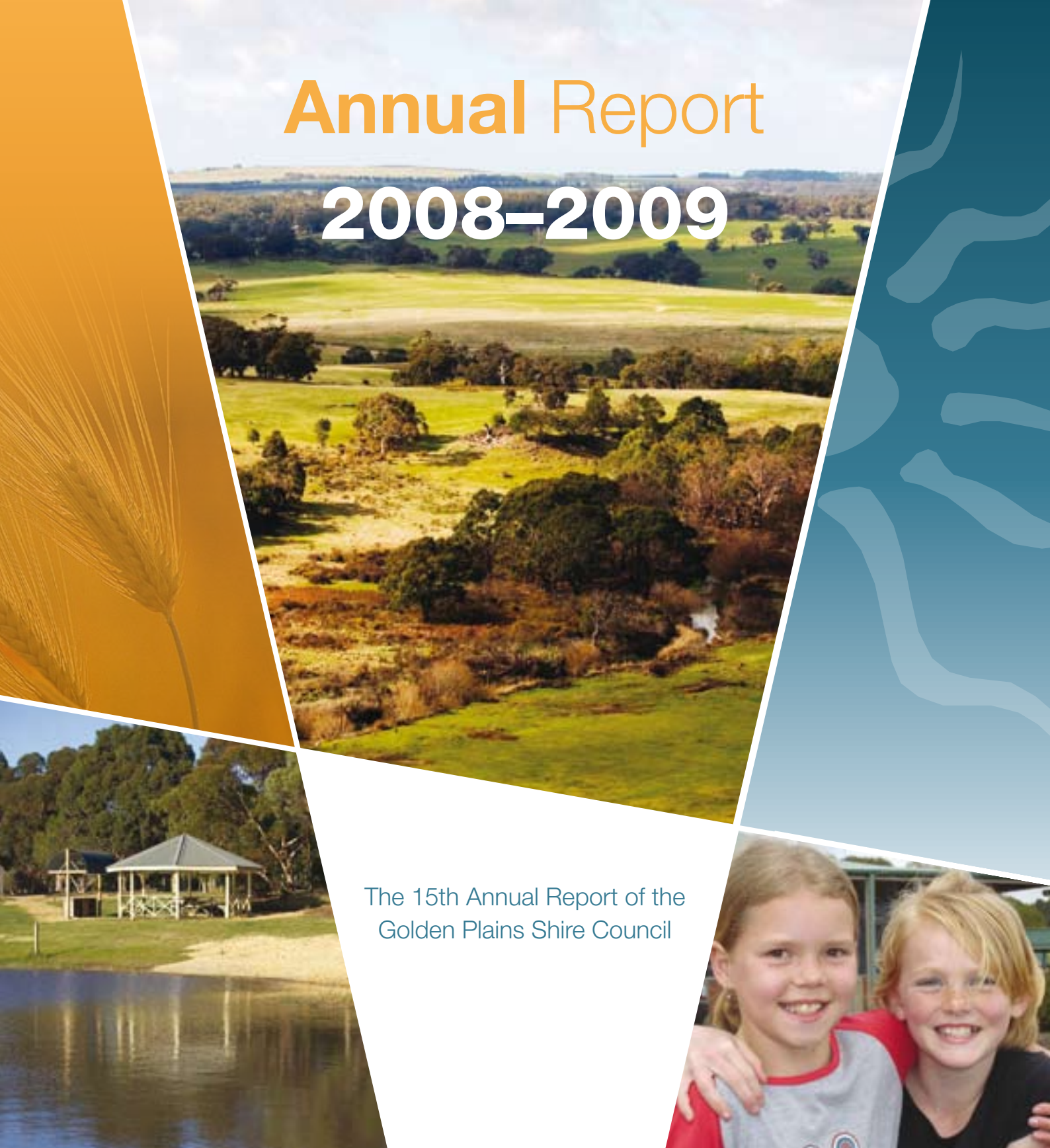


Annual Report

2008–2009



The 15th Annual Report of the
Golden Plains Shire Council



At a glance 2008-09

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

Area: 2,705 sq kms

Estimated Population: 17,681

Growth Rate: 1.97%

Number of employees: 183

Number of Councillors: 7 (9 until Council elections held 30th November 2008)

Number of Ridings: Un-subdivided from the 1st of December 2008

Rateable properties: 9,231

Total revenue: \$25.69m

Rate revenue: \$8.77m

Length of sealed local roads: 891 kms

Length of unsealed local roads: 768 kms

Main Roads: 220 kms

Climate: Cool winters and moderate summers

Annual Average Rainfall: 500-750 mm

Average winter temp: 10 degrees Celsius

Average summer temp: 25 degrees Celsius

COMMUNITIES

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





GOLDEN PLAINS SHIRE

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Vision, Mission, Values

OUR VISION

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

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

OUR MISSION

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

- We provide municipal leadership that reflects local needs within a competitive and changing environment while considering government priorities.
- We foster successful 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.



