

# Annual Report 2004-2005

The 11th Annual Report of the Golden Plains Shire Council



GOLDEN PLAINS SHIRE

# Communities

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

## At a glance

**Location:** Easy access to Melbourne, Ballarat and Geelong.  
The gateway to the Central Highlands region and Western District



<b>Area:</b>	2705 km <sup>2</sup>	<b>Number of Ridings:</b>	9	<b>Length of unsealed local roads:</b>	768 kms
<b>Estimated Population:</b>	16,890	<b>Rateable properties:</b>	8459 (2004-05)	<b>Main Roads:</b>	220 kms
<b>Growth Rate:</b>	3.51%	<b>Total revenue:</b>	\$18,297,132	<b>Climate:</b>	Cool winters, moderate summers
<b>Number of employees:</b>	142	<b>Rate revenue:</b>	\$5,078,146	<b>Annual Average Rainfall:</b>	500-750 mm
<b>Number of Councillors:</b>	9	<b>Length of sealed local roads:</b>	891 kms	<b>Average winter temp:</b>	10° Celsius
				<b>Average summer temp:</b>	25° Celsius

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# Our Mission

The Golden Plains Shire will provide strong leadership, encourage sustainable development and ensure quality services, in partnership with the community, to continue to improve the quality of life of residents.

## Our Values

### Integrity in Leadership

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

### Equity & Access

We will treat our community, residents and ratepayers equitably by being fair in our decision making and ensure that we are approachable by all sectors of 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 we will seek to work in partnership with them to enhance our 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.

## Our Vision

Our vision for the Golden Plains community is that:

- We encourage an economically, environmentally and socially sustainable future for our citizens.
- We encourage, welcome and recognise the need to respond to the significant forecast population growth and the opportunities it creates.
- We maintain and enhance the diversity and uniqueness of our communities, while encouraging population growth and economic development.
- We maintain and develop a quality road system and secure adequate resources for the future.
- All our citizens have fair access to recreation facilities, education, employment and human support 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 are a municipal district that recognises a prosperous agricultural industry, supporting sustainable practices.
- Our municipal leadership reflects local needs and government priorities within a competitive and changing environment.
- We maintain our successful relationship with other levels of government and agencies.

# Golden Plains Shire

## Where lifestyle really counts

Established on 6 May 1994, Golden Plains Shire is a vibrant municipality incorporating the former Shires of Bannockburn and Leigh, and parts of the former Shires of Grenville and Buninyong. It has an estimated population of 16,890.

The Shire is predominately rural, with a number of small townships servicing several communities between the major regional centres of Ballarat and Geelong. Significant growth of these townships has seen Golden Plains become the fastest growing municipality in regional Victoria, and sixth overall in the State, with a growth rate of 3.51%.

While the Shire has a strong tradition of wool and grain growing, intensive animal farming - particularly poultry and pigs - are becoming increasingly popular. Growth is also occurring in the food and wine sectors, while home-based business is the largest employer in the Shire.

Natural beauty is a feature of Golden Plains with the Brisbane Ranges, Enfield State Forest and the Moorabool, Leigh and Barwon Rivers. Eco-tourism is a potential growth industry with significant holdings of roadside native vegetation in the Shire. Recreation trails are plentiful with the spectacular Ballarat to Skipton Rail Trail in the north and scenic walks in the south at Inverleigh for fauna and flora enthusiasts.

The Shire's rich gold mining history is captured in the townships of Steiglitz and Linton, the Break o'Day reef area and the Jubilee Mine.

A rapidly growing residential sector is a reflection of the lifestyle advantages on offer in Golden Plains. With Ballarat, Geelong and Melbourne within easy reach, residents can enjoy the advantages of affordable housing and a semi-rural lifestyle, without sacrificing the convenience and services of the regional and metropolitan centres.

Simply put, Golden Plains residents enjoy the best of both worlds.



# Mayor's Report

It is exciting to note that Golden Plains is now the fastest growing regional municipality in the State, confirming what we've long known - that Golden Plains is a great place to live. This growth is predicted to continue.

Golden Plains Shire has many diverse townships and each contributes in a unique way to making up the whole of our community. Council has made a priority of listening to its communities and has worked hard to provide services and further develop the Shire to make Golden Plains an even more desirable place to live.

A number of significant projects have been progressed or completed in the past financial year, including;

- \$266k Health Promotion Initiative, which has been kick started with 3 demonstration projects underway in Bannockburn, Rokewood/Dereel and Haddon/Smythesdale.
- \$150k Linton Multipurpose Facility.
- \$75k Garibaldi Community Park.
- Funding secured from the State Government towards the \$1.77million Bannockburn Family Services Centre.
- Opening of Sport & Recreation projects including the \$468k Woody Yaloak Equestrian Centre, \$120k Meredith Recreation Reserve Changeroom Upgrade, \$107k Tennis Court Upgrade at Don Wallace Recreation Reserve in Teesdale and Inverleigh's new \$75k netball courts.
- Opening of \$100k Teesdale Hall Redevelopment.
- \$1.6million local road improvements.

Each year, Council also allocates significant funding to its communities through the Community Grants program. In 2004-05, 68 projects across the Shire were funded to the tune of more than \$155k. This has allowed for over \$500k worth of community projects to be delivered.

Our Shire is home to a band of dedicated and active volunteers who deserve recognition and our thanks for the valuable contribution they make to the everyday lives of Golden Plains residents. Those who offer their services to Council's Golden Connections Community Transport Program are an excellent example of this volunteering spirit and they make a vital contribution to every community in the Shire.



The achievements of 2004-05 would not have been possible without the outstanding teamwork demonstrated between communities and Council. This will continue to be a vital ingredient in meeting the challenges of a dynamic and growing Shire.

The Golden Plains Shire Annual Report for 2004-05 provides a clear and open account of Council's actions and achievements over the past financial year and I commend it to you.

A handwritten signature in dark ink, appearing to read 'B. R. McArthur'.

Cr Bill McArthur

MAYOR



# Chief Executive Officer's Report



The 2004-05 financial year was a particularly important one in the history of Golden Plains Shire, as difficult yet vitally necessary decisions were made that will allow Council to deliver quality services and infrastructure to current and future generations of Golden Plains residents.

During 2004-05, we learnt that Golden Plains had become the fastest growing municipality in regional Victoria (in percentage terms) and sixth fastest in Victoria overall. The growing population, which is set to accelerate as projects such as the Geelong Bypass eventuate, has led to a demand for increased, more diverse and higher quality services and infrastructure - a demand that Council could not possibly have met given its low revenue base.

Accordingly, throughout 2004-05, Council undertook the exhaustive task of reviewing its core business and planning for its financial future, including the preparation of a four-year, \$20 million capital works program. The result was a broadening of its rates structure, including the introduction of a municipal charge in 2005-06 that will put Council in a better position to meet increasing community expectations for years to come. All Councillors are to be congratulated on their hard work, foresight and ability to make a difficult decision in the best interests of the longer-term financial position of this organisation and its ability to deliver into the future.

In November 2004, eight of the Shire's nine Councillors were re-elected, with five Councillors elected unopposed. I congratulate all Councillors on their election, particularly Cr Jenny Jones who was elected for the first time to the Break o' Day Riding after the retirement of former Councillor, Tony Francis. On behalf of Council, I thank Tony for his contribution during his three years on Council. I must also acknowledge the contribution made by Council's Mayor, Cr Bill McArthur, since his election in March 2004. His enthusiasm and dedication to the task is to be commended.

I am pleased to report on the delivery in full of Council's 2004-05 Council Plan objectives, and for this I extend my thanks to my management team and all Council staff for their ongoing efforts and teamwork. The demands on staff in a rapidly expanding organisation, serving a fast growing community are significant. The ability of the organisation to successfully deliver Council's objectives speaks volumes to the dedication and professionalism of its staff.

Pleasingly, the 2004-05 Council Plan objectives, along with the other activities described in this annual report, have been delivered within the context of sound financial management. Importantly, Council's ability to strike this balance in future - that is, the balance between meeting community expectations while maintaining financial sustainability - has been much enhanced by the work and decisions it undertook in 2004-05.

A stylized, handwritten signature in dark ink, appearing to read 'Rod Nicholls'.

Rod Nicholls

CHIEF EXECUTIVE OFFICER



## Councillors



Mayor  
Cr Bill McArthur  
Haddon Riding  
First elected March 1996



Cr Jenny Blake  
Valley Riding  
First elected March 1996



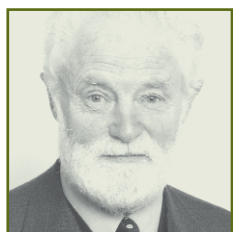
Cr David Cotsell  
Bannockburn Riding  
First elected November 1998



Cr Gerald Dupe  
Ranges Riding  
First elected March 1996



Cr Geraldine Frantz  
Forest Riding  
First elected December 2003



Cr Des Guinane  
Rivers Riding  
First elected March 1996



Cr Tony Francis  
Break o'Day Riding  
First elected March 2002  
Retired November 2004



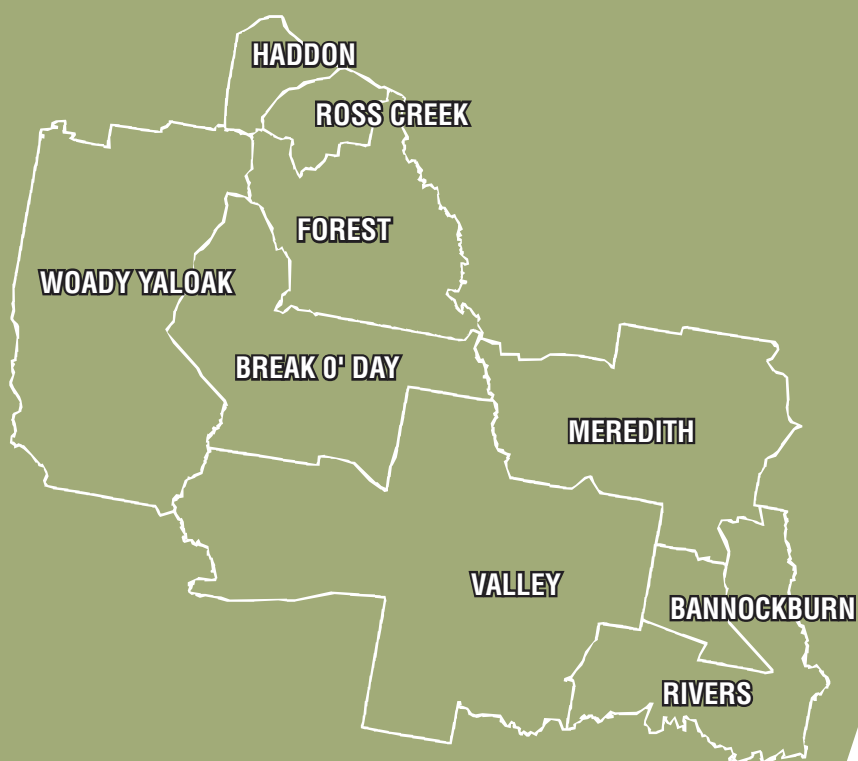
Cr Jenny Jones  
Break o'Day Riding  
First elected November 2004



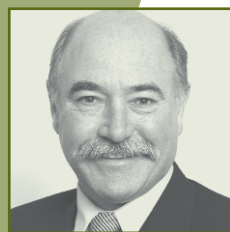
Cr Kevin Knight  
Woody Yaloak Riding  
First elected March 1996



Cr Alwyn Parker  
Ross Creek Riding  
First elected March 1996



## Senior Management



Rod Nicholls  
Chief Executive Officer



John Dixon  
Director –  
Corporate Services



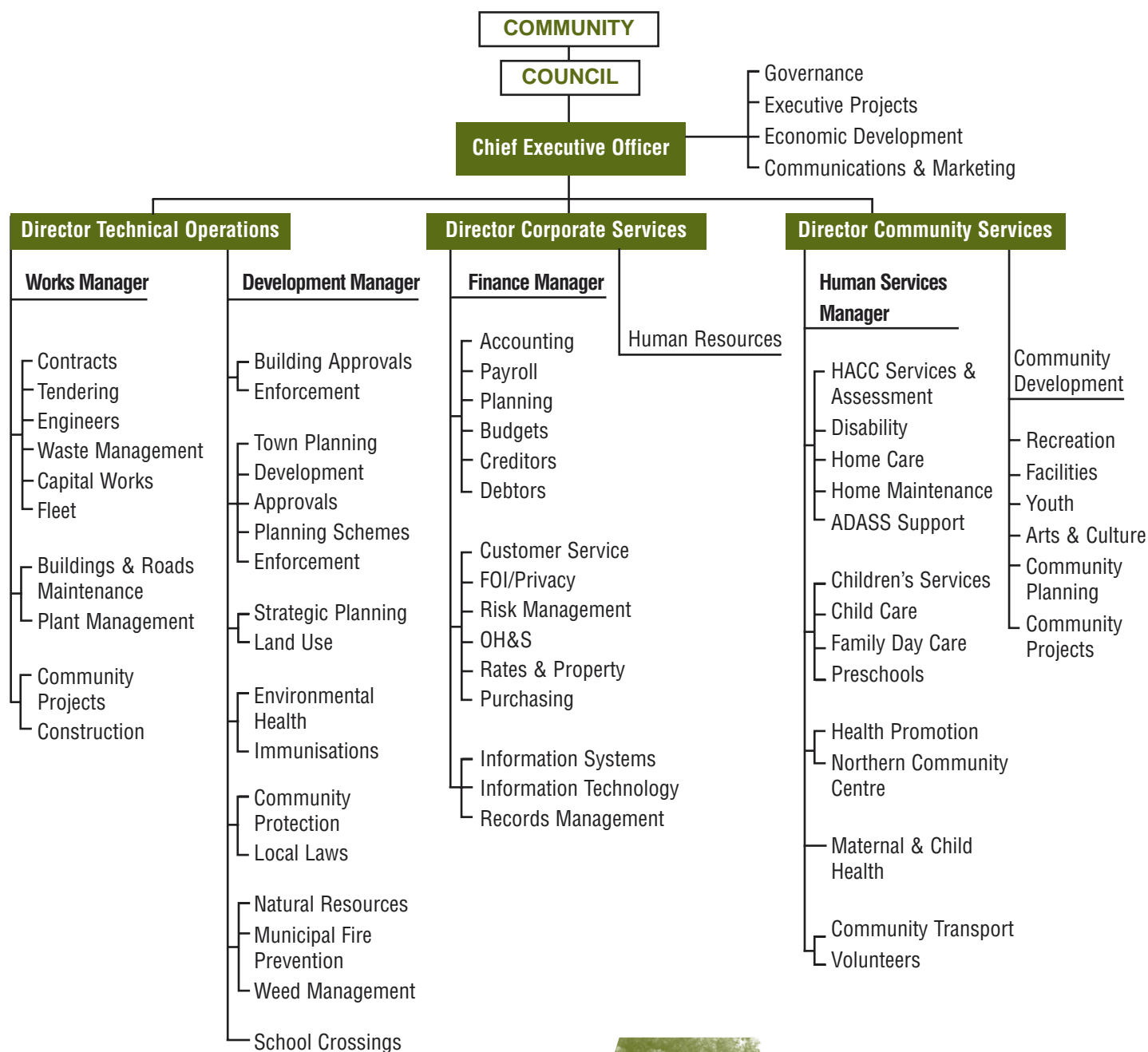
David Madden  
Director –  
Technical Operations



