TERMS AND DEFINITIONS - NATURE OR TYPE

REVENUES RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

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 these as television and radio broadcasting, underground electricity and neighbourhood surveillance services.

Excludes rubbish removal charges. 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.

PROFIT ON ASSET DISPOSAL

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

REVENUES (CONTINUED)

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

FEES AND CHARGES

Revenue (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.

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, and rebates. Reimbursements and recoveries should be separated by note to ensure the correct calculation of ratios.

EXPENSES

EMPLOYEE COSTS

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

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

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

INSURANCE

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

LOSS ON ASSET DISPOSAL

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

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expense raised on all classes of assets.

INTEREST EXPENSES

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

OTHER EXPENDITURE

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

TOWN OF CLAREMONT
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
Revenue	1,8,9(a),11(a),11(b)	\$	\$	\$
Governance		79,459	8,429	16,800
General purpose funding		15,615,819	15,361,257	15,542,489
Law, order, public safety		17,500	39,292	21,300
Health		74,250	95,412	75,270
Community amenities		409,300	367,442	359,700
Recreation and culture		1,335,942	1,513,565	1,069,949
Transport		954,833	1,127,566	687,500
Economic services		617,190	465,050	461,993
Other property and services		5,200	29,364	3,000
		19,109,493	19,007,377	18,238,001
Expenses excluding finance costs	4(a),5,11(c)(e)(f)(f)			
Governance		(1,921,968)	(1,767,599)	(1,705,946)
General purpose funding		(203,941)	(311,585)	(498,314)
Law, order, public safety		(745,100)	(555,820)	(538,389)
Health		(358,553)	(438,933)	(528,340)
Education and welfare		(212,394)	(211,774)	(258,484)
Community amenities		(3,446,181)	(3,055,657)	(3,099,696)
Recreation and culture		(4,228,813)	(4,680,342)	(4,663,318)
Transport		(5,390,196)	(4,957,068)	(5,310,879)
Economic services		(1,173,360)	(1,470,332)	(1,706,621)
Other property and services		(1,487,750)	(483,851)	(25,277)
		(19,168,256)	(17,932,961)	(18,335,264)
Finance costs	7,6(a),11(d)			
Governance		(73,632)	(110,706)	(46,001)
Recreation and culture		0	0	(88,991)
Transport		(73,868)	(78,278)	(101,848)
Economic services		(126,681)	(132,364)	(172,547)
		(274,181)	(321,348)	(409,387)
Subtotal		(332,944)	753,068	(506,650)
Non-operating grants, subsidies and contributions	9(b)	1,895,000	808,368	2,605,536
Profit on disposal of assets	4(b)	18,543	81,799	17,658
(Loss) on disposal of assets	4(b)	0	0	(21,249)
		1,913,543	890,167	2,601,945
Net result		1,580,599	1,643,235	2,095,295
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		1,580,599	1,643,235	2,095,295

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 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Rates	15,145,393	14,858,292	14,821,593
Operating grants, subsidies and contributions	188,154	239,198	184,021
Fees and charges	3,059,163	3,150,119	2,532,224
Interest received	301,033	323,129	446,413
Goods and services tax received	482,518	982,518	643,789
Other revenue	415,750	436,639	253,750
	19,592,011	19,989,895	18,881,790

Payments

Employee costs	(7,562,134)	(7,046,559)	(6,793,091)
Materials and contracts	(6,942,160)	(6,324,678)	(6,437,893)
Utility charges	(486,637)	(522,928)	(537,687)
Interest expenses	(308,372)	(409,387)	(409,387)
Insurance paid	(259,512)	(199,256)	(221,522)
Goods and services tax paid	(482,518)	(242,867)	(643,789)
Other expenditure	(665,019)	(562,786)	(1,111,614)
	(16,706,352)	(15,308,461)	(16,154,983)

**Net cash provided by (used in)
operating activities**

3 2,885,659 4,681,434 2,726,807

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for purchase of property, plant & equipment	(3,259,078)	(2,637,262)	(5,130,850)
Payments for construction of infrastructure	(3,629,061)	(2,703,535)	(3,076,139)
Non-operating grants, subsidies and contributions	1,895,000	808,368	2,197,284
Proceeds from sale of plant and equipment	116,570	194,092	113,500

**Net cash provided by (used in)
investing activities**

(4,876,569) (4,338,338) (5,896,205)

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of borrowings	(479,537)	(1,895,206)	(1,895,206)
Proceeds from new borrowings	300,000	0	1,400,000

**Net cash provided by (used in)
financing activities**

(179,537) (1,895,206) (495,206)

Net increase (decrease) in cash held

(2,170,447) (1,552,110) (3,664,604)

Cash at beginning of year

5,213,383 6,765,493 6,724,379

**Cash and cash equivalents
at the end of the year**

3 **3,042,936** **5,213,383** **3,059,775**

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

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

GOVERNANCE

To Provide a decision making process for the efficient allocation of scarce resources.