Shire Profile

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

With 17,681 residents across some 52 communities including 16 townships, Golden Plains is one of the fastest growing municipalities in Victoria, with population growth of around 25% between 2001 and 2006. Significantly, the Shire has a higher proportion of young people within its population than the state and national average.

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

While the Shire has a strong tradition of wool and grain growing, intensive animal farming, particularly poultry and pigs, is increasing. Growth in the home based business sector is providing healthy employment and lifestyle opportunities for the growing population.

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

Natural beauty is also a feature of Golden Plains.

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



Golden Plains Shire Council

where opportunities grow



Mayor's Report

On behalf of my fellow Councillors, I am pleased to present the Golden Plains Shire Council's 2008-09 Annual Report. During the reporting period we have continued to come to terms with changing economic conditions, fire and emergency management and the lasting effects of drought.

Council is often required to confront challenging decisions that demand an effective balance between meeting the needs of today, without compromising those of others in future.

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

Council is forward looking in its assessment of and response to new and emerging community needs. It is essential that Council continues to work closely with both Federal and State governments to ensure that this municipality maximises the level of funding possible in order to continue our programs that support infrastructure renewal and growth needs.

A strong partnership between Council, Council's Management Team and the Golden Plains community is central to the ongoing success of Council's performance both financially and socially. The combined result of strong links with our communities and Council's ability to responsibly navigate challenging decisions has positioned Golden Plains Shire as one of the most financially sustainable Councils in Victoria, with consistently high Community Satisfaction Survey ratings.

Initiatives of note this reporting period include:

- Council's ongoing investment in safe road infrastructure
- Increased advocacy for drought project funding and water security planning

- Development of Council's paths network through Creating Better Places State Government funding
- Construction of the Smythesdale Business, Health and Community Hub
- Support and development of the local kindergarten volunteer management committees in the Golden Plains Kindergarten cluster

I am pleased to acknowledge the dedication and enthusiasm of my fellow councillors who, whilst working as a team, approach their role with integrity and tenacity when representing our communities.

This Council is committed to continue to serve our residents honestly. We remain committed to approaching each challenge with commonsense, compassion and will work towards obtaining the best outcomes for the people of Golden Plains.

I also thank the Chief Executive Officer, Rod Nicholls and all Council staff for their hard work and high performance.

Finally, I would like to take this opportunity to thank our residents who take an active role in the Community Development and Community Planning programs, as well as the Shire's volunteers.

Volunteers are critical to the ongoing success of Golden Plains Shire and it is very important that the volunteers are recognised for their contribution to the community.

Without the contribution of these people (of whom there are many) democracy and standards of living would not be as strong as they are today in Golden Plains Shire.

Cr Jenny Blake





From the CEO

Over the past twelve months Council has successfully adapted to the Victoria Electoral Commission's decision to alter the Shire's electoral boundaries from 9 ridings and 9 councillors, to 7 in an un-subdivided municipality.

With 6 of the 9 previous Councillors re-elected, I am pleased to report that Council has remained steadfastly committed to the business of good local governance in service to our rapidly growing and changing communities.

Over the past twelve months, Council has embraced opportunities to both improve services and infrastructure for its communities, as well as its own operational and strategic capacity.

The development of community, sports and recreation infrastructure has been a key feature of Council's response to meeting new and emerging needs as its population continues to grow at a rapid pace of 2% per annum.

Council's 2008-09 capital works program was in excess of \$9m and has been focused on bridging the gap between emerging community needs and the existing infrastructure.

The completion of the \$1.4m Smythesdale Business, Health and Community Hub and Town Square, as well as the \$340k Smythesdale Main Street Improvement Project have been highlights, providing communities in the Shire's north west with much needed facilities and a renewed and revitalised historic, tourism and commercial precinct.

Council has also been successful in securing funding for the development of a Bannockburn Community and Cultural Hub, due to commence construction in the 2009-10 financial year. This project will further deliver Council's commitments to provide communities in the Shire's south east with much needed facilities.

Extensive "drought proofing" works have also taken place at recreational facilities across the Shire over the past year, including installation of drought tolerant grasses, improved water storages, efficient watering systems, and in some cases, synthetic surfaces.

Council has also been busy responding to the needs of its communities with the development of a new Municipal Early Years Plan, Municipal Public Health Plan, Disability Action Plan and an associated Advisory Committee. Its Transport Connections Program has also played an important role, with the introduction of several new services across the Shire.

In addition, Council has updated its Community Development Strategy over the reporting period to provide a renewed and refreshed approach to its community engagement and community planning initiatives.

Council's Economic Development Unit has also played a key role in building community strength. Eight industry cluster groups have been developed to drive collaboration on shared challenges and opportunities in pursuit of increased output and jobs in the Shire.

