

THE 16TH GOLDEN PLAINS SHIRE ANNUAL REPORT 2009-10

... where opportunities grow ...



GOLDEN PLAINS SHIRE

Our year 2009-10

Location:	Golden Plain Shire is the gateway to the Central Highlands region and Western District with easy access to Melbourne, Ballarat and Geelong
Area:	2,705 square kilometers
Estimated population:	18,173
Growth rate:	2.5% for 2008–2009
Number of employees:	161.3 EFT
Number of Councillors:	7
Electoral structure:	Un-subdivided municipality from December 2008
Rateable properties:	9,475
Total revenue:	\$25.9 million
Rate revenue:	\$9.62 million
Length of sealed local roads:	936 kms
Length of unsealed local roads:	748 kms
Climate:	Cool winters and moderate summers
Annual average rainfall:	500-750 mm
Average winter temp:	10 degrees Celsius
Average summer temp:	25 degrees Celsius

Our communities

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



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Our vision - our mission - our values

Our vision

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

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



Our mission

- We encourage, welcome and recognise the need to respond to the significant forecast population growth and the challenges it creates.
- We maintain and enhance the diversity and uniqueness of our communities, while encouraging and managing population growth and economic development.
- We maintain and develop a quality road system and secure adequate resources for the future.
- We aim for citizens to have fair access to recreation facilities, education, employment and human services, particularly youth and the aged.
- We accept individual diversity and we welcome and encourage participation in civic and community affairs.
- We market our municipality through open and effective communication.
- We respect the environment, our cultural significance and our heritage.
- We support and pursue the orderly and proper planning of land use and development based on strategic considerations as identified in the Municipal Strategic Statement.
- We support agricultural industry, sustainable practices and the right to farm.
- We provide municipal leadership that reflects local needs within a competitive and changing environment while considering government priorities.
- We foster successful relationships with other levels of government, agencies, non-government organisations and the private sector.

Our values

• Integrity in Leadership

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

• Equity & Access

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

• Commitment

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

• Community

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

• Innovation

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





From our Mayor

On behalf of my fellow Councillors, I am pleased to present the Golden Plains Shire 2009-10 Annual Report. The results shown within these pages reflect the decisions made over the last year, and in previous years, based on strong strategic planning and a long term financial management focus.

We faced the challenges head-on.

This past year Council has confronted challenging pressures requiring us to strike the balance between meeting the needs of today and planning positively for the future, whilst remaining financially sustainable.

A major challenge to Council's financial strategies was the need to capture the opportunities offered from the Commonwealth Stimulus Package. Golden Plains Shire, due to its diligent forward planning, was able to take advantage of stimulus grants which, while depleting cash reserves, offer our residents access to major facilities which would otherwise not have been available in our Shire for many years.

Pressure also came from the State Government's significant increase to the Land Fill Levy in 2010-11 and the additional cost of complying with the State Government's new reporting requirements, as well as the significant population growth and increased property values in the Shire.

Council's ability to navigate challenges has positioned Golden Plains Shire as one of the most financially sustainable councils in Victoria, with consistently high Community Satisfaction Survey ratings.

I am committed to seeing a revision of the Exceptional Circumstances (EC) process.

Agriculture is very important to our Shire. It is significant to the economic future of Golden Plains and as a strong source of employment. Even during recent years of drought, Golden Plains' agriculture produced revenue of over \$90m.

The existing EC declaration process is significantly out dated and inequitable. Recent changes in State and Federal policy direction, with respect to climate change and the importance of food production, has further emphasised the need for a new or revised system specifically tailored to deal with these issues. Golden Plains will continue to seek a review of the EC declaration process to ensure a more relevant and equitable system is adopted.

We celebrated International Women's Day.

A highlight of the Mayoral year was the inaugural International Women's Day ceremony for Golden Plains Shire at the Bannockburn Shire Hall on 25 March 2010. Councillors nominated nine exceptional women of the Shire in a celebration by introducing each of the women's community achievements as they received Citizen Recognition Certificates. It was a significant day for the municipality recognising these outstanding women for their dedication to their communities.

Other initiatives of note within this reporting period include:

- The Youth Leadership forum
- Council's ongoing commitment to community consultation

- Council's investment in safe road infrastructure
- Extensive stadium and Pavilion upgrades and infrastructure development

We will continue to provide a strong and united voice to ensure that this municipality receives the maximum level of funding possible from the State and Federal Governments in order to pursue our programs, support infrastructure renewal and growth needs.

Thank you.

I extend my gratitude to my fellow Councillors who have been diligent and passionate in serving the residents of Golden Plains Shire. I also thank the Chief Executive Officer, Rod Nicholls and all Council staff for their professionalism and high standard of work.

Congratulations also go to Cr Bill McArthur, who in addition to his local role, has been a very proactive President of the Municipal Association of Victoria particularly in negotiating the aftermath of the Black Saturday fires and the impact that has had on all Victorian municipalities.

Importantly, I would like to thank our residents who take an active role in the Community Development and Community Planning programs, as well as the Shire's volunteers. The contributions of these people are central to making Golden Plains Shire a great place to live!

Jenny Blake, Mayor

Shire profile

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

With 18,173 residents across 56 communities and 16 townships, Golden Plains is one of the fastest growing municipalities in Victoria, with population growth of around 2.5% per annum. 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. Wine making is also an important sector, with the Moorabool Valley being home to a well established and growing wine industry. In addition, an increase in mixed farming systems as a result of climate change is resulting in a steady transition to increased grain production.

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 Skipton Rail Trail, Enfield State Forest, Brisbane Ranges and Steiglitz Historic Park are popular attractions within an emerging day trip tourism market.



Beautiful Golden Plains vista overlooking the Garibaldi hills.

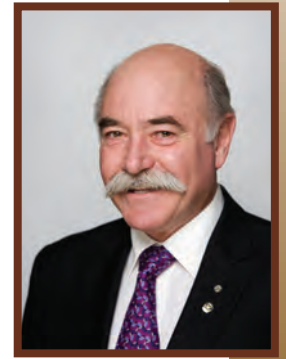
Freedom of information

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

Documents include:

- Correspondence;
- Minutes of meetings;
- Financial records;
- Tenure agreements;
- Contracts; and
- Employment records.

During the year 2009-10, one request for information was received under the Freedom of Information Act 1982. This request was granted in part.



From our CEO

As the Mayor has reported, over the past 12 months Council has been active in responding to the challenges associated with a growing population and the changing economic climate.

Council has been busy responding to the needs of its communities.

While we remain hopeful that the worst of the recent drought conditions are behind us, we cannot ignore that our climate is increasingly unpredictable. The Mayor has been passionate in her lobbying on behalf of Golden Plains' farmers and Council is calling for a review of the Exceptional Circumstances (EC) declaration process to ensure a more relevant and equitable system is adopted.

Rapid population growth of the past few years in Golden Plains has continued with the year 2008-09 showing 2.5% growth across the Shire. Through the implementation of the Council Plan 2010-2014, Strategic Resource Plan and Ten Year Plan, Council has provided its ongoing commitment to the delivery of the many important services and infrastructure projects which support and enhance our growing communities.

Council's 2009-10 capital works program was in excess of \$13 million and has been focused on bridging the gap between emerging community needs and existing infrastructure.

The Black Saturday Bushfire Royal Commission Final Report includes 67 recommendations, a number of them directed at councils. These include a proposed new and expanded role for councils such

as the provision of community shelter options; local emergency management planning for vulnerable people and evacuation; identifying dangerous trees and enhanced roadside clearances and broader consideration of land use planning issues and bushfire risk.

Council supports the MAV's response to the Final Report and is genuinely committed to getting on with the tasks necessary to prepare for the upcoming fire season. However, the costs of implementing recommendations are prohibitive without funding support from other levels of government. Council was pleased to hear the Premier provide a \$38 million partnership package with Victorian councils as part of the Government's response to the Bushfires Royal Commission final report recommendations.

Some highlights from the year include:

Major funding announcements including; \$300k for hall upgrades, \$240k for Inverleigh Children's Centre upgrade, \$300k for Haddon and Linton Stadium upgrades and \$120k to implement the Ross Creek Masterplan.

Ongoing planning and advocacy for infrastructure to support growth towns throughout the Shire, with particular emphasis placed on roads and paths, water and sewerage, community services, infrastructure and telecommunications.

Adoption of strategies and plans such as the Communications and Marketing Strategy 2010-2014 which received an enormous response from residents to its Communications Survey, highlighting the importance of good communication between

Council and residents of the Shire. Please refer to pages 12 to 15 for a more extensive summary of activities.

Council has taken the lead financially.

Council is committed to ensuring financial sustainability and I am pleased to report that Council has achieved a good financial result for the year 30 June 2010. We have been diligent in adhering to our long-term strategies and while we have embraced opportunities that have arisen we have remained loyal to our strict financial principles.

The Shire continues in 2009-10 as one of the leading financially sustainable councils in Victoria. In 2008-09 of the 22 small shires in Victoria, Golden Plains was ranked by the Auditor-General with the second highest five-year average in liquidity, fifth highest five-year average underlying result and ranked Golden Plains as low risk in all five performance areas.

The past year has been one of good progress, despite the changing economic climate and the changing needs of our communities. I am pleased with the achievements of Council this year and I would like to take this opportunity to express my appreciation to our community, the Mayor, Councillors and staff for their support and commitment in working for the betterment of the Golden Plains Shire.

Rod Nicholls, CEO

Our financial performance at a glance

The purpose of the Annual Report is to report on the performance of Council for the 2009-10 financial year. However, it is important to consider this Annual Report in conjunction with the Council Plan and Council's Strategic Resource Plan, which focus on the longer term objectives of Council. These documents can be found on

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

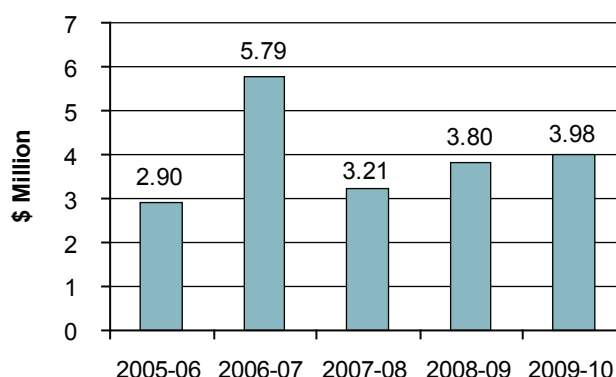
The following key indicators provide a brief overview of Council's financial performance for the year, including graphs which visually demonstrate the recent trend of each. These key indicators are common tools used to measure

financial performance and are consistently applied by Council.

For more detailed information on Council's 2009-10 performance against budget and the previous year, please refer to the Standards Statements located on pages 20 to 26 and the Financial Report beginning on page 29, respectively.

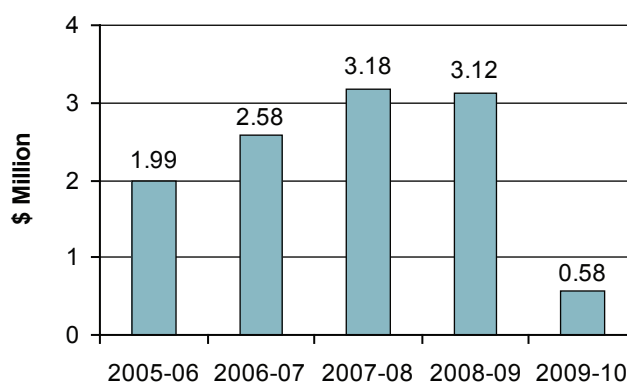
Operating result

The operating result shows Council's overall performance for the year. The surplus from operating activities for 2009-10 totalled \$3.98 million, which is \$0.94 million less than budget.



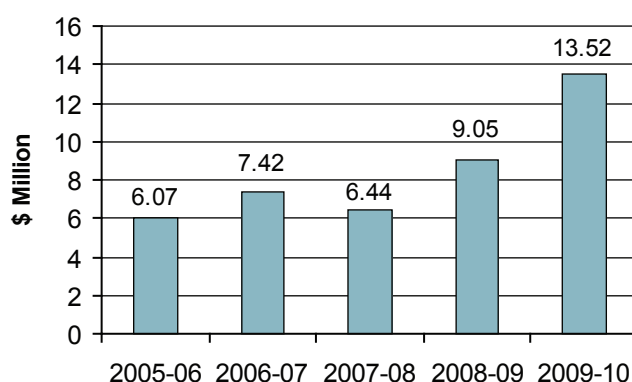
Discretionary retained earnings

Discretionary retained earnings are the surplus funds that Council has available to take advantage of unexpected opportunities. These are primarily utilised to match grants offered by third party funding. The significant decrease in 2009-10 is primarily a result of Council taking advantage of the opportunities that have arisen from the Federal Government stimulus program and other available grants.



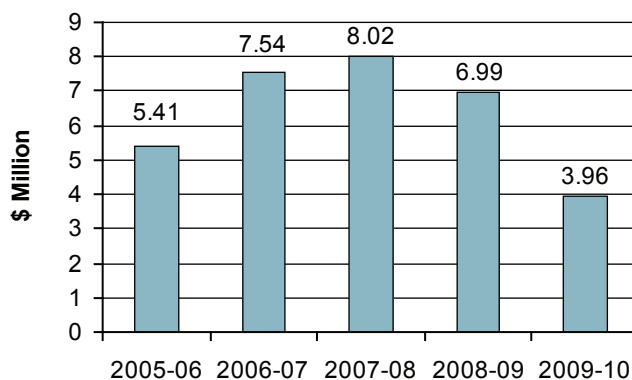
Capital expenditure

The capital program for 2009-10 of \$13.52 million is the largest Council has undertaken in its history, a \$4.47 million increase from 2008-09. This program is consistent with Council's Strategic Resource Plan and has been funded by a combination of government grants, borrowings and discretionary retained earnings.



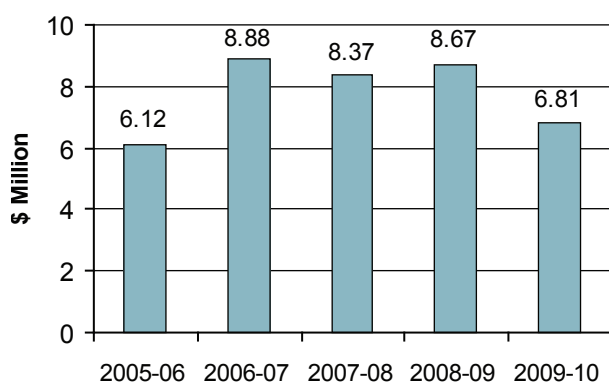
Working capital

Council's working capital balance at 30 June 2010 was \$3.96 million. This is the amount by which current assets exceed current liabilities. This is a measure of Council's ability to meet its short term obligations.



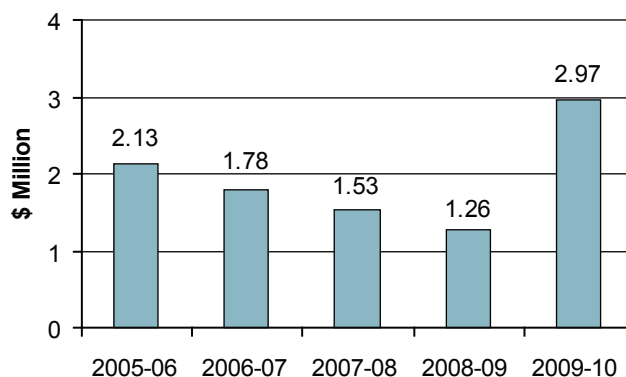
Cash balance

Council's cash balance at 30 June 2010 totalled \$6.81 million, which is a decrease of \$1.86 million from the previous year. While the cash balance remains strong, the increase in the level of borrowings should be noted.



Borrowings

Borrowings have increased by \$1.71 million from the previous year. These borrowings have been undertaken to assist in delivering Council's capital program and are in accordance with Council's Strategic Resource Plan. Borrowing to fund significant community assets allows Council to spread the cost burden over a longer period of time.



The above indicators demonstrate that Council remains in a strong financial position, however, the programs Council has delivered in recent years and the increase in capital expenditure has required Council to utilise significant discretionary retained

earnings and increase its level of borrowings.

This overall financial position is consistent with that depicted in Council's Strategic Resource Plan. The plan has allowed Golden Plains to maximise its

opportunities under the Federal Government stimulus program, along with other grant funding, to deliver projects that significantly improve facilities for our communities.

Our Councillors



Mayor, Cr Jenny Blake
First elected March 1996



Cr Bill McArthur
First elected March 1996



Cr Helena Kirby
First elected November 2008



Cr David Cotsell
First elected November 1998



Cr Gerald Dupe
First elected March 1996



Cr Geraldine Frantz
First elected December 2003



Cr Kevin Knight
First elected March 1996

Council plan implementation

The Four Year Council Plan is reviewed and updated annually to include new actions and objectives. At its meeting in July 2010, Council's Director of Corporate Services reported to Council on the full implementation of Council's 2009-10 Plan, representing substantial progress in the implementation of the Four Year Plan for the period 2009-2013.

