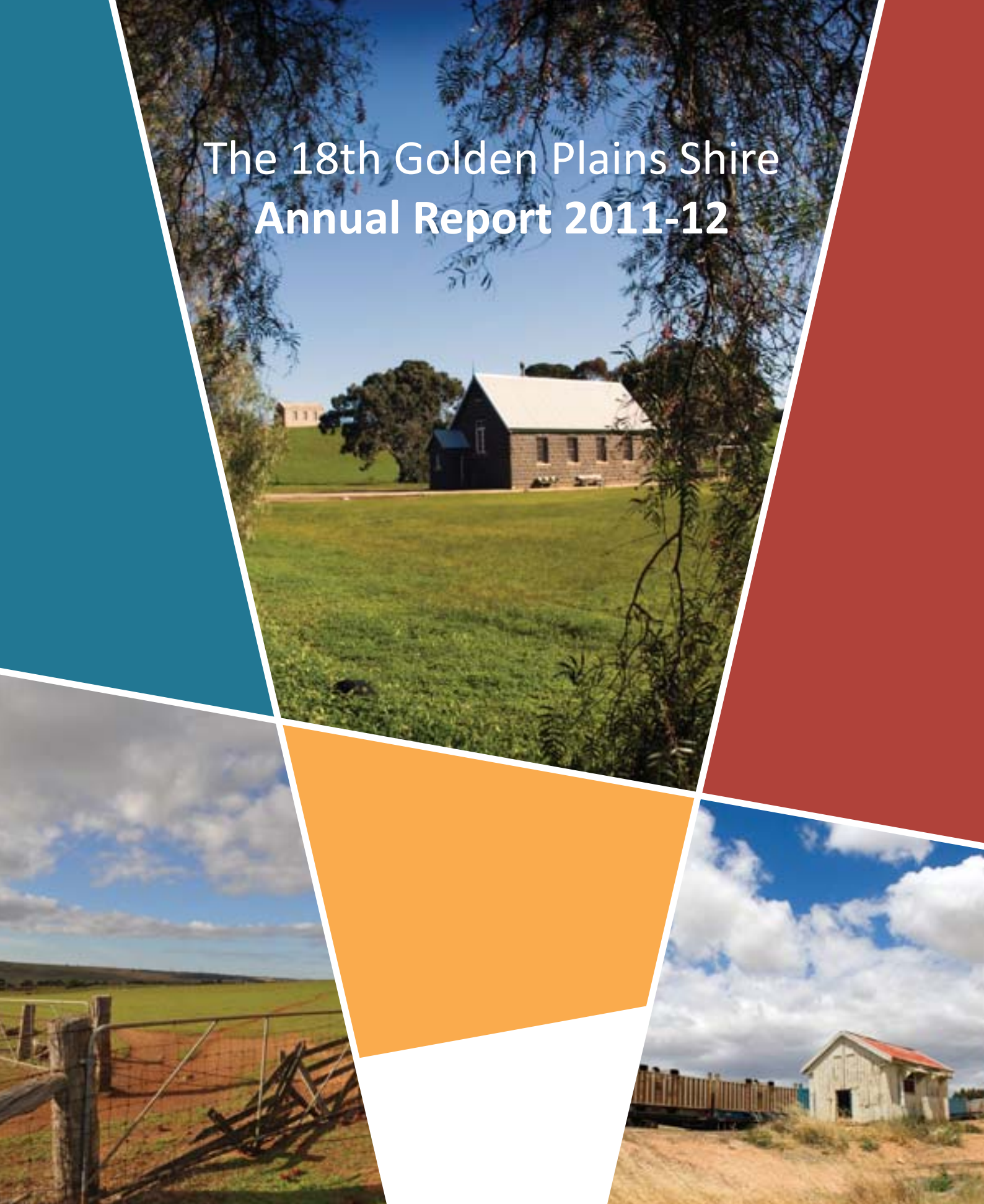


The 18th Golden Plains Shire Annual Report 2011-12



Our Year: 2011-12

Location:	Golden Plains Shire is the gateway to the Central Highlands region and Western District with easy access to Melbourne, Ballarat and Geelong.
Area:	2,705 square kilometres
Estimated population:	18,770
Growth rate:	2.8%
Number of employees:	158.48 EFT
Number of Councillors:	7
Electoral structure:	Un-subdivided municipality from December 2008
Rateable properties:	10,044
Operating income:	\$39.8 million
Rate revenue:	\$12.3 million
Length of sealed local roads:	971 kms
Length of unsealed local roads:	726 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

Our 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
Duridwarrah	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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Our Vision - our Mission - our 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 relationships 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 and Access

We will treat our community, residents and ratepayers equitably by being fair in our decision making and ensure 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.

From our Mayor

On behalf of my fellow Councillors, I am very pleased to present the 2011-2012 Golden Plains Shire Council Annual Report, highlighting work undertaken by Council over the past financial year on behalf of the community it serves.

We are a region in transition

The population of Golden Plains is growing significantly at 2.8% per annum, as people discover the benefits of living in a semi-rural setting with plenty of space and easy access to major cities. In fact, Golden Plains has experienced more than 25% population growth over the past decade.

Golden Plains' strong and steady population growth, proximity to markets, access to a local and regional workforce, available land for development, forward planning and excellent infrastructure present a set of enviable investment fundamentals which is driving change in the local economy.

We are not only planning for the future; we are getting on with the job

The rapid and dispersed growth across Golden Plains Shire brings with it a new set of challenges to sustain our vibrant and connected communities. Council remains in a strong financial position through a conservative and responsible approach to financial management. This has enabled Council to deliver the essential services and infrastructure required to support the needs of our growing and changing population.

Investment in local infrastructure and community projects remained high priority

Council has successfully delivered its largest capital project to date with the completion of the Bannockburn Cultural Centre. The \$5.1m pioneering piece of infrastructure development houses the Bannockburn Library, a new public hall, kitchen facilities, meeting rooms, internet access, a community learning centre, an outdoor courtyard and a dedicated youth space.

This year we have also completed a number of important community projects:

- Lowndes Bridge Upgrade Project (\$1m)
- Leighdale Equestrian Centre Improvement Project (\$118k)
- Cape Clear Community Playground Project (\$72k)
- Cape Clear Water Bore Project (\$50k)

The success of many of these projects has been made possible by partnerships in funding with both State and Federal Governments and outstanding contributions from community organisations and individuals.

Our communities remain central to everything we do

We are exceptionally fortunate to have such generous and dedicated volunteers right across Golden Plains, who work together to provide leadership and support for a variety of infrastructure and services across the Shire.



Council recognises the valuable contributions made by volunteers, community groups, sporting clubs, working parties, committees and businesses whose selfless contributions underpin the strength and vitality of our communities. On behalf of Council I express our sincere gratitude for the hard work they do.

I would like to thank my Councillor colleagues for their support during this past year. As we complete the final year of our four year term, all have served with diligence, integrity and an ongoing commitment to the betterment of the communities within Golden Plains Shire.

Finally, I also extend my thanks to Mr Rod Nicholls, Chief Executive Officer and his staff for their professionalism and hard work over the past year.

Mayor, Cr Geraldine Frantz

Shire profile

Golden Plains is the place to enjoy life as it should be.

In recent years, the region has experienced significant population growth as people discover the benefits of living in a semi-rural setting with plenty of space.

With 18,770 residents across 56 communities and 16 townships, Golden Plains is one of the fastest growing municipalities in Victoria, with population growth of around 2.8% per annum.

New residents, including many young families, continue to be attracted by the diverse range of lifestyle choices and our welcoming communities make it a place where you can enjoy a better quality of life.

Golden Plains Shire comprises 2,705 square kilometres between two of Victoria's largest regional cities, Geelong and Ballarat. The region's close proximity to services available in neighbouring regional cities and convenient commuting distance to Melbourne and the Surfcoast adds to its appeal as a place to call home.

Business is booming and growth continues to create attractive investment opportunities and new jobs. While the Shire has a strong tradition of producing wool and grain, intensive animal farming of poultry and pigs is increasing.

Golden Plains is conveniently located close to markets and welcomes investment and sustainable development. Strong population and economic

growth make Golden Plains an attractive place to invest.

As a popular destination for family fun, food and wine connoisseurs and for those seeking adventure in the great outdoors, Golden Plains also has it all for the perfect day trip experience.

Golden Plains has become renowned across Australia and internationally for its produce that can be experienced at local eateries, cellar doors and the Golden Plains Farmers' Market.

The winemakers of the Moorabool Valley have continued the passion of the early settlers, incorporated skills from around the world and nurtured their vineyards to produce some of Australia's most sought after and awarded cool climate wines.

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 stunning natural beauty of the region still remains visible and accessible, as do remnant townships and structures from the rich gold mining history. The region also has a vibrant arts and culture scene including iconic music festivals, which all make Golden Plains an attractive tourism destination.

We encourage you to visit Golden Plains and taste, see and explore all it has to offer. Who knows? Perhaps you'll decide to stay.



From our CEO

As the Mayor has reported, over the past 12 months it is evident that growth and change continue to be a feature of the landscape in which we live and work.

Golden Plains Shire remains a region in transition

A key role for Council, both from a strategic and operational perspective, is to anticipate and respond to the challenges presented by growth and change, to ensure that the Shire continues to deliver services and infrastructure that meet contemporary standards and expectations.

This year, with total expenditure of more than \$28m, Council delivered a broad range of services, programs and infrastructure projects and which are a reflection of the progressive strategic direction Council has adopted.

Financial sustainability remained at the forefront of Council's agenda. Council's Plan and 2011-12 budget showed restraint in recurrent spending, balanced with the continuation of a number of key strategic initiatives which are vital for planning for the future of Golden Plains.

Council has continued to successfully source external funding to deliver important initiatives

Golden Plains Shire Council has welcomed the confirmation of \$2,184,572 funding for vital infrastructure works over the next four years in the first allocation from the State Government's Local Government Infrastructure Program (LGIP). Council is delighted that the State Government has provided funding to begin to address our forward capital works plans and important asset renewal. Council has also secured \$120,000 in State Government funding to deliver its youth engagement program over the next three years. Over the past

decade, Golden Plains Shire Council has engaged over 4,000 young people in activities and services.

Innovation inspired national excellence

Golden Plains Shire Council has won the 2012 National Award for Excellence in Local Government and the National Award for Innovative Infrastructure (Small Council). The prestigious awards were announced by Minister for Regional Australia, Regional Development and Local Government, the Hon. Simon Crean MP, at the Australian Local Government Association National General Assembly in Canberra.

Council decided to invest in digital technology to promote Golden Plains as a prominent regional tourist destination and these awards endorse our creative approach to economic development. This project achieves many of Council's economic development objectives by enhancing our local sense of identity and pride, supporting the tourism industry and creating local jobs, all of which contribute to the quality of life in Golden Plains.

Council continued its strategic investment in recreation infrastructure to enhance wellbeing and promote active community life

Improving local sports grounds and recreation facilities is vital to the social fabric, strength and wellbeing of all communities across the Shire. Projects completed include the Cape Clear Community Playground Project, Leighdale Equestrian Centre Improvement Project, Linton and Haddon stadium upgrades, Inverleigh, Rokewood and Mannibadar Hall upgrades and the Bannockburn Recreation Centre.

The provision of accessible and sustainable recreation infrastructure across Golden Plains is vital to the liveability of our communities.



Council has been actively working towards elevating the image and reputation of our region

I am thrilled to advise that the Golden Plains Farmers' Market has won its second prestigious Geelong Advertiser Business Excellence Award. After a Judges Award in 2011, the market has gone one better securing the Best Regional Business Award 2012. This initiative is a result of the successful combination of the local stallholders dedication and the commitment and support from the local and wider community.

The past year has been one of positive progress, despite complex economic factors and the changing political landscape. I am proud of the achievements of Council this year and I would like to take this opportunity to express my appreciation to our community, the Mayor, Councillors and staff for their dedication to improving the liveability, sustainability and productivity of our region.

A handwritten signature in dark ink, appearing to read 'Rod Nicholls', written in a cursive style.

Rod Nicholls
Chief Executive Officer

Our financial performance at a glance

The purpose of the Annual Report is to report on the performance of Council for the 2011-12 financial year. However, it is important to consider this Annual Report in conjunction with the Council Plan and Council's Strategic Resource Plan, which focus on the longer term objectives of Council. These documents can be found on

Council's website at goldenplains.vic.gov.au.

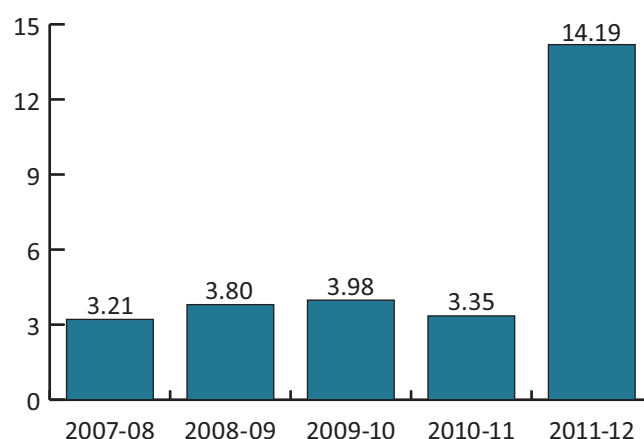
The following key indicators provide a brief overview of Council's financial performance for the year, including graphs which visually demonstrate the recent trend of each. These key indicators are common tools used to measure

financial performance and are consistently applied by Council.

For more detailed information on Council's 2011-12 performance against budget and the previous year, please refer to the Standards Statements located on pages 27 to 36 and the Financial Report beginning on page 37.

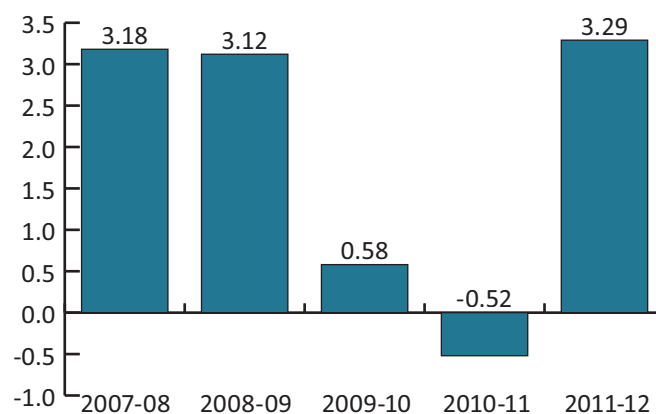
Operating Result

The operating result shows Council's overall performance for the year. The surplus from operating activities for 2011-12 totalled \$14.188 million, which is \$11.784 million more than budget. Please refer to the explanations contained in the Standard Statements on page 30 for details of the large 'one-off' transactions that impacted this result.



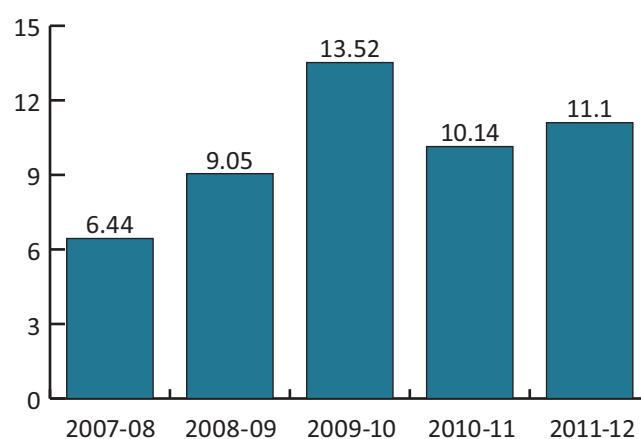
Discretionary Retained Earnings

Discretionary Retained Earnings is generally the surplus funds that Council has available to take advantage of unexpected opportunities. These are primarily utilised to match grants offered by third party funding. The significant increase in discretionary retained earnings in 2011-12 is primarily due to Victorian Grants Commission funds received in advance (\$2.53 million) and profits on sale of Bakers Lane (\$712 thousand); the balance of the increase is in line with Council's Strategic Resource Plan.



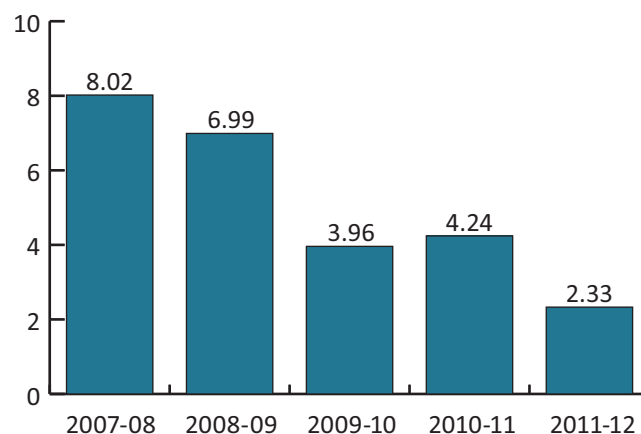
Capital Expenditure

The capital program for 2011-12 of \$11.10 million, takes Council's total capital expenditure over the last three years to \$34.76 million. These programs have been consistent with Council's Strategic Resource Plan and have been funded by a combination of government grants, borrowings and discretionary retained earnings (as outlined above). Capital Expenditure is expected to remain steady over the next few years, as Council consolidates its financial position including working capital and discretionary retained earnings.



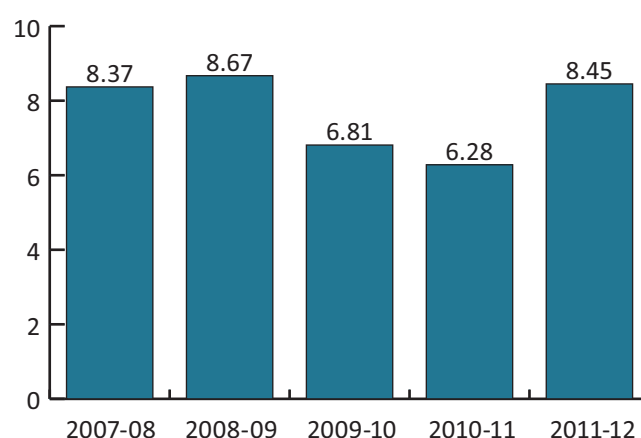
Working Capital

Working Capital is the amount by which current assets exceed current liabilities. This is a measure of Council's ability to meet its short term obligations. At 30 June 2012 the balance was \$2.33 million compared to a budget of \$869 thousand, which is primarily a result of a larger than anticipated cash balance.