These cluster groups continue to be the primary source of industry led projects to enhance the sustainability and growth of jobs and economic output in the Shire.

Water supply for economic development and the environment remains a priority focus for Council and its constituents. Council has been very active in its efforts to lobby for improved environmental flows for the Moorabool River, which is the most stressed river in the state of Victoria. The state of the Moorabool River remains a serious concern.

Council has also taken the lead to work with water authorities and economic development representatives at local and state government levels to complete the G21 Secure Water Study. This work has, for the first time, delivered an agreed picture of the water supply and demand situation for economic development in the region and the gaps to be addressed if the challenges and opportunities identified are to be overcome.

Golden Plains Shire Council has been nominated to Chair the taskforce responsible for implementation of recommendations and I look forward to reporting further progress on this in the new financial year.

On a separate note, in light of the events on Black Saturday, 7 February, 2009, Council has been active in reaffirming its roles in emergency preparedness and response. Council deployed several of its Engineering and Environmental Health staff to fire effected areas in Victoria's south east. Council continues to work hard on ensuring everything that can be done to be prepared for such events is done in preparation for the fire season of 2009-10.

In summary, it has been a busy and successful year for Council and its staff. I am pleased to report that the Council Plan for 2008-09 has been delivered successfully and the Shire remains one of the most financially sustainable Councils in Victoria. This highlights strong financial discipline from Council and Management who continue to work hard on meeting the needs of today, without compromising those of future generations.

Council remains acutely aware of the impact of increasing rates on households, farms and businesses. All levels of the organisation, including the Mayor, Councillors, the management team and staff are committed to ensuring that we achieve value for money in everything we do. I take this opportunity to express my appreciation to the community, the Mayor, Councillors and staff for their support, guidance and commitment to working for a more healthy, vibrant and sustainable future.