Best value annual report

Golden Plains Best Value objectives are to:

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

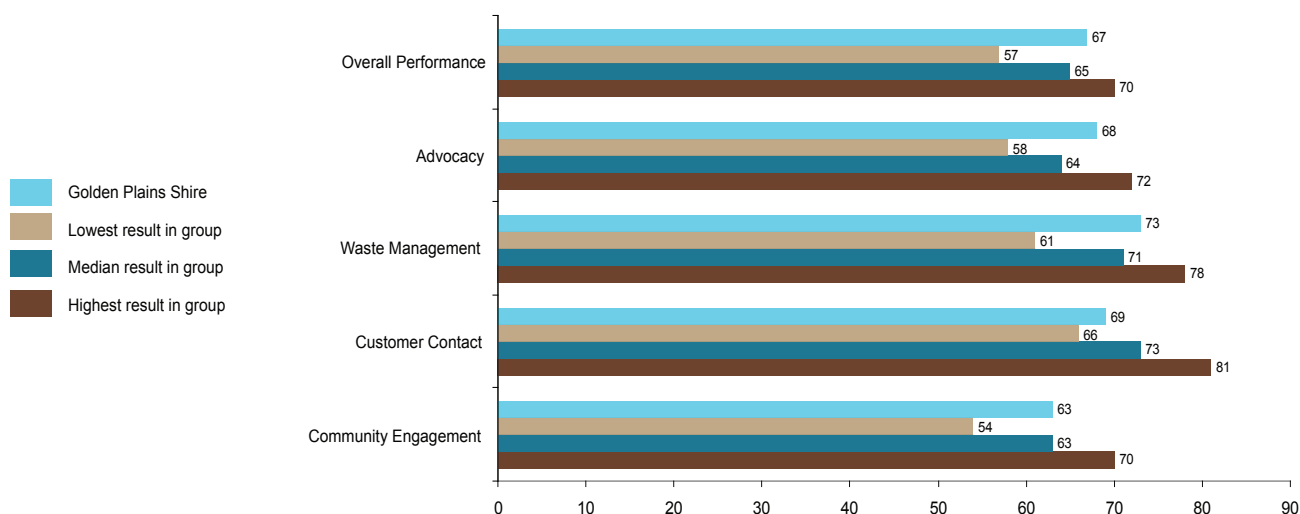
After completing the initial program of service reviews, the processes that underpin Best Value were revisited and a number of high level indicators that would indicate Council's progress in achieving Best Value were adopted. The detail of the review is contained in the "Organisational Performance Framework" (September 2008).

The indicators required by the Framework are reported below:

Performance measure	Achievement	Best Value Principle
Achievement of Council Plan annual objectives	99%	Quality standards
Completion of Community Plan meetings	86%	Consultation responsive to need
Overall community satisfaction with services	67	Quality standards Continuous improvements
Key financial indicators (Refer to the Victorian Local Government Indicators)		Cost standards

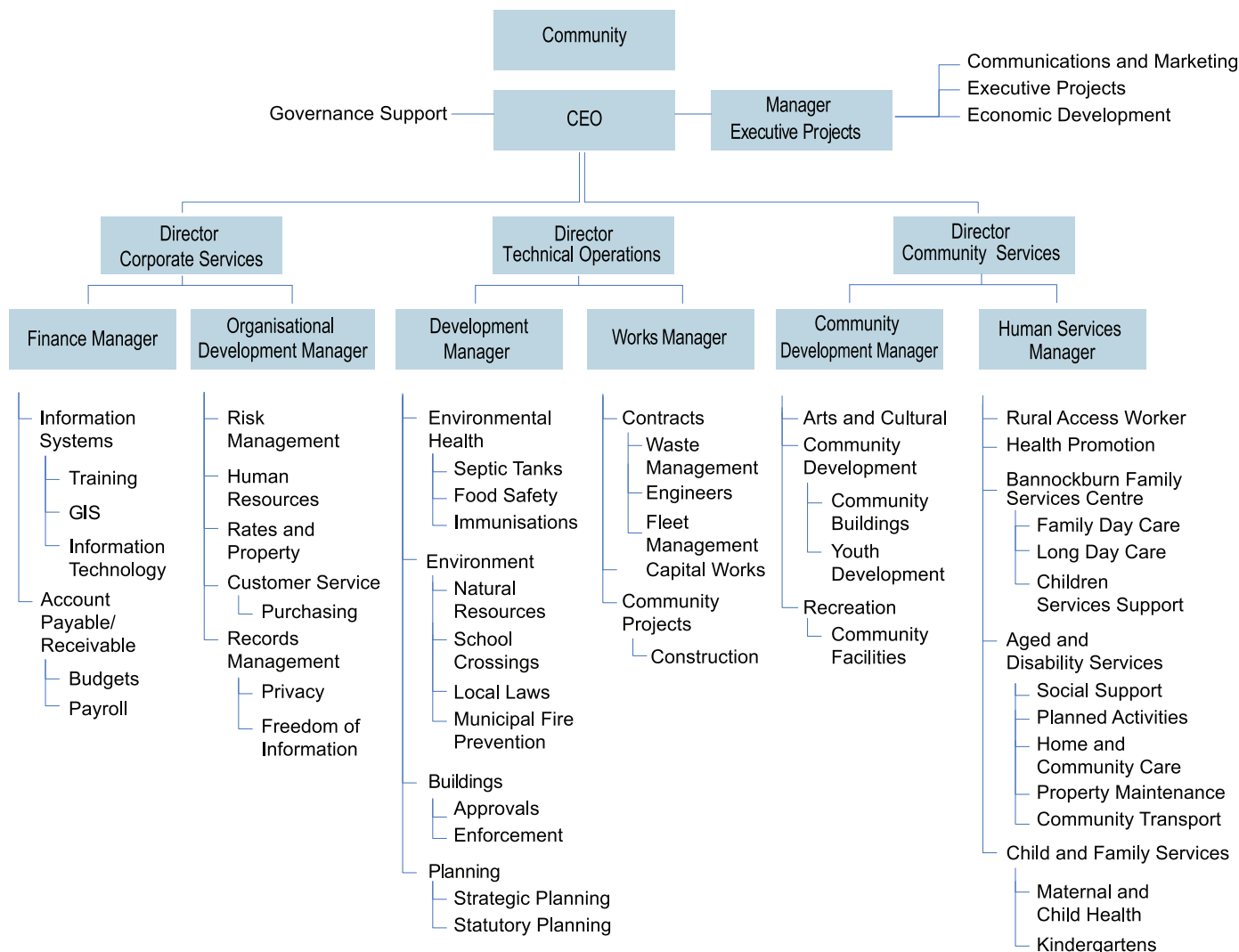
Completion of this report is the final performance measure and satisfies the Best Value Principle regarding reporting of achievements.

Community satisfaction survey



Our workplace

Organisational structure



Staff numbers by business unit

	Full Time	Part Time	Casual and Temp	Total
Executive	20	1	0	21
Works	34	3	4	41
Development	15	8	4	27
Organisational Development	8	5	2	15
Finance	9	3	0	12
Community Development	5	1	0	6
Human Services	20	52	20	92
Total	111	73	30	214

Staff analysis

	Female	Male	Total
Full Time	55	56	111
Part Time	65	8	73
Total	120	64	184

	Female	Male	Total
Equivalent Full Time			
Full Time	55	56	111
Part Time	46.3	4	50.3
Total	101.3	60	161.3

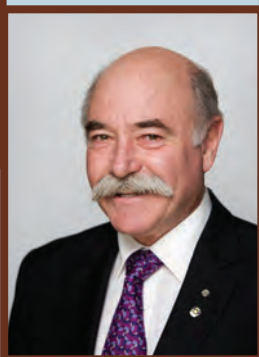
Our Senior Management



Richard Trigg
*Director
Corporate
Services*



Jillian Evans
*Director
Community
Services*



Rod Nicholls
*Chief Executive
Officer*



David Madden
*Director
Technical
Operations*



David Spear
*Manager
Executive
Projects*

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.

Local laws

The following Local Laws were in place as at 30 June 2010:

Local Law No. 1 - 2010
Processes of Municipal Government

Local Law No. 2
Public Amenity, Roads and Streets

Memberships 2009-10

Organisation	Membership Contribution
Committee for Ballarat	\$3,500
Committee for Geelong	\$3,500
G21 Geelong Region Alliance	\$30,000
Geelong Chamber of Commerce	\$725
Municipal Association of Victoria	\$17,013
National Timber Councils Taskforce	\$2,000
Rail Freight Development Alliance	\$2,000
Timber Towns Victoria	\$2,000
VECCI	\$3,319
Total	\$64,057

Taking care of our environment

Golden Plains Shire Environment Strategy 2010-2014

Council researched and drafted a new Environment Strategy released for public comment in July 2010. Releasing the Draft Strategy is a significant step in the process of developing the Strategy as it provides the community with an opportunity to examine and make comment on Council's future vision, direction and actions for managing our environment. The Draft Strategy explores Council's response to environmental issues previously raised by the community and identifies actions Council will implement to address local environmental concerns. It is envisioned that the Environment Strategy will be adopted by Council in late 2010.

Supporting Schools Tree Day and Landcare

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

Pest Plant and Animal Control

Golden Plains Shire Council is responsible for approximately 840 hectares of land over 240 parcels throughout the Shire. These parcels

comprise Crown land that Council manages as well as land that Council owns. This land is used in many ways including sporting facilities, nature conservation areas and vacant land. As the land owner or manager Council (like all other land owners) is responsible for controlling weeds on this land.

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

Council successfully applied for funding under the State Government's Building the Capacity of Local Government to Respond to Pests program to undertake detailed mapping and control of priority weed species on roadsides. The program which has been rolled out over the last two years aims to control priority species such as Serrated Tussock and Gorse. The mapping project plots the location of priority species on roadsides across the Shire and allows Council to better target future State Government funded control works.

Rabbits are also a focus for mapping, eradication and harbour removal. Recent works have included the use of explosives to collapse warren complexes, rendering the sites unsuitable for re-colonisation.

A consistent approach from Council over the last decade has seen a steady reduction in the pest plant and animal burden on Council land. Council is dedicated to maintaining

this downward trend over the years to come.

Environmental Impact Working Group

Council's internal Environmental Impact Working Group focuses on improving the sustainability of corporate operations. Achievements for 2009-10 include: the change of paper stock to Australian Made 80% recycled paper, tracking of fuel and electricity use and participation in the ICLEI (International Council for Local Environmental Initiatives) Sustainability Pathways Project.

ICLEI Sustainable Pathways Project

Council participated in the Sustainability Pathways Project, hosted by ICLEI which aimed to assess sustainability integration across our organisation. At the end of the project Council was able to identify areas where sustainability is incorporated well and areas where efforts will need to be focused in the short, medium and long term.

G21 Environment Pillar

Council has continued to support and participate in the G21 Environment Pillar. Councillor David Cotsell is leading the pillar with skill and commitment.



... where opportunities grow ...

Strengthening our communities

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

Golden Plains Shire has a population of around 18,170 people. It has one town of a little more than 3,200 people (Bannockburn) and four other townships with populations of around 1,000 people.

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

By focusing on community strengthening, Council aims to reduce the level of disadvantage to individuals, groups and places and improve opportunities to achieve access to services and employment. In turn, this delivers improved economic and social development outcomes.

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

Community strengthening is now a key policy theme of Local Government around which many programs, initiatives and joint projects are being developed to engage local communities, empower them to achieve long-term positive changes, build local skills and knowledge and increase social interaction.

Community Planning

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

Golden Plains Shire defines 'Community Planning' as locality based planning that empowers communities to identify social, environmental, health and wellbeing, infrastructure, cultural and economic goals, issues and opportunities and to plan and implement projects to address these. The fundamental point is that community planning is not done by Council, but by communities themselves.

Golden Plains Shire's Community Planning Objectives are:

- To help local communities create better places to live by encouraging and assisting them to collectively plan for the future and to work together to implement local projects.
- To use the processes of community planning to assist in the achievement of Council's broader objectives for community development.
- To inform the strategic planning of Council and other agencies.

Community Development

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

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

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

Golden Plains Shire's Community Development Objectives are:

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

Community grants and donations announced

In 2010-11, Council announced the following grants and donations to community groups:

Organisation	Project	Amount funded \$
Advance Meredith Association	Christmas in Meredith- Purchase of lights, decorations, cut out sheep and evening event	1,190
Bannockburn and District Community Arts Inc	Art equipment (Gazebos and display stands), personal development for artist	1,540
Bannockburn Kindergarten	Purchase of shade sail for playground	1,700
Bannockburn Playgroup Inc	Purchase of shade sail for playground	1,455
Barunah Park Hall	Improvement to Barunah Park hall - installation of dishwasher, new vinyl and replace guttering	1,070
Batesford, Fyansford, Stonehaven Landcare Group	Red Gum Reserve environmental weed removal	750
Berringa Community Committee Inc	Plumbing improvements to hall	559
Cape Clear and District Community Committee	Slow net inland yacht race	1,700
Cape Clear Cemetery Trust	Cemetery toilet facility	4,250
Garibaldi Hall Committee Inc	Outdoor lighting installation for playground area, toilet block and hall doorway. Tree lopping	946
Garibaldi/Grenville Community Coordinators	Purchase and construction of four picnic tables and benches along Yarrowee River	2,830
Grenville Tennis Club Inc	Tennis court improvements	276
Haddon Kindergarten	Building and plumbing improvements to building	4,250
Haddon Recreation Centre (CoM)	Purchase of three portable shade structures, a trolley and storage racks	2,873
Inverleigh Golf Club	Construction of outdoor covered area	4,250
Inverleigh Historical Society	Catalogue and digitise collection - Purchase of computer and software	2,246
Inverleigh Kinder and Occasional Care	Reconstruction of sandpit - shade cloth, sandpit cover, retaining wall	1,500
Inverleigh Leigh River Open Space CoM	Leigh River Walk - Final stages	4,250
Inverleigh Sporting Complex	Purchase of indoor tables/chairs	2,125
Leighdale Equestrian Centre CoM	Harrows and privacy screen upgrade for male toilet	1,020
Lethbridge Community Coordinators	Town entrances	4,250
Linton & District Progress Association	Purchase of a seat commemorating Lettie Armstrong's volunteer work	422
Linton and District Bowling Club	Air conditioner for club house	2,210
Linton Community Coordinators	On Ya Bike at Linton - Community cycling event	1,700
Linton Playgroup	Purchase of an equipment trolley	100
Mannibadar Hall	Electrical Component Upgrade - Faulty lights and wiring	1,000
Mannibadar Tennis Club	Water supply for public toilets	860
Meredith and District Community Emergency Response Team	Storage and vehicle shed construction	3,188
Meredith and District Memorial Hall	Kitchen and facility improvement	4,250
Meredith Cemetery Trust	Front fence replacement, fuel for mowers, general maintenance	1,037
Meredith Community Centre Inc	Facility improvement - Purchase of cooling equipment, notice board and outside furniture	3,903
Meredith Cricket Club	Cricket pitch protective cover	2,034
Meredith Golf Club Inc	Renovation of ladies' change room, toilets and main switchboard	4,250
Meredith History Interest Group	Historical cataloguing package	1,878
Meredith Kindergarten Inc	Improving learning resources - Secondhand computers, puzzles and seating	1,000
Meredith Recreation Reserve	Score board construction	1,700
Napoleons Recreation Reserve	Facility improvement - Removal of dangerous trees, spreading of soil and stump removal	3,400

Napoleons/Enfield Landcare Group Inc	Glassons Lane Stage 3	3,927
Rokewood Recreation Reserve CoM - oval, Elder park, lagoon and hall	Improvement works - Four facilities at Rokewood	4,250
Rokewood Uniting Church	Rokewood community choir	1,063
Ross Creek Tennis Club	Purchase of two shade shelters	2,057
Scarsdale Town Hall CoM	Plumbing and electrical upgrade and purchase of new tables and signage	4,250
Shelford Progress Association	"What's On In Shelford" sign	1,522
Smythesdale & District Pony Club Inc	Fence to enclose canteen and congregation area, shade sail, timber table and seats, BBQ and jump poles	935
Smythesdale Coordinators	150th Smythesdale celebration	4,250
Smythesdale Progress Association	Gardens' heritage spoon drains	3,443
Sutherlands Creek Tennis Club	Facility upgrade: Security doors, replace pergola, erection of fence	4,250
Teesdale Community Coordinators	Young children's playground	4,250
Teesdale Grassy Woodlands	Turtle Bend grounds development - Landscaping including ramp access, dry stone wall construction	4,214
Teesdale Mechanics Hall Institute	Purchase of tables and urn, meeting room upgrade and landscaping	881
Teesdale Playgroup Inc	Replacement of outdoor play equipment, sandpit, bean bags	554
Teesdale Preschool Incorporated	Playground and shelter replacement	1,369
Turtle Bend Events	Twilight at Turtle Bend 2010 - festival	2,032
Woody Yaloak Catchment Project	Willow eradication and control project - Between Haddon and Scarsdale	3,557
Woody Yaloak Equestrian Association	Professional show jumping equipment	3,356
Woody Yaloak Equestrian CoM	Dressage arena borders	1,723
Woody Yaloak Recreation Facility	Facility improvements - Vacuum system, stadium floor re-coated, bollards around tanks and storage cupboards	4,250
TOTAL		134,095



Award recipients at the ceremony awarding the 2010-11 grants.

