



Appendix 2

2016/2017 Budget

Narrabri Shire Council
INCOME STATEMENTS - 2016/2017

	CONSOLIDATED	GENERAL FUND	WATER FUND	SEWER FUND
	\$	\$	\$	\$
Income from Continuing Operations				
Revenue:				
Rates & Annual Charges	18,736,495	14,382,659	1,696,808	2,657,028
User Charges & Fees	8,517,145	5,966,494	2,052,563	498,088
Interest & Investment Revenue	1,179,142	612,000	363,568	203,574
Other Revenues	2,369,278	2,316,233	-	53,045
Grants & Contributions provided for Operating Purposes	12,827,879	12,757,729	35,450	34,700
Grants & Contributions provided for Capital Purposes	9,521,015	4,271,015	5,250,000	-
Other Income:				
Net gains from the disposal of assets	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-
Total Income from Continuing Operations	53,150,954	40,306,130	9,398,389	3,446,435
Expenses from Continuing Operations				
Employee Benefits & On-Costs	16,867,827	15,838,375	558,727	470,725
Borrowing Costs	536,183	519,339	-	16,844
Materials & Contracts	9,150,932	6,582,224	1,379,139	1,189,569
Depreciation & Amortisation	9,856,669	7,476,956	902,411	1,477,302
Other Expenses	4,145,696	3,648,491	345,445	151,760
Net Losses from the Disposal of Assets	43,275	43,275	-	-
Joint Ventures & Associated Entities	-	-	-	-
Total Expenses from Continuing Operations	40,600,582	34,108,660	3,185,722	3,306,200
Operating Result from Continuing Operations	12,550,372	6,197,470	6,212,667	140,236
Net Operating Result for the Year	12,550,372	6,197,470	6,212,667	140,236
Net Operating Result before Grants and Contributions provided for Capital Purposes	3,029,357	1,926,455	962,667	140,236

Narrabri Shire Council
CASH FLOW STATEMENTS - 2016/2017

	CONSOLIDATED	GENERAL FUND	WATER FUND	SEWER FUND
	\$	\$	\$	\$
Cash Flows from Operating Activities				
Receipts:				
Rates & Annual Charges	18,717,041	14,372,803	1,694,360	2,649,877
User Charges & Fees	8,420,571	5,869,920	2,052,563	498,088
Interest & Investment Revenue Received	1,174,140	606,998	363,568	203,574
Grants & Contributions	22,209,860	17,294,078	4,881,083	34,700
Bonds & Deposits Received	-	-	-	-
Other	2,420,964	2,367,919	-	53,045
Payments:				
Employee Benefits & On-Costs	(16,826,932)	(15,797,480)	(558,727)	(470,725)
Materials & Contracts	(9,078,328)	(6,503,208)	(1,394,710)	(1,180,410)
Borrowing Costs	(535,621)	(518,777)	-	(16,844)
Bonds & Deposits Refunded	-	-	-	-
Other	(4,144,366)	(3,647,161)	(345,445)	(151,760)
Net Cash provided (or used in) Operating Activities	22,357,330	14,045,092	6,692,691	1,619,547
Cash Flows from Investing Activities				
Receipts:				
Sale of Investment Securities	5,890,582	3,349,732	2,243,286	297,563
Sale of Real Estate Assets	230,530	230,530	-	-
Sale of Infrastructure, Property, Plant & Equipment	1,089,477	1,089,477	-	-
Payments:				
Purchase of Investment Securities	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(30,939,450)	(18,859,450)	(10,035,000)	(2,045,000)
Purchase of Real Estate Assets	-	-	-	-
Net Cash provided (or used in) Investing Activities	(23,728,861)	(14,189,711)	(7,791,714)	(1,747,437)
Cash Flows from Financing Activities				
Receipts:				
Proceeds from Borrowings & Advances	1,000,000	1,000,000	-	-
Payments:				
Repayment of Borrowings & Advances	(961,703)	(829,744)	-	(131,959)
Repayment of Finance Lease Liabilities	(25,637)	(25,637)	-	-
Net Cash Flow provided (used in) Financing Activities	12,660	144,619	-	(131,959)
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,358,871)	0	(1,099,022)	(259,849)
plus: Cash, Cash Equivalents & Investments - beginning of year	5,858,871	2,000,000	2,599,022	1,259,849
Cash & Cash Equivalents - end of the year	4,500,000	2,000,000	1,500,000	1,000,000
Cash & Cash Equivalents - end of the year	4,500,000	2,000,000	1,500,000	1,000,000
Investments - end of the year	24,811,854	11,664,704	8,403,714	4,743,437
Cash, Cash Equivalents & Investments - end of the year	29,311,854	13,664,704	9,903,714	5,743,437
Representing:				
- External Restrictions	24,060,817	8,413,667	1,368,173	-
- Internal Restrictions	5,089,091	5,089,091	-	-
- Unrestricted	161,945	161,945	8,535,541	5,743,437
	29,311,854	13,664,704	9,903,714	5,743,437