Lenny Jenner  
Director –  
Community Services



# Organisational Structure



## Staff Analysis

	Female	Male	Total
Full Time	32	54	86
Part Time	50	6	56
Total	82	60	142

## Equivalent Full Time

	Female	Male	Total
Full Time	32.0	54	86.0
Part Time	16.4	2	18.4
Total	48.4	56	104.4



The 2004-05 Council Plan identified 113 priorities to be achieved throughout the year. Council has successfully progressed all of these priorities. The major highlights are presented against Council's nine key result areas.

KEY RESULT AREA	KEY ACHIEVEMENTS
<b>Citizen &amp; Customer Service</b>	<ul style="list-style-type: none"> <li>• High Customer Satisfaction Rating in the small Council grouping as measured by the Department of Victorian Communities Annual Survey including the best rating in Waste Management.</li> <li>• Continuing commitment to the Best Value process and providing Best Value Services to many communities.</li> <li>• Community involvement and consultation via Council's Community Development Program involving 19 towns.</li> <li>• New website providing a number of customer service options in relation to payment of rates, accessing forms for building, planning and environmental health, etc.</li> <li>• Enhanced Golden Plains Gazette.</li> </ul>
<b>Civic Leadership</b>	<ul style="list-style-type: none"> <li>• Successful advocacy for new \$2.6m Ross Creek Primary School.</li> <li>• Continued advocacy for new Lethbridge Primary School and Bannockburn Education Precinct.</li> <li>• Successful advocacy for funding new \$1.77m Bannockburn Family Services Centre.</li> <li>• Membership of Committee for Ballarat and G21 Geelong Strategic Alliance.</li> </ul>
<b>Economic Development</b>	<ul style="list-style-type: none"> <li>• Successful funding for 3 e-commerce roadshows targeting small business, including home based business to assist businesses to improve their online capabilities.</li> <li>• Promotion of the Shire's tourism products via the Geelong and Bellarine Peninsula Visitors Guide.</li> <li>• Launch of final report "Developing Suitable Areas for Intensive Agricultural Industries in Golden Plains Shire" in February 2005.</li> <li>• Funding has been sought from Government to aid in the provision of infrastructure for the identified areas.</li> <li>• Successful advocacy for a Government commitment to the Deer Park Bypass.</li> <li>• Development of a plan for economic development priority projects for the year.</li> <li>• Secured grant of \$57k for the "Golden Plains Home Based Business Development Project".</li> <li>• Continued lobbying and representation for the Geelong ByPass Project.</li> <li>• Secured funding for the development of Stage 2 of the Bannockburn Business Estate.</li> <li>• Secured funding for Smythesdale Sewerage Study.</li> </ul>
<b>Environment and Land Use Planning</b>	<ul style="list-style-type: none"> <li>• Support for all regional land care groups including \$5k allocated to both the Woody Yaloak Catchment Group and Leigh Catchment Group.</li> <li>• Implementation of the Golden Plains Environment Strategy involving two key programs – Pest Management and Open Space (Natural Resources).</li> <li>• Submissions in relation to the Native Vegetation Framework and Weed Management.</li> <li>• Secured funding for the Gorse Facilitator Project and additional roadside gorse works.</li> <li>• Representation on the Moorabool River Stream Flow Management Plan Committee and the Barwon River Stream Flow.</li> <li>• Secured funding for a Salinity Management Overlay in the Planning Scheme.</li> <li>• Lobbying the Department of Sustainability and Environment to encourage a greater maintenance effort by the Department on public lands under its control.</li> </ul>

# The Year in Review

KEY RESULT AREA	KEY ACHIEVEMENTS
<b>Financial Management</b>	<ul style="list-style-type: none"> <li>• Successful lobbying for an increased Grants Commission allocation of 8.8%.</li> <li>• Secured in excess of \$4m in new capital investment for Community Projects in the Shire.</li> <li>• Development of Finance 2005 our Long Term Financial Plan.</li> <li>• Sound financial position.</li> <li>• Development of a Rating Strategy for next 4 years.</li> </ul>
<b>Human Support Services</b>	<ul style="list-style-type: none"> <li>• Progress towards the development of a network of Community Health Centres.</li> <li>• Secured a further \$20k funding to extend Maternal and Child Health Services in the Shire.</li> <li>• Reaccreditation of the Family Day Care Service.</li> <li>• Reaccreditation of Council's Home and Community Care Program.</li> <li>• Establishment of Golden Plains Health Plan Network to improve planning and development of community and health services.</li> <li>• Implementation of the Golden Plains Golden Connections Transport Plan.</li> </ul>
<b>Recreation and Community Development</b>	<ul style="list-style-type: none"> <li>• Rokewood Recreation Reserve Development.</li> <li>• Tennis Facility Upgrade Project.</li> <li>• Inverleigh Recreation Reserve Dam Project.</li> <li>• Shelford Community Meeting Place Development Project.</li> <li>• Linton Meeting Place Project.</li> <li>• Rokewood Recycle Water Project.</li> <li>• Lethbridge Lake Redevelopment Project.</li> <li>• Linton Recreation and Reserve Dam Project.</li> <li>• Grenville Garibaldi Playground Project.</li> <li>• Continued funding for Community Development Program to December 2007.</li> <li>• Implementation of Council's Committee of Management Development Plan.</li> <li>• Establishment of Youth Action Teams to improve youth services.</li> </ul>
<b>Roads and Street Infrastructure</b>	<ul style="list-style-type: none"> <li>• Implemented Local Roads Strategy including development of Low Volume Roads Policy within the framework of the Roads Strategy and Council's 4 Year Financial Plan.</li> <li>• Successfully secured State Government funding for some local roads through the State impacted Local Roads Timber Roads Program.</li> <li>• Implemented 2004-05 Roads to Recovery Program involving 22 projects at a cost of over \$1m.</li> <li>• Advocated for improved road links to Geelong and Ballarat via the VicRoads Technical Reference Group and the Western Highway Action Committee.</li> <li>• Advocated for the development of a Glenelg Highway Strategy.</li> </ul>
<b>Waste Management</b>	<ul style="list-style-type: none"> <li>• Delivery of Waste Management Services to 97% of residents in the Shire.</li> <li>• Maintained representation on Highlands Regional Waste Management Group and Smythesdale Regional Land Fill Monitoring Committee.</li> <li>• Achieved highest Community Satisfaction Survey rating for Waste Management Services in the Small Council Grouping for 2005.</li> </ul>

# Grants Obtained

In 2004-05 Council received external funding for the following community based projects.

Project	Funding Source	Amount Received 2004-05 \$	Total Grant Funding for Project \$	Total Project Cost \$
Bannockburn Family Services Centre	Department of Human Services and Dept of Transport & Regional Services	760,000	810,000	1,770,000
Heritage Study	Department of Sustainability & Environment	73,000	73,000	73,000
Roadside Gorse	Department of Primary Industries	56,643	56,643	56,643
Garibaldi Community Park	Department of Sport & Recreation Vic	50,000	50,000	75,000
Youth Services	Department of Victorian Communities	33,333	33,333	33,333
Sewerage Innovation Project Smythesdale	Department of Sustainability & Environment	22,727	22,727	22,727
Fire Access Road	Country Fire Authority	21,000	21,000	21,000
Youth Music Events	Department of Victorian Communities	19,450	19,450	20,242
Commonwealth Games Getting Involved Program	Department of Victorian Communities	16,500	20,000	60,000
Township Weed Facilitator	Department of Primary Industries	32,400	32,400	68,500
Township Weed Facilitator	Department of Sustainability & Environment	16,200	32,400	68,500
Lethbridge Lake Re-Development	Dept Innovation Industry & Regional Development	16,000	16,000	32,000
Bannockburn Recreation Masterplan	Department of Sport & Recreation Vic	11,000	22,000	44,000
Country Towns Water Supply & Sewerage	Country Towns, Water & Sewerage Program	9,091	9,091	10,000
Inverleigh Country Football Ground Assistance	Department of Sport & Recreation Vic	6,400	8,000	16,000
Health Planning Forum	Department of Human Services	5,000	7,000	7,000
Dereel Community Hub Upgrade	Department of Human Services	5,000	5,000	10,000
State Emergency Service	Department of Justice	4,850	4,850	9,700
National Youth Week	Department of Victorian Communities	4,000	4,000	11,925
eCommerce Roadshow	Dept Innovation Industry & Regional Development	3,636	5,000	5,000
Committee Of Management Training	Department of Sport & Recreation Vic	3,500	3,500	3,500
Linton Country Football Ground Redevelopment	Dept Innovation Industry & Regional Development	2,892	2,892	6,365
Rokewood Country Football Ground Redevelopment	Dept Innovation Industry & Regional Development	2,356	2,356	4,800
CCMA Don Wallace Reserve	Corangamite Catchment Authority	2,100	4,200	4,200
International Day Of Disability	Department of Human Services	1,000	1,000	1,800
Senior Citizens Week	Department of Victorian Communities	1,000	1,000	1,000
Cities For Climate Protection	Australian Greenhouse Office	7,582	8,000	8,000
		<b>1,186,660</b>	<b>1,274,842</b>	<b>2,444,235</b>

# Grants & Donations Allocated to Community Groups

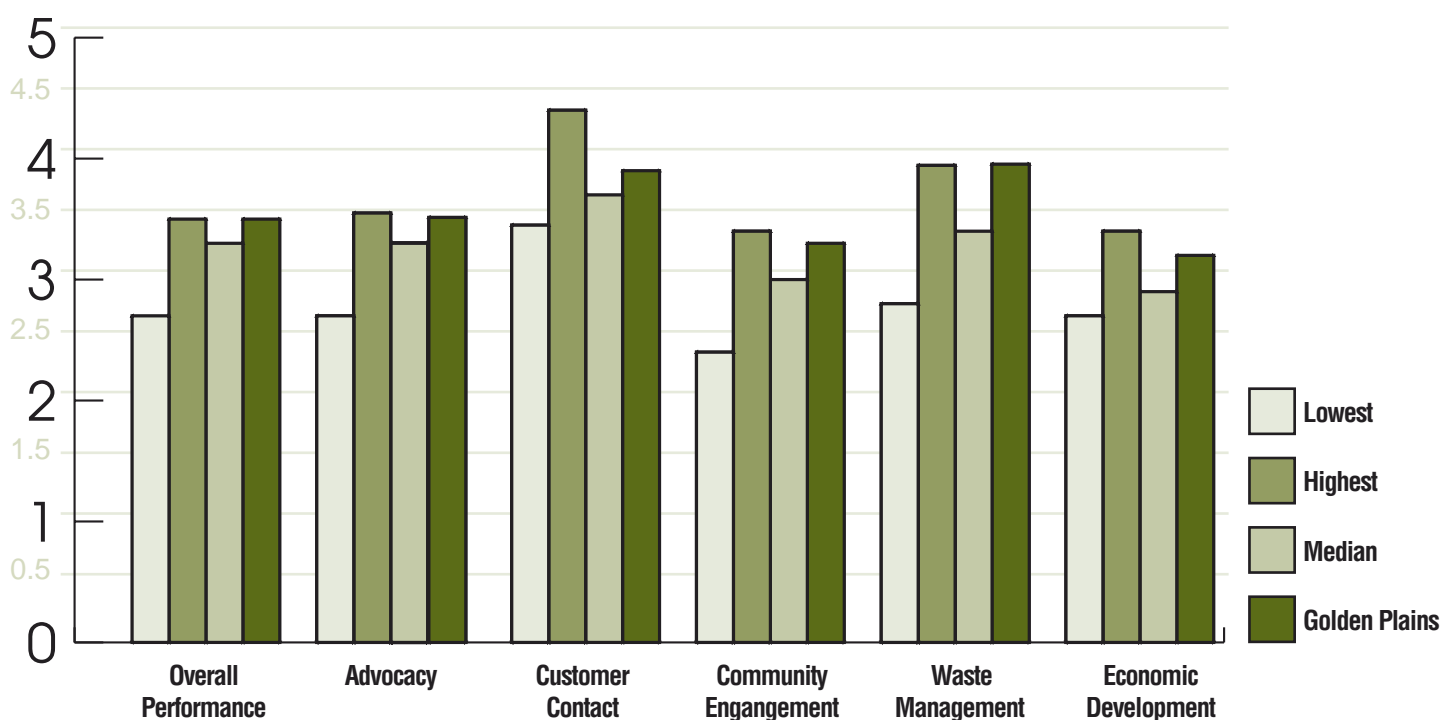
In 2004-05, Council made the following grants and donations.