ACTIVITIES

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.

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services.

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer and environmentally conscious community.

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

HEALTH

To provide an operational framework for environmental and community health.

Inspection of food outlets and their control, provision of meat inspection services, noise control.

EDUCATION AND WELFARE

To provide services to disadvantaged persons, the elderly, children and youth.

Pre-schools, aged and disabled, senior citizens, welfare administration, donations to welfare organisations.

COMMUNITY AMENITIES

To provide services required by the community.

Rubbish collections, recycling, litter control, public litter bins, town planning control/studies.

TRANSPORT

To provide safe, effective and efficient transport services to the community.

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

ECONOMIC SERVICES

To help promote the shire and its economic wellbeing.

Building services, commercial leases, strategic planning and activities involving the Royal Agricultural Society, Claremon Now and Anzac Cottage.

OTHER PROPERTY AND SERVICES

To monitor and control council's overheads operating accounts.

Public works overheads, plant/vehicle operations, private works and other property.

TOWN OF CLAREMONT
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	2(a)	2,491,563	4,202,455	3,514,359
		2,491,563	4,202,455	3,514,359
Revenue from operating activities (excluding rates)				
Governance		79,459	8,429	16,800
General purpose funding		506,500	502,965	720,896
Law, order, public safety		17,500	39,292	21,673
Health		74,250	103,140	75,270
Community amenities		409,300	374,192	359,700
Recreation and culture		1,335,942	1,513,565	1,069,949
Transport		954,833	1,166,224	687,500
Economic services		617,190	465,050	461,993
Other property and services		17,669	58,027	20,285
		4,012,643	4,230,884	3,434,066
Expenditure from operating activities				
Governance		(2,035,749)	(1,923,945)	(1,751,947)
General purpose funding		(203,941)	(311,585)	(498,314)
Law, order, public safety		(745,100)	(555,820)	(538,389)
Health		(358,553)	(438,933)	(532,303)
Education and welfare		(212,394)	(211,774)	(258,484)
Community amenities		(3,446,181)	(3,055,657)	(3,106,343)
Recreation and culture		(4,228,813)	(4,680,342)	(4,752,309)
Transport		(5,464,064)	(5,035,346)	(5,412,727)
Economic services		(1,300,041)	(1,602,696)	(1,879,168)
Other property and services		(1,487,750)	(483,851)	(35,916)
		(19,482,586)	(18,299,949)	(18,765,900)
Non-cash amounts excluded from operating activities	2(b)	3,200,063	3,106,916	3,028,796
Amount attributable to operating activities		(9,778,317)	(6,759,694)	(8,788,679)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		1,895,000	808,368	2,605,536
Payments for property, plant and equipment		(3,259,078)	(2,772,538)	(5,130,850)
Payments for construction of infrastructure	4(a)	(3,223,141)	(2,468,132)	(3,076,139)
Payments for electronic equipment and right of use assets		(405,920)	(235,403)	
Proceeds from disposal of assets		76,601	194,092	113,500
		(4,916,538)	(4,473,613)	(5,487,953)
Amount attributable to investing activities		(4,916,538)	(4,473,613)	(5,487,953)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(479,537)	(1,895,206)	(1,895,206)
Proceeds from new borrowings	6(a)	300,000	0	1,400,000
Transfers to cash backed reserves (restricted assets)	7(a)	(761,001)	(1,418,738)	(550,642)
Transfers from cash backed reserves (restricted assets)	7(a)	520,000	2,180,522	730,000
Amount attributable to financing activities		(420,538)	(1,133,422)	(315,848)
Budgeted deficiency before imposition of general rates		(15,115,393)	(12,366,729)	(14,592,480)
Estimated amount to be raised from general rates	1	15,115,393	14,858,292	14,821,593
Net current assets at end of financial year - surplus/(deficit)	2(a)	0	2,491,563	229,113

