



Annual Report

The 14th Annual Report of the
Golden Plains Shire Council

2007-2008



GOLDEN PLAINS SHIRE

AT A GLANCE

Location:	Access to Melbourne, Ballarat and Geelong. The gateway to the Central Highlands region and Western District.
Area:	2,705 square kilometres
Estimated Population:	17,345
Average Annual Growth Rate:	1.6%
Number of employees:	173
Number of Councillors:	9
Number of Ridings:	9
Rateable properties:	8,880
Total revenue:	\$ 23.30 million
Rate revenue:	\$ 7.77 million
Length of sealed local roads:	925 kms
Length of unsealed local roads:	752 kms
Main Roads:	220 kms
Climate:	Cool winters and moderate summers
Annual Average Rainfall:	500-750 mm
Average winter temp:	10 degrees Celsius
Average summer temp:	25 degrees Celsius

COMMUNITIES

Anakie	Happy Valley	Rokewood Junction
Bamganie	Hesse	Ross Creek
Bannockburn	Illabarook	Russells Bridge
Barunah Park	Inverleigh	Scarsdale
Batesford	Lethbridge	She Oaks
Berringa	Linton	Shelford
Berrybank	Mannibadar	Smythes Creek
Cambrian Hill	Maude	Smythesdale
Cape Clear	Meredith	Springdallah
Corindhap	Morrison	Staffordshire Reef
Cressy	Mount Mercer	Steiglitz
Dereel	Murgheboluc	Stonehaven
Durdidwarrah	Napoleons	Sutherlands Creek
Durham Lead	Newtown	Teesdale
Enfield	Nintingbool	Wallinduc
Garibaldi	Piggoreet	Werneth
Gheringhap	Pitfield	Willowvale
Grenville	Pittong	Wingeel
Haddon	Rokewood	





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Vision, Mission, Values

OUR VISION

Golden Plains Shire offers a lifestyle and opportunities that foster social, economic and environmental wellbeing.

In partnership with the community we will provide strong leadership, encourage sustainable development and ensure quality services, to continue to improve the quality of life of residents.

OUR MISSION

- We encourage, welcome and recognise the need to respond to the significant forecast population growth and the challenges it creates.
- We maintain and enhance the diversity and uniqueness of our communities, while encouraging and managing population growth and economic development.
- We maintain and develop a quality road system and secure adequate resources for the future.
- We aim for citizens to have fair access to recreation facilities, education, employment and human services, particularly youth and the aged.
- We accept individual diversity and we welcome and encourage participation in civic and community affairs.
- We market our municipality through open and effective communication.
- We respect the environment, our cultural significance and our heritage.
- We support and pursue the orderly and proper planning of land use and development based on strategic considerations as identified in the Municipal Strategic Statement.

- We support agricultural industry, sustainable practices and the right to farm.
- We provide municipal leadership that reflects local needs within a competitive and changing environment while considering government priorities.
- We foster successful relationship with other levels of government, agencies, non government organisations and the private sector.

OUR VALUES

• *Integrity in Leadership*

We will strive to lead the community with integrity, reason and accountability whilst acknowledging Council's statutory obligations.

• *Equity & Access*

We will treat our community, residents and ratepayers equitably by being fair in our decision making and ensuring that we are approachable by the community.

• *Commitment*

We are committed to excellence in management and teamwork, comprising the community, Council and staff.

• *Community*

We recognise the uniqueness of our individual communities and will seek to work in partnership with them to enhance their sense of community spirit. We recognise the efforts and value the contributions of our volunteers.

• *Innovation*

We are open to new ideas and will grasp opportunities with a vision to succeed.



Shire Profile

Golden Plains Shire comprises 2,705 square kilometres between Victoria's two largest regional cities, Geelong and Ballarat, and is within one hour of Melbourne.

With 17,345 residents across some 52 communities including 16 townships, Golden Plains is one of the fastest growing municipalities in Victoria, with population growth of around 25% between 1996 and 2006. Significantly, the shire has a higher proportion of young people within its population than the state and national average.

New residents, including many young families, have taken advantage of the proximity to services and employment opportunities available in Ballarat and Geelong. Despite rapid growth in the north west and south east of Golden Plains, the Shire's rural base and natural environment dominate the landscape.

The Shire has a strong tradition of wool and grain growing, however the level of intensive

animal farming, particularly poultry and pigs, is increasing. Growth in the home based business sector is providing healthy employment and lifestyle opportunities for the growing population. Viticulture is an emerging sector, with the Moorabool Valley being home to a well established and growing wine industry.

Natural beauty is also a feature of Golden Plains. Rolling green hills, sweeping canola fields, rugged bush landscapes and rocky plains span the shire from its historic gold mining towns in the north to the river valleys in its south. The Ballarat to Skipton Rail Trail, Enfield State Forest, Brisbane Ranges and Steiglitz Historic Park are popular attractions within an emerging day trip tourism market.

DID YOU KNOW:

Golden Plains is one of the fastest growing municipalities in Victoria.



Mayor's Report

On behalf of my fellow Councillors, I am pleased to present the Golden Plains Shire Council's 2007-08 Annual Report. During the reporting period we have continued to come to terms with the lasting effects of drought, changing economic conditions and the emerging policies of a new Federal Government. In this context, Council has continued to play a key role in growing and supporting the social and economic wellbeing of its residents and the environment in which we all live.

In doing so, Council is often required to confront challenging decisions that require an effective balance between meeting the needs of today, without compromising those of others in the future. For example, in order to meet the increasing demand for contemporary services and infrastructure by our growing and changing population, as well as ensuring the long term financial sustainability of the Shire and its community assets, Council resolved to adopt the 2007-08 budget with a 7.8% rate increase. At a time when Exceptional Circumstances declaration had been extended across our Shire, this was clearly a difficult decision for Council.

Good local governance, strategic planning and decision making continue to be central to our implementation of the annual budget. Council's Community Development program, Community Planning process and Strategic Planning Framework are central pillars of democracy in our Shire, as each directly informs the Council Plan and Budget process.

A selection of recent initiatives of note includes the following:

- The Golden Plains Shire South East Land Use Planning Review
- The Golden Plains Shire Rural Land Use Strategy
- The Golden Plains Shire Recreation Strategy Plan
- The Golden Plains Shire Municipal Public Health Plan
- The Golden Plains Shire Disability Action Plan
- The Golden Plains Shire Economic Development Strategy
- The Bannockburn Town Centre Investment Strategy

In this respect, Council is forward looking in its assessment of, and response to, new and emerging community needs. The combined result of strong links with our communities and Council's ability to think through challenging decisions has positioned Golden Plains Shire as one of the most financially sustainable councils in Victoria, with consistently high Community Satisfaction Survey ratings.

Of course, this does not happen by chance. A strong partnership between Community, Council and Council's Management Team is central to our ongoing success. Looking to the future, it is worth reflecting on this partnership approach, particularly in light of the Victorian Electoral Commission's decision during this reporting period to change Electoral Representation in the Golden Plains Shire from 9 Councillors representing 9 geographic areas down to 7 councillors in an un-subdivided electorate (post 29th November 2008).

I would like to take this opportunity to thank my fellow councillors for their constructive partnerships, support and commitment to Council over the past year. I also thank the Chief Executive Officer, Rod Nicholls and all Council staff for their hard work and high performance, particularly given that Council's staffing levels are amongst the lowest in Victoria.

Finally, I would like to take this opportunity to thank our residents who take an active role in the Community Development and Community Planning programs, as well as the Shire's volunteers. Without the contribution of these people (of whom there are many) democracy and standards of living would not be as strong as they are today in the Golden Plains Shire.



Cr Des Guinane



CEO's Report

As the Mayor has reported, over the past 12 months Council has been active in responding to the challenges associated with a growing and changing population, new and emerging Federal Government policy agendas and the ongoing impacts of drought.

While we remain hopeful that the worst of recent drought conditions are behind us, we cannot ignore resounding agreement from international scientific communities that climate change is upon us. Furthermore, introduction of the new Federal Government's Carbon Pollution Reduction Scheme is also likely to impact us in only a few short years. These developments will continue to dramatically transform the way we live and the way Council does business.

In this context, Council began to position itself by developing a broadly focused Drought Strategy during 2007-08. The Strategy highlights that Council is not in the business of duplicating State and Federal Government services. However, Council will continue to play an active lobbying and advocacy role for its citizens to enhance the level of State and Federal Government support for drought affected communities in the Golden Plains Shire. Council's role in drought relief is clearly framed by the following four Strategic Directions, each in alignment with Council's core business:

- Developing and sustaining infrastructure
- Supporting local communities through information, programs and events
- Improving planning and networking
- Providing financial assistance and support

Golden Plains Shire has been effective in its capacity to secure State and Federal government funding for the delivery of service and infrastructure projects. The four Action Plans presented above received committed government contributions of more than \$580,000 for drought related activities in the Golden Plains Shire during 2007-08.

In addition to our drought response activity, I am pleased to report that the Council Plan for 2007-08 has been delivered successfully and the Shire remains one of the most financially sustainable councils in Victoria. This highlights strong financial discipline from Council and management who continue to work hard on meeting the needs of today, without compromising those of future generations. Council is acutely aware of the impact of increasing rates on households, farms and businesses. All levels of the organisation including the Mayor, councillors, the management team and staff are committed to ensuring that we achieve value for money in everything we do.

The Shire continues to experience some of the fastest population growth rates in the State. Recent census data indicates that Golden Plains Shire has experienced a growth rate 2.15 times higher than the State between 1996 and 2006. Over the same period, the north west has experienced a growth rate 1.4 times higher than the State and the south east has experienced a growth rate 2.85 times higher than the State. Council has delivered many important service and infrastructure projects over the past year (detailed on page 8 and 9) to support and enhance our growing communities.

Some of the highlights include:

- Major funding announcements including the Bannockburn Community & Cultural Hub, Ballarat to Skipton Rail Trail improvements, the Inverleigh River Walk, Lethbridge Primary School relocation, Smythesdale sewerage and a range of improvements to health programs in the Shire.
- Continued planning and advocacy for infrastructure to support growth towns throughout the Shire, with particular emphasis on roads and paths, water and sewerage, community services, infrastructure, telecommunications and power.
- Adoption of Council's Municipal Public Health Plan, Healthy People Healthy Places 2008-12.
- Council's adoption of its first Disability Action Plan 2008-11, to improve access for people with a disability who reside in the Shire.
- Implementation of the Community Development Program in 19 towns across the Shire and establishment of a new community planning group in the rural area of Barunah Plains.
- Implementation of the Golden Plains Shire Environmental Survey which formed a part of Council's Environment Strategy.

In addition to this, Council has a capital works program scheduled for 2008-09 in excess of \$8.8 million to help close the gap between existing services and infrastructure and that required by our growing and changing communities.

While we must continue to be focused on positioning the Shire's finances for the future, I am pleased to report that the Council has achieved an excellent financial result for the year ended 30 June 2008. Council continues to maintain its assets at optimum levels, it has an excellent liquidity position and debt levels are low. These results continue to reflect the fact that Council is fiscally responsible. We have been diligent in adhering to our long term strategies and not wavering from the strict financial principles that underpin those strategies. While the elections scheduled for November may fundamentally change representation in Golden Plains Shire, ensuring fiscal responsibility will remain a priority for the Senior Management Team.

The past year has been one of solid progress and achievement and I would like to take this opportunity to express my appreciation to the community, the Mayor, councillors and staff for their support, guidance and commitment in working for a more healthy, vibrant and sustainable future.



Rod Nicholls

Councillors & Senior Management



Cr Jenny Blake
Valley Riding
First elected
March 1996



Cr David Cotsell
Bannockburn Riding
First elected
November 1998



Cr Gerald Dupe
Ranges Riding
First elected
March 1996



Cr Geraldine Frantz
Forest Riding
First elected
December 2003



Mayor
Cr Des Guinane
Rivers Riding
First elected
March 1996



Cr Jenny Jones
Break o'Day
Riding
First elected
November 2004



Cr Kevin Knight
Woody Yaloak Riding
First elected
March 1996



Cr Bill McArthur
Haddon Riding
First elected
March 1996



Cr Alwyn Parker
Ross Creek Riding
First elected
March 1996

SENIOR MANAGEMENT



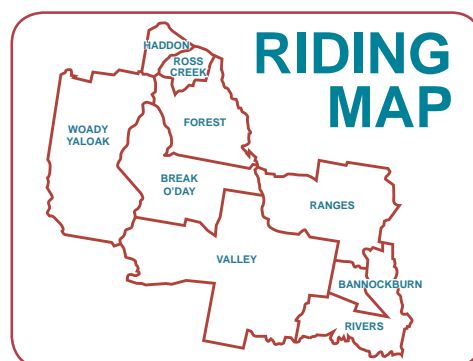
Rod Nicholls
Chief Executive
Officer



Dean Miller
Director
Corporate Services



David Madden
Director
Technical Operations



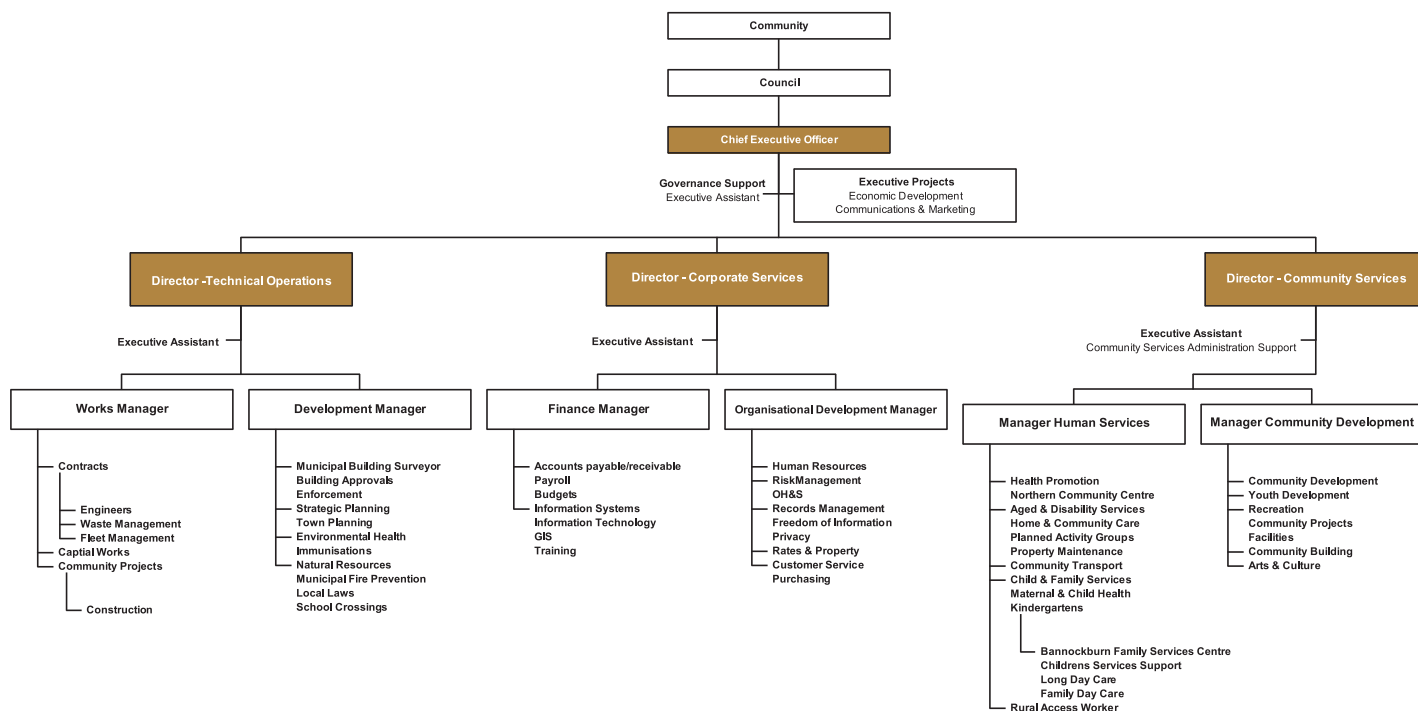
Lenny Jenner
Director
Community Services



David Spear
Manager
Executive Projects



Organisational Structure & Staff Analysis (EFT)



STAFF ANALYSIS

Staff Number By Business Unit	Full Time	Part Time	Casual & Temporary	Total
Executive	13	-	-	13
Development	16	8	7	31
Finance	9	5	3	17
Organisational Development	8	4	-	12
Human Services	17	50	25	92
Community Development	7	-	-	7
Works	34	2	2	38

Staff Numbers	Female	Male	Total	Equivalent Full Time	Female	Male	Total
Full Time	42	61	103	Full Time	42	61	103
Part Time	65	5	70	Part Time	31.6	2.2	33.8
Total	107	66	173	Total	73.6	63.2	136.8

Year in Review

Throughout 2007-08, Council has been able to implement all but one of the 72 objectives set out in the Council Plan. The major highlights are presented below against Council's nine key result areas.