Narrabri Shire Council
BALANCE SHEETS - 2016/2017

	CONSOLIDATED	GENERAL FUND	WATER FUND	SEWER FUND
	\$	\$	\$	\$
ASSETS				
Current Assets				
Cash & Cash Equivalents	4,500,000	2,000,000	1,500,000	1,000,000
Investments	24,811,854	11,664,704	8,403,714	4,743,437
Receivables	6,228,110	5,147,067	949,687	131,356
Inventories	2,853,964	2,853,964	-	-
Other	47,473	47,473	-	-
Total Current Assets	38,441,415	21,713,222	10,853,401	5,874,792
Non-Current Assets				
Investments	-	-	-	-
Receivables	427,698	237,576	124,454	65,668
Infrastructure, Property, Plant & Equipment	442,286,469	365,605,797	37,353,798	39,326,874
Investments Accounted for using the equity method	185,000	185,000	-	-
Total Non-Current Assets	442,899,167	366,028,373	37,478,252	39,392,542
TOTAL ASSETS	481,340,582	387,741,594	48,331,653	45,267,335
LIABILITIES				
Current Liabilities				
Payables	5,112,628	4,726,585	99,659	286,384
Borrowings	1,109,322	966,123	-	143,199
Provisions	2,927,384	2,927,384	-	-
Total Current Liabilities	9,149,333	8,620,092	99,659	429,583
Non-Current Liabilities				
Payables	-	-	-	-
Borrowings	8,305,528	8,305,528	-	-
Provisions	191,616	191,616	-	-
Total Non-Current Liabilities	8,497,144	8,497,144	-	-
TOTAL LIABILITIES	17,646,478	17,117,236	99,659	429,583
Net Assets	463,694,104	370,624,359	48,231,994	44,837,752
EQUITY				
Retained Earnings	216,266,104	175,557,359	28,521,994	12,186,752
Revaluation Reserves	247,428,000	195,067,000	19,710,000	32,651,000
Total Equity	463,694,104	370,624,359	48,231,994	44,837,752