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

TOWN OF CLAREMONT
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FOR THE YEAR ENDED 30 JUNE 2022

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TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
1. RATES AND SERVICE CHARGES

(a) Rating Information

RATE TYPE	Rate in	Number of properties	Rateable value	2021/22 Budgeted rate revenue	2021/22 Budgeted interim rates	2021/22 Budgeted back rates	2021/22 Budgeted total revenue	2020/21 Actual total revenue	2020/21 Budget total revenue
	\$		\$	\$	\$	\$	\$	\$	\$
Differential general rate or general rate									
Gross rental valuations									
General rates	0.06633	4,003	196,476,360	13,032,277	120,000	0	13,152,277	12,887,292	12,834,825
Sub-Totals		4,003	196,476,360	13,032,277	120,000	0	13,152,277	12,887,292	12,834,825
	Minimum								
Minimum payment									
	\$								
Gross rental valuations									
General rates	1,314	1,494	26,008,286	1,963,116	0	0	1,963,116	1,971,000	1,986,768
		5,497	222,484,646	14,995,393	120,000	0	15,115,393	14,858,292	14,821,593
Total amount raised from general rates							15,115,393	14,858,292	14,821,593

All land (other than exempt land) in the Town of Claremont is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Town of Claremont.

The general rates detailed for the 2021/22 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 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 2022

1. RATES AND SERVICE CHARGES (CONTINUED)

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

The following instalment options are available to ratepayers for the payment of 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	23/08/2021	0	0.0%	7.0%
Option two				
First instalment	23/08/2021	0	0.0%	7.0%
Second instalment	15/11/2021	17	5.5%	7.0%
Third instalment	7/02/2022	17	5.5%	7.0%
Fourth instalment	2/05/2022	17	5.5%	7.0%

	2021/22 Budget revenue	2020/21 Actual revenue	2020/21 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	65,000	65,297	70,000
Instalment plan interest earned	125,000	125,599	100,000
Unpaid rates and service charge interest earned	40,000	40,726	40,000
	230,000	231,622	210,000

TOWN OF CLAREMONT
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022

1. RATES AND SERVICE CHARGES (CONTINUED)

(c) Specified Area Rate

	Basis of valuation	Rate in	Rateable value	2021/22 Budget specified area rate revenue	2021/22 Interim specified area rate revenue	2021/22 Back specified area rate revenue	2021/22 Total budget specified area rate revenue	2020/21 Actual revenue	2020/21 Budget revenue
Specified area rate		\$	\$	\$	\$	\$	\$	\$	\$
BID Program-CBD	GRV	0.00061373	48,882,129	30,000	0	0	30,000	0	0
			48,882,129	30,000	0	0	30,000	0	0

	Purpose of the rate	Area or properties rate is to be imposed on	Budgeted rate applied to costs	Budgeted rate set aside to reserve	Reserve Amount to be applied to costs
Specified area rate			\$	\$	\$
BID Program-CBD	Promotion of CBD thru: marketing, advertising, festivals, street activities etc.	Commercial properties within CBD, bounded by Stirling Hwy, Stirling Rd, Guger St and Leura Ave.	150,000	0	90,000
			150,000	0	90,000

The Council funding for SAR activities is typically on a 1:1 basis, yielding a total of \$240,000 to expend in the aforementioned activities. The proceeds of the rate are to be applied in full to the approved activities. In 2021-22 the Council moved to fund \$90,000 of the specified area rates with Reserve Funds, reducing the rate imposed to applicable properties to \$30,000.

(d) Service Charges

The Town did not raise service charges for the year ended 30th June 2022.