CITIZEN & CUSTOMER SERVICE

- Community Satisfaction Survey results concluded Council's overall performance is amongst the highest in the small shire's group of 21 councils. We performed significantly better in a number of key service areas including waste management, traffic management and parking facilities, town planning policy and approvals, advocacy and economic development.
- Regularly consulted with local communities through Council's Community Development Program, the bi-monthly newsletter Golden Plains Gazette, improved website and community workshops for Recreation Strategy, Heritage Strategy and Municipal Public Health Plan.
- Actioned all 'Year Two' objectives from Council's Communications Strategy, including renewed focus on refining and enforcing Council's Corporate Style Guidelines to ensure that the Shire is represented in the most concise, consistent and professional way possible.
- Continued implementation of the Customer Service Strategy, including the installation of customer request software, and an upgrade of the Bannockburn Customer Service area to improve disabled access.

CIVIC LEADERSHIP

- Regularly lobbied state and federal government, which contributed to major funding announcements including the Bannockburn Civic Precinct, Ballarat to Skipton Rail Trail improvements, the Inverleigh River Walk, Lethbridge Primary School relocation, Smythesdale sewerage and a range of improvements to health programs in the Shire.

- Facilitated and supported community celebrations of important national events – Australia Day Awards, citizen recognition including Community Coordinators, Golden Connections transport volunteers and the facilitation of official openings and launches for eight projects.

ECONOMIC DEVELOPMENT

- Continued to advocate to Central Highlands Water and Barwon Water with regard to Council's growth and future demands for water.
- Successfully applied for and received grant funding for "Securing Water for Economic Development in the Golden Plains Shire and G21 Region" study.
- Successfully applied for and received grant funding towards the Appointment of a Cluster Facilitator to implement the Cluster Group elements of Council's Economic Development Strategy.
- Advocated for improved energy infrastructure and telecommunications.
- Continued to liaise with VicRoads in assessing and planning for impact of Geelong Bypass.
- Continued to plan and advocate for infrastructure to support growth towns throughout the Shire, with particular emphasis on roads and paths, water and sewerage, community services, infrastructure, telecommunications and power.
- Completed the consultant brief for the Tourism Master Plan.

ENVIRONMENT & LAND USE PLANNING

- Implementation of South East Land Use Planning Review.
- Advocated and supported the development of Regional Landcare groups to create partnerships to encourage and develop the growth of landcare in the south east.
- Reviewed the Bannockburn Urban Design Framework in conjunction with the Residential Land Supply Review.
- Implemented the Golden Plains Shire Environmental Survey which formed a part of Council's Environment Strategy.
- Prepared conservation management plans for the Teesdale Grassy Woodlands and the Rokewood Common.
- Continued with strategic priority weed control (gorse and serrated tussock) on Council properties.
- Implemented stage 2 of the Heritage Study.



Year in Review

- Council adopted the Golden Plains Rural Land Use Strategy. The strategy recommended a range of changes to the Golden Plains Planning Scheme, including changes to the Municipal Strategic Statement, Local Planning Policies and zoning changes.

FINANCIAL MANAGEMENT

- Secured a number of major grants including Smythesdale Business, Health and Community Hub (\$330K), Ballarat to Skipton Rail Trail (\$205K) and Community Water Projects (\$144K).
- Implemented the third year of Finance 2005, Council's strategic resource plan, which finances the Council plan, including the new rating strategy.
- Finalised development of Council's 10 year financial plan spanning the period 2009-10 to 2018-19.
- Council formally resolved to support the MAV and the ALGA in their endeavours to lobby for a share of Commonwealth Government taxation revenue to reduce dependence on rate revenue.

HUMAN SUPPORT SERVICES

- Facilitated the development of a network of community service hubs including Bannockburn in the south, Smythesdale in the north and Dereel/Rokewood in the centre.
- Commenced implementation of the Maternal & Child Health action plan and continued to develop the service to meet the needs of families with young children.
- Continued to develop Council's Family Day Care service, with 149 children from 96 families using the service, which achieved the highest rating possible in the national accreditation system.
- Continued to develop Council's Long Day Care service in Bannockburn, with 135 children from 111 families using the service.
- Continued to work with local kindergarten volunteer management committees on the operation of kindergartens in the Golden Plains Kindergarten cluster.
- Continued to develop the Bannockburn Family Services Centre, which now provides Kindergarten, Long Day Care, Maternal & Child Health, Community Health Nursing, Family Support, Family Counselling, Podiatry, Dietician and other community and health services for local residents.
- Implemented the Aged Services Plan including increased participation of older residents in community activities.
- Secured additional funding for the successful Golden Connections Transport program, which has covered 156,273 km, delivered 10,098 client trips and included 5,821 volunteer hours.

- Commenced implementation of Council's Municipal Public Health Plan, Healthy People Healthy Places 2008-12.
- Council endorsed its first Disability Action Plan 2008-11, to improve access provisions for people with a disability who reside in the Shire.

RECREATION & COMMUNITY DEVELOPMENT

- Implemented the Community Arts Strategy, including the development of a number of projects such as the Golden Plains Arts Trail, Bus Stop Art Stops and Adventure Builds Connections DVD.
- Implemented the Community Development Program in 19 towns across the Shire and also established a new community planning group in the rural area of Barunah Plains.
- Encouraged increased participation to maximise use of recreation centres through a number of the 'Go For Your Life' programs and training with local Committees of Management.
- Completed the Woody Yaloak Wheels & Lights projects at the Woody Yaloak Recreation Reserve.
- Completed the Happy Valley Old School Building upgrade project.

ROADS & STREETS INFRASTRUCTURE

- Continued to advocate for upgrades to all highways within the shire.
- Advocated for safe turning lanes at Hamilton Highway intersections with Harvey Road, Burnside Road, Friend in Hand Road and Common Road.
- Implemented the Road Strategy including the development of a low volume roads policy through the Roads to Recovery 'Roads of Local Amenity' program.
- A number of funding opportunities were realised during 2007-08 that enabled Council to progress its Paths and Trails Strategy at a faster rate resulting in construction of new paths and trails in townships and communities across the Shire. The State Government Local Area Access Program provided funding for collector trails along Pope Street, Burnside Road and Levy Road in Bannockburn.

WASTE MANAGEMENT

- Provided waste management services to 95% of properties in Golden Plains Shire.



Grants Obtained

In 2007-08, Council received external funding for the following community based projects:

PROJECT	FUNDING SOURCE	AMOUNT RECEIVED 2007/08 \$	TOTAL GRANT FUNDING FOR PROJECT \$	TOTAL PROJECT COST \$
State Emergency Service	State Emergency Service	5,230	5,230	10,460
Economic Development Strategy	Regional Development Victoria	83,500	169,500	267,263
Provincial Economic Partnership	Regional Development Victoria	7,500	10,000	20,000
Smythesdale Business, Health & Community Hub	Department of Transport and Regional Services (RP)	330,000	1,470,000	1,670,000
	Department of Transport and Regional Services (RMIF)			
	Regional Development Victoria			
	Department of Planning and Community Development			
Steiglitz Heritage Project	Heritage Victoria	5,000	5,000	5,000
South East Land Review	Regional Development Victoria	25,000	25,000	60,000
Bannockburn Town Centre				
Investment Strategy	Regional Development Victoria	20,000	20,000	40,000
Rural Zones Review	Department of Planning and Community Development	15,000	15,000	15,000
Heritage Advisory Services	Heritage Victoria	4,000	4,000	8,000
Inverleigh River Walk	Department of Planning and Community Development	50,000	50,000	100,000
Landcare Restart	Geelong Landcare Network	3,500	3,500	3,500
Roadside Gorse	Department of Primary Industries	1,247	1,247	1,247
Koala Habitat Mapping	Department of Primary Industries	5,000	20,000	20,000
Township Weed Facilitator	Department of Primary Industries	7,000	7,000	7,000
Community Planning Evaluation	Department of Planning and Community Development	7,000	7,000	13,350
Community Development Phase 2	Department of Planning and Community Development	70,000	210,000	210,000
Community Building Initiative	Department of Planning and Community Development	88,245	185,580	185,580
Library	Department of Planning and Community Development	123,728	123,728	202,655
Art Stop Project	Regional Arts Victoria	15,000	15,000	15,000
National Youth Week	Office for Youth	2,000	2,000	4,500
Youth Participation & Access	Department of Planning and Community Development	34,500	34,500	34,500
Youth Music Events - 2007 (FReeZA)	Department of Planning and Community Development	9,725	19,450	19,450
Youth Action Teams	Department of Planning and Community Development	28,000	70,000	115,000
Youth Music Events - 2008 (FReeZA)	Department of Planning and Community Development	9,725	19,450	19,450
Recreation Strategy	Department of Planning and Community Development	5,400	27,000	54,000
Management of Recreation Facilities	Department of Planning and Community Development	24,000	30,000	60,000
Community Water Project - Inverleigh Bowling Club	Department of Environment and Water Resources	45,455	45,455	131,400
Drought Relief for Community Sport and Recreation	Department of Planning and Community Development	80,000	100,000	150,000
Happy Valley Upgrade	Regional Development Victoria	26,667	53,330	69,500
Skate Facility Access Program	Department of Planning and Community Development	48,000	60,000	90,000
Don Wallace Recreation Reserve Pavilion	Sport and Recreation Victoria	48,000	60,000	95,000
Woody Yaloak Wheels	Department of Planning and Community Development	4,400	22,000	30,000
Napoleons Recreation Reserve Irrigation	Department of Planning and Community Development	5,000	25,000	37,500
Bannockburn 2nd Oval Irrigation	Department of Planning and Community Development	12,000	60,000	75,000
Teesdale Turtle Documentary Film	Regional Arts Victoria	9,550	9,550	9,550
Victoria Park, Bannockburn Water Storage	Department of Planning and Community Development	2,000	10,000	15,000
Illabarook War Memorial	Department of Veterans' Affairs	4,000	4,000	5,490
Smythesdale Storm Water Drainage	Department of Sustainability and Environment	100,000	250,000	540,000
Footpath Project	Regional Development Victoria	117,273	117,273	240,000
Ballarat - Skipton Rail Trail	Department of Transport and Regional Services	205,000	230,000	679,360
TOTAL		1,686,643	3,595,793	5,328,755



Grants & Donations Announced (Community Grants)

In 2007-08, Council allocated the following grants and donations to community groups:

ORGANISATION	PROJECT	AMOUNT FUNDED \$
Rokewood Memorial Hall	Purchase of a Community Mower to share between 6 community organisations.	\$5,000
Garibaldi / Grenville Community Coordinators	Garibaldi / Grenville Community Information Sign. Informing what's happening in the community.	\$2,120
Teesdale Mechanics Institute	Facility upgrade including; new roller door, floor resealing, general painting and garden area replanted and landscaped with indigenous plants.	\$5,000
Bannockburn & District Arts	Community arts project responding to key issue of togetherness in the community then being incorporated into a large piece of art donated to the Shire.	\$5,000
Bannockburn Kindergarten	Information/directional signage located outside building promoting enrolment places and location of kindergarten & basic kindergarten equipment upgrade.	\$2,570
Teesdale Preschool Inc	Increase storage facility through relocation of kitchen.	\$4,660
Woody Yaloak Recreation Reserve Committee of Management	Woody Yaloak Skate Park Art Project with design and implementation undertaken by young people.	\$1,700
Meredith & District Memorial Hall	Kitchen Facilities improvement upgrade with new equipment including refrigerator, pie warmer etc.	\$1,235
Grenville Recreation Reserve	Removal and replacement of boundary fence. Removal of tree limbs along fence line.	\$1,144
Teesdale Playgroup Inc	Replacement for children's chairs.	\$ 485
Garibaldi Environment Group	Development of a walking track that allows public access along Yarrowee River via Garibaldi Bridge.	\$5,000
Meredith Kindergarten Inc.	Outdoor playground equipment replacement, facility plastering upgrade and shed erection for further storage.	\$4,958
Golden Plains Little Athletics Club	Purchase of athletics equipment to establish training base in Bannockburn: hurdles, starting blocks, discus, shotput etc.	\$ 850
Rokewood Recreation Reserve Committee of Management Inc.	Purchase new chairs.	\$1,650
Bamganie /Meredith Landcare Group	Upgrade of Landcare Spray Unit to continue land care activities to help manage gorse & weed etc.	\$5,000
Bird Observation Conservation Australia	Clarksdale Bird Sanctuary Interpretation Centre - funding needed for provision of 5000gal water tank and pump.	\$2,950
Teesdale Grassy Woodlands Committee of Management	Removal of invasive woody weed species.	\$1,125
Inverleigh Kindergarten Inc	Purchase of mower, replacement of ageing play equipment and soft fall.	\$1,443
Lethbridge Lake Reserve Committee	Neutralize rust and repainting of Historic Railway Tank.	\$1,730
Leighdale Equestrian Centre	Construction of 2 sand arenas; Paint club rooms, top dress with super phosphate to help grounds recover from drought.	\$5,000
Inverleigh Public Hall & Mechanics Institute	Reroofing foyer and toilet area.	\$1,250
Bannockburn Golf Club	Fairway restoration and upgrade of holes 12, 13 & 14 with the sowing of santa ana couch grass.	\$5,000
Lethbridge Playgroup	Creation of fenced off play area and facility upgrade which includes water service and reverse heating/cooling installation.	\$5,000
Golden Plains Parent Support Group	Family free fun day at Leighdale Equestrian Centre for families and children with special needs.	\$2,000
Linton Recreation Reserve	Installing post railings for oval creating a safety barrier.	\$ 853
Victoria Park Committee of Management - Bannockburn	Purchase and install a permanent all season pitch cover.	\$3,925
Napoleons & District Playgroup	Provide playground equipment suitable for under 5 yrs.	\$5,000
Dereel Coordinators	Development of a collection of interpretive signage that portray the history of the Dereel Swamp area along the walking track.	\$2,660
Woody Yaloak Kindergarten	Purchase new storage shed. Basic maintenance and paint work.	\$5,000
Woody Yaloak Equestrian Centre	Purchase of 10,000lt water tanks and a tandem trailer to transport show jumps and equipment.	\$4,650
Bannockburn & District Bowls Club	Increase the size of kitchen and update amenities.	\$5,000
Berringa Community Committee Inc.	Repairs to windows and painting.	\$4,000
Inverleigh Football Netball Club	Construction of pergola to provide additional undercover outdoor facility.	\$5,000
Wallinduc Community Group	Complete fencing around war memorial and purchase of barbecue for community gatherings.	\$1,900
Linton & District Historical Society Inc.	Purchase of cataloguing package system to archive historical material.	\$4,553
Barunah Park Hall Committee	Cooling and heating for Barunah Park Hall.	\$5,000
Meredith Community House Inc. - auspice	Community singing and training day.	\$1,900
Shelford Cricket Club	Decking and rail upgrade water tank installation & sealing & area beautification through plantings.	\$1,513
Lethbridge Community Coordinators	Purchase and install a what's on sign for public information advertising.	\$2,047
Batesford Public Hall Committee Inc	To source, copy and store historic photographs and records covering the development and history of the Batesford township, through the purchase of laptop and scanner.	\$1,300
Meredith Cemetery Trust	A lockable two sided information board to protect mapping information.	\$1,000
Illabarook/Rokewood Junction Memorial Hall	Seating construction and area beautification of War Memorial site.	\$2,400
Meredith Community House Inc.	Project recognising the role and contribution of women in Meredith and surrounding district through developing and publishing a booklet.	\$1,375
Steiglitz Historical Society Inc	Purchasing of Historical Records & Equipment, creation of filing system & classification of same.	\$3,474
Woody Yaloak Historical Society Inc	Develop a historical visual display combined with written and or spoken dialogue.	\$2,500
Haddon Kindergarten	Purchase and installation of water tank.	\$1,725
TOTAL		\$138,645



Governance

FREEDOM OF INFORMATION

One request for information was received during the year under the Freedom on Information Act 1982. This request was transferred to another Agency under Section 18(2) of the Act. One outstanding request from the previous financial year was finalised with access being granted in part.

EQUAL OPPORTUNITY STATEMENT

Council has adopted an Equal Opportunity Policy as follows:

Golden Plains Shire Council is committed to the principles of Equal Employment Opportunity. In all policies and practices of the Council there shall be no discrimination relating to gender, physical features, race, pregnancy, marital status, status as a carer, status as a parent, HIV/AIDS status, political belief or activity, sexual orientation, religious belief or activity, breastfeeding, industrial activity, gender identity, lawful sexual activity, age, disability/impairment (including prior Work Cover Claims), personal association with someone who has, or is assumed to have, one of these personal characteristics.

Selection of individuals for employment, advancement, promotion, training and staff development will be on the basis of personal merit in fair and open competition according to the skills, qualifications, knowledge and experience relevant to the position. Golden Plains Shire Council is committed to providing a welcoming, supportive, emotionally and physically secure working environment for every staff member of the organisation.