Investing in our future

Golden Plains Shire Council continues to strengthen socially and economically and it is important to ensure this growth is supported and encouraged. This prosperity is underpinned by ensuring available and affordable land, access to employment and a range of Council services are in place to support the community.

In many respects the services and infrastructure provided by Ballarat, Geelong and Melbourne are valuable to residents of the Golden Plains Shire because it presents them with the opportunity to enjoy the benefits of rural/semi-rural living and all the benefits of a city lifestyle close by.

Our location offers easy access to major employment markets which is reflected in very low unemployment rates for the shire.

Council is investing approximately \$10.8 million over the next 12 months in capital infrastructure.

Council has in place an extensive strategic infrastructure investment program designed to nurture our expanding townships and maintain the existing shire asset base through

a staged program of asset renewals.

This will continue to provide for the region's future growth and deliver much needed community infrastructure including the drought proofing of sporting facilities and the maintenance of our extensive road network.

The rapid growth experienced in Golden Plains brings with it a new set of expectations from the community about services and infrastructure.

In this context, Council's Annual Plan and Budget outline the key initiatives and strategies funded to deliver Council's aspirations to improve social, economic and environmental wellbeing.

Valuable investment in regional infrastructure has taken place over the past twelve months.

In this current reporting period, Council has completed the following infrastructure projects:

Inverleigh Netball Bowls Pavilion

This project was identified in the Inverleigh Community Plan and supported by Council's 2008 -2012 Recreation Strategy as a high

priority for the township.

Importantly, the \$500,000 funding provided by the Australian Government's Regional and Local Community Infrastructure Program, enabled the existing recreation space to be redeveloped and upgraded to improve safety and promote greater use.

The work carried out to do this included an upgrade of the current pavilion: incorporating new change rooms, amenities, spectator viewing and increased social space, to meet the current and future needs of the Inverleigh community.

Victoria Park Upgrade Project

Golden Plains Shire was fortunate to receive State Government funding of \$469,000 through Sport and Recreation Victoria's Major Community Facility Funding Program to develop a high quality multipurpose recreation facility at Victoria Park, Bannockburn.

Lawson Park Tourist Information Shelter and Amenities

As the gateway to the Inverleigh Heritage Trail, the Tourist Information Shelter will further showcase and preserve the pioneering history of Inverleigh. The shelter will educate visitors by

Teesdale Turtlebend Pavilion

Photo courtesy
David Bruce.



promoting significant sights of the area and enhance their experience while visiting the town.

The style of the tourist information shelter has been architecturally designed to suit the natural environment of the park. It includes benches, sinks, toilets and a water tank as an integral part of the water saving strategy built into the design of the building.

Golden Plains Bike Paths & Trails

The Golden Plains Paths & Trails Project has seen Council replace hazardous dirt tracks with modern, safe and accessible pathways that connect key areas of Bannockburn, Teesdale and Rokewood.

The Project was identified in the Golden Plains Shire Council Paths & Trails Strategy 2005. This strategy focuses on connecting facilities and infrastructure that are currently available and providing the pathway linkages required by the growing communities across these three townships.

Bruces Creek Open Spaces Corridor Project

The Bruces Creek Open Space Corridor path provides a connection between residential areas and the commercial/ community hub, school and sports

precinct.

This project was identified through the Bannockburn Urban Design Framework planning process and has been driven in partnership with Council and a range of user groups. It is envisaged that together with general leisure and community use, this space will host a wide variety of activities, such as nature walks, bike rides, a walking school bus program and social gatherings.

Dereel Facility for Unstructured Sport Project

This project saw the restructure of the open space behind the Dereel Soldiers Memorial Community Hall into an area for play and unstructured sport. Included in the development was a cricket

pitch and practice nets for social cricket, football goals, soccer goals and a developed open space for passive recreational play.

Ross Creek Irrigation Project

The investment in this project has resulted in a valuable water efficient asset for another local sporting facility in Golden Plains Shire through the Drought Relief for Community Sport and Recreation Program.

And significant investment for the year to come...

In this current reporting period, Council has received significant funding to invest in the following projects for 2010-11:

- Bannockburn Library
- Inverleigh, Rokewood and Mannibadah Hall Upgrades
- Haddon and Linton Stadium Upgrades
- Rokewood Children's Centre Upgrade
- The Five Township Skatepark Project
- Woody Yaloak Equestrian Centre Upgrade
- Bannockburn Recreation Precinct

The Smythesdale Business, Health and Community Hub was named Winner of the '2010 Commercial Design – New Project' award at the Building Designers Association of Victoria annual dinner awards held on 30 July 2010. The building (pictured below) was designed by architect, Lindsay Douglas of Dig Design.

Smythesdale Business, Health and Community Hub

Photo courtesy Lindsay Douglas.



Our year in review

The major highlights achieved fulfilling the objectives as

Citizen & Customer Service

- Redevelopment of Customer Service Strategy with the adoption of the “At Your Service” theme, front-line staff training in customer service skills, improved access to the Linton Customer Service Centre and a dress code for front line staff.

Civic Leadership

- Regularly lobbied State and Federal Government, which contributed to major funding announcements including the Bruce’s Creek Open Space Corridor, Golden Plains Bike Trails Project, Lawsons Park Upgrade, Inverleigh Football and Netball Facilities Upgrade, Haddon and Linton Stadium Upgrades, Inverleigh, Mannibadar and Rokewood Halls Upgrades.
- Facilitated and supported community celebrations of important national events – Australia Day Awards, citizen recognition including Golden Plains volunteers and the facilitation of official openings and launches.

Economic Development

- Continued to advocate to Barwon Water, Central Highlands Water, Southern Rural Water and the Corangamite Catchment Management Authority with regard to Council’s growth and future demands for water.
- Successfully completed Economic Development Strategy initiatives include: Golden Plains Business Leaders’ Breakfast Program, Home Based Business Training Calendar, G21 Agribusiness Transition to Grain Study, Tourism Master Plan development for towns in the Shire’s north west, and successful implementation of the Golden Plains Farmers Market - which is held in Bannockburn on

the first Saturday of each month.

- 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.

Environment and Land Use Planning

- The South East Area Review recommendations have formed the basis of a planning scheme amendment now enacted.
- The Rural Land Use Strategy implementation continues through a planning scheme amendment. Part of this amendment has seen significant areas of the Shire placed in a zone which more accurately reflects their characteristics, use and opportunities.
- Part 2 of the Heritage Study is being implemented through a Planning Scheme amendment.
- The number of planning and building permit applications processed by staff reflected the strong popularity of the Shire for residential and commercial investment.
- The Lethbridge and Meredith Structure Plans are now near completion and communities have participated actively in the process.
- The Environment Strategy was released as a draft document for public comment.

Financial Management

- Implemented Council’s Strategic Resource Plan, which finances the Council Plan, including the current rating strategy.
- Secured funding and borrowings and utilised appropriate levels of discretionary retained earnings

to deliver Council’s largest ever capital works program.

- Developed and adopted Council’s new Strategic Resource Plan (Finance 2009 MK II), which covers the period 2009-10 to 2014-15.

Human Support Services

- Successful completion of municipal planning process for the introduction of universal access to 15 hours of kindergarten from 2013.
- Successful application for \$100,000 renovation and refurbishment grant for Inverleigh Children’s Centre.
- Implementation of the new state government transition to school initiative in all kindergarten services.
- Implementation of the new national and state early learning frameworks in all early childhood services.
- Delivery of calendar of parenting education sessions, including the Pitstop program for fathers.
- Continued to operate high quality, financially sustainable early childhood services.
- The Smythesdale Business Health and Community Hub was officially opened in December 2009. Services include; general practitioner, dietician, audiologist, physiologist, community health nurse, maternal and child health and a historical society.
- The Municipal Public Health Wellbeing Plan was reviewed and amended to ensure it continues to meet community needs. The Plan was re-endorsed by Council in November 2009.
- The Transport Connections program successfully launched two trial bus services in Golden Plains: an additional Geelong to Bannockburn run and the

set out in the Council Plan for 2009-10 are presented below against Council's nine key result areas.

Bannockburn Loop service for Teesdale, Shelford and Inverleigh.

- Community transport continued to be part of a viable solution to transport issues for those most disadvantaged, ie. older people and people with disabilities. This service was enhanced by the recruitment of additional volunteers.
- A restructure of staff within the Aged & Disability team has been completed to improve efficiency and increase responsiveness to service requests. The community care staff numbers have also been expanded to assist in responding to demands for support services in the community. These changes will result in increased opportunity for service users' needs being fulfilled, including opportunity to make choice about how their services are delivered.
- Funding from the Department of Health received to complete a Heatwave Plan for Golden Plains Shire to raise awareness about the effects that heatwaves have on people. In connection with the Heatwave Plan additional funding was also received for the development of a Working in Extreme Weather procedure manual.

Recreation & Community Development

- Council continues to implement the recommendations of the Open Space Plan, including the Paths and Trails Strategy by the construction of new paths and trails. Joint use paths have been constructed in Rokewood, Teesdale and Bannockburn together with a Creek Trail along Bruces Creek in Bannockburn. These paths and trails provide important linkages

between community facilities and residential developments. During the year, three new skate parks have been provided at Inverleigh, Teesdale and Lethbridge. Further resurfacing was completed on a number of tennis courts.

- Implemented the Community Development Strategy 'year two' actions. These include reviewing community plans, providing communities with a choice of three possible engagement models, developing a logo and more intensive marketing of the community planning program.
- Encouraged increased participation to maximise use of recreation centres and provided training for local Committees of Management.

Roads and Streets Infrastructure

- Council commenced the process to review the Road Strategy. Several workshops were conducted, a community questionnaire was distributed and community information meetings were held for input into the review of the strategy. The new Strategy is expected to be adopted in September 2010.
- Council advocated for State Government to adopt the Midland, Hamilton and Glenelg Highway Strategies.
- Continued to advocate for passing lanes on the Hamilton Highway (between Inverleigh and Geelong) and the Bannockburn-Shelford Road.
- Council's road construction and maintenance works continue in accordance with Council's Road Strategy. Road upgrade construction projects in accordance with the Strategy were completed funded by

Council, and under the Federal Roads to Recovery and State Local Roads to Market programs.

- Council has Senior Officer representation on both Central Highlands Region and G21 Geelong Region Transportation Planning Committees to present the Golden Plains Shire's priorities to those forums.
- Council officers provided support for the development of the western arterial link in Ballarat.
- Officers advocated to VicRoads for overtaking lanes on the Midland Highway between Bannockburn and Meredith.
- As part of implementing the bridge replacement strategy, redecking was undertaken on the Wilgul-Wernerth Road bridge, the crossing on Kelly Road at Grenville was replaced and pre-construction planning commenced for the replacement of Parkers Road bridge.
- Continued to advocate the need for the State Government to upgrade highways impacted by new developments such as the Geelong Ring Road including upgrade works to the Hamilton Highway.

Waste Management

- Council continued to implement the Waste Management Strategy. Council has entered into new contractual arrangements for the delivery of waste and recyclables and established a new 5 year waste and recycling collection contract. Council continues with its WasteWise Action Plan by providing for the recycling of obsolete mobile phones, expended printer cartridges and spent fluorescent tubes.

Grants obtained

In 2009-10, Council received external funding for the following community based projects

Project	Funding Source	Amount Received 2009-10	Total Grant Funding	Total Project Cost
State Emergency Service	State Emergency Service	\$11,674	\$11,674	\$23,348
Economic Development Strategy	Regional Development Victoria	\$20,000	\$20,000	\$52,651
G21 Region Transition to Grain Study	Regional Development Victoria	\$11,000	\$11,000	\$22,000
Farmers Market	Regional Development Victoria	\$20,000	\$20,000	\$40,000
Smythesdale Business, Health & Community Hub	Dept of Infrastructure, Transport, Regional Development & Local Government (RP) Dept of Infrastructure, Transport, Regional Development & Local Government (RMIF) Regional Development Victoria Dept of Planning & Community Development	\$201,500	\$1,200,000	\$1,317,000
Heritage Advisory Service	Dept of Planning & Community Development	\$2,690	\$9,215	\$17,200
Rokewood/Corindhap/Dereel UDF	Regional Development Victoria	\$35,000	\$70,000	\$105,000
Bruces Creek Walking Path Stage 2	Dept of Planning & Community Development	\$108,200	\$135,250	\$270,500
Fire Access Road	Country Fire Authority	\$4,724	\$4,724	\$7,086
Bushfire Preparation for Communities	Municipal Association of Victoria	\$6,991	\$6,991	\$6,991
Interim Roadside Weed Control	Dept of Primary Industries	\$65,000	\$65,000	\$65,000
Library	Dept of Planning & Community Development	\$132,784	\$132,784	\$237,172
Arts Trail Project	Regional Development Victoria	\$15,000	\$15,000	\$32,145
National Youth Week	Dept of Planning & Community Development	\$2,000	\$2,000	\$4,000
Youth Participation & Access	Dept of Planning & Community Development	\$34,285	\$34,285	\$34,285
Freeza Project 2009	Dept of Planning & Community Development	\$9,725	\$19,450	\$19,450
Freeza Project 2010	Dept of Planning & Community Development	\$9,725	\$19,450	\$19,450
Youth Action Teams	Dept of Planning & Community Development	\$3,500	\$17,500	\$57,300
Rokewood Netball Upgrade	Dept of Planning & Community Development	\$54,000	\$60,000	\$90,000
Bannockburn Recreation Precinct Development	Dept of Infrastructure, Transport, Regional Development & Local Government	\$1,000,000	\$2,000,000	\$6,482,000
Victoria Park (GDFL) Oval & Lighting	Geelong & District Football League	\$15,000	\$100,000	\$200,000
Meredith Irrigation Project	Dept of Planning & Community Development	\$36,000	\$36,000	\$50,000
Lawsons Park	Regional Development Victoria	\$84,000	\$84,000	\$133,000
Bannockburn Library	Dept of Planning & Community Development Dept of Education & Early Childhood Development	\$557,153	\$1,300,000	\$2,235,290
5 Skate Park Projects	Dept of Infrastructure, Transport, Regional Development & Local Government	\$183,000	\$183,000	\$183,000
Bannockburn Community & Cultural Hub	Dept of Planning & Community Development Dept of Infrastructure, Transport, Regional Development & Local Government	\$282,000	\$955,000	\$1,960,728
Teesdale Turtle Development	Regional Development Victoria	\$36,250	\$72,500	\$146,300
Victoria Park, Bannockburn	Dept of Planning & Community Development	\$125,000	\$500,000	\$1,020,300
Dereel Unstructured Recreation Reserve	Dept of Planning & Community Development	\$30,000	\$30,000	\$46,000
National Bike Path Jobs Funding Program	Dept of Infrastructure, Transport, Regional Development & Local Government	\$215,500	\$215,500	\$427,500
Total		\$3,311,701	\$7,330,323	\$15,304,696

Statutory information

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

- (a) Details of current allowances fixed for the Mayor and Councillors.
- (b) Details of senior officers' total salary packages for the current financial year and the previous year.
- (c) Details of overseas or interstate travel in excess of 3 days (with the exception of interstate travel by land) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months.
- (d) Names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted.
- (e) Names of Councillors who submitted returns of interest during the financial year and the dates the returns were submitted.
- (f) Agendas for and minutes of ordinary and special meetings held in the previous 12 months kept under section 93 of the Act except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act.
- (g) A list of all special committees established by Council and the purpose for which each committee was established.
- (h) A list of all special committees established by the Council which were abolished or ceased to function during the financial year.
- (i) Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act.
- (j) A register of delegations kept under sections 87, 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 during the financial year.
- (p) Details of Council memberships.
- (q) A list of contracts valued at \$100,000 or more which Council entered into during the financial year without first engaging in a competitive process and which are not contracts referred to in section 186 (5) of the Act (section 186 (5) of the act details circumstances where this section does not apply).



Council is dedicated to providing excellent Customer Service.

Whistleblowers Protection Act 2001 (WPA)

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

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

National Competition Policy Compliance: 2009-10 Certification by Chief Executive Officer

The Golden Plains Shire has complied with the requirements of the National Competition Policy (NCP) for the period 1 July 2009 to 30 June 2010, in accordance with the requirements outlined in National Competition Policy and Local Government - A Revised Statement of Victorian Government Policy, December 2008 (2008) statement as set out below:

A. Trade Practices Compliance State whether the Council is compliant or non-compliant. If non-compliant, justify or cite actions to redress.	Compliant
B. Local Laws Compliance State whether the Council is compliant or non-compliant.	Compliant
C. Competitive Neutrality Compliance State whether the Council is compliant or non-compliant for all significant businesses.	Compliant

I certify that:

- a) this statement has been prepared in accordance with the 2009-2010 National Competition Policy reporting guidelines, which is pursuant to the 2008 Statement; and
- b) this statement presents fairly the Council's implementation of the National Competition Policy.

