



**2000/2001 Budget**

***Notes to and forming part of the  
Annual Budget for the year  
Ending 30 June 2001***

# **2000/2001 Budget**

## **Index**

- 1. Significant Accounting Policies**
- 2. Operating Revenues and Expenses – by Programme**
- 3. Operating Revenues and Expenses – notes to Operating Statement**
- 4. Cashflow – notes to Cashflow Statement**
- 5. Reserves**

## 1. Significant Accounting Policies

The significant policies, which have been adopted in the preparation of this annual budget, are: -

### (a) Basis of Accounting

The annual budget has been drawn up in accordance with the accounting concepts, standards and disclosure requirements of the Australian accounting bodies, the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996. It has been prepared on the accrual basis under the convention of historical cost accounting and includes the requirements of Australian Accounting Standard AAS27 and AAS28.

### (b) The Local Government Reporting Entity

The annual budget forming part of this report has been prepared on the basis of a single consolidated fund (Municipal Fund). Monies held in Council Trust Fund have been excluded from the consolidated annual budget.

### (c) Rounding Off of Figures

All figures shown in the budget, other than a rate in the dollar, are rounded to the nearest dollar.

### (d) Depreciation

Property, plant and equipment are carried at cost. Infrastructure assets were brought to account at 30 June 2000 as non current assets at their estimated written down value. Items of property, plant and equipment, infrastructure assets including buildings but excluding freehold land and artworks, are depreciated over their estimated useful lives on a straight line basis as follows: -

Buildings	40 years
Light Vehicles	13.5 years
Heavy Vehicles	9.5 years
Plant	8 years
Furniture & Equipment	10 years
Other Plant and Equipment	10 years
Reserves/Parks Playground and Leisure Equipment	10 years
Computer Hardware	3 years
Computer Software	5 years
Infrastructure Assets	5-50 years

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use.

### (e) Rates and Charges

The rating and reporting periods coincide. All rates levied for the year are recognised as revenues. Total rates outstanding at 30 June 2000 are estimated at \$2,943,593 including deferred rates of \$793,328. No provision has been made for doubtful debts relating to Rates and Charges.

**1. Significant Accounting Policies (Continued)****(f) Grants, Donations and Other Contributions**

All grants, donations and other contributions have been recognised as revenues during the year. Expenditure of those monies has been made or in the case of unexpended monies at balance date will be made in the manner specified under the conditions upon which the City received those monies.

**(g) Investments**

All investments are valued at cost and interest on those investments is recognised when accrued. An investment with PBS (In Liquidation) of \$95,266 is valued at net realisable value.

**(h) Employee Entitlements**

Provision is made for benefits accruing to employees in respect of wages and salaries, annual, long service, and sick leave when it is probable that settlement will be required, and are capable of being measured reliably.

Provisions made in respect of wages and salaries, annual and sick leave expected to be settled within twelve months, are measured at their nominal values in accordance with AAS30.

**(i) Superannuation Fund**

The City contributes to the Local Government Superannuation Plan with contributions to the fund made by employees. The expense related to these contributions is reflected in Council's annual budget.

**(j) Land Held for Resale**

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

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

**(k) Works in Progress**

Major works, which were not completed at 30 June 2000, are recorded as Works in Progress. Funds to complete those projects have been provided in the 2000/2001 Annual Budget.

**1. Significant Accounting Policies (Continued)****(l) Corporate Overhead – Cascaded Allocation**

To determine the true cost of the City's activities, the 2000/2001 Budget incorporates the distribution of all administrative overhead costs to service delivery areas with an appropriate proportion identified as being associated with the City's "governance" role.

In allocating overhead costs, appropriate "cost drivers" were identified to allocate costs through the organisation. The cascade hierarchy followed a multiple step process, cascading Corporate Costs to Business Units and, where appropriate, Business Unit costs to Activities and, where necessary Works Programmes.

