

Annual Report

The 13th Annual Report of the Golden Plains Shire Council

2006 - 2007





/// AT A GLANCE

Location:	Access to Melbourne, Ballarat and Geelong. The gateway to the Central Highlands region and Western District.
Area:	2,705 sq kilometres
Estimated Population:	16,452
Average Annual Growth Rate:	2.8%
Number of employees:	130
Number of Councillors:	9
Number of Ridings:	9
Rateable properties:	8,719
Total revenue:	\$22.82 million
Rate revenue:	\$7.08 million
Length of sealed local roads:	891 kms
Length of unsealed local roads:	768 kms
Main Roads:	220 kms
Climate:	Cool winters and moderate summers
Annual Average Rainfall:	500-750 mm
Average winter temp:	10 degrees Celsius
Average summer temp:	25 degrees Celsius

/// COMMUNITIES

Anakie	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	Wingeel

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

/// OUR VISION

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

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

/// OUR MISSION

- We encourage, welcome and recognise the need to respond to the significant forecast population growth and the challenges it creates.
- We maintain and enhance the diversity and uniqueness of our communities, while encouraging and managing population growth and economic development.
- We maintain and develop a quality road system and secure adequate resources for the future.
- We aim for citizens to have fair access to recreation facilities, education, employment and human 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 support agricultural industry, sustainable practices and the right to farm.
- We provide municipal leadership that reflects local needs within a competitive and changing environment while considering government priorities.
- We foster successful relationships with other levels of government, agencies, non government organisations and the private sector.

/// OUR VALUES

• Integrity in Leadership

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

• Equity & Access

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

• Commitment

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

• Community

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

• Innovation

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



Golden Plains Shire comprises 2,705 square kilometres between Victoria's two largest regional cities, Geelong and Ballarat.

/// SHIRE PROFILE

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

With 16,452 residents across some 52 communities including 16 townships, Golden Plains is one of the fastest growing municipalities in Victoria, with population growth of around 13% between 2001 and 2006. Significantly, the Shire has a higher proportion of young people within its population than the state and national average.

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

While the Shire has a strong tradition of wool and grain growing, intensive animal farming, particularly poultry and pigs, is increasing. Growth in the home based business sector is providing healthy employment and lifestyle opportunities for the growing population. Wine is a growing industry, with the Moorabool Valley being home to a number of well established vineyards.

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



Maintaining and improving the shire's extensive road network continued to be a priority for Council.



/// FROM THE MAYOR

On behalf of my fellow Councillors and myself, I am pleased to present the Golden Plains Shire Council's 2006-07 Annual Report. During the reporting period, rainfall was well below average for the region, which created major problems for many of our farmers and rural based businesses. The extended drought period has also presented challenges for the Council in terms of financial management and service provision. Council actively sought an Exceptional Circumstances declaration for the municipality, which opened up eligibility to extensive assistance for our ratepayers.

Council was also conscious of the effect of land revaluations on our ratepayers, which added to the woes caused by the dry season. As a result, Council reduced the increase in rate revenue from 9.95% proposed in the Financial Plan, to 7.8% for the 2007-08 rating period. This involved reductions in some services. Difficult decisions will be needed in future years to maintain the integrity of the long-term objectives set out in our financial strategy.

Our capital works program for 2006-07 saw \$8.3 million in works commenced, which is the largest ever undertaken by the Council. This included over \$1.7 million in local road upgrades and the completion of a number of community facilities including the Ross Creek multipurpose facility, Rokewood Recreation Reserve upgrade, Happy Valley Hall upgrade, completion of the new Garibaldi bridge, the Bannockburn Bowling Club resurface project and the Inverleigh Second Oval project, just to name a few.

Maintaining and improving the Shire's extensive road network continued to be a priority for Council. The Shire has over 1,600 kilometres of local roads and Council invested \$5.5 million for the ongoing improvement and maintenance of this network, including footpaths, sealed and gravel roads.

I would like to recognise the value of the Federal Government's Roads to Recovery Program and the importance of the Regional Strategic Road Funding program to this Shire. Council was successful in securing \$3.1 million towards the upgrade of thirteen significant roads in 2006-07, including \$1.98 million for the upgrade of the Mt Mercer-Shelford and Buninyong-Mt Mercer roads under the Auslink Strategic Regional Program. Work on this road will be completed within the next three years.

Both the Federal and State Governments recognised the best practice achievements by Council in 2006-07 in human services delivery. Council initiated the Golden Plains Health Planning Forum, in partnership with the Department of Human Services. This forum engages key decision makers from more than fifteen departments and agencies to meet on an ongoing quarterly basis to coordinate health service delivery in the Shire. This highly successful initiative was recognised by the Australian Government through its 2006 National Awards for Local Government with a Commendation for Leading Practice in Health & Wellbeing.

One of the key outcomes of the planning forums was the establishment of service hubs across the Shire, including the development of the Bannockburn Family Services Centre. The centre was awarded first prize by the Minister for Children and Community Services in the Victorian Government's Early Year Awards in October 2006. There were 116 entries in the awards across three categories. The Golden Plains award was for Better Access to Child & Family Support Services, Health Services and Early Education.

Golden Plains' unique position located between Geelong and Ballarat has required Council to take a regional view of its role and acknowledge that we do not live in isolation of the municipalities around us. Throughout 2006-07, Council has been an active participant in the G21 Geelong Region Alliance and contributed to the G21 Regional Plan. Council currently chairs the Central Highlands Mayors & CEO's Forum, which has also recently completed a regional plan. Council is an active participant in a range of other regional and local government sector organisations.

In planning for the impact of future population growth, Council embarked on two important land use studies this past year. The South East Land Use Planning Review was partially prompted by the construction of the Geelong Bypass and the predicted land management pressures this may bring to the area in the southeast of the Shire. The final report has been released for public comment.

Council also commenced the development of a Rural Land Use Strategy in late 2006, prompted by the development of new rural zones by the Victorian Government to provide a clear vision and a plan to support sustainable land use and management in the Shire's rural areas. The final draft will be released shortly.

I would like to thank my fellow councillors for their cooperative and constructive work over the past year and their support to me personally. I also thank the Chief Executive Officer, Rod Nicholls and his staff, for their hard work and diligence. The achievements mentioned above and many others represent a commendable effort, especially noting that our staffing levels are amongst the lowest in Victoria.

Finally, I would like to acknowledge the contribution made by the Shire's volunteers who give so much time and effort to the wellbeing of their fellow citizens. Space constraints do not allow me to list all the activities in the municipality that are undertaken in partnership between the Council and its volunteer constituents. Nevertheless, each and every one of these contributions is greatly appreciated by Council and is vitally important to the quality of life and cohesiveness of our community. So I thank you all.

Cr David Cotsell



Council has delivered many important service and infrastructure projects over the past year.



/// FROM THE CHIEF EXECUTIVE OFFICER

As the Mayor has reported, the drought has had a significant impact on our communities over the past twelve months, which may need a continued focus in Council's planning over the short to medium term. In addition, the release of 2006 Census Data for Golden Plains Shire has highlighted rapid population growth of 2.78% per annum in our municipality over the past 5 years, which is much higher than any neighbouring municipality. These pressures reinforce the imperative for Council to provide, maintain and enhance services and infrastructure that support the needs of our changing communities. In this respect, one of our greatest challenges is to do this in a way that is equitable and sustainable.

I am pleased to report that in addition to the successful delivery of the 2006-07 Council Plan, Golden Plains Shire has been recognised by the Municipal Association of Victoria as one of the best performing Council's in Victoria, in terms of financial management and sustainability. Indeed, Council is ranked equal fifth out of 79 Councils on financial sustainability and we continue to be one of the lowest rating Councils. Importantly, our customer satisfaction ratings are consistently very high. Council is acutely aware of the impact of increasing rates on households, farms and businesses. All levels of the organisation, including the Mayor, councillors, the management team and staff, are committed to ensuring that we achieve value for money in everything we do.

Council has delivered many important service and infrastructure projects over the past year (detailed on page 8 and 9) to support and enhance our growing communities. Some of the highlights include:

- Preparation of a new Economic Development Strategy.
- Implementation of the South East Land Use planning review.
- Implementation of targeted urban design framework plans including the Inverleigh Structure Plan and Smythesdale Urban Design Framework.
- Review of the Rural Land Use Strategy.
- Secured a number of major grants including Smythesdale Central (\$1.47m), Victoria Park Bannockburn (\$500k), Don Wallace Reserve Teesdale (\$60k), Kindergarten Cluster Management (\$28k), Ballarat to Surfcoast Link (\$1.98m) and drought relief (\$350k).
- Implementation of the Aged Services Plan.
- Secured an additional three years funding for the Golden Connections Transport program (\$244k).
- Implementation of the Community Arts Strategy.
- Completion of the second oval project at Inverleigh Recreation Reserve.
- Completion of the Bannockburn Community & Recreation Infrastructure Development Plan.

In addition to this, Council has a capital works program scheduled for 2007-08 in excess of \$6.9 million to help close the gap between existing services and infrastructure and that required by our growing and changing communities.

While we must continue to be focused on positioning the Shire's finances for the future, I am pleased to report that Council has achieved a good financial result for the year 30 June 2007. Council continues to maintain its assets at optimal levels, it has an excellent liquidity position and debt levels are low. These results reflect the fact that Council has demonstrated time and time again that it is fiscally responsible. We have been diligent in adhering to our long-term strategies and not wavering from the strict financial principles that underpin those strategies.

The past year has been one of solid progress and achievement and I would like to take this opportunity to express my appreciation to the community, the Mayor, councillors and staff for their support, guidance and commitment in working for the betterment of the Golden Plains community.

Rod Nicholls

Councillors & Senior Management



- // Valley Riding
Cr Jenny Blake
- // Bannockburn Riding
Mayor Cr David Cotsell
- // Ranges Riding
Cr Gerald Dupe
- // Forest Riding
Cr Geraldine Frantz
- // Rivers Riding
Cr Des Guinane
- // Break o'Day Riding
Cr Jenny Jones
- // Woody Yaloak Riding
Cr Kevin Knight
- // Haddon Riding
Cr Bill McArthur
- // Ross Creek Riding
Cr Alwyn Parker