Rod Nicholls

Golden Plains Shire Council

where opportunities grow

COUNCILLORS



Mayor Cr Jenny Blake

*First elected
March 1996*



Cr David Cotsell

*First elected
November 1998*



Cr Gerald Dupe

*First elected
March 1996*



Cr Geraldine Frantz

*First elected
December 2003*



Cr Helena Kirby

*First elected
November 2007*



Cr Kevin Knight

*First elected
March 1996*



Cr Bill McArthur

*First elected
March 1996*

SENIOR MANAGEMENT



Rod Nicholls

*Chief Executive
Officer*



Jillian Evans

*Director
Community Services*



David Madden

*Director
Technical Operations*



David Spear

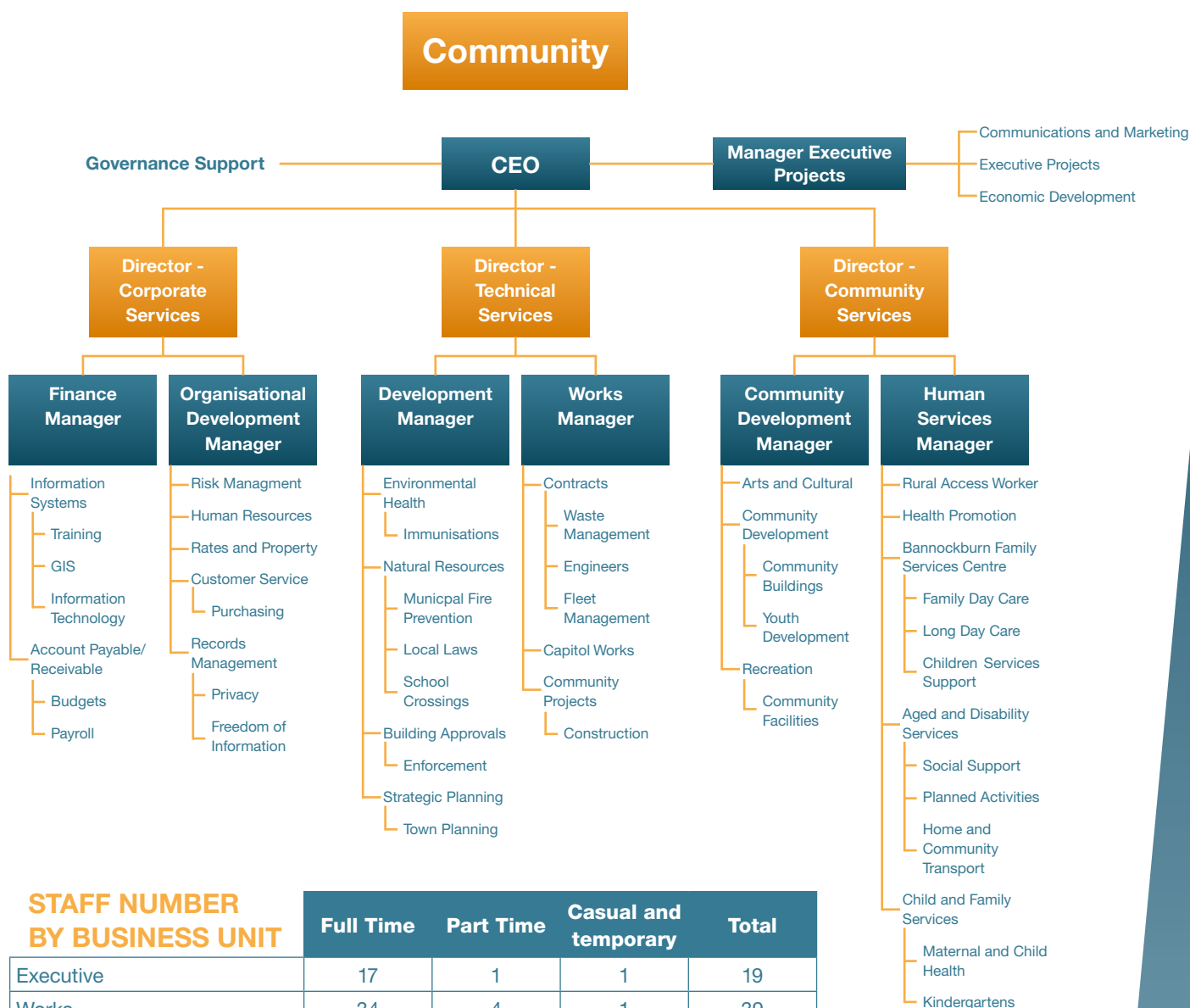
*Manager
Executive Projects*



Richard Trigg

*Director
Corporate Services*

Organisation Structure



STAFF NUMBER BY BUSINESS UNIT

	Full Time	Part Time	Casual and temporary	Total
Executive	17	1	1	19
Works	34	4	1	39
Development	15	8	4	27
Organisational Development	7	5	7	19
Finance	7	4		11
Community Development	8	1	1	10
Human Services	18	54	31	103

STAFF ANALYSIS

	Female	Male	Total
Full Time	48	58	106
Part Time	70	7	77
Total	118	65	183
Equivalent Full Time			
Full Time	48	58	106
Part Time	40.8	4.1	44.9
Total	88.8	62.1	150.9

Year in Review

Throughout 2008-09, Council has been able to implement all but one of the 83 objectives set out in the Council Plan. The major highlights are presented below against Council's nine key result areas.

Citizen & Customer Service

- Community Satisfaction Survey results concluded Council's overall performance is amongst the highest in the small shire's group of 21 councils and we perform significantly better in a number of key service areas including traffic management, advocacy and economic development.
- Regularly consulted with communities through Council's Community Development Program, the bi-monthly newsletter Golden Plains Gazette, Council's improved website and regular public planning, waste and recreation meetings.
- Actioned remaining objectives from Council's Communications Strategy, including a renewed focus on engaging with community newsletters, promoting local events and providing regular advice to residents relating to fire preparedness, community services and economic development initiatives.
- Continued implementation of the Customer Service Strategy including improved display of reception information, installation of display noticeboards and an update of the new residents kit.

Civic Leadership

- Regularly lobbied state and federal government, which contributed to major funding announcements including the Bannockburn Recreation Precinct, The G21 Water Security in Golden Plains Shire project, the Bannockburn Community and Cultural Hub, Smythesdale Town Square development and a range of irrigation projects to drought proof recreation facilities across the Shire.
- 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 for twelve projects. A highlight has been the series of civic receptions held for the Governor of Victoria in September 2008.

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: the Golden Plains Business Leaders' Breakfast Program, Home Based Business Training Calendar, Tourism Familiarisation Tours, Moorabool Valley Wine Action Group Wine Marketing Project, G21 Agribusiness Forum Feasibility Study and the Golden Plains Shire & G21 Securing Water for Economic Development Study.
- 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 & Land Use Planning

- Implementation of South East Land Use Planning Review.
- The Bruce's Creek path in Bannockburn, funded by the "Creating Better Places" State Government Grant, construction has commenced and Council's own path program continues.
- The Smythesdale Urban Design Framework (Amendment C36) was approved in March by the Minister for Planning.
- The ongoing review of town structure plans has included the Rokewood Corindhap Dereel Urban Design Frameworks and Inverleigh Structure Plan Review. Planners are also currently working on the Residential Land Supply Study.

Financial Management

- Implemented the fourth year of Finance 2005, Council's strategic resource plan, which finances the Council plan, including the new rating strategy.
- Council formally resolved to support the MAV and the ALGA in their endeavours to lobby for a share of Commonwealth Government taxation revenue to reduce dependence on rate revenue.

Human Support Services

- Facilitated the development of a network of community service hubs including Bannockburn in the south, Smythesdale in the north and Dereel/Rokewood in the centre.