The allocation of costs to Business Unit Activities to determine "true costs" differs in principle to the allocation of costs associated with Programme Reporting. In determining "true costs", costs are allocated to Governance Activities associated with running Council rather than Business Unit Activities. In determining Program costs, Governance costs are allocated down to Programmes.

The mapping of Activities to Programmes at account hierarchy level facilitates this difference in approach.

**(m) Budget Authorisation**

During 1999/2000, the City of Joondalup introduced a process of variance analysis and forecasting to maintain budgetary control with the only adjustment to budget being for major deviations in operation. The 2000/2001 Budget, while compiled at line item basis will stand as the plan for the coming year.

The interpretation placed on Section 6.8 (1) of the Local Government Act, 1995 is that the purpose denotes the operating activities undertaken by the Business Unit during the course of the year, for example, Library Services, and those budgets will be managed on a "bottom line" basis. Project budgets for all operating and capital initiatives, replacement programme and capital works will be treated as stand alone activities and these project budgets will also be monitored on a 'bottom line' basis.

The City believes this meets the criteria set out in Section 6.8 (1) of the Local Government Act 1995 of defining purpose in terms of budgeted expenditure while giving considerably greater flexibility to managers in managing the expenditure required to incur to manage the day to day business activities.

## 2. Operating Revenues and Expenses

### (a) Operating Revenues and Expenses Classified According to Programme

	Note	Adopted 1999/2000 \$	Actual 1999/2000 \$	Estimated 2000/2001 \$
<b>Revenues</b>				
General Purpose Funding		39,301,743	40,463,518	42,194,294
Governance		43,400	22,587	0
Law, Order & Public Safety		2,391,140	2,173,394	2,213,821
Health		112,478	56,699	98,808
Education & Welfare		3,048,190	3,187,317	3,162,216
Housing		19,320	27,701	12,628
Community Activities		6,966,285	7,354,327	8,172,472
Recreation & Culture		5,500,135	3,872,844	3,795,841
Transport		1,170,195	1,611,858	1,000,132
Economic Services		760,098	991,233	898,515
Other Property Services		599,667	622,998	567,164
<b>Total Operating Revenues</b>	<b>2(a)</b>	<b>59,913,469</b>	<b>60,384,476</b>	<b>62,115,891</b>
<b>Expenses</b>				
Governance		1,007,552	987,836	1,007,607
Law, Order & Public Safety		3,922,956	3,737,470	4,878,903
Health		1,239,147	1,123,191	1,127,326
Education & Welfare		4,352,332	4,276,651	4,978,946
Housing		10,089	63,514	51,103
Community Activities		9,615,009	9,179,111	11,665,259
Recreation & Culture		20,567,088	18,981,947	20,480,354
Transport		16,305,241	18,221,717	18,803,449
Economic Services		812,333	841,597	940,833
Other Property Services		3,326,460	2,485,913	5,001,049
<b>Total Operating Expenses</b>	<b>2(a)</b>	<b>61,158,206</b>	<b>59,898,947</b>	<b>68,934,829</b>
<b>CHANGES IN NET ASSETS RESULTING FROM OPERATIONS BEFORE ABNORMAL ITEMS</b>		<b>(1,244,737)</b>	<b>485,529</b>	<b>(6,818,938)</b>
<b>Abnormal Items</b>				
Contributions from Developers	3(j)	10,890,000	14,768,242	11,600,000
Arena Donation	3(k)	(1,800,000)	(1,654,667)	(145,333)
<b>CHANGES IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b>2(a)</b>	<b>7,845,263</b>	<b>13,599,104</b>	<b>4,635,729</b>

## 2. Operating Revenues and Expenses (Continued)

### (b) Reconciliation of Revenues and Expenses

**Classified According to Programme to Total Operating Revenue and Total operating Expenses per the Operating Statement**