Signed:



Rod Nicholls, Chief Executive Officer
Date: Thursday 9 September 2010

Victorian local government indicators, standard statements and explanations of variances - 30 June 2010

Council Plan Strategic Indicators

	Actual performance compared to Council Plan		
	Actual Result 2009-10	Council Target 2009-10	Difference
Community satisfaction rating for Customer Service	73	≥72	1
Community satisfaction rating for Council's Advocacy	64	≥67	-3
Community satisfaction rating for Economic Development	62	≥64	-2
Community satisfaction rating for Town Planning Policy and Approvals	63	≥66	-3
Low risk rating in the financial sustainability indicators contained in the Victorian Auditor-General's Report on Local Government audit results	5	5	0
Community satisfaction rating for Health and Human Services	73	≥75	-2
Community satisfaction rating for Recreational Facilities	70	≥67	3
Maintain the Moloney Asset Management System Rating for local roads	Yes	Yes	0
Community satisfaction rating for Local Roads and Footpaths	50	≥52	-2
Community satisfaction rating for Waste Management	73	≥74	-1

Victorian Local Government Indicators

Average rates and charges per Assessment	\$1,150.04
Average rates and charges per Residential Assessment	\$1,063.58
Average Liabilities per Assessment	\$895.59
Operating Result per Assessment	\$430.69
Average Operating Expenditure per Assessment	\$2,433.37
Average Capital Expenditure per Assessment	\$1,486.93
Infrastructure Renewal Gap	129.06%
Infrastructure Renewal & Maintenance Gap	116.29%
Community Satisfaction Rating of Overall Performance	67
Community Satisfaction Rating for Council's Advocacy	64
Community Satisfaction Rating for Council's Engagement in Decision Making on Key Local Issues	63

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

Standard statements

Standard Income Statement

For the year ended 30 June 2010

	ACTUAL \$	BUDGET \$	VARIANCE \$	VARIANCE %
REVENUE				
Rates	9,616,851	9,722,875	(106,024)	1.09%
Grants and Subsidies	11,312,329	13,230,963	(1,918,634)	14.50%
Contributions and Recoupments	1,572,413	1,215,749	356,664	29.34%
Fees and Charges	3,013,570	3,173,107	(159,537)	5.03%
Other Revenue	383,273	330,150	53,123	16.09%
Total Revenue	25,898,436	27,672,844	(1,774,408)	6.41%
EXPENDITURE				
Contracts and Materials	7,857,177	7,395,954	(461,223)	6.24%
Employee Costs	10,225,226	10,304,186	78,960	0.77%
Depreciation	4,050,636	4,555,350	504,714	11.08%
Debt Servicing	135,460	98,538	(36,922)	37.47%
Other Expenses	220,402	215,338	(5,064)	2.35%
Bad Debts	340	-	(340)	-
Total Expenditure	22,489,241	22,569,366	80,125	0.36%
Net Gain on Disposals	543,641	(185,356)	728,997	393.30%
Share of Net Profit of Associates accounted for by the Equity Method	27,561	-	27,561	-
Surplus from Ordinary Activities	3,980,397	4,918,122	(937,725)	19.07%

Ref 1

Standard statements

Standard Balance Sheet

As at 30 June 2010

		ACTUAL \$	BUDGET \$	VARIANCE \$	VARIANCE %
CURRENT ASSETS					
Cash Assets		6,808,818	2,089,314	4,719,504	225.89%
Receivables		1,651,907	1,375,175	276,732	20.12%
Inventory - Consumables		26,587	36,000	(9,413)	26.15%
Land Held For Sale		730,129	1,748,333	(1,018,204)	58.24%
Other Current Assets		285,979	225,000	60,979	27.10%
Total Current Assets	Ref 2	9,503,420	5,473,822	4,029,598	73.62%
NON-CURRENT ASSETS					
Land		12,860,918	12,155,915	705,003	5.80%
Buildings	Ref 3	16,718,440	21,360,437	(4,641,997)	21.73%
Land Under Roads		39,707	-	-	-
Furniture and Equipment		684,415	651,366	33,049	5.07%
Plant and Machinery		4,611,525	4,603,041	8,484	0.18%
Infrastructure		136,894,972	147,344,282	(10,449,310)	7.09%
Other Structures	Ref 4	1,477,800	1,723,136	(245,336)	14.24%
Work in Progress	Ref 5	3,378,592	-	3,378,592	-
Investment in Associate	Ref 6	284,815	243,725	41,090	16.86%
Gravel Pit Rehabilitation		80,000	80,000	-	0.00%
Total Non-Current Assets		177,031,184	188,161,902	(11,170,425)	5.94%
TOTAL ASSETS		186,534,604	193,635,724	(7,140,827)	3.69%
CURRENT LIABILITIES					
Payables		3,198,497	1,400,000	(1,798,497)	128.46%
Interest-Bearing Liabilities		260,732	327,107	66,375	20.29%
Employee Benefits		1,759,965	1,484,520	(275,445)	18.55%
Trust Funds		298,874	135,000	(163,874)	121.39%
Provision for Rehabilitation of Gravel Pits		25,000	15,000	(10,000)	66.67%
Total Current Liabilities		5,543,068	3,361,627	(2,181,441)	64.89%
NON-CURRENT LIABILITIES					
Interest-Bearing Liabilities		2,714,184	2,636,479	(77,705)	2.95%
Employee Benefits		221,992	176,020	(45,972)	26.12%
Provision for Rehabilitation of Gravel Pits		96,662	125,000	28,338	22.67%
Total Non-Current Liabilities		3,032,838	2,937,499	(95,339)	3.25%
TOTAL LIABILITIES	Ref 7	8,575,906	6,299,126	(2,276,780)	36.14%
NET ASSETS		177,958,698	187,336,598	(9,377,900)	5.01%
EQUITY					
Accumulated Surplus and Reserves		177,958,698	187,336,598	(9,377,900)	5.01%
TOTAL EQUITY		177,958,698	187,336,598	(9,377,900)	5.01%

Standard statements

Standard Statement of Cash Flows

For the year ended 30 June 2010

	ACTUAL \$	BUDGET \$	VARIANCE \$	VARIANCE %	
CASH FLOWS FROM OPERATING ACTIVITIES (Inclusive of GST where applicable)					
Receipts from Ratepayers	9,525,187	9,747,357	(222,170)	2.28%	
Grants	11,229,382	13,821,776	(2,592,394)	18.76%	
Interest Received	381,726	330,142	51,584	15.62%	
Fees and Charges	3,056,599	3,248,997	(192,398)	5.92%	
Contributions and Recoupments	1,098,598	1,027,773	70,825	6.89%	
Land Sales	843,151	(661,111)	1,504,262	227.54%	
Payments to Employees	(10,065,676)	(10,261,290)	195,614	1.91%	
Payments to Suppliers	(9,265,895)	(8,375,702)	(890,193)	10.63%	
Net GST Refunded	334,005	(42,801)	376,806	880.37%	
Net Cash Inflow from Operating Activities	7,137,077	8,835,141	(1,698,064)	19.22%	
CASH FLOWS FROM INVESTING ACTIVITIES (Net of GST)					
Payment for Land and Buildings	(4,531,673)	(5,674,390)	1,142,717	20.14%	
Payment for Infrastructure Assets	(4,288,337)	(3,919,466)	(368,871)	9.41%	
Payment for Plant and Machinery	(2,449,593)	(2,327,697)	(121,896)	5.24%	
Payment for Furniture and Equipment	(319,490)	(256,847)	(62,643)	24.39%	
Payment for Other Structures	(259,432)	(367,621)	108,189	29.43%	
Proceeds from Sale of Assets	1,263,796	1,129,000	134,796	11.94%	
Net Cash Outflow from Investing Activities	(10,584,729)	(11,417,021)	832,292	7.29%	
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of Borrowings	(192,380)	(203,711)	11,331	5.56%	
Interest Paid	(122,508)	(98,538)	(23,970)	24.33%	
Proceeds from Loan	1,905,000	1,905,000	-	0.00%	
Net Cash Inflow from Financing Activities	1,590,112	1,602,751	(12,639)	0.79%	
Net Increase/(Decrease) in Cash Held	Ref 8	(1,857,540)	(979,129)	(878,411)	89.71%
Cash at 30/06/2009		8,666,358	3,068,443	5,597,915	182.44%
Cash at 30/06/2010		6,808,818	2,089,314	4,719,504	225.89%

Standard Statement of Capital Works

For the year ended 30 June 2010

	ACTUAL	BUDGET	VARIANCE	VARIANCE	
	\$	\$	\$	%	
CAPITAL WORKS					
Land and Buildings	3,732,716	5,675,300	1,942,584	34.23%	
Furniture and Equipment	240,016	256,880	16,864	6.56%	
Plant and Machinery	2,288,180	2,329,000	40,820	1.75%	
Infrastructure	3,778,183	3,926,900	148,717	3.79%	
Other Structures	239,503	368,500	128,997	35.01%	
Work in Progress	3,242,467	-	(3,242,467)	-	
Total Capital Works	Ref 9	13,521,065	12,556,580	(964,485)	7.68%
Represented by:					
Renewal	3,635,924	4,264,930	629,006	14.75%	
Upgrade	316,897	2,229,400	1,912,503	85.79%	
Expansion		-	-	-	
New Assets	9,568,244	6,062,250	(3,505,994)	57.83%	
Total Capital Works		13,521,065	12,556,580	(964,485)	7.68%

Standard statements

Explanation of Variances

Standard Statement of Income

Ref 1: Council recorded an Operating Surplus for the year of \$3.980m compared to a budgeted surplus of \$4.918m. The difference of \$938k is predominantly due to the following:

Favourable Variances

Depreciation saving due to revaluation of Infrastructure at 30 June 2009	\$505k
Grant – Bannockburn Library not budgeted	\$397k
Subdivisions Handed to Council higher than budget	\$221k
Grant – National Bike Path Program not budgeted	\$216k
Grant – Smythesdale Business & Community Hub budgeted in 2008-09	\$185k
Grant – Skate Parks Project not budgeted	\$183k
Grant – Living Libraries not budgeted	\$160k
Sale of Clyde Hill Road property not budgeted	\$148k
Grant – Victoria Park, Bannockburn budgeted in 2008-09	\$125k
Grant – Bruces Creek Walking Path not budgeted	\$108k
Grant – Inverleigh Children's Centre not budgeted	\$100k
Bakers Lane cost of sales lower than budget	\$78k
Interest on investments due to more funds available for investment	\$71k
Grant – Interim Roadside Week Control not budgeted	\$65k
Barwon Health Contract expense deferred to 2010-11	\$56k
Grant – Rokewood Netball upgrade received early, budgeted for 2010-11	\$54k
Developer Community Contributions due to increased subdivision activity	\$51k
Community Planning Implementation Grants expense deferred to 2010-11	\$50k
Drainage Maintenance Rural saving due to less activity required	\$49k
Implement Economic Development Strategy expense budgeted in 2010-11	\$37k
Grant – Meredith Irrigation Project received early, budgeted for in 2010-11	\$36k
Gravel Procurement Costs saving due to less demand or gravel	\$35k
General Revaluation, expense paid in 2008-09	\$32k
WAN Operating Costs – budget included some Telephone costs (refer unfav variance)	\$31k
Software Development and Support lower than budget	\$30k
GPS Food and Wine Co-operative Business Plan expense deferred to 2010-11	\$30k
Preparation of Recreation Concept Planning expense deferred to 2010-11	\$30k
Geelong Regional Library Corporation equity increase not budgeted	\$28k
Maintenance of Recreation and Community Buildings lower than budget	\$26k
Contribution from developer for Milton Street extension not budgeted	\$25k
Land Use Structure Plans expense deferred to 2010-11	\$25k
Level of advertising job vacancies lower than budget	\$22k
Contribution – Linton Bowls income budgeted for in 2008-09	\$21k
MSS Review Implementation expense deferred to 2010-11	\$20k
New street lights expenditure deferred to later years	\$20k
Other favourable variances	\$141k

Unfavourable Variances

Grant – Bannockburn Recreation Precinct Development - \$1m received early in 2008-09 & \$500k will not be received	(\$1,500k)
Northern Industrial Estate Project not proceeding at present	(\$707k)
Grant – Bannockburn Community & Cultural Hub received early in 2008-09	(\$673k)
Synthetic Surface Linton Bowls expense budgeted for in 2008-09	(\$170k)
Rates Revenue resulting from fewer supplementary rate assessments	(\$106k)
Grant – Inverleigh Football Pavilion deferred to 2010-11	(\$100k)
Grant – Community Building Initiative Phase 2 project not proceeding	(\$97k)
Victoria Park Bannockburn expense budgeted for in 2008-09	(\$92k)
Gravel Sales lower than budget due to less demand	(\$78k)
Gravel Road Routine Maintenance higher than budget due to more effort required on gravel roads as a result of prolonged adverse weather conditions	(\$74k)
Sports Ovals playing surfaces – maintenance extra repair work due to drought conditions	(\$71k)
Grant – Roads to Market deferred to 2010-11	(\$70k)
Teesdale Turtle Project expense budgeted for in 2008-09	(\$55k)
Township mowing and maintenance expense higher than budget	(\$51k)
Bakers Lane sales were calculated using a higher sale price	(\$48k)
Road Name Plates transferred from Capital	(\$44k)
Telephone costs – some costs budget in WAN operating costs (refer fav variance)	(\$37k)
Bannockburn Childcare expense deferred from 2008-09	(\$37k)
Interest on Borrowings - loan taken out earlier than budget	(\$37k)
Grant – Rokewood/Corindhap/Dereel UDF deferred to 2010-11	(\$35k)
Grant – Economic Development Strategy deferred to 2010-11	(\$30k)
Aged & Disability Brokerage Fees higher due to increased activity	(\$29k)
Victoria Park (GDFL) oval and lighting expense deferred from 2008-09	(\$28k)
Smythesdale Business Hub rental income - rooms not let	(\$28k)
Personal Care expenses higher due to increased activity	(\$28k)
Relief Employee – Statutory Building Control - contract surveyors required	(\$27k)
Management of Recreation Facilities expense budgeted for in 2008-09	(\$27k)
Grant – Economic Development Intern. Received in prior years	(\$25k)
Heritage Study Stage 2 expense deferred from 2008-09	(\$25k)
B'burn FSC operating costs higher due to increase cleaning & electricity costs	(\$20k)
Total Operating Surplus Variance	(\$938k)

Standard statements

Explanation of Variances

Standard Balance Sheet

Ref 2: Current Assets are \$4.030m higher than budget.

Cash Assets are \$4.720m higher than budget. This can be primarily explained by the fact that the opening cash balance was \$8.666m compared to a budget of \$3.068m, a favourable variance of \$5.598m. This is partially offset by cash spent on capital expenditure being \$697k higher than budget.

Receivables are \$277k higher than budget. Rate receivables are \$82k lower than budget while sundry receivables are \$359k higher than budget.

Land held for sale is \$1.018m lower than budget. This is a result of the Northern Industrial Estate project not proceeding.

Ref 3: Buildings are \$4.642m lower than budget primarily due to \$2.891m being included in the balance of work in progress and the opening balance being \$1.996m lower than budget.

Ref 4: Other Structures area \$245k lower than budget. This reflects that the opening balance and additions are \$244k lower than budget.

Ref 5: Work in Progress is \$3.379m compared to a budget of \$0. Buildings comprise \$2.891m of this balance and infrastructure \$488k.

Ref 6: Investment in Associate is \$41k higher than budget due to the following:

The opening actual balance was higher than budget	\$13k
2009-10 Surplus from Geelong Regional Library was not budgeted	\$28k

Ref 7: Total Liabilities are higher than budget due to the following:

- Payables are higher than budget due to timing differences related to the payment of creditors.
- Interest Bearing Liabilities are marginally higher than budget due to timing differences of loan repayments.

Standard Statement of Cash Flows

Ref 8: Council budgeted for a net decrease in cash of \$979k but recorded a net decrease of \$1.858m, a variance of \$878k. This variance is due to the following:

Favourable Variances

Land Sales. As Northern Industrial Estate	
did not proceed there were no development costs	\$1,504k
Payments for Capital Expenditure lower than budget primarily due to timing	\$697k
Interest Received higher than budget due to additional investments	\$52k
Net GST refunded due in the main to capital purchases	\$377k

Unfavourable Variances

Grants lower than budget :	(\$2,592k)
Primarily due to:	
• \$1.0m grant for Bannockburn Recreation Precinct received in 2008-09 rather than 2009-10;	
• \$500k grant for Bannockburn Recreation Precinct not being received; and	
• Northern Industrial Estate not proceeding.	
Payment to suppliers higher than budget due to an increase in Contracts and	
Materials and the timing of payments	(\$890k)
Other unfavourable variance	(\$26k)
Total Cash Flow Variance	(\$878k)

Standard statements

Standard Statement of Capital Works

Ref 9: Council spent \$13.521m on capital expenditure in 2009-10, \$964k higher than budget. This variance is due to the following:

Favourable Variances

Parker Road Bridge Replacement deferred to 2010-11	\$470k
Bannockburn Cultural Hub (incl Library) to be completed in 2010-11	\$366k
Roads to Market to be completed in 2010-11	\$260k
Inverleigh Football Pavilion to be completed in 2010-11	\$116k
Open Space Implementation lower than budget	\$86k
Vehicle Purchases lower than budget due to timing and savings	\$76k
Rokewood/Dereel UDF to be completed in 2010-11	\$59k

Unfavourable Variances

Bannockburn Rec Precinct higher than budget due to higher construction costs	(\$683k)
National Bike Paths not budgeted	(\$429k)
Inverleigh Netball & Bowls Pavilion deferred from 2008-09	(\$344k)
Auslink Shelford – Mt Mercer Road not budgeted	(\$259k)
Smythesdale Town Square Buildings deferred from 2008-09	(\$224k)
Local Roads Resealing not budgeted, final seals deferred from 2008-09	(\$127k)
Smythesdale Business, Health & Community Hub deferred from 2008-09	(\$48k)
Bruces Creek Walking Track Stage 2 not budgeted	(\$43k)
Periodic Bridge Rehabilitation higher than budget	(\$42k)
Smythesdale Town Square Paths deferred from 2008-09	(\$39k)
Local Roads Improvement deferred from 2008-09	(\$37k)
Purchase of John Deere Mower deferred from 2008-09	(\$36k)
Set up of portable office building more than budgeted	(\$28k)
Bruces Creek Walking Track Stage 1 deferred from 2008-09	(\$27k)
Resurfacing of Tennis Courts due to works deferred from 2008-09	(\$18k)
Other unfavourable variances	(\$13k)
Total Capital Works Variance	(\$964k)

Notes to the Standard Statements

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 2–5 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 25 June 2009. The budget was based on assumptions that were relevant at the time of adopting the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet Council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from assets revaluations, as their impacts were not considered predictable.