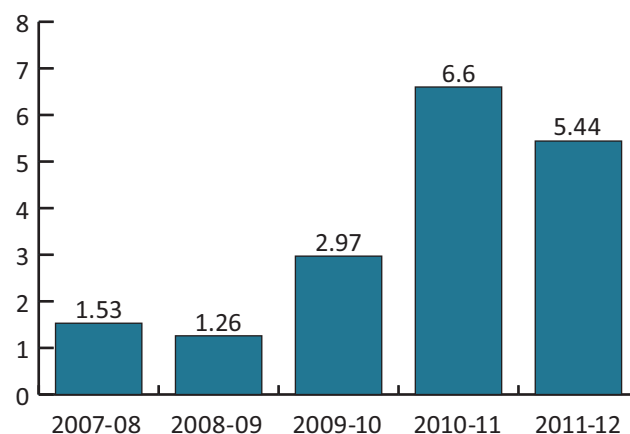
Cash Balance

Council's cash balance (including other financial assets which relate to deposits for greater than 90 days) at 30 June 2012 totalled \$8.45 million, which is \$6.84 million favourable to budget and an increase of \$2.17 million from the previous year. While the cash balance remains strong, the value of grants received early and level of borrowings should be noted.



Borrowings

Borrowings have decreased by \$1.16 million from the previous year to a total of \$5.44 million. Short term borrowings of \$1.28 million for the development and sale of land at Bakers Lane in Teesdale were repaid in 2011-12. New borrowings of \$500k were undertaken to assist in delivering Council's capital program and are in accordance with Council's Strategic Resource Plan. Borrowing to fund significant community assets allows Council to spread the cost burden over different generations of rate payers.



The above indicators demonstrate that Council remains in a strong financial position, however, the programs Council have delivered in recent years and the increase in capital expenditure has required Council to utilise discretionary retained earnings and increase its level of borrowings. The level of

capital expenditure and borrowings are forecast to remain constant in the next few years, as Council consolidates its financial position.

The overall financial position continues to be consistent with that depicted in Council's Strategic Resource Plan. The plan

has allowed Golden Plains to maximise its opportunities under the Federal Government stimulus program, along with other grant funding, to deliver projects that significantly improve the facilities for our community.

Our Councillors



Mayor, Cr Geraldine Frantz
First elected December 2003



Cr Jenny Blake
First elected March 1996



Cr Helena Kirby
First elected November 2008



Cr David Cotsell
First elected November 1998



Cr Gerald Dupe
First elected March 1996



Cr Bill McArthur
First elected March 1996



Cr Kevin Knight, OAM
First elected March 1996

Council Plan implementation

The Four Year Council Plan is reviewed and updated annually to include new actions and objectives. At its meeting in July 2012, Council's Director of Corporate Services reported to Council on the full implementation of Council's 2011-12 Plan, representing substantial progress in the implementation of the Four Year Plan for the period 2011-15.

Best Value annual report

Golden Plains Best Value objectives are to:

- Deliver the best possible services within the limits of Council's resources.
- Engage with communities and service users to ensure that service planning and development meet their needs.
- Provide transparent and accountable processes.
- Develop and maintain a relationship of trust between the Council and its residents.
- Support a culture of continuous improvement.

After completing the initial program of service reviews, the processes that underpin Best Value were revisited and a number of high

level indicators that would indicate Council's progress in achieving Best Value were adopted. The detail of the review is contained in the "Organisational Performance Framework" (February 2011).

The indicators required by the Framework are reported below.

Completion of this report is the final performance measure and satisfies the Best Value Principle regarding reporting of achievements.

Performance measure	Achievement	Best Value Principle
Achievement of Council Plan annual objectives	100%	Quality standards
Completion of Community Plan meetings responsive to need	90%	Consultation
Overall community satisfaction with services	67%	Quality standards Continuous improvements
Key financial indicators (Refer to the Victorian Local Government Indicators)		Cost standards

Community Satisfaction Survey

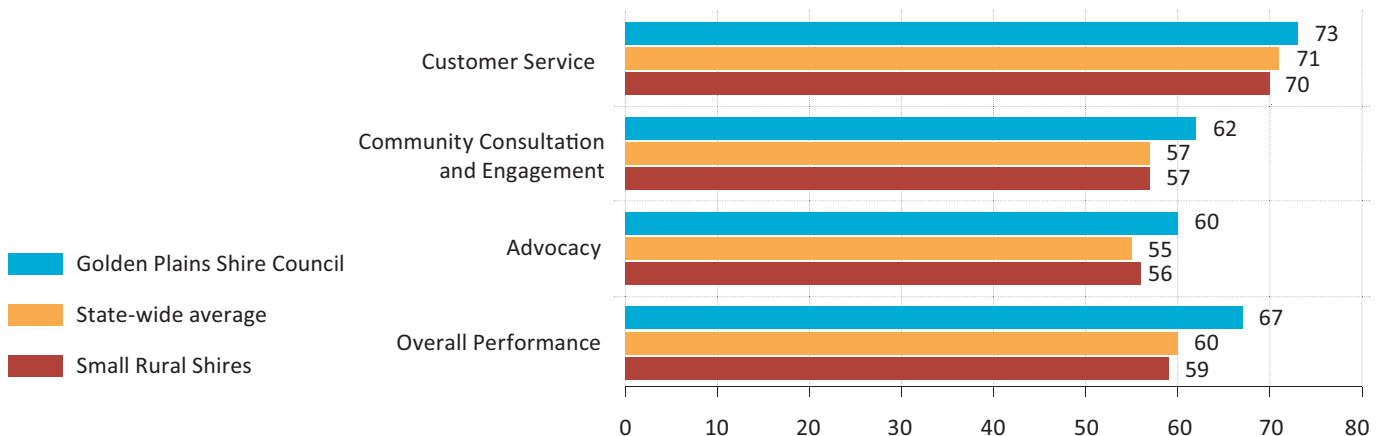
In response to feedback from local councils, Local Government Victoria introduced methodological and content changes to the Community Satisfaction Survey (CSS) in 2012 to provide the sector with more reliable and meaningful results, to inform decision making and support strategic planning. The survey provides core questions as well as optional questions which councils can pick and choose from depending on their particular

information and reporting needs. Councils are also able to include their own tailored questions and sampling requirements.

Methodological improvements to the CSS in 2012 included increasing the sample size from the previous minimum of 350 respondents per municipality up to 400 respondents and ensuring that the sample reflects the demographic composition of a

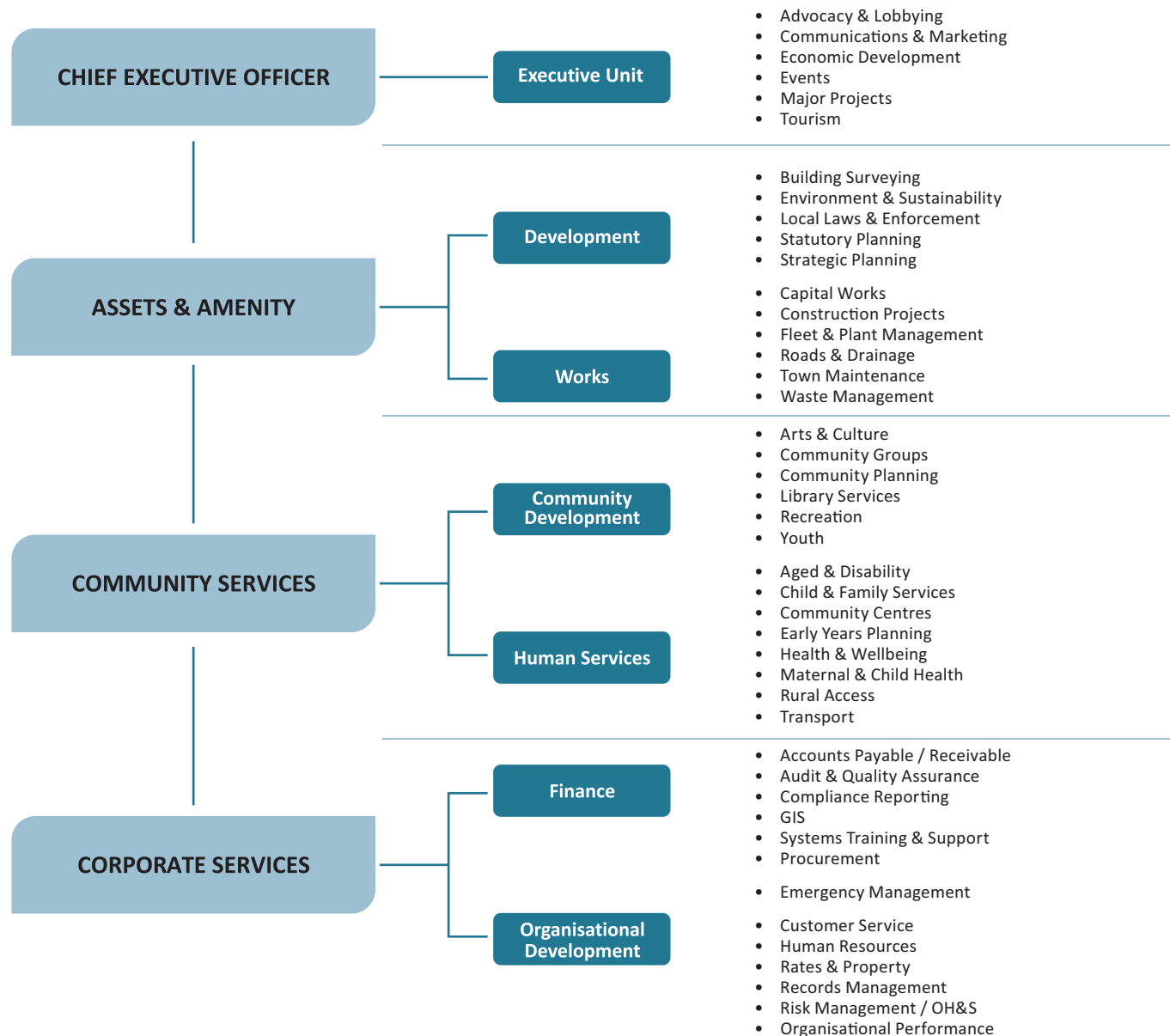
municipality. The survey also allows for respondents to be "residents over 18 years of age" instead of restricting respondents to "head of household". These changes, together with revisions to the performance scale and scoring, have improved the usability of the survey.

For these reasons, direct comparison with previous CSS results is not possible.



Our Workplace

Organisational Structure



Staff Numbers by Business

	Full Time	Part Time	Casual and temporary	Total
Executive	19	2	3	24
Works	33	3	1	37
Development	15	8	5	28
Organisational Development	9	5	2	16
Finance	10	2	-	12
Community Development	7	1	1	9
Human Services	12	52	27	91
Total	105	73	39	217

Staff Analysis

	Female	Male	Total
Full Time	46	59	105
Part Time	68	5	73
Casual and temporary	32	7	39
Total	146	71	217

	Female	Male	Total
Equivalent Full Time			
Full Time	48	63	111
Part Time	44.21	3.27	47.48
Total	92.21	66.27	158.48

Our Senior Management



Richard Trigg
*Director
Corporate
Services*



Jillian Evans
*Director
Community
Services*



Rod Nicholls
*Chief Executive
Officer*



Greg Anders
*Director
Assets &
Amenity*



David Spear
*Manager
Executive
Unit*

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, promotion, advancement, 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.

Memberships 2011-12

Organisation	Membership Contribution \$
Central Highlands Regional Mayors and CEOs Forum	4,600
Committee for Ballarat	3,600
Committee for Geelong	3,300
G21 Geelong Region Alliance	33,000
Geelong Chamber of Commerce	864
Local Government Professionals	1,000
MAV (Rural Councils Victoria)	2,000
Municipal Association of Victoria	18,225
Rail Freight Development Alliance	1,666
Timber Towns Victoria	2,500
Total	70,755

National Competition Policy

For the year ended 30 June 2012, Golden Plains Shire Council has adhered to, and is obligated to adhere to, competitive neutrality principles.

Taking care of our environment

Golden Plains Shire Environment Strategy 2011-2016

Council continued to implement actions from the Golden Plains Environment Strategy 2011-2016. The Strategy is a significant document in the process of progressing Council's future vision, direction and actions in managing our environment.

Supporting Schools Tree Day and Landcare

Council supported Schools Tree Day with funding offered to all primary schools in the Shire to plant trees either on school grounds or on public open space. This year, ten local primary schools took advantage of the funding to improve their school grounds and local community, by planting local indigenous trees, shrubs and grasses. Local on-ground works through Landcare were also supported by the Shire with funding provided to the major Landcare Networks Woody Yaloak Catchment Group and the Leigh Catchment Group.

Pest Plant and Animal Control

Golden Plains Shire Council is responsible for approximately 840 hectares of land over 240 parcels throughout the Shire. These parcels comprise Crown land that Council manages as well as land that Council owns. This land is used in many ways including for sporting facilities, nature conservation areas and vacant land. As the land owner or manager, Council, like all other

land owners, is responsible for controlling pest plants and animals on this land.

Council's Natural Resources Officer inspects each of these properties annually and maps the major weeds present. An annual program of weed control, generally chemical spraying, is then rolled out utilising the skills of pest plant control contractors. Where possible, Council also works with adjoining land owners and the Department of Sustainability and Environment to achieve maximum weed control over the wider area.

Council successfully applied for funding under the State Government Building the Capacity of Local Government to Respond to Pests program to undertake control of priority weed species on roadsides. The program, which has been rolled out over the last three years, controlled priority species such as Serrated Tussock and Gorse on targeted roadsides.

Annual rabbit control saw continuation of mapping, eradication and harbour removal. Recent works have included the use of explosives to collapse warren complexes, rendering the sites unsuitable for recolonisation. Council also participated in a rabbit control target area around Mount Mercer.

A consistent approach from Council over the last decade has seen a steady reduction in the pest plant and animal burden on Council land with Council remaining committed to maintaining this downward trend over the years to come.

Central Victoria Group Training Partnership

The very successful Council partnership with the Central Victorian Group Training (CVGT) hosting a group of young people who were undertaking studies in Certificate in Conservation and Land Management drew to a close with removal of Federal funding from the program. The group has completed fencing, woody weed removal, signage installation, flood clean up, rabbit warren mapping and fire fuel cleanup in Council reserves across the Shire. The group has assisted community Committees of Management to complete tasks in areas under their jurisdiction. This partnership has resulted in very significant land management outcomes for Council with this group undertaking tasks that Council lacks the resources to otherwise complete.

Ecological burning

Planned burning in Council reserves continued with burn plans developed for several reserves. Lack of CFA volunteers or poor weather prevented most burns going ahead. A successful grassland burn was carried out in Bakers Lane Reserve in Teesdale.

G21 Environment Pillar

Council has continued to support and participate in the G21 Environment Pillar. Cr David Cotsell has led the pillar with skill and commitment.

Strengthening our communities

Golden Plains Shire Council is committed to the ongoing advancement of its many communities through a series of programs, projects and initiatives backed by partnerships and sound strategic planning.

Golden Plains Shire has a population of around 18,770 people. It has one town of a little more than 3,500 people (Bannockburn) and four other townships with populations of around 1,000 people.

Golden Plains Shire includes 56 formally recognised 'localities', from which Council has identified 35 communities of common interest. For the purposes of community planning, a community is defined by residents' sense of connection to a particular area.

Community building or strengthening is a key objective for Golden Plains Shire Council. It requires a sustained effort to increase involvement and partnership among community members to achieve common objectives.

By focusing on community strengthening, Council aims to improve opportunities for residents to participate in their community and achieve access to services and employment. In turn this delivers improved economic and social development outcomes.

Local Government plays an important role in community strengthening, including acting as a service deliverer, key facilitator and coordinator, program partner, capacity builder and grant provider.

Community Development

Within the Golden Plains context, community development is a process by which Council, community groups and citizens work together to strengthen and advance the overall wellbeing of communities of interest.

Whilst communities of interest will often form on the basis of geography, they will also form around other common interests or characteristics including demographics.

Community development happens when networks, partnerships and relationships are supported by trust, respect and good communication. Successful community development recognises the uniqueness of individual communities and responds accordingly.

Golden Plains Shire Council's Community Development objectives are:

- To encourage and assist common interest groups to take an active involvement in the life of their community for the overall benefit of that community and its members.
- To help communities to help themselves to become stronger, more economically, environmentally and socially sustainable.
- To enhance leadership and other civic skills within communities so as to enhance the capacity of those communities to address local issues and challenges and to build vibrant, healthy places.
- To develop a sense of community spirit, pride, ownership and identity within communities.

Community Development Activity Summary 2011-12

Volunteer training calendar established in 2011 included eleven monthly sessions covering a range of topics held across Golden Plains Shire:

- Recreation Committees of Management strengthened through IT upgrades, training and leadership development.
- Fifty eight community grants

paid to community organisations totalling \$127,921.

- Successful establishment of Arts Trail Advisory Committee and implementation of the third Golden Plains Arts Trail event attended by 1,800 visitors.
- Three employment and training information sessions held for young people and their families, inclusive of local business.

Golden Plains Shire Council continues to strengthen our communities by facilitating programs and partnerships that empower residents to achieve long-term positive changes, build local skills and knowledge, and increase social interaction.

The Community Planning program engaged 21 communities across Golden Plains Shire supporting residents to plan and achieve local priorities.

Community Planning Activity Summary 2011-12

- Two new community plans commenced - Maude / Steiglitz / She Oaks and Mannibadar / Willowvale.
- Seven communities came together to review existing community plans.
- The number of volunteers involved in community planning rose by 20%.
- Golden Plains Shire Council supported communities to facilitate 140 general community plan implementation meetings.
- Volunteers took a lead role in developing a program identity with the aim of improving communication about their community plans.