Community Group/Organisation	Amount	Community Group/Organisation	Amount
Ballarat Fire Brigade Cricket Club	\$2,750	Lethbridge Cemetery Trust	\$1,165
Bannockburn & District Arts Council	\$1,200	Lethbridge Community Coordinators	\$7,500
Bannockburn Cricket Club	\$1,820	Life Education Victoria (Ballarat & District)	\$1,200
Bannockburn Football & Netball Club	\$7,000	Linton Recreation Reserve	\$607
Bannockburn Neighbourhood Watch	\$2,000	Meredith Community House Inc.	\$1,100
Bannockburn Public Hall	\$2,020	Meredith Kindergarten	\$1,874
Bannockburn Sports Stadium	\$2,530	Meredith Memorial Hall Inc.	\$1,475
Bannockburn Tennis Club	\$1,857	Napoleons & District Historical Society	\$3,475
Barunah Park Recreation Reserve	\$2,458	Napoleons Hall Committee	\$980
Barwon Older Adults Recreation Network	\$750	Napoleons Recreation Reserve	\$800
Break o'Day & Forest Environment Group	\$580	Napoleons-Sebastopol Cricket Club	\$750
Cape Clear & District Historical Society Inc.	\$888	Newtown Scarsdale Town Place Committee	\$3,660
Chinamans Lagoon Committee of Management	\$1,200	Rokewood Lagoon	\$2,000
Dereel Soldiers Memorial Community Centre	\$6,810	Ross Creek Playgroup	\$716
Elder Park Committee of Management	\$5,000	Ross Creek Recreation Reserve Committee	\$3,250
Enfield Playgroup	\$1,000	Shelford Cricket Club	\$750
Grenville Recreation Reserve	\$3,660	Smythesdale Adult Riding Club	\$8,320
Haddon & District Lions Club (Asian Tsunami Appeal)	\$5,000	Smythesdale Community Coordinators	\$3,812
Haddon Community House	\$2,188	Smythesdale Progress Association	\$3,008
Haddon Neighbourhood Watch	\$1,100	Steiglitz Historical Society	\$6,495
Haddon Recreation Reserve	\$2,575	Teesdale Cemetery Trust	\$350
Inverleigh Bowls Club Inc.	\$1,000	Teesdale Preschool Inc	\$1,835
Inverleigh Cricket Club	\$2,730	Wallinduc Community Group	\$1,490
Inverleigh Kindergarten	\$2,700	Woody Yaloak Catchment Group	\$350
Inverleigh Progress Association	\$8,450	Woody Yaloak Equestrian Centre	\$7,575
Inverleigh Sporting Complex	\$2,800	Woody Yaloak Historical Society	\$990
Inverleigh Tennis Club	\$3,000	Woody Yaloak Recreation Reserve Committee	\$7,405
Leighdale Equestrian Centre Committee	\$10,755		
			<b>\$158,753</b>

# Community Satisfaction Survey

## Community Satisfaction - Smaller Shires Grouping 2005 (Under 26,000 pop.)

Golden Plains, Alpine, Ararat, Bass Coast, Benalla, Buloke, Central Goldfields, Gannawarra, Hepburn, Hindmarsh, Indigo, Loddon, Mansfield, Mount Alexander, Murrindindi, Northern Grampians, Pyrenees, Queenscliffe, Strathbogie, Towong, West Wimmera, Yarriambiack



## Best Value Program

Golden Plains is committed to:

- ✓ Delivering the best possible services within the limits of its resources.
- ✓ Supporting a culture of continuous improvement within the organisation.
- ✓ Developing strategies for engaging with its community and service users to ensure their needs are included in service planning and development.
- ✓ Providing transparent and accountable processes.
- ✓ Developing and supporting a relationship of trust between Council and residents.

Since the introduction of Best Value legislation in 1999, Golden Plains has reviewed the following services against the Best Value principles:

- Garbage collection and Municipal Tips.
- Property & Rating and Statutory Reporting & Budgeting.
- Community Grants & Special Projects.
- Children's Services.
- Governance, Strategic & Service Planning.
- Fleet & Plant Replacement.

All services will be reviewed before December 2005.



# Whistleblower Protection

The Whistleblower Protection Act was introduced on 1 January 2004, as a legislative vehicle to encourage and facilitate disclosures of improper conduct by public officers and public bodies.

Council and other public bodies have a responsibility to assist in administering the Act and a responsibility in procedural matters in relation to handling complaints/disclosures.

The legislation aims to encourage and facilitate disclosures of improper and corrupt conduct, but also to provide protection for those who make disclosures against reprisals through procedural processes.

The legislation is backed by Ombudsman's guidelines, which Council utilises in regard to the Act and associated regulations.

Council has written procedures that are observed in relation to handling complaints/disclosures under the Act.

## NCP Certification

### BY CHIEF EXECUTIVE OFFICER

Golden Plains Shire Council has implemented Competitive Neutrality Policy for the financial year 2004-05 as set out below.

Competition Code	COMPLIANT
Best Value Competitive Neutrality	COMPLIANT
Local Laws	COMPLIANT

I, Rod Nicholls, certify that:

1. the NCP statement has been prepared in accordance with the guidelines issued by the Minister for reporting on the implementation of Competitive Neutrality Policy Victoria 2001;
2. the NCP statement presents fairly the Council's implementation of the policy.



ROD NICHOLLS  
CHIEF EXECUTIVE OFFICER

Date: 7 September 2005

## Equal Employment Opportunity

Council has adopted an Equal Opportunity Policy as follows:

*"Golden Plains Shire Council is wholly committed to the principles of Equal Employment Opportunity.*

*In all policies and practices of the Council there shall be no discrimination relating to age, pregnancy, appearance, sexual preference, physical features, sex, marital status, parenthood, race, colour, national origin, physical or mental impairment, religious or political affiliation.*

*Selection of individuals for employment, promotion or 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 efficiency relevant to the position involved.*

*Council's Policy on Equal Employment Opportunity reflects its desire to enjoy a workplace free from discrimination where each person has the opportunity to progress to the extent of his or her ability."*

The Staff Consultative Committee has responsibility for monitoring Council's Equal Employment Opportunity policy and practices. The committee reports to the Chief Executive Officer.

## Freedom of Information

Four requests for information was received during the year under the Freedom of Information Act 1982. These requests were granted in full. No internal reviews were undertaken and no appeals to VCAT were lodged.

## Statutory Information

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

- (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 financial year.
- (c) Details of overseas or interstate travel in excess of 3 days undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months.
- (d) Names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted.
- (e) Names of Councillors who submitted returns of interest during the financial year and the dates the returns were submitted.
- (f) Agendas for and minutes of ordinary and special meetings held in the previous 12 months kept under Section 93 of The Local Government Act 1989 (The Act) except if the minutes relate to parts of meetings which have been closed to members of the public under Section 89 of The Act.
- (g) A list of all special committees established by Council and the purpose for which each committee was established.
- (h) A list of all special committees established by the Council which were abolished or ceased to function during the financial year.
- (i) Minutes of meetings of special committees established under Section 86 of The Act and held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public under Section 89 of The Act.
- (j) A register of delegations kept under Sections 87, 88 and 98 of The Act.
- (k) Submissions received under Section 223 of The Act during the previous 12 months.
- (l) Agreements to establish regional libraries under Section 196 of The Act.
- (m) Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles.
- (n) A register of authorised officers appointed under Section 224 of The Act.
- (o) A list of donations and grants made by the Council.
- (p) Details of Council memberships.
- (q) A list of contracts valued at \$100,000 or more which the Council entered into during the financial year.

## Council Plan Implementation

Council's 4 Year Council Plan is reviewed and updated annually with new actions and objectives included. At its meeting in July 2005, Council's Chief Executive Officer reported to Council on the full implementation of Council's 2004-05 Plan, representing substantial progress in the implementation of the 4 Year Plan.

## Victorian Local Government Indicators

Average Rates & Charges per Assessment	\$671.49
Average Rates & Charges per Residential Assessment	\$611.64
Average Liabilities per Assessment	\$398.06
Operating Result per Assessment	\$262.27
Average Operating Expenditure per Assessment	\$1,900.77
Average Capital Expenditure per Assessment	\$607.26
Infrastructure Renewal Gap	46.23%
Infrastructure Renewal & Maintenance Gap	64.68%
Constituent Satisfaction Rating of Overall Performance	70%
Community Satisfaction Rating for Council's Advocacy	69%
Community Satisfaction Rating for Council's Engagement in Decision Making on Key Local Issues	66%

## Local Laws

The following Local Laws were in place as at 30 June 2005:

**Local Law No. 1** Processes of Municipal Government - Meetings and Common Seal

**Local Law No. 2** Environment (As Amended)

**Local Law No. 3** Roads and Streets (As Amended)

## Memberships

Organisation	Membership Contribution
Committee for Ballarat	\$3,000
Committee for Geelong	\$3,000
Corangamite Rural Counselling Service	\$2,000
G21 Geelong Region Alliance	\$25,000
Geelong Chamber of Commerce	\$414
Geelong Heritage Centre	\$6,594
Geelong Regional Library Corporation	\$149,530
Municipal Association of Victoria	\$15,000
Timber Towns Victoria	\$2,000
Western Highway Action Committee	\$1,200

# Standard Statements

## Standard Statement of Financial Performance

For the year ended 30 June 2005

	ACTUAL 2005 \$	BUDGET 2005 \$	VARIANCE 2005 \$	VARIANCE 2005 %
<b>REVENUE</b>				
Citizen & Customer Service	10,289	11,660	(1,371)	11.76%
Civic Leadership	165,938	170,580	(4,642)	2.72%
Economic Development	13,385	2,313,760	(2,300,375)	99.42%
Environment & Land Use Planning	839,540	633,970	205,570	32.43%
Financial Management	9,217,425	9,151,050	66,375	0.73%
Human Support Services	2,303,828	1,962,170	341,658	17.41%
Recreation & Community Infrastructure	412,700	784,770	(372,070)	47.41%
Roads & Streets Infrastructure	4,476,342	4,115,960	360,382	8.76%
Waste Management	857,685	825,380	32,305	3.91%
<b>Total Revenue</b>	<b>18,297,132</b>	<b>19,969,300</b>	<b>(1,672,168)</b>	<b>8.37%</b>
<b>EXPENDITURE</b>				
Citizen & Customer Service	405,744	439,190	33,446	7.62%
Civic Leadership	1,241,088	1,208,050	(33,038)	2.73%
Economic Development	137,071	1,258,420	1,121,349	89.11%
Environment & Land Use Planning	1,614,397	1,660,570	46,173	2.78%
Financial Management	1,049,533	1,061,550	12,017	1.13%
Human Support Services	1,925,195	1,696,070	(229,125)	13.51%
Recreation & Community Infrastructure	1,902,031	2,376,140	474,109	19.95%
Roads & Streets Infrastructure	6,933,339	6,469,860	(463,479)	7.16%
Waste Management	829,612	805,340	(24,272)	3.01%
Borrowing Costs	40,605	86,000	45,395	52.78%
<b>Total Expenditure</b>	<b>16,078,615</b>	<b>17,061,190</b>	<b>982,575</b>	<b>5.76%</b>
<b>Surplus/(Deficit) from Ordinary Activities</b>	<b>2,218,517</b>	<b>2,908,110</b>	<b>(689,593)</b>	<b>23.71%</b>

## Standard Statement of Capital Works

For the year ended 30 June 2005

	ACTUAL 2005 \$	BUDGET 2005 \$	VARIANCE 2005 \$	VARIANCE 2005 %
<b>CAPITAL WORKS</b>				
Land & Buildings	172,630	3,974,650	3,802,020	95.66%
Furniture & Equipment	143,113	171,100	27,987	16.36%
Plant & Machinery	1,694,733	1,673,500	(21,233)	1.27%
Work in Progress	648,182	-	(648,182)	-
Other Structures	39,974	-	(39,974)	-
Infrastructure	2,357,833	2,259,000	(98,833)	4.38%
<b>Total Capital Works</b>	<b>5,056,465</b>	<b>8,078,250</b>	<b>3,021,785</b>	<b>37.41%</b>
<b>Represented by:</b>				
Renewal	764,109	718,000	(46,109)	6.42%
Upgrade	1,599,336	-	(1,599,336)	-
Expansion	49,129	-	(49,129)	-
New Assets	2,643,891	7,360,250	4,716,359	64.08%
<b>Total Capital Works</b>	<b>5,056,465</b>	<b>8,078,250</b>	<b>3,021,785</b>	<b>37.41%</b>