BEST VALUE PROGRAM

Golden Plains Best Value objectives are to: Deliver the best possible services within the limits of Council's resources;

- Developing strategies for engaging with the community and service users to ensure their needs are included in service planning and development;
- Provide transparent and accountable processes;
- Develop and maintain a relationship of trust between the Council and residents; and
- Support a culture of continuous improvement within Council.

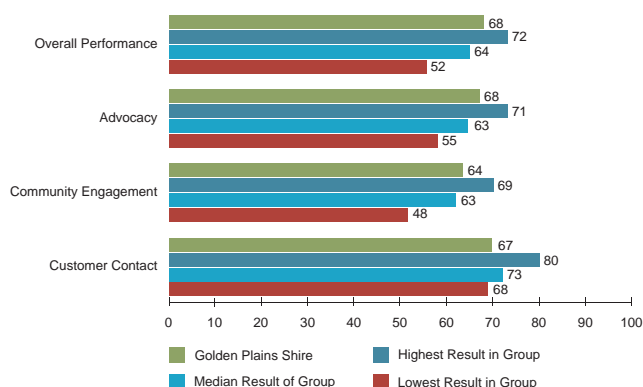
The initial round of Best Value reviews were completed in 2005. Since that time Best Value has been developed into a broader concept of organisational performance.

A model was discussed with the State Government's Best Value Commission. This model is based on Community Planning process. Through this process Golden Plains' communities and Council work together to:

- Identify needs, issues and opportunities;
- Decide on the priority actions or projects; and groups to work towards the agreed goals.

A new framework has been developed that integrates performance measurement and continuous improvement with existing service planning, measurement and reporting processes. A range of performance measures have been adopted and will be reported to the community in the Golden Plains Gazette each year.

COMMUNITY SATISFACTION SURVEY



WHISTLEBLOWERS PROTECTION ACT 2001 (WPA)

Council has developed procedures for dealing with whistleblower disclosures. These procedures are available from Council's website (www.goldenplains.vic.gov.au). The following information is required under the WPA:

- The number and types of disclosures made to the Council during the year. **Nil**
- The number of disclosures referred during the year by the Council to the Ombudsman for determination as to whether they are public interest disclosures. **Nil**
- The number and types of disclosed matters referred to the Council during the year by the Ombudsman. **Nil**
- The number and types of disclosed matters referred during the year by the Council to the Ombudsman to investigate. **Nil**
- The number and types of investigations of disclosed matters taken over by the Ombudsman from the Council during the year. **Nil**
- The number of requests made under Section 74 of the WPA during the year to the Ombudsman to investigate disclosed matters. **Nil**
- The number and type of disclosed matters that the Council has declined to investigate during the year. **Nil**
- The number and types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation. **Nil**
- Any recommendations of the Ombudsman under the WPA that relate to the council. **Nil**

NCP COMPLIANCE

Golden Plains Shire Council has complied with the requirements of the National Competition Policy (NCP) for the period 1 July 2007 to 30 June 2008, in accordance with the requirements outlined in National Competition Policy and Local Government – A Revised Statement of Victorian Government Policy (January 2002); as set out below:

- | | |
|--------------------------------------|-----------|
| A. Trade Practices Compliance | COMPLIANT |
| B. Local Laws Compliance | COMPLIANT |
| C. Competitive Neutrality Compliance | COMPLIANT |

I certify that:

- a) this statement has been prepared in accordance with the 2007-08 National Competition Policy guidelines issued in May 2008 for reporting on National Competition Policy in accordance with National Competition Policy and Local Government – A Revised Statement of Victorian Government Policy (January 2002); and
- b) this statement presents fairly the Council's implementation of the National Competition Policy.

Signed:



ROD NICHOLLS
CHIEF EXECUTIVE OFFICER

Date: 11th of September 2008

Governance

STATUTORY INFORMATION

- (a) Details of current allowances fixed for the Mayor and Councillors.
- (b) Details of senior officers' total salary packages for the current financial year and the previous year.
- (c) Details of overseas or interstate travel in excess of 3 days undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months.
- (d) Names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted.
- (e) Names of Councillors who submitted returns of interest during the financial year and the dates the returns were submitted.
- (f) Agendas for and minutes of ordinary and special meetings held in the previous 12 months kept under section 93 of the Act except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act;
- (g) A list of all special committees established by Council and the purpose for which each committee was established;
- (h) A list of all special committees established by the Council which were abolished or ceased to function during the financial year;
- (i) Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act;
- (j) A register of delegations kept under sections 87, 88 and 98 of the Act, including the date on which the last review under section 98(6) of the Act took place;
- (k) Submissions received in accordance with section 223 of the Act during the previous 12 months;

- (l) Agreements to establish regional libraries under section 196 of the Act;
- (m) Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles.
- (n) A register of authorised officers appointed under section 224 of the Act;
- (o) A list of donations and grants made by the Council.
- (p) Details of Council memberships.
- (q) A list of contracts valued at \$100,000 or more which the Council entered into during the financial year.

COUNCIL PLAN IMPLEMENTATION

The 4 year Council Plan is reviewed and updated annually to include new actions and objectives. At its meeting in July 2008, Council's Director of Corporate Services reported to Council on the full implementation of Council's 2007-08 Plan, representing substantial progress in the implementation of the 4 Year Plan for the period 2007-11.

LOCAL LAWS

The following Local Laws were in place as at 30 June 2008:

Local Law No. 1 Processes of Municipal Government

Local Law No. 2 Public Amenity, Roads and Streets

MEMBERSHIPS 2007-08

Organisation	Membership Contribution
Committee for Ballarat	\$3,000
Committee for Geelong	\$3,000
G21 Geelong Region Alliance	\$28,000
Geelong Chamber of Commerce	\$845
Geelong Heritage Centre	\$15,195
Geelong Regional Library Corporation	\$202,655
Municipal Association of Victoria	\$15,883
Rural Financial Counselling Service	\$2,500
Timber Towns Victoria	\$2,000
VECCI	\$2,760

Statutory Information

The following information is available for public inspection at the Bannockburn Customer Service Centre in accordance with Part 5 of the Local Government (General) Regulations 2004.

Victorian Local Government Indicators & Standard Statements

COUNCIL PLAN STRATEGIC INDICATORS

COUNCIL PLAN STRATEGIC INDICATORS	Actual Performance Compared to Council Plan		
	ACTUAL RESULT 2007-08 %	COUNCIL TARGET 2007-08 %	DIFFERENCE
Community satisfaction rating for Customer Service	67	72	- 5
Community satisfaction rating for Council's Advocacy	68	68	0
Community satisfaction rating for Economic Development	65	66	-1
Community satisfaction rating for Town Planning, Policy & Approvals	66	65	+1
Community satisfaction rating for Health & Human Services	75	72	+3
Community satisfaction rating for Recreational Facilities	67	68	-1
Community satisfaction rating for Local Roads & Footpaths and Asset Management Rating	52	49	+3
Community satisfaction rating for Waste Management	74	75	-1

VICTORIAN LOCAL GOVERNMENT INDICATORS

Average Rates & Charges per Assessment	\$975
Average Rates & Charges per Residential Assessment	\$886
Average Liabilities per Assessment	\$548
Operating Result per Assessment	\$362
Average Operating Expenditure per Assessment	\$2,295
Average Capital Expenditure per Assessment	\$731
Infrastructure Renewal Gap	41.55%
Infrastructure Renewal & Maintenance Gap	59.43%
Constituent Satisfaction Rating of Overall Performance	68.00%
Community Satisfaction Rating for Council's Advocacy	68.00%
Community Satisfaction Rating for Council's Engagement in Decision Making on Key Local Issues	64.00%

Standard Statements

STANDARD INCOME STATEMENT

For the year ended 30 June 2008

	ACTUAL 2008 \$	BUDGET 2008 \$	VARIANCE 2008 \$	VARIANCE 2008 %
REVENUE				
Rates	7,765,102	7,906,500	(141,398)	1.79%
Grants & Subsidies	8,279,365	9,604,810	(1,325,445)	13.80%
Contributions & Recoupments	4,002,316	1,080,120	2,922,196	270.54%
Fees & Charges	2,552,037	2,624,490	(72,453)	2.76%
Other Revenue	703,063	325,100	377,963	116.26%
Total Revenue	23,301,883	21,541,020	1,760,863	8.17%
EXPENDITURE				
Contracts & Materials	7,607,184	9,253,390	1,646,206	17.79%
Employee Costs	8,047,347	7,738,500	(308,847)	3.99%
Depreciation	4,458,913	3,432,960	(1,025,953)	29.89%
Debt Servicing	98,759	100,090	1,331	1.33%
Other Expenses	164,072	-	(164,072)	-
Bad Debts	544	-	(544)	-
Total Expenditure	20,376,819	20,524,940	148,121	0.72%
Net Gain on Disposals	392,865	369,310	23,555	6.38%
Share of Net Profit of Associates accounted for by the Equity Method	19,841	-	19,841	-
Net Asset Revaluation Decrement	(126,919)	-	(126,919)	-
Surplus from Ordinary Activities	3,210,851	1,385,390	1,825,461	131.77%

Standard Statements

STANDARD BALANCE SHEET

As at 30 June 2008

		ACTUAL 2008 \$	BUDGET 2008 \$	VARIANCE 2008 \$	VARIANCE 2008 %
CURRENT ASSETS					
Cash & Cash Equivalents		8,365,271	3,946,620	4,418,651	111.96%
Receivables		1,302,360	1,200,000	102,360	8.53%
Inventory - Consumables		39,880	65,000	(25,120)	38.65%
Non-Current Assets Classified as Held For Sale		1,421,782	-	1,421,782	-
Other Current Assets		351,663	72,000	279,663	388.42%
Total Current Assets	Ref 2	11,480,956	5,283,620	6,197,336	117.29%
NON-CURRENT ASSETS					
Land		9,943,617	9,773,750	169,867	1.74%
Buildings		15,271,467	14,861,510	409,957	2.76%
Furniture & Equipment	Ref 3	688,449	849,490	(161,041)	18.96%
Plant & Machinery		4,179,735	4,226,220	(46,485)	1.10%
Work in Progress		129,133	-	129,133	-
Other Structures	Ref 4	887,253	624,880	262,373	41.99%
Infrastructure	Ref 5	135,528,909	110,288,390	25,240,519	22.89%
Investment in Associate	Ref 6	243,725	203,640	40,085	19.68%
Gravel Pit Rehabilitation		90,000	-	90,000	-
Total Non-Current Assets		166,962,288	140,827,880	26,134,408	18.56%
TOTAL ASSETS		178,443,244	146,111,500	32,331,744	22.13%
CURRENT LIABILITIES					
Payables		1,584,307	1,200,000	(384,307)	32.03%
Interest-Bearing Liabilities		265,895	315,590	49,695	15.75%
Employee Benefits		1,423,793	1,058,810	(364,983)	34.47%
Trust Funds		169,614	125,000	(44,614)	35.69%
Provision for Rehabilitation of Gravel Pits		15,000	-	(15,000)	-
Total Current Liabilities		3,458,609	2,699,400	(759,209)	28.13%
NON-CURRENT LIABILITIES					
Interest-Bearing Liabilities		1,262,297	1,513,070	250,773	16.57%
Employee Benefits		168,695	149,290	(19,405)	13.00%
Provision for Rehabilitation of Gravel Pits		147,861	170,000	22,139	13.02%
Total Non-Current Liabilities		1,578,853	1,832,360	253,507	13.83%
TOTAL LIABILITIES	Ref 7	5,037,462	4,531,760	(505,702)	11.16%
NET ASSETS		173,405,782	141,579,740	31,826,042	22.48%
EQUITY					
Accumulated Surplus & Reserves		173,405,782	141,579,740	31,826,042	22.48%
TOTAL EQUITY		173,405,782	141,579,740	31,826,042	22.48%



Standard Statements

STANDARD STATEMENT OF CASH FLOWS

For the year ended 30 June 2008

	ACTUAL 2008 \$	BUDGET 2008 \$	VARIANCE 2008 \$	VARIANCE 2008 %
CASH FLOWS FROM OPERATING ACTIVITIES (Inclusive of GST where applicable)				
Receipts from Ratepayers	7,616,497	7,897,338	(280,841)	3.56%
Grants	8,670,765	9,597,881	(927,116)	9.66%
Interest Received	685,530	324,693	360,837	111.13%
Fees & Charges	2,516,885	2,859,494	(342,609)	11.98%
Contributions & Recoupments	1,909,628	783,217	1,126,411	143.82%
Land Sales	(126,580)	369,310	(495,890)	134.27
Payments to Employees	(7,888,203)	(7,641,589)	(246,614)	3.23%
Payments to Suppliers	(8,605,030)	(9,154,834)	549,804	6.01%
Net GST Refunded	329,090	(1,238)	330,328	26682.39%
Net Cash Inflow from Operating Activities	5,108,582	5,034,272	74,310	1.48%
CASH FLOWS FROM INVESTING ACTIVITIES (Net of GST)				
Payment for Land & Buildings	(569,019)	(945,090)	376,071	39.79%
Payment for Infrastructure Assets	(3,422,023)	(3,860,230)	438,207	11.35%
Payment for Plant & Machinery	(1,655,346)	(1,637,055)	(18,291)	1.12%
Payment for Furniture & Equipment	(268,330)	(313,700)	45,370	14.46%
Payment for Other Structures	(269,971)	(87,590)	(182,381)	208.22%
Proceeds from Sale of Assets	915,684	843,790	71,894	8.52%
Net Cash Outflow from Investing Activities	(5,269,005)	(5,999,875)	730,870	12.18%
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of Borrowings	(249,176)	(251,290)	2,114	0.84%
Proceeds from Loans	-	300,000	(300,000)	100.00%
Finance Costs	(102,686)	(98,467)	(4,219)	4.28%
Net Cash Outflow from Financing Activities	(351,862)	(49,757)	(302,105)	607.16%
Net Decrease in Cash Held	(512,285)	(1,015,360)	503,075	49.55%
	Ref 8			
Cash at the Beginning of the Year	8,877,556	4,961,980	3,915,576	78.91%
Cash at the End of the Year	8,365,271	3,946,620	4,418,651	111.96%

STANDARD STATEMENT OF CAPITAL WORKS

For the year ended 30 June 2008

	ACTUAL 2008 \$	BUDGET 2008 \$	VARIANCE 2008 \$	VARIANCE 2008 %
CAPITAL WORKS				
Land & Buildings	530,994	951,740	420,746	44.21%
Furniture & Equipment	278,096	313,700	35,604	11.35%
Plant & Machinery	1,701,238	1,658,000	(43,238)	2.61%
Work in Progress	111,166	-	(111,166)	-
Other Structures	266,522	87,590	(178,932)	204.28%
Infrastructure	3,551,681	3,876,950	325,269	8.39%
Total Capital Works	6,439,697	6,887,980	448,283	6.51%
Represented by:				
Renewal	1,415,078	2,593,850	1,178,772	45.44%
Upgrade	1,609,183	1,242,000	(367,183)	29.56%
New Assets	3,415,436	3,052,130	(363,306)	11.90%
Total Capital Works	6,439,697	6,887,980	448,283	6.51%
	Ref 9			

Standard Statements

EXPLANATION OF VARIANCES

STANDARD STATEMENT OF INCOME

Ref 1: Council recorded an Operating Surplus for the year of \$3.21m compared to a budgeted surplus of \$1.39m. The difference of \$1.82m is predominantly due to the following:

Favourable Variances

Subdivisions handed to Council not budgeted	\$1,469k
Assets not previously recognised	\$881k
Victoria Park, Bannockburn to be completed 2008-09	\$656k
Bannockburn Cultural & Community Hub deferred to 2008-09	\$415k
Interest received on investments higher than budget	\$269k
Grant – Rail Trail project not budgeted	\$205k
Private Works income higher than budget	\$143k
Gravel sales higher than budget	\$142k
Country Football Boost program deferred to 2008-09	\$125k
Bridge maintenance lower than budget	\$120k
Grants – Kindergarten Cluster higher than budget	\$115k
Grant – Stormwater Drainage, Smythesdale not budgeted	\$100k
Contributions to Rail Trail project not budgeted	\$99k
Grants – Home and Community Care higher than budget	\$96k
Moorabool Valley Growers marketing project deferred to 2008-09	\$90k
Implementation of Economic Development strategy lower than budget	\$88k
Teesdale Turtle development project deferred to 2008-09	\$83k
Community Building Initiative facilitator deferred to 2008-09	\$79k
Skate Access program deferred to 2008-09	\$71k
Landfill operations & rehabilitation lower than budget	\$68k
Revaluation contribution from State Revenue Office higher than budget	\$63k
Scarsdale Hall development deferred to 2008-09	\$55k
Rokewood Playground project deferred to 2008-09	\$53k
Developers recreation land contribution higher than budget	\$50k
Legal costs recouped higher than budget	\$45k
Contribution to Inverleigh Bowls synthetic surface not budgeted	\$44k
Youth Action Teams deferred to 2008-09	\$41k
MSS Review not completed	\$40k
Heritage Study deferred to 2008-09	\$38k
Panel & VCAT hearings cost lower than budget	\$34k
Community Development Phase 2 lower than budget	\$34k
Planned Activity Group expenditure deferred to 2008-09	\$32k
Other favourable variances	\$180k

Unfavourable Variances

Depreciation higher than budget due to indexation 2006-07	(\$1,026k)
Grants – Smythesdale Cultural & Community Hub not received	(\$670k)
Auslink project (Buninyong to Mt Mercer Road) not budgeted	(\$529k)
Grant – Bannockburn Cultural & Community Hub not received	(\$450k)
Grant – Victoria Park, Bannockburn not received	(\$439k)
Roads to Recovery grant lower than budget	(\$189k)
Cost relating to Bannockburn Business Estate not budgeted	(\$139k)
Private works expenditure higher than budget	(\$139k)
Sealed Road Routine Maintenance higher than budget	(\$129k)
Revaluation of Other Structures decrement not budgeted	(\$127k)
Cost of property sold at Linton not budgeted	(\$121k)
Victoria Grants Commission grant lower than budget	(\$78k)
Street Beautification expenses higher than budget	(\$70k)
Inverleigh River Walk project not budgeted	(\$59k)
Stormwater drainage repairs not budgeted	(\$33k)
Total Operating Surplus Variance	\$1,825k

STANDARD BALANCE SHEET

Ref 2: Current Assets are \$6.20m higher than budget due to having an opening bank balance \$3.92m higher than budget, \$1.103m of unexpended operating projects, capital expenditure \$448k lower than budget and receivables being higher than budget due to timing differences relating to the receipt of payments from debtors.