Community Grants 2011-12

In 2011-12, Council made the following payments under the community grants program:

Organisation/Club	Project Description	Actual \$
Bannockburn and District Lions Club	Camp Awakenings - youth development program	3,000
Bannockburn and District Netball Association	New Bannockburn stadium electronic scoreboard	5,000
Bannockburn Bowls Club	Installation of permanent shade structure and seating	5,000
Bannockburn Football (Soccer) Development Group	Pilot program for Bannockburn Football (Soccer) Development Group - provision of equipment	2,680
Bannockburn Golf Club	Fairway restoration completion	5,000
Bannockburn Kindergarten Inc.	Learn through play - provision of play equipment	2,000
Bannockburn Playgroup Inc.	Purchase of popcorn machine and badge maker	574
Bannockburn SES and Rural Fire Brigade	Replacement of Santa Claus costume	93
Cape Clear Primary School	Small Steps - young children's program to encourage confidence and independence entering kindergarten	1,600
Corindhap Hall	Completion of kitchen upgrade	1,170
Dereel and Surrounding Communities Mens Shed	Lets Get Started Project - provision of storage shipping container and fridge	413
Grenville Recreation Reserve Inc.	Upgrade fresh water supply - maintenance, plumbing upgrade	1,500
Haddon and District Community House Inc.	Family fun in our backyard family fiesta - community event	1,000
Haddon Recreation Centre Committee of Management	Reserve upgrade 2011 - tennis shelter storage and seating	4,714
Happy Valley School Restoration Group	Barbeque picnic area	2,500
Inverleigh Golf Club	Rain water tank	5,000
Inverleigh Kindergarten Inc.	Internal and external clean and paint	5,000
Leighdale Equestrian Centre Committee of Management	Dressage arenas - safety fencing required by Equestrian Australia	2,000
Leighdale Pony Club Inc.	Jump For Joy - provision of light weight horse jumps	1,877
Linton and District Bowling Club Inc.	Re-roofing of the clubhouse	2,000
Linton Recreation Reserve Committee of Management	Safety fencing and building security	2,123
Meredith Angling Club	Refurbish existing toilets - RSL Hall, Meredith	3,000
Meredith Community Centre Inc.	Kitchen upgrade	4,254
Meredith Kindergarten	Kitchen upgrade	3,060
Meredith Memorial Hall	Community hall kitchen improvement project	5,000
Napoleons and District Historical Society Inc.	Black Lead Historical Church - provision of rear disability access	1,258
Napoleons Recreation Reserve	Safety bollards for reserve	1,225
Napoleons Town Coordinators	Town entrance sign	5,000
Rokewood Community Coordinators	Streetscaping - installation of rotunda, toilet block and information board improvements	5,000
Rokewood Golf Club	Fairway renovation	5,000
Rokewood Kindergarten	Upgrade outdoor play area	4,945
Rokewood Pony Club - Smythesdale	Building portable cross country jumps	1,432

Organisation/Club	Project Description	Actual \$
Rokewood Recreation Reserve Committee of Management	Upgrade of oval lighting	5,000
Scope (Vic) Pty. Ltd.	Senses Alive in Spring - disability access program	5,000
Shelford Public Hall Committee	Renovation of public hall	2,000
Smythesdale Courthouse Museum	Come Back To Scarsdale - community event	2,558
Smythesdale Fire Brigade	Smythesdale Fire Brigade - 150 Years 1862-2012 - historic booklet and CD	3,500
Smythesdale Historic Precinct Committee of Management	New interpretive signage for Smythesdale Historic Precinct	2,400
Smythesdale Progress Association	Carols in the Hub - Christmas decoration renewal project	382
Smythesdale Sporting Club Inc. Cricket Sub Committee	Cricket net extension and tank cut off switch provision	1,250
Teesdale Preschool Inc.	Blinds and tap replacement	831
Woody Yaloak Equestrian Centre Committee of Management	Trailer upgrade and provision of communication system	3,832
Woody Yaloak Historical Society	Construction of gallows shelter	5,000
Woody Yaloak Recreation Facility Committee of Management	Alarm system and catering equipment	2,750
TOTAL		127,921



Award recipients at the 2011-12 Community Grant Ceremony.

Investing in our future

Council proactively plans for population growth with community wellbeing and sustainability in mind

Golden Plains continues to benefit from the ongoing tree change phenomenon, with residents using technology and infrastructure improvements to make the most of lifestyle, investment and employment opportunities.

In this context, the 2011–15 Council Plan and supporting Budget allows Council to deliver essential infrastructure, asset renewal projects and industry development to support growth and long-term prosperity.

A select summary of this investment activity follows:

A new chapter for Golden Plains

Communities across Golden Plains can now enjoy the benefits of a new library and a redeveloped

and expanded cultural centre after an investment of \$5.1m in the new facilities by the Victorian Government, Federal Government and Golden Plains Shire Council.

Council's first fixed public library is located in the new Bannockburn Cultural Centre. The library functions as the school library as well as providing the full range of public library services and collections to the general community.

In addition to the library, the Bannockburn Cultural Centre is an impressive complex which includes the public hall complete with kitchen, two meeting rooms, internet access, a community learning centre, an outdoor reading garden and a youth space.

Youth Engagement Grant ensures everyone can play a part

Golden Plains Shire Council has secured \$120,000 in State

Government funding to deliver its youth engagement program over the next three years. Initiatives and activities are designed to nurture young people's skill development, enhance their connection to their local community, their peers and their family members and providing youth participation opportunities for them at a local level.

Rokewood, Meredith, Teesdale and Haddon communities benefit from main street upgrades

Council has secured funding for main street upgrade projects planned for Haddon, Meredith, Teesdale and Rokewood. These projects have attracted funding support through the State Government's Regional Growth Fund. Residents, through the community planning process, identified these projects in their Community Plans.



Bannockburn Cultural Centre



Golden Plains Farmers' Market

Community Safety Grants boost security at local facilities

Investing in security measures for community facilities helps to make Golden Plains an even safer place to live.

Council, together with the Haddon and District Community House, was awarded a \$7,884 grant to improve security and lighting at the Northern Community Centre at Haddon. This application was supported by Eureka Community Kindergarten Inc., Haddon Kindergarten Committee, Haddon Church of Christ, Haddon Tennis Club and the Mothers Appreciating Recreational Equine Support (MARES) group.

A \$2,205 grant was also awarded to the Woody Yaloak Recreation Centre Committee of Management to install an alarm system at Smythesdale.

\$1m Lowndes Bridge construction improves road network

Construction of the Lowndes Bridge on Parkers Road at Sutherlands Creek has resulted in major safety

improvements to an important piece of transport infrastructure.

Parkers Road is a very important part of the Shire's road network and provides a safe crossing over the Moorabool River. It caters for through traffic between the Geelong-Ballan Road and the Midland Highway as well as local traffic.

The Golden Plains Farmers' Market wins best regional business accolade

The Golden Plains Farmers' Market won a prestigious Geelong Advertiser Business Excellence Award. It is the second successive win for Golden Plains Shire Council, with the farmers' market taking out the award for best regional business.

Its benefit to the region is more than the obvious positive contribution to the local economy, stimulating enterprise opportunities and generating employment. It facilitates interaction between consumers and producers, supports wider consumer choice with access to fresh food, supports involvement of volunteers and not for profit organisations and offers a social

atmosphere enjoyed by a broad range of people from both inside and outside the region.

Innovative tourism digital infrastructure development leads to excellence

Golden Plains Shire Council has won the 2012 National Award for Excellence in Local Government after also winning the 2012 Small Council Innovative Infrastructure Award for the Golden Plains Tourism Smartphone/Tablet Application and Website Digital Infrastructure Project.

Council was amongst a field of 370 local government entries and 27 award recipients vying for the prestigious recognition. The award was presented before 850 delegates from across Australia in the Great Hall at Parliament House, Canberra.

The project was identified as an innovative and dynamic component of Council's economic development infrastructure for the local tourism industry. The App is free to download from Council's websites, the Android marketplace and the Apple iTunes store.

Our year in review

The major highlights achieved fulfilling the objectives as set

Citizen and Customer Service

- Continued implementation of Council's Customer Service Strategy with the adoption of the "At Your Service" theme, frontline staff training in customer service skills and the introduction of corporate ties and scarves for frontline staff.
- Successfully completed Communications and Marketing Strategy initiatives, including expansion of the Golden Plains Gazette from 8 to 12 pages, implementation of social media platforms, participation in the G21 Our Place Magazine regional marketing project and redevelopment of Council's corporate stationery.
- Successfully partnered in the delivery of Mayoral events including Mayoral Volunteers Celebration, Special Meeting of Council and Community Grants Ceremony.
- Successful delivery of the annual Staff Excellence Awards and Long Service Recognition Ceremonies to recognise employees' contribution to Council.

Civic Leadership

- Regularly lobbied State and Federal Government, which contributed to major funding announcements including the Bannockburn Sports Precinct Stage 2 - Football (Soccer) Development, the Woody Yaloak Equestrian Centre – Regional Facility Upgrade Project, the Linking Townships to Trails Project, the Batesford Community Playground Project, the Bannockburn Regional Skate Park Upgrade Project and the Economic Development Strategy Review 2012-16.
- Facilitated and supported community celebrations of important national events such as the Australia Day Awards, citizen recognition including Golden Plains volunteers and the facilitation of official openings and launches.
- Continued the successful management of the Golden Plains Farmers' Market resulting in the receipt of a second Geelong Business Excellence Award.
- Successfully planned and delivered

a three day visit to Golden Plains Shire by the Governor of Victoria, Alex Chernov, involving the participation of over 150 local residents and business personnel.

Economic Development

- Continued to advocate to Barwon Water, Central Highlands Water, Southern Rural Water and the Corangamite Catchment Management Authority with regard to Council's growth and future demands for water.
- Successfully completed Economic Development Strategy initiatives including: Tourism Smartphone / Tablet App, Golden Plains Business Leaders' Breakfast Events and expansion of the Small Business Training Calendar.
- Continued to promote visitor attraction to the region through Council's tourism brand.
- Developed a new offering, primarily web based, for attracting people to come and live, work and/or invest in Golden Plains - 'Golden Plains. Life as it should be'.
- Continued to plan and advocate



The Lowndes family and friends at the Lowndes Bridge re-opening.

out in the Council Plan for 2011-12 as presented below against Council's nine key result areas.

for infrastructure to support business expansion and growth in towns throughout the Shire, with particular emphasis on roads and paths, water and sewerage, community services, infrastructure, telecommunications and power.

- Continued to pursue the State Government's roll out of natural gas to Bannockburn.

Environment and Land Use Planning

- The planning team successfully completed its review of the Bannockburn Urban Design Framework. The amended policies and updated mapping are soon to be incorporated within the Golden Plains Planning Scheme.
- Council has commenced the process of developing a new structure plan for the township of Shelford.
- The development of a new structure plan for the settlement of Gheringhap is progressing well. This project will explore opportunities for the identification of employment land in the south of the Shire.
- Council has contributed to the development of the G21 Regional Growth Plan. This document is the first of eight plans to be developed across the State of Victoria and will provide a shared vision for how the region will respond to population growth.
- Officers continue to work closely with the project team which has been tasked with developing the Central Highlands Regional Growth Plan.
- Continued the implementation of Council's Environment Strategy, including mapping of priority weed management locations for all roadsides and fuel reduction



Governor Chernov and Mrs Elizabeth Chernov visited Teesdale Primary School during their official visit to Golden Plains Shire in October 2011.

burning in a number of Council reserves located throughout the Shire.

Financial management

- Implemented the third year of Council's Strategic Resource Plan, which finances the Council Plan, including the current Rating Strategy.
- Secured funding and borrowings and utilised appropriate levels of discretionary retained earnings to deliver major community infrastructure.
- Successful management of Council owned land within the Shire. This included a review of titles held by Lands Victoria, to ensure all land owned by Council was being accounted for. Also, a significant amount of infrastructure within subdivisions was handed to Council during the year.

Human support services

- Continued to operate high quality and financially sustainable early childhood services.
- Implementation of service improvement plans for kindergarten cluster and maternal and child health service.
- Implementation of Playgroup

Plus program at all playgroups throughout the Shire.

- The Smythesdale Business, Health and Community Hub has increased services with a dispensing pharmacist now operating for immediate supply of medicines and advice five days per week. Other services now include a practice nurse, general practitioner medical services, dietician, audiologist, physiologist, podiatry, maternal and child health.
- Successful application for growth funding of \$45,000 to provide additional and enhanced home and community care services.
- A review of the services delivered in Bannockburn, in partnership with Barwon Health, has led to an increase in the range of services available to now include a community health nurse, speech pathologist and dietician.
- Delivered a responsive and flexible community transport service, supporting people who are disadvantaged to attend specialist and medical appointments, as well as social outings.

Our year in review (continued)

Recreation and Community Development

- Construction of paths that provide important linkages between community facilities and residential developments.
- Construction of community facilities including the Leighdale Equestrian Centre Improvement Project, the Rokewood-Corindhap Netball Court Upgrade, The Cape Clear Bore Project, the Inverleigh Netball and Football Upgrade Project and the Bannockburn Library and Cultural Centre.
- Recreation Committees of Management were strengthened through professional development and the volunteer training calendar was expanded to cover a broader range of topics at sessions held across the Shire.
- The Youth Voice Committee established the Youth Voice magazine initiative and addressed Council on two occasions to represent needs of young people.
- Council appointed an independent facilitator to continue ongoing support for Town Place plans.
- Supported the establishment of the Golden Plains Soccer Club and Golden Plains Hockey Club.
- Council appointed the YMCA as management of the Bannockburn Recreation Centre creating a number of increased participation opportunities for residents in the south of the Shire.
- Established partnerships with Leisure Networks and Sports Central to directly support a number of local sporting clubs through the Healthy Sporting Environments and Targeted Assistance Program.



Mayor, Cr Geraldine Frantz with the participants of Council's annual Youth Leadership Forum.

Roads and streets infrastructure

- Council completed extensive repairs due to flood damage at Linton-Piggoreet Road on the major box culvert, on the McLeod Road Bridge and on a number of paths and trails.
- Council continued to advocate for passing lanes on the Hamilton Highway (between Inverleigh and Geelong) and the Bannockburn-Shelford Road.
- Council's road construction and maintenance works continue in accordance with Council's Road Strategy. Road upgrade construction projects were funded by Council and the Federal Roads to Recovery, State Local Roads to Market program and the Country Roads and Bridges Initiative.
- Council has senior officer representation on both Central Highlands Region and G21 Geelong Region Transportation Planning Committees to present Golden Plains Shire's priorities in those forums.
- Officers continued to advocate to VicRoads for overtaking lanes on the Midland Highway between Bannockburn and Meredith and for duplication of the Midland Highway between Geelong and Bannockburn.

- As part of implementing Council's bridge replacement program, the replacement of Parkers Road bridge has been completed.
- Continued to advocate the need for the State Government to upgrade highways impacted by new developments such as the Geelong Ring Road including upgrade works to the Hamilton Highway.

Waste management

- Waste collected from the southern area of the Shire, previously disposed of at the Corio landfill, is now redirected to Naroghid landfill using the former Teesdale landfill site as an exchange station.
- Council continues to be a member of the Highlands Regional Waste Management Group and maintains links to the Barwon Regional Waste Management Group as the Shire's waste issues impact on both regional groups.
- Council re-established the Smythesdale Regional Landfill Monitoring Committee with the City of Ballarat and local residents to monitor the landfill operations on a more regular basis in response to complaints from the local community.

Grants obtained

In 2011-12, Council received external funding for the following community based projects.

Project	Funding Source	Amount Received 2011-12 \$	Total Grant Funding \$	Total Project Cost \$
State Emergency Service	State Emergency Service	12,234	12,234	24,468
Fire Ready Community Program	Dept. of Planning & Community Development	12,600	12,600	12,600
Economic Development Strategy	Regional Development Victoria	13,361	30,000	60,000
Interim Roadside Weed Control	Dept. of Primary Industries	70,000	70,000	70,000
Community Safety Fund	Dept. of Justice	7,884	7,884	7,884
Arts Trail Project	Tourism Victoria	1,500	30,000	30,000
Community Arts Project	Arts Victoria Regional Arts Victoria Office of the Arts City of Ballarat (via VicHealth) School Focused Youth Services	15,000	98,045	98,045
Youth Participation and Access	Dept. of Planning & Community Development	16,560	33,120	33,120
Freeza Project 2011-12	Dept. of Planning & Community Development	24,300	24,300	24,300
Accessible Toilets Upgrade	Dept. of Families, Housing, Community Services and Indigenous Affairs	27,000	27,000	54,000
Streetscapes Project - Planning	Dept. of Planning & Community Development - LGIP	150,000	150,000	150,000
Bannockburn Recreation Precinct (Stage 2)	Dept. of Planning & Community Development - LGIP	315,000	315,000	315,000
Linton Town Precinct	Regional Development Victoria	150,000	300,000	470,000
Cape Clear Bore	Regional Development Victoria	18,750	37,500	50,000
Woody Yaloak Equestrian Centre Upgrade	Dept. of Planning & Community Development	4,000	40,000	64,000
Bannockburn Skate Park	Dept. of Planning & Community Development	90,000	100,000	200,000
Bannockburn Cultural Centre (Excl Library)	Dept. of Infrastructure, Transport, Regional Development and Local Government Dept. of Planning & Community Development	215,000	955,000	2,091,162
Teesdale Turtle Bend Meeting Place	Dept. of Planning & Community Development	3,000	30,000	60,000
Total		2,193,084	3,831,284	7,205,166



Children at the Bannockburn Family Services Centre enjoying morning tea.

Statutory information

The following summary lists documents that are available for public inspection in accordance with section 11 of the Local Government Regulations 2004.

- 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 (with the exception of interstate travel by land) 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 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 during the financial year.
- p. Details of Council memberships.
- q. A list of contracts valued at \$100,000 or more which Council entered into during the financial year without first engaging in a competitive process and which are not contracts referred to in section 186(5) of the Act. Section 186(5) of the Act details circumstances where this section does not apply.



Smythesdale streetscape.

Whistleblowers Protection Act 2001 (WPA)

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

	Number
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

Freedom of Information

Under the Freedom of Information Act 1982, the community has the right to access documents and other information generated or held by a Committee, whatever form they may be in (electronic, written, email, fax, etc).

Documents include:

- Correspondence

- Minutes of meetings
- Financial records
- Tenure agreements
- Contracts
- Employment records

During the year 2011-12, five requests for information were received under the Freedom of Information Act 1982. Four

requests were granted in full and one request was denied as no documents existed. A total of \$48.80 in application fees was collected. Council chose to waive a total of \$73.20 in application fees on the grounds of financial hardship.