Detailed information on the actual financial results is contained in the General Purpose Financial Statements on pages 29-32. The detailed budget can be obtained by contacting Council or through Council's website. The Standard Statements must be read with reference to these documents.

Certification of standard statements

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



Jason Clissold B.Bus. CPA
Principal Accounting Officer

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

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

We have been authorised by Council on 22 July 2010 to certify the financial statements in their final form.

Signed at Bannockburn this 9th day of September 2010.



Councillor Jenny Blake
Mayor



Councillor Kevin Knight, OAM
Chairman, Audit and Finance Committee



Rod Nicholls
Chief Executive Officer

FINANCIAL REPORT 2009-10



GOLDEN PLAINS SHIRE

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Comprehensive Income Statement

For the year ended 30 June 2010

	NOTE	2010 \$	2009 \$
INCOME			
Rates	7	9,616,851	8,765,965
Grants - Recurrent	8	7,321,443	7,985,708
Grants - Non-Recurrent	8	3,990,886	4,263,252
Contributions and Recoupments	9	1,572,413	1,366,437
User Fees and Charges	10	2,809,193	2,634,534
Statutory Fees and Fines	11	204,377	170,885
Other Income	12	383,273	504,194
Net Gain on Disposals	13	543,641	273,990
Share of Net Profit of Associates Accounted for by the Equity Method	14	27,561	13,529
Total Income		26,469,638	25,978,494
EXPENSES			
Materials and Services	15	7,857,177	8,858,033
Employee Benefits	16	10,225,226	9,152,814
Depreciation	17	4,050,636	3,865,807
Finance Costs		135,460	82,282
Other Expenses	18	220,402	213,771
Bad Debts		340	1,391
Total Expenses		22,489,241	22,174,098
Profit/(Loss)		3,980,397	3,804,396
Other Comprehensive Income	-	-	-
COMPREHENSIVE RESULT		3,980,397	3,804,396

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

Balance Sheet

As at 30 June 2010

	NOTE	2010 \$	2009 \$
CURRENT ASSETS			
Cash and Cash Equivalents	19	6,808,818	8,666,358
Trade and Other Receivables	20	1,651,907	996,694
Inventory - Consumables	21	26,587	23,947
Non-Current Assets Classified as Held For Sale	22	730,129	966,068
Other Assets	23	285,979	183,014
Total Current Assets		9,503,420	10,836,081
NON-CURRENT ASSETS			
Property, Infrastructure, Plant and Equipment	28	176,746,369	168,133,972
Investment in Associate	14	284,815	257,254
Total Non-Current Assets		177,031,184	168,391,226
TOTAL ASSETS		186,534,604	179,227,307
CURRENT LIABILITIES			
Trade and Other Payables	24	3,198,497	1,853,774
Interest-Bearing Loans and Borrowings	25	260,732	167,718
Provisions	26	1,784,965	1,606,263
Trust Funds and Deposits	27	298,874	212,511
Total Current Liabilities		5,543,068	3,840,266
NON-CURRENT LIABILITIES			
Interest-Bearing Loans and Borrowings	25	2,714,184	1,094,578
Provisions	26	318,654	314,162
Total Non-Current Liabilities		3,032,838	1,408,740
TOTAL LIABILITIES		8,575,906	5,249,006
NET ASSETS		177,958,698	173,978,301
EQUITY			
Reserves	5	49,558,442	50,056,676
Accumulated Surplus	5	128,400,256	123,921,625
TOTAL EQUITY		177,958,698	173,978,301

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

Statement of Changes in Equity

For the year ended 30 June 2010

2010	NOTE	ACCUMULATED SURPLUS \$	ASSET REVALUATION RESERVE \$	RESERVES \$	TOTAL EQUITY \$
Balance at the Beginning of the Year		123,921,625	46,180,507	3,876,169	173,978,301
Surplus/(Deficit) for the Year	4	3,980,397	-	-	3,980,397
Net Asset Revaluation		-	-	-	-
Transfers to Other Reserves	5	(88,248)	-	88,248	-
Transfers from Other Reserves	5	586,482	-	(586,482)	-
Balance at the End of the Year	5	128,400,256	46,180,507	3,377,935	177,958,698

2009	NOTE	ACCUMULATED SURPLUS \$	ASSET REVALUATION RESERVE \$	RESERVES \$	TOTAL EQUITY \$
Balance at the Beginning of the Year		119,155,370	49,412,384	4,838,028	173,405,782
Surplus/(Deficit) for the Year	4	3,804,396	-	-	3,804,396
Net Asset Revaluation (decrement)		-	(3,231,877)	-	(3,231,877)
Transfers to Other Reserves		(39,562)	-	39,562	-
Transfers from Other Reserves		1,001,421	-	(1,001,421)	-
Balance at the End of the Year	5	123,921,625	46,180,507	3,876,169	173,978,301

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

Cash Flow Statement

For the year ended 30 June 2010

	NOTE	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES (Inclusive of GST where applicable)			
Receipts from Ratepayers		9,525,187	8,763,646
Grants		11,229,382	12,598,751
Interest Received		381,726	513,864
Fees and Charges		3,056,599	2,911,015
Contributions and Recoupments		1,012,235	1,013,342
Payments to Employees		(10,065,676)	(9,065,984)
Payments to Suppliers		(9,265,895)	(9,647,336)
Net GST Refunded		334,005	479,626
Net Cash Provided by Operating Activities	6	6,207,563	7,566,924
CASH FLOWS FROM INVESTING ACTIVITIES (Net of GST)			
Payment for Land and Buildings		(4,531,673)	(815,006)
Payment for Infrastructure Assets		(4,288,337)	(5,524,417)
Payment for Plant and Machinery		(2,449,593)	(1,771,081)
Payment for Furniture and Equipment		(319,490)	(265,362)
Payment for Other Structures		(259,432)	(468,376)
Payment for Development Costs of Land Sold		-	(173,306)
Proceeds from Sale of Land		843,151	1,191,433
Proceeds from Sale of Assets		1,263,796	874,914
Net Cash Used in Investing Activities		(9,741,578)	(6,951,201)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Interest-Bearing Loans and Borrowings		(192,380)	(265,896)
Proceeds from Borrowings		1,905,000	-
Finance Costs		(122,508)	(91,637)
Trust Funds		86,363	42,897
Net Cash Used in Financing Activities		1,676,475	(314,636)
Net Increase/(Decrease) in Cash and Cash Equivalents		(1,857,540)	301,087
Cash and Cash Equivalents at the Beginning of the Year		8,666,358	8,365,271
Cash and Cash Equivalents at the End of the Year	19	6,808,818	8,666,358

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

Notes to the Financial Statements

Introduction

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

The purpose of the Council is to:

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

External Auditor – Victorian Auditor-General's Office

Internal Auditor – WHK Horwath

Solicitors – Harwood Andrews

Bankers – Bendigo Bank

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

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

Note 1: Significant Accounting Policies

(a) Basis of Accounting

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

This financial report has been prepared on an accrual and going concern basis. The financial report has also been prepared under the historical cost convention, except where specifically stated in notes 1(d), 1(e), 1(h), 1(j), 1(k) and 1(p).

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

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

(b) Change in Accounting Policy

The following changes have been made to accounting policies for the 2009-10 financial year:

- borrowing costs are capitalised if directly attributable to the acquisition, construction or production of a qualifying asset, these costs were previously expenses;
- road name plates (street signs) are expensed when purchased, these costs were previously capitalised.

(c) Revenue Recognition

Rates

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

Grants

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

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

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

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in the notes. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

Proceeds from Sale of Assets

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

User Fees and Fines

User fees and fines (including parking fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever occurs first.

A provision for doubtful debts is recognised when collection in full is no longer probable.

Interest and Rents

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

(d) Inventories

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

Non-current assets classified as held for sale are valued at the lower of cost and net realisable value.

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

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

Where assets have separate identifiable components that are subject to regular replacement these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

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

Sealed pavements carry a residual value of 42%. These assets have an estimated commercial life to Council of 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.

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

Asset Component	Recognition Threshold \$	Useful Lives 2010	Useful Lives 2009
Land	-	-	-
Land Under Roads	-	-	-
Building	5,000	30 to 150 years	30 to 150 years
Furniture & Equipment	1,000	3 to 20 years	3 to 20 years
Plant & Machinery	1,000	3 to 20 years	3 to 20 years
Unsealed Formations	-	-	-
Sealed Formations	-	-	-
Footpaths	5,000	74 years	74 years
Sealed Pavements	5,000	90 years	90 years
Unsealed Pavements	5,000	25 years	25 years
Sealed Surfaces	5,000	19 years	19 years
Bridges & Major Culverts	5,000	90 years	90 years
Underground Drainage	5,000	50 years	50 years
Road Name Plates	-	-	22 years
Kerb & Channel	5,000	90 years	90 years
Other Structures	5,000	30 to 60 years	30 to 60 years

(f) Repairs and Maintenance

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

(g) Borrowing Costs

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

(h) Recognition and Measurement of Assets

The purchase method of accounting is used for all acquisitions of assets, being the fair value of the assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair Value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arms length transaction. Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of fixed and variable overheads.

Revaluation of Non Current Assets

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

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

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

Land Under Roads (LUR)

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

Method of Valuation:

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

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

Furniture and Equipment – valuation based at cost.

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

Plant and Machinery – valuation based at cost.

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

Bridges, Major Culverts, Underground Drainage and Footpaths – valuation based on written down replacement cost as at 30 June 2009, carried out by Mr Rick Hattam, Dip CE, MIE(Aust), CPEng, Works Manager.

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

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

(i) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalents include cash on hand, deposits at call and other highly liquid investments with short periods to maturity that are readily converted to cash on hand at the Council's option and are subject to insignificant risk of changes in values.

(j) Investments

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

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

Council has disclosed its interests in the Geelong Regional Library (GRL) in the Balance Sheet. Council's investment in associate is accounted for by the equity method as the Council has the ability to influence rather than control the operations of the entity. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in the Council's share of the net assets of the entity. Council's share of the financial result of the entity is recognised in the income statement.

(l) Tender Deposits

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

(m) Employee Benefits

Wages and Salaries

Liabilities for wages and salaries are recognised and measured as the amount unpaid at balance date and include appropriate oncosts such as workers compensation and payroll costs.

Annual Leave

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

Long Service Leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service. Long service leave entitlements representing 7 or more years of service are classified as current, entitlements representing less than 7 years of service are classified as non-current. Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Classification of employee benefits

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

Superannuation

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan and is included in note 16. Further details regarding superannuation are included in note 30.

(n) Allocation between Current and Non-Current

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

(o) Goods and Services Tax (GST)

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

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

(p) Impairment of assets

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

Note 2: Pending Accounting Standards

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

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on Local Government financial statements
AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project. [AASB 4, 8, 101, 107, 117, 118, 136 & 139]	Some amendments will result in accounting changes for presentation, recognition or measurement purposes, while other amendments will relate to terminology and editorial changes.	Beginning 1 Jan 2010	Terminology and editorial changes. Impact minor.
AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash-settled Share-based Payment Transactions [AASB 2]	The amendments clarify the scope of AASB 2.	Beginning 1 Jan 2010	No impact. AASB 2 does not apply to Local Government, consequently this Standard does not apply.
AASB 2009-9 Amendments to Australian Accounting Standards – Additional Exemptions for First-time Adopters [AASB 1]	Applies to entities adopting Australian Accounting Standards for the first time, to ensure entities will not face undue cost or effort in the transition process in particular situations.	Beginning 1 Jan 2010	No impact. Relates only to first time adopters of Australian Accounting Standards.
AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB 132]	The Standard makes amendments to AASB 132, stating that rights issues must now be classed as equity rather than derivative liabilities.	Beginning 1 Feb 2010	No impact. Local Government do not issue rights, warrants and options, consequently the amendment does not impact on the statements.
AASB 9 Financial Instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instrument: Recognition and Measurement).	Beginning 1 Jan 2013	Detail of impact is still being assessed.
AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	This gives effect to consequential changes arising from the issuance of AASB 9.	Beginning 1 Jan 2013	Detail of impact is still being assessed.
AASB 2009-12 Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 15, 1039 & 1052]	This Standard amends AASB 8 to require an entity to exercise judgement in assessing whether a government and entities know to be under the control of that government are considered a single customer for purposes of certain operating segment disclosures. This Standard also makes numerous editorial amendments to other AASBs.	Beginning 1 Jan 2011	AASB 8 does not apply to Local Government therefore no impact expected. Otherwise, only editorial changes arising from amendments to other standards, no major impact. Impacts of editorial amendments are not expected to be significant.
AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19. [AASB 1]	Consequential amendment to AASB 1 arising from publication of Interpretation 19.	Beginning 1 Jul 2010	Local Governments do not extinguish financial liabilities with equity instruments, therefore requirements of Interpretation 17 and related amendments have no impact.
AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14]	Amendment to Interpretation 14 arising from the issuance of Prepayments of a Minimum Funding Requirement.	Beginning 1 Jan 2011	Expected to have no significant impact.

Note 3: Functions/Activities of the Council

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

- | | |
|---|---|
| <p>(i) Citizen and Customer Service
Communications and Marketing; and Customer Service Centres.</p> <p>(ii) Civic Leadership
Governance, Elections, Meetings, Strategic and Service Planning, Emergency Management Plan and State Emergency Service, Risk Management and Occupational Health and Safety.</p> <p>(iii) Economic Development
Economic Development.</p> <p>(iv) Environment and Land Use Planning
Land Use Planning, Statutory Building Control, Private Building Control, Fire Protection, Environmental Management, Community Protection and Public Health.</p> <p>(v) Financial Management
General Revenue, Property and Rating, Statutory Reporting and Budgeting, Contract Management, Records Management, Borrowings and Plant Replacement.</p> | <p>(vi) Human Support Services
Maternal and Child Health, Children's' Services, Aged and Disability Services, Community Transport, Community Centres, Health Promotion and Kindergartens.</p> <p>(vii) Recreation and Community Development
Community Development, Libraries, Arts and Culture, Youth Development, Recreation Planning, Recreation Construction, Infrastructure Maintenance and Major Projects.</p> <p>(viii) Roads and Streets Infrastructure
Sealed Roads Routine Maintenance, Local Roads Resealing, Local Roads Rehabilitation, Local Roads Improvements, Gravel Roads Routine Maintenance, Gravel Resheeting, Bridge Maintenance, Tree Clearing, Gravel Pits Restoration, Asset Management, Drainage Maintenance Township and Rural, Private Works, Linemarking, Guideposts and Signs, Street Lighting, Township Maintenance, Bus Shelters and Paths and Trails.</p> <p>(ix) Waste Management
Garbage Collection, Municipal Landfill and Litter Control.</p> |
|---|---|

Note 4: Income and Expenditure by Key Result Area

	2010 \$	2009 \$
Income From Ordinary Activities		
Citizen and Customer Service	12,636	5,861
Civic Leadership	71,019	82,166
Economic Development	71,860	1,961,261
Environment and Land Use Planning	1,002,063	796,213
Financial Management	15,305,348	14,933,541
Human Support Services	3,647,859	3,230,435
Recreation and Community Infrastructure	3,244,307	2,136,419
Roads and Streets Infrastructure	1,856,461	1,650,017
Waste Management	1,258,085	1,182,581
Total Revenue from Ordinary Activities	26,469,638	25,978,494
Expenditure From Ordinary Activities		
Citizen and Customer Service	669,805	550,967
Civic Leadership	1,764,685	1,667,606
Economic Development	424,964	1,117,382
Environment and Land Use Planning	2,515,352	2,426,995
Financial Management	1,324,487	1,275,178
Human Support Services	4,968,148	4,447,655
Recreation and Community Infrastructure	3,600,779	3,318,987
Roads and Streets Infrastructure	6,029,583	6,208,617
Waste Management	1,191,438	1,160,711
Total Expenditure from Ordinary Activities	22,489,241	22,174,098
Surplus from Ordinary Activities	3,980,397	3,804,396