/// COUNCILLORS



Cr Jenny Blake
Valley Riding
First elected
March 1996



**Mayor
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 Jenny Jones
Break o'Day Riding
First elected
November 2004



Cr Kevin Knight
Woody Yaloak Riding
First elected
March 1996



Cr Bill McArthur
Haddon Riding
First elected
March 1996



Cr Alwyn Parker
Ross Creek Riding
First elected
March 1996

/// SENIOR MANAGEMENT



Rod Nicholls
Chief Executive
Officer



Dean Miller
Director
Corporate Services



David Madden
Director
Technical Operations



Lenny Jenner
Director
Community Services

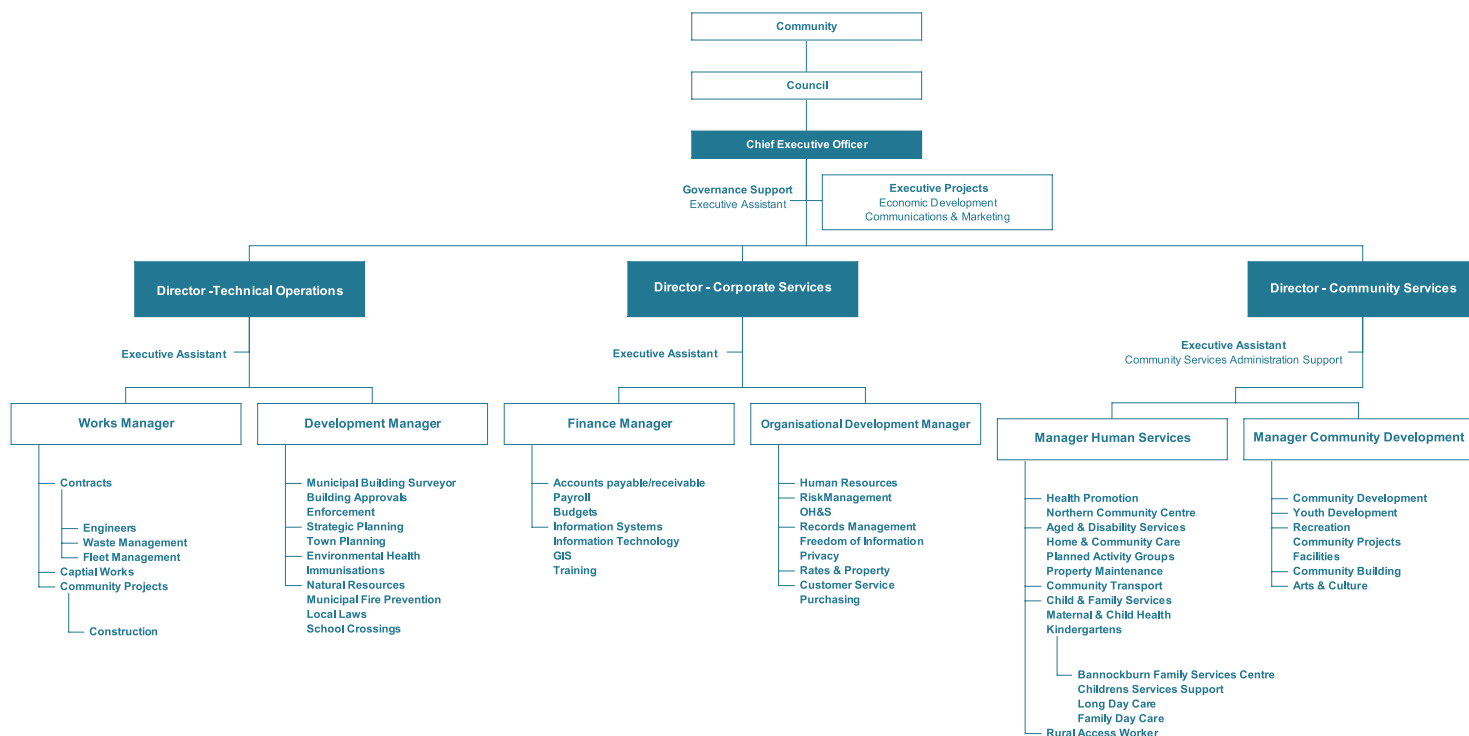


David Spear
Manager
Executive Projects



Organisational Structure & Staff Analysis

/// ORGANISATIONAL STRUCTURE



/// STAFF ANALYSIS

Staff Number By Business Unit	Full Time	Part Time	Casual & Temporary	Total
Executive	12	-	-	12
Works	36	-	1	37
Development	15	10	2	27
Organisational Development	9	2	1	12
Finance	9	4	1	14
Community Development	7	-	2	9
Human Services	16	43	15	74

Staff Analysis	Female	Male	Total	Equivalent Full Time	Female	Male	Total
Full Time	44	60	104	Full Time	44	60	104
Part Time	55	4	59	Part Time	23.89	2.7	26.59
Total	99	64	163	Total	67.89	62.7	130.59



Achieved high Community Satisfaction ratings as measured by the Department for Victorian Communities.

/// YEAR IN REVIEW

“ Throughout 2006-07, Council has been able to implement all of the 77 objectives set out in the Council Plan. The major highlights are presented below against Council’s nine key result areas. ”

Citizen & Customer Service

- Achieved high Community Satisfaction ratings as measured by the Department for Victorian Communities.
- Regularly consulted with communities through Council’s Community Development Program, the bi-monthly newsletter Golden Plains Gazette and community workshops for South East Land Use study, Rural Zones review and Environment Strategy.
- Actioned all ‘Year One’ objectives from Council’s Communications Strategy.
- Implemented the Customer Service Strategy, including the establishment of customer service standards, specialised training for staff and review of customer service centre locations.
- Implemented the Risk Management Strategy and received the third highest property audit in Victoria.

Civic Leadership

- Regularly lobbied state and federal government, which contributed to major funding announcements including Auslink funding for the Ballarat to Surfcoast route upgrade, Smythesdale Central and significant upgrades at Don Wallace Reserve and Victoria Park Bannockburn.
- Facilitated and supported community celebrations of important national events – Australia Day Awards, citizen recognition including Community Coordinators, Golden Connections transport volunteers and the facilitation of official openings for eight projects.
- Contributed to the development of the G21 Geelong Region Plan and the Central Highlands Region Plan.
- Implemented the Municipal Fire Prevention Plan with a reduction of 40% in fire prevention notices issued in 2006-07.

Economic Development

- Implemented Council’s Intensive Agriculture Study recommendations including the investigation of an \$11.4 million water infrastructure project to supply the Shelford-Meredith Intensive Agriculture area with a separate, dedicated water supply.
- Continued to advocate to Central Highlands Water and Barwon Water with regard to Council’s growth and future demands for water.
- Prepared a new Economic Development Strategy.
- Advocated for improved energy infrastructure and telecommunications.
- Continued to liaise with VicRoads in assessing and planning for impact of Geelong Bypass.
- Assessed and planned for the impact of Ballarat’s growth on the Shire through the Smythesdale Urban Design Framework and the Rural Zones Review.
- Continued to plan and advocate for infrastructure to support growth towns throughout the Shire, with particular emphasis on roads and paths, water and sewerage, community services, infrastructure, telecommunications and power.
- Implemented the recommendations of the Home Based Business Study.
- Implemented the South East Land Use planning review.

Environment & Land Use Planning

- Appointed a Landcare Support Officer in partnership with the Leigh District Landcare Group.
- Review of Council’s Environment Strategy underway.
- Implemented targeted urban design framework plans including the Inverleigh Structure Plan and Smythesdale Urban Design Framework.
- Commenced the development of the Rokewood, Corindhap and Dereel Integrated Urban Design Framework.

- Reviewed the Rural Land Use Strategy to determine the land use planning for rural areas and develop a strategic direction and basis for the application of the State Government's new rural zones.
- Commenced stage 2 of the Heritage Study including a detailed assessment of 12 key heritage precincts.

Financial Management

- Secured a number of major grants including Smythesdale Central (\$1.47m), Victoria Park Bannockburn (\$500k), Don Wallace Reserve Teesdale (\$60k), Kindergarten Cluster Management (\$28k), Ballarat to Surfcoast Link (\$1.9m) and Drought Relief (\$350k).
- Implemented the second year of Finance 2005, Council's strategic resource plan, which finances the Council plan, including the new rating strategy.
- Achieved a AA+ financial sustainability rating, outperformed by only three metropolitan Councils.
- Advocated for inter-governmental agreement on funding arrangements, addressing cost shifting as well as securing a share of growth taxes.

Human Support Services

- Continued to work with the State Government and local communities to co-locate education and community facilities, such as the Ross Creek Primary School with the Ross Creek Recreation Reserve.
- Facilitated the development of a network of community service hubs including Bannockburn in the south, Smythesdale in the north and Dereel/Rokewood in the centre.
- Continued to develop Council's family day care service with 193 children from 129 families utilising the service.
- Maintained a high standard of service delivery of Maternal & Child Health services and expanded the service in parts of the Shire.
- Implemented the Aged Services Plan including increased participation of older residents in community activities.
- Developed the Golden Plains Health Planning Network, which received a Local Government award from the Federal Government for outstanding practice related to health service planning.

- Secured an additional three years funding for the successful Golden Connections Transport program, which has covered 156,273 km, delivered 10,098 client trips and included 5,821 volunteer hours.
- Advocated for secondary education and post compulsory education support services delivery for the Shire.

Recreation & Community Development

- Implemented the Community Arts Strategy, including the development of a number of projects such as Art Attack, Bus Stop, Wear it with Pride, Open Studios, Voice Nosh, Teesdale Water Project and the Business of Art.
- Continued to implement the Community Development Strategy including reviews of community/township plans for Cape Clear/Illabarook/Rokewood Junction, Grenville/Garibaldi, Haddon, Ross Creek, Teesdale, Dereel, Lethbridge, Shelford and Inverleigh.
- Commenced a review of Council's Recreation Plan.
- Encouraged increased participation to maximise use of recreation centres through a number of 'Go For Your Life' programs and training with local Committees of Management.
- Completed the second oval project at the Inverleigh Recreation Reserve.
- Commenced a review of the community and recreation needs of Batesford in consultation with the City of Greater Geelong.
- Completed the Bannockburn Community & Recreation Infrastructure Development Plan.

Roads & Streets Infrastructure

- Continued to advocate for upgrades to all highways within the Shire.
- Advocated for safe turning lanes at Hamilton Highway intersections with Harvey Road, Burnside Road, Friend in Hand Road and Common Road.
- Implemented the Road Strategy including the development of a low volume roads policy through the Roads to Recovery 'Roads of Local Amenity' program.

Waste Management

- Provided waste management services to 96% of properties in Golden Plains Shire.



Grants received via external funding in 2006 - 07

/// GRANTS OBTAINED

In 2006-07, Council received external funding for the following community based projects:

PROJECT	FUNDING SOURCE	AMOUNT RECEIVED 2006-07 \$	TOTAL GRANT FUNDING FOR PROJECT \$	TOTAL PROJECT COST \$
State Emergency Service	State Emergency Service	5,100.00	5,100	10,200
Public Internet Access Program	State Library Of Victoria	3,750.00	5,000	5,000
Economic Development Strategy	Regional Development Victoria	30,000.00	30,000	60,000
Industry Workshops	Regional Development Victoria	10,000.00	10,000	10,000
Drought Assistance Information Forums	Regional Development Victoria	3,000.00	3,000	3,000
Intensive Agriculture Infrastructure Study	Regional Development Victoria	7,500.00	7,500	12,000
Smythesdale Community Hub	Department of Human Services	200,000.00	1,470,000	1,670,000
Lawsons Park Project	Corangamite Catchment Management	10,000.00	10,000	10,000
Roadside Gorse	Department of Primary Industries	7,982.19	7,982	7,892
Koala Habitat Mapping	Department of Primary Industries	15,000.00	20,000	20,000
Township Weed Facilitator	Department of Primary Industries			
	Department of Sustainability & Environment	42,562.08	115,300	115,300
Community Development Phase 2	Department for Victorian Communities	95,000.00	210,000	210,000
National Youth Week	Office for Youth	2,000.00	2,000	2,000
Youth Participation & Access	Department for Victorian Communities	34,500.00	34,500	34,500
Adventure Builds Connections	Smart Geelong Region			
	Central Highlands LLEN	1,200.00	1,200	1,200
Youth Action Teams	Department for Victorian Communities	31,609.09	11,000	77,000
Go For Your Life	Department for Sport & Recreation Victoria	30,000.00	60,000	120,000
Drought Relief For Community Sport And Recreation Program 2007	Department for Victorian Communities	50,000.00	50,000	50,000
Happy Valley Upgrade	Regional Development Victoria	26,666.50	53,330	69,500
Inverleigh Sporting Complex Oval Two Development	Department for Victorian Communities	12,500.00	50,000	74,600
Napoleons Recreation Reserve Irrigation Project	Department for Victorian Communities	20,000.00	25,000	37,500
Woody Yaloak Sports Lighting	Department for Sport & Recreation Victoria	5,000.00	20,000	30,000
Rokewood Recreation Reserve Upgrade	Department for Victorian Communities	154,000.00	206,000	412,000
Shelford Community Meeting Place	Department of Innovation Industry and Regional Development	32,500.00	65,000	136,500
Country Football Boost (Bannockburn 2nd Oval)	Department for Victorian Communities	48,000.00	60,000	90,000
Victoria Park Bannockburn Water Storage Development	Department for Victorian Communities	8,000.00	10,000	15,000
Footpath Program	Regional Development Victoria	300,000.00	300,000	300,000
Community Building Initiative	Department for Victorian Communities	50,122.27	185,580	185,580
Bannockburn Town Centre Investment Strategy	Regional Development Victoria	10,000.00	20,000	40,000
Economic Benefits Of Tourism	Regional Development Victoria	1,000.00	1,000	1,000
Emergency Management Improvement	Emergency Management Australia	11,363.64	11,364	13,432
Events Strategy	Regional Development Victoria	7,500.00	7,500	7,500
Youth Music Events (FReeZA)	Department for Victorian Communities	19,450.00	38,900	38,900
Healthy Feet	Department of Human Services	1,300.00	1,300	1,300
Library	Department for Victorian Communities	110,640.00	110,640	182,392
Total		6,550,993.18	3,218,196	4,053,296



Council allocated the following grants and donations to community groups in 2006 - 07

/// GRANTS & DONATIONS ALLOCATED TO COMMUNITY GROUPS

In 2006-07, Council allocated the following grants and donations to community groups:

ORGANISATION	PROJECT	AMOUNT FUNDED \$
Bannockburn & District Lions Club	Lions Park Playground - play structure, horse rocker, spinner	7,500
Bannockburn Community Sports Stadium	Beautification of entrance - planting of native shrubs and installation of small benches	900
Bannockburn Golf Club	Information signage to explain use of sand-scrapes & concreting of floor of BBQ area	2,680
Bannockburn Kindergarten	Installation of rain water tank	794
Bannockburn Tennis Club	All weather shelter for players and family located in front of existing clubrooms	2,890
Break O' Day & Forest Environment Group	Rainbow Bird Trail Brochure - production of promotional brochure for distribution throughout the shire	1,500
Cape Clear Recreation Reserve	Upgrade - replace toilet cisterns & kitchen basin	1,616
Enfield Coordinators	Community 'What's On' sign	2,800
Golden Woody Senior Citizens	Purchase of yellow indoor bowls to assist older people with deteriorating eye sight	420
Haddon Recreation Centre	Enhance usability and safety- fit blinds and purchase chair and table moving trolleys	1,226
Illabarook/Rokewood Junction & District Memorial Hall	Interior and exterior painting of hall	850
Inverleigh Bowls Club	Green resewing with water efficient grass	6,000
Inverleigh Kindergarten	Storage solutions for archiving of legal documents & soft-fall top up for playground equipment	395
Inverleigh Public Hall	Re-roofing of hall	4,250
Inverleigh RSL	Electrical re-wiring of RSL Building	2,500
Leigh Catchment Community Response Team	Multi patient medical oxygen - purchase of portable oxygen unit	273
Leighdale Committee Of Management	Construction of veranda for protection of clubrooms, 8 additional horse yards, sand for ménage	5,020
Lethbridge Playgroup	Purchase of first aid kit, vacuum cleaner, toys, books, craft supplies	497
Linton & District Progress Association	Purchase of printer for newsletter	920
Linton Cemetery Trust	Pruning of two large cypress trees to prevent falling limbs	1,000
Mannibadar Tennis Club	Purchase of 330 litre rainwater tank and removal of old tank	520
Meredith Community House	Purchase of storage shed to house the equipment of regular users	2,050
Meredith Recreation Reserve	Kitchen upgrade - installation of hot water system, purchase microwave & fridge & cupboard doors for open shelving	1,250
Meredith Town Team	Community 'What's On' sign	1,950
Napoleons & District Historical Society	Replacement of six windows in the original Black Lead Church	2,100
Napoleons-Sebastopol Cricket Club	New covers for turf wicket	1,540
Ross Creek Recreation Reserve	Soundproofing of hall roof, paint and fit shelves in storage room	3,397
Shelford Cricket Club	Install curtains and air vents in kitchen area of pavilion	1,035
Shelford Progress Association	Purchase of slide and soft-fall for playground at reserve, clearing and maintaining river, film nights for children	5,000
Smythesdale & District Pony Club	Purchase of 200 competitor's back numbers, walkie talkies & stop watches for event days	2,310
Smythesdale Community Coordinators	Soldier and police officer wood sculptures and bench seats to be installed in front of police station	3,000
Steiglitz Historical Society	Index & displaying historical relics and records - includes purchase of a computer, desk, chair & display cabinet	1,543
Teesdale Preschool	Replace hot water service, upgrade plumbing and top up soft-fall	1,288
Woody Yaloak Equestrian Centre	Replacement and construction of new boundary fencing between Lords Lane, Pony Club Lane & Glenelg Highway	4,983
Woody Yaloak Historical Society	Restoration of gallows including interpretative signage and shelter	4,055
Woody Yaloak Primary School - Smythesdale	Emergency services day for all primary school children in the north of the Shire. Opportunity to interact with members from 10 different emergency services regarding safety issues	3,085
Woodburn Creek State School Reunion	Woodburn Revisited - consolidation of history of the Woodburn State School through a reunion/community day for past students, teachers and families	2,400
Cape Clear Community Coordinators	Park Upgrade - lighthouse	7,500
Garibaldi/Grenville Community Coordinators	Construction of sandpit at the Garibaldi Recreation Park	1,255
	TOTAL	94,292

Golden Plains Shire is committed to delivering the best possible services within the limits of its resources

/// 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 and Rating and Statutory Reporting and Budgeting
- Community Grants and Special Projects
- Children's Services
- Governance, Strategic & Service Planning
- Fleet & Plant Replacement
- Road Maintenance & Improvements
- Recreation Development & Recreation Reserves
- Private Works
- Street Beautification
- Aged Services

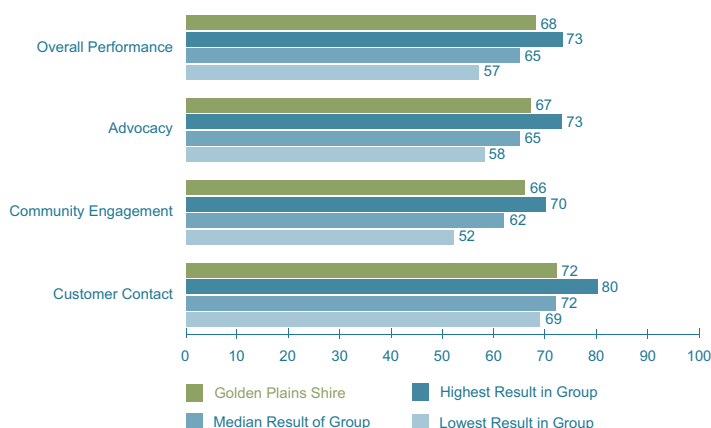
All services were reviewed before December 2005

/// FREEDOM OF INFORMATION

Five requests for information were received during the year under the Freedom of Information Act 1982. Two requests were granted in full, one request was denied in full, one request is still being undertaken and one request could not be granted, as the information could not be found. One internal review was undertaken and no appeals to VCAT were lodged.

/// COMMUNITY SATISFACTION SURVEY

Small Rural Shires grouping 2007 (under 26,000 population)



/// EQUAL OPPORTUNITY STATEMENT

Council has adopted an Equal Opportunity Policy as follows:

Golden Plains Shire Council is committed to the principles of Equal Employment Opportunity. In all policies and practices of the Council there shall be no discrimination relating to gender, physical features, race, pregnancy, marital status, status as a carer, status as a parent, HIV/AIDS status, political belief or activity, sexual orientation, religious belief or activity, breastfeeding, industrial activity, gender identity, lawful sexual activity, age, disability/impairment (including prior Work Cover Claims), personal association with someone who has, or is assumed to have, one of these personal characteristics. Selection of individuals for employment, promotion, advancement, training and staff development will be on the basis of personal merit in fair and open competition according to the skills, qualifications, knowledge and experience relevant to the position. Golden Plains Shire Council is committed to providing a welcoming, supportive, emotionally and physically secure working environment for every staff member of the organisation.



Council has developed procedures for dealing with whistleblower disclosures.

/// WHISTLEBLOWER PROTECTION ACT 2001

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

// The number and types of disclosures made to the Council during the year - **Nil**

// The number of disclosures referred during the year by the Council to the Ombudsman for determination as to whether they are public interest disclosures - **Nil**

// The number and types of disclosed matters referred to the Council during the year by the Ombudsman - **Nil**

// The number and types of disclosed matters referred during the year by the Council to the Ombudsman to investigate - **Nil**

// The number and types of investigations of disclosed matters taken over by the Ombudsman from the Council during the year - **Nil**

// The number of requests made under Section 74 of the WPA during the year to the Ombudsman to investigate disclosed matters - **Nil**

// The number and type of disclosed matters that the Council has declined to investigate during the year - **Nil**

// The number and types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation - **Nil**

// Any recommendations of the Ombudsman under the WPA that relate to the council - **Nil**

/// NCP COMPLIANCE

Golden Plains Shire Council has complied with the requirements of the Local Government Improvement Incentive Program in respect of:

- National Competition Policy (in accordance with National Competition Policy and Local Government – A Revised Statement of Victorian Government Policy (January 2002);

for the financial year 2006-07 as set out below:

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

I, Rod Nicholls, certify that:

a) this statement has been prepared in accordance with the 2006-07 Local Government Improvement Incentive guidelines issued in June 2007 for reporting on the following criterion :- National Competition Policy in accordance with National Competition Policy and Local Government – A Revised Statement of Victorian Government Policy (January 2002); and

b) this statement presents fairly the Council's implementation of the National Competition Policy.

Signed:

ROD NICHOLLS
CHIEF EXECUTIVE OFFICER

Date: 13 September 2007



The 4 year Council Plan is reviewed and updated annually to include new actions and objectives.

/// 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 year.
- c. Details of overseas or interstate travel in excess of 3 days undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months.
- d. Names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted.
- e. Names of Councillors who submitted returns of interest during the financial year and the dates the returns were submitted.
- f. Agendas for and minutes of ordinary and special meetings held in the previous 12 months kept under section 93 of the Act except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act.
- g. A list of all special committees established by Council and the purpose for which each committee was established.
- h. A list of all special committees established by the Council which were abolished or ceased to function during the financial year.
- i. Minutes of meetings of special committees established under section 86 of the Act and held in the previous two months except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act.
- j. A register of delegations kept under sections 87, 88 and 98 of the Act, including the date on which the last review under section 98(6) of the Act took place.
- k. Submissions received in accordance with section 223 of the Act during the previous 12 months.
- l. Agreements to establish regional libraries under section 196 of the Act.
- m. Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles.

- n. A register of authorised officers appointed under section 224 of the Act.
- o. A list of donations and grants made by the Council.
- p. Details of Council memberships.
- q. A list of contracts valued at \$100,000 or more which the Council entered into during the financial year.

/// COUNCIL PLAN IMPLEMENTATION

The 4 year Council Plan is reviewed and updated annually to include new actions and objectives. At its meeting in July 2007, Council's Chief Executive Officer reported to Council on the full implementation of Council's 2006-07 Plan, representing substantial progress in the implementation of the 4 Year Plan.

/// LOCAL LAWS

The following Local Laws were in place as at 30 June 2007:

Local Law No. 1 Processes of Municipal Government

Local Law No. 2 Public Amenity, Roads and Streets

/// MEMBERSHIPS 2006 - 07

Organisation	Membership Contribution
Committee for Ballarat	\$3,000
Committee for Geelong	\$3,000
Corangamite Rural Counselling Service	\$2,000
G21 Geelong Region Alliance	\$33,000
Geelong Chamber of Commerce	\$545
Geelong Heritage Centre	\$14,752
Geelong Regional Library Corporation	\$182,392
Municipal Association of Victoria	\$15,420
Timber Towns Victoria	\$2,000
VECCI	\$1,923

/// COUNCIL PLAN STRATEGIC INDICATORS

COUNCIL PLAN STRATEGIC INDICATORS	Actual Performance Compared to Council Plan		
	ACTUAL RESULT 2006-07 %	COUNCIL TARGET 2006-07 %	DIFFERENCE
Community satisfaction rating for Customer Service.	72	78	-6
Community satisfaction rating for Council's Advocacy.	67	69	-2
Community satisfaction rating for Economic Development.	64	64	0
Community satisfaction rating for Town Planning Policy & Approvals.	64	65	-1
Community satisfaction rating for Health & Human Services.	78	71	7
Community satisfaction rating for Recreational Facilities.	69	71	-2
Community satisfaction rating for Local Roads & Footpaths and Asset Management System rating.	53	52	1
Community satisfaction rating for Waste Management.	75	77	-2

/// VICTORIAN LOCAL GOVERNMENT INDICATORS

Average Rates & Charges per Assessment	\$897
Average Rates & Charges per Residential Assessment	\$809
Average Liabilities per Assessment	\$543
Operating Result per Assessment	\$664
Average Operating Expenditure per Assessment	\$2,067
Average Capital Expenditure per Assessment	\$899
Infrastructure Renewal Gap	53.75%
Infrastructure Renewal & Maintenance Gap	71.22%
Constituent Satisfaction Rating of Overall Performance	68.00%
Community Satisfaction Rating for Council's Advocacy	67.00%
Community Satisfaction Rating for Council's Engagement in Decision Making on Key Local Issues	66.00%