Domestic Animal Management Plan Evaluation

The current Golden Plains Shire Domestic Animal Management Plan is in the process of being reviewed in line with statutory requirements.

Implementation of the current Golden Plains Shire Domestic Animal Management Plan met or exceeded a number of its objectives with dog registrations reaching the projected 2013 figure of 5274 in February 2012. Cat registration trends have not improved and this will be considered

during the review of the plan over the coming months. Council has a 100% success rate with prosecutions in relation to domestic animal offences. Annual dog reclaim/adoption rates are currently at just over 85%, falling short of Council's target of 90%.

Dog attacks continue to be a concern. While attack numbers have not increased, they have remained static.

Local Laws

The following Local Laws were in place as at 30 June 2012:

Local Law No. 1 - 2009

Processes of Municipal Government

Local Law No. 2

Public Amenity, Roads and Streets

Victorian Local Government Indicators, Standard Statements and Explanations of Variances - 30 June 2012

Council Plan strategic indicators

Performance Measure	Actual performance compared to target performance		
	Actual Result 2011-12	Target 2011-12	Difference
Community satisfaction rating for customer service	73	>69	4
Community satisfaction rating for lobbying on behalf of the community	60	>68	-8
Community satisfaction rating for business, community development and tourism	64	>64	0
Community satisfaction rating for Council's general town planning policy	62	>63	-1
Auditor-General's report: Local Government Results of the 2010-11 audits	A low risk rating in all five indicators	A low risk rating in all five indicators	0
Community satisfaction rating for family support services and elderly support services	67	>75	-8
Community satisfaction rating for recreational facilities	73	>67	6
Community satisfaction rating for the condition of local streets and footpaths	54	>51	3
Community satisfaction rating for waste management	76	>73	3

Victorian Local Government Indicators

Average rates and charges per Assessment	\$1,402.22
Average rates and charges per Residential Assessment	\$1,268.21
Average Liabilities per Assessment	\$1,269.70
Operating Result per Assessment*	\$1,473.60
Average Operating Expenditure per Assessment	\$2,925.10
Average Capital Expenditure per Assessment	\$1,152.77
Infrastructure Renewal Gap	180.25%
Infrastructure Renewal & Maintenance Gap	141.50%
Community Satisfaction Rating of Overall Performance	67
Community Satisfaction Rating for Council's Advocacy	60
Community Satisfaction Rating for Council's Community Consultation	62

*The Operating Result per Assessment indicator includes \$6 million of found assets and assets acquired through the appointment of committee of management process. Adjusting this indicator for these non-cash items gives a more meaningful result of \$848.68.

Community Satisfaction Ratings – Index score of 400 respondents' answers in a survey, conducted by independent research consultants JWS Research, asking them to rate Council's performance. The 'Index Score' is a weighted score across five performance ratings being 100 – Very Good, 75 – Good, 50 – Average, 25 – Poor and 0 – Very Poor.

Standard Statements

Standard Income Statement for the year ended 30 June 2012

	ACTUAL	BUDGET	VARIANCE	VARIANCE
	\$	\$	\$	%
REVENUE				
Rates	12,288,357	12,043,895	244,462	2.03
Grants and Subsidies	14,447,829	9,152,803	5,295,026	57.85
Contributions and Recoupments	5,406,717	1,420,043	3,986,674	280.74
Fees and Charges	3,716,007	3,525,950	190,057	5.39
Other Revenue	3,940,511	330,500	3,610,011	1092.29
Total Revenue	39,799,421	26,473,191	13,326,230	50.34
EXPENDITURE				
Contracts and Materials	9,730,322	8,293,844	(1,436,478)	17.32
Employee Costs	13,289,204	11,973,974	(1,315,230)	10.98
Depreciation	4,374,206	4,641,726	267,520	5.76
Debt Servicing	380,758	416,202	35,444	8.52
Other Expenses	232,978	235,161	2,183	0.93
Bad Debts	4,500	250	(4,250)	-
Assets Written Off	150,928	-	(150,928)	-
Total Expenditure	28,162,896	25,561,157	(2,601,739)	10.18
Net Gain on Disposal of Property, Plant and Equipment	2,074,877	1,491,292	583,585	39.13
Share of Net Profit of Associates accounted for by the Equity Method	476,387	-	476,387	-
Surplus	Ref 1 14,187,789	2,403,326	11,784,463	490.34

Standard Statements

Standard Balance Sheet as at 30 June 2012

		ACTUAL	BUDGET	VARIANCE	VARIANCE
		\$	\$	\$	%
CURRENT ASSETS					
Cash and Cash Equivalents		8,451,936	1,611,914	6,840,022	424.34
Trade and Other Receivables		2,875,632	1,260,851	1,614,781	128.07
Inventory - Consumables		28,576	25,000	3,576	14.30
Non-Current Assets Classified as Held for Sale		498,319	639,172	(140,853)	22.04
Other Assets		275,897	270,000	5,897	2.18
Total Current Assets	Ref 2	12,130,360	3,806,937	8,323,423	218.64
NON-CURRENT ASSETS					
Land	Ref 3	19,137,466	12,860,918	6,276,548	48.80
Land Under Roads	Ref 4	191,709	39,707	152,002	382.81
Buildings	Ref 5	26,722,994	23,901,546	2,821,448	11.80
Furniture and Equipment	Ref 6	664,985	970,137	(305,152)	31.45
Plant and Machinery		4,382,621	4,606,892	(224,271)	4.87
Infrastructure		143,484,541	141,932,100	1,552,441	1.09
Other Structures	Ref 7	3,757,702	3,061,767	695,935	22.73
Work in Progress	Ref 8	294,347	-	294,347	-
Investment in Associate	Ref 9	766,553	284,815	481,738	169.14
Gravel Pit Rehabilitation		70,000	70,000	-	0.00
Total Non-Current Assets		199,472,918	187,727,881	11,745,037	6.26
TOTAL ASSETS		211,603,278	191,534,818	20,068,460	10.48
CURRENT LIABILITIES					
Trade and Other Payables		2,127,120	1,700,000	(427,120)	25.12
Interest-Bearing Loans and Borrowings	Ref 10	549,388	431,688	(117,700)	27.27
Employee Provisions		2,027,908	1,900,618	(127,290)	6.70
Trust Funds and Deposits		410,459	250,000	(160,459)	64.18
Provision for Rehabilitation of Gravel Pits		15,000	15,000	-	0.00
Defined Benefit Super Liability		84,176	84,176	-	0.00
Total Current Liabilities		5,214,051	4,381,482	(832,569)	19.00
NON-CURRENT LIABILITIES					
Interest-Bearing Loans and Borrowings	Ref 10	4,890,779	5,614,473	723,694	12.89
Employee Provisions		421,023	245,182	(175,841)	71.72
Provision for Rehabilitation of Gravel Pits		97,779	76,662	(21,117)	27.55
Defined Benefit Super Liability		2,011,457	252,529	(1,758,928)	696.53
Total Non-Current Liabilities		7,421,038	6,188,846	(1,232,192)	19.91
TOTAL LIABILITIES	Ref 11	12,635,089	10,570,328	(2,064,761)	19.53
NET ASSETS		198,968,189	180,964,490	18,003,699	9.95
EQUITY					
Accumulated Surplus and Reserves		198,968,189	180,964,490	18,003,699	9.95
TOTAL EQUITY		198,968,189	180,964,490	18,003,699	9.95

Standard Statements

Standard Statement of Cash Flows for the year ended 30 June 2012

	ACTUAL	BUDGET	VARIANCE	VARIANCE	
	\$	\$	\$	%	
CASH FLOWS FROM OPERATING ACTIVITIES					
(Inclusive of GST where applicable)					
Receipts from Ratepayers	12,097,412	12,380,501	(283,089)	2.29	
Grants	14,426,354	9,027,378	5,398,976	59.81	
Interest Received	482,253	330,500	151,753	45.92	
Fees and Charges	3,692,533	3,616,240	76,293	2.11	
Contributions and Recoupments	1,558,963	908,384	650,579	71.62	
Payments to Employees	(11,272,510)	(11,272,510)	530,073	4.49	
Payments to Suppliers	(11,328,792)	(9,144,175)	(2,184,617)	23.89	
Net GST Refunded	481,500	818,682	(337,182)	41.19	
Net Cash Inflow from Operating Activities	10,137,713	6,134,927	4,002,786	65.25	
CASH FLOWS FROM INVESTING ACTIVITIES					
(Net of GST)					
Payment for Land and Buildings	(1,509,164)	(745,000)	(764,164)	102.57	
Payment for Infrastructure Assets	(6,329,609)	(3,300,600)	(3,029,009)	91.77	
Payment for Plant and Machinery	(1,540,361)	(2,199,800)	659,439	29.98	
Payment for Furniture and Equipment	(759,162)	(721,900)	(37,262)	5.16	
Payment for Other Structures	(521,437)	(786,480)	265,043	33.70	
Payment for Development Costs of Land Sold	(58,277)	-	(58,277)	-	
Proceeds from Sale of Land	3,283,884	2,007,273	1,276,611	63.60	
Proceeds from Sale of Assets	930,124	961,500	(31,376)	3.26	
Net Cash Outflow from Investing Activities	(6,504,002)	(4,785,007)	(1,718,995)	35.92	
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest Paid	(386,653)	(416,202)	29,549	7.10	
Repayment of Borrowings	(1,659,293)	(1,053,899)	(605,394)	57.44	
Proceeds from Loan	500,000	500,000	-	0.00	
Trust Funds	83,403	(45,000)	128,403	285.34	
Net Cash Inflow from Financing Activities	(1,462,543)	(1,015,101)	(447,442)	44.08	
Net Increase/(Decrease) in Cash Held	Ref 12	2,171,168	334,819	1,836,349	548.46
Cash at 01/07/2011		6,280,768	1,277,095	5,003,673	391.80
Cash at 30/06/2012		8,451,936	1,611,914	6,840,022	424.34

Standard Statement of Capital Works for the year ended 30 June 2012

		ACTUAL	BUDGET	VARIANCE	VARIANCE
		\$	\$	\$	%
CAPITAL WORKS					
Land and Buildings		1,592,061	470,000	(1,122,061)	238.74
Furniture and Equipment		854,134	594,900	(259,234)	43.58
Plant and Machinery		1,804,567	2,082,800	278,233	13.36
Infrastructure		5,971,670	3,093,600	(2,878,070)	93.03
Other Structures		585,167	786,480	201,313	25.60
Work in Progress		289,147	-	(289,147)	-
Total Capital Works	Ref 13	11,096,746	7,027,780	(4,068,966)	57.90
Represented by:					
Renewal		3,917,357	4,595,840	678,483	14.76
Upgrade		3,795,436	553,560	(3,241,876)	585.64
Expansion		2,640	-	(2,640)	-
New Assets		3,381,313	1,878,380	(1,502,933)	80.01
Total Capital Works		11,096,746	7,027,780	(4,068,966)	57.90

Standard Statements

Explanation of Variances Standard Income Statement

Ref 1: Council recorded an Operating Surplus for the year of \$14.18m compared to a budgeted surplus of \$2.40m. The difference of \$11.78m is predominantly due to the following:

Favourable Variances

ITEM	EXPLANATION	\$'000
Found Land Assets	Titles identified by Land Victoria as belonging to Council	2,950
Council made Committee of Management	Land now under the control of Council	2,555
Grants - Country Roads and Bridges Initiative	\$1m 2011-12 funding, not budgeted; \$1m 2012-13 funding, received early	2,000
General Purpose Grant	Timing of receipts; 2012-13 grants received early	1,333
Grants - Flood Recovery	Recoupment of final flood recovery expenditure, not budgeted	1,035
Subdivisions Handed to Council	Increase in property handed to Council	933
Net Gain on Disposals	Primarily due to land at Bakers Lane being sold.	584
Found Building and Other Structure Assets	Assets found during revaluation	512
Equity in Geelong Regional Library	Contribution of new assets less share of deficit for year	476
Grant - Local Government Infrastructure Program	New funding for streetscape development and Recreation Precinct Stage 2, not budgeted	465
Employee Costs	Employee costs capitalised and unfilled positions	444
Depreciation	Due to contributing library books and furniture to GRL prior to depreciation	268
Rates Revenue	Increased number of assessments and supplementary rate assessments	244
Interest Income	Increased funds available for longer periods	148
Grant - Bannockburn Cultural Centre (Phase 2)	Received in 2011-12, budgeted for 2010-11	125
Grant - Bannockburn Skate Park	Received in 2011-12, budgeted for 2012-13	90
Grant - Bannockburn Cultural Centre	Received in 2011-12, budgeted for 2010-11	90
Contribution - High St Bannockburn	Unbudgeted infrastructure project, funded privately	86
Grant - Assessment and Care Management	Extra and specific growth funding received	83
Gravel Sales	Increased demand for gravel	73
Library Operating Costs	Savings due to delay in opening Library	64
Planning Scheme Amendment	Expenditure deferred to 2012-13	50
Subdivision Supervision Fees	Increased subdivision activity	50
Panel Hearing Reimbursement and Expenses	Reimbursement of panel costs not budgeted and reduced expenses	42
Animal Registration Charges	Increase in number of animals registered	40
Drainage Study for Bannockburn	Deferred to 2012-13	39
Public Open Space Contributions	Increased subdivision activity	36
Planning Study	Deferred to 2012-13	36
Interest on Borrowings	Early repayment of loan	35
Inverleigh Parent Fees	Pilot kinder program not budgeted	34
Grant - Bushfire Management Overlay	Received in 2011-12, not budgeted	30
Major Planning Application	Number of major applications varies from year to year	29
Town Planning Fees	Increased subdivision activity and complexity of applications	28
General Revaluation	Portion of contract paid in 2010-11, budgeted for 2011-12	28
Grant - Accessible Toilets Upgrade	New funding, not budgeted	27
Septic Tank Fees	Increase in building activity	26
MSS Review Implementation	Expenditure deferred to 2012-13	25
Private Building Inspection Fees	Increased activity in this area	25
Grant - Aged & Disability Minor Equipment	Funds received higher than budget as extra funds available from Department Human Services	24
Structure Plans Project Implementations	Able to deliver at lower cost	22
Playgrounds and Skate Parks Maintenance	Lower than expected demand for maintenance	22
Grant - NW Industrial Land & Equestrian Study	Received in 2011-12, budgeted in 2012-13	20
Grant - Procurement in Practice	Additional funding, not budgeted	20
Community Planning Implementation Grants	Fewer community groups applied for funding than budgeted	20
GPS Arts Strategy Implementation	Deferred to 2012-13	20
Grant - Engage Program	New funding, not budgeted	20
Grant - Neighbourhood Safer Places	New funding, not budgeted	18
Maintenance of Major Rec Facilities	Maintenance at Linton Recreation Centre completed in July 2012	18

Standard Statements

Explanation of Variances

Standard Income Statement (continued)

Unfavourable Variances

ITEM	EXPLANATION	\$'000
Local Authority Superannuation Fund - Defined Benefit Scheme	Actuary review as at 31 December 2011 resulted in a call to members	(1,759)
Flood Recovery	Cost of recovery from three flood events of 2010-11	(245)
Legal Advice	Required to defend excessive contractual claims against Council	(184)
Assets Written Off	Other Structure already accounted for in prior year as part of Infrastructure	(151)
Grant - Meredith Visitors Centre	Received 50% of budgeted funding, balance to be received 2012-13	(150)
Grant - Linton Town Precinct	Received 50% of budgeted funding, balance to be received 2012-13	(150)
Gravel Roads Routine Maintenance	This is due to "catch up" of last year and wet weather in early winter	(87)
Sale of Land Expenses	Additional blocks sold at Bakers Lane	(85)
Sealed Road Routine Maintenance	Extra program costs as program was curtailed in 2010-11	(81)
Arts Projects	Budgeted for 2010-11	(73)
Gravel Procurement Costs	Increased demand for gravel	(62)
Grant - BMX Facility Access Project	Funding received early in 2010-11	(60)
Drainage Maintenance Townships and Rural	Increased focus required in this area	(59)
Township Mowing and Maintenance	Weather conditions conducive to growing	(51)
Sports Ovals Playing Surface - Maintenance	Increased focus required in this area	(43)
Planned Activity Group	Deferred from 2010-11 budget	(43)
Grant - Roads to Market	This program did not continue in 2011-12	(35)
Enforceable Undertaking	Activities required to comply with Worksafe Victoria requirements	(34)
Aged and Disability Property Maintenance	Deferred from 2010-11 budget	(34)
Bannockburn UDF Review	Deferred from 2010-11 budget	(28)
Bannockburn Child Care	Fees below budget	(23)
Gheringhap Structure Plan	Project was more extensive than budgeted	(22)
Asset Revaluation	Not allowed for in 2011-12 budget	(19)
Aged & Disability Strategy	Deferred from 2010-11 budget	(18)
Grant - Cape Clear Bore	Received 50% of funding early in 2010-11	(18)
Other unfavourable variances		(44)
Total Operating Surplus Variance		11,784

Standard Statements

Explanation of Variances Standard Balance Sheet

Ref 2: Current assets are \$8.32m higher than budget

- Cash assets are \$6.84m higher than budget. This can be largely attributed to:
 - the opening cash balance \$5.00m favourable (\$6.28m to a budget of \$1.28m);
 - capital expenditure was \$4.07m higher than budget;
 - grants of \$3.50m relating to 2012-13 were received prior to 30 June 2012; and
 - income from the sale of land was \$1.28m higher than budget, due to an increase in the number of blocks sold at Bakers Lane, Teesdale.
- Receivables are \$1.61m higher than budget. This consists of:
 - rate receivables \$721k higher than budget; and
 - sundry receivables \$857k higher than budget.

Ref 3: Land is \$6.28m higher than budget. This is mainly due to:

- opening balance was \$1.79m higher than budget;
- revaluation carried out by Opteon, \$577k increase;
- an increase of \$2.95m as a result of the titles reconciliation project, which identified land that had previously been considered Crown Land; and
- Council appointed Committee of Management over land owned by other government agencies \$725k.

Ref 4: Land Under Roads is \$152k higher than budget. This is due to:

- additions of \$97k higher than budget; and
- revaluation increase of \$25k.

Ref 5: Buildings are \$2.82m higher than budget. This is primarily due to:

- opening balance was higher than budget \$956k;
- Council appointed Committee of Management \$1.63m;
- found assets \$221k;
- additions higher than budget \$700k; and
- revaluation carried out by Opteon \$796k decrease.

