

JOHNSTONE SHIRE COUNCIL

Financial Report

For the year ended 30 June 2006

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JOHNSTONE SHIRE COUNCIL

Financial Report

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The following unaudited statements and reports are attached to provide additional information that the Council considers will provide the reader with more useful information in the process of interpreting these financial statements. These additional reports are not required under the Australian Accounting Standards and therefore do not form part of the audited financial statements.

Statement of Operating Performance
Financial Ratios of the Accounts
Statement of Actual Results by Program
Analysis of Cash Holdings

JOHNSTONE SHIRE COUNCIL

Income Statement

For the year ended 30 June 2006

		2006	2005
		Actual	Actual
	Note	\$	\$
Income			
Revenue			
Recurrent Revenue			
Net rates and utility charges	4 (a)	19,553,784	17,582,770
Fees and charges		1,573,795	1,495,322
Rental and levies	4 (b)	468,788	368,834
Interest received	4 (c)	407,889	362,338
Sales of contract and recoverable works	4 (d)	233,891	299,064
Reimbursement of expenditure		1,656,266	-
Grants, subsidies, contributions and donations	5 (i)	22,381,976	3,357,597
Total recurrent revenue		<u>46,276,389</u>	<u>23,465,925</u>
Capital revenue			
Grants, subsidies, contributions and donations	5 (ii)	7,539,838	1,527,051
Conversion of retirement village loan funds to equity funds		4,270	35,660
		<u>7,544,108</u>	<u>1,562,711</u>
Total revenue		<u>53,820,497</u>	<u>25,028,636</u>
Capital income	6	847,849	76,259
Total income		<u>54,668,346</u>	<u>25,104,895</u>
Expenses			
Recurrent expenses			
Employee benefits	8	10,223,183	8,887,043
Materials and services	9	24,277,087	10,078,427
Finance costs	10	1,055,078	1,122,535
Depreciation and amortisation	11	4,982,405	4,910,848
Total recurrent expenses		<u>40,537,753</u>	<u>24,998,853</u>
Capital expenses	12	26,780	178,904
Total expenses		<u>40,564,533</u>	<u>25,177,757</u>
Net result attributable to council		<u>14,103,813</u>	<u>(72,862)</u>

The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.

JOHNSTONE SHIRE COUNCIL

Balance Sheet

As at the 30 June 2006

	Note	2006 Actual \$	2005 Actual \$
Current Assets			
Cash assets and cash equivalents	14	9,237,074	4,332,797
Trade and other receivables	15 (a)	12,175,916	1,432,816
Inventories	16	393,337	439,982
Other financial assets	17	28,626	181,863
		<u>21,834,953</u>	<u>6,387,458</u>
Non-current Assets			
Trade and other receivables	15 (b)	290,769	216,040
Property, plant and equipment	18 (a)	146,589,021	149,094,257
Capital works in progress	19	4,238,531	1,625,015
Intangible assets	20	47,128	54,958
		<u>151,165,449</u>	<u>150,990,270</u>
TOTAL ASSETS		<u>173,000,402</u>	<u>157,377,728</u>
Current Liabilities			
Trade and other payables	21	5,991,470	3,189,702
Borrowings	22	2,037,000	1,894,375
		<u>8,028,470</u>	<u>5,084,077</u>
Non-current Liabilities			
Trade and other payables	21	1,379,795	1,057,270
Borrowings	22	13,192,931	12,481,683
Other	23	-	2,303,364
		<u>14,572,726</u>	<u>15,842,317</u>
TOTAL LIABILITIES		<u>22,601,196</u>	<u>20,926,394</u>
NET COMMUNITY ASSETS		<u>150,399,206</u>	<u>136,451,334</u>
Community Equity			
Shire Capital	24	104,755,863	105,353,345
Restricted capital funds reserves	25	1,939,196	989,962
Asset revaluation reserve	26	28,966,496	29,122,437
Retained surplus	27	639,908	(1,655,483)
Other reserves	28	14,097,743	2,641,073
TOTAL COMMUNITY EQUITY		<u>150,399,206</u>	<u>136,451,334</u>

The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.

JOHNSTONE SHIRE COUNCIL

Cash Flow Statement

For the year ended 30 June 2006

	Note	2006 \$	2005 \$
Cash flows from operating activities :			
Receipts			
General rates and utility charges		18,588,107	18,140,375
Rental and levies, fees and charges		2,122,690	1,465,265
Grants, subsidies and contributions		15,155,016	3,339,466
Interest received		402,214	353,605
Other income		232,729	1,536,724
GST received		1,556,686	975,935
Payments			
Payments to suppliers		(21,682,984)	(9,763,216)
Payment to employees		(9,549,000)	(8,849,111)
Interest expense		(999,189)	(1,071,840)
GST paid		(2,597,382)	(1,166,609)
Net cash inflow (outflow) from operating activities	35	<u>3,228,887</u>	<u>4,960,594</u>
Cash flows from investing activities:			
Payments for property, plant and equipment		(6,768,631)	(4,257,052)
Proceeds from sale of property plant and equipment		245,065	338,143
Net movement in loans and advances		(1,500)	8,950
Net cash inflow (outflow) from investing activities		<u>(6,525,066)</u>	<u>(3,909,959)</u>
Cash flows from financing activities:			
Grants, subsidies and contributions for capital acquisitions:	5(ii)		
Commonwealth government grants		587,662	-
State Government subsidies & grants		5,645,663	466,333
Other Non-Government Subsidies		30,245	-
Capital contributions		1,110,427	562,277
Proceeds from (repayment of) retirement village loan funds		(634)	48,590
Proceeds from borrowings	22	3,000,000	1,827,000
Repayment of borrowings	22	(2,046,729)	(1,572,321)
Repayments made on finance leases	22	(126,178)	(208,640)
Net cash inflow (outflow) from financing activities		<u>8,200,456</u>	<u>1,123,239</u>
Net increase (decrease) in cash held		<u>4,904,277</u>	<u>2,173,874</u>
Cash at beginning of reporting period		<u>4,332,798</u>	<u>2,158,924</u>
Cash at end of reporting period	14	<u>9,237,075</u>	<u>4,332,798</u>

JOHNSTONE SHIRE COUNCIL

Statement of Appropriations

For the year ended 30 June 2006

		2006	2005
		Actual	Actual
	Note	\$	\$
Retained surplus (deficiency) from prior years		(1,655,483)	(870,119)
Net result attributable to council for the period		<u>14,103,813</u>	<u>(72,862)</u>
		<u>12,448,330</u>	<u>(942,981)</u>
Transfers (to) from capital account:			
Transfer of capital income	6	(847,849)	(76,259)
Transfer of capital expenses	12	26,780	178,904
Non monetary capital revenue	5 (ii)(b)	(165,841)	(498,441)
General revenue used for capital funding purposes	CFS*	(386,403)	(1,950,033)
Adjustment for unfunded depreciation		158,241	2,889,813
From the Capital Account for loan funds utilised for recurrent expenditure.		<u>2,000,000</u>	<u>-</u>
Net capital account transfers		<u>784,928</u>	<u>543,984</u>
Transfer from (to) the constrained works reserve	28 (i)	(7,373,997)	(1,104,110)
		<u>5,859,261</u>	<u>(1,503,107)</u>
Retained surplus (deficiency) available for transfer to reserves			
Transfers (to) from reserves for future capital funding purposes:			
Buildings and facilities reserve	28 (ii)	(500,000)	-
Cleansing reserve	28 (iii)	(813,294)	-
Plant Replacement reserve	28 (iv)	(500,000)	-
Housing maintenance reserve	28 (v)	(50,000)	(40,000)
Sewerage reserve	28 (vi)	(756,615)	-
Bridge Replacement reserve	28 (vii)	(500,000)	-
Residential village capital reserve	28 (ix)	(4,270)	(35,660)
Transfers (to) from reserves for future general funding purposes:			
General reserve	28 (b)(i)	(2,000,000)	-
Residential village maintenance reserve	28 (b)(ii)	132,414	(52,873)
Constrained Works operational reserve	28(b)(iii)	(227,588)	(23,843)
		<u>639,908</u>	<u>(1,655,483)</u>

*CFS - Denotes Capital Funding Statement

The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.

JOHNSTONE SHIRE COUNCIL

Statement of Changes in Equity

For the year ended 30 June 2006

	Total		Retained surplus (deficit)		Other reserves		Councils Capital Equity comprises					
							Restricted Capital Reserves		Asset revaluation reserve		Council Capital	
	2006	2005	Note 27		Note 28		Note 25		Note 26		Note 24	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at beginning of period	136,451,334	132,990,950	(1,655,483)	(870,119)	2,641,073	2,064,618	989,962	257,898	29,122,437	25,589,191	105,353,345	105,949,362
Net result for the period	14,103,813	(72,862)	14,103,813	(72,862)								
Transfers to general reserves	-	-	(13,004,761)	(1,459,788)	13,004,761	1,459,788						
Transfer of funds expended	-	-			(1,136,680)	(680,031)	(272,965)	-			1,409,645	680,031
Transfers from capital	-	-	784,928	543,984			1,222,199	732,064			(2,007,127)	(1,276,048)
Transfers from general reserves	-	-	411,411	203,302	(411,411)	(203,302)						
Asset revaluation adjustments	-	-										
Revaluations and impairments	(155,941)	3,533,246							(155,941)	3,533,246		
Balance at end of period	150,399,206	136,451,334	639,908	(1,655,483)	14,097,743	2,641,073	1,939,196	989,962	28,966,496	29,122,437	104,755,863	105,353,345

The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.