## Standard Statement of Financial Position

As at 30 June 2005

		ACTUAL 2005 \$	BUDGET 2005 \$	VARIANCE 2005 \$	VARIANCE 2005 %
<b>CURRENT ASSETS</b>					
Cash Assets		4,961,961	3,197,067	1,764,894	55.20%
Receivables		854,191	733,500	120,691	16.45%
Inventories - Consumables		113,436	90,000	23,436	26.04%
Land Held for Re-sale		548,097	-	548,097	-
Other		84,933	60,000	24,933	41.56%
<b>Total Current Assets</b>	<b>Ref 2</b>	<b>6,562,618</b>	<b>4,080,567</b>	<b>2,482,051</b>	<b>60.83%</b>
<b>NON-CURRENT ASSETS</b>					
Land	<b>Ref 3</b>	9,256,042	5,698,969	3,557,073	62.42%
Buildings	<b>Ref 3</b>	11,868,676	13,917,470	(2,048,794)	14.72%
Furniture & Equipment		373,690	709,740	(336,050)	47.35%
Plant & Machinery		3,515,519	3,654,571	(139,052)	3.80%
Work in Progress		693,264	-	693,264	-
Other Structures		212,658	-	212,658	-
Infrastructure		104,790,368	92,998,997	11,791,371	12.68%
Investment in Associate		196,786	192,927	3,859	2.00%
<b>Total Non-Current Assets</b>		<b>130,907,003</b>	<b>117,172,674</b>	<b>13,734,329</b>	<b>11.72%</b>
<b>TOTAL ASSETS</b>		<b>137,469,621</b>	<b>121,253,241</b>	<b>16,216,380</b>	<b>13.37%</b>
<b>CURRENT LIABILITIES</b>					
Payables		1,757,638	1,341,000	(416,638)	31.07%
Interest-Bearing Liabilities		197,934	184,140	(13,794)	7.49%
Employee Benefits		453,194	414,000	(39,194)	9.47%
Trust Funds		170,231	120,000	(50,231)	41.86%
<b>Total Current Liabilities</b>	<b>Ref 4</b>	<b>2,578,997</b>	<b>2,059,140</b>	<b>(519,857)</b>	<b>25.25%</b>
<b>NON-CURRENT LIABILITIES</b>					
Interest-Bearing Liabilities		419,001	1,339,713	920,712	68.72%
Employee Benefits		539,398	557,000	17,602	3.16%
<b>Total Non-Current Liabilities</b>	<b>Ref 5</b>	<b>958,399</b>	<b>1,896,713</b>	<b>938,314</b>	<b>49.47%</b>
<b>TOTAL LIABILITIES</b>		<b>3,537,396</b>	<b>3,955,853</b>	<b>418,457</b>	<b>10.58%</b>
<b>NET ASSETS</b>		<b>133,932,225</b>	<b>117,297,388</b>	<b>16,634,837</b>	<b>14.18%</b>
<b>EQUITY</b>					
Reserves		23,121,194	22,959,607	161,587	0.70%
Accumulated Surplus		110,811,031	94,337,781	16,473,250	17.46%
<b>TOTAL EQUITY</b>		<b>133,932,225</b>	<b>117,297,388</b>	<b>16,634,837</b>	<b>14.18%</b>

# Standard Statements

## Standard Statement of Cash Flows

For the year ended 30 June 2005

	ACTUAL 2005 \$	BUDGET 2005 \$	VARIANCE 2005 \$	VARIANCE 2005 %
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Ratepayers	5,023,832	5,143,000	(119,168)	2.32%
Grants	7,262,373	7,078,510	183,863	2.60%
Interest Received	207,450	160,500	46,950	29.25%
Fees & Charges	1,806,652	1,799,240	7,412	0.41%
Contributions & Recoupments	3,262,398	3,002,310	260,088	8.66%
Payments to Employees	(5,466,452)	(5,777,110)	310,658	5.38%
Payments to Suppliers	(7,347,981)	(7,219,060)	(128,921)	1.79%
Interest Paid	(48,464)	(102,940)	54,476	52.92%
Net GST Paid	432,096	-	432,096	-
<b>Net Cash Inflow from Operating Activities</b>	<b>5,131,904</b>	<b>4,084,450</b>	<b>1,047,454</b>	<b>25.64%</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payment for Land & Buildings	(671,083)	(3,854,950)	3,183,867	82.59%
Payment for Infrastructure Assets	(2,163,830)	(2,146,800)	(17,030)	0.79%
Payment for Plant & Machinery	(1,674,901)	(1,592,100)	(82,801)	5.20%
Payment for Furniture & Equipment	(196,875)	(148,100)	(48,775)	32.93%
Proceeds from Sale of Assets	922,300	2,811,440	(1,889,140)	67.19%
<b>Net Cash Outflow from Investing Activities</b>	<b>(3,784,389)</b>	<b>(4,930,510)</b>	<b>1,146,121</b>	<b>23.25%</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of Borrowings	(184,056)	(1,194,789)	1,010,733	84.60%
Proceeds from Loans	-	1,917,650	(1,917,650)	-
<b>Net Cash Inflow from Financing Activities</b>	<b>(184,056)</b>	<b>722,861</b>	<b>(906,917)</b>	<b>125.46%</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>1,163,459</b>	<b>(123,199)</b>	<b>1,286,658</b>	<b>1044.37%</b>
Cash at the Beginning of the Year	3,798,502	3,320,266	478,236	14.40%
<b>Cash at the End of the Year</b>	<b>Ref 6 4,961,961</b>	<b>3,197,067</b>	<b>1,764,894</b>	<b>55.20%</b>

## EXPLANATION OF VARIANCES

### Standard Statement of Financial Performance

- **Ref 1:** Council recorded an Operating Surplus for the year of \$2.22m compared to a budgeted surplus of \$2.91m. The difference of \$690k is predominantly due to the following:

#### Favourable Variances

Urban design framework deferred to 2005-06	\$162k
Sale of land that was not budgeted	\$80k
State Forest Road grant that was not budgeted	\$412k
Garibaldi Bridge funding that was not budgeted	\$61k
Periodic bridge maintenance	\$105k

#### Unfavourable Variances

Unrealised profits from the development of land	(\$1,232k)
Infrastructure depreciation higher than budget	(\$371k)
Other favourable and unfavourable variances	\$93k

**Total Operating Variance** ..... **(\$690k)**

### Standard Statement of Financial Position

- **Ref 2:** Current Assets are \$2.48m higher than budgeted due to the better than expected balance of cash plus the re-classification of Bakers Lane (previously a non-current asset).
- **Ref 3:** Land & Buildings combined are \$1.51m higher than budgeted, mainly due to the following:

Asset revaluation (June 2004)	\$4,669k
Northern Industrial Estate not proceeding	(\$168k)
Bannockburn Business Estate not commenced	(\$1,081k)
Shire Office Extension incomplete	(\$123k)
Bannockburn Family Services Centre incomplete	(\$1,249k)
Bakers Lane reclassified as a Current Asset	(\$548k)
- **Ref 4:** Current Liabilities are higher than budgeted due to increased payables (trade creditors), annual leave and long service leave provisions, and refundable trust monies.
- **Ref 5:** Non-Current Liabilities are \$938k lower than budgeted mainly due to not requiring borrowings for capital projects as at 30 June 2005.

### Standard Statement of Cash Flows

- **Ref 6:** Council budgeted for a net decrease in cash of \$123k but recorded an increase of \$1.16m, a variance of \$1.29m. This variance is due to the following:

#### Favourable Variances

Grants & Subsidies higher than budgeted	\$184k
VicRoads funding higher than budgeted	\$260k
Payments to employees less than budgeted	\$311k
Net GST paid less than budgeted	\$432k
Payment for Land & Buildings less than budgeted	\$3,184k

#### Unfavourable Variances

Receipts from Ratepayers lower than budget	(\$119k)
Payments to Suppliers lower than budgeted	(\$129k)
Bakers Lane sales not recognised	(\$1,500k)
Bannockburn Business Estate sales not began	(\$434k)
Net Borrowings not taken up	(\$907k)
Other Variances	\$8k

**Total Cash Flow Variance** ..... **\$1,290k**

### Standard Statement of Capital Works

- **Ref 7:** Council spent \$5.06m on capital expenditure in 2004-05, \$3.02m less than budget. This variance is due to the following:

Bannockburn Business Estate deferred to 2005-06	\$1,071k
Bakers Lane reclassified as a current asset	\$548k
Northern Industrial estate not proceeding	\$101k
Bannockburn Family Services Centre deferred to 2005-06	\$1,249k



# Standard Statements

## NOTES TO THE STANDARD STATEMENTS

### 1. Basis of preparation of Standard Statements

Council is required to prepare and include audited Standard Statements within its Annual Report. Four Statements are required – a Standard Statement of Financial Performance, Standard Statement of Financial Position, 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 result reported in these statements are consistent with those reported in the General Purpose Financial Statements.

The Standard Statements are not a substitute for the General Purpose Financial Statements, which are included on pages 21 – 23 of the Annual Report. They have not been prepared in accordance with all Australian Accounting Standards or other authoritative professional pronouncements.

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

The budget figures included in the Statements are those adopted by Council on 24 June 2004. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet Council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from assets revaluations, as their impacts were not considered predictable.

Detailed information on the actual financial results are contained in the General Purpose Financial Statements on pages 21 – 23. 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.



# Financial Report 2004-05

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# Statement of Financial Performance

FOR THE YEAR ENDED 30 JUNE 2005

		2005	2004
	NOTE	\$	\$
<b>REVENUE FROM ORDINARY ACTIVITIES</b>			
Citizen & Customer Service		10,289	14,685
Civic Leadership		165,938	131,300
Economic Development		13,385	36,124
Environment & Land Use Planning		839,540	764,420
Financial Management		9,217,425	8,617,927
Human Support Services		2,303,828	1,294,771
Recreation & Community Infrastructure		412,700	870,873
Roads & Streets Infrastructure		4,476,342	3,361,277
Waste Management		857,685	762,170
<b>Total Revenue from Ordinary Activities</b>	<b>3</b>	<b>18,297,132</b>	<b>15,853,547</b>
<b>EXPENDITURE FROM ORDINARY ACTIVITIES</b>			
Citizen & Customer Service		405,744	394,880
Civic Leadership		1,241,088	1,037,094
Economic Development		137,071	176,659
Environment & Land Use Planning		1,614,397	1,224,132
Financial Management		1,049,533	1,385,147
Human Support Services		1,925,195	1,421,880
Recreation & Community Infrastructure		1,902,031	2,350,775
Roads & Streets Infrastructure		6,933,339	6,070,530
Waste Management		829,612	781,065
Borrowing Costs		40,605	56,149
<b>Total Expenditure from Ordinary Activities</b>	<b>3</b>	<b>16,078,615</b>	<b>14,898,311</b>
Adjustment to Accumulated Depreciation		-	1,466,721
Net Assets Previously Not Recognised		-	521,955
<b>Surplus from Ordinary Activities</b>		<b>2,218,517</b>	<b>2,943,912</b>
<b>MOVEMENTS IN EQUITY</b>			
Revaluation of Non Current Assets	25	-	14,512,469
Net Increase in Equity for the Year	25	911,200	-
<b>Total Increase in Equity for the Year</b>		<b>3,129,717</b>	<b>17,456,381</b>

The accompanying notes form part of this financial report.

# Statement of Financial Position

AS AT 30 JUNE 2005

		2005	2004
	NOTE	\$	\$
<b>CURRENT ASSETS</b>			
Cash Assets	15	4,961,961	3,798,502
Receivables	16	854,191	1,058,831
Inventories - Consumables	17	113,436	74,651
Land Held for Re-sale		548,097	-
Other	18	84,933	77,678
<b>Total Current Assets</b>		<b>6,562,618</b>	<b>5,009,662</b>
<b>NON-CURRENT ASSETS</b>			
Property, Infrastructure, Plant & Equipment	22	130,710,217	128,565,676
Investment in Associate	24	196,786	194,933
<b>Total Non-Current Assets</b>		<b>130,907,003</b>	<b>128,760,609</b>
<b>TOTAL ASSETS</b>		<b>137,469,621</b>	<b>133,770,271</b>
<b>CURRENT LIABILITIES</b>			
Payables	19	1,757,638	1,014,426
Interest-Bearing Liabilities	20	197,934	184,138
Employee Benefits	21	453,194	418,914
Trust Funds		170,231	189,269
<b>Total Current Liabilities</b>		<b>2,578,997</b>	<b>1,806,747</b>
<b>NON-CURRENT LIABILITIES</b>			
Interest-Bearing Liabilities	20	419,001	616,853
Employee Benefits	21	539,398	544,163
<b>Total Non-Current Liabilities</b>		<b>958,399</b>	<b>1,161,016</b>
<b>TOTAL LIABILITIES</b>		<b>3,537,396</b>	<b>2,967,763</b>
<b>NET ASSETS</b>		<b>133,932,225</b>	<b>130,802,508</b>
<b>EQUITY</b>			
Reserves	4	23,121,194	22,959,607
Accumulated Surplus	4	110,811,031	107,842,901
<b>TOTAL EQUITY</b>	<b>4</b>	<b>133,932,225</b>	<b>130,802,508</b>

The accompanying notes form part of this financial report.

# Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2005

		2005	
	NOTE	ACCUMULATED SURPLUS \$	TOTAL EQUITY \$
Balance at the Beginning of the Year		107,842,901	130,802,508
Surplus from Operating Activities	3	2,218,517	2,218,517
Adjustment to Asset Revaluation Reserves		-	911,200
Transfers to and from Reserves	4	749,613	(749,613)
Balance at the End of the Year		110,811,031	133,932,225

		2004	
	NOTE	ACCUMULATED SURPLUS \$	TOTAL EQUITY \$
Balance at the Beginning of the Year		105,745,339	113,346,127
Surplus from Ordinary Activities	3	2,943,912	-
Revaluation of Non-Current Assets		-	14,512,469
Transfers to and from Reserves		(846,350)	846,350
Balance at the End of the Year		107,842,901	22,959,607

# Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2005

	NOTE	ACTUAL 2005 \$	ACTUAL 2004 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Ratepayers		5,023,832	4,669,587
Grants		7,262,373	5,796,525
Interest Received		207,450	176,000
Fees & Charges		1,806,652	1,309,108
Contributions & Recoupments		3,262,398	2,775,309
Payments to Employees		(5,466,452)	(4,098,856)
Payments to Suppliers		(7,347,981)	(7,828,738)
Interest Paid		(48,464)	(40,580)
Net GST		432,096	119,951
Net Cash Inflow from Operating Activities	5	5,131,904	2,878,306
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for Land & Buildings		(671,083)	(845,333)
Payment for Infrastructure Assets		(2,163,830)	(2,059,974)
Payment for Plant & Machinery		(1,674,901)	(1,119,299)
Payment for Furniture & Equipment		(196,875)	(201,964)
Proceeds from Sale of Assets		922,300	776,910
Net Cash Outflow from Investing Activities		(3,784,389)	(3,449,660)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of Borrowings		(184,056)	(96,877)
Proceeds from Loans		-	475,000
Net Cash Inflow/(Outflow) from Financing Activities		(184,056)	378,123
Net Increase/(Decrease) in Cash Held		1,163,459	(193,231)
Cash at the Beginning of the Year		3,798,502	3,991,733
Cash at the End of the Year	15	4,961,961	3,798,502

The accompanying notes form part of this financial report.

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 1: Significant accounting policies

### (a) Basis of Accounting

This financial report is a general purpose financial report that consists of a Statement of Financial Performance, a Statement of Financial Position, a Statement of Changes of Equity, a Statement of Cash Flows and accompanying notes. The general purpose financial report complies with Australian Accounting Standards, other authoritative announcements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views, the Local Government Act 1989 and the Local Government (Finance and Reporting) Regulations 2004.

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

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

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

### (b) Change in Accounting Policy

The accounting policies for the 2004-05 financial year are consistent with those of the previous financial year.

### (c) Trust Funds

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

### (d) Recognition and Measurement of Assets

The purchase method of accounting is used for all acquisitions of

assets, being the fair value of the assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Where assets are constructed by Council, cost includes an appropriate share of fixed and variable overheads.

The Council has elected not to recognise land under roads as an asset in accordance with AASB 1045 Land Under Roads.

### (e) Repairs and Maintenance

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

### (f) Depreciation of Non-Current Assets

Buildings, infrastructure, plant and equipment assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes re-assessed annually. Depreciation rates and methods are reviewed annually.

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

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

Sealed pavements carry a residual value of 42%. These assets have an estimated commercial life to Council of 70 years, after which intervention is required for their renewal. Similarly, unsealed pavements have a residual value of 40% and intervention is required after 20 years.

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

Asset Component	Recognition Threshold \$	Useful Lives 2005	Useful Lives 2004
Land	-	-	-
Building	5,000	30 to 150 years	30 to 150 years
Furniture & Equipment	1,000	3 to 20 years	3 to 20 years
Plant & Machinery	1,000	3 to 20 years	3 to 20 years
Footpaths	5,000	20 to 50 years	20 to 50 years
Sealed Pavements	5,000	121 years	121 years
Unsealed Pavements	5,000	33 years	33 years
Sealed Surfaces	5,000	17 to 20 years	17 to 20 years
Bridges & Major Culverts	5,000	80 to 100 years	80 to 100 years
Underground Drainage	5,000	50 years	50 years
Road Name Plates	5,000	22 years	22 years
Kerb & Channel	5,000	60 years	60 years
Other Structures	5,000	30 to 60 years	30 to 60 years

No changes have been made to the recognition thresholds during the 2004-2005 financial year.



# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## (g) Revaluation of Non-Current Assets

Subsequent to the initial recognition of assets, non-current physical assets other than plant and equipment are measured at fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction.

In accordance with AASB 1041 Revaluation of Non Current Assets land and buildings have been revalued during the 2003-04 year because their carrying values differed materially from their fair values.

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

### Method of Valuation:

**Land** – valuation based on indexed fair value as at 30 June 2004 carried out by Mr Paul Newman AAPI registered Certified Practising Valuer. The market evidence approach has been applied where there is no quoted market price but where there is available market evidence of fair value with respect to similar assets.

**Buildings** - valuation based on indexed fair value as at 30 June 2004, carried out by Mr Paul Newman AAPI registered Certified Practising Valuer. For the majority of buildings, the market buying price approach using depreciated replacement value has been used where no market exists. Three buildings have been valued using the market evidence approach.

**Furniture and Equipment** – valuation based on written down historic cost and deemed cost.

**Plant and Machinery** – valuation based on written down historic cost and deemed cost.

**Road Pavements, Surfaces and Formations** – valuation based on written down replacement cost as at 30 June 2004, independently carried out by Mr Peter Moloney M.I.E.Aust. Civil Engineer.

**Bridges, Major Culverts, Underground Drainage and Footpaths** – valuation based on written down replacement cost as at 30 June 2004, carried out by Mr Rick Hattam Dip CE, MIE(Aust), CPEng, Works Manager.

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

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

## (h) Employee Benefits

### Wages and Salaries

Liabilities for wages and salaries and rostered days off are recognised and measured as the amount unpaid at balance date. Entitlements include oncosts that are calculated using employee remuneration rates as at balance date.

### Annual Leave

Annual leave entitlements are accrued on a pro-rata basis in respect of service provided by employees up to balance date and measured at the amount expected to be paid, including appropriate oncosts.

## Long Service Leave

Long service leave entitlements payable are assessed at balance date having regard to current employee remuneration rates, employment related oncosts and other factors including accumulated years of employment, future remuneration levels, and experience of employee departure per year of service. Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash flows to be made for these entitlements. Commonwealth Bond Rates are used for discounting future cash flows.

## Superannuation

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan, which provides benefits to its employees. Details of these arrangements are set out in Note 26. The liability includes contributions tax.

## (i) Inventories

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

## (j) Revenue Recognition

### Rates

Rates revenue is recognised at the commencement of the rating period or, where earlier, upon receipt of the rates. It includes rate revenue as well as interest levied on outstanding rates and late payment of rates. Uncollected rates are recognised as receivables in the Statement of Financial Position. No provision for doubtful debts on rates has been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

### Grants, Donations and other Contributions

Grants, donations and other contributions are recognised as revenues when the Council obtains control over the assets comprising these receipts. Unreceived grants, donations and contributions over which the Council has control are recognised as receivables. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured. Grants and contributions received in 2004-2005 and prior years but unexpended as at balance date amount to \$1,042k. Grants and contributions received in 2003-2004 and prior years and expended during the financial year amount to \$780k.

### Proceeds from Sale of Assets

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

### Fees and Charges

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

### Interest and Rents

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

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## (k) Cash Assets

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

## (l) Investments

Cash investments are measured at cost.

## (m) Goods and Services Tax (GST)

All revenue, expenditure and cash flows recognised by Council during the reporting period has been disclosed net of GST.

## (n) Interest in Regional Library Services

Council has disclosed its interests in the Geelong Regional Library (GRL) in the Statement of Financial Position. The amount disclosed is based on the value of Council's underlying interest in the net assets of the GRL as shown in its audited financial statements for the year ended 30 June 2005. Periodic revaluation adjustments are recognised as income in the Statement of Financial Performance in accordance with AAS14 Accounting for Investments in Associates.

Annual contributions to the GRL are classified as operating contributions.

Council's share of the net equity of GRL is 3.41%. The GRL is comprised of seven representatives from four member Councils. Golden Plains Shire Council has one representative on the GRL Board.

## (o) Borrowing Costs

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

## (p) Allocation Between Current and Non-Current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be realised or paid. The asset or liability is classified as current if it is expected to be turned over within the next twelve months, being the Council's operational cycle.

## (q) Budget Information

Where necessary, budget information has been recast to comply with current presentation requirements. The budgeted figures have been drawn from Council's budget approved at the time the rates and charges were adopted by Council for the 2004-05 financial year.

## NOTE 2: Functions/activities of the Council

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

### (i) Citizen and Customer Service

Public Relations and Customer Service Centres

### (ii) Civic Leadership

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

### (iii) Economic Development

Economic Development and Tourism.

### (iv) Environment and Land Use Planning

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

### (v) Financial Management

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

### (vi) Human Support Services

Maternal and Child Health, Children's Services, Aged & Disability Services, Community Transport, Community Health and Health Promotion.

### (vii) Recreation and Community Development

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

### (viii) Roads and Streets Infrastructure

Sealed Roads Routine Maintenance, Local Roads Resealing, Local Roads Rehabilitation, Local Roads Improvements, Gravel Roads Routine Maintenance, Gravel Resheeting, Bridge Maintenance, Tree Clearing – Urban & Rural Bus Routes, Gravel Pits Restoration, Asset Management, VicRoads Routine Maintenance (on road), VicRoads Routine Maintenance (off road), VicRoads Bridge Maintenance, VicRoads Resealing, VicRoads Rehabilitation, TTI & Road Safety, Drainage Maintenance Township & Rural, Private Works, Linemarking, Guide Posts and Signs, Street Lighting, Grass Cutting – Townships, Street Beautification, Bus Shelters and Footpaths.

### (ix) Waste Management

Garbage Collection, Municipal Tips and Litter Control.

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 3: Revenue and expenditure by major line item

REVENUE	NOTE	2005 \$	2004 \$
Rates	6(b)	5,078,146	4,613,717
Grants & Subsidies	7	7,162,595	5,928,607
Contributions & Recoupments	8	3,336,491	2,810,504
Fees & Charges	9	1,586,108	1,581,391
Proceeds from Sale of Assets	12	922,300	749,548
Interest on Investments		211,492	169,780
<b>Total Revenue</b>		<b>18,297,132</b>	<b>15,853,547</b>
<b>EXPENDITURE</b>			
Contracts & Materials*		11,354,608	10,109,138
Employee Costs*	13	5,523,870	4,817,528
Depreciation	14	2,861,629	2,666,586
Carrying Amount of Assets Sold	12	787,689	717,448
Plant Hire*		566,679	586,130
Debt Servicing		40,605	56,149
Less Capital Expenditure**	25	(5,056,465)	(4,054,668)
<b>Total Expenditure</b>		<b>16,078,615</b>	<b>14,898,311</b>
Adjustment to Accumulated Depreciation	11	-	1,466,721
Net Assets Not Previously Recognised	10	-	521,955
<b>Surplus from Ordinary Activities</b>		<b>2,218,517</b>	<b>2,943,912</b>

\* Includes Capital Expenditure

\*\* Capital Expenditure is not able to be attributed to the major expenditure line items.

Included in the above expenditure items are the following expenses:

	2005 \$	2004 \$
• Insurance	147,713	151,041
• Workcover Premium	79,756	58,759
• Legal Expenses	40,844	75,332
• Bank Fees & Charges	36,781	30,905
• Audit Fees	20,500	22,472

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 4: Equity of the Council

	OPENING BALANCE 1-Jul-04 \$	INCREASE IN NET ASSETS \$	TRANSFERS TO AND FROM RESERVES \$	CLOSING BALANCE 30-Jun-05 \$
<b>Discretionary</b>				
General Appropriations	186,494	780,706	694,690	1,661,890
<b>Committed</b>				
Unexpended Projects	1,307,971	-	50,476	1,358,447
Plant Replacement	648,466	-	(648,466)	-
Long Service Leave Non-Current Liability	544,163	-	(4,765)	539,398
Profit Equalisation	184,936	-	(84,936)	100,000
Recreational Lands	46,759	-	(46,759)	-
Drainage Levy	72,140	-	(18,077)	54,063
Gravel Pit Rehabilitation	211,986	-	57,837	269,823
Non-current Assets and Liabilities	127,599,593	1,437,811	911,200	129,948,604
<b>Total Equity</b>	<b>130,802,508</b>	<b>2,218,517</b>	<b>911,200</b>	<b>133,932,225</b>
<b>Total Equity Comprised of:</b>				
Accumulated Surplus	107,842,901			110,811,031
Reserves	22,959,607			23,121,194
	<b>130,802,508</b>			<b>133,932,225</b>

## NOTE 5: Reconciliation of increase in net assets resulting from operations to net cash inflow from operations

	NOTE	2005 \$	2004 \$
<b>Increase in Net Assets Resulting from Operations</b>		<b>2,218,517</b>	<b>2,943,912</b>
Net Assets Previously Not Recognised	10	-	(521,955)
Reversal of Prior Year Depreciation	11	-	(1,466,721)
Depreciation	14	2,861,629	2,666,586
Carrying Amount of Assets Sold	12	787,689	717,448
Proceeds from Sale of Assets	12	(922,300)	(749,548)
Expenditure of Land Held for Resale		(374,291)	-
Decrease/(Increase) in Other Non-Current Assets	24	(1,853)	(2,006)
Decrease/(Increase) in Receivables		197,385	(260,166)
Decrease/(Increase) in Inventories		(38,785)	12,943
Increase/(Decrease) in Creditors & Provisions		403,913	(462,187)
<b>Net Cash Inflow from Operations</b>		<b>5,131,904</b>	<b>2,878,306</b>