Ref 6: Furniture & Equipment is \$305k lower than budget. Assets were transferred to Geelong Regional Library (\$510k). This was marginally offset by less depreciation on the library furniture and equipment and the deferring of projects to 2012-13.

Ref 7: Other Structures are \$696k higher than budget. This is due to:

- revaluation carried out by Opteon \$207k increase;
- found assets identified during the revaluation process \$291k; and
- Council appointed Committee of Management \$197k.

Ref 8: Work in Progress is \$294k compared to a budget of \$0. This is primarily comprised of:

- Infrastructure \$119k;
- Buildings \$80k;
- Other Structures \$74k; and
- Land \$21k.

Ref 9: Investment in Associate is \$482k higher than budget. This is predominantly due to assets transferred to Geelong Regional Library.

Ref 10: The variances between Current and Non-Current Interest-Bearing Loans and Borrowings is a result of Council repaying one loan earlier than anticipated and the refinancing of another loan which resulted in the reclassification between current and non-current.

Ref 11: Total 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 than budget due to less leave being taken compared to budget;
- Trust Funds are higher than budget due to some large receipts in 2011-12; and
- Defined Benefit Super Liability is higher than budget due to another call being made by the trustees of the fund. This was the result of an actuarial review as at 31 December 2011.

Standard Statements

Explanation of Variances

Standard Statement of Cash Flows

Ref 12: Council budgeted for a net increase in cash of \$335k but recorded a net increase of \$2.17m, a variance of \$1.84m. This variance is primarily due to:

Favourable Variances

- Grants were \$5.40m higher than budget. Primarily due to:
 - General Purpose Grant of \$2.53m for 2012-13 received early in June 2012;
 - two years worth of grants for Country Roads & Bridges not budgeted, \$2.00m; and
 - final flood recovery grants relating to 2010-11 floods not budgeted, \$1.04m.
- Interest Received \$152k, as more funds were available for investing purposes.
- Contributions & Recoupments were \$651k higher than budget. Primarily due to:
 - public open space contributions \$36k;
 - debt collection recoupments \$78k;
 - kindergarten contributions \$50k;
 - private contribution to High Street, Bannockburn service road \$86k;
 - contribution to Kopkes Road, Haddon by City of Ballarat \$55k;
 - gravel sales \$73k; and
 - private works contribution \$40k.
- Payment for Plant & Machinery \$659k. Movements in creditors have increased by \$382k. A backhoe \$150k and motor vehicles, including utes, \$120k have been deferred to 2012-13.
- Payment for Other Structures \$265k due to the timing of completion of some projects.
- Proceeds from Sale of Land \$1.22m, the budget included the sale of 12 blocks at Bakers Lane, Teesdale while 19 blocks were actually sold.
- Trust Funds \$128k; primarily due to large deposits not budgeted.

Unfavourable Variances

- Payments to Suppliers \$2.19m. Budgeted operational payables had an unfavourable variance of \$973k. The remainder is operational expenditure.
- Net GST refunded \$337k lower than budget due to overall operations.
- Payment for Land & Buildings \$764k higher than budget. There is a favourable movement in the balance of creditors of \$459k. The unfavourable expenditure is primarily due to:
 - Bannockburn Cultural Centre \$1.02m; and
 - land purchases \$252k.
- Payment for Infrastructure Assets \$3.03m. This is primarily due to:
 - local roads resealing budgeted for 2010-11 \$627k was delayed and expended in 2011-12;
 - Country Roads and Bridges Initiative \$1.04m, new funded project not budgeted;
 - Bakers Lane Road construction \$176k;
 - Parkers Road Bridge \$415k, budgeted for 2010-11;
 - Linton – Piggoreet Road culvert \$517k, replaced due to 2011 floods; and
 - Whinrays Road Bridge \$187k, replaced due to 2011 floods.
- Repayment of Borrowings \$605k reflects that a loan was repaid in full in 2011-12.

Standard Statements

Explanation of Variances

Standard Statement of Capital Works

Ref 13: Council spent \$11.10m on capital expenditure in 2011-12, \$4.07m lower than budget. This variance is due to the following:

Favourable Variances

ITEM	EXPLANATION	\$'000
Meredith Visitors Centre	To be completed in 2012-13	402
Linton Town Precinct	To be completed in 2012-13	341
Motor Vehicles & Plant	Deferred to 2012-13	128
Periodic Bridge Maintenance	Not required	50
Scotchmans Lead Road Bridge	Expenditure incurred in 2010-11	50
Bannockburn Rec. Centre Street Lighting	Project deferred to 2012-13	40
Other favourable variances		2

Unfavourable Variances

ITEM	EXPLANATION	\$'000
Country Roads & Bridges Initiative	New funding, not budgeted	(1,044)
Bannockburn Cultural Centre	Budgeted for completion in 2010-11	(1,017)
Local Roads Resealing	Budgeted for completion in 2010-11	(627)
Linton-Piggoreet Road Culvert	Replaced due to 2011 floods	(517)
Parker Road Bridge	Budgeted for completion in 2010-11	(415)
24 Byron Street, Bannockburn	Purchase of land and building, not budgeted	(387)
Bannockburn Cultural Centre Furniture	Budgeted for completion in 2010-11	(208)
Whinrays Road Bridge	Replaced due to 2011 floods	(187)
Bakers Lane Road Construction	Budgeted for completion in 2010-11	(176)
Leighdale Equestrian Centre	Budgeted for completion in 2010-11	(110)
High Street, Bannockburn Service Lane	New project privately funded	(86)
Teesdale Turtle Development	Budgeted for completion in 2010-11	(58)
Bannockburn Rec. Retractable Basketball Rings	Improved facility, not budgeted	(58)
Local Roads to Market	Budgeted for completion in 2010-11	(57)
Bannockburn Library Security	Budgeted for completion in 2010-11	(36)
Bannockburn Cultural Centre Car Park	Budgeted for completion in 2010-11	(34)
Pitfield Rotunda	Replaced due to 2011 floods	(34)
Bannockburn Rec. Precinct Stage 2	Not originally budgeted	(31)

Standard Statements

Notes to the Standard Statements

Note 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. They have not been prepared in accordance with all Australian Accounting Standards or other authoritative professional pronouncements.

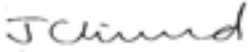
The Standard Statements compare Council's financial plan, expressed through its budget, with actual performance. The Local Government Act 1989 requires explanation of any material variances. The Council has adopted a materiality threshold of ten per cent. Explanations have not been provided for variations 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 2011. 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 is contained in the General Purpose Financial Statements. 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.

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.



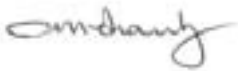
Jason Clissold B.Bus. CPA
Principal Accounting Officer

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 28 August 2012 to certify the financial statements in their final form.

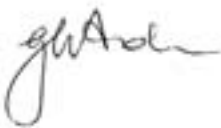
Signed at Bannockburn this 11th day of September 2012.



Councillor Geraldine Frantz
Mayor



Councillor Kevin Knight, OAM
Chairman, Audit and Finance Committee



Greg Anders
Acting Chief Executive Officer

Financial Report 2011-12



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Comprehensive Income Statement

For the year ended 30 June 2012

		2012 \$	2011 \$
INCOME	NOTE		
Rates	7	12,288,357	11,039,241
Grants - Recurrent	8	9,642,114	8,163,774
Grants - Non-Recurrent	8	4,805,715	4,263,229
Contributions and Recoupments	9	5,406,717	1,667,402
User Fees and Charges	10	3,461,095	3,154,387
Statutory Fees and Fines	11	254,912	236,946
Other Income	12	3,940,511	434,806
Net Gain on Disposals	13	2,074,877	83,802
Share of Net Profit of Associates Accounted for by the Equity Method	14	476,387	5,351
Total Income		42,350,685	29,048,938
EXPENSES			
Materials and Services	15	9,730,322	9,621,227
Employee Benefits	16	13,289,204	11,234,489
Depreciation	17	4,374,206	4,119,936
Finance Costs		380,758	383,761
Other Expenses	18	232,978	223,950
Bad Debts		4,500	1,084
Assets Written Off	29	150,928	119,164
Total Expenses		28,162,896	25,703,611
Surplus		14,187,789	3,345,327
Other Comprehensive Income			
Change in Asset Revaluation Surplus	5 and 29	(7,627)	3,717,814
Impairment Effecting Revaluation Reserve	29	-	(233,812)
COMPREHENSIVE RESULT		14,180,162	6,829,329

The above comprehensive income statement should be read in conjunction with the accompanying notes.

Balance Sheet

As at 30 June 2012

		2012 \$	2011 \$
CURRENT ASSETS			
Cash and Cash Equivalents	19	6,951,936	5,023,768
Other Financial Assets	20	1,500,000	1,257,000
Trade and Other Receivables	21	3,095,149	2,534,784
Inventory - Consumables	22	28,576	24,692
Non-Current Assets Classified as Held For Sale	23	498,319	1,109,021
Other Current Assets		56,380	53,149
Total Current Assets		12,130,360	10,002,414
NON-CURRENT ASSETS			
Property, Infrastructure, Plant and Equipment	28	198,706,365	185,933,836
Investment in Associate	14	766,553	290,166
Total Non-Current Assets		199,472,918	186,224,002
TOTAL ASSETS		211,603,278	196,226,416
CURRENT LIABILITIES			
Trade and Other Payables	24	2,211,296	1,924,338
Interest-Bearing Liabilities and Borrowings	25	549,388	1,641,588
Provisions	26	2,042,908	1,866,237
Trust Funds and Deposits	27	410,459	327,056
Total Current Liabilities		5,214,051	5,759,219
NON-CURRENT LIABILITIES			
Trade and Other Payables	24	2,011,457	336,704
Interest-Bearing Loans and Borrowings	25	4,890,779	4,957,871
Provisions	26	518,802	384,595
Total Non-Current Liabilities		7,421,038	5,679,170
TOTAL LIABILITIES		12,635,089	11,438,389
NET ASSETS		198,968,189	184,788,027
EQUITY			
Reserves	5	54,389,085	54,389,085
Accumulated Surplus		144,579,104	130,398,942
TOTAL EQUITY		198,968,189	184,788,027

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2012

		ACCUMULATED	ASSET	OTHER	TOTAL
		SURPLUS	REVALUATION	RESERVES	EQUITY
2012	NOTE	\$	\$	\$	\$
Balance at the Beginning of the Year		130,398,942	49,621,722	4,767,363	184,788,027
Surplus for the Year	4	14,187,789	-	-	14,187,789
Net asset revaluation		-	(7,627)	-	(7,627)
Transfers to Other Reserves	5	1,139,540	-	(1,139,540)	-
Balance at the End of the Year		145,726,271	49,614,095	3,627,823	198,968,189

		ACCUMULATED	ASSET	OTHER	TOTAL
		SURPLUS	REVALUATION	RESERVES	EQUITY
2011	NOTE	\$	\$	\$	\$
Balance at the Beginning of the Year		128,400,256	46,180,507	3,377,935	177,958,698
Surplus for the Year	4	3,345,327	-	-	3,345,327
Net asset revaluation		-	3,717,814	-	3,717,814
Impairment Effecting Revaluation Reserve		-	(233,812)	-	(233,812)
Transfers to Other Reserves		(1,389,428)	-	1,389,428	-
Transfers to Accumulated Surplus		42,787	(42,787)	-	-
Balance at the End of the Year		130,398,942	49,621,722	4,767,363	184,788,027

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Cash Flow Statement

For the year ended 30 June 2012

	NOTE	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES (Inclusive of GST where applicable)			
Receipts from Ratepayers		12,097,412	10,895,961
Grants		14,426,354	12,296,739
Interest Received		482,253	414,116
Fees and Charges		3,692,533	3,403,685
Contributions and Recoupments		1,558,963	1,030,226
Payments to Employees		(11,272,510)	(11,093,996)
Payments to Suppliers		(11,328,792)	(9,945,788)
Net GST Refunded		481,500	807,139
Net Cash Provided by Operating Activities	6	10,137,713	7,808,082
CASH FLOWS FROM INVESTING ACTIVITIES (Net of GST)			
Payment for Land and Buildings		(1,509,164)	(6,424,213)
Payment for Infrastructure Assets		(6,329,609)	(3,222,027)
Payment for Plant and Machinery		(1,540,361)	(1,476,811)
Payment for Furniture and Equipment		(759,162)	(149,665)
Payment for Other Structures		(521,437)	(813,398)
Payment for Development Costs of Land Held for Resale		(58,277)	(378,892)
Proceeds from Sale of Land		3,283,884	-
Proceeds from Sale of Assets		930,124	844,160
Net Cash Used in Investing Activities		(6,504,002)	(11,620,846)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Interest-Bearing Loans and Borrowings		(1,659,293)	(332,166)
Proceeds from Borrowings		500,000	3,956,710
Other Financial Assets		(243,000)	(1,257,000)
Finance Costs		(386,653)	(368,012)
Trust Funds		83,403	28,182
Net Cash Used in Financing Activities		(1,705,543)	2,027,714
Net Increase/(Decrease) in Cash and Cash Equivalents		1,928,168	(1,785,050)
Cash and Cash Equivalents at the Beginning of the Year		5,023,768	6,808,818
Cash and Cash Equivalents at the End of the Year	19	6,951,936	5,023,768

The above cash flow statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

Introduction

Golden Plains Shire Council was established by an Order of the Governor in Council on 6 May 1993 and is a body corporate. The Council's main office is located at 2 Pope Street, Bannockburn.

The purpose of the Council is to:

- provide for the peace, order and good government of its municipal district;
- to promote the social, economic and environmental viability and sustainability of the municipal district;
- to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
- to improve the overall quality of life of people in the local community;
- to promote appropriate business and employment opportunities;
- to ensure that services and facilities provided by the Council are accessible and equitable;
- to ensure the equitable imposition of rates and charges; and
- to ensure transparency and accountability in Council decision making.

External Auditor – Victorian Auditor-General's Office

Internal Auditor – Crowe Horwath

Solicitors – Harwood Andrews

Bankers – Bendigo Bank

Website Address – www.goldenplains.vic.gov.au

Note 1: Significant Accounting Policies

(a) Basis of Accounting

This financial report is a general purpose financial report that consists of a Comprehensive 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 in notes 1(d), 1(h), 1(k) and 1(p).

All funds through which 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, a disclosure has been made of any material changes to comparatives.

(b) Change in Accounting Policy

The accounting policies for the 2011-12 financial year are consistent with those of the previous financial year.

(c) 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 and Contributions

Grants and contributions are recognised as revenues when the Council obtains control over the assets comprising these receipts. Unreceived grants and contributions over which the Council has control are recognised as receivables.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon prior notification that a grant has been secured and are valued at their fair value at the date of transfer.

Income is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

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.

User Fees and Fines

User fees and fines (including parking fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, 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 on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

(d) Inventories

Inventories of stock and materials held for use by the Council are measured at cost and adjusted when applicable for any loss of service potential.

(e) Depreciation of Property, Infrastructure, Plant and Equipment

Buildings, infrastructure, plant and equipment and other 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 are subject to regular replacement these components are assigned distinct useful lives and residual values and 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 90 years, after which intervention is required for their renewal. Similarly, unsealed pavements have a residual value of 40% and intervention is required after 25 years.

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

Asset Component	Recognition Threshold \$	Useful Lives 2012
Buildings	5,000	30 to 150 years
Furniture and Equipment	1,000	3 to 20 years
Plant and Machinery	1,000	3 to 20 years
Unsealed Formations	-	-
Sealed Formations	-	-
Footpaths	5,000	74 years
Sealed Pavements	5,000	90 years
Unsealed Pavements	5,000	25 years
Sealed Surfaces	5,000	19 years
Bridges and Major Culverts	5,000	90 years
Underground Drainage	5,000	50 years
Kerb and Channel	5,000	90 years
Other Structures	5,000	30 to 60 years

(f) 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.

(g) Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised. Borrowing costs only include interest on borrowings.

(h) 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. Fair Value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arms length transaction. Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction and an appropriate share of fixed and variable overheads.

Revaluation of Non Current Assets

Subsequent to the initial recognition of assets, non-current physical assets other than plant and equipment and furniture and equipment are measured at their 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 revalued.

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 the revaluation increments are credited directly to the asset revaluation reserve, except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense, in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense, except where prior increments are included in the asset revaluation reserve for that class of asset, in which case the decrement is taken to the revaluation reserve to the extent of the remaining increment. Within the same class of assets, revaluation increments and decrements within the year are offset.

Land Under Roads (LUR)

Land under roads acquired after 30 June 2008 is brought to account using the fair value basis. Council does not recognise land under roads that it controlled prior to that period in its financial report.

Method of Valuation:

Land – valuation based on fair value as at 30 June 2012 carried out by Mr Stephen Davey 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 2012, carried out by Mr Stephen Davey 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.

Land Under Roads – Fair value valuation based on Council valuations as at the date acquired using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services.

Plant and Machinery – valuation based at cost.

Road Pavements, Surfaces and Formations – valuation based on written down replacement cost as at 30 June 2009, independently carried out by Mr Peter Maloney MIE(Aust), Civil Engineer.

Bridges, Major Culverts, Underground Drainage and Footpaths – valuation based on written down replacement cost as at 30 June 2009, 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.

(i) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalents include cash on hand, deposits at call and other 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.

(j) Investments

Investments, other than investments in associates, are measured at amortised cost.

(k) 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 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.

(l) Tender Deposits

Amounts received as tender deposits and retention amounts controlled by Council are recognised as trust funds until they are returned or forfeited (refer to note 27).

(m) 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 workers compensation and payroll costs.

Annual Leave

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date. All annual leave entitlements are classified as current. 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 on settlement and experience of employee departure per year of service. Long service leave entitlements representing 7 or more years of service are classified as current, entitlements representing less than 7 years of service are classified as non-current. 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 and is included in note (16). Further details regarding superannuation are included in note (30).

(n) 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 settled within the next twelve months, being the Council's operational cycle, except for long service leave which is recognised as current as the Council does not have an unconditional right to defer settlement, regardless of the expected timing of the payments.

(o) 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.

(p) 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 depreciated replacement cost, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement unless reserve funds are available for that class of asset in the asset revaluation reserve.