<b>Adjustments for Abnormal Items</b>	<b>Note</b>	<b>Adopted 1999/00 \$</b>	<b>Actual 1999/00 \$</b>	<b>Estimated 2000/2001 \$</b>
<b>Total Operating Revenue per Operating Statement</b>		<b>59,913,469</b>	<b>60,384,476</b>	<b>62,115,891</b>
Add: Contributions from Developers for Infrastructure Assets	<b>2(d)</b>	10,890,000	14,768,242	11,600,000
<b>Total Operating Revenue</b>		<b>70,803,469</b>	<b>75,152,718</b>	<b>73,715,891</b>
<b>Total Operating Expenses per Operating Statement</b>		<b>61,158,206</b>	<b>59,898,947</b>	<b>68,934,829</b>
Add: Arena Donation	<b>2(d)</b>	1,800,000	1,654,667	145,333
<b>Total Operating Expenditure</b>		<b>62,958,206</b>	<b>61,553,614</b>	<b>69,080,162</b>
<b>Operating Result</b>		<b>7,845,263</b>	<b>13,599,104</b>	<b>4,635,729</b>

### (c) Programme Activities

Operating Statements have been provided by Nature and by Programme, the latter being included in the notes to the accounts. Broad definitions of each programme is as follows:

#### **General Purpose Funding**

Rates Income and Expenditure, Grants Commission and Pensioner Deferred Rates Interest and Interest on Investments.

#### **Governance**

Governance relates to Elected Members costs only. All other governance related activities in areas such as Council Support, Administration, Finance and Information Services have been allocated down to the Programmes that these costs support.

#### **Law, Order and Public Safety**

Supervision of various local laws, security, fire prevention and animal control.

#### **Health**

Prevention and treatment of human illnesses, including inspection of premises/food control, immunisation and child health services.

## **2. Operating Revenues and Expenses (Continued)**

### **Education and Welfare**

Provision, management and support services for families, children and the aged and disabled within the community, including pre-school playgroups, day and after school care, assistance to schools, senior citizens support groups and meals on wheels. Provision of Aged Persons Units and Resident Funded Units.

### **Housing**

Provision of housing and leased accommodation where council acts as landlord.

### **Community Amenities**

Town planning and development, rubbish collection services, stormwater drainage, the provision of public conveniences, bus shelters, roadside furniture and litter control

### **Recreation & Culture**

Provision of facilities and support for organisations concerned with leisure time activities and sport, support for the performing and creative arts and the preservation of the national estate. This includes maintenance of halls, aquatic centres, recreation and community centres, parks, gardens, sports grounds and the operation of libraries.

### **Transport**

Construction, maintenance and cleaning of streets, roads, bridges, drainage works, footpaths, parking facilities, traffic signs and the City Depot, including development, plant purchase and maintenance

### **Economic Services**

Rural services and pest control and the implementation of building controls

### **Other Property & Services**

Private works, public works overheads, council plant operations, materials, salaries and wages and Town Planning Schemes. With the exception of private works, the above activities listed are mainly summaries of costs that are allocated to all works and services undertaken by the council.



### 3. Operating Revenues and Expenses (notes to operating statements)

#### (a) Revenue - Rates

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Rates - General	<u>\$34,772,679</u>	<u>\$35,302,821</u>	<u>\$37,402,304</u>

The growth in Rates - General is due to an increase of 903 fully rateable properties, increased property values arising from developments during the 1999/2000 year, changes in the Commercial Rate-in-the-\$ to equal the General Residential Rate-in-the-\$, a 3% increase in the General Rate-in-the-\$ and in the minimum payments.

#### (b) Revenue – Specified Area

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Rates – Specified Area - Iluka	\$159,280	\$167,909	\$43,760
Rates – Specified Area - Woodvale			<u>\$18,000</u>
Rates - Specified Area	<u>\$159,280</u>	<u>\$167,909</u>	<u>\$61,760</u>

Rates – Specified Area relates to enhanced landscaping undertaken by the City at the request of ratepayers within specified areas - Iluka and Woodvale Waters.