Note 5: Equity of the Council

	OPENING BALANCE 1-Jul-09 \$	INCREASE/ (DECREASE) IN NET ASSETS \$	TRANSFERS TO AND FROM RESERVES \$	CLOSING BALANCE 30-Jun-10 \$
Discretionary				
General Appropriations	3,119,646	(3,035,463)	498,234	582,417
Committed				
Unexpended Projects	3,350,401	-	(475,534)	2,874,867
Long Service Leave Non-Current Liability	185,059	-	36,933	221,992
Profit Equalisation	100,000	-	-	100,000
Drainage Levy	54,063	-	-	54,063
Recreation Lands Reserve	110,948	-	(110,948)	-
Developer Contributions	75,698	-	51,315	127,013
Non-Current Assets and Liabilities	166,982,486	7,015,860	-	173,998,346
Total Equity of the Council	173,978,301	3,980,397	-	177,958,698
Accumulated Surplus	123,921,625	3,980,397	498,234	128,400,256
Reserves	50,056,676	-	(498,234)	49,558,442
	173,978,301	3,980,397	-	177,958,698
Reserves are Represented by the Following:				
Asset Revaluation	46,180,507	-	-	46,180,507
Unexpended Projects	3,350,401	-	(475,534)	2,874,867
Long Service Leave Non-Current Liability	185,059	-	36,933	221,992
Profit Equalisation	100,000	-	-	100,000
Drainage Levy	54,063	-	-	54,063
Recreation Lands Reserve	110,948	-	(110,948)	-
Developer Contributions	75,698	-	51,315	127,013
Total Reserves	50,056,676	-	(498,234)	49,558,442
Asset Revaluation Reserve is represented by the following:				
Land	5,387,332	-	-	5,387,332
Buildings	7,876,147	-	-	7,876,147
Plant and Machinery	42,787	-	-	42,787
Infrastructure	32,874,241	-	-	32,874,241
	46,180,507	-	-	46,180,507

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

	NOTE	2010 \$	2009 \$
Surplus for the Period		3,980,397	3,804,396
Depreciation	17	4,050,636	3,865,807
(Profit)/Loss on Disposal of Assets	13	(543,641)	(273,990)
Subdivisions - Roads Handed to Council	29	(470,835)	(593,402)
Finance Costs		135,460	82,282
Non Current Asset transferred to Operating	29	1,500	-
Decrease/(Increase) in Other Non-Current Assets	14	(29,161)	(13,529)
Decrease/(Increase) in Receivables		(756,579)	443,260
Decrease/(Increase) in Inventories	21	(2,640)	15,933
Increase/(Decrease) in Creditors and Provisions		(157,574)	236,167
Net Cash Inflow from Operations		6,207,563	7,566,924

Note 7: Rates

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

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

	2010 \$	2009 \$
Residential	1,577,377,500	1,547,982,000
Farm	875,154,000	856,837,000
Non-Farm Vacant Land	208,308,000	199,663,500
Business	48,186,995	33,508,611
Total Capital Improved Valuations	2,709,026,495	2,637,991,111

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

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

Rates Revenue

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

Residential	4,804,599	4,193,649
Farm	2,250,502	1,983,231
Non-Farm Vacant Land	1,068,655	1,139,564
Business	146,003	125,000
Municipal Charge	1,347,092	1,324,521
Total Rates Revenue	9,616,851	8,765,965

Note 8: Grants

	2010 \$	2009 \$
Summary of Grants		
Federally Funded Grants	1,728,203	2,485,633
State Funded Grants	9,569,126	9,678,327
Others	15,000	85,000
	11,312,329	12,248,960
Recurrent Grants		
Victoria Grants Commission - General Purpose Grant	2,691,548	3,157,373
Victoria Grants Commission - Local Roads Grant	1,743,406	2,082,369
Local Road Improvements	988,833	1,010,466
Home Care	864,543	796,688
Kindergarten	499,660	383,026
Library	132,784	127,705
Maternal & Child Health	124,738	139,758
Transport Connections	83,648	91,592
Community Health	65,375	70,113
Family Day Care	56,362	56,303
Childrens' Services	54,612	48,121
School Crossing	13,025	13,025
Youth Projects	2,000	2,000
Bus Shelter	909	7,169
Total Recurrent Grants	7,321,443	7,985,708
Non-Recurrent Grants		
Bannockburn Recreation Precinct	1,000,000	1,000,000
Community Facilities (halls, etc)	829,250	1,145,517
Bannockburn Cultural & Community Hub	679,153	215,000
Health Promotion	320,811	314,020
Local Road Improvements (Road to Markets)	267,585	-
Paths & Trails	215,500	242,587
Smythesdale Business, Health & Community Hub	201,500	468,500
Land Use Planning	150,890	137,465
Environment Projects	71,991	57,575
Childrens' Services	58,950	-
Youth Projects	57,235	64,400
Economic Development	57,000	92,400
Home Care	34,546	64,540
Art Project	15,000	20,000
Civic Leadership	11,674	25,360
Maternal & Child Health	6,294	500
Fire Access	4,724	19,002
Youth Employment	4,000	2,500
Other	3,283	1,250
Kindergarten	1,500	-
Smythesdale Streetscape	-	210,000
Community Development	-	152,636
Storm Water Project	-	25,000
Building Control	-	5,000
Total Non-Recurrent Grants	3,990,886	4,263,252
Total Grants	11,312,329	12,248,960

Note 8: Grants (continued)

Conditions on Grants

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

	2010 \$	2009 \$
Sport and Recreation Projects	773,308	1,488,829
Bannockburn Community and Cultural Hub incl Library	397,320	78,875
Aged and Disability Services	186,464	172,716
Health Promotion	164,405	110,736
Stormwater Drainage, Smythesdale	125,000	125,000
Inverleigh Children's Centre	100,000	-
Aged and Disability Minor Equipment	70,762	56,210
Environment	57,894	14,720
Land Use Planning	20,000	24,110
Kindergarten Cluster	16,738	8,369
Childrens' Services	13,716	80
Roads to Recovery	5,135	23,367
Fire Protection	2,328	-
Youth Development	1,033	3,802
Economic Development	558	2,951
Community Building Initiative	-	112,181
Bruces Creek Walking Track	-	104,207
Arts and Culture	-	3,485
Building Control	-	3,050
	1,934,661	2,332,688

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

Sport and Recreation Projects	1,437,719	173,455
Aged and Disability Services	137,633	75,410
Community Building Initiative	112,181	49,313
Health Promotion	110,627	35,545
Bruces Creek Walking Track	104,027	-
Bannockburn Community and Cultural Hub incl Library	78,875	-
Roads To Recovery	23,367	59,911
Environment	12,542	5,000
Land Use Planning	4,110	-
Youth Development	3,802	45,629
Arts and Culture	3,485	-
Building Control	3,050	1,351
Economic Development	2,393	51,081
Childrens' Services	80	1,396
Auslink (Roads to Recovery)	-	991,680
Smythesdale Business, Health and Community Hub	-	494,977
Kindergarten Cluster	-	66,659
Recreation Planning	-	24,000
Art Stop Project	-	10,546
Tourism	-	2,750
Recommission Bores	-	1,020
Aged and Disability Minor Equipment	-	154
	2,033,891	2,089,877
Net increase/(decrease) in restricted assets resulting from grant revenues for the year:	(99,230)	242,811

Note 9: Contributions and Recoupments

	2010 \$	2009 \$
Cash		
Recoupment from Insurers	192,274	17,671
Private Works	186,322	236,670
Legal Costs Recouped	127,846	37,069
Motor Vehicle Recoupments	119,064	105,469
Developers' Community Contributions	100,750	37,307
Family Day Care - Social Security	96,806	129,275
Kindergarten Reimbursement	85,225	130,215
Revaluation Contribution - State Revenue Office	83,740	11,146
Other	39,176	11,683
Developers' Recreation Lands Contributions	27,224	23,197
Community Contributions	20,000	7,537
Sale of Big Bins	16,430	13,543
Standpipe Water Sales	6,357	10,103
Economic Development Projects	364	2,150
Total Cash Contributions and Recoupments	1,101,578	773,035
Non-Cash		
Subdivisions - Roads Handed to Council	452,572	571,958
Subdivisions - Land Under Roads Handed to Council	18,263	21,444
Total Non-Cash Contributions and Recoupments	470,835	593,402
Total Contributions and Recoupments	1,572,413	1,366,437

Note 10: User Fees and Charges

Garbage Collection Charge	1,207,323	1,133,286
Child Care Fees	761,941	724,160
Home and Community Care Fees	200,570	192,199
Animal Registration Charges	128,133	127,106
Planning and Building Fees	115,116	107,342
Gravel Cartage Levy	85,372	80,137
Septic Tank Fees	57,458	49,153
Bannockburn Family Services Centre Charges	50,787	33,689
Subdivision Supervision Fees	43,528	25,918
Community Bus Hire Charges	36,482	44,278
Tip Fees	30,434	30,059
Food Premises Registration Fees	29,979	25,048
Rents and Leases	21,743	21,776
Other	15,642	12,833
Northern Community Centre Charges	10,615	11,754
Fire Hazard Eradication Fees	10,336	12,733
Infringements and Fines	1,937	3,063
Smythesdale Hub Charges	1,797	-
Total User Fees and Charges	2,809,193	2,634,534

Note 11: Statutory Fees and Fines

	2010 \$	2009 \$
Planning and Building Fees	177,726	144,125
Land Information Certificates	14,968	13,222
Infringements and Fines	11,683	13,538
Total Statutory Fees and Fines	204,377	170,885

Note 12: Other Income

Interest on Investments	271,220	395,044
Interest on Rates	112,053	109,150
Total Other Income	383,273	504,194

Note 13: Net Gain On Disposals

Plant and Machinery, and Furniture and Equipment		
Proceeds from Sale of Assets	1,263,796	843,860
Carrying Amount of Assets Sold	(1,001,859)	(856,883)
Net Gain/(Loss) on Disposal of Plant and Machinery and Furniture and Equipment	261,937	(13,023)
Non-Current Property		
Proceeds from Disposal of Assets	-	-
Carrying Amount of Assets Disposed of	(64,530)	(275,399)
Net Gain/(Loss) on Disposal of Non-Current Property	(64,530)	(275,399)
Inventory - Property		
Proceeds from Sale of Assets	843,151	1,191,432
Carrying Amount of Assets Sold	(496,917)	(629,020)
Net Gain on Inventory - Property	346,234	562,412
Total Net Gain on Disposals	543,641	273,990

Note 14: Investment in Associate

Equity in Geelong Regional Library (GRL)	284,815	257,254
Total Investment in Associate	284,815	257,254
Movement in Carrying Value of Specific Investment		
Carrying value of investment at start of year	257,254	243,725
Share of surplus for year	27,561	13,529
Carrying Value of Investment at End of Year	284,815	257,254

Council's share of the net equity of GRL is 3.45% (3.48% 2009). The GRL is comprised of seven representative from four member Councils. Golden Plains Shire Council has one representative on the GRL Board.

Note 15: Materials and Services

	2010 \$	2009 \$
Delivery of Projects and Services	1,883,278	2,861,447
General Maintenance	1,385,631	1,396,772
Garbage Operations	1,081,989	983,933
Other Expenses	688,561	700,699
Contractors and Consultants	589,843	597,828
Vehicle and Machinery Operations	576,660	635,793
Insurance	287,038	149,714
Information Technology Operations	255,617	183,827
Printing, Stationery and Postage	242,236	224,131
Telecommunications	215,361	191,397
Utilities	158,303	137,426
Advertising	121,600	154,676
Training	105,628	151,599
Cleaning	97,892	121,863
Building Maintenance	95,486	154,750
Gravel Pit Operations	70,117	130,037
Election Expenses	1,937	82,141
Total Materials and Services	7,857,177	8,858,033

Note 16: Employee Benefits

Wages & Salaries	8,514,145	7,850,408
Superannuation (Annual Contributions)	851,315	777,278
Annual Leave & Long Service Leave	964,840	915,221
Fringe Benefits Tax	71,119	63,080
Workcover Premium & Claims Costs	159,984	120,836
Other	12,249	13,939
Total Employee Benefits	10,573,652	9,740,762
Less Employee Benefits Charged to Capital	(348,426)	(587,948)
Total Employee Benefits as per Comprehensive Income Statement	10,225,226	9,152,814

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

Note 17: Depreciation

Depreciation was charged in respect of:		
Infrastructure Assets	2,262,249	2,157,411
Plant and Machinery	943,983	931,387
Buildings	476,814	428,852
Furniture and Equipment	284,489	288,252
Other Structures	78,101	54,905
Gravel Pit Rehabilitation	5,000	5,000
Total Depreciation Expense	4,050,636	3,865,807

Note 18: Other Expenses

	2010 \$	2009 \$
Councillors' Allowances	160,502	147,279
External Audit Fees	39,000	26,500
External Audit Fees (balance of prior year)	11,500	14,988
Internal Audit Fees	9,400	25,004
Total Other Expenses	220,402	213,771

Note 19: Cash and Cash Equivalents

Short Term Deposits	4,600,000	6,602,263
At Call Deposits	1,971,750	1,707,230
Cash at Bank	237,068	356,865
Total Cash and Cash Equivalents	6,808,818	8,666,358

Cash and Cash Equivalents Subject to External Restrictions:

Long Service Leave Investment Account*	1,084,762	968,542
Total Restricted Cash Assets	1,084,762	968,542

* Restricted asset for long service leave is based on the Local Government (Long Service Leave) Regulations 2002 and does not necessarily equate to the long service leave liability disclosed in note 26 due to a different basis of calculation prescribed by the regulation.

Note 20: Trade and Other Receivables

Rate Debtors	673,213	586,888
Other Debtors	978,694	409,806
Total Trade and Other Receivables	1,651,907	996,694

Note 21: Inventory - Consumables

Stock on Hand	26,587	23,947
Total Inventory - Consumables	26,587	23,947

Note 22: Non-Current Assets Classified as Held for Sale

Bakers Lane Stage 2	-	235,939
Bakers Lane Stage 3	407,857	407,857
Bakers Lane Stage 4	322,272	322,272
Total Non-Current Assets Classified as Held for Sale	730,129	966,068

Note 23: Other Assets

Prepaid Expenditure	76,133	13,641
Accrued Income	209,846	169,373
Total Other Assets	285,979	183,014

Note 24: Trade and Other Payables

Trade Creditors	2,661,436	1,285,572
Accrued Expenditure	276,196	436,265
GST	260,865	131,937
Total Trade and Other Payables	3,198,497	1,853,774

Note 25: Interest-Bearing Loans and Borrowings

	2010 \$	2009 \$
Current		
Bank Loan Secured over Council's Rates and Charges	260,732	167,718
Total Interest-Bearing Loans and Borrowings - Current	260,732	167,718
Non-Current		
Bank Loan Secured over Council's Rates and Charges	2,714,184	1,094,578
Total Interest-Bearing Loans and Borrowings - Non-Current	2,714,184	1,094,578
The Maturity Profile for Council's Interest-Bearing Loans and Borrowings is:		
Not Later Than One Year	260,732	167,718
Later Than One Year and Not Later Than Five Years	1,228,688	781,049
Later Than Five Years	1,485,496	313,529
Total Interest-Bearing Loans and Borrowings	2,974,916	1,262,296

Note 26: Provisions

Current		
Employee Benefits - Annual Leave Provision	746,474	718,457
Employee Benefits - Long Service Leave Provision	1,013,491	862,806
Rehabilitation of Gravel Pits	25,000	25,000
Total Current Provisions	1,784,965	1,606,263
Non-Current		
Employee Benefits - Long Service Leave Provision	221,992	185,059
Rehabilitation of Gravel Pits	96,662	129,103
Total Non-Current Provisions	318,654	314,162

Current provision for employee benefits represent all annual leave and long service leave entitlements representing 7 or more years. Short term employee benefits that fall due within 12 months after the end of the period are measured at nominal value; Non-current provisions for employee benefits represent long service leave accruals representing less than 7 years.