## NOTE 6(a): Capital improved valuations

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:

	2005 \$	2004 \$
Residential	1,090,509,000	632,378,506
Farm	486,894,000	408,912,000
Non-Farm Vacant Land	128,501,000	71,814,000
Business	20,481,105	18,124,000
<b>Total Capital Improved Valuations</b>	<b>1,726,385,105</b>	<b>1,131,228,506</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 6(b): Rates revenue

The following rates (excluding garbage collection charges) were recognised during the financial year. Garbage collection charges are included in Fees and Charges in Note 9

	2005 \$	2004 \$
Residential	2,810,291	2,549,807
Farm	1,555,697	1,417,759
Non-Farm Vacant Land	552,022	521,186
Business	100,368	73,076
Interest on Rates	59,768	51,889
<b>Total Rates Revenue</b>	<b>5,078,146</b>	<b>4,613,717</b>

## NOTE 7: Grants and subsidies

	2005 \$	2004 \$
Victoria Grants Commission - General Purpose Grant	1,876,954	1,893,367
Victoria Grants Commission - Local Roads Grant	1,374,001	1,320,964
Local Road Improvements (Fed Gov't)	983,749	583,298
Bannockburn Family Services Centre	775,000	-
Home & Community Care	522,258	452,914
VicRoads Timber Roads	433,148	-
Golden Plains Health Promotion	290,816	266,666
National Competition Payment	170,190	163,344
Environment Projects	119,352	23,106
Maternal & Child Health	103,202	77,057
Regional Library	92,949	94,595
Community Facilities (halls, etc)	88,648	412,521
Land Use Planning	84,560	159,091
Family Day Care	67,170	42,600
Youth Projects	56,784	58,920
Transport Connections	55,003	47,603
Fire Access Track	21,000	4,000
Community Development	20,000	49,500
School Crossing Supervision	19,325	12,600
Civic Leadership	4,850	-
Economic Development	3,636	26,250
Recreation Development	-	151,500
Street Beautification	-	62,500
Bus Shelters	-	11,320
Other	-	8,325
Community Health	-	6,566
<b>Total Grants and Subsidies</b>	<b>7,162,595</b>	<b>5,928,607</b>
Recurrent Grants	4,281,760	4,050,985
Non-Recurrent Grants	2,880,835	1,877,622
<b>Total Grants and Subsidies</b>	<b>7,162,595</b>	<b>5,928,607</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 8: Contributions and recoupments

	2005 \$	2004 \$
VicRoads' Contributions	2,234,220	1,754,285
Private Works & Gravel Sales	479,801	588,918
Family Day Care - Social Security	253,586	162,518
Developers' Rec Lands Contributions	86,509	52,401
Joint Roadworks - Other Council	63,120	-
Community Contributions	58,544	4,589
Environment Projects	57,931	513
Other	57,542	23,207
Legal Costs Recouped	21,400	38,941
Sale of Big Bins	9,775	9,565
Revaluation Contribution - State Revenue Office	6,468	72,320
Recoupment from Insurers	5,977	54,383
Waste Containment Facility Contributions	929	17,429
Standpipe Water Sales	689	6,255
Drainage Levy	-	20,180
Small Town Sewerage Project	-	5,000
<b>Total Contributions and Recoupments</b>	<b>3,336,491</b>	<b>2,810,504</b>

## NOTE 9: Fees and charges

Garbage Collection Charge	814,121	729,637
Planning & Building Fees	320,055	342,267
Home & Community Care Fees	126,580	173,085
Animal Registration Charges	77,470	85,547
Gravel Cartage Levy	62,009	61,671
Septic Tank Fees	37,056	43,647
Tip Fees	30,545	19,463
Child Care Fees	20,707	-
Rents & Leases	19,826	20,461
Infringements & Fines	18,875	7,587
Community Bus Hire Charges	15,215	13,875
Land Information Certificates	14,977	16,052
Food Premises Registration Fees	12,311	11,161
Northern Community Centre Charges	10,355	13,479
Other	6,006	3,449
Subdivision Supervision Fees	-	40,010
<b>Total Fees and Charges</b>	<b>1,586,108</b>	<b>1,581,391</b>

## NOTE 10: Net assets not previously recognised

During the previous financial year, Council recognised kerb and channel infrastructure assets in the Statement of Financial Position for the first time. These assets were identified after a comprehensive re-assessment of the road network. The effect on the financial statements of recognising these assets is an increase in operating income of \$521,955 and a matching increase in non-current assets.

	2005 \$	2004 \$
Recognition of Previously Unrecognised Non-Current Assets	-	521,955
<b>Net Assets Not Previously Recognised</b>	<b>-</b>	<b>521,955</b>



# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 11: Adjustments to accumulated depreciation

During the previous financial year, Council conducted a comprehensive re-assessment of the condition of its road infrastructure. The assessment was conducted by an independent civil engineer, Mr Peter Moloney M.I.E. Aust. As a result of this re-assessment, Council has decided to no longer recognise depreciation of road formations which were previously depreciated over a useful life of 100 years. This change in policy resulted in an increase in Operating Income of \$1,466,721 and a matching increase in Non-Current Assets.

Following is a detailed breakdown of these adjustments as they pertain to individual asset categories:

	2005 \$	2004 \$
Sealed Formations	-	516,496
Unsealed Formations	-	950,225
<b>Total Adjustments to Prior Year Depreciation</b>	<b>-</b>	<b>\$1,466,721</b>

## NOTE 12: Profit/(Loss) on sale of assets

	LAND \$	2005 PLANT & MACHINERY \$	TOTAL \$
Proceeds from Sale of Assets	80,000	842,300	922,300
Carrying Amount of Assets Sold	(34,544)	(753,145)	(787,689)
<b>Profit/(Loss) on Sale of Assets</b>	<b>45,456</b>	<b>89,155</b>	<b>134,611</b>

	LAND \$	2004 PLANT & MACHINERY \$	TOTAL \$
Proceeds from Sale of Assets	97,250	652,298	749,548
Carrying Amount of Assets Sold	(118,605)	(598,843)	(717,448)
<b>Profit/(Loss) on Sale of Assets</b>	<b>(21,355)</b>	<b>53,455</b>	<b>32,100</b>

## NOTE 13: Employee costs

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

	2005 \$	2004 \$
Wages & Salaries	4,338,943	3,771,679
Superannuation (Annual Contributions)	450,765	392,991
Annual Leave & Long Service Leave	436,492	420,595
Fringe Benefits & FBT	126,833	109,532
Workcover Premium & Claims Costs	81,999	62,075
Training	78,567	57,989
Other	10,271	2,667
<b>Total Employee Costs</b>	<b>5,523,870</b>	<b>4,817,528</b>

## NOTE 14: Depreciation

Depreciation was charged in respect of:

Infrastructure Assets	1,937,613	1,872,176
Plant & Machinery	461,882	382,239
Buildings	308,603	268,455
Other Structures	3,486	-
Furniture & Equipment	150,045	143,716
<b>Total Depreciation Expense</b>	<b>2,861,629</b>	<b>2,666,586</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 15: Cash assets

	NOTE	2005 \$	2004 \$
Short Term Deposits		3,060,664	2,425,634
At Call Deposits		1,738,215	948,359
Cash at Bank		163,082	424,509
<b>Total Cash Assets</b>		<b>4,961,961</b>	<b>3,798,502</b>

Of this amount, \$533,684 is subject to external restrictions as detailed below:

Long Service Leave Investment Account	4	533,684	551,769
Recreational Land Fund		-	46,759
<b>Total Restricted Cash Assets</b>		<b>533,684</b>	<b>598,528</b>

## NOTE 16: Receivables

Rate Debtors		294,578	226,137
Other Debtors		538,357	732,936
Accrued Income		21,256	99,758
<b>Total Receivables</b>		<b>854,191</b>	<b>1,058,831</b>

## NOTE 17: Inventories - consumables

Stock on Hand		113,436	74,651
<b>Total Inventories</b>		<b>113,436</b>	<b>74,651</b>

## NOTE 18: Other current assets

Prepaid Expenditure		84,933	77,678
<b>Total Other Current Assets</b>		<b>84,933</b>	<b>77,678</b>

## NOTE 19: Payables current

Trade Creditors		1,342,649	756,842
Accrued Expenditure		414,989	257,584
<b>Total Payables Current</b>		<b>1,757,638</b>	<b>1,014,426</b>

## NOTE 20: Interest-bearing liabilities

### Current

Bank Loan Secured over Council's Rates & Charges		197,934	184,138
<b>Total Interest-Bearing Liabilities - Current</b>		<b>197,934</b>	<b>184,138</b>

### Non-Current

Bank Loan Secured over Council's Rates & Charges		419,001	616,853
<b>Total Interest-Bearing Liabilities - Non-Current</b>		<b>419,001</b>	<b>616,853</b>

## NOTE 21: Employee benefits

### Current

Annual Leave Provision		373,859	336,180
Long Service Leave Provision		79,335	82,734
<b>Total Employee Benefits - Current</b>		<b>453,194</b>	<b>418,914</b>

### Non-Current

Long Service Leave Provision		539,398	544,163
<b>Total Employee Benefits - Non-Current</b>		<b>539,398</b>	<b>544,163</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 22: Property, Infrastructure, Plant and Equipment

	NOTE	AT COST/ VALUATION \$	ACCUMULATED DEPRECIATION \$	NET ASSETS 2005 \$	NET ASSETS 2004 \$
<b>Land</b>					
Cost		313,642	-	313,642	237,960
Valuation Indexed 30 June 2004		8,942,400	-	8,942,400	9,150,750
<b>Total Land</b>		<b>9,256,042</b>	<b>-</b>	<b>9,256,042</b>	<b>9,388,710</b>
<b>Buildings</b>					
Cost		736,884	-	736,884	639,936
Valuation Indexed 30 June 2004		20,140,230	(9,008,438)	11,131,792	10,750,446
<b>Total Buildings</b>		<b>20,877,114</b>	<b>(9,008,438)</b>	<b>11,868,676</b>	<b>11,390,382</b>
<b>Other Structures</b>					
Cost		268,762	(56,104)	212,658	-
<b>Total Other Structures</b>		<b>268,762</b>	<b>(56,104)</b>	<b>212,658</b>	<b>-</b>
<b>Work in Progress</b>					
Cost		693,264	-	693,264	-
<b>Total Work in Progress</b>		<b>693,264</b>	<b>-</b>	<b>693,264</b>	<b>-</b>
<b>Furniture &amp; Equipment</b>					
Cost		846,410	(472,720)	373,690	381,613
<b>Total Furniture &amp; Equipment</b>		<b>846,410</b>	<b>(472,720)</b>	<b>373,690</b>	<b>381,613</b>
<b>Plant &amp; Machinery</b>					
Cost		4,433,567	(918,048)	3,515,519	3,034,822
<b>Total Plant &amp; Machinery</b>		<b>4,433,567</b>	<b>(918,048)</b>	<b>3,515,519</b>	<b>3,034,822</b>
<b>Infrastructure</b>					
Cost		139,888,182	(35,097,814)	104,790,368	104,370,149
<b>Total Infrastructure</b>	23	<b>139,888,182</b>	<b>(35,097,814)</b>	<b>104,790,368</b>	<b>104,370,149</b>
<b>Total Written Down Value of Property, Infrastructure, Plant &amp; Equipment</b>		<b>176,263,341</b>	<b>(45,553,124)</b>	<b>130,710,217</b>	<b>128,565,676</b>

Refer to Note 1(g) for details of valuation methods.

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 23: Infrastructure

	AT COST/ VALUATION \$	ACCUMULATED DEPRECIATION \$	NET ASSETS 2005 \$	NET ASSETS 2004 \$
<b>Footpaths</b>				
Historical Cost	33,926	(500)	33,426	20,000
Independent Valuation	937,894	(283,167)	654,727	678,175
<b>Total Footpaths</b>	<b>971,820</b>	<b>(283,667)</b>	<b>688,153</b>	<b>698,175</b>
<b>Sealed Pavements</b>				
Historical Cost	2,186,578	(6,664)	2,179,914	804,242
Independent Valuation	74,896,339	(18,737,056)	56,159,283	56,779,853
<b>Total Sealed Pavements</b>	<b>77,082,917</b>	<b>(18,743,720)</b>	<b>58,339,197</b>	<b>57,584,095</b>
<b>Unsealed Pavements</b>				
Historical Cost	465,032	(6,694)	458,338	211,427
Independent Valuation	12,604,197	(3,423,722)	9,180,475	9,579,516
<b>Total Unsealed Pavements</b>	<b>13,069,229</b>	<b>(3,430,416)</b>	<b>9,638,813</b>	<b>9,790,943</b>
<b>Sealed Surfaces</b>				
Historical Cost	1,480,658	(45,867)	1,434,791	779,742
Independent Valuation	10,400,641	(4,513,109)	5,887,532	6,499,334
<b>Total Sealed Surfaces</b>	<b>11,881,299</b>	<b>(4,558,976)</b>	<b>7,322,323</b>	<b>7,279,076</b>
<b>Sealed Formations</b>				
Independent Valuation	13,118,232	-	13,118,232	13,118,232
<b>Total Sealed Formations</b>	<b>13,118,232</b>	<b>-</b>	<b>13,118,232</b>	<b>13,118,232</b>
<b>Unsealed Formations</b>				
Independent Valuation	5,384,365	-	5,384,365	5,384,365
<b>Total Unsealed Formations</b>	<b>5,384,365</b>	<b>-</b>	<b>5,384,365</b>	<b>5,384,365</b>
<b>Kerb &amp; Channel</b>				
Historical Cost	11,000	(183)	10,817	11,000
Independent Valuation	583,115	(70,879)	512,236	521,955
<b>Total Kerb &amp; Channel</b>	<b>594,115</b>	<b>(71,062)</b>	<b>523,053</b>	<b>532,955</b>
<b>Bridges &amp; Major Culverts</b>				
Historical Cost	56,719	(552)	56,167	49,669
Council Valuation	16,226,640	(7,501,974)	8,724,666	8,904,962
<b>Total Bridges &amp; Major Culverts</b>	<b>16,283,359</b>	<b>(7,502,526)</b>	<b>8,780,833</b>	<b>8,954,631</b>
<b>Underground Drainage</b>				
Historical Cost	315,336	(16,320)	299,016	305,323
Council Valuation	1,100,252	(467,657)	632,595	654,600
<b>Total Underground Drainage</b>	<b>1,415,588</b>	<b>(483,977)</b>	<b>931,611</b>	<b>959,923</b>
<b>Road Name Plates</b>				
Historical Cost	44,945	(10,491)	34,454	36,497
Council Valuation	42,313	(12,979)	29,334	31,257
<b>Total Road Name Plates</b>	<b>87,258</b>	<b>(23,470)</b>	<b>63,788</b>	<b>67,754</b>
<b>Total Infrastructure</b>	<b>139,888,182</b>	<b>(35,097,814)</b>	<b>104,790,368</b>	<b>104,370,149</b>

Refer to Note 1(g) for details of valuation methods.