Ref 3: Furniture & Equipment is \$161k lower than budget mainly due to the opening balance being \$105k lower than budget. Capital expenditure is \$36k lower than budget.

Ref 4: Other Structures are \$262k higher than budget due to the reclassification of an asset from Infrastructure (\$82k). Capital expenditure is \$179k higher than budget.

Ref 5: Infrastructure is \$25.24m higher than budget due to an increase in the fair value in 2007.

Ref 6: Investment in Associate is \$40k higher than budget due to the following:

The opening actual balance was higher than budget \$20k
Surplus from Geelong Regional Library not budgeted \$20k

Ref 7: Current and Non-Current Liabilities are higher than budget due to the following:

- Payables are higher than budget due to timing differences related to the payment of creditors.

- The annual leave and long service leave provision is higher due to less leave being taken compared to budget. Long service leave is now recognised as being payable after 7 years service. The budget was prepared on the previous requirement of 10 years service.

STANDARD STATEMENT OF CASH FLOWS

Ref 8: Council budgeted for a net decrease in cash of \$1.02m but recorded a decrease of \$512k, a variance of \$503k. This variance is due to the following:

Favourable Variances

Proceeds from Contributions higher than budget	\$1,126k
Payments for Non-Current Assets lower than budget	\$659k
Payments to Suppliers lower than budget	\$550k
Net GST refunded higher than budget	\$330k
Interest received higher than budget	\$252k

Unfavourable Variances

Grants & Subsidies lower than budget	(\$927k)
Proceeds from Sale of Assets lower than budget	(\$424k)
Proceeds from Fees & Charges lower than budget	(\$343k)
Loan proceeds not required	(\$300k)
Payments to Employees higher than budget	(\$247k)
Receipts from Ratepayers lower than budget	(\$172k)
Other Unfavourable Variances	(\$1k)
Total Cash Flow Variance	\$503k



Standard Statements

STANDARD STATEMENT OF CAPITAL WORKS

Ref 9: Council spent \$6.44m on capital expenditure in 2007-08, \$448k lower than budget. This variance is due to the following:

Favourable Variances

Smythesdale Community & Cultural Hub deferred to 2008-09	\$1,223k
Bannockburn Community & Cultural Hub deferred to 2008-09	\$440k
Victoria Park, Bannockburn to be completed in 2008-09	\$303k
Smythesdale Industrial estate deferred to 2008-09	\$90k
Replacement of Kelly Road bridge deferred to 2008-09	\$60k
Purchase of John Deere Tractor lower than budget	\$48k
Local Roads Improvements lower than budget	\$47k
Purchase of Iseki SF 330 ride on mower deferred to 2008-09	\$39k
Open Space implementation lower than budget	\$38k
Final Seals – GPS Program lower than budget	\$33k
Purchase of Fendt Tractor deferred to 2008-09	\$25k
Other favourable variances	\$57k

Unfavourable Variances

Ballarat to Skipton Rail Trail project not budgeted	(\$586k)
Shelford – Mt Mercer Road (Auslink) not budgeted	(\$439k)
Motor Cycle Program (Meredith – Steiglitz Road) budgeted in 2006-07	(\$155k)
Vehicle purchases higher than budget	(\$134k)
Purchase of land in Bannockburn not budgeted	(\$435k)
Garibaldi Bridge budgeted in 2006-07	(\$99k)
Purchase of land in Smythesdale not budgeted	(\$67k)
Purchase of Computer Hardware higher than budget	(\$40k)
Total Capital Works Variance	\$448k



NOTES TO THE STANDARD STATEMENTS

1. Basis of preparation of Standard Statements

Council is required to prepare and include audited Standard Statements within its Annual Report. Four Statements are required – a Standard Statement of Income, Standard Balance Sheet, Standard Statement of Cash Flows and a Standard Statement of Capital Works, together with explanatory notes.

These statements and supporting notes form a special purpose financial report prepared to meet the requirements of the Local Government Act 1989 and Local Government (Finance and Reporting) Regulations 2004.

The Standard Statements have been prepared on accounting bases consistent with those used for General Purpose Financial Statements and the Budget. The results reported in these statements are consistent with those reported in the General Purpose Financial Statements.

The Standard Statements are not a substitute for the General Purpose Financial Statements, which are included on pages 23–24 of the Annual Report. They have not been prepared in accordance with all Australian Accounting Standards or other authoritative professional pronouncements.

The Standard Statements compare Council's financial plan, expressed through its budget, with actual performance. The Local Government Act 1989 requires explanation of any material variances. The Council has adopted a materiality threshold of ten per cent. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures included in the Statements are those adopted by Council on 28 June 2007. The budget was based on assumptions that were relevant at the time of adopting the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet Council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from assets revaluations, as their impacts were not considered predictable.

Detailed information on the actual financial results are contained in the General Purpose Financial Statements on pages 23–24. The detailed budget can be obtained by contacting Council or through Council's website. The Standard Statements must be read with reference to these documents.



Standard Statements

CERTIFICATION OF STANDARD STATEMENTS

In my opinion the accompanying Standard Statements have been prepared on accounting bases consistent with the financial statements and in accordance with the Local Government Act 1989 and the Local Government (Finance and Reporting) Regulation 2004.



RICHARD J TRIGG BCom, FCPA, KSJ.
PRINCIPAL ACCOUNTING OFFICER

In our opinion the accompanying standard statements have been prepared on accounting bases consistent with the financial statements and the Local Government (Finance and reporting) Regulations 2004.

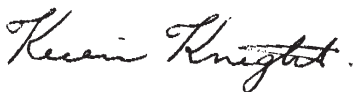
As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by Council on 28th August 2008 to certify the financial statements in their final form.

Signed at Bannockburn this 11th day of September 2008.



COUNCILLOR DES GUINANE
Mayor



COUNCILLOR KEVIN KNIGHT OAM
Chairman, Audit and Finance Committee



ROD NICHOLLS
Chief Executive Officer



Financial Report

Financial Report

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INCOME STATEMENT

For the year ended 30 June 2008

	NOTE	2008 \$	2007 \$
REVENUE			
Rates	8	7,765,102	7,006,888
Grants & Subsidies	9	8,279,365	11,157,054
Contributions & Recoupments	10	4,002,316	2,079,613
Fees & Charges	11	2,552,037	2,158,064
Other Revenue	12	703,063	395,380
Total Revenue		23,301,883	22,796,999
EXPENSES			
Contracts & Materials	13	7,607,184	7,486,691
Employee Costs	14	8,047,347	6,734,681
Depreciation	15	4,458,913	3,508,601
Finance Costs		98,759	116,036
Other Expenses	16	164,072	171,518
Bad Debts		544	395
Total Expenses		20,376,819	18,017,922
Net Gain on Disposals	17	392,865	990,746
Share of Net Profit of Associates Accounted for by the Equity Method	26	19,841	20,246
Net Asset Revaluation Decrement		(126,919)	-
Surplus for the Period		3,210,851	5,790,069

The comparative figures have been realigned to 2008 presentation by including Interest on Investments and Interest on Rates under Other Revenue. These were previously shown as Interest on Investments and Rate Revenue respectively. Additionally, Councillor Allowances and Audit fees are included under Other Expenses. These were previously shown as Contracts and Materials.

BALANCE SHEET

As at 30 June 2008

CURRENT ASSETS

Cash & Cash Equivalents	18	8,365,271	8,877,556
Receivables	19	1,302,360	1,178,877
Inventory - Consumables	20	39,880	81,037
Non-Current Assets Classified as Held For Sale		1,421,782	207,488
Other Current Assets	21	351,663	254,880

Total Current Assets

11,480,956 **10,599,838**

NON-CURRENT ASSETS

Property, Infrastructure, Plant & Equipment	25	166,718,563	166,849,440
Investment in Associate	26	243,725	223,884

Total Non-Current Assets

166,962,288 **167,073,324**

TOTAL ASSETS

178,443,244 **177,673,162**

CURRENT LIABILITIES

Payables	22	1,584,307	1,338,719
Interest-Bearing Borrowings	23	265,895	249,178
Employee Benefits	24	1,423,793	1,269,635
Trust Funds		169,614	201,388
Current Provision for Rehabilitation of Gravel Pits		15,000	-

Total Current Liabilities

3,458,609 **3,058,920**

NON-CURRENT LIABILITIES

Interest-Bearing Borrowings	23	1,262,297	1,528,190
Employee Benefits	24	168,695	117,054
Provision for Rehabilitation of Gravel Pits		147,861	166,697

Total Non-Current Liabilities

1,578,853 **1,811,941**

TOTAL LIABILITIES

5,037,462 **4,870,861**

NET ASSETS

173,405,782 **172,802,301**

EQUITY

Reserves	6	54,250,413	56,977,345
Accumulated Surplus	6	119,155,369	115,824,956

TOTAL EQUITY

173,405,782 **172,802,301**

The comparative figures have been realigned to 2008 presentation by including Accrued Income under Other Current Assets. This was previously shown as Receivables. Additionally, Retention Monies is included under Trust Funds. This was previously shown as Payables.

The accompanying notes form part of this financial report.

Financial Report

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2008

2008

	NOTE	ACCUMULATED SURPLUS	ASSET REVALUATION RESERVE	RESERVES	TOTAL EQUITY
		\$	\$	\$	\$
Balance at the Beginning of the Year		115,824,956	52,019,754	4,957,591	172,802,301
Surplus for the Year	5	3,210,851	-	-	3,210,851
Net asset revaluation decrement	6	-	(2,607,370)	-	(2,607,370)
Transfers to Other Reserves	6	(178,486)	-	178,486	-
Transfers from Other Reserves	6	298,049	-	(298,049)	-
Balance at the End of the Year	6	119,155,370	49,412,384	4,838,028	173,405,782

2007

	NOTE	ACCUMULATED SURPLUS	ASSET REVALUATION RESERVE	RESERVES	TOTAL EQUITY
		\$	\$	\$	\$
Balance at the Beginning of the Year		112,109,961	20,854,386	3,423,913	136,388,260
Prior Year Adjustment		(541,396)	-	-	(541,396)
Surplus for the Year	5	5,790,069	-	-	5,790,069
Net asset revaluation increment	6	-	31,165,368	-	31,165,368
Transfers to Other Reserves	6	(1,843,237)	-	1,843,237	-
Transfers from Other Reserves	6	309,559	-	(309,559)	-
Balance at the End of the Year	6	115,824,956	52,019,754	4,957,591	172,802,301

CASH FLOW STATEMENT

For the year ended 30 June 2008

NOTE

ACTUAL
2008
\$

ACTUAL
2007
\$

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from Ratepayers		7,616,497	7,073,193
Grants		8,670,765	11,638,727
Interest Received		685,530	332,479
Fees & Charges		2,516,885	2,219,172
Contributions & Recoupments		1,909,628	1,821,883
Land Sales		(126,580)	1,784,863
Payments to Employees		(7,888,203)	(6,414,681)
Payments to Suppliers		(8,605,030)	(8,374,671)
Net GST Refunded		329,090	399,315

Net Cash Provided by Operating Activities

7 **5,108,582** **10,480,280**

CASH FLOWS FROM INVESTING ACTIVITIES (Net of GST)

Payment for Land & Buildings		(569,019)	(532,649)
Payment for Infrastructure Assets		(3,422,023)	(4,864,146)
Payment for Plant & Machinery		(1,655,346)	(2,105,896)
Payment for Furniture & Equipment		(268,330)	(290,101)
Payment for Other Structures		(269,971)	(373,193)
Proceeds from Sale of Assets		915,684	919,006

Net Cash used in Investing Activities

(5,269,005) **(7,246,979)**

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of Interest-Bearing Borrowings		(249,176)	(351,000)
Finance Costs		(102,686)	(120,496)

Net Cash used in Financing Activities

(351,862) **(471,496)**

Net Increase/(Decrease) in Cash & Cash Equivalents

(512,285) **2,761,805**

Cash & Cash Equivalents at the Beginning of the Year

8,877,556 6,115,751

Cash & Cash Equivalents at the End of the Year

18 **8,365,271** **8,877,556**

The accompanying notes form part of this financial report.

Financial Report

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

This financial report is a general purpose financial report that consists of an Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989 and the Local Government (Finance and Reporting) Regulations 2004.

This financial report has been prepared on an accrual and going concern basis. The financial report has also been prepared under the historical cost convention, except where specifically stated otherwise.

All funds through which the Golden Plains Shire Council controls resources to carry on its functions have been included in this financial report. In the process of reporting on the Council as a single unit, all transactions and balances between these funds (for example, transfers between funds) have been eliminated.

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

(b) Change in Accounting Policy

The accounting policies for the 2007-08 financial year are consistent with those of the previous financial year.

(c) Trust Funds

Amounts received as tender deposits and retention amounts controlled by Council are recognised as trust funds until they are returned or forfeited.

(d) Recognition and Measurement of Assets

The purchase method of accounting is used for all acquisitions of assets, being the fair value of the assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Where assets are constructed by Council, cost includes an appropriate share of fixed and variable overheads.

The Council has elected not to recognise land under roads as an asset in accordance with AASB 1045 Land Under Roads, which extends the requirement to recognise and measure land under roads as an asset of Council until 1 July 2008.

(e) Repairs and Maintenance

Routine maintenance repair costs and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold, the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

(f) Depreciation of Non-Current Assets

Buildings, infrastructure, plant and equipment assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular

basis with major asset classes re-assessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that have distinct useful lives and/or residual values a separate depreciation rate is determined for each component.

The following estimates of useful lives relate to the total lives of the assets irrespective of their economic or commercial lives to the Council. Annual depreciation is calculated on a straight-line basis by dividing the assets' depreciable amount by the period of time over which the assets are expected to provide economic benefits to the Council. The depreciable amount takes into account residual values. Council recognises residual values for plant and machinery, sealed pavements and unsealed pavements.

Sealed pavements carry a residual value of 42%. These assets have an estimated commercial life to Council of 70 years, after which intervention is required for their renewal. Similarly, unsealed pavements have a residual value of 40% and intervention is required after 18 years.

(g) Revaluation of Non-Current Assets

Subsequent to the initial recognition of assets, non-current physical assets other than plant and equipment are measured at fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was indexed.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 4 to 5 years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, net revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a net revaluation decrement previously recognised as an expense, in which case the increment is recognised as income. Net revaluation decrements are recognised as an expense except to the extent that a decrement reverses a net revaluation increment previously credited to the asset revaluation reserve, in which case the decrement is debited to the asset revaluation reserve.

Method of Valuation:

Land – valuation based on fair value as at 30 June 2008 carried out by Mr Paul Newman AAPI registered Certified Practising Valuer. The market evidence approach has been applied where there is no quoted market price but where there is available market evidence of fair value with respect to similar assets.

Buildings - valuation based on fair value as at 30 June 2008, carried out by Mr Paul Newman AAPI registered Certified Practising Valuer. For the majority of buildings, the market buying price approach using depreciated replacement value has been used where no market exists.

Furniture and Equipment – valuation based at cost.

Plant and Machinery – valuation based at cost.

Road Pavements, Surfaces and Formations – valuation based on written down replacement cost as at 30 June 2008, carried out by Mr Rick Hattam Dip CE, MIE(Aust), CPEng, Works Manager.