/// STANDARD STATEMENTS

/// STANDARD INCOME STATEMENT

For the year ended 30 June 2007

	ACTUAL 2007 \$	BUDGET 2007 \$	VARIANCE 2007 \$	VARIANCE 2007 %
REVENUE				
Rates	7,081,683	7,170,000	(88,317)	1.23%
Grants & Subsidies	11,157,054	10,404,280	752,774	7.24%
Contributions & Recoupments	2,099,859	1,146,000	953,859	83.23%
Fees & Charges	2,158,064	2,144,000	14,064	0.66%
Interest on Investments	320,585	210,100	110,485	52.59%
Total Revenue	22,817,245	21,074,380	1,742,865	8.27%
EXPENDITURE				
Contracts & Materials	7,658,209	8,321,172	662,963	7.97%
Employee Costs	6,734,681	6,577,712	(156,969)	2.39%
Depreciation	3,508,601	3,177,086	(331,515)	10.43%
Debt Servicing	116,036	109,880	(6,156)	5.60%
Bad Debts	395	-	(395)	-
Total Expenditure	18,017,922	18,185,850	167,928	0.92%
Net Gain/(Loss) on Disposals	990,746	292,780	697,966	238.39%
Surplus/(Deficit) from Ordinary Activities	5,790,069	3,181,310	2,608,759	82.00%

Ref 1

/// STANDARD STATEMENTS

/// STANDARD BALANCE SHEET

As at 30 June 2007

		ACTUAL 2007 \$	BUDGET 2007 \$	VARIANCE 2007 \$	VARIANCE 2007 %
CURRENT ASSETS					
Cash & Cash Equivalents		8,877,556	3,121,088	5,756,468	184.44%
Receivables		1,348,304	1,011,430	336,874	33.31%
Inventory - Consumables		81,037	119,413	(38,376)	32.14%
Non-Current Assets Classified as Held For Sale		207,488	181,820	25,668	14.12%
Prepayments		85,453	72,000	13,453	18.68%
Total Current Assets	Ref 2	10,599,838	4,505,751	6,094,087	135.25%
NON-CURRENT ASSETS					
Land	Ref 3	11,843,390	9,891,362	(1,952,028)	19.73%
Buildings		16,773,350	15,534,404	(1,238,946)	7.98%
Furniture & Equipment		666,665	701,305	(34,640)	4.94%
Plant & Machinery		3,925,241	4,285,179	(359,938)	8.40%
Work in Progress		685,948	-	685,948	-
Other Structures		624,165	641,601	(17,436)	2.72%
Infrastructure	Ref 4	132,777,077	109,479,850	(23,297,227)	21.28%
Investment in Associate	Ref 5	223,884	196,786	27,098	13.77%
Gravel Pit Rehabilitation		95,000	-	95,000	-
Total Non-Current Assets		167,614,720	140,730,487	(26,884,233)	19.10%
TOTAL ASSETS		178,214,558	145,236,238	32,978,320	22.71%
CURRENT LIABILITIES					
Payables		1,404,591	1,048,000	(356,591)	34.03%
Interest-Bearing Liabilities		249,178	250,300	1,122	0.45%
Employee Benefits		1,269,635	505,800	(763,835)	151.02%
Trust Funds		135,516	125,000	(10,516)	8.41%
Total Current Liabilities		3,058,920	1,929,100	(1,129,820)	58.57%
NON-CURRENT LIABILITIES					
Interest-Bearing Liabilities		1,528,190	1,529,650	1,460	0.10%
Employee Benefits		117,054	584,930	467,876	79.99%
Provision for Rehabilitation of Gravel Pits		166,697	-	(166,697)	-
Total Non-Current Liabilities		1,811,941	2,114,580	302,639	14.31%
TOTAL LIABILITIES	Ref 6	4,870,861	4,043,680	(827,181)	20.46%
NET ASSETS		173,343,697	141,192,558	32,151,139	22.77%
EQUITY					
Accumulated Surplus & Reserves		173,343,697	141,192,558	32,151,139	22.77%
TOTAL EQUITY		173,343,697	141,192,558	32,151,139	22.77%



Golden Plains Shire is committed to delivering the best possible services within the limits of its resources

/// STANDARD STATEMENTS

/// STANDARD STATEMENT OF CASH FLOWS

For the year ended 30 June 2007

	ACTUAL 2007 \$	BUDGET 2007 \$	VARIANCE 2007 \$	VARIANCE 2007 %
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Ratepayers	7,073,193	7,130,040	(56,847)	0.80%
Grants	11,638,727	10,403,783	1,234,944	11.87%
Interest Received	332,479	197,300	135,179	68.51%
Fees & Charges	2,219,172	2,145,495	73,677	3.43%
Contributions & Recoupments	1,821,883	1,163,915	657,968	56.53%
Land Sales	1,784,863	2,456,790	(671,927)	27.35%
Payments to Employees	(6,414,681)	(6,673,112)	258,431	3.87%
Payments to Suppliers	(8,374,671)	(7,988,346)	(386,325)	4.84%
Interest Paid	(120,496)	(106,107)	(14,389)	13.56%
Net GST Refunded	399,315	12,417	386,898	3115.87%
Net Cash Inflow from Operating Activities	10,359,784	8,742,175	1,617,609	18.50%
CASH FLOWS FROM INVESTING ACTIVITIES				
Payment for Land & Buildings	(532,649)	(1,054,000)	521,351	49.46%
Payment for Infrastructure Assets	(4,864,146)	(4,978,950)	114,804	2.31%
Payment for Plant & Machinery	(2,105,896)	(1,767,500)	(338,396)	19.15%
Payment for Furniture & Equipment	(290,101)	(301,650)	11,549	3.83%
Payment for Other Non-Current Assets	(373,193)	(436,275)	63,082	14.46%
Proceeds from Sale of Assets	919,006	726,000	193,006	26.58%
Net Cash Outflow from Investing Activities	(7,246,979)	(7,812,375)	565,396	7.24%
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of Borrowings	(351,000)	(348,732)	(2,268)	0.65%
Net Cash Inflow from Financing Activities	(351,000)	(348,732)	(2,268)	0.65%
Net Increase/(Decrease) in Cash Held	2,761,805	581,068	2,180,737	375.30%
Cash at the Beginning of the Year	6,115,751	2,540,020	3,575,731	140.78%
Cash at the End of the Year	8,877,556	3,121,088	5,756,468	184.44%

Ref 7

/// STANDARD STATEMENT OF CAPITAL WORKS

For the year ended 30 June 2007

	ACTUAL 2007 \$	BUDGET 2007 \$	VARIANCE 2007 \$	VARIANCE 2007 %
CAPITAL WORKS				
Land & Buildings	332,312	1,019,500	687,188	67.40%
Furniture & Equipment	208,039	301,650	93,611	31.03%
Plant & Machinery	1,885,140	1,715,500	(169,640)	9.89%
Work in Progress	558,355	-	(558,355)	-
Other Structures	400,557	436,275	35,718	8.19%
Infrastructure	4,034,807	4,892,200	857,393	17.53%
Total Capital Works	7,419,210	8,365,125	945,915	11.31%
Represented by:				
Renewal	1,924,953	2,563,300	638,347	24.90%
Upgrade	2,454,794	2,817,700	362,906	12.88%
Expansion	10,360	50,000	39,640	79.28%
New Assets	3,029,103	2,934,125	(94,978)	3.24%
Total Capital Works	7,419,210	8,365,125	945,915	11.31%

Ref 8

/// STANDARD STATEMENTS

/// EXPLANATION OF VARIANCES

STANDARD STATEMENT OF INCOME

Ref 1: Council recorded an Operating Surplus for the year of \$5.79m compared to a budgeted surplus of \$3.18m. The difference of \$2.6m is predominantly due to the following:

Favourable Variances

Roads to Recovery funds not budgeted	\$2,221k
Cost of land sold lower than budget	\$548k
Bannockburn Community Cultural Hub Phase 1 deferred to 2007-08	\$415k
Grant – RDV Footpath Program not budgeted	\$300k
Subdivisions handed to Council not budgeted	\$260k
VicRoads Grants not budgeted	\$205k
Private Works income higher than budget	\$180k
Interest received on investments higher than budget	\$110k
DPI Township Weed Facilitator lower than budget	\$102k
Grant – Bannockburn Business Estate not budgeted	\$100k
General Purpose Grant higher than budget	\$89k
Bannockburn Community Centre Study deferred to 2007-08	\$80k
Other favourable variances	\$160k

Unfavourable Variances

Grants – Smythesdale Community Hub	(\$610k)
Depreciation higher than budget	(\$332k)
Grant – Ross Creek Multi Purpose Hall	(\$256k)
Grant – Bannockburn Community & Cultural Hub Phase 1 (\$250k)	
Ross Creek Multi Purpose Hall transferred from Capital Expenditure	(\$245k)
Grant – Bannockburn Community & Cultural Hub Phase 2 (\$200k)	
Local Government Improvement Incentive Program	(\$177k)
Grant – Pope & Levy Streets footpath	(\$90k)
Total Operating Surplus Variance	\$2,610k

STANDARD BALANCE SHEET

Ref 2: Current Assets are \$6.09m higher than budget due to having an opening bank balance \$3.575m higher than budget, \$1.234m of unexpended operating projects, capital expenditure \$929k lower than budget and receivables being higher than budget due to timing differences relating to the receipt of payments from debtors.

Ref 3: Land is \$1.95m higher than budget mainly due to the increase in the value of land as a result of indexation adding \$2.28m to its value.

Ref 4: Infrastructure is \$23.30m higher than budget due to an increase in the fair value.

Ref 5: Investment in Associate is \$27k over budget due to the following: The opening actual balance was higher than budget \$7k. Surplus from Geelong Regional Library not budgeted \$20k

Ref 6: Current and Non-Current Liabilities are higher than budget due to the following:

- Payables are higher than budget due to timing differences relating to the payment of creditors.
- The annual leave and long service leave provision is higher due to less leave being taken compared to budget. Long service leave is now recognised as being payable after 7 years service as compared to 10 years previously.
- Due to the adoption of AIFRS in 2006, Council is required to recognise a provision for the rehabilitation of gravel pits.

STANDARD STATEMENT OF CASH FLOWS

Ref 7: Council budgeted for a net increase in cash of \$581k but recorded an increase of \$2.762m, a variance of \$2.181m. This variance is due to the following:

Favourable Variances

Roads to Recovery funding not budgeted	\$2,221k
Proceeds from contributions higher than budget	\$653k
Net GST paid lower than budget	\$387k
Payments for Non-Current Assets lower than budget	\$372k
Payments to Employees lower than budget	\$258k
Interest received higher than budget	\$135k
Proceeds from Fees & Charges higher than budget	\$86k

Unfavourable Variances

Grants & Subsidies lower than budget	(\$985k)
Proceeds from Sale of Assets lower than budget	(\$519k)
Payments to Suppliers higher than budget	(\$354k)
Receipts from Rates lower than budget	(\$57k)
Other Unfavourable Variances	(\$16k)
Total Cash Flow Variance	\$2,181k



/// STANDARD STATEMENTS

STANDARD STATEMENT OF CAPITAL WORKS

Ref 8: Council spent \$7.42m on capital expenditure in 2006-07, \$946k lower than budget. This variance is due to the following:

Favourable Variances

Smythesdale Business, Health & Community Hub deferred to 2007-08	\$629k
Ross Creek Multi-Purpose Facility treated as operating expense	\$245k
Ross Creek Multi-Purpose Facility – incurred by Education Dept.	\$267k
Storm Water Drainage Project – Smythesdale deferred	\$500k
Bannockburn Community & Cultural Hub (Phase 2) deferred to 2007-08	\$440k
Smythesdale Main Street to be completed in 2007-08	\$315k
Open Space Implementation deferred to 2007-08	\$140k
Pope & Levy Street, Bannockburn footpath to be completed in 2007-08	\$135k
Motorcycle Program – Meredith/Steiglitz Road deferred to 2007-08	\$124k
Skate Park Facility Access Project deferred to 2007-08	\$96k
Wide Area Network treated as an operating expense	\$70k
Other Favourable Variances	\$30k

Unfavourable Variances

Local Roads Improvement (Roads to Recovery) higher than budget	(\$1,058k)
Purchase of No.11 & 13 Milton Street, Bannockburn not budgeted	(\$330k)
Buninyong/Mt Mercer Road Bridge widening not in budget	(\$216k)
Isuzu Flocon Truck budgeted for 2005-06	(\$183k)
Local Roads Improvements higher than budget	(\$149k)
Buninyong/Mt Mercer Road widening higher than budget	(\$109k)
Total Capital Works Variance	\$946k

/// NOTES TO THE STANDARD STATEMENTS

1. Basis of preparation of Standard Statements

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

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

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

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

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

The budget figures included in the Statements are those adopted by Council on 22 June 2006. 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 23-24. The detailed budget can be obtained by contacting Council or through Council's website. The Standard Statements must be read with reference to these documents.