#### (c) Profit on Disposal

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Profit on Disposal	<u>\$1,930,481</u>	<u>\$295,043</u>	<u>\$13,349</u>

The 1999/2000 Budget includes within this category, Proceeds on Disposal. The accounting treatment has been reviewed and it is considered that Proceeds on Disposal is more correctly shown in the Cash Flow Statement. The amounts shown as Actual 1999/00 and Estimated 2000/2001 only relate to Profit on Disposal.

#### (d) Service Charges

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Service Charges	<u>\$5,776,130</u>	<u>\$5,839,771</u>	<u>\$7,607,661</u>

Following a domestic Recycling trial undertaken during 1999/2000, the City will commence a voluntary domestic refuse recycling program this year. This program is self funding and revenues associated with the provision of the service and carts is budgeted at \$1,615,389.

### 3. Operating Revenues and Expenses (notes to operating statements) (Continued)

#### (e) Revenue from Other Councils

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Revenue from Other Councils	<u>\$933,697</u>	<u>\$845,218</u>	<u>\$315,636</u>

During the 2000/2001 year, the City will provide accommodation at commercial terms and Library Services under a Service Level Agreement to the City of Wanneroo. During 1999/2000 the City provided additional services to the City of Wanneroo in respect of Information Systems, Accounting Services and Records Management which will not continue during the 2000/2001 period.

#### (f) Employee Costs

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Employee Costs	<u>\$22,907,172</u>	<u>\$22,580,522</u>	<u>\$26,273,185</u>

The increase in Employment Costs is due to a reallocation of costs from Materials and Contracts, costs associated with the Safer Community Security Charge program, the introduction of the a 3% salary increase associated with the Enterprise Bargaining Agreements, increases in the statutory Superannuation Guarantee Levy from 7% to 8%, an increase in Workers Compensation Insurance.

The 2000/2001 budget includes within the Employee Costs category, \$2,939,182 for Contract/Agency Labour. The comparative 1999/2000 Budget included Contract/Agency Labour of \$1,690,440 within the Materials and Contracts category. This change has been undertaken to provide comparable costs for reporting purposes.

#### (g) Materials & Contracts

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Materials and Contracts	<u>\$23,239,657</u>	<u>\$20,822,400</u>	<u>\$24,693,309</u>

Materials and Contracts cost increases are due to the introduction of the Domestic Recycling Services at a costs of \$1,615,389, costs of maintaining additional parks and the upgraded parks, reclassifying building maintenance costs previously treated as Capital \$571,000 and costs associated with new strategic initiatives undertaken to support the City's strategic objectives.

### 3. Operating Revenues and Expenses (notes to operating statements) (Continued)

#### (h) Utilities (Gas, Water, Electricity etc)

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Utilities (Gas, Water, Electricity etc)	<u>\$1,365,173</u>	<u>\$2,664,876</u>	<u>\$2,573,840</u>

Utilities costs of \$1,200,000 for streetlighting has been budgeted in Utilities whereas the 1999/2000 budget reflected those costs within Materials and Contracts.

#### (i) Depreciation on Non Current Assets

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Depreciation on Non Current Assets	<u>\$12,899,099</u>	<u>\$13,096,533</u>	<u>\$14,334,954</u>

Depreciation on Non Current Assets have increased mainly due to additional depreciation on Reserves, Roads and Drainage Infrastructure \$1,386,362. Additional depreciation is also due to the implementation of the Library system during 1999/2000.

#### (j) Contributions from Developers for Infrastructure Assets

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Contributions from Developers for Infrastructure Assets	<u>\$10,890,000</u>	<u>\$14,768,242</u>	<u>\$11,600,000</u>

Contributions from developers during 2000/2001 are estimated at \$11,600,000. This is represented by \$200,000 – Parks and Reserves Infrastructure, \$9,600,000 of Roads Infrastructure and \$1,800,000 for Drainage Infrastructure. These contributions are included in the Operating Statement as Abnormal Income due to the nature and value of the contributions.