Narrabri Shire Council												
SUMMARY OF ALL SERVICES												
Projected Year 2016/2017												
Service	\$ Operating Income	\$ Operating Expenditure	\$ Surplus (Deficit) from Operations	\$ Capital Income	\$ Capital Expenditure	\$ Transfer from Reserve	\$ Transfer to Reserve	\$ Net Result incl. Dep'n	\$ Add back Depreciation	\$ Net Result excl. Dep'n	\$ Add back other non-cash Exp.	\$ Net Cash Result
Strategic Management & Governance	-	1,063,820	(1,063,820)	-	-	120,000	60,000	(1,003,820)	-	(1,003,820)	-	(1,003,820)
Workforce Management	125,000	960,900	(835,900)	-	-	40,000	60,000	(855,900)	-	(855,900)	-	(855,900)
Corporate Support	50,000	514,066	(464,066)	-	-	-	99,324	(563,390)	87,522	(475,868)	-	(475,868)
Financial Services	-	1,067,150	(1,067,150)	-	-	-	-	(1,067,150)	-	(1,067,150)	-	(1,067,150)
Information Services	-	780,424	(780,424)	1,000,000	1,060,000	60,000	55,259	(835,683)	69,765	(765,918)	-	(765,918)
Property & Assets	132,528	842,080	(709,552)	-	280,483	144,000	77,369	(923,404)	97,678	(825,726)	-	(825,726)
Crossing Theatre	1,207,500	1,846,955	(639,455)	-	510,637	485,000	130,834	(795,926)	165,177	(630,749)	-	(630,749)
Libraries	56,000	652,888	(596,888)	-	72,152	25,000	25,883	(669,923)	32,678	(637,245)	-	(637,245)
Caravan Parks	84,480	68,840	15,640	-	13,341	-	13,899	(11,600)	17,548	5,948	-	5,948
Private Works	118,014	107,161	10,853	-	-	-	-	10,853	-	10,853	-	10,853
Rates & Charges	12,401,220	-	12,401,220	-	-	-	-	12,401,220	-	12,401,220	-	12,401,220
Interest & Investment Revenue	603,000	-	603,000	-	-	-	-	603,000	-	603,000	-	603,000
General Purpose (Untied) Grants	6,452,054	-	6,452,054	-	-	-	-	6,452,054	-	6,452,054	-	6,452,054
Capitalised Costs	-	(500,000)	500,000	-	-	-	-	500,000	-	500,000	-	500,000
Development Services	210,500	1,174,700	(964,200)	1,268,750	-	100,000	1,479,093	(1,074,543)	-	(1,074,543)	-	(1,074,543)
Environmental, Health & Compliance	274,050	618,264	(344,214)	-	290,000	-	2,102	(636,317)	2,654	(633,662)	-	(633,662)
Solid Waste Services	2,915,820	2,497,118	418,702	-	450,000	-	-	(31,298)	51,223	19,925	-	19,925
Economic Development	-	577,954	(577,954)	230,530	229,383	-	63	(576,870)	80	(576,791)	43,275	(533,516)
Cemeteries	179,000	340,437	(161,437)	-	55,000	55,000	20,985	(182,422)	26,493	(155,929)	-	(155,929)
Swimming Pools	472,387	1,534,657	(1,062,270)	-	232,334	275,556	166,063	(1,185,111)	204,497	(980,615)	-	(980,615)
Parks & Open Spaces	4,000	2,416,992	(2,412,992)	48,265	793,265	745,000	216,573	(2,629,565)	273,007	(2,356,558)	-	(2,356,558)
Saleyards	238,900	334,330	(95,430)	-	69,893	35,000	24,996	(155,319)	31,072	(124,247)	-	(124,247)
Tourism	213,209	516,564	(303,355)	-	-	-	18,348	(321,703)	23,164	(298,539)	-	(298,539)
Infrastructure Delivery Support	-	603,641	(603,641)	-	-	-	6,610	(610,251)	6,791	(603,460)	-	(603,460)
Design & Investigation Services	-	512,600	(512,600)	-	-	-	-	(512,600)	-	(512,600)	-	(512,600)
Fleet Management	213,867	183,891	29,976	1,089,477	2,456,877	1,367,400	1,094,314	(1,064,338)	1,094,314	29,976	-	29,976
Depots	-	310,129	(310,129)	-	276,458	125,000	64,824	(526,411)	94,795	(431,616)	-	(431,616)
Emergency Management	335,000	751,000	(416,000)	-	-	-	16,648	(432,648)	-	(432,648)	-	(432,648)
Transport	9,639,695	13,795,185	(4,155,490)	2,954,000	12,824,308	9,360,308	5,972,764	(10,638,255)	5,014,362	(5,623,893)	-	(5,623,893)
Airport	108,891	536,914	(428,023)	-	100,700	40,000	145,987	(634,710)	184,137	(450,573)	-	(450,573)
Water Services	4,148,389	3,185,722	962,667	5,250,000	10,035,000	750,000	41,533	(3,113,866)	902,411	(2,211,455)	-	(2,211,455)
Sewerage Services	3,446,435	3,306,200	140,236	-	2,176,959	-	-	(2,036,723)	1,477,302	(559,422)	-	(559,422)
Grand Total	43,629,939	40,600,582	3,029,357	11,841,022	31,926,790	13,727,264	9,793,472	(13,122,619)	9,856,669	(3,265,950)	43,275	(3,222,675)