JOHNSTONE SHIRE COUNCIL

Capital Funding Statement

For the year ended 30 June 2006

	Note	2006	2005
		\$	\$
Sources of capital funding			
General revenue used for capital purposes		386,403	1,950,033
Other capital revenue sources:			
Loan monies expended		1,272,965	1,693,528
Funded depreciation and amortisation		3,601,965	1,376,278
Proceeds from the sale of capital assets		2,543,525	338,143
Donated and contributed physical assets		165,841	498,441
Constrained grants, subsidies and contributions		952,557	680,031
Residential village capital reserve		184,123	-
		<u>9,107,379</u>	<u>6,536,454</u>
Application of capital funding			
Non current capital assets :			
Land and improvements		-	84,972
Buildings		68,009	81,477
Plant and equipment at cost		520,177	477,273
Road and bridge network		1,443,574	1,514,329
Water		164,797	1,192,616
Sewerage		2,048,388	7,962
Other assets		76,011	-
Movement in capital work in progress		<u>2,613,516</u>	<u>1,396,864</u>
		<u>6,934,472</u>	<u>4,755,493</u>
Principal loan redemptions :			
Queensland Treasury Corporation		2,046,729	1,572,321
Finance leases		<u>126,178</u>	<u>208,640</u>
		<u>2,172,907</u>	<u>1,780,961</u>
		<u>9,107,379</u>	<u>6,536,454</u>

The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

3 Analysis of results by function

(a) Revenue, expenses and assets have been attributed to the following functions :

Functions	Revenue		Total revenue	Total expenses	Net result for period	Assets
	Grants	Other				
	2006 \$	2006 \$	2006 \$	2006 \$	2006 \$	2006 \$
General Management	8,000	206,253	214,253	954,523	(740,270)	9,512,075
Corporate Services	1,024,998	13,599,545	14,624,543	(171,790)	14,796,333	25,160,938
Community Services	1,082,850	310,217	1,393,067	2,320,496	(927,429)	5,688,256
Environment Services	74,604	658,189	732,793	1,755,850	(1,023,057)	313,736
Engineering Services	-	64,709	64,709	1,018,331	(953,622)	167,632
Roads Services	14,717,536	1,166,349	15,883,885	18,049,642	(2,165,757)	46,671,580
Facilities Services	7,191,945	420,056	7,612,001	4,693,582	2,918,419	20,833,808
Waste Management	4,049,793	3,245,618	7,295,411	6,469,051	826,360	669,762
Water	298,705	3,670,611	3,969,316	3,458,177	511,139	42,939,442
Sewerage	164,132	2,714,236	2,878,368	2,016,671	861,697	21,043,173
Total	28,612,563	26,055,783	54,668,346	40,564,533	14,103,813	173,000,402

Prior Year

Functions	Revenue		Total revenue	Total expenses	Net result for period	Assets
	Grants	Other				
	2005 \$	2005 \$	2005 \$	2005 \$	2005 \$	2005 \$
General Management	-	894,977	894,977	902,786	(7,809)	298,686
Corporate Services	1,049,307	(2,072,766)	(1,023,459)	1,647,528	(2,670,987)	18,856,123
Community Services	1,290,161	1,288,144	2,578,305	2,328,791	249,514	5,802,047
Environment Services	185,826	2,314,236	2,500,062	1,904,598	595,464	333,163
Engineering Services	-	1,312,555	1,312,555	1,169,010	143,545	2,763,112
Roads Services	1,257,463	5,987,351	7,244,814	6,613,293	631,521	46,502,257
Facilities Services	3,735	3,315,930	3,319,665	2,975,812	343,853	18,565,459
Waste Management	36,708	2,857,784	2,894,492	2,744,943	149,549	688,892
Water	-	3,130,114	3,130,114	3,233,461	(103,347)	44,133,348
Sewerage	-	2,253,370	2,253,370	1,657,535	595,835	19,434,641
Total	3,823,200	21,281,695	25,104,895	25,177,757	(72,862)	157,377,728

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

3 (b) Components of council functions

The activities relating to the Council's components reported on in Note 3(a) are as follows :

General Management

Includes General Manager's department and Mayor and Councillors' activities etc.
Incorporates Economic Development and Innisfail Information Centre.

Corporate Services

Includes finance and financial reporting, rating, information services, human resources, records, public relations, customer service and regional development.

Community Services

Includes libraries, civic concerts, child care facilities, aged care, cultural activities etc.

Environment Services

Includes animal control, pest control, cemeteries, environmental planning & control.

Engineering Services

Includes design, drafting and survey as well as asset management functions.

Roads Services

Includes maintenance and constructions of roads and stormwater drainage.

Facilities Services

Includes maintenance of buildings, footpaths, bicycle ways, parks and gardens.

Waste Management

Includes refuse collection, refuse disposal & recycling programs.

Water

Includes water supply distribution, water pumping station, reticulation mains, etc.

Sewerage

Includes sewerage treatment etc.

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
4 Revenue analysis		
(a) Net Rates and utility charges		
General rates	11,206,255	10,010,706
Separate rates	922,372	865,577
Water	1,767,790	2,055,571
Water consumption, rental and sundries	1,249,598	588,993
Sewerage	2,404,515	2,130,430
Waste management	<u>2,972,981</u>	<u>2,626,551</u>
Rates and utility charge revenue	20,523,511	18,277,828
Less: Discounts	(601,632)	(396,540)
Less: Pensioner remissions	<u>(368,095)</u>	<u>(298,518)</u>
Net rates and utility charges	<u>19,553,784</u>	<u>17,582,770</u>
(b) Rental and levies		
Community housing rental income	167,457	155,446
Other property rental income	<u>301,331</u>	<u>213,388</u>
	<u>468,788</u>	<u>368,834</u>
(c) Interest received		
Investments	344,161	255,784
Over due rates and utility charges	<u>63,728</u>	<u>106,554</u>
	<u>407,889</u>	<u>362,338</u>
(d) Sales of contract and recoverable works		
Revenue	<u>233,891</u>	<u>299,064</u>
	<u>233,891</u>	<u>299,064</u>

The amount recognised as revenue from contract works during the period is the amount receivable in respect of invoices issued during the period.

There are no contracts in progress at the year end.

The contract work carried out is not subject to retentions.

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
5 Grants, subsidies, contributions and donations		
(i) Recurrent - grants and subsidies, other contributions and donations are analysed as follows:		
General purpose grants	1,444,214	1,450,270
State Government subsidies & grants	20,935,024	1,906,597
Donations	1,483	730
Contributions	1,255	-
Total recurrent revenue	<u>22,381,976</u>	<u>3,357,597</u>
(ii) Capital - grants and subsidies, and other contributions are analysed as follows:		
(a) Monetary revenue designated for capital funding purposes:		
Commonwealth government grants	587,662	-
State Government subsidies & grants	623,680	256,329
Other local government contributions	5,021,983	210,004
Other Non-Government Subsidies	30,245	-
Developer & other contributions	1,110,427	562,277
	<u>7,373,997</u>	<u>1,028,610</u>
(b) Non-monetary revenue received is analysed as follows:		
Roads and drainage contributed by developers at fair value	165,841	498,441
	<u>165,841</u>	<u>498,441</u>
Total capital revenue	<u>7,539,838</u>	<u>1,527,051</u>
6 Capital income		
Gain on the sale of non-current assets	7 847,849	76,259
	<u>847,849</u>	<u>76,259</u>
7 Gain (loss) on the disposal of non-current assets		
(a) Proceeds from the sale of plant & equipment	148,141	104,514
Less: Book value of plant & equipment disposed	(209,958)	(67,384)
	<u>(61,817)</u>	<u>37,130</u>
(b) Proceeds from the sale of buildings	2,165,384	-
Less: Book value of buildings disposed	(1,255,718)	-
	<u>909,666</u>	<u>-</u>
(c) Proceeds from the sale of land and improvements	230,000	233,629
Less: Book value of land and improvements sold	(230,000)	(194,500)
	<u>-</u>	<u>39,129</u>
Total gain (loss) on the disposal of non-current assets	<u>847,849</u>	<u>76,259</u>

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
8 Employee benefits		
Total staff wages and salaries	7,934,826	6,430,414
Councillors' remuneration	294,941	296,462
Annual, sick and long service leave entitlements	1,077,427	1,302,950
Superannuation	937,301	824,119
	<u>10,244,495</u>	<u>8,853,945</u>
Other employee related expenses	243,558	339,347
	<u>10,488,053</u>	<u>9,193,292</u>
Less : Capitalised employee expenses	(264,870)	(306,249)
	<u><u>10,223,183</u></u>	<u><u>8,887,043</u></u>

Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.