(e) Waivers or concessions

The Town does not anticipate any waivers or concessions for the year ended 30th June 2022.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
2. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents- unrestricted	3	1,392,936	5,213,383	1,499,640
Cash backed reserves	3	0	0	160,135
Unspent borrowings	6(c)	0	0	1,400,000
Financial assets - restricted	3	12,462,341	12,221,340	12,701,719
Receivables		1,685,375	709,671	1,600,785
Inventories		10,000	4,625	4,625
		15,550,652	18,149,019	17,366,904

Less: current liabilities

Trade and other payables		(2,254,224)	(2,307,688)	(3,241,850)
Contract liabilities		0	0	408,252
Long term borrowings		(479,537)	(1,611,984)	(495,206)
Employee provisions		(1,234,087)	(1,128,428)	(1,234,087)
		(3,967,848)	(5,048,100)	(4,562,891)

Net current assets

		11,582,804	13,100,919	12,804,013
Less: Total adjustments to net current assets	2.(c)	(11,582,804)	(10,609,356)	(12,574,900)
Net current assets used in the Rate Setting Statement		0	2,491,563	229,113

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

An asset or liability is classified as current if it is expected to be settled within the next 12 months, being the 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 of Claremont becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

PREPAID RATES

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the City 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 of Claremont contributes to a number of superannuation funds on behalf of employees.

All funds to which the Town of Claremont 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.

CONTRACT ASSETS

A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

TRADE AND OTHER RECEIVABLES

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The 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 statement of financial position. The Town's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
3. 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	2021/22 Budget	2020/21 Actual	2020/21 Budget	
	\$	\$	\$	
Cash at bank and on hand	3,042,936	3,213,383	218,290	
Term deposits	0	2,000,000	2,841,485	
Total cash and cash equivalents	3,042,936	5,213,383	3,059,775	
Held as				
- Unrestricted cash and cash equivalents	1,392,936	3,619,739	1,499,640	
- Restricted cash and cash equivalents	1,650,000	1,593,644	1,560,135	
	3,042,936	5,213,383	3,059,775	
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	12,462,341	12,221,340	14,261,854	
- Restricted financial assets at amortised cost - term deposits	0	0	0	
	12,462,341	12,221,340	14,261,854	
The restricted assets are a result of the following specific purposes to which the assets may be used:				
Reserves - cash/financial asset backed	7	12,462,341	12,221,340	12,861,854
Bank overdraft		0	0	
Unspent borrowings	6(c)	0	0	1,400,000
Contract liabilities		0	0	
Unspent non-operating grants, subsidies and contribution liabilities		0	0	
Capital expenditure provisions		0	0	
		12,462,341	12,221,340	14,261,854
Reconciliation of net cash provided by operating activities to net result				
Net result		1,540,450	1,597,595	2,095,295
Depreciation	5	3,218,603	3,188,715	3,233,457
(Profit)/loss on sale of asset	4(b)	(18,543)	(81,799)	3,591
Loss on revaluation of non current assets		0	0	0
(Increase)/decrease in receivables		0	588,446	0
(Increase)/decrease in contract assets		0	0	0
(Increase)/decrease in inventories		0	0	0
Increase/(decrease) in payables		40,149	412,092	0
Increase/(decrease) in contract liabilities		0	0	(408,252)
Increase/(decrease) in unspent non-operating grants		0	0	0
Increase/(decrease) in capital expenditure provision		0	0	0
Increase/(decrease) in employee provisions		0	(215,247)	0
Non-operating grants, subsidies and contributions		(1,895,000)	(808,368)	(2,197,284)
Net cash from operating activities		2,885,659	4,681,434	2,726,807

SIGNIFICANT ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 2 - 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 2022
4. FIXED ASSETS

(a) Acquisition of Assets

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

Reporting program

Asset class	Reporting program					2021/22 Budget total	2020/21 Actual total	2020/21 Budget total
	Governance	Community amenities	Recreation and culture	Transport	Other property and services			
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Property, Plant and Equipment</i>								
Buildings - specialised	0	0	2,741,268	109,300	196,000	3,046,568	2,704,900	4,613,000
Electronic and equipment	249,420	105,000	0	0	0	354,420	235,403	291,000
Major Plant & Equipment	0	0	0	40,000	0	40,000	0	135,000
Motor Vehicles	33,600	31,810	0	0	107,100	172,510	67,638	91,850
	283,020	136,810	2,741,268	149,300	303,100	3,613,498	3,007,941	5,130,850
<i>Infrastructure</i>								
Infrastructure - roads	0	0	0	1,428,879	0	1,428,879	1,397,031	1,476,509
Infrastructure - footpaths	0	0	0	808,000	0	808,000	669,202	828,660
Infrastructure - drainage	0	0	0	240,000	0	240,000	100,509	60,000
Infrastructure - parks & reserves	0	0	0	270,000	0	270,000	263,090	164,800
Infrastructure - car park	0	0	0	356,262	0	356,262		0
Infrastructure - street furniture	0	0	0	0	0	0	38,301	286,262
Infrastructure - street light	0	0	0	0	0	0		100,000
Infrastructure - reticulation	0	120,000	0	0	0	120,000		159,908
	0	120,000	0	3,103,141	0	3,223,141	2,468,132	3,076,139
<i>Right of use assets</i>								
Right of use - plant and equipment	51,500	0	0	0	0	51,500		0
	51,500	0	0	0	0	51,500	0	0
Total acquisitions	334,520	256,810	2,741,268	3,252,441	303,100	6,888,139	5,476,073	8,206,989