Strategic Management & Governance	125,000	2,024,720	(1,899,720)	-	-	160,000	120,000	(1,859,720)	-	(1,859,720)	-	(1,859,720)
Corporate Services	21,104,796	5,379,563	15,725,233	1,000,000	1,936,613	714,000	402,568	15,100,052	470,367	15,570,419	-	15,570,419
Development & Economic Growth	4,507,866	10,011,017	(5,503,151)	1,547,545	2,119,875	1,210,556	1,928,224	(6,793,149)	612,190	(6,180,959)	43,275	(6,137,684)
Infrastructure Delivery	17,892,277	23,185,282	(5,293,004)	9,293,477	27,870,302	11,642,708	7,342,680	(19,569,802)	8,774,111	(10,795,690)	-	(10,795,690)
Grand Total	43,629,939	40,600,582	3,029,357	11,841,022	31,926,790	13,727,264	9,793,472	(13,122,619)	9,856,669	(3,265,950)	43,275	(3,222,675)

RECONCILIATIONS OF SERVICES BUDGET PAGE

Reconciliation of Operating Income & Expenditure to Consolidated Income Statement

Operating Income	43,629,939
plus Grants & Conts provided for Capital purposes	9,521,015
Total Income from Continuing Operations	53,150,954
less Operating Expenditure	40,600,582
Net Operating Result	12,550,372
Net Operating Result (excl. Capital G&C)	3,029,357

Reconciliation of Capital Income

Grants & Conts provided for Capital purposes	9,521,015
Loan Funds	1,000,000
Asset Sales	1,320,007
Total Capital Income (as per Services Budget)	11,841,022

Reconciliation of Capital Expenditure

(as per Capital Expenditure Program)	31,926,790
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Consisting of:

Capital Works - General Fund	18,859,450
Capital Works - Water Fund	10,035,000
Capital Works - Sewer Fund	2,045,000
Loan Repayments - General Fund	829,744
Finance Lease Repayments - General Fund	25,637
Loan Repayments - Sewer Fund	131,959

As per Consolidated Cash Flow Statement:

Purchase of Infrastructure, Property, Plant & Equipment	-30,939,450
Repayment of Borrowings & Advances	-961,703
Repayment of Finance Lease Liabilities	-25,637

Reconciliation of Transfer from Reserves

Funded from: Restricted Assets (as per CapEx)	11,208,708
Funded from: R/A VPA Contributions (as per CapEx)	2,205,334
plus Restricted Assets funding Operations:	
Election Costs	120,000
Risk Management Costs	40,000
Museum Operations	10,000
Statutory Planning	100,000
Balance of Swimming Pool Loan Repayment (Interest)	43,222
Total Transfer from Reserves	13,727,264

Transfer to Reserves

- Operating income that is being used to fund capital works have been restricted, including:

Roads to Recovery Grant	3,480,421
Portion of RMS Block Grant	400,000
Repair Grant	400,000
Tonnage Payments	1,600,274

- Council has continued its pursuit of its Fit for the Future fiscal principles.

- Council has formulated the draft budget on the fiscal principles of funding depreciation cost for asset renewal purposes.

- The draft budget proposes funding depreciation up to 80%.

- It is Council's intention to increase depreciation funding to 100% in the coming years, in alignment with its Fit for the Future fiscal principles.

Reconciliation of Interest & Investment Revenue

Consolidated Interest & Investment Revenue	1,179,142
is made made from the following (as per Income Statements):	
General Fund Interest & Investment Revenue	612,000
Water Fund Interest & Investment Revenue	363,568
Sewer Fund Interest & Investment Revenue	203,574

General Fund Interest & Investment Revenue	612,000
is made made from the following:	

Interest & Investment Revenue (General Purpose)	603,000
plus Interest included in Solid Waste Management	9,000
Operating Income	