	2006	2005
Total Council employees at 30 June :		
Elected members	9	9
Administration staff	59	67
Depot and outdoors staff	99	95
Total full time equivalent employees	<u><u>167</u></u>	<u><u>171</u></u>

9 Materials and services

Audit services	73,980	53,700
Grants paid	209,383	181,633
Donations paid	116,600	108,470
Rentals - Operating leases	12,543	-
Other operational expenses	6,909,606	9,734,624
Cyclone Larry cleanup expenses	16,954,975	-
	<u><u>24,277,087</u></u>	<u><u>10,078,427</u></u>

10 Finance costs

Finance costs charged by the Queensland Treasury Corporation	1,010,176	1,049,613
Interest on finance leases	(10,987)	22,227
Bank charges	55,889	50,695
	<u><u>1,055,078</u></u>	<u><u>1,122,535</u></u>

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements
For the year ended 30 June 2006

		2006	2005
		Actual	Actual
	Note	\$	\$
11 Depreciation and amortisation			
(a) Depreciation of non-current assets			
Buildings		505,681	414,297
Plant and equipment at cost		444,685	466,192
Road and bridge network		1,735,164	1,705,598
Water		1,619,220	1,629,595
Sewerage		623,450	601,949
Parks		15,293	15,855
Lakes residential village		-	4
Other assets		31,082	31,193
Total depreciation of non-current assets		<u>4,974,575</u>	<u>4,864,683</u>
(b) Amortisation of intangible assets			
Computer software		7,830	46,165
Total amortisation of intangible assets		<u>7,830</u>	<u>46,165</u>
Total depreciation and amortisation		<u><u>4,982,405</u></u>	<u><u>4,910,848</u></u>

Unfunded Depreciation

The gross un-funded depreciation across all assets for the period is \$158,241 (2005 - \$2,889,813)

The net adjusted un-funded depreciation across all assets for the period is \$158,241 (2005 - \$2,889,813)

The net adjusted un-funded depreciation is the council's assessment of a future funding shortfall that may arise on the assets future replacement.

Net adjusted un-funded depreciation is calculated by taking the gross un-funded depreciation and deducting the amount of depreciation that will not require funding due to either non-replacement of the asset; contributions becoming available for funding the replacement; the replacement asset will cost less than the existing asset or the engineers assessment of depreciation funding is less than the depreciation expense in the period.

12 Capital expenses

Loss on write-off of non-current assets	13	-	178,904
Loss on market value adjustment to long term debt	22	26,780	-
Total capital expenses		<u>26,780</u>	<u>178,904</u>

13 Write off of non-current assets

Plant and equipment at cost	-	54,286
Parks	-	3,655
Other assets	-	120,963
	-	<u>178,904</u>

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements
For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
14 Cash assets and cash equivalents		
Cash at bank and on hand	(649,851)	1,561,736
Deposits and investments at variable interest rates	9,886,925	2,771,061
Balance as per cash flow statement	<u>9,237,074</u>	<u>4,332,797</u>

Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

Unspent government grants and subsidies	5,297,028	16,260
Unspent developer contributions	2,810,878	1,670,206
Unspent loan monies	118,405	391,370
Total unspent restricted cash for capital projects	<u>8,226,311</u>	<u>2,077,836</u>

Investments are held in the Queensland Treasury Corporation cash fund account.

15 Trade and other receivables

(a) Current

Rateable revenue and utility charges	1,847,471	745,656
Less: Provision for doubtful debts	<u>(459,190)</u>	<u>(253,323)</u>
	1,388,281	492,333
Fees and charges	345,560	433,836
Accrued government operating grants and subsidies	7,245,091	18,131
GST recoverable	1,428,634	387,938
Other debtors	1,791,126	128,023
Less: Allowance for doubtful debts	<u>(26,776)</u>	<u>(34,945)</u>
	10,783,635	932,983
Loans and advances to community organisations	<u>4,000</u>	<u>7,500</u>
	<u>12,175,916</u>	<u>1,432,816</u>

(b) Non-current

Deferred debtors	285,769	216,040
Loans and advances to community organisations	<u>5,000</u>	<u>-</u>
	<u>290,769</u>	<u>216,040</u>

Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

All loans and advances relate to loans made to various community bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
16 Inventories		
Current		
Inventory for consumption	<u>393,337</u>	<u>439,982</u>
	<u>393,337</u>	<u>439,982</u>
Inventory for consumption is valued at the lower of cost and net realisable value.		
17 Other financial assets		
Current		
Prepayments	<u>28,626</u>	<u>181,863</u>
	<u>28,626</u>	<u>181,863</u>

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements
For the year ended 30 June 2006

18 (a) Property, plant and equipment

	Land for development and future sale	Land and improvements	Buildings	Plant and equipment at cost	Road and bridge network	Water	Sewerage	Parks	Other assets	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value at cost				5,081,141	-	-	-	-	-	5,081,141
Opening gross value at valuation	2,787,500	7,236,402	58,343,650		88,010,789	91,575,045	34,665,304	474,131	1,178,278	284,271,099
Additions at cost	-	-	68,009	520,177	1,277,733	164,797	2,048,388	-	76,011	4,155,115
Transfer between categories	-	-	162,417	-	-	-	-	-	(162,417)	-
Contributed assets at valuation	-	-	-	-	165,841	-	-	-	-	165,841
Disposals	(5,000)	(225,000)	(1,950,000)	(390,829)	-	-	-	-	-	(2,570,829)
Revaluation adjustment to the ARR	-	-	(162,417)	-	-	-	-	-	-	(162,417)
Closing gross value	2,782,500	7,011,402	56,461,659	5,210,489	89,454,363	91,739,842	36,713,692	474,131	1,091,872	290,939,950

Accumulated depreciation and impairment

Opening balance	-	-	31,192,200	2,536,247	41,943,320	47,636,890	16,786,225	61,966	101,135	140,257,983
Depreciation provided in period	-	-	505,681	444,685	1,735,164	1,619,220	623,450	15,293	31,082	4,974,575
Depreciation on disposals	-	-	(694,282)	(180,871)	-	-	-	-	-	(875,153)
Transfer between categories			6,476						(6,476)	
Revaluation adjustment to the ARR	-	-	(6,476)	-	-	-	-	-		(6,476)
Closing accumulated depreciation and impairment balance	-	-	31,003,599	2,800,061	43,678,484	49,256,110	17,409,675	77,259	125,741	144,350,929

Written down value at 30 June 2006	2,782,500	7,011,402	25,458,060	2,410,428	45,775,879	42,483,732	19,304,017	396,872	966,131	146,589,021
Residual value	2,782,500	7,011,402	11,292,332	354,863	19,378,247	-	-	-	5,000	40,824,344
Range of estimated useful life in years	Not depreciated	Not depreciated	12 - 114	3 - 20	10-100	10-80	12-100	10-50	7-100	

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements
For the year ended 30 June 2005

18 (a) Property, plant and equipment - prior year

	Land for development and future sale	Land and improvements	Buildings	Plant and equipment at cost	Road and bridge network	Water	Sewerage	Parks	Lakes residential village	Other assets	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value at cost				5,438,449	-	-	-	-	-	-	5,438,449
Opening gross value at valuation	1,897,600	5,757,460	38,339,238	-	86,195,572	90,382,429	34,657,342	545,616	68,775	2,840,885	260,684,917
Additions at cost	-	9,472	81,477	477,273	1,091,388	1,192,616	7,962	-	-	-	2,860,188
Contributed assets at valuation	-	75,500	-	-	422,941	-	-	-	-	-	498,441
Disposals	(194,500)	-	-	(247,642)	-	-	-	-	-	-	(442,142)
Write-offs	-	-	-	(391,645)	-	-	-	(6,157)	-	(128,389)	(526,191)
Revaluation adjustment to the ARR	1,008,900	1,469,470	18,277,703	905	-	-	-	13,990	-	67,610	20,838,578
Internal transfers	75,500	(75,500)	1,645,232	(196,199)	300,888	-	-	(79,318)	(68,775)	(1,601,828)	-
Closing gross value	2,787,500	7,236,402	58,343,650	5,081,141	88,010,789	91,575,045	34,665,304	474,131	-	1,178,278	289,352,240

Accumulated depreciation and impairment

Opening balance	-	-	13,254,317	2,678,702	40,191,757	46,007,295	16,184,276	107,574	38,232	153,360	118,615,513
Depreciation provided in period	-	-	414,297	466,192	1,705,598	1,629,595	601,949	15,855	4	31,193	4,864,683
Depreciation on disposals	-	-	-	(180,258)	-	-	-	-	-	-	(180,258)
Depreciation on write-offs	-	-	-	(337,359)	-	-	-	(2,502)	-	(7,426)	(347,287)
Revaluation adjustment to the ARR	-	-	17,280,937	-	-	-	-	4,182	-	20,213	17,305,332
Internal transfers	-	-	242,649	(91,030)	45,965	-	-	(63,143)	(38,236)	(96,205)	-
Closing accumulated depreciation and impairment balance	-	-	31,192,200	2,536,247	41,943,320	47,636,890	16,786,225	61,966	-	101,135	140,257,983