#### (k) Arena Donation

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Arena Donation	<u>\$1,800,000</u>	<u>\$1,654,667</u>	<u>\$145,333</u>

The City provided a commitment to support the development of the Joondalup Arena at a cost not exceeding \$3,800,000. As at 30 June 2000, an amount of \$145,333 remained unpaid. This amount is included in the Operating Statement as Abnormal Expense due the nature and value of the contribution.

#### **4. Cash flow (notes to Cashflow Statement)**

##### **(a) Cashflow Assumptions**

The Cashflow statement is based on certain income collection and expenditure payment assumptions.

Rates collections are estimated to be approximately 95% of income, resulting in Rates Debtors at 30 June 2001 to be estimated at \$1,947,592. Trade Debtors at 30 June 2001 are estimated at \$3,483,136. Total Debtors balances as at 30 June 2000 were \$3,213,379.

Projected Payments result in Trade Creditors as at 30 June 2001 to be \$4,407,444. Employee entitlements as at 30 June 2001 are estimated to be \$5,152,382. The remaining payment of the Arena Donation is expected to occur during the 2000/2001 year.

##### **(b) Non-Cash items**

Non-cash items such as income (Contributions from Developers) and expenditure (Depreciation, In/decreases in Provisions) items are excluded from the cash flow statement.

##### **(c) Fees & Charges**

	<b>Budget 1999/00</b>	<b>Actual 1999/00</b>	<b>Estimated 2000/2001</b>
Receipts – Fees & Charges	<u>\$5,233,400</u>	<u>\$6,690,724</u>	<u>\$5,569,387</u>

During 1999/2000 cashflow receipts from Fees and Charges included receipts which are not expected to not re-occur in 2000/2001:

- Payments of debt from Mindarie Regional Council - \$550,000
- Payments from Commercial Refuse debtors - \$128,127
- Payments from other debtors – \$38,260

##### **(d) Proceeds from Asset Sales**

Proceeds from Asset Sales as per the 2000/2001 Motor Vehicle and Plant Replacement program is \$1,494,738.

##### **(e) Payment for Capital Expenditure**

Capital purchases are estimated to occur and to be paid during the course of the 2000/2001 year.

##### **(f) Payments made for COW liabilities**

During 1999/2000, the City made payments to the City of Wanneroo in order to settle certain inter-organisational liabilities arising from the split of the former City of Wanneroo. No such cashflow items will occur during the 2000/2001 period.

## 5. Reserve Accounts

### (a) Asset Replacement Reserve

Created in 1999/2000 to assist with financing various essential assets including a Works Depot. Transfers from Accumulated Surplus includes \$220,380 for interest.

	\$
<b>Opening Balance</b>	<b>6,339,205</b>
Transfer from Accumulated Surplus	220,380
Transfer to Accumulated Surplus	-
<b>Closing Balance</b>	<b><u>\$6,559,585</u></b>

### (b) Cash in Lieu of Parking Reserve

Created in 1993/94 by the former City of Wanneroo as a consequence of AAS 27 with funds previously held in Trust Fund. Represents funds received from developers in lieu of providing car parking and will be utilised to fund future car parking requirements. Transfers from Accumulated Surplus includes \$13,102 for interest.

	\$
<b>Opening Balance</b>	<b>376,884</b>
Transfer from Accumulated Surplus	13,102
Transfer to Accumulated Surplus	-
<b>Closing Balance</b>	<b><u>\$389,986</u></b>

### (c) Cash in Lieu of Public Open Space Reserve

Created in 1993/94 by the former City of Wanneroo as a consequence of AAS 27 with funds previously held in Trust Fund. Represents funds received from developers in lieu of providing public open space and will be utilised to fund future public open space requirements. Transfers from Accumulated Surplus includes \$22,066 for interest.