In accordance with Council's policy, the following threshold limits and useful lives have been applied:

ASSET COMPONENT	Recognition Threshold \$	Useful Lives 2008
Land	-	-
Building	5,000	30 to 150 years
Furniture & Equipment	1,000	3 to 20 years
Plant & Machinery	1,000	3 to 20 years
Unsealed Formations	-	-
Sealed Formations	-	-
Footpaths	5,000	40 years
Sealed Pavements	5,000	70 years
Unsealed Pavements	5,000	18 years
Sealed Surfaces	5,000	17 years
Bridges & Major Culverts	5,000	90 years
Underground Drainage	5,000	50 years
Road Name Plates	5,000	22 years
Kerb & Channel	5,000	60 years
Other Structures	5,000	30 to 60 years

No changes have been made to the recognition thresholds during the 2007-2008 financial year.

Financial Report

Bridges, Major Culverts, Underground Drainage and Footpaths—valuation based on written down replacement cost as at 30 June 2008, carried out by Mr Rick Hattam, Dip CE, MIE(Aust), CPEng, Works Manager.

Written down replacement cost is defined as the current replacement cost of the asset less an allowance for depreciation to reflect the expired service potential of that asset.

Written down current cost is defined as the market value of the gross service potential in an asset less an allowance for depreciation to reflect the expired service potential of that asset.

(h) Employee Benefits Wages and Salaries

Liabilities for wages and salaries are recognised and measured as the amount unpaid at balance date and include appropriate oncosts such as work cover charges.

Annual Leave

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date. Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled. Annual leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Long Service Leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, and experience of employee departures per year of service. Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Classification of employee benefits

An employee benefit liability is classified as a current liability if the Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period. This would include all annual leave and unconditional long service leave entitlements.

Superannuation

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan, which provides benefits to its employees. Details of these arrangements are set out in the notes. The liability includes contributions tax.

(i) Inventories

Inventories of stock and materials held for use by the Council are valued at the lower of cost and net realisable value. Costs have been determined on a weighted-average basis.

Non-Current Assets Classified as Held for Sale are valued at the lower of cost and net realisable value.

(j) Revenue Recognition Rates

Rates revenue is recognised at the commencement of the rating period or,

where earlier, upon receipt of the rates. It does not include interest levied on outstanding rates and late payment of rates. Uncollected rates are recognised as receivables in the Balance Sheet. No provision for doubtful debts on rates has been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Grants, Donations and other Contributions

Grants, donations and other contributions are recognised as revenues when the Council obtains control over the assets comprising these receipts. Unreceived grants, donations and contributions over which the Council has control are recognised as receivables. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured. Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in the notes. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

Proceeds from Sale of Assets

Proceeds from the sale of assets are recognised as revenues when the Council has passed control of the assets to the purchasers.

Fees and Charges

Fees and charges are recognised as revenue when the service has been provided or payment has been received, whichever occurs first. A provision for doubtful debts is recognised when collection in full is no longer probable.

Interest and Rents

Interest and rentals are recognised as revenue when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

(k) Cash Assets

For the purpose of the Cash Flow Statement, cash assets include cash on hand and highly liquid investments with short periods to maturity that are readily converted to cash on hand at the Council's option and are subject to insignificant risk of changes in values, net of outstanding bank overdrafts. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

(l) Investments

Cash investments are measured at cost.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are represented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(n) Investment in Associates - Interest in Regional Library Services

Council has disclosed its interests in the Geelong Regional Library (GRL) in the Balance Sheet. Council's investment in associate is accounted for



Financial Report

by the equity method as the Council has the ability to influence rather than control the operations of the entity. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in the Council's share of the net assets of the entity. Council's share of the financial result of the entity is recognised in the income statement.

(o) Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as a qualifying asset constructed by Council. The weighted average interest rate applicable to borrowings at balance date is used to determine the borrowing costs to be capitalised. Borrowing costs include interest on borrowings.

(p) Allocation Between Current and Non-Current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be realised or paid. The asset or liability is classified as current if it is expected to be turned over within the next twelve months, being the Council's operational cycle, except for long service leave which is recognised as current if the Council does not have an unconditional right to defer settlement, regardless of the expected timing of the payments.

(q) Budget Information

Where necessary, budget information has been recast to comply with current presentation requirements. The budgeted figures have been drawn from Council's budget approved at the time the rates and charges were adopted by Council for the 2007-08 financial year.

(r) Impairment of assets

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

NOTE 2: PRIOR YEAR ADJUSTMENT

Reconciliation of balance sheet as at 30 June 2007 as presented in the 2006-2007 financial statements to the balance sheet as at 30 June 2007 as presented in the 2007-2008 financial statements due to prior year adjustment.

	30 JUNE 2007 \$
Net Assets 30 June 2007 as reported in the 2006-2007 financial statements	173,343,697
Prior Year Adjustment impact on Non-Current Assets: Land Assets Previously Recognised in Error	(541,396)
Net Assets 30 June 2007 as reported in the 2007-2008 financial statements	172,802,301

Reconciliation of equity as at 30 June 2007 as presented in the 2006-2007 financial statements to equity as at 30 June 2007 as presented in the 2007-2008 financial statements due to prior year adjustment.

	30 JUNE 2007 \$
Total Equity 30 June 2007 as reported in the 2006-2007 financial statements	173,343,697
Prior Year Adjustment impact on Total Equity: Net Assets Previously Recognised in Error	(541,396)
Total Equity 30 June 2007 as reported in the 2007-2008 financial statements	172,802,301



Financial Report

NOTE 3: CHANGE IN ACCOUNTING POLICY

The following Australian Accounting Standards have been issued or amended and are applicable to the Council but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	Standards Affected	Outline of Amendment	Application Date of Standard	Application Date For Council
AASB 2006-3 Amendments to Australian Accounting Standards	AAS 27 Financial Reporting by Local Governments AASB 1045 Land Under Roads: Amendments to AAS27A, AAS 29A and AAS 31A	From the beginning of the reporting period to which this Standard is first applied, until the end of the first reporting period ending on or after 31 December 2007, transitional provisions shall apply. Under those provisions, local governments, while encouraged to apply the full provisions of this Standard, may elect instead not to recognise land under roads as an asset in the balance sheet.	October 2006	01-Jul-08
AASB 1004 Contributions	AAS 27 Financial Reporting by Local Governments	As this Standard broadly reproduces the requirements relating to contributions contained in AAS 27, there will be no direct impact on the financial report.	01-Jul-08	01-Jul-08
AASB 1051 Land Under Roads	AAS 27 Financial Reporting by Local Governments	Requires that land under roads acquired after 30 June 2008 is accounted for in accordance with AASB 116. In respect to land under roads acquired before 30 June 2008, Council has elected not to recognise an asset. The impact of any changes that may be required cannot be reliably estimated and is not disclosed in the financial report.	01-Jul-08	01-Jul-08
AASB 1052 Disaggregated Disclosures	AAS 27 Financial Reporting by Local Governments	As this Standard broadly reproduces the requirements relating to disaggregated disclosures contained in AAS 27, there will be no direct impact on the financial report.	01-Jul-08	01-Jul-08
AASB 2007-09 Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31	AAS 27 Financial Reporting by Local Governments Amendments to: AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127, AASB 137	As this Standard broadly reproduces the requirements relating to certain relevant requirements contained in AAS 27, there will be no direct impact on the financial report	01-Jul -08	01-Jul-08

R

Rolling green hills, sweeping canola fields, rugged bush landscapes and rocky plains span the shire.



Financial Report

NOTE 4: FUNCTIONS/ ACTIVITIES OF THE COUNCIL

The activities relating to Council's functions as reported in the Income Statement are as follows:

(i) Citizen and Customer Service

Communications and Marketing

(ii) Civic Leadership

Governance, Elections, Meetings, Strategic and Service Planning, Emergency Management Plan & SES and Risk Management & O.H. & S.

(iii) Economic Development

Economic Development and Tourism.

(iv) Environment and Land Use Planning

Land Use Planning, Statutory Building Control, Private Building Control, Fire Protection, Environmental Management, Community Protection and Public Health.

(v) Financial Management

General Revenue, Property and Rating, Statutory Reporting and Budgeting, Contract Management, Records Management, Borrowings, Land Assets and Plant Replacement.

(vi) Human Support Services

Maternal and Child Health, Childrens' Services, Aged & Disability Services, Community Transport, Community Health, Health Promotion and Kindergartens.

(vii) Recreation and Community Development

Community Development, Libraries, Arts & Culture, Youth Development, Recreation Planning, Recreation Construction and Recreation Maintenance.

(viii) Roads and Streets Infrastructure

Sealed Roads Routine Maintenance, Local Roads Resealing, Local Roads Rehabilitation, Local Roads Improvements, Gravel Roads Routine Maintenance, Gravel Resheeting, Bridge Maintenance, Tree Clearing – Urban & Rural Bus Routes, Gravel Pits Restoration, Asset Management, Drainage Maintenance Township & Rural, Private Works, Linemarking, Guideposts and Signs, Street Lighting, Grass Cutting - Townships, Street Beautification, Bus Shelters and Paths and Trails.

(ix) Waste Management

Garbage Collection, Municipal Tips and Litter Control.

NOTE 5: REVENUE AND EXPENDITURE BY KEY RESULT AREA

REVENUE FROM ORDINARY ACTIVITIES

Citizen & Customer Service
 Civic Leadership
 Economic Development
 Environment & Land Use Planning
 Financial Management
 Human Support Services
 Recreation & Community Infrastructure
 Roads & Streets Infrastructure
 Waste Management

Total Revenue from Ordinary Activities

EXPENDITURE FROM ORDINARY ACTIVITIES

Citizen & Customer Service
 Civic Leadership
 Economic Development
 Environment & Land Use Planning
 Financial Management
 Human Support Services
 Recreation & Community Infrastructure
 Roads & Streets Infrastructure
 Waste Management

Total Expenditure from Ordinary Activities

Surplus from Ordinary Activities

	2008 \$	2007 \$
	12,021	12,158
	234,074	165,112
	1,134,071	2,902,461
	808,841	791,025
	13,789,943	11,618,274
	2,918,798	2,052,409
	1,202,025	1,131,795
	3,582,703	6,460,323
	1,106,965	1,022,914
Total Revenue from Ordinary Activities	24,789,441	26,156,471
	524,810	492,023
	1,625,126	1,542,476
	702,818	2,015,509
	2,499,590	2,151,273
	1,532,588	1,283,573
	3,932,088	2,894,359
	2,758,239	2,828,167
	7,001,554	6,127,292
	1,001,777	1,031,730
Total Expenditure from Ordinary Activities	21,578,590	20,366,402
Surplus from Ordinary Activities	3,210,851	5,790,069

Revenue, expenditure and changes in net asset values that are reflected in the Income Statement have been allocated to their respective key result areas as shown above.



Financial Report

NOTE 6: EQUITY OF THE COUNCIL

	OPENING BALANCE 1-JUL-07 \$	INCREASE IN NET ASSETS \$	TRANSFERS TO AND FROM RESERVES \$	CLOSING BALANCE 30-JUN-08 \$
Discretionary				
General Appropriations	2,583,327	481,429	119,563	3,184,319
Committed				
Unexpended Projects	4,607,711	-	(298,049)	4,309,662
Long Service Leave Non-Current Liability	117,054	-	51,641	168,695
Profit Equalisation	100,000	-	-	100,000
Drainage Levy	54,063	-	-	54,063
Recreation Lands Reserve	68,263	-	84,845	153,108
Developer Contributions	10,500	-	42,000	52,500
Non-Current Assets & Liabilities	165,261,383	122,052	-	165,383,435
Total Equity	172,802,301	603,481	-	173,405,782
Total Equity Comprised of:				
Accumulated Surplus	115,824,956	3,210,851	119,563	119,155,370
Reserves	56,977,345	(2,607,370)	(119,563)	54,250,412
	172,802,301	603,481	-	173,405,782
Reserves are Represented by the Following:				
Asset Revaluation	52,019,754	(2,607,370)	-	49,412,384
Unexpended Projects	4,607,711	-	(298,049)	4,309,662
Long Service Leave Non-Current Liability	117,054	-	51,641	168,695
Profit Equalisation	100,000	-	-	100,000
Drainage Levy	54,063	-	-	54,063
Recreation Lands Reserve	68,263	-	84,845	153,108
Developer Contributions	10,500	-	42,000	52,500
Total Reserves	56,977,345	(2,607,370)	(119,563)	54,250,412
Asset Revaluation Reserve is represented by the following:				
Land	6,517,464	(1,130,132)	-	5,387,332
Buildings	9,333,924	(1,457,777)	-	7,876,147
Other Structures	19,461	(19,461)	-	-
Plant & Machinery	42,787	-	-	42,787
Infrastructure	36,106,118	-	-	36,106,118
	52,019,754	(2,607,370)	-	49,412,384

NOTE 7: RECONCILIATION OF SURPLUS TO NET CASH INFLOW FROM OPERATIONS

	NOTE	2008 \$	2007 \$
Surplus/(Deficit) for the Period		3,210,851	5,790,069
Depreciation	15	4,458,913	3,508,601
Carrying Amount of Assets Sold	17	781,966	732,205
Proceeds from Sale of Assets	17	(946,738)	(835,460)
Subdivisions - Roads Handed to Council	27	(1,468,890)	(260,491)
Assets of which Council was appointed Committee of Management	27	(881,035)	-
Revaluation (Increment)/Decrement		126,919	-
Decrease/(Increase) in Other Non-Current Assets	26	(19,841)	(20,246)
Decrease/(Increase) in Receivables		(101,105)	(92,972)
Decrease/(Increase) in Inventories	20	(1,173,136)	581,505
Increase/(Decrease) in Creditors & Provisions		175,356	345,142
Reclassification of Land Held for Sale as a Current Asset		945,322	73,552
Net GST on Operations		-	658,375
Net Cash Inflow from Operations		5,108,582	10,480,280

NOTE 8: VALUATIONS AND RATES

Council uses Capital Improved Valuation (CIV) as the basis of valuation and rating of all rateable properties within the municipal district. The CIV is the total market value including land and improvements.

The following valuations were used in the calculation of the adopted rates at the commencement of the rating year:

Residential	1,446,751,000	1,394,621,000
Farm	774,481,000	780,364,000
Non-Farm Vacant Land	168,688,000	168,303,000
Business	28,238,000	27,922,800
Total Capital Improved Valuations	2,418,158,000	2,371,210,800

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The date of the last general revaluation of land for rating purposes within the municipal district was 1 January 2008, and the valuation first applied to the rating period commencing 1 July 2008. The date of the next general revaluation of land for rating purposes within the municipal district is 1 January 2010, and the valuation will be first applied in the rating year commencing 1 July 2010.

RATES REVENUE

The following rates (excluding garbage collection charges) were recognised during the financial year. Garbage collection charges are included in Fees and Charges in Note 11.

	2008 \$	2007 \$
Residential	4,564,159	4,133,996
Farm	1,896,250	1,764,165
Non-Farm Vacant Land	1,211,165	1,025,480
Business	93,528	83,247
Total Rates Revenue	7,765,102	7,006,888

NOTE 9: GRANTS AND SUBSIDIES

Victoria Grants Commission - General Purpose Grant	2,382,082	2,276,936
Victoria Grants Commission - Local Roads Grant	1,555,039	1,482,156
Home & Community Care	773,440	673,595
Local Road Improvements (Federal Government)	686,423	3,096,119
Kindergartens	382,854	129,944
Smythesdale Business, Health and Community Hub	330,000	200,000
Paths & Trails	322,273	300,000
Golden Plains Health Promotion	300,460	286,126
Community Facilities (halls, etc)	346,071	356,666
Community Development	194,645	175,122
Regional Library	123,728	110,640
Land Use Planning	116,000	15,000
Maternal & Child Health	113,683	111,230
Storm Water Project	100,000	-
Economic Development	91,000	61,750
Youth Projects	83,950	88,759
Transport Connections	79,634	57,928
Community Health	60,405	66,921
Family Day Care	55,715	51,867
Civic Leadership	52,573	16,464
Childrens' Services	41,049	-
Environment Projects	16,746	75,544
Art Project	15,000	-
School Crossing Supervision	13,025	13,025
Bus Shelters	11,895	7,200
Local Government Improvement Incentive Program	8,475	-
Fire Access Track	6,200	-
Youth Employment	6,000	-
Tourism	5,000	-
Building Control	5,000	-
Other	1,000	4,500
VicRoads Grants for Local Roads	-	1,399,562
Bannockburn Business Estate	-	100,000
Total Grants and Subsidies	8,279,365	11,157,054
Recurrent Grants	5,381,990	4,914,520
Non-Recurrent Grants	2,897,375	6,242,534
Total Grants and Subsidies	8,279,365	11,157,054



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NOTE 9: GRANTS AND SUBSIDIES continued...