- Long Day Care utilisation has grown to capacity, and there is now a waiting list for all ages. Long Day Care has been accredited by the National Childcare Accreditation Council as a high quality service.
- All services including Long Day Care, Family Day Care, Kindergarten and Occasional Care have retained their licence and accreditation status.
- Continued to work with local kindergarten volunteer management committees on the operation of kindergartens in the Golden Plains Kindergarten cluster.
- A highlight of the implementation of the Maternal and Child Health Action plan has been the trial of an innovative service delivery model in Napoleons, linking playgroups, Maternal and Child Health nurses and the Children's Services Development Officer. The evaluation has been positive and the model will be assessed for implementation in other areas of the Shire.
- The 15th Golden Plains Shire Health Planning Forum was conducted in March 2009 at Smythesdale. The forum continues to provide an avenue for identifying issues and opportunities relating to the health and wellbeing of residents within Golden Plains Shire.
- Highlights of Council's Health Promotion Plan include the Community meal at Haddon, the Men's Community Kitchen at Dereel, the Dereel Seniors Debutante Ball, and Diabetes and other health education in the south of the Shire.
- The Golden Connections Community Transport Plan continues to be implemented. Considerable research has been undertaken in relation to the public transport needs of residents in Golden Plains Shire.

Recreation & Community Development

- Implemented the Community Development Plan 'year one' actions. These include reviewing community plans, providing communities with a choice of three possible engagement models, developing an orientation program for new coordinators and more intensive marketing of the community planning program.
- The completion of the Teesdale Turtle project progressed the implementation and development of the Teesdale Town Place Plan. The Teesdale Turtle constructed near Native Hut Creek in Teesdale provides a Community Performance Space with a theme featuring the Native Hut Creek flora and fauna.
- Encouraged increased participation to maximise use of recreation centres through a number of 'Go For Your Life' programs and training with local Committees of Management.
- Completed the Inverleigh Bowls Synthetic Surface project.
- Completed the Napoleons Sub Surface Irrigation project.

- Completed the upgrade to the Ballarat to Skipton Rail Trail in partnership with the City of Ballarat and Corangamite Shire.
- Completed the Don Wallace Recreation Reserve project.

Roads & Streets Infrastructure

- Continued to advocate for passing lanes on the Hamilton Highway (between Inverleigh and Geelong) and the Bannockburn-Shelford Road.
- Passing lanes have been constructed on the Glenelg Highway between Linton and Scarsdale.
- Road construction and maintenance works continue to be undertaken in accordance with Council's Road Strategy. In accordance with the Asset Management element of the Strategy, the Road Condition Survey was completed in October 2008.
- Continued to advocate the need for the State Government to upgrade highways impacted by new VicRoads developments such as the Geelong Ring Road and population growth, including upgrade works to the Hamilton Highway.
- Completion of a number of VicRoads intersection treatments on Highways and main roads in the Shire. These include the following intersections:
 - Glenelg Highway and Ross Creek Haddon Road;
 - Glenelg Highway and Pittong Lismore Road;
 - Colac Ballarat Road and Lacys Road, Cambrian Hill;
 - Lismore Scarsdale Road and Rokewood Skipton Road, Pitfield - (Cape Clear part of the intersection); and
 - Hamilton Highway and Barwon Park and Inverleigh Shelford Road, west of Inverleigh.

Waste Management

- Council continued to implement the Waste Wise Action Plan. In recent times there has been significant emphasis on recycling of obsolete mobile phones and expended printer cartridges.

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 18,000 people. It has only one town of just over 3,000 people (Bannockburn) and four others with populations of around 1,000 people.

Community building and strengthening are key objectives 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 57 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 & 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.



INVESTING IN OUR FUTURE

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

In many respects the service and infrastructure provided by Ballarat, Geelong and Melbourne is appealing 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.

Not surprisingly, population growth has increased residential development in Golden Plains Shire, subsequently home ownership levels are high.

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.

Council is investing approximately \$12.6m over the next twelve months in capital infrastructure, providing a significant platform for the region's future growth.

The \$12.6m capital works program across the municipality delivers much needed community infrastructure including the drought proofing of sporting facilities and the maintenance of our extensive road network.

The rapid and disbursed 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 outlines the key initiatives and strategies to be funded to deliver Council's aspirations.

Council's strategic objectives are outlined and displayed for public consultation annually. The nine current key objectives are:

- To foster a culture across the organisation that meets the needs of the community through communication and the provision of excellent customer service.
- To enhance Council's decision-making capacity by strengthening the governance and advocacy of Council.
- To facilitate the growth of the local economy particularly in township development and rural based industries.
- To encourage and facilitate sustainable land use and development and protect and enhance the natural environment.
- To ensure the efficient and effective allocation of resources through sound financial planning and management that secures the long-term financial viability of the municipality.