## NOTE 24: Investment in Associate

	2005 \$	2004 \$
Equity in Geelong Regional Library	196,786	194,933
<b>Total Other Non-Current Assets</b>	<b>196,786</b>	<b>194,933</b>

Refer to note 1(n) for details regarding Council's interest in the Geelong Regional Library.

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 25. 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	BUILDINGS	OTHER STRUCTURES	WORK IN PROGRESS	FURNITURE & EQUIPMENT	PLANT & MACHINERY	INFRASTRUCTURE	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
Carrying amount at 1 July 2004	9,388,710	11,390,382	-	-	381,613	3,034,822	104,370,149	128,565,676
Capital Expenditure	75,682	96,948	39,974	648,182	143,113	1,694,733	2,357,833	5,056,465
Depreciation	-	(308,603)	(3,486)	-	(150,045)	(461,882)	(1,937,613)	(2,861,629)
Disposals	(34,544)	-	-	-	(991)	(752,154)	-	(787,689)
Adjustment	-	911,200	-	-	-	-	-	911,200
Reclassification Between Classes	-	(221,251)	176,169	45,082	-	-	-	-
Reclassification to Current Asset	(173,806)	-	-	-	-	-	-	(173,806)
Carrying amount at 30 June 2005	9,256,042	11,868,676	212,657	693,264	373,690	3,515,519	104,790,369	130,710,217

## NOTE 26: Superannuation

Council makes employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). The Fund has two categories of membership, each of which is funded differently.

During 2004-05 Council's superannuation contributions relating to that year's accumulation and defined benefit members services were \$450,765 (\$392,991 in 2003-04).

### Superannuation: Accumulation Benefits

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (9% required under Superannuation Guarantee Legislation). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

### Superannuation: Defined Benefits

Council makes employer contributions to the defined benefits category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary as at 31 December 2002, the Trustee has determined that the Council should make the following contributions:

- 9.25% of members' salaries (same as previous year);
- the difference between resignation and retrenchment benefits paid to retrenched employees (same as previous year);
- Council's share of the funding shortfall in the Local Authorities Superannuation Fund Defined Benefit Plan of \$127m at 31 December 2002. Council's share was \$474,811, which has been paid in full. The funding or "actuarial" shortfall is the amount by which the current value of assets plus expected future contributions is less than the value of expected future benefits and expenses. The Local Authorities Superannuation Fund Defined Benefit Plan is operated as a mutual plan.

## NOTE 27: Contractual commitments for expenditure

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

	2005			2004		
	LESS THAN ONE YEAR	ONE YEAR TO FIVE YEARS	TOTAL	LESS THAN ONE YEAR	ONE YEAR TO FIVE YEARS	TOTAL
Four Seasons Waste Management	463,327	1,853,308	2,316,635	413,712	1,697,258	2,110,970
Linton Recreation Reserve	-	-	-	112,500	-	112,500
Bruce's Creek Bridge	-	-	-	97,000	-	97,000
High Street Bannockburn	-	-	-	50,000	-	50,000
Lethbridge Sports Pavillion	-	-	-	43,200	-	43,200
Inverleigh Footbridge	-	-	-	23,300	-	23,300
Bannockburn Lagoon	-	-	-	5,300	-	5,300
Bannockburn Office Extension	192,646	-	192,646	-	-	-
	655,973	1,853,308	2,509,281	745,012	1,697,258	2,442,270

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 28: Contingent liabilities

### Gravel Pits Rehabilitation

Council owns and operates a number of gravel pits under a Works Authority issued by the Department of Minerals and Energy under the Extractive Industries Development Act 1995. The Works Authority requires Council to rehabilitate these pits in the future. The amount required to fund these works cannot be reliably estimated.

arrangement with the bank using mobile garbage bins as security. If the contractor defaults on that financing agreement, Council will become liable to the bank for the ongoing instalments during such period of time that Council is in possession of the bins. Council is not responsible for any instalment arrears unless it becomes the owner of the bins.

### Waste Management Contract

Council is party to a Tripartite Deed along with a waste management contractor and a bank. The contractor has a separate financing

## NOTE 29: Financial ratios

	2005		2004		2003
<b>(a) Revenue Ratio</b>					
Purpose: To assess the dependence on non-rate income sources.					
Rate Revenue	<u>5,078,146</u>	27.75%	<u>4,613,717</u>	29.10%	<u>4,054,692</u>
Total Revenue	18,297,132		15,853,547		15,777,374
<b>(b) Debt Exposure Ratio</b>					
Purpose: To identify the exposure of Council to debt and to indicate the solvency of the Council.					
Total Indebtedness	<u>3,537,396</u>	10.82%	<u>2,967,763</u>	10.09%	<u>3,223,732</u>
Total Realisable Assets	32,679,253		29,400,122		24,946,976
<b>(c) Debt Servicing Ratio</b>					
Purpose: To assess Council's capacity to service debt outstanding.					
Debt Servicing	<u>40,605</u>	0.22%	<u>56,149</u>	0.35%	<u>26,848</u>
Total Revenue	18,297,132		15,853,547		15,777,374
<b>(d) Debt Commitment Ratio</b>					
Purpose: To identify Council's debt redemption strategy.					
Debt Servicing & Redemption	<u>224,661</u>	4.42%	<u>152,837</u>	3.31%	<u>118,451</u>
Rate Revenue	5,078,146		4,613,717		4,054,692
<b>(e) Working Capital Ratio</b>					
Purpose: To assess Council's ability to meet current commitments.					
Current Assets	<u>6,562,618</u>	254%	<u>5,009,662</u>	277%	<u>4,983,035</u>
Current Liabilities	2,578,997		1,806,747		1,899,491

### Definitions

'Current assets' means the total current assets as shown in the Statement of Financial Position.

'Current liabilities' means the total current liabilities as shown in the Statement of Financial Position.

'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 Statement of Financial Position.

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

'Total revenue' means total revenue as shown in the Operating Statement.



# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 30: 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 & Conditions
<b>(1) Financial Assets</b>			
Cash at Bank	15	Cash amounts are stated at face value. Interest is recognised as it accrues.	On call deposits returned floating interest rates daily of 2.75%
At Call Deposits	15	At call deposits are stated at cost. Interest is recognised as it accrues.	Cash amounts are available at call. The effective interest rate is 5.20% to 5.45% (2004: 4.65% to 5.15%)
Short Term Deposits	15	Short-term deposits are stated at cost. Interest is recognised as it accrues.	Short-term deposits held as at balance date have an average maturity of 54 days and effective interest rates of 5.68% to 5.92% (2004: 4.82% to 5.80%)
Rate Debtors	16	Rate debtors are carried at nominal amounts. No provision is made for doubtful debts, as outstanding rates remain a charge on the property.	Interest on unpaid rates is levied at 12.00% per annum (2004: 11.25% p.a.).
Other Debtors	16	Trade debtors are carried at nominal amounts less provision for doubtful debts. A provision for doubtful debt is recognised when collection of the full nominal amount is no longer probable.	Credit sales are on 14 day terms.
Accrued Income	16	Amounts (other than trade debts) receivable from entities are carried at nominal amounts.	Accrued income is normally settled within 30 days.
<b>(2) Financial Liabilities</b>			
Trade Creditors & Accrued Expenditure	19	Creditors are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council. Interest is not payable on these liabilities.	Trade liabilities are normally settled on 30 day terms.
Trust Funds		Trust funds are recognised for amounts to be paid in the future for amounts held on behalf of other parties. Interest is not payable on these liabilities.	Trust funds are normally repaid within one year.
Interest-Bearing Liabilities	20	Bank borrowings are carried at the amount outstanding at the 30th of June, 2005. Interest is recognised as it accrues.	Council has two bank loans. The first loan matures on the 25th of March, 2007. The effective interest rate is 5.74%. The second loan matures on the 24 December 2008. The effective interest rate is 6.33%.

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 30: Financial instruments (cont.)

### (b) Interest Rate Risk

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

FINANCIAL INSTRUMENT	NOTE	FLOATING INTEREST RATE	FIXED INTEREST RATE MATURING IN 1 YEAR OR LESS	FIXED INTEREST RATE MATURING IN 1-8 YEARS	NON-INTEREST BEARING	TOTAL CARRYING AMOUNT DISCLOSED IN STATEMENT OF FINANCIAL POSITION	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE
		2005 \$'000	2005 \$'000	2005 \$'000	2005 \$'000	2005 \$'000	2005 %
<b>(1) Financial Assets</b>							
Cash at Bank	15	163	-	-	-	163	-
At Call Deposits	15	1,738	-	-	-	1,738	-
Short Term Deposits	15	-	3,061	-	-	3,061	-
Rate Debtors	16	-	295	-	-	295	12.00
Other Debtors	16	-	-	-	538	538	-
Accrued Income	16	-	-	-	21	21	-
<b>(2) Financial Liabilities</b>							
Trade Creditors	19	-	-	-	1,343	1,343	-
Accrued Expenditure	19	-	-	-	415	415	-
Trust Funds		-	-	-	170	170	-
Interest-Bearing Liabilities	20	-	-	617	-	617	6.12

FINANCIAL INSTRUMENT	NOTE	FLOATING INTEREST RATE	FIXED INTEREST RATE MATURING IN 1 YEAR OR LESS	FIXED INTEREST RATE MATURING IN 1-8 YEARS	NON-INTEREST BEARING	TOTAL CARRYING AMOUNT DISCLOSED IN STATEMENT OF FINANCIAL POSITION	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE
		2004 \$'000	2004 \$'000	2004 \$'000	2004 \$'000	2004 \$'000	2004 %
<b>(1) Financial Assets</b>							
Cash at Bank	15	425	-	-	-	425	-
At Call Deposits	15	948	-	-	-	948	-
Short Term Deposits	15	-	2,426	-	-	2,426	-
Rate Debtors	16	-	226	-	-	226	11.25
Other Debtors	16	-	-	-	733	733	-
Accrued Income	16	-	-	-	100	100	-
<b>(2) Financial Liabilities</b>							-
Trade Creditors	19	-	-	-	757	757	-
Accrued Expenditure	19	-	-	-	258	258	-
Trust Funds		-	-	-	189	189	-
Interest-Bearing Liabilities	20	-	-	801	-	801	6.06

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 30: Financial instruments (cont.)

### (c) Net Fair Value

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

FINANCIAL INSTRUMENT	NOTE	TOTAL CARRYING AMOUNT AS PER STATEMENT OF FINANCIAL POSITION		AGGREGATE NET FAIR VALUE	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
(1) Financial Assets					
Cash at Bank	15	163	425	163	425
At Call Deposits	15	1,738	948	1,738	948
Short Term Deposits	15	3,061	2,426	3,061	2,426
Rate Debtors	16	295	226	295	226
Other Debtors	16	538	733	538	733
Accrued Income	16	21	100	21	100
(2) Financial Liabilities					
Trade Creditors	19	1,343	757	1,343	757
Accrued Expenditure	19	415	258	415	258
Trust Funds		170	189	170	189
Interest-Bearing Liabilities	20	617	801	617	694

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

FINANCIAL INSTRUMENT	NOTE	METHODS AND ASSUMPTIONS
(1) Financial Assets		
Cash at Bank	15	The carrying amount of all financial assets approximates fair value because of the short term to maturity.
At Call Deposits	15	
Short Term Deposits	15	
Rate Debtors	16	
Other Debtors	16	
Accrued Income	16	
(2) Financial Liabilities		
Trade Creditors	19	The carrying amount approximates fair value because of the short term to maturity.
Accrued Expenditure	19	The carrying amount approximates fair value because of the short term to maturity.
Trust Funds		The carrying amount approximates fair value because of the short term to maturity.
Interest-Bearing Liabilities	20	The fair value is estimated by discounting future cash outflows using current borrowing rates.