Conditions on Grants

Grants recognised as revenue during the current year and prior years that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:

	2008 \$	2007 \$
Auslink (Roads to Recovery)	991,680	1,959,557
Smythesdale Business, Health and Community Hub	494,977	200,000
Sport & Recreation Projects	173,455	28,000
Health Promotion	146,281	286,126
Stormwater Drainage, Smythesdale	100,000	-
Aged & Disability Services	75,410	1,300
Kindergarten Cluster	66,659	18,279
Roads to Recovery	59,911	-
Economic Development	51,639	3,469
Community Building Initiative	50,503	2,745
Youth Development	45,629	-
Aged & Disability Minor Equipment	44,043	32,066
Recreation Planning	24,000	-
Arts & Culture	10,546	-
Environment	7,178	26,034
Building Control	4,401	-
Land Use Planning	4,110	-
Tourism	2,750	-
Childrens' Services	1,396	8,500
Recommission Bores	1,020	-
Paths & Trails	-	300,000
Bannockburn Town Centre Investment Strategy	-	10,000
	2,355,588	2,876,076

Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:

Auslink (Roads to Recovery)	967,877	702,673
Paths & Trails	300,000	-
Health Promotion	286,126	101,726
Smythesdale Business, Health and Community Hub	35,023	-
Sport & Recreation Projects	28,000	61,374
Environment	21,034	30,398
Kindergarten Cluster	18,279	-
Bannockburn Town Centre Investment Strategy	10,000	1,692
Childrens Services	7,104	-
Economic Development	2,911	-
Aged & Disability Minor Equipment	2,042	-
Community Building Initiative	1,547	44,090
Healthy Feet	1,300	-
Infrastructure	-	239,630
Community Health	-	52,193
Bannockburn Bowls Club Water Project	-	45,455
	1,681,243	1,279,231

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Growth in the home based business sector is providing healthy employment and lifestyle opportunities.



Financial Report

NOTE 10: CONTRIBUTIONS AND RECOUPMENTS

	2008 \$	2007 \$
(a) Cash		
Private Works	685,628	661,244
Developers' Rec Lands Contributions	199,515	231,756
Family Day Care - Social Security	116,049	184,126
Ballarat/Skipton Rail Trail	99,270	-
Legal Costs Recouped	97,818	41,007
Community Contributions	89,636	64,256
Revaluation Contribution - State Revenue Office	78,424	79,675
Motor Vehicle Recoupments	76,024	58,456
Kindergarten Reimbursement	69,932	-
Developers' Community Contributions	42,000	10,500
Economic Development Projects	39,370	15,399
Other	23,299	19,721
Sale of Big Bins	13,942	9,688
Environment Projects	13,673	13,931
Recoupment from Insurers	3,249	1,458
Standpipe Water Sales	2,882	10,510
Civic Leadership	1,680	-
VicRoads' Contributions	-	355,492
Emergency Management Project - Multi Council	-	33,406
Joint Bridgeworks - Other Council	-	26,127
Total Cash Contributions and Recoupments	1,652,391	1,816,752
(b) Non-Monetary		
Subdivisions - Roads Handed to Council	1,468,890	262,861
Assets Not Previously Recognised	881,035	-
Total Non-Monetary Contributions and Recoupments	2,349,925	262,861
Total Contributions and Recoupments	4,002,316	2,079,613

NOTE 11: FEES AND CHARGES

Garbage Collection Charge	1,058,706	970,444
Child Care Fees	563,263	184,707
Planning & Building Fees	281,613	317,530
Home & Community Care Fees	212,589	175,538
Animal Registration Charges	111,631	112,709
Gravel Cartage Levy	56,641	90,754
Subdivision Supervision Fees	39,116	79,045
Septic Tank Fees	38,812	37,029
Community Bus Hire Charges	34,959	35,373
Bannockburn Family Services Centre Charges	28,344	30,734
Tip Fees	28,156	31,389
Food Premises Registration Fees	22,545	19,033
Rents & Leases	21,715	19,542
Land Information Certificates	14,560	13,473
Infringements & Fines	13,463	13,749
Other	10,038	11,657
Northern Community Centre Charges	9,071	10,547
Fire Hazard Eradication Fees	6,815	4,811
Total Fees and Charges	2,552,037	2,158,064



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NOTE 12: OTHER REVENUE

	2008 \$	2007 \$
Interest on Investments	594,389	320,585
Interest on Rates	108,674	74,795
Total Other Revenue	703,063	395,380

NOTE 13: CONTRACTS AND MATERIALS

Delivery of Projects & Services	2,017,158	2,464,276
General Maintenance	1,242,918	1,220,249
Garbage Operations	870,733	941,304
Other Expenses	824,671	580,654
Contractors & Consultants	600,796	592,798
Vehicle & Machinery operations	414,466	368,268
Information Technology Operations	225,036	214,720
Building Maintenance	197,517	108,475
Printing, Stationery & Postage	182,375	153,932
Plant Operating Costs	177,324	104,311
Telecommunications	176,197	116,923
Insurance	173,939	173,291
Gravel Pit Operations	142,157	139,275
Utilities	117,909	34,874
Advertising	99,370	100,580
Cleaning	73,814	100,816
Training	70,804	71,945
Total Contracts and Materials	7,607,184	7,486,691

NOTE 14: EMPLOYEE COSTS

Total employee costs includes wages and related oncosts incurred in operating activities as well as the construction of non-current assets that have been capitalised in the Balance Sheet.

Wages & Salaries	6,724,671	5,855,679
Superannuation (Annual Contributions)	676,479	568,252
Annual Leave & Long Service Leave	804,354	652,622
Fringe Benefits Tax	43,084	45,995
Workcover Premium & Claims Costs	99,138	96,615
Other	18,559	24,868
Total Employee Costs	8,366,285	7,244,031
Less Employee Costs charged to Capital	(318,938)	(509,350)
Total Employee Costs as per Income Statement	8,047,347	6,734,681

NOTE 15: DEPRECIATION

Depreciation was charged in respect of:

Infrastructure Assets	2,838,331	2,118,649
Plant & Machinery	794,657	728,259
Buildings	531,460	422,745
Furniture & Equipment	253,340	220,735
Other Structures	36,125	13,213
Gravel Pit Rehabilitation	5,000	5,000
Total Depreciation Expense	4,458,913	3,508,601

NOTE 16: OTHER EXPENSES

Councillor Allowances	132,000	132,000
External Audit Fees	24,736	25,977
Internal Audit Fees	7,336	13,541
Total Other Expenses	164,072	171,518



Golden Plains Shire offers a lifestyle and opportunities that foster social, economic and environmental wellbeing.

Financial Report

NOTE 17: NET GAIN ON DISPOSALS PLANT & MACHINERY AND FURNITURE & EQUIPMENT

Proceeds from Sale of Assets
Carrying Amount of Assets Sold

Net Gain on Disposal of Plant & Machinery and Furniture & Equipment

NON-CURRENT PROPERTY

Proceeds from Sale of Assets
Carrying Amount of Assets Sold

Net Gain on Disposal of Non-Current Property

INVENTORY - PROPERTY

Proceeds from Sale of Assets
Carrying Amount of Assets Sold

Net Gain on Disposal of Land

Total Net Gain on Disposals

	2008 \$	2007 \$
	816,738 (660,819)	835,460 (732,205)
Net Gain on Disposal of Plant & Machinery and Furniture & Equipment	155,919	103,255
	130,000 (121,147)	- -
Net Gain on Disposal of Non-Current Property	8,853	-
	520,979 (292,886)	2,503,767 (1,616,276)
Net Gain on Disposal of Land	228,093	887,491
Total Net Gain on Disposals	392,865	990,746

NOTE 18: CASH AND CASH EQUIVALENTS

Short Term Deposits
At Call Deposits
Cash at Bank

Total Cash Assets

CASH & CASH EQUIVALENTS SUBJECT TO EXTERNAL RESTRICTIONS:

Long Service Leave Investment Account

Total Restricted Cash Assets

	4,840,000	4,840,000
	2,826,555	3,411,135
	698,716	626,421
Total Cash Assets	8,365,271	8,877,556
	776,639	697,759
Total Restricted Cash Assets	776,639	697,759

NOTE 19: RECEIVABLES

Rate Debtors
Other Debtors

Total Receivables

	664,284	435,964
	638,076	742,913
Total Receivables	1,302,360	1,178,877

NOTE 20: INVENTORY - CONSUMABLES

Stock on Hand

Total Inventories

	39,880	81,037
Total Inventories	39,880	81,037



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NOTE 21: OTHER CURRENT ASSETS

	2008 \$	2007 \$
Prepaid Expenditure	104,847	85,453
Accrued Income	246,816	169,427
Total Other Current Assets	351,663	254,880

NOTE 22: PAYABLES CURRENT

Trade Creditors	1,215,658	882,610
Accrued Expenditure	368,649	456,109
Total Payables Current	1,584,307	1,338,719

NOTE 23: INTEREST-BEARING LIABILITIES

Current		
Bank Loan Secured over Council's Rates & Charges	265,895	249,178
Total Interest-Bearing Liabilities - Current	265,895	249,178
Non-Current		
Bank Loan Secured over Council's Rates & Charges	1,262,297	1,528,190
Total Interest-Bearing Liabilities - Non-Current	1,262,297	1,528,190
The Maturity Profile for Council's Borrowings is:		
Not Later Than One Year	265,895	249,178
Later Than One Year and Not Later Than Five Years	735,570	800,916
Later Than Five Years	526,727	727,274
Total Interest - Bearing Liabilities	1,528,192	1,777,368

NOTE 24: EMPLOYEE BENEFITS

Current		
Annual Leave Provision	678,771	563,303
Long Service Leave Provision	745,022	706,332
Total Employee Benefits - Current	1,423,793	1,269,635
Non-Current		
Long Service Leave Provision	168,695	117,054
Total Employee Benefits - Non-Current	168,695	117,054



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NOTE 25: PROPERTY, INFRASTRUCTURE, PLANT & EQUIPMENT

	2008 \$	2007 \$
Summary		
At Cost	16,742,877	12,740,517
Less Accumulated Depreciation	2,924,079	2,348,537
	13,818,798	10,391,980
At Fair Value as at 30 June 2008	31,237,387	215,993,038
Less Accumulated Depreciation	5,837,444	59,561,065
	25,399,943	156,431,973
At Council Valuation as at 30 June 2004	25,579,966	42,313
Less Accumulated Depreciation	12,476,686	16,826
	13,103,280	25,487
At Independent Valuation	155,527,809	-
Less Accumulated Depreciation	41,131,267	-
	114,396,542	-
Total	166,718,563	166,849,440
Land		
At Cost	432,117	330,342
At Fair Value as at 30 June 2008	9,511,500	10,971,652
	9,943,617	11,301,994
Buildings		
At Cost	-	1,970
Less Accumulated Depreciation	-	20
	-	1,950
At Fair Value as at 30 June 2008	21,008,384	25,424,814
Less Accumulated Depreciation	5,736,917	8,653,414
	15,271,467	16,771,400
Other Structures		
At Cost	275,550	697,084
Less Accumulated Depreciation	5,273	72,919
	270,277	624,165
At Fair Value as at 30 June 2008	717,503	-
Less Accumulated Depreciation	100,527	-
	616,976	-
Work in Progress		
Buildings & Building Improvements At Cost	127,376	26,360
Bridges At Cost	-	559,824
Sealed and Unsealed Roads At Cost	-	37,810
Other Structures At Cost	1,757	61,954
	129,133	685,948
Furniture & Equipment		
At Cost	1,617,825	1,409,256
Less Accumulated Depreciation	929,376	742,591
	688,449	666,665
Plant & Machinery		
At Cost	5,931,044	5,379,983
Less Accumulated Depreciation	1,751,309	1,454,742
	4,179,735	3,925,241
Gravel Pit Rehabilitation		
At Cost	100,000	100,000
Less Accumulated Depreciation	10,000	5,000
	90,000	95,000
Infrastructure		
Footpaths		
At Cost	1,230,468	-
Less Accumulated Depreciation	15,381	-
	1,215,087	-
At Fair Value as at 30 June 2008	1,691,769	1,459,569
Less Accumulated Depreciation	538,409	499,017
	1,153,360	960,552

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NOTE 25: continued...

	NOTE	2008 \$	2007 \$
Sealed Pavements			
At Cost		3,539,974	2,504,600
Less Accumulated Depreciation		42,933	17,891
		3,497,041	2,486,709
At Fair Value as at 30 June 2008		100,231,668	99,672,503
Less Accumulated Depreciation		26,177,081	25,348,907
		74,054,587	74,323,596
Unsealed Pavements			
At Cost		470,752	241,226
Less Accumulated Depreciation		18,451	6,584
		452,301	234,642
At Fair Value as at 30 June 2008		14,373,428	14,373,428
Less Accumulated Depreciation		5,084,048	4,604,934
		9,289,380	9,768,494
Sealed Surfaces			
At Cost		2,087,586	1,120,947
Less Accumulated Depreciation		127,337	32,969
		1,960,249	1,087,978
At Fair Value as at 30 June 2008		17,489,976	17,121,631
Less Accumulated Depreciation		9,170,761	8,152,773
		8,319,215	8,968,858
Sealed Formations			
At Fair Value as at 30 June 2008		14,619,656	14,565,124
Less Accumulated Depreciation		-	-
		14,619,656	14,565,124
Unsealed Formations			
At Fair Value as at 30 June 2008		5,930,120	5,930,120
Less Accumulated Depreciation		-	-
		5,930,120	5,930,120
Kerb & Channel			
At Fair Value as at 30 June 2008		1,191,192	936,544
Less Accumulated Depreciation		160,968	143,237
		1,030,224	793,307
Bridges & Major Culverts			
At Cost		883,483	224,216
Less Accumulated Depreciation		7,399	1,245
		876,084	222,971
At Fair Value as at 30 June 2008		23,804,904	23,804,904
Less Accumulated Depreciation		11,761,561	11,497,062
		12,043,343	12,307,842
Underground Drainage			
At Fair Value as at 30 June 2007		1,732,749	1,732,749
Less Accumulated Depreciation		696,376	661,721
		1,036,373	1,071,028
Road Name Plates			
At Cost		44,945	44,945
Less Accumulated Depreciation		16,620	14,576
		28,325	30,369
At Council Valuation as at 30 June 2004		42,313	42,313
Less Accumulated Depreciation		18,749	16,826
		23,564	25,487
Total Infrastructure			
At Cost		8,257,208	4,135,934
At Fair Value as at 30 June 2008		179,332,713	-
At Fair Value as at 30 June 2007		1,732,749	179,596,572
At Council Valuation as at 30 June 2004		42,313	42,313 Less
Accumulated Depreciation		53,836,074	50,997,742
		135,528,909	132,777,077
Total Property, Infrastructure, Plant and Equipment	27	166,718,563	166,849,440

Financial Report

NOTE 26: INVESTMENT IN ASSOCIATE

Equity in Geelong Regional Library

Total Other Non-Current Assets

Movement in Carrying Value of Specific Investment

Carrying value of investment at start of year
Share of surplus for year

Carrying value of investment at end of year

	2008 \$	2007 \$
Equity in Geelong Regional Library	243,725	223,884
Total Other Non-Current Assets	243,725	223,884
Movement in Carrying Value of Specific Investment		
Carrying value of investment at start of year	223,884	203,638
Share of surplus for year	19,841	20,246
Carrying value of investment at end of year	243,725	223,884

Council's share of the net equity of GRL is 3.47%. The GRL is comprised of seven representatives from four member Councils. Golden Plains Shire Council has one representative on the GRL Board.

NOTE 27: MOVEMENTS IN PROPERTY, INFRASTRUCTURE, PLANT & EQUIPMENT

Reconciliations of the carrying amounts of each class of non-current assets at the beginning and end of the current financial year are set out below.