- To provide a range of sustainable human support services that maintains or enhances the wellbeing and quality of life of Golden Plains' residents.
- To facilitate the provision of a range of recreation facilities across the shire and assist the community committees to best service their communities and to continue to enhance townships through Town Place Plans.
- To maintain and enhance the road network at a level that adequately satisfies transportation needs.
- To continue to provide the current satisfactory garbage bin and recycling bin collection and disposal service.

Significant investment in regional infrastructure has taken place over the past twelve months with the completion of the Smythesdale Business, Health and Community Hub.

This facility provides a community and business centre incorporating four small business offices, a tourism information centre, community meeting room, shared kitchen facilities and amenities.

The building features a walk in walk out medical facility including consulting rooms and a pharmaceutical drop off facility to enable a doctor to provide a regular GP service for the town and wider community.

A parking bay for Council's community transport vehicles and mobile library service are also located on the site, as well as a tourism information centre linked by a new path system, town square and public toilets in the main street.

The Smythesdale Town Square now includes a grassed amphitheatre for community events, a rotunda, BBQ and related furniture.

In this current reporting period, Council has received significant funding to invest in the following projects for 2009-10:

- Bannockburn Recreation Precinct
- Inverleigh Lawson's Park Upgrade
- Bannockburn Community & Cultural Hub
- Linton Bowls Club Synthetic Surface Upgrade



Golden Plains Shire Council

where opportunities grow

Growing our Local Economy

Situated between the three major urban centres of Geelong, Ballarat and Melbourne, the Shire offers a diverse range of rural and semi-rural lifestyle opportunities, all within a short distance of higher order employment and service centres. Recent completion of the Geelong Ring Road and Deer Park Bypass have decreased respective travel times from the Shire's south east and north west into Melbourne to less than an hour.

The Shire's predominantly agricultural economy is complimented by a strong population growth rate of 2% per annum, underpinned by desirable housing choices and opportunities for local and regional employment in close proximity to three of Victoria's four largest cities.

The Gross Regional Product (GRP) of Golden Plains Shire's economy is estimated to be \$349m, derived from an overall economic output of \$613m per annum.

Although the Shire's economy is relatively small in comparison to larger neighbouring municipalities, it adds significantly to the diversification of the industrial, commercial and tourism base of the wider regional economy.

The Shire's industry strengths include Agriculture, Wine Making, Construction, Property and Business Services, Retail, Wholesale Trade, Transport and Storage.

The total economic output of the Shire's agricultural sector is \$170m, including \$69m from sheep farming, \$26m from poultry farming, \$22m from grain production, \$19m from beef cattle farming and \$12m from services to agriculture. The value of agricultural exports is \$142m per annum, which is 47% of the Shire's total exports.

Golden Plains Shire's agriculture sector contributes \$92m to GRP, which is 23% of the G21 Region's total for the sector of \$402m. The sector provides 765 jobs in the Shire, equivalent to 33% of all jobs.

Recent studies have identified that the region has a proven competitive advantage and great potential for growth as a location for rural enterprises, particularly in the intensive livestock sector. It is anticipated that agriculture and its supply chains will continue to play a central role in the overall economic development and sustainable growth of local and regional economies.

Wine making is an important sector for the Shire, contributing \$36m, or 5.6% to overall economic output. The value of wine making exports is \$30.5m annually and represents 10% of the Shire's total exports. The sector contributes \$11m to GRP and provides 52 jobs. The Shire is also proud to be the home of award winning and high profile wine brands such as Amietta, Austins, Bannockburn, Clyde Park, Darriwill Farm, Eagles Rise, Lethbridge Wines, Moorabool Estate, Moorabool Ridge, Rowsley's Fault and Spence Wines.

Strong population growth continues to drive domestic demand in the local economy;

- Between 2001 and 2006, Golden Plains Shire experienced the highest population growth (in percentage terms) of any municipality outside of Melbourne;
- In the south east of Golden Plains, the population increased by 23% between 2001 and 2006. In the north west area,

the population increased by close to 7%. Although growth in the north has been slower than in the south, it has still been much higher than the growth rate for rural and regional Victoria and for Victoria as a whole;

- The population will continue to increase, particularly in the south east which is predicted to grow by 77% in the next 15 years (ID Consulting 2007).

Golden Plains is one of Victoria's fastest growing municipalities outside of Melbourne and one of the State's fastest growing overall. Council's adopted Township Plans and Urban Design Frameworks make provisions to accommodate identified future growth.

Rapid population growth continues to support growth in the construction sector, which contributes \$72m (12%) to annual economic output and provides 217 (10%) of jobs. Construction accounts for \$24m of GRP and \$25m (20%) of local expenditure on intermediary goods and services.

Considering the population data available, Council's planning provisions for future growth and increasing integration of the local and regional economies, the construction sector in the Shire is anticipated to remain very strong into the future.