(q) Non-Current Assets Held for Sale

A non-current asset held for sale is measured at the lower of its carrying amount and fair value less costs to sell, and is not subject to depreciation. Non-current assets and related liabilities are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable.

(r) Contingent Assets and Contingent Liabilities and Commitments

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Commitments are not recognised in the Balance Sheet. Commitments are disclosed in the notes to the financial statements at their nominal value and inclusive of the GST payable.

(s) Events Occurring After Balance Date

No matters have occurred after balance date that require disclosure in the financial report.

Note 2: Pending Accounting Standards

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.

Standard / Interpretation	AASB 9 Financial Instruments AASB 2010-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12]
Summary	These standards are applicable retrospectively and amend the classification and measurement of financial assets. Council has not yet determined the potential impact on the financial statements. Specific changes include: * simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value; * allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and * reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on: a. the objective of the entity's business model for managing the financial assets; and b. the characteristics of the contractual cash flows.
Applicable for annual reporting periods beginning or ending on	Applicable for annual reporting periods commencing on or after 1 January 2013
Impact on Local Government financial statements	These changes are expected to provide some simplification in the accounting for and disclosure of financial instruments

Note 3: 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; and Customer Service Centres.

(ii) Civic Leadership

Governance, Elections, Meetings, Strategic and Service Planning, Emergency Management Plan, State Emergency Service, Risk Management and Occupational Health and Safety.

(iii) Economic Development

Economic Development.

(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 and Plant Replacement.

(vi) Human Support Services

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

(vii) Recreation and Community Development

Community Development, Libraries, Arts and Culture, Youth Development, Recreation Planning, Recreation Construction, Recreation Infrastructure Maintenance and Major Projects.

(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, Gravel Pits, Asset Management, Drainage Maintenance Township and Rural, Private Works, Linemarking, Guideposts and Signs, Street Lighting, Township Maintenance, Bus Shelters and Paths and Trails.

(ix) Waste Management

Garbage Collection, Municipal Landfill and Litter Control.

Note 4: Income and Expenditure by Key Result Area

	2012 \$	2011 \$
Income		
Citizen and Customer Service	23,845	15,285
Civic Leadership	1,325,992	1,713,614
Economic Development	288,134	84,804
Environment and Land Use Planning	1,160,040	1,203,890
Financial Management	26,923,151	17,204,746
Human Support Services	4,043,513	3,828,963
Recreation and Community Infrastructure	5,374,390	2,340,547
Roads and Streets Infrastructure	3,800,638	1,913,409
Waste Management	1,625,950	1,504,039
Total Income	44,565,653	29,809,297
Expenditure		
Citizen and Customer Service	753,892	639,909
Civic Leadership	2,675,657	3,275,574
Economic Development	614,248	385,580
Environment and Land Use Planning	2,902,099	2,781,910
Financial Management	3,770,145	2,305,599
Human Support Services	5,850,310	5,423,504
Recreation and Community Infrastructure	5,158,497	4,084,778
Roads and Streets Infrastructure	7,149,903	6,257,049
Waste Management	1,503,113	1,310,067
Total Expenditure	30,377,864	26,463,970
Surplus	14,187,789	3,345,327

Revenue, expenditure and changes in net asset values that are reflected in the Income Statement have been allocated to their respective Key Result Areas above.

Note 5: Reserves

	2012 \$	2011 \$
Asset Revaluation Reserve	49,614,095	49,621,722
Other Reserves	3,627,823	4,767,363
Total Reserves	53,241,918	54,389,085

Asset Revaluation Reserve	Balance at Beginning of Reporting Period	Revaluation Increment/ (Decrement)	Balance at End of Reporting Period
Land	7,009,974	557,188	7,567,162
Buildings	9,971,319	(796,080)	9,175,239
Infrastructure	32,640,429	-	32,640,429
Other Structures	-	206,543	206,543
Land Under Roads	-	24,722	24,722
Total Asset Revaluation Reserve	49,621,722	(7,627)	49,614,095

Other Reserves	Balance at Beginning of Reporting Period	Transfer From/To Accumulated Surplus	Balance at End of Reporting Period
Unexpended projects	4,153,327	(1,176,016)	2,977,311
LSL Non-Current Liability	286,816	134,207	421,023
Profit Equalisation	100,000	-	100,000
Drainage Levy	54,063	(1,200)	52,863
Developer Contributions	173,157	(96,531)	76,626
Total Other Reserves	4,767,363	(1,139,540)	3,627,823

Note 6: Reconciliation of Surplus to Net Cash Inflow From Operations

	NOTE	2012 \$	2011 \$
Comprehensive Result for the Period		14,180,162	6,829,329
Depreciation	17	4,374,206	4,119,936
(Profit)/Loss on Disposal of Assets	13	(2,074,877)	(83,802)
Impairment		-	233,812
Change in Asset Revaluation Surplus	29	7,627	(3,717,814)
Subdivisions - Roads Handed to Council	29	(1,482,760)	(389,809)
Assets Under Management	29	(2,554,888)	(170,000)
Assets Not Previously Recognised	29	(3,461,780)	-
Finance Costs		380,758	383,761
Decrease/(Increase) in Other Non-Current Assets	14	(476,387)	(5,351)
Decrease/(Increase) in Receivables		(563,596)	(650,047)
Decrease/(Increase) in Inventories	22	(3,884)	1,895
Increase/(Decrease) in Creditors and Provisions		1,662,204	1,137,008
Asset Write off and Impairment	29	150,928	119,164
Net Cash Inflow from Operations		10,137,713	7,808,082

Note 7: 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:

	2012 \$	2011 \$
Residential	1,750,366,500	1,695,161,500
Farm	1,018,091,500	1,018,946,500
Non-Farm Vacant Land	206,006,500	206,932,500
Business	55,239,860	55,103,860
Total Capital Improved Valuations	3,029,704,360	2,976,144,360

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

The date of the next general revaluation of land for rating purposes within the municipal district is 1 January 2012, and the valuation will be first applied in the rating year commencing 1 July 2012.

Rates Revenue

The following rates (excluding garbage collection charges) were recognised during the financial year. Garbage collection charges are included in User Fees and Charges in Note 10.

Residential	6,050,621	5,237,574
Farm	2,934,173	2,662,063
Non-Farm Vacant Land	1,290,006	1,174,071
Business	185,957	170,933
Municipal Charge	1,827,600	1,794,600
Total Rates Revenue	12,288,357	11,039,241

Note 8: Grants

	2012 \$	2011 \$
Summary of Grants		
Federally Funded Grants	3,005,393	1,395,403
State Funded Grants	11,442,436	11,031,600
	14,447,829	12,427,003
Recurrent Grants		
Victoria Grants Commission - General Purpose Grant	3,797,520	2,927,965
Victoria Grants Commission - Local Roads Grant	2,394,049	1,863,609
Home Care	1,037,347	971,521
Local Road Improvements	988,833	988,833
Kindergarten	510,788	508,878
Community Health	409,856	397,377
Library	159,154	137,904
Maternal and Child Health	137,793	135,300
Transport Connections	92,600	100,745
Family Day Care	56,648	55,811
Childrens' Services	34,721	31,679
School Crossing	20,805	20,250
Youth Projects	2,000	2,000
Community Development	-	21,902
Total Recurrent Grants	9,642,114	8,163,774
Non-Recurrent Grants		
Country Roads and Bridges	2,000,000	-
Community Facilities (halls, etc)	1,122,750	1,880,593
Flood Recovery	1,052,518	1,576,351
Economic Development	216,111	40,178
Civic Leadership	127,965	11,936
Youth Projects	87,860	58,455
Environment Projects	83,500	16,280
Land Use Planning	30,000	69,000
Recreation Planning	22,500	-
Procurement and Contract Management	20,000	-
Art Project	16,500	100,545
Home Care	9,180	15,344
Community Safety	7,884	-
Childrens' Services	5,640	30,830
Other	2,547	5,489
Transport Connections	760	6,500
Local Road Improvements (Road to Markets)	-	372,415
Health Promotion	-	50,320
Paths and Trails	-	27,050
Fire Access	-	1,943
Total Non-Recurrent Grants	4,805,715	4,263,229
Total Grants	14,447,829	12,427,003

Note 8: Grants (continued)

Conditions on Grants

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

	2012 \$	2011 \$
Country Roads and Bridges	955,904	-
Sport and Recreation Projects	394,753	72,750
Health Promotion	209,035	234,916
Aged and Disability Services	112,042	290,947
Meredith Visitors Centre	102,498	-
Teesdale Streetscape	100,000	-
Linton Town Precinct	88,871	-
Land Use Planning	50,000	50,643
Rokewood Streetscape	50,000	-
Emergency Management	25,482	-
Childrens' Services	20,331	37,159
Economic Development	20,250	-
Environment	15,584	-
Youth Development	10,943	-
Accessible Toilets Upgrade	6,750	-
Stormwater Drainage, Smythesdale	6,183	125,000
Fire Protection	4,689	12,328
Leighdale Equestrian Centre	-	114,950
Arts and Culture	-	86,423
Fire Access Road	-	916
Aged and Disability Minor Equipment	-	43,986
	2,173,315	1,070,018

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

Aged and Disability Services	268,023	128,437
Health Promotion	234,916	164,405
Stormwater Drainage, Smythesdale	118,817	-
Leighdale Equestrian Centre	114,950	-
Arts and Culture	76,423	-
Sport and Recreation Projects	72,750	773,308
Land Use Planning	30,643	-
Childrens' Services	28,828	8,557
Youth Development	10,000	1,033
Fire Protection	7,639	-
Fire Access Road	916	-
Roads to Recovery	-	5,135
Economic Development	-	558
Bannockburn Community and Cultural Hub including Library	-	397,320
Inverleigh Children's Centre	-	100,000
Environment	-	57,894
Aged and Disability Minor Equipment	-	37,700
Kindergarten Cluster	-	16,738
Total Grants	963,905	1,691,085
Net (decrease)/increase in restricted assets resulting from grant revenues for the year	1,209,410	(621,067)

Note 9: Contributions and Recoupments

	2012	2011
	\$	\$
Cash		
Private Works	313,678	192,352
Legal Costs Recouped	174,071	92,225
Kindergarten Reimbursement	141,225	81,713
Family Day Care - Social Security	137,578	108,937
Motor Vehicle Recoupments	102,401	105,975
Revaluation Contribution - State Revenue Office	87,597	10,342
Private Road Contribution	85,696	-
Developers' Community Contributions	74,784	251,400
Joint Roadworks - Other Council	55,000	-
Developers' Recreation Lands Contributions	51,116	117,121
Recycling Contribution	37,969	48,715
Economic Development Projects	30,000	-
Sale of Big Bins	22,772	20,965
Other	20,648	37,715
Community Contributions	12,955	37,332
Powercor Rebate	11,096	-
Traineeship Incentive	6,000	-
Recoupment from Insurers	4,000	1,672
Standpipe Water Sales	483	1,128
Total Cash Contributions and Recoupments	1,369,069	1,107,592
Non-Cash		
Subdivisions - Roads Handed to Council	1,385,189	360,101
Assets Under Management	2,554,888	170,000
Subdivisions - Land Under Roads Handed to Council	97,571	29,709
Total Non-Cash Contributions and Recoupments	4,037,648	559,810
Total Contributions and Recoupments	5,406,717	1,667,402

Note 10: User Fees and Charges

Garbage Collection Charge	1,545,077	1,401,618
Child Care Fees	963,922	826,138
Home and Community Care Fees	180,609	207,084
Animal Registration Charges	163,498	154,005
Planning and Building Fees	116,902	84,380
Subdivision Supervision Fees	89,352	101,068
Septic Tank Fees	85,563	57,761
Gravel Cartage Levy	77,031	80,849
Community Bus Hire Charges	45,397	45,752
Bannockburn Family Services Centre Charges	44,416	45,362
Other	42,073	43,181
Food Premises Registration Fees	33,522	29,907
Rents and Leases	27,915	22,359
Smythesdale Hub Charges	13,281	10,172
Northern Community Centre Charges	10,403	10,949
Fire Hazard Eradication Fees	9,885	5,562
Tip Fees	7,461	25,072
Infringements and Fines	4,788	3,168
Total User Fees and Charges	3,461,095	3,154,387

Note 11: Statutory Fees and Fines

	2012	2011
	\$	\$
Planning and Building Fees	218,480	207,651
Infringements and Fines	21,176	14,341
Land Information Certificates	15,188	14,954
Freedom of Information	68	-
Total Statutory Fees and Fines	254,912	236,946

Note 12: Other Income

Interest on Investments	312,279	297,450
Interest on Rates	166,452	137,356
Found Assets:-		
Buildings	220,800	-
Other Structures	291,480	-
Land	2,949,500	-
Total Other Income	3,940,511	434,806

Note 13: Net Gain on Disposals

Plant and Machinery, and Furniture and Equipment		
Proceeds from Sale of Assets	984,670	844,160
Carrying Amount of Assets Sold	(1,376,603)	(760,358)
Net Gain on Disposal of Plant and Machinery and Furniture and Equipment	(391,933)	83,802

Buildings		
Proceeds from Sale of Assets	-	-
Carrying Amount of Assets Sold	(76,094)	-
Net Gain on Buildings	(76,094)	-

Infrastructure and Other Structures		
Proceeds from Disposal of Asset	-	-
Carrying Amount of Assets Sold	(72,000)	-
Net Gain on Infrastructure and Other Structures	(72,000)	-

Inventory - Property		
Proceeds from Sale of Assets	3,283,884	-
Carrying Amount of Assets Sold	(668,980)	-
Net Gain on Inventory - Property	2,614,904	-

Total Net Gain on Disposals	2,074,877	83,802
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Note 14: Investment in Associate

Equity in Geelong Regional Library (GRL)	766,553	290,166
Total Investment in Associate	766,553	290,166

Movement in Carrying Value of Specific Investment		
Carrying value of investment at start of year	290,166	284,815
Share of surplus for year	476,387	5,351
Carrying Value of Investment at End of Year	766,553	290,166

Council's share of surplus for year includes \$510k of contributed assets which has increased Council's share of the net equity of GRL to 7.84% (3.45% 2011). The GRL Board is comprised of seven representative from four member Councils. Golden Plains Shire Council has one representative on the GRL Board.

Note 15: Materials and Services

	2012	2011
	\$	\$
Delivery of Projects and Services	1,817,671	2,193,731
General Maintenance	1,649,918	1,682,659
Garbage Operations	1,327,601	1,195,008
Other Expenses	825,222	631,225
Contractors and Consultants	672,253	506,357
Vehicle and Machinery Operations	635,102	623,831
Debt Collection and Legal Fees	455,891	119,528
Building Maintenance	292,050	159,942
Information Technology Operations	269,710	309,602
Telecommunications	257,440	219,578
Printing, Stationery and Postage	223,375	249,355
Utilities	196,722	192,345
Insurance	192,315	194,653
Traffic Management	173,395	72,250
Training	168,803	128,389
Flood Recovery - Contracts and Materials	167,362	802,672
Cleaning	141,736	94,857
Advertising	139,657	133,175
Gravel Pit Operations	122,063	110,070
Election Expenses	2,036	2,000
Total Materials and Services	9,730,322	9,621,227

Note 16: Employee Benefits

Total employee benefits include 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 and Salaries	9,481,297	8,889,216
Superannuation (Annual Contributions)	905,106	873,359
Superannuation (Defined Benefit Call including contributions tax)	1,758,927	420,882
Annual Leave and Long Service Leave	1,153,113	1,035,379
Fringe Benefits Tax	78,930	71,615
Workcover Premium and Claims Costs	194,389	196,894
Other	24,008	21,766
Total Employee Benefits	13,595,770	11,509,111
Less Employee Benefits Charged to Capital	(306,566)	(274,622)
Total Employee Benefits as per Comprehensive Income Statement	13,289,204	11,234,489

Note 17: Depreciation

Depreciation was charged in respect of:

Infrastructure Assets	2,410,459	2,288,565
Plant and Machinery	984,575	963,000
Buildings	547,582	449,921
Furniture and Equipment	249,294	280,112
Other Structures	177,296	133,338
Gravel Pit Rehabilitation	5,000	5,000
Total Depreciation Expense	4,374,206	4,119,936

Note 18: Other Expenses

	2012	2011
	\$	\$
Councillors' Allowances	169,455	164,990
Audit fee to conduct external audit - Victorian Auditor-Generals Office	40,890	39,510
Internal Audit Fees	22,633	19,450
Total Other Expenses	232,978	223,950

Note 19: Cash and Cash Equivalents

Short Term Deposits	4,005,930	3,500,000
At Call Deposits	2,122,601	1,206,794
Cash at Bank	823,405	316,974
Total Cash and Cash Equivalents	6,951,936	5,023,768

Note 20: Other Financial Assets

Term deposits > 90 days	1,500,000	1,257,000
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Cash and Cash Equivalents Subject to Restrictions:

Councils cash and cash equivalents that are subject to an internal restriction that limits amounts available for discretionary or future use:

Long Service Leave Investment Account	1,265,934	1,155,930
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Note 21: Trade and Other Receivables

Rate Debtors	1,082,443	822,787
Other Debtors	1,793,189	1,152,900
Accrued Income	219,517	559,097
Total Trade and Other Receivables	3,095,149	2,534,784

Note 22: Inventory - Consumables

Stock on Hand	28,576	24,692
Total Inventory - Consumables	28,576	24,692

Note 23: Non-Current Assets Classified as Held for Sale

Bakers Lane Stage 3	176,047	786,749
Bakers Lane Stage 4	322,272	322,272
Total Non-Current Assets Classified as Held for Sale	498,319	1,109,021

Note 24: Trade and Other Payables**Current**

Trade Creditors	1,637,230	1,434,654
Accrued Expenditure	327,043	263,970
LASF Defined Benefit Current Liability	84,176	84,176
GST	162,847	141,538
Total Current Trade and Other Payables	2,211,296	1,924,338

Non-Current

LASF Defined Benefit Non-Current Liability	2,011,457	336,704
Total Non-Current Trade and Other Payables	2,011,457	336,704

Note 25: Interest-Bearing Liabilities and Borrowings

	2012 \$	2011 \$
Current		
Bank Loan Secured over Council's Rates and Charges	549,388	1,641,588
Total Interest-Bearing Loans and Borrowings - Current	549,388	1,641,588
Non-Current		
Bank Loan Secured over Council's Rates and Charges	4,890,779	4,957,871
Total Interest-Bearing Loans and Borrowings - Non-Current	4,890,779	4,957,871
The Maturity Profile for Council's Interest-Bearing Loans and Borrowings is:		
Not Later Than One Year	549,388	1,641,588
Later Than One Year and Not Later Than Five Years	1,754,175	1,609,699
Later Than Five Years	3,136,604	3,348,172
Total Interest-Bearing Loans and Borrowings	5,440,167	6,599,459

Note 26: Provisions

	Annual Leave \$	Long Service Leave \$	Rehabilitation Works \$
2012			
Balance at Beginning of Reporting Period	794,936	1,343,117	112,779
Additional Provisions	754,504	343,722	-
Amounts Used	(662,001)	(125,347)	-
Balance at End of Reporting Period	887,439	1,561,492	112,779
2011			
Balance at Beginning of Reporting Period	746,474	1,235,483	121,662
Additional Provisions	687,287	266,532	-
Amounts Used	(638,825)	(158,898)	(8,883)
Balance at End of Reporting Period	794,936	1,343,117	112,779

	2012 \$	2011 \$
Current Provisions		
Employee Benefits - Annual Leave Provision	887,439	794,936
Employee Benefits - Long Service Leave Provision	1,140,469	1,056,301
Rehabilitation of Gravel Pits	15,000	15,000
Total Current Provisions	2,042,908	1,866,237
Non-Current Provisions		
Employee Benefits - Long Service Leave Provision	421,023	286,816
Rehabilitation of Gravel Pits	97,779	97,779
Total Non-Current Provisions	518,802	384,595

Current Employee Benefits

All annual leave and long service leave entitlements representing 7 or more years.