Written down value at 30 June 2005	2,787,500	7,236,402	27,151,450	2,544,894	46,067,469	43,938,155	17,879,079	412,165	-	1,077,143	149,094,257
Residual value	2,787,500	7,236,402	11,668,730	195,763	19,378,247	-	-	-	-	2,000	41,268,642
Range of estimated useful life in years	Not depreciated	Not depreciated	12 - 114	3 - 20	10-100	10-80	12-100	10-50	-	7-100	

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
18 (b) Property, plant and equipment valuations were determined by reference to the following:		
Land		
The valuation of land and improvements were determined by Neil V Teves, North Queensland Valuers, (AAPU Certified Practising Valuer Registered Rural & Urban Valuer, Registered Valuer No. 382) as at 30 June 2005.		
Buildings		
The valuation of buildings were determined by Neil V Teves, North Queensland Valuers, (AAPU Certified Practising Valuer Registered Rural & Urban Valuer, Registered Valuer No. 382) as at 30 June 2005.		
Due to the large scale destruction caused by Cyclone Larry on 20 March 2006 the impairment of assets has not been applied. The value of the assets remain as at 30 June 2005 and once all damage has been repaired asset revaluations will be undertaken.		
Plant and Equipment		
The valuations of plant and equipment are at cost.		
Infrastructure		
The valuation of infrastructure assets were determined by Jeff Roorda, (BE Hons, MIE LGE & Associates) of Jeff Roorda & Associates as at 30 June 2005.		
Due to the large scale destruction caused by Cyclone Larry on 20 March 2006 the impairment of assets has not been applied. The value of the assets remain as at 30 June 2005 and once all damage has been repaired asset revaluations will be undertaken.		
19 Capital work in progress	<u>4,238,531</u>	<u>1,625,015</u>
	<u>4,238,531</u>	<u>1,625,015</u>
20 Intangible assets		
Computer software		
Opening gross carrying value	<u>302,221</u>	<u>302,221</u>
	<u>302,221</u>	<u>302,221</u>
Accumulated amortisation		
Opening balance	247,263	201,098
Amortisation in the period	<u>7,830</u>	<u>46,165</u>
	<u>255,093</u>	<u>247,263</u>
Net carrying value at the period end	<u>47,128</u>	<u>54,958</u>
Intangible assets are amortised over the useful life of 7 years (2005 - 3.3 years).		

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements
For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
21 Trade and other payables		
Current		
Creditors and accruals	3,744,767	1,294,704
Annual leave	960,886	774,735
Sick leave	185,583	95,630
Long service leave	979,718	919,215
Other employee entitlements	120,516	105,418
	<u>5,991,470</u>	<u>3,189,702</u>
Non Current		
Annual leave	698,330	401,999
Sick leave	189,367	257,076
Long service leave	492,098	398,195
	<u>1,379,795</u>	<u>1,057,270</u>
<p>Non-current employee benefit provisions are calculated at current pay levels and adjusted for inflation and likely future changes in salary level.</p> <p>These estimates are then adjusted for the probability of the employee remaining in the council's employment or other associated employment which would result in the council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to the present value. Approximately 50% of the non current liability is funded.</p>		
22 Borrowings		
Current		
(i) Queensland Treasury Corporation	2,037,000	1,768,197
(ii) Finance leases	-	126,178
	<u>2,037,000</u>	<u>1,894,375</u>
Non Current		
(i) Queensland Treasury Corporation	13,192,931	12,481,683
	<u>13,192,931</u>	<u>12,481,683</u>
Details of movements in borrowings:		
(i) Queensland Treasury Corporation		
Opening balance	14,249,880	13,995,201
Loans raised	3,000,000	1,827,000
Principal repayments	(2,046,729)	(1,572,321)
Adjustment to loan value due to change in interest rates.	26,780	-
Book value at period end	<u>15,229,931</u>	<u>14,249,880</u>
Classified as :		
Current	2,037,000	1,768,197
Non-current	13,192,931	12,481,683
	<u>15,229,931</u>	<u>14,249,880</u>

The loan market value at the reporting date was \$13,561,215. This represents the value of the debt if the Council repaid it at that date. As it is the intention of the Council to hold the the debt for its term, no provision is required to be made in these accounts.

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

		2006	2005
		Actual	Actual
	Note	\$	\$
22 Borrowings (continued)			
(ii) Finance leases			
Opening balance		126,178	334,818
Payments made in the period		<u>(126,178)</u>	<u>(208,640)</u>
Minimum lease payments		<u>-</u>	<u>126,178</u>
The above minimum lease payments are payable as follows:			
Not later than one year		<u>-</u>	<u>126,178</u>
Lease liability recognised in the financial statements		<u>-</u>	<u>126,178</u>
Classified as:			
Current		<u>-</u>	<u>126,178</u>
		<u>-</u>	<u>126,178</u>
Finance facilities :			
The Council has an unsecured overdraft facility to a limit of \$2,100,000 (2005 - \$100,000), leaving an unused facility (excess of limit)			
		<u>1,447,679</u>	<u>100,000</u>
23 Other liabilities			
Non-current			
Retirement village loan funds		<u>-</u>	<u>2,303,364</u>
		<u>-</u>	<u>2,303,364</u>
24 Shire Capital			
Calculation of retained surplus:			
Cash and cash equivalents		9,237,075	4,332,798
Less restricted cash:			
Reserves (excluding the asset revaluation)		(14,097,743)	(2,641,073)
Unspent depreciation capital fund reserve		(1,820,791)	(598,592)
Unspent loan capital fund reserve		(118,405)	(391,370)
Working capital cash at balance date (including employee entitlements)		<u>7,439,773</u>	<u>(2,357,245)</u>
Retained surplus (deficit) available for distribution	27	639,909	(1,655,482)
Shire capital	24(i)	104,755,863	105,353,345
Total capital and retained surplus at end of period		<u>105,395,772</u>	<u>103,697,863</u>

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
24 Shire Capital (continued)		
(i) Movement in capital account		
Balance at beginning of period	105,353,345	105,949,362
Adjustments from (to) retained surplus:		
Transfer from retained surplus capital income in the period	847,849	76,259
Transfer (to) retained surplus capital expenses in the period	(26,780)	(178,904)
Transfer from retained surplus non monetary capital revenue	165,841	498,441
Transfer from the retained surplus revenue expended on capital assets	386,403	1,950,033
Transfer (to) retained surplus for unfunded depreciation	(158,241)	(2,889,813)
Transfer (to) retained surplus loan used for recurrent expenditure	(2,000,000)	-
Total transfers (to) from retained surplus	(784,928)	(543,984)
Transfer (to) from the unspent depreciation fund reserve	(1,222,199)	(598,592)
Transfer (to) from the unspent loan capital fund reserve	272,965	(133,472)
Transfers from the constrained works reserve	952,557	680,031
Transfers from the residential village reserve	184,123	-
Total transfers (to) from reserves	187,446	(52,033)
Balance at end of period	104,755,863	105,353,345
25 Restricted capital funds reserves		
These reserves are part of shire capital and represent cash held at the reporting date restricted to the future funding of capital assets.		
(i) Unspent depreciation fund reserve		
Opening balance	598,592	-
Cash unspent (expended) in period	1,222,199	598,592
Balance at end of period	1,820,791	598,592
(ii) Unspent loan capital fund reserve		
Opening balance	391,370	257,898
Cash unspent (expended) in period.	(272,965)	133,472
Balance at end of period	118,405	391,370
Total restricted capital funds reserves	1,939,196	989,962
26 (i) Asset revaluation reserve		
Movements in the asset revaluation reserve were as follows:		
Balance at beginning of period	29,122,437	25,589,191
Net adjustment to non-current assets at end of period to reflect a change in current fair value:		
Land for development and future sale	-	1,008,900
Land and improvements	-	1,469,470
Buildings	(155,941)	996,766
Plant and equipment at cost	-	905
Parks	-	9,808
Other assets	-	47,397
Balance at end of the year	28,966,496	29,122,437