From a strategic perspective, Council's Economic Development Strategy is targeted to support local businesses in the following ways:

- 1. Secure Water for Economic Development;**
- 2. Develop and Facilitate Industry Cluster Groups;**
- 3. Develop and Implement a Tourism Master Plan;**
- 4. Provide Residential, Commercial and Industrial Land.**

The development of Industry Cluster Groups also continues to be a focus of Council's efforts to support local business. By facilitating dialogue between businesses in the same industry to identify and respond to shared challenges and opportunities in pursuit of growth, Council is able to engage with industry to support improved industry networks and implementation of industry led projects.

Council will be developing the first stage of its Tourism Master Plan in the new financial year. Commencing in the Shire's north west the project will engage with businesses to define a shared vision for tourism and develop a series of industry groups to lead the development of coordinated improvements to tourism products, services and marketing.

In addition, Council's Economic Development Unit continues to investigate opportunities for commercial and industrial development that support economic growth. While the supply of industrial land in the Shire is presently severely constrained, there are planning applications under consideration that may alleviate this constraint in future.

Golden Plains Shire strongly supports well considered economic development initiatives leading to increased economic output and job creation. Council's Economic Development Unit works closely with businesses and all levels of government to overcome challenges and capture opportunities in pursuit of economic growth and employment in the Shire. Council's Economic Development Officers can be contacted on (03) 5220 7111.

RESPONDING TO CLIMATE CHANGE

Our environment influences the way we live, work and interact with the world. Every aspect of our lives touches in some way on our environment.

Addressing climate change has been identified as a major or emerging activity by 75% of councils although less than one third of rural councils view it as a major area of activity (MAV, 2008).

Our Environment

Golden Plains Shire developed its first Environment Strategy in 2003 and has been implementing actions from the strategy over the past five years. In 2007, work commenced on developing a new strategy to guide Council in its application of resources in order to protect and where possible enhance the environment at a local level.

Golden Plains Shire is essentially comprised of two distinct environments or bioregions. The north and eastern areas of the Shire are dominated by the Central Victorian Uplands which consists of very old, loose, gravelly or sandy soils that are poor in nutrients. These areas of open eucalypt forests were once extensively mined for gold and much of the timber cut for firewood and mine supports and have since regenerated.

The less fertile hills support Grassy Dry Forest and Heathy Dry Forest ecosystems. Herb-rich Foothill Forest and Shrubby Foothill Forest ecosystems dominate on the more fertile outwash slopes. Lower lying valleys and plains are dominated by Valley Grassy Forest and Plains Grassy Woodland ecosystems.

The southern portion of the Shire is dominated by the Victorian Volcanic Plains bioregion. Formed as a result of numerous volcanic eruptions, the Victorian Volcanic Plains have an extensive undulating basaltic plain with stony rises, old lava flows, numerous volcanic cones and old eruption points and is dotted with shallow lakes both salt and freshwater.

The Plains typically support treeless Plains Grassland ecosystems or Plains Grassy Woodland with scattered eucalypts. On the stony rises (volcanic outcropping) the stony earths support Stony Rises Herb-rich Woodland, Basalt Shrubby Woodland and Herb-rich Foothill Forest ecosystems.

Reducing Our Footprint

In relation to climate change, Council has three distinct roles.

- Reduce its carbon footprint.
- Provide information and support to residents to enable them to actively reduce their carbon footprint.
- Ensuring that development is planned in such a way as to minimise the carbon footprint of the community (e.g. bike paths, sustainable housing).

The Department of Human Services (DHS) has recently provided Council with a \$13k grant to assist Home and Community Care (HACC) clients with water saving activities.

As part of the grant, Golden Plains Shire offered clients the opportunity to change showerheads, clean gutters, mulch gardens, fill water tanks in non mains areas and install a simple grey water diverter system. To date, this has been extremely well received and we have had over 60 calls requesting assistance.

In 2008-09 Council has participated in the Families Go Green program to assist residents to save water and energy.

Families Go Green is an environmental program designed to help families to introduce everyday water and energy saving practices.

Funded by the Victorian Government, and coordinated by Golden Plains Shire and Environment Victoria, Families Go Green comprised of four workshops free of charge which provided interested residents with the knowledge and equipment to introduce environmentally friendly initiatives in their own home.

Water Security

Clearly the matter of greatest concern to Golden Plains Shire residents who responded to the 2008 Resident Environment Survey revolves around the issue of water. Water supply, water use, water re-use and recycling rated consistently in the top three priorities in the survey results.

Securing water for economic activity is a central priority for Council. In partnership with local businesses, statutory authorities and regional planning groups, Council's Economic Development Unit has been active in its efforts to define the challenges and opportunities in pursuit of water for economic development.