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

Note 27: Trust Funds and Deposits

Building Deposits	62,302	77,302
Community Groups Deposits	2,393	3,369
Planning Deposits	62,761	66,317
Other Deposits	11,238	11,282
Contractors Retention	160,180	54,241
Total Trust Funds and Deposits	298,874	212,511

Note 28: Property, Infrastructure, Plant and Equipment

	2010 \$	2009 \$
SUMMARY		
At Cost	26,936,292	15,402,353
Less Accumulated Depreciation	3,124,497	3,071,082
	23,811,795	12,331,271
At Fair Value as at 30 June 2010	39,707	21,444
Less Accumulated Depreciation	-	-
	39,707	21,444
At Fair Value as at 30 June 2009	197,841,830	198,181,984
Less Accumulated Depreciation	45,914,026	43,425,683
	151,927,804	154,756,301
At Fair Value as at 30 June 2007	1,732,749	1,732,749
Less Accumulated Depreciation	765,686	731,031
	967,063	1,001,718
At Council Valuation as at 30 June 2004	-	42,313
Less Accumulated Depreciation	-	19,075
	-	23,238
Total Property, Infrastructure, Plant and Equipment	176,746,369	168,133,972
Land		
At Cost	3,007,301	-
At Fair Value as at 30 June 2009	9,853,617	10,044,510
	12,860,918	10,044,510
Land Under Roads		
At Fair Value as at 30 June 2010	39,707	21,444
	39,707	21,444
Buildings		
At Cost	2,496,446	314,975
Less Accumulated Depreciation	17,651	360
	2,478,795	314,615
At Fair Value as at 30 June 2009	20,719,778	20,882,038
Less Accumulated Depreciation	6,480,133	6,130,084
	14,239,645	14,751,954
Other Structures		
At Cost	733,420	493,917
Less Accumulated Depreciation	34,366	10,758
	699,054	483,159
At Fair Value as at 30 June 2009	985,227	972,228
Less Accumulated Depreciation	206,481	149,114
	778,746	823,114
Work in Progress		
Buildings and Building Improvements At Cost	2,890,684	1,626,043
Infrastructure At Cost	487,908	18,676
Land	-	1,500
	3,378,592	1,646,219

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

	2010 \$	2009 \$
Furniture and Equipment		
At Cost	1,848,281	1,656,395
Less Accumulated Depreciation	1,163,866	927,289
	684,415	729,106
Plant and Machinery		
At Cost	6,310,696	6,319,639
Less Accumulated Depreciation	1,699,171	2,050,671
	4,611,525	4,268,968
Gravel Pit Rehabilitation		
At Cost	100,000	100,000
Less Accumulated Depreciation	20,000	15,000
	80,000	85,000
Infrastructure:		
Footpaths		
At Cost	1,699,698	721,080
Less Accumulated Depreciation	8,386	2,291
	1,691,312	718,789
At Fair Value as at 30 June 2009	4,090,373	4,090,373
Less Accumulated Depreciation	747,028	654,526
	3,343,345	3,435,847
Sealed Pavements		
At Cost	3,265,036	2,189,271
Less Accumulated Depreciation	22,685	6,468
	3,242,351	2,182,803
At Fair Value as at 30 June 2009	89,608,770	89,608,770
Less Accumulated Depreciation	18,998,675	18,405,900
	70,610,095	71,202,870
Unsealed Pavements		
At Cost	677,502	260,153
Less Accumulated Depreciation	14,416	3,136
	663,086	257,017
At Fair Value as at 30 June 2009	12,295,609	12,295,609
Less Accumulated Depreciation	1,919,235	1,600,611
	10,376,374	10,694,998
Sealed Surfaces		
At Cost	2,904,667	1,423,074
Less Accumulated Depreciation	141,219	34,426
	2,763,448	1,388,648
At Fair Value as at 30 June 2009	15,565,617	15,565,617
Less Accumulated Depreciation	6,521,469	5,703,346
	9,044,148	9,862,271

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

	2010 \$	2009 \$
Sealed Formations		
At Cost	41,135	23,860
Less Accumulated Depreciation	-	-
	41,135	23,860
At Fair Value as at 30 June 2009	15,301,885	15,301,885
Less Accumulated Depreciation	-	-
	15,301,885	15,301,885
Unsealed Formations		
At Fair Value as at 30 June 2009	5,838,190	5,838,190
Less Accumulated Depreciation	-	-
	5,838,190	5,838,190
Kerb and Channel		
At Cost	180,103	132,825
Less Accumulated Depreciation	263	-
	179,840	132,825
At Fair Value as at 30 June 2009	2,055,169	2,055,169
Less Accumulated Depreciation	411,249	387,960
	1,643,920	1,667,209
Bridges and Major Culverts		
At Cost	293,415	76,000
Less Accumulated Depreciation	2,474	422
	290,941	75,578
At Fair Value as at 30 June 2009	21,527,595	21,527,595
Less Accumulated Depreciation	10,629,756	10,394,142
	10,897,839	11,133,453
Underground Drainage		
At Fair Value as at 30 June 2007	1,732,749	1,732,749
Less Accumulated Depreciation	765,686	731,031
	967,063	1,001,718
Road Name Plates		
At Cost	-	44,945
Less Accumulated Depreciation	-	20,261
	-	24,684
At Council Valuation as at 30 June 2004	-	42,313
Less Accumulated Depreciation	-	19,075
	-	23,238
Total Infrastructure		
At Cost	9,061,556	8,961,581
At Fair Value as at 30 June 2009	166,283,208	162,192,835
At Fair Value as at 30 June 2007	1,732,749	1,732,749
At Council Valuation as at 30 June 2004	-	42,313
Less Accumulated Depreciation	40,182,541	37,963,595
Total Infrastructure	136,894,972	134,965,883
Total Property, Infrastructure, Plant and Equipment	30	176,746,369
		168,133,972

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

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

	Land	Land Under Roads	Buildings	Other Structures	Work in Progress	Furniture & Equipment	Plant & Machinery	Gravel Pit Rehab.	Infra-Structure	Total	2010 Additions Represented By:	\$
2010	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Carrying amount at 1 July 2009	10,044,509	21,444	15,066,569	1,306,273	1,646,219	729,106	4,268,969	85,000	134,965,883	168,133,972	Renewal of Infrastructure	2,662,650
Additions	3,007,301	-	725,415	239,503	3,242,467	240,016	2,288,180	-	3,778,183	13,521,065	Upgrade of Infrastructure	189,823
WDV of Transfers to Current Assets	(190,892)	-	(70,086)	-	-	-	-	-	-	(260,978)		
Subdivisions - Roads Handed to Council	-	18,263	-	-	-	-	-	-	452,572	470,835	New Infrastructure	925,710
Depreciation	-	-	(476,814)	(78,101)	-	(284,489)	(943,983)	(5,000)	(2,262,249)	(4,050,636)	New Land	3,007,301
Written Down Value of Disposals	-	-	-	(20,575)	-	(218)	(1,001,641)	-	(43,955)	(1,066,389)	Upgrade of Buildings	15,079
Reclassification Between Classes	-	-	1,456,056	48,000	(1,510,094)	-	-	-	4,538	(1,500)	Renewal Buildings	438,666
Reclassification Affecting Accumulated Depreciation	-	-	17,300	(17,300)	-	-	-	-	-	-	New Buildings	271,670
Carrying amount at 30 June 2010	12,860,918	39,707	16,718,440	1,477,800	3,378,592	684,415	4,611,525	80,000	136,894,972	176,746,369		
2009												
Carrying amount at 1 July 2008	9,943,617	-	15,271,467	887,253	129,133	688,449	4,179,735	90,000	135,528,909	166,718,563	New Plant and Equipment	2,288,180
Additions	190,892	-	314,975	492,160	1,595,196	335,070	1,871,343	-	4,252,337	9,051,973	New Furniture and Equipment	240,016
Subdivisions - Roads Handed to Council	-	21,444	-	-	-	-	-	-	571,958	593,402	New Work in Progress	2,738,517
Revaluation Decrement in Replacement Value	-	-	-	-	-	-	-	-	(21,261,768)	(21,261,768)	Renewal Work in Progress	391,956
Revaluation Decrements in Accumulated Depreciation	-	-	-	-	-	-	-	-	18,029,891	18,029,891	Upgrade Work in Progress	111,995
Depreciation	-	-	(428,852)	(54,905)	-	(288,252)	(931,387)	(5,000)	(2,157,411)	(3,865,807)	New Other Structures	96,850
Written Down Value of Disposals	(160,000)	-	(95,407)	(19,992)	-	(6,161)	(850,722)	-	-	(1,132,282)	Renewal Other Structures	142,652
Reclassification Between Classes	70,000	-	(30,614)	1,757	(78,110)	-	-	-	1,967	(35,000)		
Reclassification Affecting Accumulated Depreciation	-	-	35,000	-	-	-	-	-	-	35,000		
Carrying amount at 30 June 2009	10,044,509	21,444	15,066,569	1,306,273	1,646,219	729,106	4,268,969	85,000	134,965,883	168,133,972	Total Additions	13,521,065

Note 30: Superannuation

Post Employment Benefit

Council makes employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). Obligations for contributions are recognised as an expense in the income statement when they are due. The Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Under choice of fund legislation, some superannuation contributions made to Local Authorities Superannuation Fund are distributed via their clearing house to other compliant superannuation funds.

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.

Defined Benefit Plan

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

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary as at 31 December 2008, Council makes the following contributions:

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

The Fund surplus or deficit (i.e. the difference between fund assets and liabilities) is calculated differently for funding purposes (i.e. calculating required contributions) and for the calculation of accrued benefits as required in AAS 25 to provide the values needed for the AASB 119 disclosure in a Council's financial statements. AAS 25 requires that the present value of the benefit liability to be calculated based on benefits that have accrued in respect of membership of the plan up to the measurement date, with no allowance for future benefits that may accrue. The actuarial investigation concluded that although the Net Market Value of Assets was in excess of Accrued Benefits at 31 December 2008, based on the assumptions adopted, there was a shortfall of \$71 million when the funding of future benefits was also considered. However, Council was advised that no additional contributions are required for 30 June 2010. The Actuary has commenced undertaking the next actuarial investigation to ascertain if additional contributions would be required. The Actuarial review will be as at 30 June 2010.

The result of the actuarial review is expected to be finalised during October 2010. Should the review identify a funding shortfall requiring additional contributions, the Council will be notified of any amount payable by November 2010 for payment on 1 July 2011. A further actuarial review will be undertaken as at 30 Jun 2011. Based on the result of this further review, a detailed funding plan will be developed and implemented to achieve the target of fully funding the Fund by 31 December 2013.

Accounting Standard Disclosure

The Fund's liability for accrued benefits was determined by the Actuary at 30 June 2008 pursuant to the requirements of Australian Accounting Standard AAS25 as follows:

	31-Dec-08 \$'000
Net Market Value of Assets	3,630,432
Accrued Benefits	3,616,422

Difference between Assets and Accrued Benefits	14,010
--	--------

Vested Benefits (Minimum sum which must be paid to Members when they leave the fund) 3,561,588

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

Net Investment Return	8.5% p.a.
Salary Inflation	4.25% p.a.
Price Inflation	2.75% p.a.

	2010 \$	2009 \$
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	851,315	777,235
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	7,654	69,191

Note 31: Contingent Liabilities

Contingent Liabilities

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

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. As a result of the increased volatility in financial markets the likelihood of making such contributions in future periods has increased. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

Landfill Site

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

Bank Guarantee – Barwon Water

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

Bank Guarantee – Minister for Energy & Resources

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

Bank Guarantee – Department of Natural Resources & Environment

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

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

Note 32: Contractual Commitments for Expenditure

At the reporting date, Council was contractually committed to the following expenditure: (These figures include GST)

	2010				2009			
	LESS THAN ONE YEAR	ONE YEAR TO FIVE YEARS	GREATER THAN FIVE YEARS	TOTAL	LESS THAN ONE YEAR	ONE YEAR TO FIVE YEARS	GREATER THAN FIVE YEARS	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$
Waste Management	1,127,391	4,858,083	-	5,985,474	934,000	-	-	934,000
Tip Contractor	43,785	-	-	43,785	57,140	-	-	57,140
B'burn Comm Hub incl Library	2,787,531	-	-	2,787,531	-	-	-	-
B'burn Rec Precinct	1,508,340	-	-	1,508,340	-	-	-	-
Bruces Creek Path Stage 2	121,330	-	-	121,330	-	-	-	-
Inverleigh Football Pavilion	146,422	-	-	146,422	-	-	-	-
Inverleigh Bowls Pavilion	-	-	-	-	299,734	-	-	299,734
Smythesdale Town Square	-	-	-	-	227,174	-	-	227,174
Bruces Creek Path Stage 1	-	-	-	-	180,000	-	-	180,000
Linton Bowls Club	-	-	-	-	172,440	-	-	172,440
	5,734,799	4,858,083	-	10,592,882	1,870,488	-	-	1,870,488

Note 33: Financial Ratios (Performance Indicators)

2010		2009		2008		
(a) Revenue Ratio: Purpose - To assess the dependence on non-rate income sources.						
Rate Revenue	9,616,851	36.33%	8,765,965	33.74%	7,765,102	33.32%
Total Revenue	26,469,638		25,978,494		23,301,883	
The ratio expresses rate revenue as a proportion of total revenue and indicates Council's reliance on rates revenue.						
(b) Debt Exposure Ratio: Purpose - To identify the exposure of Council to debt and to indicate the solvency of the Council.						
Total Indebtedness	8,575,906	17.28%	5,249,006	11.86%	5,037,462	11.74%
Total Realisable Assets	49,639,632		44,261,424		42,914,335	
The ratio expresses the percentage of total liabilities for each dollar of realisable assets.						
(c) Debt Servicing Ratio: Purpose - To assess Council's capacity to service debt outstanding.						
Debt Servicing	135,460	0.51%	82,282	0.32%	98,759	0.42%
Total Revenue	26,469,638		25,978,494		23,301,883	
The ratio expresses the amount of interest paid as a percentage of Council's total revenue.						
(d) Debt Commitment Ratio: Purpose - To identify Council's debt redemption strategy.						
Debt Servicing & Redemption	327,840	3.41%	348,178	3.97%	347,935	4.48%
Rate Revenue	9,616,851		8,765,965		7,765,102	
The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.						
(e) Working Capital Ratio: Purpose - To assess Council's ability to meet current commitments.						
Current Assets	9,503,420	171%	10,836,081	282%	11,480,956	332%
Current Liabilities	5,543,068		3,840,266		3,458,609	
The ratio expresses the level of current assets the Council has available to meet its current liabilities.						
(e) Adjusted Working Capital Ratio: Purpose - To assess Council's ability to meet current commitments.						
Current Assets	9,503,420	210%	10,836,081	364%	11,480,956	423%
Current Liabilities (adj)	4,529,577		2,977,460		2,713,587	
The ratio expresses the level of current assets the Council has available to meet its current liabilities.						

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 34: Financial Instruments

(a) Accounting Policies, Terms and Conditions

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

FINANCIAL INSTRUMENT	NOTE	ACCOUNTING POLICIES	TERMS AND CONDITIONS
(1) Financial Assets			
Cash and Cash Equivalents At Call Accounts and Cash On Hand Short Term Deposits	19	Cash on hand and at bank and money market call account are valued at face value. Interest is recognised as it accrues. Investments and bills are valued at cost. Investments are held to maximise interest returns of surplus cash. Interest revenues are recognised as they accrue.	Cash deposits returned floating interest rates of 3.92% (2009: 5.09%). The interest rate at balance date was 5.27% (2009: 3.35%). Short-term deposits held as at balance date have an average maturity of 82 days and effective interest rates of 5.2% to 6.35% (2009: 3.53% to 4.59%).
Other Debtors	20	Trade debtors are carried at nominal amounts less provision for doubtful debts. A provision for doubtful debt is recognised when collection of the full nominal amount is no longer probable.	Credit Sales are on 14 day terms. Interest is charged on overdue debts arising from the provision of goods and services excluding HACC debtors at the rate of 10.5% (10% 2009).
Accrued Income	23	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 and Accrued Expenditure	24	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-Bearing Liabilities	25	Bank borrowings are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is recognised over the period it becomes due and recognised as part of payables.	Borrowings are secured by way of mortgages over the general rates of the Council. Council has three bank loans. The effective interest rate is 6.99% (2009:6.09%).
Trust Funds	27	Trust funds are recognised for amounts to be paid in the future for amounts held on behalf of other parties. Interest is not payable on these liabilities.	Trust funds are normally repaid within one year.