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
26 (ii) Asset revaluation reserve analysis		
The closing balance of the asset revaluation reserve is comprised of the following asset categories:		
Capital land for development and future sale	1,008,900	1,008,900
Land and improvements	1,469,470	1,469,470
Buildings	12,146,821	12,302,762
Plant and equipment at cost	905	905
Road and bridge network	5,818,368	5,818,368
Water	4,945,763	4,945,763
Sewerage	3,519,064	3,519,064
Parks	9,808	9,808
Other Assets	47,397	47,397
	<u>28,966,496</u>	<u>29,122,437</u>
27 Retained surplus		
Movement in retained surplus		
Retained surplus (deficit) at the beginning of period	(1,655,483)	(870,119)
Net result attributable to council	14,103,813	(72,862)
Transfers (to) from capital account:		
Transfer of capital income	(847,849)	(76,259)
Transfer of capital expenses	26,780	178,904
Non monetary capital revenue	(165,841)	(498,441)
General revenue used for capital funding purposes	(386,403)	(1,950,033)
Adjustment for unfunded depreciation	158,241	2,889,813
From the Capital Account for loan funds utilised for recurrent expenditure.	2,000,000	-
Net capital account transfers	784,928	543,984
Transfer from (to) the constrained works reserve	(7,373,997)	(1,104,110)
Retained surplus (deficiency) available for transfer to reserves	<u>5,859,261</u>	<u>(1,503,107)</u>
Transfers (to) from reserves for future capital funding purposes:		
Buildings and facilities reserve	(500,000)	-
Cleansing reserve	(813,294)	-
Plant Replacement reserve	(500,000)	-
Housing maintenance reserve	(50,000)	(40,000)
Sewerage reserve	(756,615)	-
Bridge Replacement reserve	(500,000)	-
Residential village capital reserve	(4,270)	(35,660)
Transfers (to) from reserves for future general funding purposes:		
General reserve	(2,000,000)	-
Residential village maintenance reserve	132,414	(52,873)
Constrained Works operational reserve	(227,588)	(23,843)
Retained surplus (deficit) at period end	<u>639,908</u>	<u>(1,655,483)</u>

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
28 Other reserves		
(a) Summary of reserves held for funding future capital expenditure:		
(i) Constrained works reserve	8,107,906	1,686,466
(ii) Buildings and facilities reserve	500,000	-
(iii) Cleansing reserve	958,670	145,376
(iv) Plant Replacement reserve	500,000	-
(v) Housing maintenance reserve	112,627	62,627
(vi) Sewerage reserve	811,615	55,000
(vii) Water reserve	2,000	2,000
(viii) Bridge Replacement reserve	500,000	-
(ix) Residential village capital reserve	-	179,853
	11,492,818	2,131,322
(b) Summary of reserves held for funding future recurrent expenditure:		
(i) General reserve	2,000,000	-
(ii) Residential village maintenance reserve	-	132,414
(iii) Constrained Works operational reserve	604,925	377,337
	2,604,925	509,751
	14,097,743	2,641,073
Movements in capital reserves are analysed as follows:		
(i) Constrained works reserve		
Balance at the beginning of period	1,686,466	1,262,387
Transfer from retained earnings grants, subsidies and contributions received in the period for which the council has an obligation to spend on specific capital projects	7,373,997	1,028,610
Transfers to the capital account funds expended in the period	(952,557)	(680,031)
Transfers to retained earnings	-	75,500
Balance at end of period	8,107,906	1,686,466
(ii) Buildings and facilities reserve		
Transfer from retained earnings for future expenditure	500,000	-
Balance at end of period	500,000	-
(iii) Cleansing reserve		
Balance at the beginning of period	145,376	145,376
Transfer from retained earnings for future expenditure	813,294	-
Balance at end of period	958,670	145,376
(iv) Plant Replacement reserve		
Transfer from retained earnings for future expenditure	500,000	-
Balance at end of period	500,000	-
(v) Housing maintenance reserve		
Balance at the beginning of period	62,627	22,627
Transfer from retained earnings for future expenditure	50,000	40,000
Balance at end of period	112,627	62,627

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
Movements in capital reserves are analysed as follows (continued):		
(vi) Sewerage reserve		
Balance at the beginning of period	55,000	55,000
Transfer from retained earnings for future expenditure	756,615	-
Balance at end of period	<u>811,615</u>	<u>55,000</u>
(vii) Water reserve		
Balance at the beginning of period	2,000	2,000
Balance at end of period	<u>2,000</u>	<u>2,000</u>
(viii) Bridge Replacement reserve		
Transfer from retained earnings for future expenditure	500,000	-
Balance at end of period	<u>500,000</u>	<u>-</u>
(ix) Residential village capital reserve		
Balance at the beginning of period	179,853	144,193
Transfer from retained earnings for future expenditure	4,270	35,660
Transfer to the capital account funds expended in the period	(184,123)	-
Balance at end of period	<u>-</u>	<u>179,853</u>
(d) Movements in recurrent reserves are analysed as follows:		
(i) General reserve		
Transfer from retained earnings for future expenditure	2,000,000	-
Balance at end of period	<u>2,000,000</u>	<u>-</u>
(ii) Residential village maintenance reserve		
Balance at the beginning of period	132,414	79,541
Transfer from retained earnings for future expenditure	-	76,521
Transfer to retained earnings	(132,414)	(23,648)
Balance at end of period	<u>-</u>	<u>132,414</u>
(iii) Constrained Works operational reserve		
Balance at the beginning of period	377,337	353,494
Transfer from retained earnings for future expenditure	506,585	278,997
Transfer to retained earnings	(278,997)	(255,154)
Balance at end of period	<u>604,925</u>	<u>377,337</u>

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
29 Commitments for expenditure		
(a) Capital Commitments		
Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities are as follows:		
Buildings	282,468	-
Infrastructure assets	306,097	1,128,328
	<u>588,565</u>	<u>1,128,328</u>
These expenditures are payable :		
Within one year	588,565	1,128,328
	<u>588,565</u>	<u>1,128,328</u>
(b) Operating leases		
Minimum lease payments in relation to non-cancellable operating leases are as follows:		
Within one year	23,652	-
Later than 1 year but not later than 5 years	9,855	-
	<u>33,507</u>	<u>-</u>
30 Events after balance date		
There were no material adjusting events after balance date		
31 Contingent liabilities		
Details and estimates of maximum amounts of contingent liabilities are as follows:		
The Johnstone Shire Council is a member of the local government self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled because of insufficient funds being available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise.		
The Council's maximum exposure is:	<u>223,618</u>	<u>196,263</u>
The Johnstone Shire Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises. As at June 2005 the financial statements reported accumulated members funds of \$2,907,519.		
32 Non-cash financing and investing activities		
Conversion of loans to equity funds	4,270	35,660
	<u>4,270</u>	<u>35,660</u>

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
Note	\$	\$
33 Superannuation		
The Johnstone Shire Council contributes to the local government superannuation scheme (the scheme). The scheme has two elements referred to as the defined benefits scheme and the accumulation scheme.		
Both these schemes are defined contribution schemes as defined in the Australian Accounting Standard AASB119 Employee benefits. Council has no liability to or interest in the scheme other than the payment of the statutory contributions.		
Any amount by which either scheme is over or under funded would only affect future benefits and is not an asset or liability of the council.		
Accordingly there is no recognition in the financial statements of any over- or under-funding of the scheme.		
The audited general purpose financial report of the scheme as at 30 June 2005 (the most recent available) which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the accrued benefits. No liability for the Council has been recognised as at the reporting date in respect of superannuation benefits for its employees.		
The general purpose financial statements disclose that the most recent actuarial assessment of the scheme was undertaken as at the 30 June 2005. The actuary indicated that without improvements to benefit conditions, or other unanticipated events, current contribution rates would be sufficient to meet members benefits as they accrue.		
The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.		
The amount of superannuation contributions paid by Johnstone Shire Council to the superannuation scheme in this period for the benefit of employees was:	<u>908,576</u>	<u>791,148</u>
The Johnstone Shire Council also contributes to the scheme for the benefit of elected members. The amount of contributions paid for this benefit during the reporting period was:	<u>28,725</u>	<u>32,971</u>
34 Trust funds		
Security deposits	356,850	285,052
Other	<u>24,541</u>	<u>101,701</u>
	<u>381,391</u>	<u>386,753</u>

The Johnstone Shire Council performs only a custodial role in respect of these monies. As these funds cannot be used by the Council, they are not brought to account in these financial statements.

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

		2006	2005
		Actual	Actual
	Note	\$	\$
35 Reconciliation of net result attributable to council to net cash flow from operating activities			
Net result attributable to council		14,103,813	(72,862)
Non-cash operating items:			
Depreciation and amortisation	11	4,982,405	4,910,848
Conversion of retirement village loan funds to equity funds	32	(4,270)	(35,660)
		<u>4,978,135</u>	<u>4,875,188</u>
Investing and development activities:			
Capital income	6	(847,849)	(76,259)
Capital expenses	12	26,780	178,904
		<u>(821,069)</u>	<u>102,645</u>
Financing activities:			
Capital grants, subsidies and contributions	5	(7,539,838)	(1,527,051)
		<u>(7,539,838)</u>	<u>(1,527,051)</u>
Changes in operating assets and liabilities :			
(Increase) decrease in receivables		(10,816,329)	1,405,255
(Increase) decrease in inventories		46,645	(54,743)
(Increase) decrease in other operating assets		153,237	(29,477)
Increase (decrease) in payables		3,124,293	307,484
		<u>(7,492,154)</u>	<u>1,582,674</u>
Net cash inflow from operating activities		<u><u>3,228,887</u></u>	<u><u>4,960,594</u></u>

36 Transition to International Financial Reporting Standards

Changes have been made to the Australian Accounting Standards to align Australian practice more closely with accounting in the international community. These changes required the Council to adopt a number of different accounting policies and to present its financial reports differently for the year ending 30 June 2006 and subsequent years.