SIGNIFICANT ACCOUNTING POLICIES

RECOGNITION OF ASSETS

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
4. FIXED ASSETS

(b) Disposals of Assets

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

	2021/22 Budget Net Book Value	2021/22 Budget Sale Proceeds	2021/22 Budget Profit	2021/22 Budget Loss	2020/21 Actual Net Book Value	2020/21 Actual Sale Proceeds	2020/21 Actual Profit	2020/21 Actual Loss	2020/21 Budget Net Book Value	2020/21 Budget Sale Proceeds	2020/21 Budget Profit	2020/21 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
By Program												
Governance	59,076	65,150	6,074			0	0	0	0	0	0	0
Law, order, public safety		0	0	0	12,403	25,410	13,007	0	13,627	14,000	373	0
Health		0	0	0	18,636	26,364	7,728	0	18,963	15,000	0	(3,963)
Community amenities	17,100	18,964	1,864	0	20,523	27,273	6,750	0	21,647	15,000	0	(6,647)
Other property and services	22,031	32,636	10,605	0	60,731	115,045	54,314	0	62,854	69,500	17,285	(10,639)
	98,207	116,750	18,543	0	112,293	194,092	81,799	0	117,091	113,500	17,658	(21,249)
By Class												
<u>Property, Plant and Equipment</u>												
Major Plant & Equipment	98,027	116,570	18,543		112,293	194,092	81,799		117,091	113,500	17,658	(21,249)
	98,027	116,570	18,543	0	112,293	194,092	81,799	0	117,091	113,500	17,658	(21,249)

SIGNIFICANT ACCOUNTING POLICIES

GAINS AND LOSSES ON DISPOSAL

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
5. ASSET DEPRECIATION

By Program

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

By Class

Buildings - non-specialised
Furniture and equipment
Electronic and equipment
Major Plant & Equipment
Infrastructure - roads
Infrastructure - parks & reserves

2021/22 Budget	2020/21 Actual	2020/21 Budget
\$	\$	\$
196,496	284,945	307,872
30,294	30,668	33,258
15,982	16,045	14,320
55,230	54,137	67,248
118,590	118,657	71,952
630,582	609,168	599,361
2,054,487	1,960,572	2,020,250
52,156	52,393	54,672
64,786	62,130	64,524
3,218,603	3,188,715	3,233,457
449,464	522,716	520,881
45,816	45,816	48,252
188,736	187,574	211,656
274,509	272,021	242,067
1,979,354	1,885,368	1,924,659
280,724	275,220	285,942
3,218,603	3,188,715	3,233,457

SIGNIFICANT ACCOUNTING POLICIES

DEPRECIATION

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Major depreciation periods used for each class of depreciable asset are:

Buildings - non-specialised	40 to 80 years
Furniture and equipment	10 years
Electronic and equipment	3 to 10 years
Major Plant & Equipment	5 to 10 years
Infrastructure - roads	20 to 50 years
Infrastructure - parks & reserves	10 to 40 years