(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:

2010			FIXED INTEREST RATE MATURING IN				TOTAL CARRYING AMOUNT DISCLOSED IN BALANCE SHEET
FINANCIAL INSTRUMENT	NOTE	FLOATING INTEREST RATE \$'000	1 YEAR OR LESS \$'000	OVER 1-5 YEARS \$'000	MORE THAN 5 YEARS \$'000	NON-INTEREST BEARING \$'000	\$'000
(1) Financial Assets							
At Call Accounts and Cash On Hand	19	2,209	-	-	-	-	2,209
Short Term Deposits	19	-	4,600	-	-	-	4,600
Other Debtors	20	-	-	-	-	979	979
Accrued Income	23	-	-	-	-	210	210
Prepayments	23	-	-	-	-	76	76
Total Financial Assets		2,209	4,600	-	-	1,265	8,074
Weighted Average Interest Rate		5.27%	5.82%				
(2) Financial Liabilities							
Trade Creditors	24	-	-	-	-	2,919	2,919
Accrued Expenditure	24	-	-	-	-	279	279
Interest-Bearing Liabilities	25	985	240	1,134	616	-	2,975
Trust Funds	27	-	-	-	-	299	299
Total Financial Liabilities		985	240	1,134	616	3,497	6,472
Weighted Average Interest Rate			7.15%	7.36%	8.06%		
Net Financial Assets (Liabilities)		1,224	4,360	(1,134)	(616)	(2,232)	1,602

Note 34: Financial Instruments (continued)

b) Interest Rate Risk

2009		FLOATING INTEREST RATE	FIXED INTEREST RATE MATURING IN			NON- INTEREST BEARING	TOTAL CARRYING AMOUNT DISCLOSED IN BALANCE SHEET
			1 YEAR OR LESS	OVER 1-5 YEARS	MORE THAN 5 YEARS		
FINANCIAL INSTRUMENT	NOTE	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(1) Financial Assets							
At Call Accounts and Cash On Hand	19	2,064	-	-	-	-	2,064
Short Term Deposits	19	-	6,602	-	-	-	6,602
Other Debtors	20	-	-	-	-	410	410
Accrued Income	23	-	-	-	-	169	169
Prepayments	23	-	-	-	-	14	14
Total Financial Assets		2,064	6,602	-	-	593	9,259
Weighted Average Interest Rate		3.20%	4.40%				
(2) Financial Liabilities							
Trade Creditors	24	-	-	-	-	1,414	1,414
Accrued Expenditure	24	-	-	-	-	439	439
Interest-Bearing Liabilities	25	-	168	781	313	-	1,262
Trust Funds	27	-	-	-	-	213	213
Total Financial Liabilities		-	168	781	313	2,066	3,328
Weighted Average Interest Rate			6.09%	6.09%	6.09%		
Net Financial Assets (Liabilities)		2,064	6,434	(781)	(313)	(1,473)	5,931

(c) Net Fair Value

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

		TOTAL CARRYING AMOUNT AS PER BALANCE SHEET		AGGREGATE NET FAIR VALUE	
FINANCIAL INSTRUMENT	NOTE	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
(1) Financial Assets					
At Call Accounts and Cash On Hand	19	2,209	357	2,209	357
Short Term Deposits	19	4,600	8,309	4,600	8,309
Other Debtors	20	979	410	979	410
Accrued Income	23	210	169	210	169
Prepayments	23	76	14	76	14
Total Financial Assets		8,074	9,259	8,074	9,259
(2) Financial Liabilities					
Trade Creditors	24	2,919	1,414	2,919	1,414
Accrued Expenditure	24	279	439	279	439
Interest-Bearing Liabilities	25	2,975	1,262	2,975	1,262
Trust Funds	27	299	213	299	213
Total Financial Liabilities		6,472	3,328	6,472	3,328

(d) Credit Risk

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

(e) Risks and mitigation

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

Market risk

Market risk is the risk that the fair value or future cash flows of Council's financial instruments will fluctuate because of changes in market prices. Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to

other price risks and no exposure to foreign currency risk. Components of market risk to which Council is exposed are discussed below.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest-bearing financial assets and liabilities that Council uses. Non derivative interest-bearing assets are predominantly short term liquid assets. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk.

Note 34: Interest rate risk (continued)

Council's loan borrowings are sourced from Australian banks. Council does not have any finance leases or overdraft arrangements. Council manages interest rate risk on its portfolio by:

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

Council manages the interest rate exposure on its debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Planning and Community Development each year.

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

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

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

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

Credit Risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on some of our financial assets included in the balance sheet.

To help manage this risk, Council:

- has a policy for establishing credit limits for the entities it deals with;
- may require collateral where appropriate; and
- only invests surplus funds with financial institutions which are covered by the Federal Government's deposit guarantee

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is the Victorian Government. Apart from the Victorian Government we do not have any significant credit risk exposure to a single customer or groups of customers. Ongoing credit evaluation is

performed on the financial condition of Council's customers and, where appropriate, an allowance for doubtful debts is raised.

Councils may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provides a guarantee for another party. Details of Council's contingent liabilities are disclosed in note 31.

Ageing of Trade and Other Receivables

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

	2010 \$'000	2009 \$'000
Current (not yet overdue)	797	207
Past due between 31 and 60 days	158	30
Past due between 61 and 90 days	9	68
Past due over 90 days	15	105
	979	410

Liquidity risk

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

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

To help reduce these risks Council:

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

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

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

These amounts represent undiscounted gross payments including both principal and interest amounts.

	1 Year \$'000	2 Years \$'000	3 Years \$'000	4 Years \$'000	5 Years \$'000	> 5 Years \$'000	Total \$'000
2010							
Trade Creditors	2,919	-	-	-	-	-	2,919
Accrued Expenditure	279	-	-	-	-	-	279
Interest-Bearing Liabilities	261	278	296	316	338	1,486	2,975
Trust Funds	299	-	-	-	-	-	299
Total Financial liabilities	3,758	278	296	316	338	1,486	6,472
2009							
Trade Creditors	1,414	-	-	-	-	-	1,414
Accrued Expenditure	439	-	-	-	-	-	439
Interest-Bearing Liabilities	168	178	189	200	213	314	1,262
Trust Funds	147	66	-	-	-	-	213
Total Financial liabilities	2,168	244	189	200	213	314	3,328

Note 34: Financial Instruments (continued)

(f) Sensitivity disclosure analysis

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

- A parallel shift of +1% and -2% in market interest rates (AUD) from year-end rates of 4.4%.

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

Market risk exposure	Carrying amount subject to interest \$'000	Interest rate risk			
		-2% -200 basis points		+1% +100 basis points	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2010					
Financial assets:					
Cash and cash equivalents	2,209	(44)	(44)	22	22
Other financial assets	4,600	(92)	(92)	46	46
Financial liabilities:					
Interest-bearing loans and borrowings	2,975	-	-	-	-
2009					
Financial assets:					
Cash and cash equivalents	357	(7)	(7)	4	4
Other financial assets	8,309	(166)	(166)	83	83
Financial liabilities:					
Interest-bearing loans and borrowings	1,262	-	-	-	-

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

Note 35: Related Party Disclosures

(a) Identity of Responsible Persons

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

Cr J Blake, Mayor
Cr D Cotsell
Cr G Dupe
Cr G Frantz
Cr H Kirby
Cr K Knight, OAM
Cr B McArthur

Chief Executive Officer: Rod Nicholls

(b) Remuneration and Benefits of Responsible Persons

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

	2010 No.	2009 No.
\$0,000 - \$9,999	-	2
\$10,000 - \$19,999	6	7
\$40,000 - \$49,999	-	1
\$60,000 - \$69,999	1	-
\$200,000 - \$209,999	-	1
\$210,000 - \$219,999	1	-
	8	11
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	\$383,557	\$363,110

(c) No retirement benefits have been made by the Council to a Responsible Person 2009-10.

(d) No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year 2009-10.

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

	2010 \$	2009 \$
Haddon Bottle Shop – Cr B McArthur	569	276
Rokewood Takeaway – Cr H Kirby	70	-

(f) Identity of Senior Officers

A Senior Officer other than a Responsible Person, is an officer of Council who has management responsibilities and reports directly to the Chief Executive Officer or whose total annual remuneration exceeds \$120,000 (2009- \$100,000). The Senior Officers of the Council during the reporting period were:

D Madden Director Technical Operations
J Evans Director Community Services
R Trigg Director Corporate Services
D Spear Manager Executive Projects

(g) Remuneration and Benefits – Senior Officers

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

	2010 No.	2009 No.
< \$120,000	1	6
\$130,000 - \$139,999	2	-
\$140,000 - \$149,999	1	1
	4	7
Total Remuneration of Senior Officers	\$511,855	\$628,700

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 9th day of September 2010.



Jason Clissold B.Bus. CPA
Principal Accounting Officer


In our opinion the accompanying financial report presents fairly the financial transactions of the Golden Plains Shire Council for the year ended 30 June 2010 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 22 July 2010 to certify the financial report in its final form.

Signed at Bannockburn this 9th day of September 2010.



Councillor Jenny Blake
Mayor



Councillor Kevin Knight, OAM
Chairman, Audit and Finance Committee



Rod Nicholls
Chief Executive Officer



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

To the Councillors, Golden Plains Shire Council

The Financial Report and Standard Statements

The accompanying financial report for the year ended 30 June 2010 of Golden Plains Shire Council which comprises of comprehensive 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 2010 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 Councillors' Responsibility for the Financial Report and Standard Statements

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

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

This responsibility includes:

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

Auditor's Responsibility

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

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



Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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

This auditor's report relates to the financial report and standard statements published in both the annual report and on the website of Golden Plains Shire Council for the year ended 30 June 2010. The Councillors of Golden Plains Shire Council are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on Golden Plains Shire Council website.

Independence


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

Auditor's Opinion

In my opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of Golden Plains Shire Council as at 30 June 2010 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*.
- (b) The standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in note 1 to the statements and comply with the requirements of the *Local Government Act 1989*.

MELBOURNE
10 September 2010


D D R Pearson
Auditor-General

Performance Statement

for the year ended 30 June 2010

Key Strategic Activities		Actual performance compared to target performance			
Key Strategic Activity	Performance Measure	Actual 2009-10	Budget Target 2009-10	Difference	Achieved / Not Achieved
Citizen and Customer Service	Community satisfaction rating for Customer Service.	73	≥72	1	Achieved
Civic Leadership	Community satisfaction rating for Council's Advocacy.	64	≥67	-3	Not Achieved
Economic Development	Community satisfaction rating for Economic Development.	62	≥64	-2	Not Achieved
Environment and Land Use Planning	Community satisfaction rating for Town Planning Policy and Approvals.	63	≥66	-3	Not Achieved
Financial Management	Low risk rating in the financial sustainability indicators contained in the Victorian Auditor-General's Report on Local Government audit results	5	5	0	Achieved
Human Support Services	Community satisfaction rating for Health and Human Services.	73	≥75	-2	Not Achieved
Recreation and Community Development	Community satisfaction rating for Recreational Facilities.	70	≥67	3	Achieved
Roads and Streets Infrastructure	Maintain the Moloney Asset Management System Rating for local roads"	Yes	Yes	0	Achieved
	Community satisfaction rating for Local Roads & Footpaths	50	≥52	-2	Not Achieved
Waste Management	Community satisfaction rating for Waste Management.	73	≥74	-1	Not Achieved

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

Performance Statement Explanations

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

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

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

Civic Leadership

- Consideration of community plan priorities when conducting Council planning activities and community grant allocations.
- Continue to advocate for natural gas infrastructure and improved broadband access.
- Implementation of Communications and Marketing Strategy.

Economic Development

- Implementation of Economic Development Strategy to assist local business and industry.
- Implementation of Tourism Master Plan.
- Secure Water for Economic Development Action Plans.

Environment and Land Use Planning

- Implementation of Urban Design Frameworks and Town Structure plan.
- Implementation of Environment Strategy and Sustainable Water Use Plan.

Human Support Services

- Implementation of Public Health and Wellbeing Plan.
- Implementation of Healthy Ageing Strategy.
- Implementation of Municipal Early Years Plan.
- Implementation of Disability Action Plan.

Roads and Streets Infrastructure

- Implementation of Road Strategy.
- Continue to advocate for the improvement of state roads.
- Review resources relating to road and roadside maintenance, as part of the annual budget process.

Waste Management

- Implementation of Waste Strategy.
- Continue to collaboratively investigate more environmentally friendly methods of disposing of waste.

Although six of the ten targets have not been achieved this financial year, it can be seen in the table below that the results of the eight areas in the community satisfaction survey are similar to those in 2009 and that Golden Plains is ranked strongly when compared to other small rural councils.

Local Government Community Satisfaction Survey – Summary Results

Key Result Area	2010	2009	2010 Comparison to other Small Rural Councils	2010 Median performance of Small Rural Council Group
Citizen and Customer Service	73	69	Similar	72
Civic Leadership	64	68	Similar	65
Economic Development	62	64	Higher	59
Environment and Land Use Planning	63	63	Higher	61
Human Support Services	73	75	Similar	75
Recreation and Community Development	70	67	Similar	70
Roads and Streets Infrastructure	50	51	Similar	52
Waste Management	73	73	Higher	71

Council is firmly focused on continuous improvement to ensure it increases the above ratings. The Local Government Community Satisfaction Survey 2010 makes the following comment on Council's overall performance:

'Golden Plains' overall performance was amongst the highest in its group. It performs significantly better on a number of key service areas, including waste management and town planning policy and approvals. Although economic development is noted as an area for further improvement, the Shire performs at a higher level than others in the group on this measure.'

These findings and comments suggest Council sets itself challenging performance goals. However, Council firmly believing they are realistic and achievable.

Council Approval of the Performance Statement

In our opinion, the accompanying performance statement of the Golden Plains Shire Council in respect of 2009-10 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 9th day of September 2010.



Councillor Jenny Blake
Mayor



Councillor Kevin Knight, OAM
Chairman, Audit and Finance Committee



Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Golden Plains Shire Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2010 of Golden Plains Shire Council which comprises the statement, the related notes and the Council Approval of the Performance Statement has been audited.

The Councillors' Responsibility for the Performance Statement

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

Auditor's Responsibility

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

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

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

Matters Relating to the Electronic Presentation of the Audited Performance Statement

This auditor's report relates to the performance statement published in both the annual report and on the website of Golden Plains Shire Council for the year ended 30 June 2010. The Councillors are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited performance statement to confirm the information included in the audited performance statement presented on Golden Plains Shire Council website.

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Level 24, 35 Collins Street, Melbourne Vic. 3000

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

Auditing in the Public Interest



Victorian Auditor-General's Office

Independent Auditor's Report (continued)


Independence

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

Auditor's Opinion

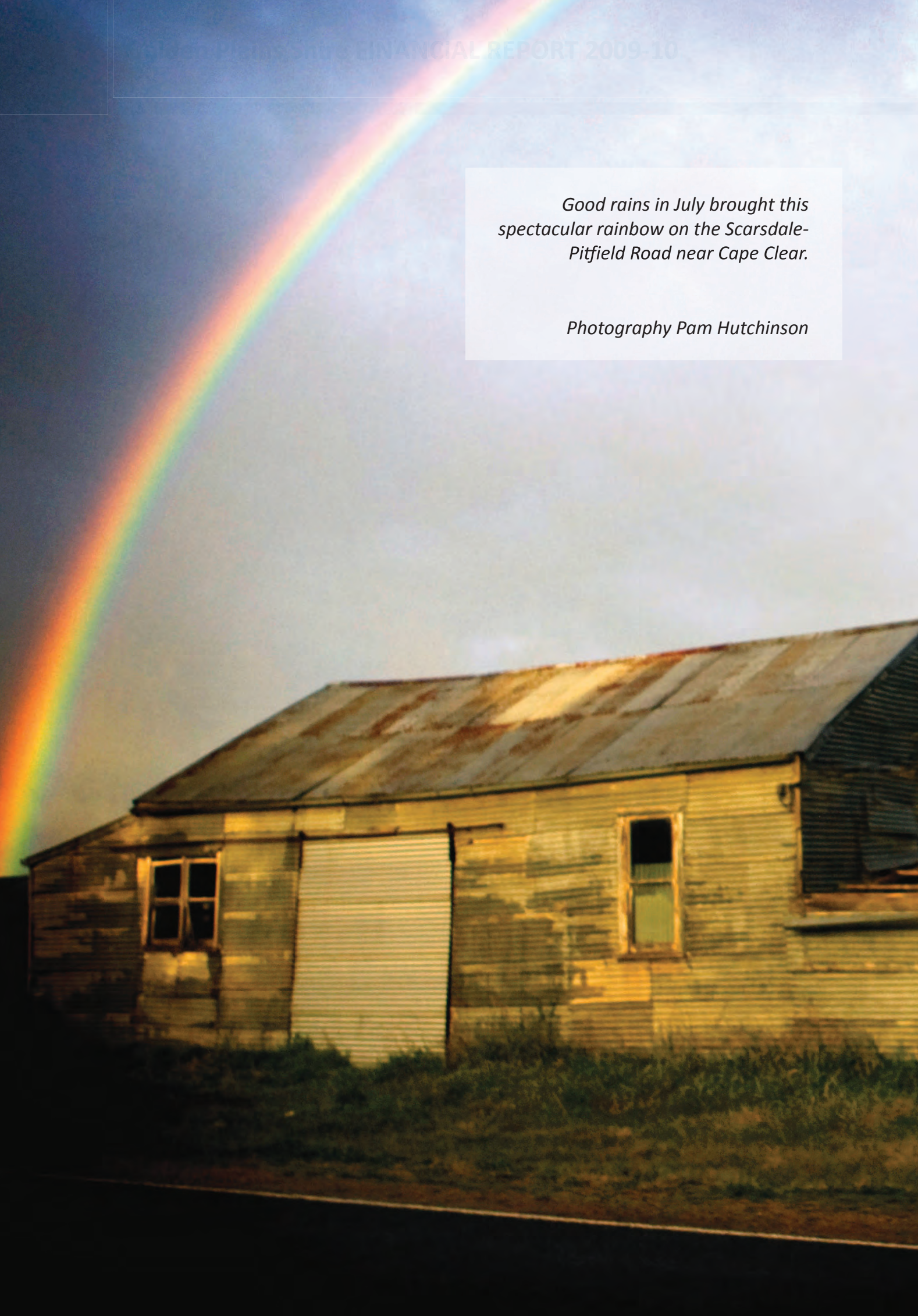
In my opinion, the performance statement of Golden Plains Shire Council in respect of the 30 June 2010 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
10 September 2010


D D R Pearson
Auditor-General

Good rains in July brought this spectacular rainbow on the Scarsdale-Pitfield Road near Cape Clear.

Photography Pam Hutchinson



Bannockburn Customer Service Centre
2 Pope Street, Bannockburn
Phone: 03 5220 7111, Facsimile: 03 5220 7100

Linton Customer Service Centre
68 Sussex Street, Linton
Phone: 03 5344 6444, Facsimile: 03 5344 7302

Postal Address
Golden Plains Shire Council
PO Box 111, Bannockburn Victoria 3331

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

Email
enquiries@gplains.vic.gov.au

www.goldenplains.vic.gov.au



GOLDEN PLAINS SHIRE