Property, plant and equipment

The main area of impact is in recognition and measurement of property, plant and equipment. The Council has adopted permitted methods which measure Land, Buildings and infrastructure on the revaluation basis. Plant and equipment is measured at its depreciated actual or deemed cost.

Intangible Assets

The criteria for intangible assets have changed. This means that computer software which had previously been treated as an expense will be recognised as an asset.

Impairment testing

Most assets are subject to impairment testing. This means the council has to assess whether the benefits to be obtained from the asset (value in use) or its realisable value exceed the value at which it would be shown in the books. If they both fall short, the asset will be written down to the higher of those two values. For the council these requirements are less severe than for many organisations as the council carries many of its assets at depreciated replacement cost where this is equivalent to fair value, and this is one of the measures for value in use for a Not-for-Profit organisation.

Provisions for disposal and restoration of long lived assets

The council has an obligation to meet future costs for the disposal of some of its long lived assets, or for the restoration of land on which they stand. This obligation is now recognised as a liability and added to the cost of the asset. In effect this change is reflected in the revaluation reserve in respect of those assets.

Investment property

Investment property is recognised at fair value rather than at depreciated cost. Community housing and residential property for staff accommodation are excluded from this classification.

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

36 Transition to International Financial Reporting Standards (continued):	2005 Actual \$	2004 Actual \$
The following reconciliations show how the results and financial position as stated on the new basis differ from the amounts on the old basis.		
Result from ordinary activities (on old basis)	(106,485)	
Change in depreciation due to change of asset values	(46,165)	
Change in employee entitlements	79,788	
Result from ordinary activities (on new basis)	<u>(72,862)</u>	
Net Assets (on old basis)	136,316,590	173,242,630
Change in employee provision	79,788	-
Plant & equipment adjustment to valuation	54,956	101,123
Infrastructure opening balance adjustment	-	(40,352,802)
Net Assets (on new basis)	<u>136,451,334</u>	<u>132,990,951</u>
Equity		
Shire Capital (on old basis)		
Transfer from retained surplus	106,085,409	105,949,362
Transfer from (to) restricted capital funds reserve	(732,064)	-
On new basis	<u>105,353,345</u>	<u>105,949,362</u>
Restricted capital funds reserves		
Transfer from retained surplus	257,898	257,898
Transfer from (to) capital	732,064	-
On new basis	<u>989,962</u>	<u>257,898</u>
Asset Revaluation Reserve (on old basis)	29,122,437	65,941,994
Change to asset opening values	-	(40,352,803)
On new basis	<u>29,122,437</u>	<u>25,589,191</u>
Retained Surplus (on old basis)	104,553,080	105,236,018
Transfer to Shire Capital	(106,085,409)	(105,949,362)
On new basis	<u>(1,655,483)</u>	<u>(870,119)</u>
Other reserves (old basis)	2,641,073	2,064,618
On new basis	<u>2,641,073</u>	<u>2,064,618</u>
Total Equity (on old basis)	<u>136,316,590</u>	<u>173,242,630</u>
Total Equity (on new basis)	<u>136,451,334</u>	<u>132,990,951</u>

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

37 Financial instruments

(a) Credit risk exposure

The credit risk on financial assets of the Council which have been recognised on the balance sheet other than investments in shares, is generally the carrying amount, net of provision for doubtful debts. The Council has no major concentration of credit risk to any single debtor or group of debtors.

(b) Interest rate risk

The Council's exposure to interest rate risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market rates and the weighted average interest rate by maturity periods is set out in the table below. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements.

Exposure arises predominantly from assets and liabilities bearing variable interest rates as the Council intends to hold fixed assets and liabilities to maturity.

Financial Instruments	Note	Floating interest rate		Fixed interest rate		Non-interest bearing		Total	Total
		2006 \$	2005 \$	2006 \$	2005 \$	2006 \$	2005 \$	2006 \$	2005 \$
Financial assets									
Cash assets and cash equivalents	14	9,886,925	4,330,327	-	-	2,470	2,470	9,889,395	4,332,797
Trade and other receivables	15	-	-	1,388,281	492,333	11,078,404	1,156,523	12,466,685	1,648,856
Other financial assets:	17	-	-	-	-	28,626	181,863	28,626	181,863
		9,886,925	4,330,327	1,388,281	492,333	11,109,500	1,340,856	22,384,706	6,163,516
Weighted average interest rate		6.1%	5.6%	11.0%	11.0%				
Financial liabilities									
Trade and other payables	21	-	-	-	-	7,371,265	4,246,972	7,371,265	4,246,972
QTC	22	15,229,931	14,249,880	-	-	-	-	15,229,931	14,249,880
Finance leases	22	-	-	-	126,178	-	-	-	126,178
		15,229,931	14,249,880	-	126,178	7,371,265	4,246,972	22,601,196	18,623,030
Weighted average interest rate		5.4%-8.55%	5.37%-8.82%		6.5%				
Net financial assets		(5,343,006)	(9,919,553)	1,388,281	366,155	3,738,235	(2,906,116)	(216,490)	(12,459,514)

* QTC - denotes Queensland Treasury Corporation

(c) Net fair value of financial assets and liabilities

The net fair value of cash, cash equivalents and non-interest bearing monetary financial assets and liabilities of the Council approximates their carrying amounts.

The net fair value of other monetary financial assets and liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

The net fair value of non-traded equity investments is an assessment by the Council based on the underlying net assets, future maintainable earnings and any special circumstances pertaining to a particular investment.

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

38 National Competition Policy

(a) Activities to which the code of competitive conduct is applied

A "business activity" of a local government is divided into two categories :

- (a) Roads business activity:
 - (i) the construction or maintenance of State controlled roads for which the local government submits an offer to carry out work in response to a tender invitation, other than through a sole supplier arrangement.
 - (ii) submission of a competitive tender for construction or road maintenance on the local government's roads which the local government has put out to tender, or called for by another local government.

- (b) Other business activity, referred to as type three activities, means the following:
 - (i) trading in goods and services to clients in competition with the private sector, or
 - (ii) the submission of a competitive tender in the local government's own tendering process in competition with others for the provision of goods and services to its self. Excluded activities are (a) library services, and (b) an activity or part thereof prescribed by legislation.

Local government may elect to apply a Code of Competitive Conduct (CCC) to their identified business activities. This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity. The application of the CCC to the roads business activity is compulsory.

The CSO value is determined by Council, and represents an activities cost(s) which would not be incurred if the activities primary objective was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by the Council. Notwithstanding CSO's, the council is committed to operating these activities as business activities in accordance with the CCC.

Water & Sewerage
Refuse Management
Other Roads
Property Services
Community Services
Workshop & Plant
Private Works

The following table summaries the financial results for these, including competitive neutrality adjustments if applicable. Full information is available for inspection at the council offices.

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

38 National Competition Policy - continued

(b) Financial performance of activities subject to competition reform:

	Water & Sewerage		Refuse Management		Other Roads	
	2006 \$ '000	2005 \$ '000	2006 \$ '000	2005 \$ '000	2006 \$ '000	2005 \$ '000
Revenue for services provided to the Council	145	145	-	-	522	921
Revenue for services provided to external clients	5,698	4,890	2,894	2,894	5,250	7,489
Community service obligations	1,676	1,438	32	199	-	-
	7,520	6,473	2,926	3,093	5,772	8,410
Less : Expenditure	5,266	4,973	2,875	2,658	5,391	7,255
Surplus (deficiency)	2,254	1,500	51	435	381	1,155

	Property Services		Community Services		Workshop & Plant	
	2006 \$ '000	2005 \$ '000	2006 \$ '000	2005 \$ '000	2006 \$ '000	2005 \$ '000
Revenue for services provided to the Council	-	-	1,640	1,178	2,378	2,461
Revenue for services provided to external clients	409	246	1,892	1,325	19	20
Community service obligations	286	172	-	-	-	-
	695	418	3,532	2,503	2,397	2,481
Less : Expenditure	129	178	2,361	2,404	1,858	1,772
Surplus (deficiency)	566	240	1,171	99	539	709

	Private Works	
	2006 \$ '000	2005 \$ '000
Revenue for services provided to the Council	-	-
Revenue for services provided to external clients	327	279
Community service obligations	-	-
	327	279
Less : Expenditure	219	197
Surplus (deficiency)	108	82

(c) Community Service Obligations were paid during the reporting period to the following activities.