/// STANDARD STATEMENTS

/// CERTIFICATION OF STANDARD STATEMENTS

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



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

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

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

We have been authorised by Council on 23rd August 2007 to certify the financial statements in their final form.

Signed at Bannockburn this 13th day of September 2007.



COUNCILLOR DAVID COTSELL
Mayor



COUNCILLOR GERALDINE FRANTZ
Acting Chairman, Audit and Finance Committee



ROD NICHOLLS
Chief Executive Officer

Financial Report

2006 - 2007



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/// FINANCIAL REPORT 2006-07

/// INCOME STATEMENT

For the year ended 30 June 2007

	NOTE	2007 \$	2006 \$
REVENUE			
Rates	7	7,081,683	6,246,550
Grants & Subsidies	8	11,157,054	8,336,026
Contributions & Recoupments	9	2,099,859	1,822,567
Fees & Charges	10	2,158,064	1,695,152
Interest on Investments		320,585	265,311
Total Revenue		22,817,245	18,365,606
EXPENSES			
Contracts & Materials	11	7,658,209	6,691,544
Employee Costs	12	6,734,681	6,072,455
Depreciation	13	3,508,601	3,195,304
Finance Costs		116,036	100,135
Bad Debts		395	-
Total Expenses		18,017,922	16,059,438
Net Gain/(Loss) on Disposals	14	990,746	595,957
Surplus/(Deficit) for the Period		5,790,069	2,902,125

/// BALANCE SHEET

As at 30 June 2007

CURRENT ASSETS

Cash & Cash Equivalents	15	8,877,556	6,115,751
Receivables	16	1,348,304	1,195,975
Inventory - Consumables	17	81,037	89,100
Non Current Assets Classified as Held For Sale		207,488	780,931
Prepayments	18	85,453	22,801
Total Current Assets		10,599,838	8,204,558

NON-CURRENT ASSETS

Property, Infrastructure, Plant & Equipment	22	167,390,836	132,860,125
Investment in Associate	23	223,884	203,638
Total Non-Current Assets		167,614,720	133,063,763
TOTAL ASSETS		178,214,558	141,268,321

CURRENT LIABILITIES

Payables	19	1,404,591	1,322,276
Interest-Bearing Borrowings	20	249,178	349,397
Employee Benefits	21	1,269,635	962,554
Trust Funds		135,516	161,008
Total Current Liabilities		3,058,920	2,795,235

NON-CURRENT LIABILITIES

Interest-Bearing Borrowings	20	1,528,190	1,778,971
Employee Benefits	21	117,054	135,855
Provision for Rehabilitation of Gravel Pits		166,697	170,000
Total Non-Current Liabilities		1,811,941	2,084,826

TOTAL LIABILITIES

TOTAL LIABILITIES		4,870,861	4,880,061
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NET ASSETS

NET ASSETS		173,343,697	136,388,260
EQUITY			
Reserves	5	56,977,345	24,278,299
Accumulated Surplus	5	116,366,352	112,109,961
TOTAL EQUITY	5	173,343,697	136,388,260

The accompanying notes form part of this financial report.

/// FINANCIAL REPORT 2006-07

/// STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2007

	NOTE	2007		
		ACCUMULATED SURPLUS \$	RESERVES \$	TOTAL EQUITY \$
Balance at the Beginning of the Year		112,109,961	24,278,299	136,388,260
Surplus/(Deficit) for the Year	4	5,790,069	-	5,790,069
Transfers to & from Reserves		(1,533,678)	32,699,046	31,165,368
Balance at the End of the Year	5	116,366,352	56,977,345	173,343,697

	NOTE	2006		
		ACCUMULATED SURPLUS \$	RESERVES \$	TOTAL EQUITY \$
Balance at the Beginning of the Year		110,759,152	22,726,983	133,486,135
Surplus/(Deficit) for the Year	4	2,902,125	-	2,902,125
Transfers to & from Reserves		(1,551,316)	1,551,316	-
Balance at the End of the Year	5	112,109,961	24,278,299	136,388,260

/// CASH FLOW STATEMENT

For the year ended 30 June 2007

CASH FLOWS FROM OPERATING ACTIVITIES

	NOTE	ACTUAL 2007 \$	ACTUAL 2006 \$
Receipts from Ratepayers		7,073,193	6,114,134
Grants		11,638,727	8,435,970
Interest Received		332,479	265,203
Fees & Charges		2,219,172	1,757,556
Contributions & Recoupments		1,821,883	1,510,541
Land Sales		1,784,863	711,007
Payments to Employees		(6,414,681)	(5,900,246)
Payments to Suppliers		(8,374,671)	(7,514,604)
Finance Costs		(120,496)	(96,554)
Net GST Refunded		399,315	603,220
Net Cash Provided by/(Used in) Operating Activities	6	10,359,784	5,886,227

CASH FLOWS FROM INVESTING ACTIVITIES

Payment for Land & Buildings		(532,649)	(2,373,552)
Payment for Infrastructure Assets		(4,864,146)	(2,573,134)
Payment for Plant & Machinery		(2,105,896)	(1,536,666)
Payment for Furniture & Equipment		(290,101)	(464,784)
Payment for Other Non-Current Assets		(373,193)	(42,725)
Proceeds from Sale of Assets		919,006	746,991
Net Cash Provided by/(Used in) Investing Activities		(7,246,979)	(6,243,870)

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of Interest-Bearing Borrowings		(351,000)	(275,567)
Proceeds from Borrowings		-	1,787,000
Net Cash Provided by/(Used in) Investing Activities		(351,000)	1,511,433

Net Increase/(Decrease) in Cash & Cash Equivalents

Cash & Cash Equivalents at the Beginning of the Year		6,115,751	4,961,961
Cash & Cash Equivalents at the End of the Year	14	8,877,556	6,115,751

The accompanying notes form part of this financial report.

/// NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

This financial report is a general purpose financial report that consists of an Income Statement, a Balance Sheet, a Statement of Changes in Equity, a Cash Flow Statement 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 2006-07 financial year are consistent with those of the previous financial year except for long service leave which is now recognised as being payable after 7 years service as compared to 10 years previously.

(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.

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

Asset Component	Recognition Threshold \$	Useful Lives 2007
Land	-	-
Building	5,000	30 to 150 years
Furniture & Equipment	1,000	3 to 20 years
Plant & Machinery	1,000	3 to 20 years
Unsealed Formations	-	-
Sealed Formations	-	-
Footpaths	5,000	40 years
Sealed Pavements	5,000	70 years
Unsealed Pavements	5,000	18 years
Sealed Surfaces	5,000	17 years
Bridges & Major Culverts	5,000	90 years
Underground Drainage	5,000	50 years
Road Name Plates	5,000	22 years
Kerb & Channel	5,000	60 years
Other Structures	5,000	30 to 60 years
<i>No changes have been made to the recognition thresholds during the 2006-2007 financial year.</i>		

(d) Recognition and Measurement of Assets

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

The Council has elected not to recognise land under roads as an asset in accordance with AASB 1045 Land Under Roads, which extends the requirement to recognise and measure land under roads as an asset of Council until 30 June 2009.

(e) Repairs and Maintenance

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

(f) Depreciation of Non-Current Assets

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

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

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

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

(g) Revaluation of Non-Current Assets

Subsequent to the initial recognition of assets, non-current physical assets other than plant and equipment are measured at fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was indexed. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 4 to 5 years. The valuation is performed either by experienced council officers or independent experts.

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

Method of Valuation:

Land – valuation based on indexed fair value as at 30 June 2007 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 2007, carried out by Mr Paul Newman AAPI registered Certified Practising Valuer. For the majority of buildings, the market buying price approach using depreciated replacement value has been used where no market exists.

Furniture and Equipment – valuation based at cost.

Plant and Machinery – valuation based at cost.

Road Pavements, Surfaces and Formations – valuation based on written down replacement cost as at 30 June 2007, carried out by Mr Rick Hattam Dip CE, MIE(Aust), CPEng, Works Manager.

Bridges, Major Culverts, Underground Drainage and Footpaths – valuation based on written down replacement cost as at 30 June 2007, 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 and include appropriate oncosts such as work cover charges.

Annual Leave

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

Long Service Leave

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

Classification of employee benefits

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

Superannuation

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan, which provides benefits to its employees. Details of these arrangements are set out in Note 25. The liability includes contributions tax.

(i) Inventories

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

(j) Revenue Recognition Rates

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

Grants, Donations and other Contributions

Grants, donations and other contributions are recognised as revenues when the Council obtains control over the assets comprising these receipts. Unreceived grants, donations and contributions over which the Council has control are recognised as receivables. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured. Grants and contributions received in 2006-07 but unexpended as at balance date amount to \$2.876m. Grants and contributions received in 2005-06 and expended during the financial year amount to \$1.279m.

Proceeds from Sale of Assets

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

Fees and Charges

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

Interest and Rents

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

(k) Cash Assets

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

(l) Investments

Cash investments are measured at cost.

(m) Goods and Services Tax (GST)

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

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

(n) Interest in Regional Library Services

Council has disclosed its interests in the Geelong Regional Library (GRL) in the Balance Sheet. 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 2007. Periodic revaluation adjustments are recognised as income in the Income Statement.

Annual contributions to the GRL are classified as operating contributions.

Council's share of the net equity of GRL is 3.45%. 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, except for long service leave which is recognised as current if the Council does not have an unconditional right to defer settlement, regardless of the expected timing of the payments.

(q) Budget Information

Where necessary, budget information has been recast to comply with current presentation requirements. The budgeted figures have been drawn from Council's budget approved at the time the rates and charges were adopted by Council for the 2006-07 financial year.

(r) Impairment of assets

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

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NOTE 2: CHANGE IN ACCOUNTING POLICY

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

ASSB Amendment	Standards Affected	Outline of Amendment	Application Date of Standard	Application Date For Council
ASSB 2005-10 Amendments to Australian Accounting Standards	AASB1 First time adoption of AIFRS AASB101 Presentation of Financial Statements AASB 117 Leases AASB 139 Financial Instruments: Recognition and Measurement	The disclosure requirements of AASB 132: Financial Instruments: Disclosure and Presentation have been replaced due to the issuing of AASB 7: Financial instruments: Disclosures in August 2005. These amendments will involve changes to financial instrument disclosures within the financial report. However, there will be no direct impact on amounts included in the financial report as it is a disclosure standard.	1/01/2007	1/07/2007
AASB 7 Financial Instruments: Disclosures.	AASB132 Financial Instruments: Disclosure and Presentation	As Above	01/01/2007	01/01/2007
AASB 2006-3 Amendments to Australian Accounting Standards.	AAS27 Financial Reporting by Local Governments AASB 1045 Land Under Roads: Amendments to AAS 27A, AAS 29A and AAS 31A	From the beginning of the reporting period to which the Standard is first applied, until the end of the first reporting period ending on or after 31 December 2007, transitional provisions shall apply. Under those provisions, local governments, while encouraged to apply the full provisions of this Standard, may elect instead not to recognise land under roads as an asset in the balance sheet. The impact of any changes that may be required when the transitional provisions cease cannot be reliably estimated and is not disclosed in the financial report.	October 2006	01/07/2008

NOTE 3: FUNCTIONS/ACTIVITIES OF THE COUNCIL

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

(i) Citizen and Customer Service

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

(vii) Recreation and Community Development

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

(viii) Roads and Streets Infrastructure

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

(ix) Waste Management

Garbage Collection, Municipal Tips and Litter Control.