	\$
<b>Opening Balance</b>	<b>634,720</b>
Transfer from Accumulated Surplus	22,066
Transfer to Accumulated Surplus	-
<b>Closing Balance</b>	<b><u>\$656,786</u></b>

## 5. Reserve Accounts (Continued)

### (d) Domestic Cart - Refuse Collection Reserve

Created in 1990/91 by the former City of Wanneroo to provide for additional plant and equipment used specifically for the provision of the domestic cart refuse collection service. This reserve is maintained by an annual allocation equivalent to the operating surplus achieved by this service. Transfers from Accumulated Surplus includes \$22,248 for interest.

	\$
<b>Opening Balance</b>	<b>639,961</b>
Transfer from Accumulated Surplus	22,248
Transfer to Accumulated Surplus	-
<b>Closing Balance</b>	<b>\$662,209</b>

### (e) Heavy Vehicle Replacement Reserve

Created in 1996/97 by the former City of Wanneroo to provide for the replacement of Council's fleet of heavy vehicles. This reserve is maintained by an annual allocation of an amount equivalent to the 'capital' charge, which would be charged against all Council works and services on which the vehicles are used. Transfers from Accumulated Surplus includes \$17,940 for interest and \$152,448 for the 'capital charge'. An amount of \$300,366 is transferred from this reserve to accommodate purchases during the year.

	\$
<b>Opening Balance</b>	<b>516,055</b>
Transfer from Accumulated Surplus	170,388
Transfer to Accumulated Surplus	300,366
<b>Closing Balance</b>	<b>\$386,077</b>

### (f) Hodges Drive Drainage Reserve

Created in 1988/89 by the former City of Wanneroo to finance the provision of drainage at Hodges Drive. Maintained by equal annual allocations from Municipal Fund over the years 1989/90 to 1994/95. Transfers from Accumulated Surplus includes \$5,618 for interest.

	\$
<b>Opening Balance</b>	<b>161,593</b>
Transfer from Accumulated Surplus	5,618
Transfer to Accumulated Surplus	-
<b>Closing Balance</b>	<b>\$167,211</b>

## 5. Reserve Accounts (Continued)

### (g) Joondalup City Centre Public Parking Reserve

Created in 1995/96 by the former City of Wanneroo to accumulate funds received from developers within the Joondalup Central Business District in lieu of providing car parking and will be utilised to fund future car parking requirements. Transfers from Accumulated Surplus includes \$13,506 for interest.

	\$
<b>Opening Balance</b>	<b>388,501</b>
Transfer from Accumulated Surplus	13,506
Transfer to Accumulated Surplus	-
<b>Closing Balance</b>	<b><u>\$402,007</u></b>

### (h) Light Vehicles Replacement Reserve

Created in 1996/97 by the former City of Wanneroo to provide for the replacement of Council's fleet of light vehicles. This reserve is maintained by an annual allocation of an amount equivalent to the 'capital' charge, which would be charged against all Council works and services on which the vehicles are used. Transfers from Accumulated Surplus includes \$16,473 for interest and \$552,707 for the 'capital charge'. An amount of \$492,478 is transferred from this reserve to accommodate purchases during the year.

	\$
<b>Opening Balance</b>	<b>473,829</b>
Transfer from Accumulated Surplus	569,180
Transfer to Accumulated Surplus	492,478
<b>Closing Balance</b>	<b><u>\$550,531</u></b>

### (i) Ocean Reef Boat Launching Facility Reserve

Created in 1998/99 for the purpose of planning, developing and managing the Ocean Reef Boat Launching Facility precinct, generally comprising the boat launching facility and the adjacent foreshore lands. Transfers from Accumulated Surplus includes \$1,606 for interest.

	\$
<b>Opening Balance</b>	<b>46,200</b>
Transfer from Accumulated Surplus	1,606
Transfer to Accumulated Surplus	-
<b>Closing Balance</b>	<b><u>\$47,806</u></b>

## 5. Reserve Accounts (Continued)

### (j) Performing Arts Facility Reserve

This is a newly created reserve in 2000/01 to assist with the design and development of a regional performing arts facility in the Joondalup City Centre. A \$1,000,000 allocation has been made to this Reserve during the 2000/2001 financial year from Accumulated Surplus.