AMORTISATION

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

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

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

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
6. INFORMATION ON 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 Principal 1 July 2021	2021/22	2021/22	Budget	2021/22	Actual Principal 1 July 2020	2020/21	2020/21	Actual	2020/21	Budget Principal 1 July 2020	2020/21	2020/21	Budget	2020/21	
					Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2022	Budget Interest Repayments		Actual New Loans	Actual Principal Repayments	Principal outstanding 30 June 2021	Actual Interest Repayments		Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2021	Budget Interest Repayments	
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance																			
	4b	WATC	2.4%	0		0	0	0	1,440,559		(1,440,558)	1	(34,159)	1,440,559	0	(1,440,559)	0	(34,159)	
	4c	Reserve - Future Funds	1.5%									0		0	1,400,000		1,400,000		0
Recreation and culture																			
	1	WATC	6.3%	627,346	0	(49,924)	577,423	(38,995)	674,249		(46,903)	627,346	(42,016)	674,250	0	(46,903)	627,347	(42,016)	
	3	WATC	4.5%	737,617	0	(53,293)	684,324	(32,238)	788,614		(50,998)	737,616	(34,532)	788,614	0	(50,998)	737,616	(34,532)	
	6	TBA	1.6%		300,000	(13,892)	286,108	(2,400)	0	0	0	0	0	0	0	0	0	0	
Transport																			
	5	WATC	2.9%	2,550,000	0	(150,000)	2,400,000	(73,868)	2,700,000		(150,000)	2,550,000	(78,278)	2,700,000	0	(150,000)	2,550,000	(78,278)	
Economic services																			
	2b	WATC	2.7%	4,693,074	0	(212,429)	4,480,645	(126,681)	5,110,112		(206,746)	4,903,366	(132,364)	4,899,820	0	(206,746)	4,693,074	(132,364)	
				8,608,037	300,000	(479,537)	8,428,500	(274,181)	10,713,534	0	(1,895,206)	8,818,328	(321,348)	10,503,243	1,400,000	(1,895,206)	10,008,037	(321,349)	
				8,608,037	300,000	(479,537)	8,428,500	(274,181)	10,713,534	0	(1,895,206)	8,818,328	(321,348)	10,503,243	1,400,000	(1,895,206)	10,008,037	(321,349)	

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.
The self supporting loan(s) repayment will be fully reimbursed.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
6. INFORMATION ON BORROWINGS

(b) New borrowings - 2021/22

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
					\$	\$	\$	\$
Loan 6 - McKenzie Pavilion	Unknown	Debenture	10	1.6%	300,000	2,400	300,000	0
					300,000	2,400	300,000	0

(c) Unspent borrowings

The Town had no unspent borrowing funds as at 30th June 2021 nor is it expected to have unspent borrowing funds as at 30th June 2022.

(d) Credit Facilities

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Undrawn borrowing facilities credit standby arrangements			
Credit card limit	60,000	60,000	60,000
Credit card balance at balance date	0	0	(12,000)
Total amount of credit unused	60,000	60,000	48,000
Loan facilities			
Loan facilities in use at balance date	8,428,500	8,818,328	10,008,037

SIGNIFICANT 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 2022
7. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

	2021/22 Budget Opening Balance	2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance	2020/21 Actual Opening Balance	2020/21 Actual Transfer to	2020/21 Actual Transfer (from)	2020/21 Actual Closing Balance	2020/21 Budget Opening Balance	2020/21 Budget Transfer to	2020/21 Budget Transfer (from)	2020/21 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Employee Entitlement	200,000	200,000		400,000	0	200,000		200,000	0	200,000		200,000
(b) Pool Upgrade	870,873	85,235	(270,000)	686,108	644,898	335,975	(110,000)	870,873	644,873	82,257	(110,000)	617,130
(c) Plant Replacement	116,770	51,626		168,396	200,302	51,468	(135,000)	116,770	200,517	50,702	(135,000)	116,219
(d) Bore Replacement	428,259	23,516		451,775	433,108	23,174	(28,022)	428,260	571,823	22,001		593,824
(e) Public Art	147,287	21,204		168,491	148,303	21,483	(22,500)	147,286	148,304	20,519		168,823
(f) Cash in Lieu Reserve	557,278	4,481		561,759	552,034	5,244		557,278	552,084	1,932		554,016
(g) Parking	650,804	2,674		653,478	329,413	321,390		650,803	329,414	1,153		330,567
(h) Buildings	516,192	56,686		572,878	823,561	57,631	(365,000)	516,192	823,527	52,882	(365,000)	511,409
(i) Future Fund	7,155,326	301,904	(160,000)	7,297,230	8,166,937	388,391	(1,400,000)	7,155,328	8,089,556	113,312		8,202,868
(j) Claremont Joint Venture	986,754	7,939		994,693	977,951	8,802		986,753	977,951	3,423		981,374
(k) Claremont Town Centre	126,110	1,983	(90,000)	38,093	244,319	1,791	(120,000)	126,110	246,414	862	(120,000)	127,276
(l) NEP Developer Contribution	392,093	3,159		395,252	389,240	2,853		392,093	389,403	1,363		390,766
(m) Heritage Grant Reserve	73,593	594		74,187	73,058	536		73,594	67,346	236		67,582
	12,221,340	761,001	(520,000)	12,462,341	12,983,124	1,418,738	(2,180,522)	12,221,340	13,041,212	550,642	(730,000)	12,861,854