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 31: RELATED PARTY DISCLOSURES

### (a) Identity of Responsible Persons

Responsible Persons of the Council during the year were:

Cr B McArthur (Mayor)

Cr J Blake

Cr D Cotsell

Cr G Dupe

Cr T Francis (until November 2004)

Cr G Frantz

Cr D Guinane

Cr J Jones (elected November 2004)

Cr K Knight

Cr A Parker

Chief Executive Officer R 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:

	2005 No.	2004 No.
\$0 - \$9,999	2	8
\$10,000 - \$19,999	7	-
\$20,000 - \$29,999	-	1
\$30,000 - \$39,999	1	-
\$140,000 - \$149,999	-	1
\$150,000 - \$159,999	-	-
\$160,000 - \$169,999	1	-
Total Remuneration of Responsible Persons	\$276,062	\$242,409

### (c) Identity of Senior Officers

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

J Dixon Director – Corporate Services

D Madden Director – Technical Operations

L Jenner Director – Community Services

S Sagona Executive Project Officer

### (d) Remuneration and Benefits – Senior Officers

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

	2005 No.	2004 No.
\$80,000 - \$89,999	1	-
\$100,000 - \$109,999	-	3
\$110,000 - \$119,999	3	-
Total Remuneration of Senior Officers	\$427,275	\$318,129

### e) Other Transactions of Responsible Persons/Senior Officers

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

	2005 \$	2004 \$
Haddon Bottle Shop – Cr B McArthur	1,439	1,526

These transactions were on normal commercial terms.

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2005

## NOTE 32: Impacts of Adopting Australian Equivalents to International Financial Reporting Standards (AIFRS).

The Council will prepare and present its first financial report and other accountability statements in compliance with the AIFRS framework for the financial year ended 30 June 2006. The 2006 AIFRS compliant financial report will comprise the four existing financial statements, three of which will be renamed, and the notes accompanying those statements. The Statement of Financial Performance will be called the Operating Statement, the Statement of Financial Position becomes the Balance Sheet, and the Statement of Cash Flows becomes Cash Flow Statement.

Under AIFRS, there are requirements that apply specifically to not-for-profit entities that are not consistent with IFRS requirements. The Council has analysed its purpose, objectives, and operating philosophy and determined that it does not have profit generation as a prime objective. Consequently, where appropriate, the Council will elect to apply options and exemptions within the AIFRS that are applicable to not-for-profit entities.

With some exceptions, the Council will record transactions and events as though AIFRS has always applied. This practice will extend to any comparative information included within the financial report. Most accounting policy adjustments arising from the first time adoption of AIFRS will apply retrospectively and be adjusted against the balance of accumulated funds at 1 July 2004. The exceptions include deferral until 1 July 2005 of the application and adjustments for:

- AASB 132 Financial Instruments: Disclosure and Presentation; and
- AASB 139 Financial Instruments: Recognition and Measurement.

The comparative information for transactions affected by these Standards is accounted for in accordance with existing Australian Accounting Standards.

The Council will take the following steps in managing the transition to AIFRS:

- Appoint the Council's Audit and Finance Committee to oversee the transition to, and implementation of, AIFRS;
- Review the new standards and identify key issues and likely impacts on the Council; and
- Initiate reconfiguration and testing of systems and processes to meet new requirements.


The Council has concluded that there will not be a significant impact on the reported financial position and financial performance following the adoption of AIFRS. It should be noted that the actual effects of the transition to AIFRS may differ from that currently disclosed due to:

- Change in facts and circumstances;
- Ongoing work being undertaken by staff responsible for the AIFRS review;
- Potential amendments to AIFRS and UIG Interpretations; and
- Emerging accepted practice in the interpretation and application of AIFRS and UIG Interpretations.

## 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 15th day of September 2005.



DEAN P MILLER, B.Comm; FCPA

PRINCIPAL ACCOUNTING OFFICER

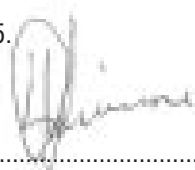
In our opinion the accompanying financial report presents fairly the financial transactions of the Golden Plains Shire Council for the year ended 30 June 2005 and the financial position of the Council as of that date.

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 24 July 2005 to certify the financial report in its final form.

Signed at Bannockburn this 15th day of September 2005.



COUNCILLOR BILL MCARTHUR  
Mayor



COUNCILLOR DES GUINANE  
Chairman, Audit and Finance Committee



ROD NICHOLLS  
Chief Executive Officer

STUTTGART, GERMANY  
INDEPENDENT ADJUDICATOR  
Golden Plains Shire Council

### Unleash the power of

### Abstracts Relating to The Electronic Presentation of the Judicial Financial Report

This value report for the first seven years in history relates to the future report of the Golden Share Committee published on its website. The Committee is responsible for the completion of the table as I have not been engaged to report on the accounts of the year since the financial report relating to the statement is issued as yet. An opinion is not provided on any other information on which may arise directly or indirectly from these statements. If any of this Committee cannot deal with the financial risks arising from elements of the company's business, we are obliged to refer to the final copy of the audited financial report to confirm the information included in the audited financial report presented on the website.

**Abstract**

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The Board's 1997 financial report for the year ended 30 June 2007 is available on the council website at the subject of financial statements of the local authority. The report also contains a copy of the statement of cash flows, notes to the financial statements and the auditor's declaration.

The accompanying standard statement covers the year ended 30 June 2005 at the request of the company's shareholders. The standard statement provides information on financial performance, financial position and cash flows, management commentary and other relevant matters, the related notes and the governing declaration.

1. **Introduction**  
 2. **Background**  
 3. **Methodology**  
 4. **Results**  
 5. **Discussion**  
 6. **Conclusion**  
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 18. **Figure 10**  
 19. **Figure 11**  
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the case of a single input, the output is a scalar value.

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As required by the public in 1961, an independent study has been conducted in order to examine the impact on the financial aspect and on the living conditions. The study has been conducted in accordance with American Accounting Standards to provide a suitable measure for comparing the financial position and standard living conditions of the general population.

The authors are indebted to Dr. J. H. Duerksen for his critical reading of the manuscript.

- Accounting information is a test base to provide evidence supporting the amounts and disclosures in the financial report and financial statements.
- Assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the company for planning, writing confirmation regarding the material representations made in connection with the audit.

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[illegible]

13-06-01-17-11

אנו מודים לך על שיתוף הפעולה.

- reviewing the overall presentation of information in the financial statements and standards to users.
- These standards are necessary to form an opinion as to whether:
- The Income Statement represents in all material aspects fairly in accordance with Accounting Standards and other mandatory, proper and relevant requirements in Accounting and the relevant reporting requirements of the Financial Reporting Standards issued by the Accounting Council, and to fully understand the context, nature, position, and reliability of performance and the following:
  - the standard statements are presented fairly in accordance with the basis of preparation described in note 1 to comply with the requirements of the Financial Reporting Standards and the "general" paragraphs are correctly extracted from the financial statements. When the standard statements have to be prepared on a basis consistent with the financial effect they are not representative of the accounting consequences of accounting standards and other mandatory or advisory accounting requirements.

the 1000 m. segment in this case has been carried to the 1000-3000

## Introduction

The Administration's knowledge is established by the Commission in 1975. The Administration is not subject to disclosure by you pursuant to the act in which the Commission can be exposed. The Administration is not an official defendant simply with all applicable knowledge, we mean members of the Administration's governing agencies.

## Qualitäts-Organisation

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- 2.2.5 the financial reporting process's only reference to applicable Accounting Standards and other mandatory professional reporting requirements in Article 1 and the financial reporting requirements of the Code of Accounting for those the financial reporting Code also figures. Some correct as of 30 June 2015 and its financial reporting and related information for the year 2014.

For the standard statements are preserved only in accordance with the types of preparation is described in article 1 in the statements and comply with the requirements of the form of statement of 19.02.2011

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# Performance Statement

Key Strategic Activities		Actual Result 2004/05	Budget 2004/05	Difference
VLGI 1	Average rates & charges per assessment.	\$671	\$669	0%
VLGI 2	Average rates & charges per residential assessment.	\$612	\$612	0%
VLGI 3	Average liabilities per assessment.	\$398	\$453	12%
VLGI 4	Operating result per assessment.	\$262	\$344	24%
VLGI 5	Average operating expenditure per assessment.	\$1,901	\$2,017	6%
VLGI 7	Average capital expenditure per assessment.	\$607	\$988	39%

Community Satisfaction		CSMP April 2005 indexed mean.	ABP Target 2004/05	Difference
CS.2.1	Community satisfaction rating for local roads & footpaths.	52	52	0
CS.2.2	Community satisfaction rating for health & human services.	71	70	1
CS.2.3.	Community satisfaction rating for recreational facilities.	71	69	2
CS.2.6.	Community satisfaction rating for waste management services.	77	78	-1
CS.2.8	Community satisfaction rating for economic development.	64	65	-1
CS.2.9.	Community satisfaction rating for town planning policy & approvals.	65	66	-1
CS.3	Community satisfaction rating for council's interaction & responsiveness in dealing with the public.	78	71	7
CS.4	Community satisfaction rating for council's advocacy & community representation on key local issues.	69	68	1

## Performance Statement Explanations

### Introduction

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

### Common Terms

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

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

**Average Annual Asset Consumption (AAAC)** – The amount of a local government's asset base consumed during a year based on current replacement cost divided by useful life.

**Capital expenditure** – is the amount capitalised to the Balance Sheet (ie the aggregate additions to non- current assets for the year) and net contributions by Council to major assets not owned by Council.

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

**Renewal Gap** – Ratio of spending on renewal to the long-term AAAC.

**Renewal and Maintenance Gap** – Ratio of current spending on renewal plus maintenance to the AAAC plus maintenance.

### Summary of Explanation of Variations

VLGI 3 – Council's average liabilities per assessment were lower than budget due to borrowings at year end being substantially lower than budget. The borrowings envisaged for 2004-05 did not eventuate due to the deferral of major capital projects, such as, the Bannockburn Family Services Centre that are funded from borrowings.

VLGI 4 – Council's average operating result per assessment was lower than budget due to a combination of favourable and unfavourable variances. Favourable variances include higher grants (\$489k), deferred projects (\$319k), interest on investments (\$55k) and operational savings.

VLGI 7 – Council's average capital expenditure per assessment is below budget due to the following:

- Bannockburn Family Services Centre \$1.249m not completed within original timeframe.
- Bannockburn Business Estate \$1.071m under spent as development has not commenced.
- Bakers Lane land \$548k has been reclassified as a Current Asset and, therefore, does not constitute capital expenditure.
- Northern Industrial Estate \$101k will not take place.

## Council Approval of the Performance Statement

In our opinion, the accompanying performance statement of the Golden Plains Shire Council in respect of 2004-05 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 15th day of September 2005.



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COUNCILLOR BILL MCARTHUR  
Mayor



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COUNCILLOR DES GUINANE  
Chairman, Audit and Finance Committee

INDEPENDENT AUDIT REPORT

Golden Plains Shire Council

To the Council

Matters Relating to the Electronic Presentation of the Audited Performance Statement

This audit report for the financial year ended 30 June 2005 relates to the performance statement of Golden Plains Shire Council and is based on its website. I and I have not inspected the website for the integrity of the website. The audit report is based on the statements made below. An opinion is not expressed on any other information which may have been disclosed to or for these stakeholders. It is noted that the audit report is not intended to be used for any other purpose than the audit report. The audit report is not intended to be used for any other purpose than the audit report. The audit report is not intended to be used for any other purpose than the audit report.

Scope

The Performance Statement

The accounting performance statement for the year ended 30 June 2005 of Golden Plains Shire Council consists of the statement of financial position and the statement of cash flows.

Control and Responsibility

The responsibility of Golden Plains Shire Council for the preparation of the performance statement is the responsibility of the Council.

Management

As required by the Local Government Act 1995, an independent audit has been carried out in accordance with the performance statement. The audit has been conducted in accordance with the Australian Auditing Standards to provide reasonable assurance as to whether the performance statement is free of material misstatement.

The audit process involves:

- examining internal controls, based on the evidence supporting the accounts and the nature of the statement
- obtaining written representations regarding the material information and its use in the audit
- reviewing the overall presentation of the statement

These procedures, which are designed to provide assurance of the appropriateness of the performance statement, are limited to the extent that they are not intended to provide assurance as to whether the performance statement is presented fairly in accordance with the Australian Auditing Standards.

The audit report expressed in this report is based on the above basis.

Independent Audit Report continued

Independence

The Auditor General's independence is stated that by the Constitution Act 1978. The Auditor General is not subject to direction by any person other than the person to whom he or she is responsible. The Auditor General and his staff are not to be employed in any other capacity in the public service or in any other capacity in the public service.

Audit Opinion

In my opinion, the performance statement of Golden Plains Shire Council for the year ended 30 June 2005 is a true and fair representation of the financial position and the statement of cash flows.

WILLIAM R. M.  
14 November 2005

WILLIAM R. M.  
14 November 2005



### Customer Service Centres

2 Pope Street, Bannockburn  
Mon-Fri 8.30am – 5.00pm

Sussex Street, Linton  
Mon-Fri 8.30am – 12.30pm  
& 1.00pm – 5.00pm

### Postal Address:

Golden Plains Shire Council  
PO BOX 111, BANNOCKBURN VIC 3331

### Telephone:

(03) 5220 7111 or 1300 36 30 36\*

\*Local call cost from within the Shire, excluding calls from mobile phones.

Facsimile: (03) 5220 7100

### Email:

[enquiries@gplains.vic.gov.au](mailto:enquiries@gplains.vic.gov.au)

### Web:

[www.goldenplains.vic.gov.au](http://www.goldenplains.vic.gov.au)