Short-term employee benefits that fall due within 12 months after the end of the period measured at nominal value

	706,038	653,556
Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value	1,321,870	1,197,681
Total Current Employee Benefit Provisions	2,027,908	1,851,237

Note 26: Provisions (continued)

	2012 \$	2011 \$
Non-Current Employee Benefits		
Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value	421,023	286,816
Total Non-Current Employee Benefit Provisions	421,023	286,816

Under agreement Council is obligated to restore the De Motts and Sago Hill gravel pit sites to a particular standard. De Motts gravel pit has ceased operations. Current projections indicate that the Sago Hill gravel pit will cease operation in 2025 but restoration work has already commenced. The provision for rehabilitation of gravel pits has been based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Note 27: Trust Funds and Deposits

Contractors Retention	178,610	176,144
Refundable Planning Deposits	134,258	74,963
Refundable Building Deposits	46,762	62,302
Refundable Community Group Deposits	22,256	2,145
Refundable Bridge and Culvert Deposits	16,656	-
Refundable Other Deposits	11,917	11,502
Total Trust Funds and Deposits	410,459	327,056

Note 28: Property, Infrastructure, Plant and Equipment

Summary		
At Cost	35,705,444	36,260,633
Less Accumulated Depreciation	4,584,417	3,909,242
	31,121,027	32,351,391
At Fair Value	221,822,298	203,498,824
Less Accumulated Depreciation	54,236,960	49,682,567
Less Impairment	-	233,812
	167,585,338	153,582,445
Total Property, Infrastructure, Plant and Equipment	198,706,365	185,933,836
Land		
At Cost	252,219	3,177,301
At Fair Value as at 30 June 2012	18,885,248	-
At Fair Value as at 30 June 2011	-	11,476,259
	19,137,467	14,653,560
Land Under Roads		
At Fair Value as at 30 June 2012	191,709	-
At Fair Value as at 30 June 2010	-	69,416
	191,709	69,416
Buildings		
At Cost	4,796,242	3,294,013
Less Accumulated Depreciation	59,395	73,402
	4,736,847	3,220,611
At Fair Value as at 30 June 2012	31,091,040	-
At Fair Value as at 30 June 2011	-	22,040,650
Less Accumulated Depreciation	9,104,894	7,108,000
	21,986,146	14,932,650

Note 28: Property, Infrastructure, Plant and Equipment (continued)

	2012 \$	2011 \$
Other Structures		
At Cost	1,081,363	945,821
Less Accumulated Depreciation	26,311	68,031
	1,055,052	877,790
At Fair Value as at 30 June 2012	3,935,979	-
At Fair Value as at 30 June 2009	-	2,108,982
Less Accumulated Depreciation	1,233,329	695,075
	2,702,650	1,413,907
Work in Progress		
Buildings and Building Improvements At Cost	80,050	6,715,342
Infrastructure At Cost	118,817	341,851
Other Structures	73,810	599,854
Land	21,300	-
Plant and Machinery	370	-
	294,347	7,657,047
Furniture and Equipment		
At Cost	2,231,943	1,944,496
Less Accumulated Depreciation	1,566,958	1,374,036
	664,985	570,460
Plant and Machinery		
At Cost	6,462,070	6,353,405
Less Accumulated Depreciation	2,079,449	1,924,488
	4,382,621	4,428,917
Gravel Pit Rehabilitation		
At Cost	100,000	100,000
Less Accumulated Depreciation	30,000	25,000
	70,000	75,000
Infrastructure		
Footpaths		
At Cost	2,553,430	2,026,249
Less Accumulated Depreciation	64,053	33,359
	2,489,377	1,992,890
At Fair Value as at 30 June 2009	4,072,995	4,090,373
Less Accumulated Depreciation	852,461	801,859
Less Impairment	-	196,030
	3,220,534	3,092,484
Sealed Pavements		
At Cost	7,717,096	5,387,100
Less Accumulated Depreciation	92,788	50,564
	7,624,308	5,336,536
At Fair Value as at 30 June 2009	89,570,209	89,608,770
Less Accumulated Depreciation	20,149,160	19,576,154
	69,421,049	70,032,616
Unsealed Pavements		
At Cost	1,142,906	905,567
Less Accumulated Depreciation	57,996	33,414
	1,084,910	872,153
At Fair Value as at 30 June 2009	12,295,609	12,295,609
Less Accumulated Depreciation	2,509,425	2,214,330
Less Impairment	-	12,464
	9,786,184	10,068,815

Note 28: Property, Infrastructure, Plant and Equipment (continued)

	NOTE	2012 \$	2011 \$
Sealed Surfaces			
At Cost		6,179,064	3,914,862
Less Accumulated Depreciation		581,674	318,811
		5,597,390	3,596,051
At Fair Value as at 30 June 2009		15,558,613	15,565,617
Less Accumulated Depreciation		8,141,081	7,332,178
		7,417,532	8,233,439
Sealed Formations			
At Cost		256,124	55,227
Less Accumulated Depreciation		-	-
		256,124	55,227
At Fair Value as at 30 June 2009		15,297,728	15,301,885
Less Accumulated Depreciation		-	-
		15,297,728	15,301,885
Unsealed Formations			
At Cost		1,027	1,027
Less Accumulated Depreciation		-	-
		1,027	1,027
At Fair Value as at 30 June 2009		5,838,190	5,838,190
Less Accumulated Depreciation		-	-
		5,838,190	5,838,190
Kerb and Channel			
At Cost		505,723	180,103
Less Accumulated Depreciation		6,074	2,264
		499,649	177,839
At Fair Value as at 30 June 2009		2,037,074	2,055,169
Less Accumulated Depreciation		454,232	434,084
		1,582,842	1,621,085
Bridges and Major Culverts			
At Cost		2,079,333	318,415
Less Accumulated Depreciation		19,194	5,873
		2,060,139	312,542
At Fair Value as at 30 June 2009		21,315,155	21,315,155
Less Accumulated Depreciation		10,957,382	10,720,546
Less Impairment		-	25,318
		10,357,773	10,569,291
Underground Drainage			
At Cost		52,557	-
Less Accumulated Depreciation		525	-
		52,032	-
At Fair Value as at 30 June 2007		1,732,749	1,732,749
Less Accumulated Depreciation		834,996	800,341
		897,753	932,408
Total Infrastructure			
At Cost		20,487,260	12,788,550
At Fair Value as at 30 June 2009		165,985,573	166,070,768
At Fair Value as at 30 June 2007		1,732,749	1,732,749
Less Accumulated Depreciation		44,721,041	42,323,777
Less Impairment		-	233,812
Total Infrastructure		143,484,541	138,034,478
Total Property, Infrastructure, Plant and Equipment	29	198,706,365	185,933,836

Note 29: Movements in Property, Infrastructure, Plant and 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.

	LAND	LAND UNDER ROADS	BUILDINGS	OTHER STRUCTURES	WORK IN PROGRESS	FURNITURE & EQUIPMENT	PLANT & MACHINERY	GRAVEL PIT REHAB.	INFRA- STRUCTURE	TOTAL
2012	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Carrying amount at 1 July 2011	14,653,560	69,416	18,153,261	2,291,698	7,657,047	570,460	4,428,917	75,000	138,034,478	185,933,836
Additions	252,219	-	1,339,842	585,167	289,147	854,134	1,804,567	-	5,971,670	11,096,746
Subdivisions - Roads Handed to Council	-	97,571	-	-	-	-	-	-	1,385,189	1,482,760
Additions - Assets Under Management	725,000	-	1,632,900	196,988	-	-	-	-	-	2,554,888
Additions - Assets Not Previously Recognised	2,949,500	-	220,800	291,480	-	-	-	-	-	3,461,780
Depreciation	-	-	(547,582)	(177,296)	-	(249,294)	(984,575)	(5,000)	(2,410,459)	(4,374,206)
Written Down Value of Disposals	-	-	(76,094)	-	-	(510,315)	(866,288)	-	(72,000)	(1,524,697)
Written Down Value of Write-Offs	-	-	-	(150,928)	-	-	-	-	-	(150,928)
Written Down Value of Revaluation	557,188	24,722	(796,080)	206,543	-	-	-	-	-	(7,627)
Rectification of Impairment	-	-	-	-	-	-	-	-	233,812	233,812
Reclassification Between Classes	-	-	6,795,946	514,050	(7,651,847)	-	-	-	341,851	-
Carrying amount at 30 June 2012	19,137,467	191,709	26,722,993	3,757,702	294,347	664,985	4,382,621	70,000	143,484,541	198,706,365

	LAND	LAND UNDER ROADS	BUILDINGS	OTHER STRUCTURES	WORK IN PROGRESS	FURNITURE & EQUIPMENT	PLANT & MACHINERY	GRAVEL PIT REHAB.	INFRA- STRUCTURE	TOTAL
2011	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Carrying amount at 1 July 2010	12,860,918	39,707	16,718,440	1,477,800	3,378,592	684,415	4,611,525	80,000	136,894,972	176,746,369
Additions	-	-	578,460	212,401	4,736,322	166,157	1,540,750	-	2,909,024	10,143,114
Subdivisions - Roads Handed to Council	-	29,709	-	-	-	-	-	-	360,101	389,810
Additions - Assets Under Management	170,000	-	-	-	-	-	-	-	-	170,000
Depreciation	-	-	(449,921)	(133,338)	-	(280,112)	(963,000)	(5,000)	(2,288,565)	(4,119,936)
Written Down Value of Disposals	-	-	-	-	-	-	(760,358)	-	-	(760,358)
Written Down Value of Write Offs	-	-	(14,173)	(39,882)	-	-	-	-	(65,109)	(119,164)
Written Down Value of Indexation Increment	1,622,642	-	2,095,172	-	-	-	-	-	-	3,717,814
Reclassification Between Classes	-	-	(774,717)	774,717	(457,867)	-	-	-	457,867	-
Impairment	-	-	-	-	-	-	-	-	(233,812)	(233,812)
Carrying amount at 30 June 2011	14,653,560	69,416	18,153,261	2,291,698	7,657,047	570,460	4,428,917	75,000	138,034,478	185,933,836

Note 30: Superannuation

Council made contributions to the following funds:

	2012 \$	2011 \$
Defined Benefit Funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	110,493	122,994
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	-	-
Accumulation Funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	584,863	637,282
Employer contributions to Superannuation Choice Funds	209,750	113,083
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	11,765	8,887
Employer contributions payable to Superannuation Choice Funds at reporting date	3,623	2,245

The Local Authorities Superannuation Fund's latest 31 December 2011 actuarial investigation identified an unfunded liability of \$406 million excluding the contributions tax in the defined benefit fund of which Council is a member. Council was made aware of the expected short fall through the year and was informed formally of their share of the shortfall on 31 July which amounted to \$1.495m (\$1.759m including contributions tax). Council has elected to pay this shortfall on 1 July 2013. Council has accounted for this short fall in the Comprehensive Income Statement in Employee Benefits (see note 16) and in the Balance Sheet in Trade and Other Payables (see note 24).

Note 31: Contingent Liabilities

Contingent Liabilities

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.

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. Refer to Note 30 for more details.

Landfill Site

Council operates a landfill at Rokewood; the Teesdale landfill was closed during the financial year. 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 – Minister for Energy and Resources

Council has issued a Bank Guarantee for the amount of \$9,000 in favour of the Minister for Energy and Resources for rehabilitation of the DeMotts/Jollys Gravel Pit. Council does not believe that the bank guarantee will be exercised.

Bank Guarantee – Department of Sustainability and Environment

Council has issued a Bank Guarantee for the amount of \$37,500 in favour of the Department of Natural Resources and Environment for rehabilitation of the Sago Hill Gravel Pit. Council does not believe that the bank guarantee will be exercised. Council has issued a Bank Guarantee for the amount of \$17,000 in favour of the Department of Natural Resources and Environment for rehabilitation of the Black Hill Gravel Pit. Council does not believe that the bank guarantee will be exercised.

Note 32: Commitments

Council has entered into the following commitments: (These figures include GST)

	2012				2011			
	LESS THAN ONE YEAR	ONE YEAR TO FIVE YEARS	GREATER THAN FIVE YEARS	TOTAL	LESS THAN ONE YEAR	ONE YEAR TO FIVE YEARS	GREATER THAN FIVE YEARS	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
Operating								
Waste Management	1,687,027	3,631,326	-	5,318,353	1,369,250	4,748,217	-	6,117,467
Tip Contractor	21,776	46,873	-	68,649	21,774	22,863	-	44,637
Mgt of Bannockburn Leisure Centre	29,748	27,619	-	57,367	-	-	-	-
Total Operating Commitments	1,738,551	3,705,818	-	5,444,369	1,391,024	4,771,080	-	6,162,104
Capital								
BMX Track	24,915	-	-	24,915	-	-	-	-
Parkers Road Bridge	-	-	-	-	730,668	-	-	730,668
Linton-Piggoreet Road Culvert	-	-	-	-	646,800	-	-	646,800
B'burn Cultural Centre incl Library	-	-	-	-	632,303	-	-	632,303
Schefferlies and Whinray Bridges	-	-	-	-	199,645	-	-	199,645
Bannockburn UDF	-	-	-	-	34,650	-	-	34,650
Inverleigh Football Pavilion	-	-	-	-	21,922	-	-	21,922
Aged Services Strategy	-	-	-	-	18,480	-	-	18,480
Total Capital Commitments	24,915	-	-	24,915	2,284,468	-	-	2,284,468

Note 33: Financial Ratios (Performance Indicators)

		2012			2011			2010		
(a) Revenue Ratio: Purpose - To assess the dependence on non-rate income sources.										
Rate Revenue		12,288,357	29.02%		11,039,241	38.00%		9,616,851	36.33%	
Total Revenue		42,350,685			29,048,938			26,469,638		
The ratio expresses rate revenue as a proportion of total revenue and indicates Council's reliance on rates revenue.										
(b) Debt Exposure Ratio: Purpose - To identify the exposure of Council to debt and to indicate the solvency of the Council.										
Total Indebtedness		12,635,089	18.55%		11,438,389	19.66%		8,575,906	17.28%	
Total Realisable Assets		68,118,737			58,191,938			49,639,632		
The ratio expresses the percentage of total liabilities for each dollar of realisable assets.										
(c) Debt Servicing Ratio: Purpose - To assess Council's capacity to service debt outstanding.										
Debt Servicing		380,758	0.90%		383,761	1.32%		135,460	0.51%	
Total Revenue		42,350,685			29,048,938			26,469,638		
The ratio expresses the amount of interest paid as a percentage of Council's total revenue.										
(d) Debt Commitment Ratio: Purpose - To identify Council's debt redemption strategy.										
Debt Servicing and Redemption		2,040,050	16.60%		715,928	6.49%		327,840	3.41%	
Rate Revenue		12,288,357			11,039,241			9,616,851		
The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.										
(e) Working Capital Ratio: Purpose - To assess Council's ability to meet current commitments.										
Current Assets		12,130,360	233%		10,002,414	174%		9,503,420	171%	
Current Liabilities		5,214,051			5,759,219			5,543,068		
The ratio expresses the level of current assets the Council has available to meet its current liabilities.										
(f) Adjusted Working Capital Ratio: Purpose - To assess Council's ability to meet current commitments.										
Current Assets		12,130,360	236%		10,002,414	213%		9,503,420	210%	
Current Liabilities (adj)		5,129,875			4,702,918			4,529,577		
The ratio expresses the level of current assets the Council has available to meet its current liabilities.										

Note 33: Financial Ratios (Performance Indicators) (continued)

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.

"Rate Revenue" means general rates and municipal charge.

Note 34: 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 and Cash Equivalents	19	Cash on hand and at bank and money market call account are valued at face value. Interest is recognised as it accrues.	Cash deposits returned floating interest rates of 4.94% (2011: 4.96%). The interest rate at balance date was 3.66% (2011: 4.64%).
At Call Accounts and Cash On Hand			
Short Term Deposits		Investments and bills are valued at amortised cost. Investments are held to maximise interest returns of surplus cash. Interest revenues are recognised as they accrue.	Short-term deposits held as at balance date have an average maturity of 104 days and effective interest rates of 4.45% to 5.55% (2011: 5.47% to 6.12%).
Other Financial Assets	20	Term Deposits >90 days are valued at amortised cost. Investments are held to maximise interest returns of surplus cash. Interest revenues are recognised as they accrue.	Term deposits >90 days held as at balance date have an average maturity of 164 days and effective interest rates of 4.95% to 5.10% (2011: 5.47% to 6.12%).
Trade and Other Receivables	21	Trade and other receivables (excluding statutory receivables) 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 10.5% (10.5% 2011). Accrued income is normally settled within 30 days.
(2) Financial Liabilities			
Trade and Other Payables	24	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-Bearing Loans and Borrowings	25	Bank borrowings are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is recognised over the period it becomes due and recognised as part of payables.	Borrowings are secured by way of mortgages over the general rates of the Council. Council has six bank loans. The effective interest rate on borrowings is 5.90% (2011:6.57%).
Trust Funds	27	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.