2008	LAND \$	BUILDINGS \$	OTHER STRUCTURES \$	WORK IN PROGRESS \$	FURNITURE & EQUIPMENT \$	PLANT & MACHINERY \$	GRAVEL PIT REHABILITATION \$	INFRASTRUCTURE \$	TOTAL \$
Carrying amount at 1 July 2007	11,301,994	16,773,350	624,165	685,948	666,665	3,925,241	95,000	132,777,077	166,849,440
Additions	432,117	98,877	266,522	111,166	278,096	1,701,238	-	3,551,681	6,439,697
Subdivisions - Roads Handed to Council	-	-	-	-	-	-	-	1,468,890	1,468,890
Additions - Assets Under Management	320,000	464,232	96,803	-	-	-	-	-	881,035
Revaluation Decrement in Replacement Value	(1,130,132)	(4,857,584)	(149,626)	-	-	-	-	-	(6,137,342)
Revaluation Decrements in Accumulated Depreciation	-	3,399,809	3,245	-	-	-	-	-	3,403,054
Depreciation	-	(531,460)	(36,125)	-	(253,340)	(794,657)	(5,000)	(2,838,331)	(4,458,913)
Written Down Value of Disposals	(35,030)	(86,117)	-	-	(2,972)	(657,847)	-	-	(781,966)
Reclassification Between Classes	-	10,360	82,269	(667,981)	-	5,760	-	569,592	-
Reclassification to Current Asset	(945,332)	-	-	-	-	-	-	-	(945,332)
Carrying amount at 30 June 2008	9,943,617	15,271,467	887,253	129,133	688,449	4,179,735	90,000	135,528,909	166,718,563

Additions Represented By:	\$	2007	LAND \$	BUILDINGS \$	OTHER STRUCTURES \$	WORK IN PROGRESS \$	FURNITURE & EQUIPMENT \$	PLANT & MACHINERY \$	GRAVEL PIT REHABILITATION \$	INFRASTRUCTURE \$	TOTAL \$
Renewal of Infrastructure	1,260,474		9,401,964	13,617,093	212,790	207,806	687,033	3,492,893	-	105,240,546	132,860,125
Upgrade of Infrastructure	1,557,143		330,342	1,970	400,557	558,355	208,039	1,885,140	-	4,034,807	7,419,210
New Infrastructure	734,064		(541,396)	-	-	-	-	-	-	-	(541,396)
New Land	432,117		-	-	-	-	-	-	-	260,491	260,491
Upgrade of Buildings	28,877		-	(422,745)	(13,213)	-	(220,735)	(728,259)	(5,000)	(2,118,649)	(3,508,601)
New Buildings	70,000		-	-	-	-	(7,672)	(724,533)	-	-	(732,205)
New Plant and Equipment	1,971,629		-	-	24,031	(80,213)	-	-	100,000	56,182	-
Upgrade Plant and Equipment	7,705		(100,000)	-	-	-	-	-	-	-	(73,552)
New Work in Progress	95,708		(73,552)	-	-	-	-	-	-	-	-
Upgrade Work in Progress	15,458		2,284,636	3,577,032	-	-	-	-	-	-	5,861,668
New Other Structures	111,918		-	-	-	-	-	-	-	25,303,700	25,303,700
Renewal Other Structures	154,604		-	-	-	-	-	-	-	-	-
Total Additions	6,439,697		11,301,994	16,773,350	624,165	685,948	666,665	3,925,241	95,000	132,777,077	166,849,440

NOTE 28: SUPERANNUATION

Council makes employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). Obligations for contributions are recognised as an expense in the income statement when they are due. The Fund has two categories of membership, each of which is funded differently.

Superannuation: Accumulation Benefits

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (9% required under Superannuation Guarantee Legislation). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund. From 1 July 2008 employers are required to pay superannuation guarantee contributions based on Ordinary Time Earning (OTE) which may put upward pressure on contribution levels.

Superannuation: Defined Benefits

The Fund's Defined Benefit Plan is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under Paragraph 32 (b) of AASB 119, Council does not use defined benefit accounting for these contributions.

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary as at 31 December 2005, the Trustee has determined that the current funding arrangements are adequate for the expected Defined Benefit Plan liabilities. Council makes the following contributions:-
-9.25% of members' salaries (same as previous year);
-the difference between resignation and retrenchment benefits paid to any retrenched

employees, plus contribution tax (same as previous year);

The Fund's liability for accrued benefits was determined in 30 June 2007 pursuant to the requirements of Australian Accounting Standard AAS25 as follows:

	30-Jun-07 \$'000
Net Market Value of Assets	4,102,154
Accrued Benefits (per accounting standards)	3,923,436
Difference between Assets and Accrued Benefits	178,718
Vested Benefits	3,572,589

The Accrued Benefits liability has been determined by the Actuary at 30 June 2007 outside of the full actuarial review which is normally undertaken every three years and most recently performed as at 31 December 2007. This liability is calculated to satisfy the requirements of ASAS 25 and is not reflected in the audited financial statements of the Fund at 30 June 2007.

The financial assumptions used to calculate the Accrued Benefits for the defined benefit category of the Fund were:

Net Investment Return	8.0% p.a.
Salary Inflation	5.5% p.a.
Price Inflation	3.0% p.a.

Financial Report

NOTE 29: CONTINGENT LIABILITIES

The Council is presently involved in confidential legal matters, which are being conducted through Council's solicitors. As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

Landfill Site

Council operates landfills at Teesdale and Rokewood. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

Bank Guarantee – Barwon Water

Council has issued a Bank Guarantee for the amount of \$6,183 in favour of Barwon Water for maintenance of water reticulation at Bakers Lane Subdivision Stage 2, Teesdale. Council does not believe that the bank guarantee will be exercised.

NOTE 30: CONTRACTUAL COMMITMENTS FOR EXPENDITURE

At the reporting date, Council was contractually committed to the following expenditure:

	2008			2007		
	LESS THAN ONE YEAR \$	ONE YEAR TO FIVE YEARS \$	TOTAL \$	LESS THAN ONE YEAR \$	ONE YEAR TO FIVE YEARS \$	TOTAL \$
Waste Management	604,000	625,140	1,229,140	631,470	1,330,030	1,961,500
Recreation - Bowls Green	138,000	-	138,000	-	-	-
Economic Development	89,960	-	89,960	-	-	-
Tip Contractor	79,000	81,765	160,765	-	-	-
Heritage Study	40,000	-	40,000	-	-	-
	950,960	706,905	1,657,865	631,470	1,330,030	1,961,500

NOTE 31: FINANCIAL RATIOS

	2008		2007		2006	
(a) Revenue Ratio						
Purpose: To assess the dependence on non-rate income sources.						
Rate Revenue	7,765,102	33.32%	7,006,888	30.71%	6,174,961	33.62%
Total Revenue	23,301,883		22,817,245		18,365,606	
(b) Debt Exposure Ratio						
Purpose: To identify the exposure of Council to debt and to indicate the solvency of the Council.						
Total Indebtedness	5,037,462	11.74%	4,870,861	10.85%	4,880,061	13.55%
Total Realisable Assets	42,914,335		44,896,085		36,027,775	
(c) Debt Servicing Ratio						
Purpose: To assess Council's capacity to service debt outstanding.						
Debt Servicing	98,759	0.42%	116,036	0.51%	100,135	0.55%
Total Revenue	23,301,883		22,817,245		18,365,606	
(d) Debt Commitment Ratio						
Purpose: To identify Council's debt redemption strategy.						
Debt Servicing & Redemption	347,935	4.48%	467,035	6.59%	375,701	6.01%
Rate Revenue	7,765,102		7,081,683		6,246,550	
(e) Working Capital Ratio						
Purpose: To assess Council's ability to meet current commitments.						
Current Assets	11,480,956	332%	10,599,838	346%	8,204,558	294%
Current Liabilities	3,458,609		3,058,920		2,795,235	
(f) Adjusted Working Capital Ratio						
Purpose: To assess Council's ability to meet current commitments.						
Current Assets	11,480,956	423%	10,599,838	450%	8,204,558	357%
Current Liabilities	2,713,587		2,352,588		2,293,233	

Definitions

"Current assets" means the total current assets as shown in the Balance Sheet.

"Current liabilities" means the total current liabilities as shown in the Balance Sheet.

"Debt servicing costs" includes interest and charges on loans and overdrafts.

"Total indebtedness" means total liabilities, both current and non-current, as shown in the Balance Sheet.

"Total realisable assets" means total current assets and total realisable non-current assets.

"Total revenue" means total revenue as shown in the Income Statement.

"Adjusted working Capital" is the working capital ratio adjusted for long service leave that is shown as a current liability because Council does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date, but is not likely to fall due within 12 months after the end of the period.

Financial Report

NOTE 32: FINANCIAL INSTRUMENTS

(a) Accounting Policies, Terms and Conditions

Council's accounting policies, including the terms and conditions of each class of financial asset and financial liability, both recognised and unrecognised at balance date, are as follows:

FINANCIAL INSTRUMENT	NOTE	ACCOUNTING POLICIES	TERMS AND CONDITIONS
(1) Financial Assets			
Cash at Bank	18	Cash amounts are stated at face value. Interest is recognised as it accrues.	On call deposits returned floating interest rates daily of 6.46% (2007: 2.92%).
At Call Deposits	18	At call deposits are stated at cost. Interest is recognised as it accrues.	Cash amounts are available at call. The effective interest rate is 6.2% to 8.1% (2007: 5.7% to 6.4%).
Short Term Deposits	18	Short-term deposits are stated at cost. Interest is recognised as it accrues.	Short-term deposits held as at balance date have an average maturity of 401 days and effective interest rates of 7.80% to 8.85% (2007: 5.97% to 6.73%).
Other Debtors	19	Trade debtors are carried at nominal amounts less provision for doubtful debts. A provision for doubtful debt is recognised when collection of the full nominal amount is no longer probable.	Credit Sales are on 14 day terms. Interest is charged on overdue debts arising from the provision of goods and services excluding HACC debtors at the rate of 12%.
Accrued Income	21	Amounts (other than trade debts) receivable from entities are carried at nominal amounts.	Accrued income is normally settled within 30 days.
(2) Financial Liabilities			
Trade Creditors & Accrued Expenditure	22	Creditors are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.	General creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Trust Funds		Trust funds are recognised for amounts to be paid in the future for amounts held on behalf of other parties. Interest is not payable on these liabilities.	Trust funds are normally repaid within one year.
Interest-Bearing Liabilities	23	Bank borrowings are carried at the amount outstanding at the 30th of June, 2008. Interest is recognised as it accrues.	Borrowings are secured by way of mortgages over the general rates of the Council. Council has two bank loans. The first loan matures on 24 December 2008. The effective interest rate is 6.33% (2007:6.33%). The second loan matures on 3 November 2015. The effective interest rate is 6.09% (2007: 6.09%).

(b) Interest Rate Risk

Council's exposure to interest rate risks and the weighted average effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at balance date, are as follows:

FINANCIAL INSTRUMENT	NOTE	FLOATING INTEREST RATE	FIXED INTEREST RATE MATURING IN 1 YEAR OR LESS	FIXED INTEREST RATE MATURING IN 1-8 YEARS	NON INTEREST BEARING	TOTAL CARRYING AMOUNT DISCLOSED IN STATEMENT OF FINANCIAL POSITION	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE
		2008 \$'000	2008 \$'000	2008 \$'000	2008 \$'000	2008 \$'000	2008 %
(1) Financial Assets							
Cash at Bank	18	699	-	-	-	699	6.46
At Call Deposits	18	2,827	-	-	-	2,827	7.02
Short Term Deposits	18	-	4,000	840	-	4,840	7.37
Other Debtors	19	-	-	-	638	638	12.00
Accrued Income	21	-	-	-	247	247	-
Prepayments	21	-	-	-	105	105	-
(2) Financial Liabilities							
Trade Creditors	22	-	-	-	1,216	1,216	-
Accrued Expenditure	22	-	-	-	369	369	-
Trust Funds		-	-	-	170	170	-
Interest-Bearing Liabilities	23	-	266	1,262	-	1,528	6.11



Viticulture is an emerging sector, with the Moorabool Valley being home to a well established and growing wine industry.

Financial Report

NOTE 32: FINANCIAL INSTRUMENTS continued...

FINANCIAL INSTRUMENT	NOTE	FLOATING INTEREST RATE	FIXED INTEREST RATE MATURING IN 1 YEAR OR LESS	FIXED INTEREST RATE MATURING IN 1-8 YEARS	NON INTEREST BEARING	TOTAL CARRYING AMOUNT DISCLOSED IN STATEMENT OF FINANCIAL POSITION	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE
		2007 \$'000	2007 \$'000	2007 \$'000	2007 \$'000	2007 \$'000	2007 %
(1) Financial Assets							
Cash at Bank	18	626	-	-	-	626	2.92
At Call Deposits	18	3,411	-	-	-	3,411	6.27
Short Term Deposits	18	-	4,840	-	-	4,840	6.53
Other Debtors	19	-	-	-	742	742	11.50
Accrued Income	21	-	-	-	169	169	-
Prepayments	21	-	-	-	85	85	-
(2) Financial Liabilities							
Trade Creditors	22	-	-	-	883	883	-
Accrued Expenditure	22	-	-	-	456	456	-
Trust Funds	-	-	-	-	201	201	-
Interest-Bearing Liabilities	23	-	249	1,528	-	1,777	6.12

(c) Net Fair Value

The aggregate fair value of financial assets and financial liabilities at balance date are as follows:

FINANCIAL INSTRUMENT	NOTE	TOTAL CARRYING AMOUNT AS PER STATEMENT OF FINANCIAL POSITION		AGGREGATE NET FAIR VALUE	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
(1) Financial Assets					
Cash at Bank	18	699	626	699	626
At Call Deposits	18	2,827	3,411	2,827	3,411
Short Term Deposits	18	4,840	4,840	4,840	4,840
Other Debtors	19	638	742	638	742
Accrued Income	21	247	169	247	169
Prepayments	21	105	85	105	85
(2) Financial Liabilities					
Trade Creditors	22	1,216	883	1,216	883
Accrued Expenditure	22	369	456	369	456
Trust Funds	-	170	201	170	201
Interest-Bearing Liabilities	23	1,528	1,777	1,528	1,777

(d) Credit Risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Balance Sheet.

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on all financial assets included in the balance sheet. To help manage this risk, Council:

- has a policy for establishing credit limits for the entities it deals with;
- may require collateral where appropriate; and
- only invests surplus funds with financial institutions which have a recognised credit rating specified in Council's investment policy.

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is the Victorian Government. Apart from the Victorian Government, Council has no significant credit risk exposure to a single customer or groups of customers. Ongoing credit evaluation is performed on the financial condition of Council's customers and, where appropriate, an allowance for doubtful debts is raised.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provides a guarantee for another party. Details of Council's contingent liabilities are disclosed in the notes.

Ageing of Trade and Other Receivables

	2008 \$'000	2007 \$'000
Current (not yet overdue)	425	655
Past due between 31 and 60 days	94	33
Past due between 61 and 90 days	69	2
Past due over 90 days	50	52
	638	742



Financial Report

NOTE 32: FINANCIAL INSTRUMENTS continued...

Liquidity risk includes the risk that, as a result of Council's operational liquidity requirements, Council:

- will not have sufficient funds to settle a transaction on the date;
- will be forced to sell financial assets at a value which is less than what they are worth; or
- may be unable to settle or recover a financial assets at all.

To help reduce these risks, Council:

- has a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- has readily accessible standby facilities and other funding arrangements in place;
- has a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitors budget to actual performance on a regular basis; and
- sets limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Contractual maturities for Council's Financial Liabilities

Undiscounted gross payments including both principal and interest amounts.

	2008						Total \$ \$'000
	1 Years	2 Years	3 Years	4 Years	5 Years	> 5 Years	
	\$ \$'000	\$ \$'000	\$ \$'000	\$ \$'000	\$ \$'000	\$ \$'000	
Trade Creditors	1,216	-	-	-	-	-	1,216
Accrued Expenditure	369	-	-	-	-	-	369
Trust Funds	150	20	-	-	-	-	170
Interest Bearing Liabilities	352	239	239	239	239	566	1,874
	2,087	259	239	239	239	566	3,629

	2007						Total \$ \$'000
	1 Years	2 Years	3 Years	4 Years	5 Years	> 5 Years	
	\$ \$'000	\$ \$'000	\$ \$'000	\$ \$'000	\$ \$'000	\$ \$'000	
Trade Creditors	883	-	-	-	-	-	883
Accrued Expenditure	456	-	-	-	-	-	456
Trust Funds	145	36	20	-	-	-	201
Interest Bearing Liabilities	352	352	239	239	239	805	2,226
	1,836	388	259	239	239	805	3,766

Interest-bearing loans are subject to a fixed interest rate and are not affected by market fluctuations.

(e) Risks and mitigation

The risks associated with Council's main financial instruments and Council's policies for minimising these risks are detailed below.

Market risk

Market risk is the risk that the fair value or future cash flows of Council's financial instruments will fluctuate because of changes in market prices. Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Components of market risk to which Council is exposed are discussed below.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that Council uses. Non derivative interest bearing assets are predominantly short term liquid assets. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk. Council's loan borrowings are sourced from major Australian banks by a tender process. Council does not have any Finance leases or Overdrafts arrangements.

(f) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from Reserve Bank of Australia):

- A parallel shift of +2% and -1% in market interest rates (AUD) from year-end rates of 7%.

The table below discloses the impact on the net operating result and equity for each category of financial instruments of the Council at year-end, if the above movements were to occur.

Market risk exposure	Carrying amount subject to interest \$'000	Interest rate risk			
		-1% 100 basis points		-2% 100 basis points	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2008					
Financial assets:					
Cash and cash equivalents	699	(7)	(7)	14	14
Other financial assets	7,667	(77)	(77)	153	153
Financial liabilities:					
Interest-bearing loans and borrowings	1,528	-	-	-	-

Interest bearing loans are subject to a fixed interest rate and are not affected by market fluctuations.