Activities	CSO description	Actual \$ '000
Water & Sewerage	To provide essential services to the public	1,676
Refuse Management	To provide essential services to the public	32
Property Services	To provide subsidised accommodation to those in need	286

JOHNSTONE SHIRE COUNCIL

ANNUAL FINANCIAL STATEMENTS

MANAGEMENT CERTIFICATE

For the year ended 30 June 2006

This general purpose financial report has been prepared pursuant to Section 532 of the *Local Government Act 1993*, the *Local Government Finance Standard 2005* (the Standard) and other prescribed requirements.

In accordance with Section 48 of the Standard we certify -

- (i) the requirements under the *Local Government Act 1993* for the keeping of the accounts have been complied with in all material respects; and
- (ii) the financial statements for the year ended 30 June 2006 and supporting notes presents the Council's income, equity, balance sheet and cash flows as required by the *Local Government Act 1993*.

Neil Clarke
Mayor

Matthew McGoldrick
Acting Chief Executive Officer

Date: 10 November 2006

Date: 10 November 2006

**THE FOLLOWING REPORTS DO NOT FORM PART OF THE
AUDITED FINANCIAL STATEMENTS. THEY HAVE BEEN PROVIDED
AS ADDITIONAL MANAGEMENT INFORMATION TO ASSIST THE
READER IN THEIR ANALYSIS OF THE FINANCIAL STATEMENTS**

JOHNSTONE SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2006

	2006	2005
	Actual	Actual
	%	%
Financial Ratios of the Accounts		
Change in community equity ratio:	10.2%	2.6%
The percentage change in the net wealth of the Council.		
Interest cover:	2.2%	4.6%
The percentage of interest costs to total recurrent revenue		
Debt servicing ratio:		
The percentage that the Council's total recurrent revenue that is used to service loan interest and principal repayments	6.9%	12.2%
General rate revenue ratio:		
The Council's dependence on general rate revenue as a percentage of total recurrent revenue	24.2%	42.7%
Revenue ratio:		
The Council's dependence on net rates and utility charges as a percentage of total recurrent revenue	42.3%	74.9%
Debt exposure ratio:	10.1%	10.5%
The percentage of Council's capital debt to total community equity		
Working capital ratio:	1.7 : 1	0.8 : 1
The ratio of unrestricted current assets available to meet current liabilities		
Unfunded depreciation ratio:	3.2%	58.8%
The percentage of unfunded depreciation to the total depreciation expense		
Borrowing ratio	32.9%	61.3%
The total capital borrowing as a percentage of total recurrent revenue		
Capital expenditure ratio	139.6%	96.8%
The ratio of capital expenditure to depreciation		
Rate arrears ratio		
The percentage of rates and charges receivable to net rate and charges revenue	3.7%	2.8%
The effectiveness of Council's collection of rates and charges		

JOHNSTONE SHIRE COUNCIL

Statement of Operating Performance

For the year ended 30 June 2006

		2006	2005
		Actual	Actual
	Note	\$	\$
Operating Income			
Rates and utility charge revenue		20,523,511	18,277,828
Less: Discounts		(601,632)	(396,540)
Less: Pensioner remissions		(368,095)	(298,518)
Net rates and utility charges	4 (a)	19,553,784	17,582,770
Fees and charges		1,573,795	1,495,322
Rental and levies	4 (b)	468,788	368,834
Interest received	4 (c)	407,889	362,338
Sales of contract and recoverable works	4 (d)	233,891	299,064
Reimbursement of expenditure		1,656,266	-
Grants, subsidies, contributions and donations	5 (i)	22,381,976	3,357,597
Total recurrent revenue		46,276,389	23,465,925
Operating Expenses			
Employee benefits	8	(10,223,183)	(8,887,043)
Materials and services	9	(24,277,087)	(10,078,427)
Finance costs	10	(1,055,078)	(1,122,535)
Depreciation and amortisation	11	(4,982,405)	(4,910,848)
Total recurrent expenses		(40,537,753)	(24,998,853)
Operating surplus (deficit) for the period		5,738,636	(1,532,928)
Capital revenue			
Grants, subsidies, contributions and donations	5 (ii)	7,539,838	1,527,051
Benefit from conversion of retirement village loan funds to equity funds		4,270	35,660
Capital income			
Gain on the sale of non-current assets	6	847,849	76,259
Total capital revenue and income		8,391,957	1,638,970
Capital expenses			
Loss on write-off of non-current assets	13	-	(178,904)
Loss on market value adjustment to long term debt	22	(26,780)	-
Total capital expenses		(26,780)	(178,904)
Net result attributable to council		14,103,813	(72,862)

JOHNSTONE SHIRE COUNCIL
Statement of Actual Results by Program
For the year ended 30 June 2006

	Total on Consolidation		Sub-total of all	Waste Management	Water	Sewerage
	Note	Actual \$	Council programs Actual \$	Actual \$	Actual \$	Actual \$
Operating revenue						
Rates and utility charges		20,523,511	12,128,627	2,972,981	3,017,388	2,404,515
Less: Discounts & pensioner remissions		(969,727)	(969,727)	-	-	-
Fees and charges, rental and levies &		3,698,849	3,321,661	271,577	36,875	68,736
Interest		407,889	407,889	-	-	-
Operational contributions and donations	5	2,738	2,738	-	-	-
Operational Government grants and subsidies for recurrent expenditure	5	22,379,238	18,037,573	4,049,793	218,535	73,337
Sales of contract and recoverable works		233,891	204,443	1,060	27,138	1,250
Total operating revenue		46,276,389	33,133,204	7,295,411	3,299,936	2,547,838
Operating Expenses						
Employee benefits	8	10,223,183	9,452,341	89,817	414,378	266,647
Goods and services		24,277,087	15,782,794	6,220,087	1,303,557	970,649
Depreciation	11	4,982,405	2,720,605	19,130	1,619,220	623,450
External finance and borrowing costs		1,055,078	664,894	113,237	121,022	155,925
Total operating costs		40,537,753	28,620,634	6,442,271	3,458,177	2,016,671
		5,738,636	4,512,570	853,140	(158,241)	531,167
Capital cash contributions from other sources		1,140,672	311,727	-	589,210	239,735
Capital cash revenue from government sources		6,233,325	6,062,360	80,170	-	90,795
Physical assets contributed		165,841	165,841	-	-	-
Other capital income (expense)		825,339	852,119	(26,780)	-	-
Net result for the period		14,103,813	11,904,617	826,360	511,139	861,697
Retained surplus (deficit) brought fwd from prior year		(1,655,483)	(2,227,488)	65,109	(0)	506,896
Net result from above		14,103,813	11,904,617	826,360	511,139	861,697
Transfer from capital for unfunded depreciation		158,241	-	-	158,241	-
From (to) capital items of capital income & expense		(986,910)	(1,013,690)	26,780	-	-
From (to) capital to adjust working capital cash		2,000,000	2,000,000	-	-	-
Transfer (to) capital general revenue expended		(386,403)	-	(104,955)	(0)	(281,448)
Surplus/(deficit) available for transfer to reserves		13,233,258	10,663,439	813,294	669,380	1,087,145
Net transfers from (to) capital reserves	28	(10,498,176)	(7,928,357)	(813,294)	(669,380)	(1,087,145)
Net transfers from (to) recurrent reserves	28	(2,095,174)	(2,087,174)	-	(8,000)	-
Retained surplus (deficit) funds at period end		639,908	647,908	-	(8,000)	(0)
Capital Funding Sources						
General revenue used (excess funds provided)		386,403	-	104,955	0	281,448
Disposal proceeds of capital assets	7	2,543,525	2,543,525	-	-	-
Funded depreciation & amortisation expended		3,601,965	1,841,776	19,130	742,609	998,450
Government capital grants and subsidies	5	952,557	781,592	-	80,170	90,795
Developer contributions and capital donations	5	165,841	165,841	-	-	-
Funds held in capital reserves	28	184,123	184,123	-	-	-
Loans for capital purposes	22	1,272,965	-	257,898	-	1,015,067
Total capital funding sources		9,107,379	5,516,857	381,983	822,779	2,385,760
Capital Funding Applications						
Non-current assets		4,320,956	2,107,771	-	164,797	2,048,388
Movement in capital work in progress		2,613,516	2,132,761	-	295,593	185,162
Total capital asset acquisitions		6,934,472	4,240,532	-	460,390	2,233,550
Loan redemptions		2,172,907	1,276,325	381,983	362,389	152,210
Total capital applications		9,107,379	5,516,857	381,983	822,779	2,385,760
Cash balances held at beginning of period						
Capital reserve balances		2,131,322	818,610	145,376	635,574	531,762
Unspent loans and depreciation cash		989,962	-	257,898	223,592	508,472
Recurrent reserve balances		509,751	509,751	-	-	-
Total reserve cash held at beginning of the period		3,631,035	1,328,361	403,274	859,166	1,040,234
Cash balances held at the end of period						
Capital reserve balances		11,492,818	7,781,252	958,670	1,224,784	1,528,112
Unspent loan and depreciation cash held		1,939,196	878,829	-	941,962	118,405
Recurrent reserve balances		2,604,925	2,596,925	-	8,000	-
Total reserve cash held at the end of the period		16,036,939	11,257,006	958,670	2,174,746	1,646,517