Note 34: Financial Instruments (continued)

(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:

2012

		FLOATING INTEREST RATE	FIXED INTEREST RATE MATURING IN			NON- INTEREST BEARING	TOTAL CARRYING
			1 YEAR OR LESS	OVER 1-5 YEARS	MORE THAN 5 YEARS		AMOUNT DISCLOSED IN BALANCE SHEET
FINANCIAL INSTRUMENT	NOTE	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(1) Financial Assets							
At Call Accounts and Cash On Hand	19	2,946	-	-	-	-	2,946
Short Term Deposits	19	-	4,006	-	-	-	4,006
Term Deposits >90 days	20	-	1,500	-	-	-	1,500
Trade and Other Receivables	21	-	-	-	-	2,013	2,013
Total Financial Assets		2,946	5,506	-	-	2,013	10,465
Weighted Average Interest Rate		4.94%	5.27%				
(2) Financial Liabilities							
Trade and Other Payables	24	-	-	-	-	4,223	4,223
Interest-Bearing Loans and Borrowings	25	2,749	454	1,328	909	-	5,440
Trust Funds	27	-	-	-	-	410	410
Total Financial Liabilities		2,749	454	1,328	909	4,633	10,073
Weighted Average Interest Rate			6.24%	6.05%	4.29%		
Net Financial Assets (Liabilities)		197	5,052	(1,328)	(909)	(2,620)	392

2011

		FLOATING INTEREST RATE \$'000	FIXED INTEREST RATE MATURING IN			NON- INTEREST BEARING \$'000	TOTAL CARRYING
			1 YEAR OR LESS \$'000	OVER 1-5 YEARS \$'000	MORE THAN 5 YEARS \$'000		AMOUNT DISCLOSED IN BALANCE SHEET \$'000
FINANCIAL INSTRUMENT	NOTE						
(1) Financial Assets							
At Call Accounts and Cash On Hand	19	1,524	-	-	-	-	1,524
Short Term Deposits	19	-	3,500	-	-	-	3,500
Term Deposits >90 days	20	-	1,257	-	-	-	1,257
Trade and Other Receivables	21	-	-	-	-	1,712	1,712
Total Financial Assets		1,524	4,757	-	-	1,712	7,993
Weighted Average Interest Rate		4.96%	5.89%				
(2) Financial Liabilities							
Trade and Other Payables	24	-	-	-	-	2,261	2,261
Interest-Bearing Loans and Borrowings	25	2,221	363	1,510	2,505	-	6,599
Trust Funds	27	-	-	-	-	327	327
Total Financial Liabilities		2,221	363	1,510	2,505	2,588	9,187
Weighted Average Interest Rate			6.94%	6.90%	6.57%		
Net Financial Assets (Liabilities)		(697)	4,394	(1,510)	(2,505)	(876)	(1,194)

Note 34: Financial Instruments (continued)

(c) Net Fair Value

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

The aggregate net fair value of financial assets and financial liabilities at balance date are as follows:					
		TOTAL CARRYING AMOUNT AS PER BALANCE SHEET		AGGREGATE NET FAIR VALUE	
		2012	2011	2012	2011
FINANCIAL INSTRUMENT	NOTE	\$'000	\$'000	\$'000	\$'000
(1) Financial Assets					
At Call Accounts and Cash On Hand	19	2,946	1,524	2,946	1,524
Short Term Deposits	19	4,006	3,500	4,006	3,500
Term Deposits >90 days	20	1,500	1,257	1,500	1,257
Trade and Other Receivables	21	2,013	1,712	2,013	1,712
Total Financial Assets		10,465	7,993	10,465	7,993
(2) Financial Liabilities					
Trade and Other Payables	24	4,223	2,261	4,223	2,261
Interest-Bearing Loans and Borrowings	25	5,440	6,599	5,440	6,599
Trust Funds	27	410	327	410	327
Total Financial Liabilities		10,073	9,187	10,073	9,187

(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.

(e) Risks and mitigation

The risks associated with Council's main financial instruments and our 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 overdraft arrangements. Council manages interest rate risk on its portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

Council manages the interest rate exposure on its debt portfolio by implementing appropriate budgeting strategies and obtaining approval for borrowings from the Department

of Planning and Community Development each year.

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1989.

Council manages interest rate risk by adopting an investment policy that ensures:

- conformity with State and Federal regulations and standards;
- capital protection;
- appropriate liquidity;
- diversification by credit rating, financial institution and investment product;
- monitoring of return on investment;
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

Credit Risk

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 some of our 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 are covered by the Federal Government's deposit guarantee

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 does not have any 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.

Note 34: Financial Instruments (continued)

Councils 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 note 31.

Ageing of Trade and Other Receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's Trade and Other Receivables was:

	2012 \$'000	2011 \$'000
Current (not yet overdue)	778	1,409
Past due between 31 and 60 days	1,147	257
Past due between 61 and 90 days	2	9
Past due over 90 days	86	37
	2,013	1,712

Liquidity risk

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 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.

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

The table below lists the contractual maturities for Council's Financial Liabilities.

These amounts represent undiscounted gross payments.

	1 Year \$'000	2 Years \$'000	3 Years \$'000	4 Years \$'000	5 Years \$'000	> 5 Years \$'000	Total \$'000
2012							
Trade and Other Payables	2,211	1,844	84	84	-	-	4,223
Interest-Bearing Liabilities	549	493	523	402	336	3,137	5,440
Trust Funds	410	-	-	-	-	-	410
Total Financial liabilities	3,170	2,337	607	486	336	3,137	10,073

2011							
Trade and Other Payables	1,924	85	84	84	84	-	2,261
Interest-Bearing Liabilities	1,642	398	425	455	332	3,347	6,599
Trust Funds	327	-	-	-	-	-	327
Total Financial liabilities	3,893	483	509	539	416	3,347	9,187

(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 +1% and -1% in market interest rates (AUD) from year-end rates of 3.5%.

The following table 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.

Note 34: Financial Instruments (continued)

Market risk exposure	Carrying amount subject to interest \$'000	Interest rate risk			
		-1%		+1%	
		-100 basis points Profit \$'000	Equity \$'000	+100 basis points Profit \$'000	Equity \$'000
2012					
Financial assets:					
Cash and cash equivalents	2,946	(29)	(29)	29	29
Other financial assets	5,506	(55)	(55)	55	55
Financial liabilities:					
Variable interest-bearing loans and borrowings	-	-	-	-	-
	Carrying amount subject to interest \$'000	Interest rate risk			
		-2%		+1%	
		-200 basis points Profit \$'000	Equity \$'000	+100 basis points Profit \$'000	Equity \$'000
2011					
Financial assets:					
Cash and cash equivalents	1,524	(30)	(30)	15	15
Other financial assets	4,757	(95)	(95)	48	48
Financial liabilities:					
Variable interest-bearing loans and borrowings	-	-	-	-	-

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

Note 35: Related Party Disclosures

(a) Identity of Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

Cr G Frantz (Mayor)

Cr J Blake

Cr D Cotsell

Cr G Dupe

Cr H Kirby

Cr K Knight, OAM

Cr B McArthur

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:

	2012 No.	2011 No.
\$10,000 - \$19,999	6	5
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	-	1
\$60,000 - \$69,999	1	-
\$220,000 - \$229,999	-	1
\$230,000 - \$239,000	1	-
	8	8

Total Remuneration for the reporting year

for Responsible Persons included above

amounted to: \$406,999 \$395,798

(c) No retirement benefits have been made by the Council to a Responsible Person (2011-12).

(d) No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2011-12).

(e) Transactions other than remuneration payments or the reimbursement of approved expenses entered into by Council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year are:

	2012 \$	2011 \$
Haddon Bottle Shop – Cr B McArthur	636	289
Rokewood Takeaway – Cr H Kirby	-	332
These transactions were on normal commercial terms		

(f) Identity of Senior Officers

A Senior Officer other than a Responsible Person, is an officer of Council who has management responsibilities and reports directly to the Chief Executive Officer or whose total annual remuneration exceeds \$127,000. The Senior Officers of the Council during the reporting period were:

G Anders	Director Assets and Amenity
J Evans	Director Community Services
R Trigg	Director Corporate Services
D Spear	Manager Executive Projects

(g) Remuneration and Benefits – Senior Officers

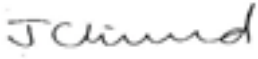
The number of Senior Officers of Council whose total remuneration including any superannuation benefits from the Council and any related entity falls within the following bands:

	2012 No.	2011 No.
<\$127,000	1	4
\$127,000 - \$139,999	-	1
\$140,000 - \$149,999	2	1
\$150,000 - \$159,999	1	-
	4	6
Total Remuneration of Senior Officers	\$553,741	\$531,780

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 2012.

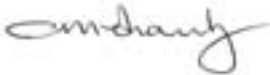


Jason Clissold B.Bus. CPA
Principal Accounting Officer

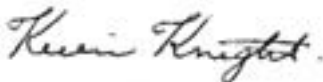
In our opinion the accompanying financial report presents fairly the financial transactions of the Golden Plains Shire Council for the year ended 30 June 2012 and the financial position of the Council as of that date.

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 2012 to certify the financial report in its final form.

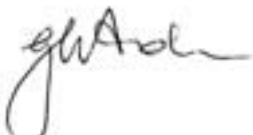
Signed at Bannockburn this 11th day of September 2012.



Councillor Geraldine Frantz
Mayor



Councillor Kevin Knight, OAM
Chairman, Audit and Finance Committee



Greg Anders
Acting Chief Executive Officer

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 2012 of Golden Plains Shire Council which comprises the comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of accounts has been audited.

The accompanying standard statements for the year ended 30 June 2012 of the Council which comprises the standard income statement, standard balance sheet, standard statement of cash flows, 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 the Golden Plains Shire Council are responsible for the preparation and the fair presentation of:

- the financial report in accordance with Australian Accounting Standards, 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 to the statements and the requirements of the *Local Government Act 1989*.

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report and standard statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994* and the *Local Government Act 1989*, 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. Those 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 the 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 in the financial report
- the reasonableness of accounting estimates made by the councillors
- the overall presentation of the financial report and standard statements.

Independent Auditor's Report (continued)

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

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.

Opinion

In my opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of Golden Plains Shire Council as at 30 June 2012 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.
- (b) 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*.

Basis of Accounting for Standard Statements

Without modifying my opinion, I draw attention to Note 1 to the standard statements, which describes the basis of accounting. The standard statements are prepared to meet the requirements of the *Local Government Act 1989*. As a result, the standard statements may not be suitable for another purpose.

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

This auditor's report relates to the financial report and standard statements of the Golden Plains Shire Council for the year ended 30 June 2012 included both in the Golden Plains Shire Council's annual report and on the website. The Councillors of the Golden Plains Shire Council are responsible for the integrity of the Golden Plains Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report and standard statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report and standard statements to confirm the information contained in the website version of the financial report and standard statements.

MELBOURNE
12 September 2012


D D R Pearson
Auditor-General

Performance Statement

For the year ended 30 June 2012

Key Strategic Activity	Performance Measure	Actual performance compared to target performance			
		Actual 2011-12	Target 2011-12*	Difference	Achieved / Not Achieved
Citizen and Customer Service	Community satisfaction rating for customer service	73	>69	4	Achieved
Civic Leadership	Community satisfaction rating for lobbying on behalf of the community	60	>68	-8	Not Achieved
Economic Development	Community satisfaction rating for business and community development and tourism	64	>64	0	Not Achieved
Environment and Land Use Planning	Community satisfaction rating for Council's general town planning policy	62	>63	-1	Not Achieved
Financial Management	Auditor-General's Report: Local Government: Results of the 2010-11 audits	A low risk rating in all five indicators	A low risk rating in all five indicators	0	Achieved
Human Support Services	Community satisfaction rating for family support services and elderly support services	67	>75	-8	Not Achieved
Recreation and Community Development	Community satisfaction rating for recreational facilities	73	>67	6	Achieved
Roads and Streets Infrastructure	Community satisfaction rating for the condition of local streets and footpaths	54	>51	3	Achieved
Waste Management	Community satisfaction rating for waste management	76	>73	3	Achieved

*Since setting these targets the survey methodology and questions have been altered and may not reflect an accurate comparison to actual results.

Community Satisfaction Ratings – Index score of 400 respondents' answers in a survey, conducted by independent research consultants JWS Research, asking them to rate Council's performance. The 'Index Score' is a weighted score across five performance ratings being 100 – Very Good, 75 – Good, 50 – Average, 25 – Poor and 0 – Very Poor.

Performance Statement Explanations

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.

The above Key Strategic Areas have been identified and adopted by Council. These Key Strategic Areas were developed as a direct result of the services that have been, and continue to be, demanded of Council from the Golden Plains Shire community and ratepayers. By allocating the Council operations into these nine areas, it allows Council to continue to focus and monitor its resources efficiently.

The following are the key strategies, plans and initiatives Council is undertaking to improve its rating in the Key Strategic Areas that did not achieve the set performance target. These initiatives address the main areas identified in the survey as areas that respondents believe need improvement.

Civic Leadership

- Implement Emergency Management and Municipal Fire Management Plans
- Implement Council's obligations within the Bushfires Royal Commission's recommendations
- Implement Risk Management Strategy
- Regularly lobby Members of Parliament and senior bureaucrats on key local and strategic issues
- Secure representation on national, state, regional and local

Government bodies

- Participate in relevant regional and state planning
- Consider community plan priorities when conducting Council planning activities and community grant allocation
- Advocate for natural gas infrastructure
- Advocate for public health and wellbeing
- Advocate for an emergency services precinct in the Bannockburn township
- Promote organisational and cultural change to meet customer service needs

Economic Development

- Develop new Economic Development Strategy
- Assess and plan for impact of growth of neighbouring municipalities on Golden Plains Shire
- Implement Council decisions with respect to the South East Land Use Planning Review
- Implement the recommendations of the Small Town Sewerage Study
- Implement recommendations of the G21 Secure Water Study
- Investigate opportunities for industrial development in the north west of the Shire
- Advocate for alternative water supplies for economic development
- Advocate for improved potable water supply
- Advocate to State Government on water re-use issues
- Advocate for improved energy infrastructure
- Advocate for improved telecommunications
- Advocate for distributed energy infrastructure to reduce greenhouse emissions

Performance Statement (continued)

Environment and Land Use Planning

- Advocate for the implementation of the Central Highlands Sustainable Water Strategy to return flows to the Moorabool River
- Implement Environment Strategy
- Implement Urban Design Framework plans
- Implement Residential Land Supply Plan
- Review the Municipal Strategic Statement
- Implement Heritage Study
- Participate in the State Government's Peri Urban project
- Participate in the G21 Regional Growth Plan

Human Support Services

- Implement Municipal Public Health and Wellbeing Plan
- Implement Early Years Plan
- Implement Early Years Infrastructure Plan
- Implement Health Promotion Action Plan
- Advocate for future health and community services needs and facilitation of partnerships
- Support co-location of schools with other community facilities

- Facilitate the development of a network of community health centres
- Facilitate development of child care options
- Advocate for future health and community services needs and facilitation of partnerships
- Advocate for the urgent need for secondary education provision within the Shire
- Advocate for post compulsory education and support service delivery into the Shire
- Implement Access and Inclusion Plan
- Monitor and advocate for public transport needs in the Shire
- Advocate for future health and community services needs and facilitation of partnerships
- Facilitate the Golden Plains Health Planning Network

Although four of the nine targets have not been achieved this financial year, it can be seen in the table below that eight of the indicators are higher than the Small Rural Shires group in Victoria. These results, combined with the above performance targets indicates that Council has high expectations of the service level it aims to deliver to its community. However, Council is determined to continue to work towards achieving these targets.

Local Government Community Satisfaction Survey – Summary Results

Key Result Area	2012	2012 Comparison to other Small Rural Shires	2012 Performance Index Score of Small Rural Shires Group
Citizen and Customer Service	73	Higher	70
Civic Leadership	60	Higher	56
Economic Development	64	Higher	63
Environment and Land Use Planning	62	Higher	56
Human Support Services	67	Lower	69
Recreation and Community Development	73	Higher	70
Roads and Streets Infrastructure	54	Lower	56
Waste Management	76	Higher	72

Council has a culture of continuous improvement and is always investigating ways of operating more efficiently and effectively to ensure it achieves best value for the community when delivering its services. This is supported by Council's Overall Performance Index Score of 67, which is not only significantly higher than the Small Rural Shires group of 59, but also the State-wide average of 60.

This Overall Performance Index Score is based on the following core measures.

- Customer Service
- Community Consultation and Engagement
- Advocacy
- Overall Council Direction

Council was measured higher than both the Small Rural Shire group and the State-wide average in all four of these core areas.

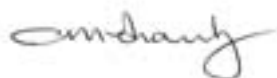
Council Approval of the Performance Statement

In our opinion, the accompanying performance statement of the Golden Plains Shire Council in respect of 2011-12 financial year is presented fairly in accordance with the Local Government Act 1989.

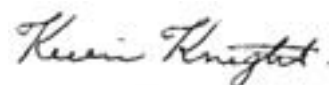
The statement outlines the performance targets and measures set out in relation to the achievement of the business plan in respect of that year described in Council's corporate plan and describes the extent to which the business plan was met in that year having regard to those targets and measures.

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 2012.



Councillor Geraldine Frantz
Mayor



Councillor Kevin Knight, OAM
Chairman, Audit and Finance Committee

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Golden Plains Shire Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2012 of the Golden Plains Shire Council which comprises the statement, the related notes and the council approval of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Golden Plains Shire Council are responsible for the preparation and 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 the 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 I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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.

Independent Auditor's Report (continued)

Auditor's Opinion

In my opinion, the performance statement of the Golden Plains Shire Council in respect of the 30 June 2012 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the performance statement of the Golden Plains Shire Council for the year ended 30 June 2012 included both in the Golden Plains Shire Council's annual report and on the website. The Councillors of the Golden Plains Shire Council are responsible for the integrity of the Golden Plains Shire Council's website. I have not been engaged to report on the integrity of the Golden Plains Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE
12 September 2012


F D R Pearson
Auditor-General

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GOLDEN PLAINS SHIRE