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NOTE 4: REVENUE AND EXPENDITURE BY KEY RESULT AREA

	2007 \$	2006 \$
REVENUE FROM ORDINARY ACTIVITIES		
Citizen & Customer Service	3,359	3,093
Civic Leadership	59,198	16,729
Economic Development	381,519	197,356
Environment & Land Use Planning	676,457	652,604
Financial Management	11,333,660	10,267,552
Human Support Services	2,011,686	1,785,885
Recreation & Community Infrastructure	1,062,508	923,163
Roads & Streets Infrastructure	6,273,402	3,619,978
Waste Management	1,015,456	899,246
Total Revenue from Ordinary Activities	22,817,245	18,365,606
EXPENDITURE FROM ORDINARY ACTIVITIES		
Citizen & Customer Service	483,640	451,884
Civic Leadership	1,440,954	1,208,697
Economic Development	382,780	386,582
Environment & Land Use Planning	2,036,527	1,936,380
Financial Management	946,188	854,068
Human Support Services	2,858,918	2,340,260
Recreation & Community Infrastructure	2,763,861	2,404,867
Roads & Streets Infrastructure	5,963,950	5,441,250
Waste Management	1,024,673	935,315
Borrowing Costs	116,036	100,135
Bad Debts	395	-
Total Expenditure from Ordinary Activities	18,017,922	16,059,438
Net Gain/(Loss) on Disposal of Property, Plant and Equipment	990,746	595,957
Surplus from Ordinary Activities	5,790,069	2,902,125
Included in the above expenditure items are the following expenses:		
Insurance	173,291	156,263
Workcover Premium	93,173	90,823
Legal Expenses	42,622	53,244
Bank Fees & Charges	43,015	37,475
Audit Fees - External	23,328	36,900
Audit Fees - Internal	16,190	12,100

NOTE 5: EQUITY OF THE COUNCIL

	OPENING BALANCE 1-JUL-06 \$	INCREASE IN NET ASSETS \$	TRANSFERS TO AND FROM RESERVES \$	CLOSING BALANCE 30-JUN-07 \$
Discretionary				
General Appropriations	1,985,410	2,131,595	(1,533,678)	2,583,327
Committed				
Unexpended Projects	3,016,489	-	1,591,222	4,607,711
Long Service Leave Non-Current Liability	135,855	-	(18,801)	117,054
Profit Equalisation	100,000	-	-	100,000
Drainage Levy	54,063	-	-	54,063
Recreation Lands Reserve	117,506	-	(49,243)	68,263
Developer Contributions	-	-	10,500	10,500
Non-Current Assets & Liabilities	130,978,937	34,823,842	-	165,802,779
Total Equity	136,388,260	36,955,437	-	173,343,697
Total Equity Comprised of:				
Accumulated Surplus	112,109,961	5,709,069	(1,533,678)	116,366,352
Reserves	24,278,299	31,165,368	1,553,678	56,977,345
	136,388,260	36,955,437	-	173,343,697
Reserves are represented by the following:				
Asset Revaluation	20,854,386	31,165,368	-	52,019,754
Unexpended Projects	3,016,489	-	1,591,222	4,607,711
Long Service Leave Non-Current Liability	135,855	-	(18,801)	117,054
Profit Equalisation	100,000	-	-	100,000
Drainage Levy	54,063	-	-	54,063
Recreation Lands Reserve	117,506	-	(49,243)	68,263
Developer Contributions	-	-	10,500	10,500
Total Reserves	24,278,299	31,165,368	1,533,678	56,977,345

/// FINANCIAL REPORT 2006-07

NOTE 6: RECONCILIATION OF INCREASE IN NET ASSETS RESULTING FROM OPERATIONS TO NET CASH INFLOW FROM OPERATIONS

	NOTE	2007 \$	2006 \$
Increase in Net Assets Resulting from Operations		5,790,069	2,902,125
Depreciation	13	3,508,601	3,195,304
Carrying Amount of Assets Sold	14	732,205	780,906
Proceeds from Sale of Assets	14	(835,460)	(679,083)
Subdivisions - Roads Handed to Council	23	(260,491)	(444,346)
Decrease/(Increase) in Other Non-Current Assets	22	(20,246)	(6,852)
Decrease/(Increase) in Receivables	16	(213,468)	(266,586)
Decrease/(Increase) in Inventories		581,505	(208,496)
Increase/(Decrease) in Creditors & Provisions		345,142	(55,713)
Reclassification of Land Held for Sale as a Current Asset		73,552	129,795
Net GST on Operations		658,375	539,173
Net Cash Inflow from Operations		10,359,784	5,886,227

NOTE 7: VALUATIONS & RATES

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

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

Residential	1,394,621,000	1,129,344,000
Farm	780,364,000	489,541,000
Non-Farm Vacant Land	168,303,000	129,360,880
Business	27,922,800	22,227,000
Total Capital Improved Valuations	2,371,210,800	1,770,472,880

The date of the last general revaluation of land for rating purposes within the municipal district was 1 January 2006, and the valuation first applied to the rating period commencing 1 July 2006.

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

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 10.

Residential	4,133,996	3,814,417
Farm	1,764,165	1,431,690
Non-Farm Vacant Land	1,025,480	854,428
Business	83,247	74,426
Interest on Rates	74,795	71,589
Total Rates Revenue	7,081,683	6,246,550



/// FINANCIAL REPORT 2006-07

NOTE 8: GRANTS AND SUBSIDIES

	2007 \$	2006 \$
Local Road Improvements (Federal Government)	3,096,119	1,854,608
Victoria Grants Commission - General Purpose Grant	2,276,936	2,109,077
Victoria Grants Commission - Local Roads Grant	1,482,156	1,426,719
VicRoads Grants for Local Roads	1,399,562	380,261
Home & Community Care	673,595	617,930
Community Facilities (halls, etc)	356,666	346,855
Paths & Trails	300,000	-
Golden Plains Health Promotion	286,126	270,695
Smythesdale Community Hub	200,000	-
Community Development	175,122	150,222
Kindergartens	129,944	-
Maternal & Child Health	111,230	98,149
Regional Library	110,640	111,494
Bannockburn Business Estate	100,000	-
Youth Projects	88,759	46,031
Environment Projects	75,544	123,263
Community Health	66,921	-
Economic Development	61,750	190,864
Transport Connections	57,928	56,378
Family Day Care	51,867	55,410
Civic Leadership	16,464	16,339
Land Use Planning	15,000	2,100
School Crossing Supervision	13,025	13,025
Bus Shelters	7,200	5,600
Other	4,500	-
Bannockburn Family Services Centre	-	161,810
Local Government Improvement Incentive Program	-	160,984
Storm Water Project	-	125,000
Fire Access Track	-	13,212
Total Grants and Subsidies	11,157,054	8,336,026
Recurrent Grants	4,914,520	4,626,210
Non-Recurrent Grants	6,242,534	3,709,816
Total Grants and Subsidies	11,157,054	8,336,026

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

Roads to Recovery	1,959,557	875,726
Paths & Trails	300,000	-
Health Promotion	286,126	110,726
Smythesdale Community Hub	200,000	-
Aged & Disability Minor Equipment	32,066	-
Sport & Recreation Projects	28,000	81,021
Environment	26,034	163,623
Kindergarten Cluster	18,279	-
Bannockburn Town Centre Investment Strategy	10,000	-
Children's Services	8,500	-
Economic Development	3,469	-
Community Building Initiative	2,745	44,090
Aged & Disability Services	1,300	-
Infrastructure	-	239,630
Community Health	-	101,811
Bannockburn Bowls Club Water Project	-	45,455
Emergency Management Improvement	-	1,692
	2,876,076	1,663,774

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

Roads to Recovery	702,673	-
Infrastructure	239,630	14,421
Health Promotion	101,726	295,000
Sport & Recreation Projects	61,374	46,417
Community Health	52,193	-
Bannockburn Bowls Club Water Project	45,455	-
Community Building Initiative	44,090	-
Environment	30,398	-
Emergency Management Improvement	1,692	-
Bannockburn FSC	-	775,000
Commonwealth Games	-	16,500
Aged & Disability Minor Equipment	-	14,446
Recreation Activity Development Project	-	10,075
Smythesdale Sewerage Innovation	-	9,408
Rokewood, Corindhap, Dereel UDF	-	9,325
Health Planning Forum	-	5,000
Youth Services	-	3,229
Provincial Victoria Campaign	-	2,945
CAGS Committee Training	-	2,841
E-Gaps Project	-	1,429
	1,279,231	1,206,036
Net Increase/(Decrease) in restricted assets resulting from grant revenues for the year:	1,596,845	457,738

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NOTE 9: CONTRIBUTIONS AND RECOUPMENTS

	2007 \$	2006 \$
(a) Cash		
Private Works	661,244	708,590
VicRoads' Contributions	355,492	-
Developers' Rec Lands Contributions	231,756	113,006
Family Day Care - Social Security	184,126	309,125
Revaluation Contribution - State Revenue Office	79,675	7,040
Community Contributions	64,256	52,270
Motor Vehicle Recoupments	58,456	-
Legal Costs Recouped	41,007	21,155
Emergency Management Project - Multi Council	33,406	-
Joint Bridgeworks - Other Council	26,127	-
Other	19,721	8,260
Economic Development Projects	15,399	-
Environment Projects	13,931	9,160
Standpipe Water Sales	10,510	2,194
Developers' Community Contributions	10,500	4,500
Sale of Big Bins	9,688	10,152
Recoupment from Insurers	1,458	1,867
Ballarat/Skipton Rail Trail	-	118,000
Drainage Levy	-	6,050
Total Cash Contributions and Recoupments	1,816,752	1,371,369
(b) Non-Monetary		
Subdivisions - Roads Handed to Council	262,861	444,346
GRLC Equity Contribution	20,246	6,852
Total Non-Monetary Contributions and Recoupments	283,107	451,198
Total Contributions and Recoupments	2,099,859	1,822,567

NOTE 10: FEES AND CHARGES

Garbage Collection Charge	970,444	863,060
Planning & Building Fees	317,530	296,376
Child Care Fees	184,707	23,991
Home & Community Care Fees	175,538	157,730
Animal Registration Charges	112,709	97,296
Gravel Cartage Levy	90,754	67,821
Subdivision Supervision Fees	79,045	9,800
Septic Tank Fees	37,029	39,821
Community Bus Hire Charges	35,373	23,592
Tip Fees	31,389	26,005
Bannockburn Family Services Centre Charges	30,734	-
Rents & Leases	19,542	20,207
Food Premises Registration Fees	19,033	16,209
Infringements & Fines	13,749	14,652
Land Information Certificates	13,473	12,831
Other	11,657	10,465
Northern Community Centre Charges	10,547	11,261
Fire Hazard Eradication Fees	4,811	4,035
Total Fees and Charges	2,158,064	1,695,152

NOTE 11: CONTRACTS & MATERIALS

The delivery of projects and services is formulated by Council's Strategic Plan and expressed through its annual budget. The activities are recorded under nine Key Result Areas and all operating costs are attributed to these areas and recorded as Contracts & Materials, employee costs or depreciation.

Included in Contracts & Materials are the following expenses:

Delivery of Projects & Services	2,465,474
General Maintenance	1,281,793
Garbage Operations	941,304
Other Expenses	822,673
Contract Payments	589,016
Vehicle & Machinery Operations	368,268
Information Technology Operations	214,720
Insurance	173,291
Printing, Stationery & Postage	153,932
Gravel Pit Operations	139,275
Telecommunications	116,923
Building Maintenance	108,475
Plant Operating Costs	104,311
Advertising	100,580
Audit Fees	39,518
Utilities	34,874
Consultants	3,782
Total Contracts & Materials	7,658,209

This analysis is not available for the 2006 year.