JOHNSTONE SHIRE COUNCIL
Statement of Actual Results by Program
For the year ended 30 June 2006

	General Management	Corporate Services	Community Services	Environment Services	Engineering Services	Roads Services	Facilities Services
	Actual \$	Actual \$	Actual \$	Actual \$	Actual \$	Actual \$	Actual \$
Operating revenue							
Rates and utility charges	-	11,205,482	-	-	-	923,145	-
Less: Discounts & pensioner remissions	-	(969,727)	-	-	-	-	-
Fees and charges, rental and levies &	36,521	2,038,104	298,014	628,074	14,376	2,449	304,123
Interest	-	400,056	7,833	-	-	-	-
Operational contributions and donations	2,638	-	100	-	-	-	-
Operational Government grants and subsidies for recurrent expenditure	8,000	1,024,998	1,082,850	74,604	-	13,677,159	2,169,962
Sales of contract and recoverable works	1,253	15,964	-	30,115	50,333	99,861	6,917
Total operating revenue	1,022,736	3,035,841	2,300,793	1,942,897	1,169,709	18,745,946	4,915,282
Operating Expenses							
Employee benefits	505,338	3,443,749	615,294	765,206	360,027	2,106,908	1,655,819
Goods and services	449,185	(3,753,192)	1,584,832	981,050	655,380	13,719,058	2,146,481
Depreciation	-	42,590	120,370	9,594	2,924	1,735,164	809,963
External finance and borrowing costs	-	95,063	-	-	-	488,512	81,319
Total operating costs	954,523	(171,790)	2,320,496	1,755,850	1,018,331	18,049,642	4,693,582
	68,213	3,207,631	(19,703)	187,047	151,378	696,304	221,700
Capital cash contributions from other sources	-	-	-	-	-	140,894	170,833
Capital cash revenue from government sources	-	-	-	-	-	1,040,377	5,021,983
Physical assets contributed	-	-	-	-	-	165,841	-
Other capital income (expense)	-	909,666	4,270	-	-	-	(61,817)
Net result for the period	68,213	4,117,297	(15,433)	187,047	151,378	2,043,416	5,352,699
Retained surplus (deficit) brought fwd from prior year	(17,281)	(4,508,267)	233,497	540,940	156,403	858,083	509,137
Net result from above	68,213	4,117,297	(15,433)	187,047	151,378	2,043,416	5,352,699
Transfer from capital for unfunded depreciation	-	-	-	-	-	-	-
From (to) capital items of capital income & expense	-	(909,666)	-	-	-	(165,841)	61,817
From (to) capital to adjust working capital cash	-	2,000,000	-	-	-	-	-
Transfer (to) capital general revenue expended	-	698,191	286,951	9,594	2,924	(805,421)	(192,239)
Surplus/(deficit) available for transfer to reserves	50,932	1,397,555	505,015	737,581	310,705	1,930,237	5,731,414
Net transfers from (to) capital reserves	-	-	(54,270)	-	-	(2,681,271)	(5,192,816)
Net transfers from (to) recurrent reserves	(8,000)	(2,008,000)	63,596	174,000	-	(16,000)	(292,770)
Retained surplus (deficit) funds at period end	42,932	(610,445)	514,341	911,581	310,705	(767,034)	245,828
Capital Funding Sources							
General revenue used (excess funds provided)	-	(698,191)	(286,951)	(9,594)	(2,924)	805,421	192,239
Disposal proceeds of capital assets	-	2,395,384	6,390	-	-	-	141,751
Funded depreciation & amortisation expended	-	42,590	120,370	9,594	2,924	1,091,613	574,685
Government capital grants and subsidies	-	-	-	-	-	762,806	18,786
Developer contributions and capital donations	-	-	-	-	-	165,841	-
Funds held in capital reserves	-	-	184,123	-	-	-	-
Loans for capital purposes	-	-	-	-	-	-	-
Total capital funding sources	-	1,739,783	23,932	-	-	2,825,681	927,461
Capital Funding Applications							
Non-current assets	-	6,051	15,935	-	-	1,443,574	642,211
Movement in capital work in progress	-	1,687,983	-	-	-	460,481	(15,703)
Total capital asset acquisitions	-	1,694,034	15,935	-	-	1,904,055	626,508
Loan redemptions	-	45,749	7,997	-	-	921,626	300,953
Total capital applications	-	1,739,783	23,932	-	-	2,825,681	927,461
Cash balances held at beginning of period							
Capital reserve balances	-	88,430	242,480	-	-	232,676	255,024
Unspent loans and depreciation cash	-	-	-	-	-	-	-
Recurrent reserve balances	-	82,500	207,411	204,000	-	-	15,840
Total reserve cash held at beginning of the period	-	170,930	449,891	204,000	-	232,676	270,864
Cash balances held at the end of period							
Capital reserve balances	-	88,430	112,627	-	-	2,151,141	5,429,054
Unspent loan and depreciation cash held	-	-	-	-	-	643,551	235,278
Recurrent reserve balances	8,000	2,090,500	143,815	30,000	-	16,000	308,610
Total reserve cash held at the end of the period	8,000	2,178,930	256,442	30,000	-	2,810,692	5,972,942

JOHNSTONE SHIRE COUNCIL

Analysis of Cash Holdings

For the year ended 30 June 2006

	2006			2005		
	Actual			Actual		
	\$			\$		
CASH HOLDINGS AT PERIOD END	9,237,075			4,332,798		
Represented by :-						
(i) Constrained works reserve	8,107,906			1,686,466		
(ii) Building Maintenance reserve	500,000			-		
(iii) Cleansing reserve	958,670			145,376		
(iv) Plant Replacement reserve	500,000			-		
(v) Housing maintenance reserve	112,627			62,627		
(vi) Sewerage reserve	811,615			55,000		
(vii) Water reserve	2,000			2,000		
(viii) Bridge Replacement reserve	500,000			-		
(ix) Residential village capital reserve	-			179,853		
(i) General reserve	2,000,000			-		
(ii) Residential village maintenance reserve	-			132,414		
(iii) Constrained Works operational reserve	604,925			377,337		
		14,097,743				2,641,073
(i) Unspent depreciation fund reserve		1,820,791				598,592
(ii) Unspent loan capital fund reserve		118,405				391,370
Other Cash Balances held :-						
Cash held for						
Revenue received in advance		-				-
Refunds due		-				-
Retained surplus (deficit) at period end		639,908				(1,655,483)
Cash backing of rehabilitation provisions						
Quarry sites restoration provision	-	-	-	-	-	-
Refuse sites restoration provision	-	-	-	-	-	-
Contaminated sites restoration provision	-	-	-	-	-	-
Movement in Working Capital Cash						
	Capital A/c	Current Period	Movement	Capital A/c	Current Period	Movement
Assets	Analysis	Balances		Analysis	Balances	
Trade receivables	70,609	12,457,685	(12,387,076)	70,609	1,641,356	(1,571,356)
Loans to community assoc.	7,000	9,000	(2,000)	7,000	7,500	(7,500)
Loans to assoc company		-	70,000		-	70,000
Inventories		393,337	(393,337)		439,982	(439,982)
Other financial assets		28,626	(28,626)		181,863	(181,863)
Net movement in assets	77,609	12,888,648	(12,811,039)	77,609	2,270,701	(2,130,701)
Liabilities						
Creditors and accruals	1,000,000	3,744,767	2,744,797		1,294,704	1,294,704
0			-			-
Employee entitle- current	1,000,000	2,246,703	1,246,703	1,000,000	1,894,998	894,998
Entitlements - non current		1,379,795	1,379,795		1,057,270	1,057,270
Lakeside residence refundable deposits		-	-	1,000,000	2,303,364	1,303,364
Net movement in liabilities	2,000,000	7,371,265	5,371,265	2,000,000	6,550,336	4,550,336
Net Assets minus Liabilities	(1,922,390)	5,517,383		(1,922,390)	(4,279,635)	
Net working capital cash (deficit) at period end			A - B = (7,439,773)			A - B = 2,357,245
CASH HOLDINGS AT PERIOD END	9,237,074			4,332,797		
Analysis of the Council's Capital A/c						
Non current capital assets			150,874,680			150,774,230
Add - Unspent capital cash held			1,939,196			989,962
Total capital assets			152,813,876			151,764,192
Lease liability			-			126,178
Capital loans			15,229,931			14,249,880
Rehabilitation provisions			-			-
Net debt			15,229,931			14,376,058
Net capital assets minus net capital debt		X	137,583,945		X	137,388,134
			106,695,059			106,343,307
Asset revaluation reserve			28,966,496			29,122,437
Total balance of Council capital		Y	135,661,555		Y	135,465,744
Working Capital balance in Capital A/c		Y - X = A	(1,922,390)		Y - X = A	(1,922,390)