Financial Report

NOTE 33: RELATED PARTY DISCLOSURES

(a) Identity of Responsible Persons

Responsible Persons of the Council during the year were:

Cr D Guinane	(Mayor from November 2007)
Cr D Cotsell	(Mayor until November 2007)
Cr B McArthur	
Cr J Blake	
Cr G Dupe	
Cr G Frantz	
Cr J Jones	
Cr K Knight, OAM	
Cr A Parker	

Chief Executive Officer: Rod Nicholls

(b) Remuneration and Benefits of Responsible Persons

The number of Responsible Officers of the Council whose total remuneration including any superannuation benefits from the Council and any related entity falls within the following bands:

	2008 No.	2007 No.
\$10,000 - \$19,999	7	8
\$20,000 - \$29,999	2	-
\$30,000 - \$39,999	-	1
\$170,000 - \$179,999	-	1
\$200,000 - \$209,999	1	-
	10	10
Total Remuneration of Responsible Persons	\$334,660	\$314,797

(c) Identity of Senior Officers

The Senior Officers of the Council during the reporting period were:

D Madden	Director Technical Operations
L Jenner	Director Community Services
D Miller	Director Corporate Services
D Spear	Manager Executive Projects

(d) Remuneration and Benefits – Senior Officers

The number of Senior Officers of Council whose total remuneration including any superannuation benefits from the Council and any related entity falls within the following bands:

	2008 No.	2007 No.
\$ 80,000 - \$ 89,999	-	1
\$ 90,000 - \$ 99,999	1	-
\$110,000 - \$119,999	-	1
\$120,000 - \$129,999	2	2
\$130,000 - \$139,999	1	-
	4	4
Total Remuneration of Senior Officers	\$481,234	\$453,675

(e) Other Transactions of Responsible Persons/Senior Officers

During the financial year, the following transactions were conducted between Responsible Persons/Senior Officers or their families and the Council:

	2008 \$	2007 \$
Haddon Bottle Shop – Cr B McArthur	932	1,041

These transactions were on normal commercial terms.



Certification of Accounts

In my opinion, the accompanying financial report has been prepared in accordance with the Local Government Act 1989, the Local Government (Finance and Reporting) Regulations 2004, Australian Accounting Standards and other mandatory professional reporting requirements.

Signed at Bannockburn this 11th day of September 2008.



RICHARD TRIGG, B Com; FCPA; KSJ
PRINCIPAL ACCOUNTING OFFICER

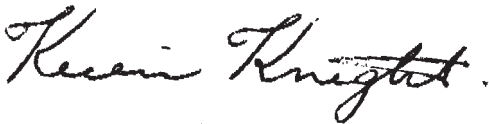
In our opinion the accompanying financial report presents fairly the financial transactions of the Golden Plains Shire Council for the year ended 30 June 2008 and the financial position of the Council as of that date.

As at the date of signing, we are not aware of any circumstances that would render any particulars in the financial report to be misleading or inaccurate. We have been authorised by Council on 28th August 2008 to certify the financial report in its final form.

Signed at Bannockburn this 11th day of September 2008.



COUNCILLOR DES GUINANE
Mayor



COUNCILLOR KEVIN KNIGHT OAM
Chairman, Audit and Finance Committee



ROD NICHOLLS
Chief Executive Officer



VAGO

Victorian Auditor-General's Office
INDEPENDENT AUDITOR'S REPORT

To the Councillors, Golden Plains Shire Council

The Financial Report and Standard Statements

The accompanying financial report for the year ended 30 June 2008 of Golden Plains Shire Council which comprises of income statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the certification of accounts have been audited.

The accompanying standard statements for the year ended 30 June 2008 of Golden Plains Shire Council which comprises of standard income statement, standard balance sheet, standard cash flow statement, standard statement of capital works, the related notes and the certification of standard statements have been audited.

The Councillors' Responsibility for the Financial Report and Standard Statements

The Councillors' of Golden Plains Shire Council are responsible for the preparation and the fair presentation of:

- the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the *Local Government Act 1989*
- the standard statements in accordance with the basis of preparation as described in note 1 of the statements and the requirements of the *Local Government Act 1989*.

This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report and standard statements that are free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report and standard statements based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report and standard statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report and standard statements. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report and standard statements, whether due to fraud or error. In making those risk assessments, consideration is given to internal control relevant to the entity's preparation and fair presentation of the financial report and standard statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Councillors, as well as evaluating the overall presentation of the financial report and standard statements.

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Level 24, 35 Collins Street, Melbourne Vic. 3000

Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

Auditing in the Public Interest



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Victorian Auditor-General's Office

Independent Auditor's Report (continued)

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Matters Relating to the Electronic Presentation of the Audited Financial Report and Standard Statements

This auditor's report relates to the financial statements published in both the annual report and on the web site of Golden Plains Shire Council for the year ended 30 June 2008. The Councillors of Golden Plains Shire Council are responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on Golden Plains Shire Council web site.

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion:

- the financial report presents fairly, in all material respects, the financial position of Golden Plains Shire Council as at 30 June 2008 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Local Government Act 1989*.
- The standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in note 1 to the statements and comply with the requirements of the *Local Government Act 1989*.

MELBOURNE
16 September 2008


D D R Pearson
Auditor-General

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Level 24, 35 Collins Street, Melbourne Vic. 3000

Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

Auditing in the Public Interest

Performance Statement for the Year Ended 30 June 2008

KEY STRATEGIC ACTIVITIES		ACTUAL PERFORMANCE COMPARED TO COUNCIL PLAN		
KEY STRATEGIC ACTIVITY	PERFORMANCE MEASURE	ACTUAL RESULT 2007-08 %	BUDGET TARGET 2007-08 %	DIFFERENCE
Citizen & Customer Service	Community satisfaction rating for Customer Service	67	72	- 5
Civic Leadership	Community satisfaction rating for Council's Advocacy	68	68	0
Economic Development	Community satisfaction rating for Economic Development	65	66	-1
Environment & Land Use Planning	Community satisfaction rating for Town Planning, Policy & Approval	66	65	+1
Human Support Services	Community satisfaction rating for Health & Human Services	75	72	+3
Recreation & Community Development	Community satisfaction rating for Recreational Facilities	67	68	-1
Roads & Streets Infrastructure	Community satisfaction rating for Local Roads & Footpaths and Asset Management Rating	52	49	+3
Waste Management	Community satisfaction rating for Waste Management	74	75	-1

PERFORMANCE STATEMENT EXPLANATIONS

Introduction

The Victorian Government requires all councils to publish performance information that allows for a consistent approach to the reporting of financial performance, operating costs and community satisfaction.

Common Terms

The majority of the terms used in the performance statement are the same as those used in the financial statements, however some of the terms are different. A full and detailed explanation of each indicator, how it is calculated, its purpose and interpretation etc, can be found in the 'Explanatory Guide' which is available from the Council. Short explanations of the 'different' terms used are listed below:

Assessments – the number of rateable properties as at the date of the adoption of the rates.

Customer Satisfaction Ratings – Indexed mean of 350 respondents' answers in a survey, conducted by independent strategic research consultants Wallis Consulting Group, asking them to rate council's performance. The indexed mean is a weighted score across five performance ratings being 100 – excellent / outstanding performance, 80 – good / high standard, 60 – adequate / acceptable, 40 – needs some improvement and 20 – needs a lot of improvement.





Performance Statement

COUNCIL APPROVAL OF THE PERFORMANCE STATEMENT

In our opinion, the accompanying performance statement of the Golden Plains Shire Council in respect of 2007-08 financial year is presented fairly in accordance with the Local Government Act 1989.

The statement outlines the performance targets and measures set out in relation to the achievement of the business plan in respect of that year described in Council's corporate plan and describes the extent to which the business plan was met in that year having regard to those targets and measures.

As at the time of signing, we are not aware of any circumstance, which would render any particular in the statement to be misleading or inaccurate.

Signed at Bannockburn this 11th day of September 2008.



COUNCILLOR DES GUINANE
Mayor



COUNCILLOR KEVIN KNIGHT OAM
Chairman, Audit and Finance Committee

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDIT REPORT

To the Councillors, Golden Plains Shire Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2008 of Golden Plains Shire Council which comprises the statement, the related notes and the certification of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors' of Golden Plains Shire Council are responsible for the preparation and the fair presentation of the performance statement in accordance with the *Local Government Act 1989*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the performance statement that is free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the performance statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to internal control relevant to the entity's preparation and fair presentation of the performance statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the performance statement.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

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Level 24, 35 Collins Street, Melbourne Vic. 3000

Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

Auditing in the Public Interest



VAGO

Victorian Auditor-General's Office

Independent Audit Report (continued)

Matters Relating to the Electronic Presentation of the Audited Performance Statement

This auditor's report relates to the statement of performance published in both the annual report and on the web site of Golden Plains Shire Council for the year ended 30 June 2008. The Councillors are responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited performance statement to confirm the information included in the audited performance statement presented on the Council's web site.

Independence

The Auditor-General's independence is established by the *Constitution Act* 1975. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the performance statement of Golden Plains Shire Council in respect of the 30 June 2008 financial year presents fairly, in all material respects, in accordance with the *Local Government Act* 1989.

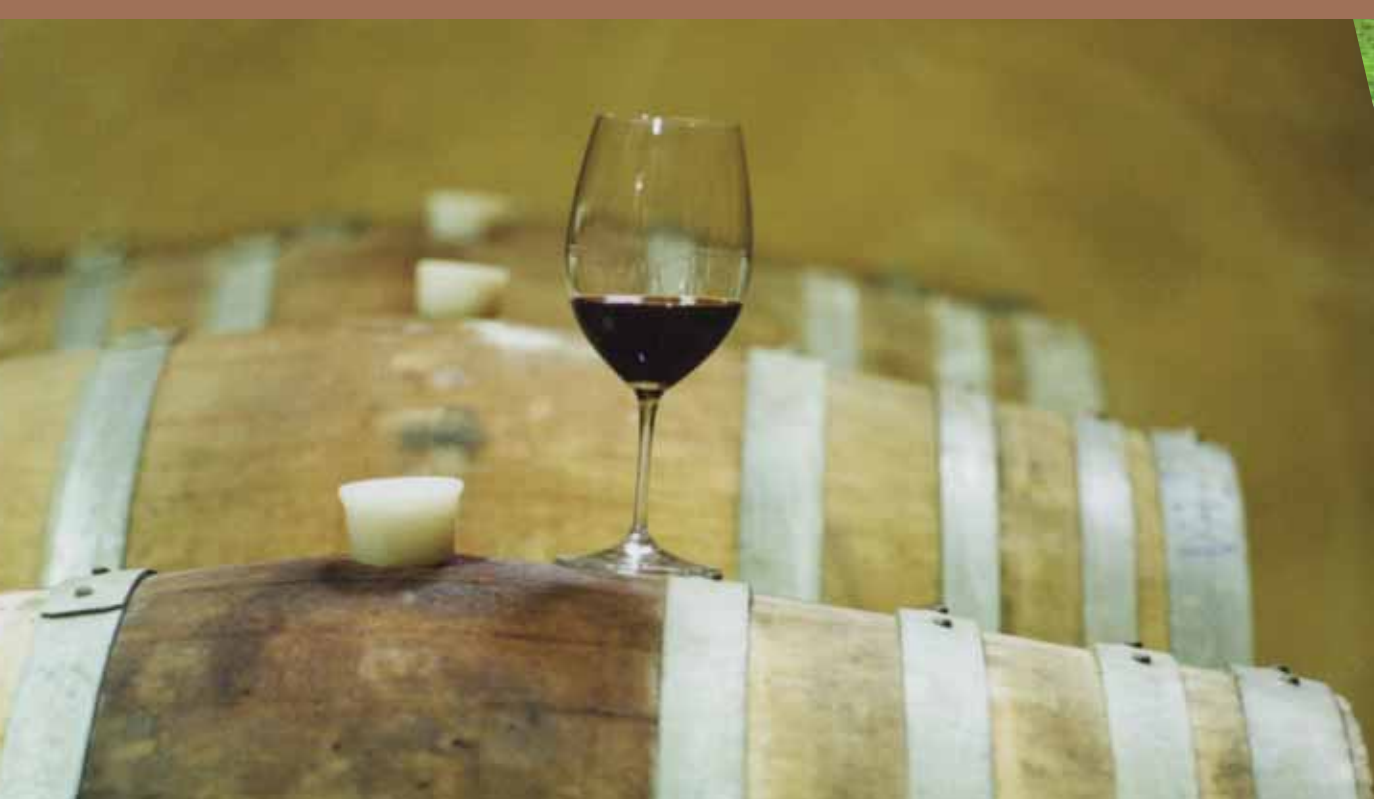
MELBOURNE
16 September 2008

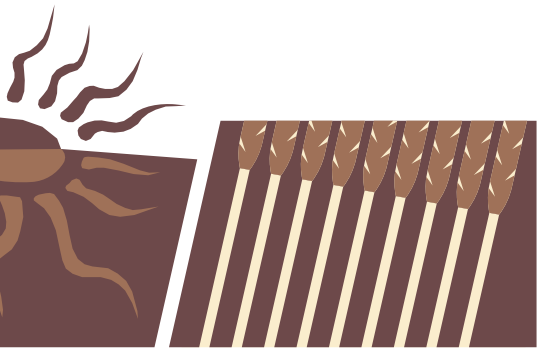

D D R Pearson
Auditor-General



GOLDEN PLAINS

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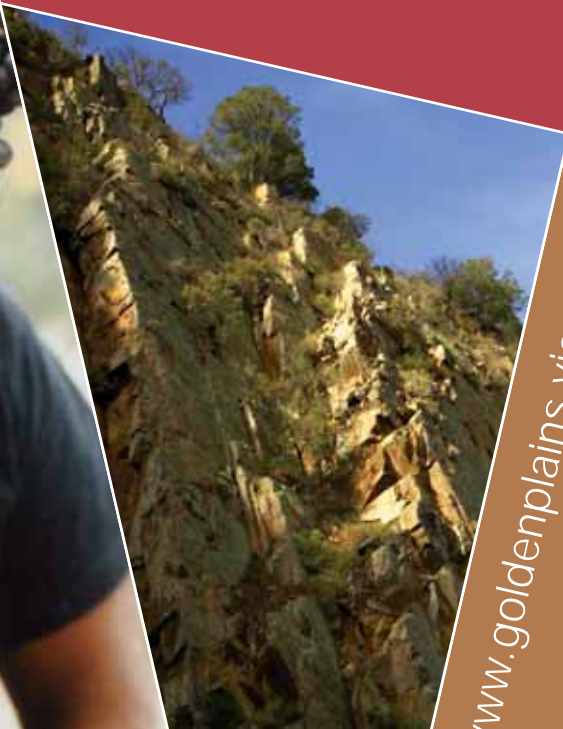
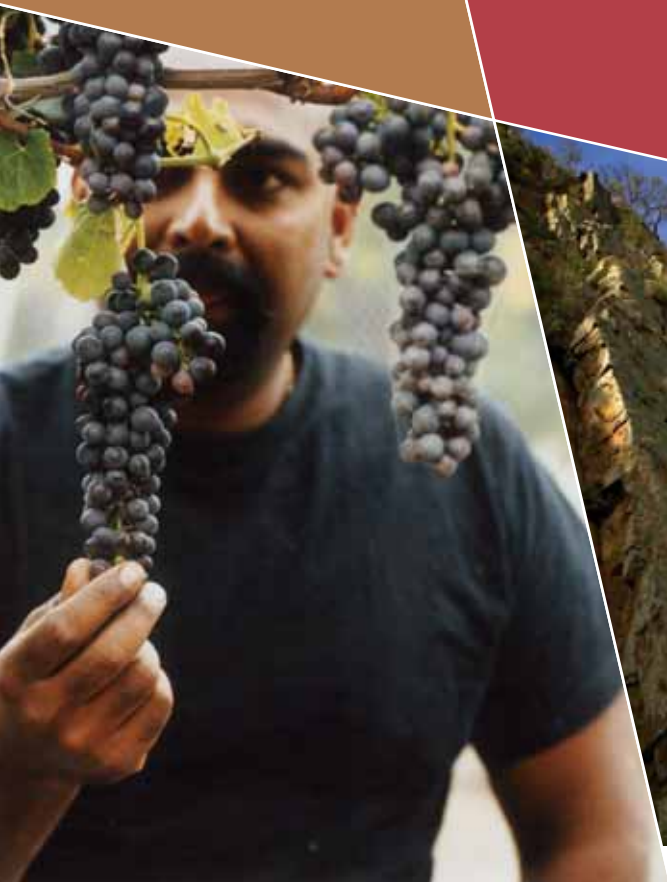
68 Sussex Street, Linton
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Postal Address
Golden Plains Shire Council
PO Box 111, Bannockburn VIC 3331

Telephone
03 5220 7111 or 1300 36 30 36*
**Local call cost from within the Shire,
excluding calls from mobile phones.*

Facsimile
03 5220 7100

Email
enquiries@gplains.vic.gov.au



www.goldenplains.vic.gov.au