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NOTE 12: EMPLOYEE COSTS

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

	2007 \$	2006 \$
Wages & Salaries	5,855,679	4,888,879
Superannuation (Annual Contributions)	568,252	532,934
Annual Leave & Long Service Leave	652,622	554,243
Fringe Benefits & FBT	45,995	144,054
Workcover Premium & Claims Costs	96,615	95,305
Training	-	64,459
Other	24,868	14,879
Total Employee Costs	7,244,031	6,294,753
Less Employee Costs charged to Capital	(509,350)	(222,298)
Total Employee Costs as per Income Statement	6,734,681	6,072,455

NOTE 13: DEPRECIATION

Depreciation was charged in respect of:

Infrastructure Assets	2,118,649	1,998,753
Plant & Machinery	728,259	639,365
Buildings	422,745	391,657
Furniture & Equipment	220,735	161,927
Other Structures	13,213	3,602
Gravel Pit Rehabilitation	5,000	-
Total Depreciation Expense	3,508,601	3,195,304

NOTE 14: NET GAIN/(LOSS) ON DISPOSALS PLANT & MACHINERY AND FURNITURE & EQUIPMENT

Proceeds from Sale of Assets	835,460	679,083
Carrying Amount of Assets Sold	(732,205)	(780,906)
Net Gain/(Loss) on Disposal of Plant & Machinery and Furniture & Equipment	103,255	(101,823)
INVENTORY - PROPERTY		
Proceeds from Sale of Assets	2,503,767	1,162,635
Carrying Amount of Assets Sold	(1,616,276)	(464,855)
Net Gain/(Loss) on Disposal of Land	887,491	697,780
Total Net Gain/(Loss) on Disposals	990,746	595,957

NOTE 15: CASH AND CASH EQUIVALENTS

Short Term Deposits	4,840,000	2,340,000
At Call Deposits	3,411,135	3,738,500
Cash at Bank	626,421	37,251
Total Cash Assets	8,877,556	6,115,751

Of this amount, \$697,759 is subject to external restrictions as detailed below:

Long Service Leave Investment Account	697,759	515,346
Total Restricted Cash Assets	697,759	515,346

NOTE 16: RECEIVABLES

Rate Debtors	435,964	373,960
Other Debtors	742,913	699,022
Accrued Income	169,427	122,993
Total Receivables	1,348,304	1,195,975

NOTE 17: INVENTORY - CONSUMABLES

Stock on Hand	81,037	89,100
Total Inventory - Consumables	81,037	89,100

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NOTE 18: PREPAYMENTS

	2007 \$	2006 \$
Prepaid Expenditure	85,453	22,801
Total Prepayments	85,453	22,801

NOTE 19: PAYABLES CURRENT

Trade Creditors	882,610	877,945
Accrued Expenditure	521,981	444,331
Total Payables Current	1,404,591	1,322,276

NOTE 20: INTEREST-BEARING LIABILITIES

Current

Bank Loan Secured over Council's Rates & Charges	249,178	349,397
Total Interest-Bearing Liabilities - Current	249,178	349,397

Non-Current

Bank Loan Secured over Council's Rates & Charges	1,528,190	1,778,971
Total Interest-Bearing Liabilities - Non-Current	1,528,190	1,778,971

The Maturity Profile for Council's Borrowings is:

Not Later Than One Year	249,178	349,397
Later Than One Year and Not Later Than Five Years	800,916	862,484
Later Than Five Years	727,274	916,487
	1,777,368	2,128,368

NOTE 21: EMPLOYEE BENEFITS

Current

Annual Leave Provision	563,303	460,552
Long Service Leave Provision	706,332	502,002
Total Employee Benefits - Current	1,269,635	962,554

Non-Current

Long Service Leave Provision	117,054	135,855
Total Employee Benefits - Non-Current	117,054	135,855



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NOTE 22: PROPERTY, INFRASTRUCTURE, PLANT & EQUIPMENT

	2007 \$	2006 \$
Summary		
At Cost	12,740,517	16,893,132
Less Accumulated Depreciation	2,348,537	2,103,394
	10,391,980	14,789,738
At Fair Value as at 30 June 2007	216,534,434	27,424,195
Less Accumulated Depreciation	59,561,065	8,212,797
	156,973,369	19,211,398
At Council Valuation as at 30 June 2004	42,313	17,369,205
Less Accumulated Depreciation	16,826	8,186,834
	25,487	9,182,371
At Independent Valuation	-	118,369,130
Less Accumulated Depreciation	-	28,692,512
	-	89,676,618
Total	167,390,836	132,860,125
Land		
At Cost	330,342	589,359
At Fair Value as at 30 June 2007	11,513,048	8,812,605
	11,843,390	9,401,964
Buildings		
At Cost	1,970	3,236,192
Less Accumulated Depreciation	20	17,892
	1,950	3,218,300
At Fair Value as at 30 June 2007	25,424,814	18,611,590
Less Accumulated Depreciation	8,653,414	8,212,797
	16,771,400	10,398,793
Other Structures		
At Cost	697,084	272,496
Less Accumulated Depreciation	72,919	59,706
	624,165	212,790
Work in Progress		
Buildings & Building Improvements At Cost	26,360	15,860
Bridges At Cost	559,824	119,733
Sealed and Unsealed Roads At Cost	37,810	48,182
Other Structures At Cost	61,954	24,031
	685,948	207,806
Furniture & Equipment		
At Cost	1,409,256	1,286,872
Less Accumulated Depreciation	742,591	599,839
	666,665	687,033
Plant & Machinery		
At Cost	5,379,983	4,701,630
Less Accumulated Depreciation	1,454,742	1,208,737
	3,925,241	3,492,893
Gravel Pit Rehabilitation		
At Cost	100,000	-
Less Accumulated Depreciation	5,000	-
	95,000	-
Infrastructure		
Footpaths		
At Cost	-	33,926
Less Accumulated Depreciation	-	1,348
	-	32,578
At Fair Value as at 30 June 2007	1,459,569	937,895
Less Accumulated Depreciation	499,017	306,614
	960,552	631,281
Sealed Pavements		
At Cost	2,504,600	3,367,265
Less Accumulated Depreciation	17,891	24,781
	2,486,709	3,342,484
At Fair Value as at 30 June 2007	99,672,503	75,246,916
Less Accumulated Depreciation	25,348,907	19,357,626
	74,323,596	55,889,290
Unsealed Pavements		
At Cost	241,226	710,413
Less Accumulated Depreciation	6,584	21,417
	234,642	688,996
At Fair Value as at 30 June 2007	14,373,428	12,604,197
Less Accumulated Depreciation	4,604,934	3,822,763
	9,768,494	8,781,434
Sealed Surfaces		
At Cost	1,120,947	2,059,173
Less Accumulated Depreciation	32,969	132,965
	1,087,978	1,926,208
At Fair Value as at 30 June 2007	17,121,631	10,456,294
Less Accumulated Depreciation	8,152,773	5,124,911
	8,968,858	5,331,383
Sealed Formations		
At Fair Value as at 30 June 2007	14,565,124	13,156,348
Less Accumulated Depreciation	-	-
	14,565,124	13,156,348

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NOTE 22: CONTINUED...

	Note	2007 \$	2006 \$
Unsealed Formations			
At Fair Value as at 30 June 2007		5,930,120	5,384,365
Less Accumulated Depreciation		-	-
		5,930,120	5,384,365
Kerb & Channel			
At Cost		-	11,000
Less Accumulated Depreciation		-	366
		-	10,634
At Fair Value as at 30 June 2007		936,544	583,115
Less Accumulated Depreciation		143,237	80,598
		793,307	502,517
Bridges & Major Culverts			
At Cost		224,216	56,719
Less Accumulated Depreciation		1,245	1,182
		222,971	55,537
At Fair Value as at 30 June 2007		23,804,904	16,226,640
Less Accumulated Depreciation		11,497,062	7,682,270
		12,307,842	8,544,370
Underground Drainage			
At Cost		-	315,336
Less Accumulated Depreciation		-	22,627
		-	292,709
At Fair Value as at 30 June 2007		1,732,749	1,100,252
Less Accumulated Depreciation		661,721	489,662
		1,071,028	610,590
Road Name Plates			
At Cost		44,945	44,945
Less Accumulated Depreciation		14,576	12,534
		30,369	32,411
At Council Valuation as at 30 June 2004		42,313	42,313
Less Accumulated Depreciation		16,826	14,902
		25,487	27,411
Total Infrastructure			
At Cost		4,135,934	6,598,777
At Fair Value as at 30 June 2007		179,596,572	118,369,130
At Council Valuation as at 30 June 2004		42,313	17,369,205
Less Accumulated Depreciation		50,997,742	37,096,566
Total Infrastructure		132,777,077	105,240,546
Total Property, Infrastructure, Plant and Equipment	24	167,390,836	132,860,125

NOTE: 23 INVESTMENT IN ASSOCIATE

Equity in Geelong Regional Library	223,884	203,638
Total Other Non-Current Assets	223,884	203,638

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



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

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NOTE 24: MOVEMENTS IN PROPERTY, INFRASTRUCTURE, PLANT & EQUIPMENT

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

2007	LAND	BUILDINGS	OTHER STRUCTURES	WORK IN PROGRESS	FURNITURE & EQUIPMENT	PLANT & MACHINERY	GRAVEL PIT REHABILITATION	INFRASTRUCTURE	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Carrying amount at 1 July 2006	9,401,964	13,617,093	212,790	207,806	687,033	3,492,893	-	105,240,546	132,860,125
Additions	330,342	1,970	400,557	558,355	208,039	1,885,140	-	4,034,807	7,419,210
Subdivisions - Roads Handed to Council	-	-	-	-	-	-	-	260,491	260,491
Depreciation	-	(422,745)	(13,213)	-	(220,735)	(728,259)	(5,000)	(2,118,649)	(3,508,601)
Disposals	-	-	-	-	(7,672)	(724,533)	-	-	(732,205)
Reclassification Between Classes	(100,000)	-	24,031	(80,213)	-	-	100,000	56,182	-
Reclassification to Current Asset	(73,552)	-	-	-	-	-	-	-	(73,552)
Increase due to Indexation	2,284,636	3,577,032	-	-	-	-	-	-	5,861,668
Increase to Fair Value	-	-	-	-	-	-	-	25,303,700	25,303,700
Carrying amount at 30 June 2007	11,843,390	16,773,350	624,165	685,948	666,665	3,925,241	95,000	132,777,077	167,390,836

Additions Represented By:	\$	2006	LAND	BUILDINGS	OTHER STRUCTURES	WORK IN PROGRESS	FURNITURE & EQUIPMENT	PLANT & MACHINERY	GRAVEL PIT REHABILITATION	INFRASTRUCTURE	TOTAL
			\$	\$	\$	\$	\$	\$	\$	\$	\$
Renewal of Infrastructure	1,915,353	Carrying amount at 1 July 2005	9,356,042	11,509,442	212,657	693,265	373,690	3,515,519	-	104,790,369	130,450,984
Upgrade of Infrastructure	2,119,454	Additions	175,717	1,806,044	3,735	207,805	478,219	1,394,696	-	2,004,584	6,070,800
New Land	330,342	Subdivisions - Roads Handed to Council	-	-	-	-	-	-	-	444,346	444,346
Upgrade of Buildings	1,970	Depreciation	-	(391,657)	(3,602)	-	(161,927)	(639,365)	-	(1,998,753)	(3,195,304)
New Plant and Equipment	1,998,741	Disposals	-	-	-	-	(2,949)	(777,957)	-	-	(780,906)
Upgrade Plant and Equipment	94,438	Reclassification Between Classes	-	693,264	-	(693,264)	-	-	-	-	-
New Work in Progress	450,131	Reclassification to Current Asset	(129,795)	-	-	-	-	-	-	-	(129,795)
Renewal Work in Progress	9,600										
Upgrade Work in Progress	88,264	Carrying amount at 30 June 2006	9,401,964	13,617,093	212,790	207,806	687,033	3,492,893	-	105,240,546	132,860,125
Expansion Work in Progress	10,360										
New Other Structures	249,889										
Upgrade Other Structures	150,668										
Total Additions	7,419,210										

NOTE 25: SUPERANNUATION

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

During 2006-07 Council's superannuation contributions relating to that year's accumulation and defined benefit members services were \$568,252 (\$532,934 in 2005-06).

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

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

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary as at 31 December 2005, the Trustee has determined that the current funding arrangements are adequate for the expected Defined Benefit Plan liabilities. Council makes the following contributions:-

- 9.25% of members' salaries (same as previous year);
- the difference between resignation and retrenchment benefits paid to any retrenched employees, plus contribution tax.

