

Adopted 2018/19 Budget

Background

The 2018/19 Budget was adopted by the Goulburn Valley Libraries Board at its ordinary meeting of 21 June 2018.

The key influences and assumptions in relation to the draft budget are;

1. Increased revenue requirement from each Municipality of 2.25% to align with Rate Caps.
2. Assumed increase in State Government grant revenue of 1.3%.
3. Book Stock purchase to remain static at \$400k.
4. Employee benefits assumed to increase by 1.5% due to pending EBA 2018.
5. Increase in depreciation expense of 2% due to increased capital purchases of book stock.
6. Increased investment in Training and Development, \$35k.
7. Increased investment in Communications and Information Technology systems, \$20k.
8. Minor increases in programming activity.
9. Maintenance expense of \$28k for RFID equipment commences in 2018/19 following expiration of warranty period.
10. Decrease in Capital expense of \$5k due to change in photocopier/printer hire arrangements.
11. Productivity of \$127k in recurrent Management and Administration expenditure.
12. Maintenance of greater than \$1million in retained cash to provide for financial risk.

Kevin Preece
CEO
Goulburn Valley Libraries

Income Statement

	Adopted Budget 2017/18	Adopted Budget 2018/19	2018/19 Change
Revenue			
User Fees	45,200	49,200	8.85%
Grants (Operating)	824,884	835,607	1.30%
Contributions (Monetary)	2,579,398	2,637,435	2.25%
Other Income	57,222	55,000	-3.88%
Gain (Loss) on Sale of Plant	500	500	0.00%
Total Revenue	3,507,204	3,577,742	2.01%
Expenses			
Employee Costs	2,306,980	2,233,162	-3.20%
Materials and Services	700,406	827,963	18.21%
Depreciation	443,873	452,597	1.97%
Borrowing Costs	5,300	4,000	-24.53%
Other Expenses	57,640	59,172	2.66%
	3,514,199	3,576,894	1.78%
Surplus (Deficit) for the Period	(6,995)	848	

Capital Expenditure

Book stock & resources			
Physical Books and resources	233,000	233,000	0.00%
PRC books and resources	27,000	27,000	0.00%
eBooks & eAudiobooks	55,000	60,000	9.09%
DVD's	49,000	47,000	-4.08%
Audiobooks	35,000	33,000	-5.71%
CD's	1,000	0	-100.00%
Vehicles	25,000	25,000	0.00%
Equipment & furniture	10,000	5,000	-50.00%
CIT	30,000	30,000	0.00%
Total Capital Expenditure	465,000	460,000	-1.08%

Notes

1. Fees and fines – Council contributions, Overdue charges, Copy charges
2. Grants – State Government recurrent grant, Premiers Reading Challenge, Miscellaneous grants
3. Other Revenue – Investment interest, Donations, Diesel rebate, Book Club receipts
4. Employee benefits – Salaries and wages, Superannuation, Leave Loading, WorkCover premium, FBT
5. Administration – Shared admin and IT costs, Accommodation, utilities, training costs, periodicals and subscriptions
6. Repairs and Maintenance – Vehicle expenses, Equip servicing, rubbish removal, IT Maintenance
7. Depreciation – Vehicles, Book stock, Furniture and Equipment
8. Finance costs – Interest payments on loans
9. RFID – Radio Frequency IDentification technology investment to improve service and collection management at all Libraries

Balance Sheet

	Adopted Budget 2017/18	Adopted Budget 2018/19
		\$
ASSETS		
Current Assets		
Cash and Cash Equivalents	1,001,519	1,053,686
Trade and Other Receivables	2,500	10,669
Total Current Assets	1,004,019	1,064,355
Non-Current Assets		
Cash and Cash Equivalents		
Property, Plant, Equipment and Infrastructure	7,647,809	8,665,018
(Depreciation)	(5,870,596)	(6,851,956)
CAPEX	465,000	460,000
Total Non-Current Assets	2,242,213	2,273,062
TOTAL ASSETS	3,246,232	3,337,417
LIABILITIES		
Current Liabilities		
Trade and Other Payables	50,000	136,937
Provisions	633,620	633,620
Interest-bearing Loans and Borrowings	14,875	16,145
Total Current Liabilities	698,495	786,702
Non-Current Liabilities		
Provisions	46,962	46,962
Interest-Bearing Loans and Borrowings	37,949	16,275
Total Non-Current Liabilities	84,911	63,237
TOTAL LIABILITIES	783,406	849,939
NET ASSETS	2,462,826	2,487,478
EQUITY		
Accumulated Surplus / Deficit	(442,921)	(418,269)
Member Contributions	2,905,747	2,905,747
TOTAL EQUITY	2,462,826	2,487,478