	\$
<b>Opening Balance</b>	<b>Nil</b>
Transfer from Accumulated Surplus	1,000,000
Transfer to Accumulated Surplus	-
<b>Closing Balance</b>	<b><u>\$1,000,000</u></b>

### (k) Plant Replacement Reserve

Used to assist with financing of Council's plant and equipment. This reserve is maintained by an annual allocation of an amount equivalent to the 'capital' charge which would be charged against all Council works on which plant is used. Transfers from Accumulated Surplus includes \$13,258 for interest and \$285,040 for the 'capital charge'. An amount of \$194,837 is transferred from this reserve to accommodate purchases during the year.

	\$
<b>Opening Balance</b>	<b>381,350</b>
Transfer from Accumulated Surplus	298,298
Transfer to Accumulated Surplus	194,837
<b>Closing Balance</b>	<b><u>\$484,811</u></b>

### (l) Property Surveillance and Security Charge Reserve

Created in 1999/2000 to accommodate excess funds from the charge levied for his service. These will be used during 2000/2001 for this service.

	\$
<b>Opening Balance</b>	<b>320,864</b>
Transfer from Accumulated Surplus	-
Transfer to Accumulated Surplus	320,864
<b>Closing Balance</b>	<b><u>\$nil</u></b>



## 5. Reserve Accounts (Continued)

### (m) Section 20A Land Reserve

Created in 1993/94 by the former City of Wanneroo to comply with the Department of Land Administration Guidelines on the sale of unwanted Section 20A "Public Recreation" reserve land which requires that the proceeds be applied to capital improvements on other recreation reserves in the general locality. Transfers from Accumulated Surplus includes \$907 for interest.

	\$
<b>Opening Balance</b>	<b>26,093</b>
Transfer from Accumulated Surplus	907
Transfer to Accumulated Surplus	-
<b>Closing Balance</b>	<b><u>\$27,000</u></b>

### (n) Special Area Rating - Iluka Reserve

Created in 1999/2000 to accommodate excess funds from the Special Area Rate for enhanced landscaping services in the Iluka region. These funds will be used in the 2000/2001 financial year for this service.

	\$
<b>Opening Balance</b>	<b>46,160</b>
Transfer from Accumulated Surplus	-
Transfer to Accumulated Surplus	46,160
<b>Closing Balance</b>	<b><u>\$nil</u></b>

### (o) Town Planning Scheme No 10 (Revoked) Reserve

Created in 1993/94 by the former City of Wanneroo as a consequence of AAS 27 with funds previously held in Trust Fund. Represents residual funds from Town Planning Scheme No 10 (Revoked) and will be utilised on the provision of facilities generally within or in close proximity of the scheme area. Transfers from Accumulated Surplus includes \$30,914 for interest.

	\$
<b>Opening Balance</b>	<b>889,247</b>
Transfer from Accumulated Surplus	30,914
Transfer to Accumulated Surplus	-
<b>Closing Balance</b>	<b><u>\$920,161</u></b>

## 5. Reserve Accounts (Continued)

### (p) Wanneroo Bicentennial Trust Reserve

Created in 1993/94 by the former City of Wanneroo as a consequence of AAS 27 with funds previously held in Trust Fund. The Trust was established in 1988 to perpetuate the spirit of Australia's Bicentennial celebrations by serving as a source of encouragement of residents of the community who would not otherwise have the resources to progress in their chosen field of endeavour. The award of a grant by the Trust will assist these people in realising their goals and developing their talents to the benefit of the community. The Trust is administered by a Board of Trustees supported by a staff of the City. Transfers from Accumulated Surplus includes \$1,982 for interest.

	\$
<b>Opening Balance</b>	<b>57,000</b>
Transfer from Accumulated Surplus	1,982
Transfer to Accumulated Surplus	58,982
<b>Closing Balance</b>	<b>\$0</b>