The Fund's liability for accrued benefits was determined in the 31 December 2006 actuarial review pursuant to the requirements of Australian Accounting Standard AAS25 as follows:

	31-Dec-06 \$'000
Net Market Value of Assets	3,443,686
Accrued Benefits (per accounting standards)	3,319,598
Difference between Assets and Accrued Benefits	124,088
Vested Benefits	3,040,443

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

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

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NOTE 26: CONTINGENT LIABILITIES

Waste Management Contract

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

Landfill Site

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

NOTE 27: CONTRACTUAL COMMITMENTS FOR EXPENDITURE

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

	2007			2006		
	LESS THAN ONE YEAR \$	ONE YEAR TO FIVE YEARS \$	TOTAL \$	LESS THAN ONE YEAR \$	ONE YEAR TO FIVE YEARS \$	TOTAL \$
Rokewood Recreational Reserve	-	-	-	234,000	-	234,000
Shelford Community Meeting Place	-	-	-	26,500	-	26,500
Garibaldi Bridge Upgrade	-	-	-	853,000	-	853,000
Bannockburn Family Service Centre	-	-	-	42,670	-	42,670
Rokewood/Corindhap/Dereel UDF	-	-	-	580,000	-	580,000
Intensive Agriculture Infrastructure Study	-	-	-	15,000	-	15,000
Buninyong/Mt Mercer Road Widening	-	-	-	635,500	80,000	715,500
Buninyong/Mt Mercer Rd - Bridge Widening	-	-	-	164,545	-	164,545
Bannockburn Bowls Club Resurfacing	-	-	-	116,200	-	116,200
South East Land Use Planning Review	-	-	-	50,000	-	50,000
Four Seasons Waste Management	631,470	1,330,030	1,961,500	540,400	1,621,200	2,161,600
	631,470	1,330,030	1,961,500	3,257,815	1,701,200	4,959,015

NOTE 28: FINANCIAL RATIOS

NOTE 28: FINANCIAL RATIOS		2007	2006	2005		
(a) Revenue Ratio						
Purpose: To assess the dependence on non-rate income sources.						
Rate Revenue	<u>7,081,683</u>	31.04%	<u>6,246,550</u>	34.01%	<u>5,078,146</u>	29.23%
Total Revenue	22,817,245		18,365,606		17,374,832	
(b) Debt Exposure Ratio						
Purpose: To identify the exposure of Council to debt and to indicate the solvency of the Council.						
Total Indebtedness	<u>4,870,861</u>	10.72%	<u>4,880,061</u>	13.55%	<u>3,724,252</u>	11.49%
Total Realisable Assets	45,437,481		36,027,775		32,420,019	
(c) Debt Servicing Ratio						
Purpose: To assess Council's capacity to service debt outstanding.						
Debt Servicing	<u>116,036</u>	0.51%	<u>100,135</u>	0.55%	<u>40,605</u>	0.23%
Total Revenue	22,817,245		18,365,606		17,374,832	
(d) Debt Commitment Ratio						
Purpose: To identify Council's debt redemption strategy.						
Debt Servicing & Redemption	<u>467,036</u>	6.59%	<u>375,701</u>	6.01%	<u>224,661</u>	4.42%
Rate Revenue	7,081,683		6,246,550		5,078,146	
(e) Working Capital Ratio						
Purpose: To assess Council's ability to meet current commitments.						
Current Assets	<u>10,599,838</u>	346%	<u>8,204,558</u>	294%	<u>6,562,618</u>	216%
Current Liabilities	3,058,920		2,795,235		3,044,987	
(f) Adjusted Working Capital Ratio						
Purpose: To assess Council's ability to meet current commitments.						
Current Assets	<u>10,599,838</u>	450%	<u>8,204,558</u>	357%	<u>6,562,618</u>	221%
Current Liabilities	2,352,588		2,293,233		2,965,652	

Definitions

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

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

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

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

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

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

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

NOTE 29: 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 recognized and unrecognized at balance date, are as follows:

Financial Instrument	Note	Accounting Policies	Terms and Conditions
(1) Financial Assets			
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 2.92%
At Call Deposits	15	At call deposits are stated at cost. Interest is recognised as it accrues.	rates daily of 2.92% Cash amounts are available at call. The effective interest rate is 5.7% to 6.4% (2006: 5.70% to 6.00%)
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 5.97% to 6.73% (2006: 5.97% to 6.17%)
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.
(2) Financial Liabilities			
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, 2007. Interest is recognised as it accrues.	Council has two bank loans. The first loan matures on 24 December 2008. The effective interest rate is 6.33%. The second loan matures on 3 November 2015. The effective interest rate is 6.09%.



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(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
		2007 \$'000	2007 \$'000	2007 \$'000	2007 \$'000	2007 \$'000	2007 %
(1) Financial Assets							
Cash at Bank	15	626	-	-	-	626	2.92
At Call Deposits	15	3,411	-	-	-	3,411	6.27
Short Term Deposits	15	-	4,840	-	-	4,840	6.53
Other Debtors	16	-	-	-	742	742	11.50
Accrued Income	16	-	-	-	169	169	-
Prepayments	18	-	-	-	85	85	-
(2) Financial Liabilities							
Trade Creditors	19	-	-	-	883	883	-
Accrued Expenditure	19	-	-	-	505	505	-
Trust Funds	-	-	-	-	136	136	-
Interest-Bearing Liabilities	20	-	249	1,528	-	1,777	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
		2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 \$'000	2006 %
(1) Financial Assets							
Cash at Bank	15	37	-	-	-	37	2.60
At Call Deposits	15	3,738	-	-	-	3,738	5.93
Short Term Deposits	15	-	2,340	-	-	2,340	6.08
Other Debtors	16	-	-	-	699	699	11.50
Accrued Income	16	-	-	-	123	123	-
Prepayments	18	-	-	-	23	23	-
(2) Financial Liabilities							
Trade Creditors	19	-	-	-	878	878	-
Accrued Expenditure	19	-	-	-	444	444	-
Trust Funds	-	-	-	-	161	161	-
Interest-Bearing Liabilities	20	-	349	1,779	-	2,128	6.11



The rapidly growing residential sector is a reflection of the lifestyle advantages offered in Golden Plains Shire.

/// FINANCIAL REPORT 2006-07

(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	
		2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
(1) Financial Assets					
Cash at Bank	15	626	37	626	37
At Call Deposits	15	3,411	3,738	3,411	3,738
Short Term Deposits	15	4,840	2,340	4,840	2,340
Other Debtors	16	742	699	742	699
Accrued Income	16	169	123	169	123
Prepayments	18	85	23	85	23
(2) Financial Liabilities					
Trade Creditors	19	883	878	883	878
Accrued Expenditure	19	505	444	505	444
Trust Funds		136	161	136	161
Interest-Bearing Liabilities	20	1,777	2,128	1,777	2,128

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	
Other Debtors	16	
Accrued Income	16	
Prepayments	18	
(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.

NOTE 30: RELATED PARTY DISCLOSURES

(a) Identity of Responsible Persons

Responsible Persons of the Council during the year were:

Cr D Cotsell (Mayor)
 Cr B McArthur
 Cr J Blake
 Cr G Dupe
 Cr G Frantz
 Cr D Guinane
 Cr J Jones
 Cr K Knight, OAM
 Cr A Parker
 Chief Executive Officer: Rod Nicholls



The willingness of community members to roll up their sleeves and contribute is essential.

/// FINANCIAL REPORT 2006-07

(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:

	2007 No.	2006 No.
\$0 - \$9,999	-	-
\$10,000 - \$19,999	8	7
\$20,000 - \$29,999	-	2
\$30,000 - \$39,999	1	-
\$140,000 - \$149,999	-	-
\$150,000 - \$159,999	-	-
\$160,000 - \$169,999	-	1
\$170,000 - \$179,999	1	-
	10	10

Total Remuneration of Responsible Persons	\$314,797	\$301,725
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(c) Identity of Senior Officers

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

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

(d) Remuneration and Benefits - Senior Officers

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

	2007 No.	2006 No.
\$ 80,000 - \$ 89,999	1	1
\$100,000 - \$109,999	-	-
\$110,000 - \$119,999	1	-
\$120,000 - \$129,999	2	3
	4	4

Total Remuneration of Senior Officers	\$453,675	\$445,538
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(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:

	2007 No.	2006 No.
Haddon Bottle Shop-Cr B McArthur	\$1,041	\$1,302

These transactions were on normal commercial terms.

/// CERTIFICATION OF ACCOUNTS

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

Signed at Bannockburn this 13th day of September 2007.



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

In our opinion the accompanying financial report presents fairly the financial transactions of the Golden Plains Shire Council for the year ended 30 June 2007 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 23rd August 2007 to certify the financial report in its final form.

Signed at Bannockburn this 13th day of September 2007.



COUNCILLOR DAVID COTSELL
Mayor



COUNCILLOR GERALDINE FRANTZ
Acting Chairman, Audit and Finance Committee



ROD NICHOLLS
Chief Executive Officer





Victorian Auditor-General's Office

INDEPENDENT AUDIT REPORT

Golden Plains Shire Council

To the Councillors

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

This auditor's report for the financial year ended 30 June 2007 relates to the financial report of Golden Plains Shire Council included on its web site. The Councillors of Golden Plains Shire Council are responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named below. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

The Financial Report and Standard Statements

The accompanying financial report for the year ended 30 June 2007 of Golden Plains Shire Council which comprises of income statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the certification of accounts has been audited.

The accompanying standard statements for the year ended 30 June 2007 of the Council which comprises of standard income statement, standard balance sheet, standard statement of cash flows, standard statement of capital works, the related notes and the certification of standard statements have been audited.

The Responsibility of Councillors for the Financial Report and Standard Statements

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

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

This responsibility includes:

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

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Auditing in the Public Interest

VAGO

Victorian Auditor-General's Office

Independent Audit Report (continued)

Auditor's Responsibility

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

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

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

Independence

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

Auditor's Opinion

In my opinion:

- the financial report presents fairly, in all material respects, the financial position of Golden Plains Shire Council as at 30 June 2007 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Local Government Act 1989*.
- The standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in note 1 to the statements and comply with the requirements of the *Local Government Act 1989*.

MELBOURNE
13 September 2007


D.D.R. Pearson
Auditor-General

PERFORMANCE STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

KEY STRATEGIC ACTIVITIES		ACTUAL PERFORMANCE COMPARED TO BUDGET		
KEY STRATEGIC ACTIVITY	PERFORMANCE MEASURE	ACTUAL RESULT 2006-07 %	BUDGET TARGET 2006-07 %	DIFFERENCE
Citizen & Customer Service	Community satisfaction rating for Customer Service.	72	78	-6
Civic Leadership	Community satisfaction rating for Council's Advocacy.	67	69	-2
Economic Development	Community satisfaction rating for Economic Development.	64	64	0
Environment & Land Use Planning	Community satisfaction rating for Town Planning Policy & Approvals.	64	65	-1
Human Support Services	Community satisfaction rating for Health & Human Services.	78	71	7
Recreation & Community Development	Community satisfaction rating for Recreational Facilities.	69	71	-2
Roads & Streets Infrastructure	Community satisfaction rating for Local Roads & Footpaths and Asset Management System rating.	53	52	1
Waste Management	Community satisfaction rating for Waste Management.	75	77	-2

/// PERFORMANCE STATEMENT EXPLANATIONS

Introduction

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

Common Terms

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

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

Customer Satisfaction Ratings – Indexed mean of 350 respondents' answers in a survey, conducted by independent strategic research consultants 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.



The Victorian Government requires all councils to publish performance information.

/// COUNCIL APPROVAL OF THE PERFORMANCE STATEMENT

In our opinion, the accompanying performance statement of the Golden Plains Shire Council in respect of 2006-07 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 13th day of September 2007.



.....
COUNCILLOR DAVID COTSELL
Mayor



.....
COUNCILLOR GERALDINE FRANTZ
Acting Chairman, Audit and Finance Committee



Victorian Auditor-General's Office

INDEPENDENT AUDIT REPORT

Golden Plains Shire Council

To the Councillors

Matters Relating to the Electronic Presentation of the Audited Performance Statement

This auditor's report for the financial year ended 30 June 2007 relates to the performance statement of Golden Plains Shire Council included on its web site. The Councillors of Golden Plains Shire Council are responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named below. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited performance statement to confirm the information included in the audited financial report presented on this web site.

The Performance Statement

The accompanying performance statement for the year ended 30 June 2007 of Golden Plains Shire Council which comprises the statement, the related notes and the council approval of the performance statement has been audited.

The Responsibility of the Councillors for the Performance Statement

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

Auditor's Responsibility

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

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

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Auditing in the Public Interest



Victorian Auditor-General's Office

Independent Audit Report (continued)

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

Independence

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

Auditor's Opinion

In my opinion, the performance statement of Golden Plains Shire Council in respect of the 30 June 2007 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
13 September 2007



D.D.R. Pearson
Auditor-General

Annual Report

www.goldenplains.vic.gov.au

Customer Service Centres

2 Pope Street, Bannockburn

Monday-Friday 8.30am to 5.00pm (excluding Public Holidays)

68 Sussex Street, Linton

Monday-Friday 8.30am to 12.30pm, 1.00pm to 5.00pm (excluding Public Holidays)

Postal Address

Golden Plains Shire Council
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