(b) Cash Backed Reserves - 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) Employee Entitlement	Ongoing	To fund annual and long service leave requirements
(b) Pool Upgrade	Ongoing	To fund major maintenance of the Claremont Pool
(c) Plant Replacement	Ongoing	To provide for the replacement of major items of heavy plant.
(d) Bore Replacement	Ongoing	To provide funds for the replacement of park bores
(e) Public Art	Ongoing	To assist with the programmed purchase and development of Public Art assets throughout the Town.
(f) Cash in Lieu Reserve	Ongoing	To provide for the purchase of land for car parking in accordance with Clause 33(2).
(g) Parking	Ongoing	To provide for the purchase, upgrade or renewal of parking infrastructure.
(h) Buildings	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) Claremont Town Centre	Ongoing	To fund promotion and publicity of Claremont CBD
(l) NEP Developer Contribution	Ongoing	To accumulate funds to cover the Town's contribution to NEP Development arising from ownership of Lot 11578 Claremont Crescent.
(m) Heritage Grant Reserve	Ongoing	To assist with funding of the Town's heritage grant maintenance program

8. FEES & CHARGES REVENUE

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Governance	300	110	300
General purpose funding	105,000	111,393	106,000
Law, order, public safety	17,500	28,231	21,100
Health	72,500	94,394	73,420
Community amenities	405,850	354,120	349,500
Recreation and culture	1,125,013	1,277,748	1,036,824
Transport	856,500	903,527	526,200
Economic services	476,500	380,596	418,880
	3,059,163	3,150,119	2,532,224

9. GRANT REVENUE

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
By Program:			
(a) Operating grants, subsidies and contributions			
General purpose funding	154,000	130,657	152,196
Recreation and culture	8,554	2,000	
Transport	25,600	106,541	25,600
	188,154	239,198	184,021
(b) Non-operating grants, subsidies and contributions			
Recreation and culture	1,735,000	803,088	2,310,000
Transport	160,000	5,280	107,536
	1,895,000	808,368	2,605,536
Total grants, subsidies and contributions	2,083,154	1,047,566	2,789,557

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
10. REVENUE RECOGNITION

SIGNIFICANT ACCOUNTING POLICIES

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

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	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
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
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	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
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Property hire and entry	Use of halls and 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	Gym and pool membership	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
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 and ticket sales	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
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
11. OTHER INFORMATION

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	104,450	116,390	141,513
- Other funds	28,383	35,127	155,700
Interest on damage bonds	3,200	5,287	9,200
Other interest revenue (refer note 1b)	165,000	166,325	140,000
	301,033	323,129	446,413
* The Town has resolved to charge interest under section 6.13 for the late payment of any amount of money at 7%			
(b) Other revenue			
Reimbursements and recoveries	375,500	396,831	79,950
Other	40,250	39,808	173,800
	415,750	436,639	253,750
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	78,000	62,839	70,500
	78,000	62,839	70,500
(d) Interest expenses (finance costs)			
Borrowings (refer Note 6(a))	274,181	321,348	321,349
Interest expense on lease liabilities	34,191	88,039	88,038
	308,372	409,387	409,387
(e) Elected members remuneration			
Meeting fees	172,645	172,645	172,654
Mayor/President's allowance	36,957	36,957	36,958
Deputy Mayor/President's allowance	9,239	9,239	9,240
Telecommunications allowance	35,000	35,000	35,400
	253,841	253,841	254,252
(f) Low Value lease expenses			
Office equipment	52,452	17,087	30,078
	52,452	17,087	30,078

13. SIGNIFICANT ACCOUNTING POLICIES - OTHER INFORMATION

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.

CRITICAL ACCOUNTING ESTIMATES

The preparation of a 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.

ROUNDING OFF FIGURES

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

COMPARATIVE FIGURES

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

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.