Significant progress was made towards this objective during the 2008-09 financial year:

- Completion of the G21 Region Secure Water Study detailing an agreed picture of the water supply and demand situation, as well as service and infrastructure gaps to be addressed to overcome them;
- The establishment of a G21 Water Taskforce responsible for implementation of the recommendations identified in the G21 Region Secure Water Study; and
- Establishment of Moorabool Valley Water Limited (MVW Ltd.), a not for profit company limited by guarantee, representing the economic, environmental and social interests of Moorabool Valley agribusinesses in the Shire's south east.

Grants Obtained

In 2008-09, Council received external funding for the following community based projects

PROJECT	FUNDING SOURCE	Amount Received 2008-09	Total Grant Funding	Total Project Cost
Saluting Their Service	Dept of Veterans' Affairs	\$2,667	\$2,667	\$3,500
State Emergency Service	State Emergency Service	\$5,390	\$5,390	\$10,800
MECC Equipment Program	Municipal Association Victoria	\$6,498	\$6,498	\$6,800
Recommission Bores	Southern Rural Water	\$9,204	\$12,657	\$31,500
Economic Development Strategy	Regional Development Victoria	\$49,900	\$117,500	\$296,000
Moorabool Valley Wine Growers	Regional Development Victoria	\$30,000	\$30,000	\$48,000
Smythesdale Streetscape	Regional Development Victoria	\$210,000	\$210,000	\$347,000
Smythesdale Business, Health & Community Hub	Dept. of Transport & Regional Services (RP) Dept. of Transport & Regional Services (RMIF) Dept of Planning & Community Development	\$468,500	\$1,200,000	\$1,317,000
Provincial Economic Partnership	Regional Development Victoria	\$12,500	\$12,500	\$12,500
Housing Strategy	Dept of Sustainability & Environment	\$20,000	\$20,000	\$20,000
Heritage Study Implementation	Heritage Victoria	\$15,000	\$15,000	\$30,000
Heritage Advisory Services	Dept of Planning & Community Development	\$1,215	\$9,215	\$17,200
Bruces Creek Walking Path	Dept of Planning & Community Development	\$106,250	\$106,250	\$212,500
Fire Access Road	Country Fire Authority	\$19,002	\$19,002	\$25,300
Families Go Green	Environment Victoria	\$15,000	\$15,000	\$15,000
Interim Roadside Weed Control	Dept of Primary Industries	\$30,000	\$30,000	\$30,000
Weedstop Training	Dept of Primary Industries	\$9,575	\$11,250	\$11,300
Community Building Initiative	Dept of Planning & Community Development	\$152,637	\$185,580	\$185,600
Library	Dept of Planning & Community Development	\$127,705	\$127,705	\$219,200
Public Internet Access Program	State Library of Victoria	\$1,250	\$1,250	\$3,300
Music Workshop (Australia Council)	Australia Council	\$20,000	\$20,000	\$30,000
National Youth Week	Dept of Planning & Community Development	\$2,000	\$2,000	\$4,000
Youth Participation & Access	Dept of Planning & Community Development	\$37,950	\$37,950	\$38,000
Freeza Program 2009	Dept of Planning & Community Development	\$9,725	\$19,450	\$19,500
Youth Action Teams	Dept of Planning & Community Development	\$7,000	\$17,500	\$57,300
Freeza Project 2008	Dept of Planning & Community Development	\$9,725	\$19,450	\$19,500
Bannockburn Recreation Precinct Development	Dept of Infrastructure, Transport, Regional Development & Local Government	\$1,000,000	\$2,500,000	\$4,000,000
Drought Relief Water Storage & Irrigation	Dept of Community Sport & Recreation	\$20,000	\$100,000	\$150,000
Turtle Floor	Regional Arts Victoria	\$10,000	\$10,000	\$10,000
Victoria Park, Bannockburn (GDFL) Oval & Lighting	Geelong & District Football League	\$85,000	\$100,000	\$200,000
Drought Relief - Ross Creek	Dept of Community Sport & Recreation	\$56,600	\$56,600	\$84,900
Synthetic Surfaces Fund (Linton Bowls)	Dept of Planning & Community Development	\$60,000	\$90,000	\$180,000
Skate Facility Access Program	Dept of Community Sport & Recreation	\$12,000	\$60,000	\$100,000
Don Wallace Rec Reserve Pavillion	Dept of Planning & Community Development	\$12,000	\$85,000	\$114,100
Inverleigh Football Pavilion (CF&N)	Dept of Planning & Community Development	\$24,000	\$160,000	\$200,000
Bannockburn Community & Cultural Hub	Dept of Planning & Community Development	\$215,000	\$995,300	\$1,360,300
Scarsdale Hall Development	Regional Development Victoria	\$46,667	\$46,667	\$75,000
Teesdale Turtle Development	Dept of Industry, Infrastructure & Regional Development	\$36,250	\$72,500	\$146,300
Inverleigh Netball Bowls Pavilion	Dept of Planning & Community Development	\$469,000	\$469,000	\$469,000
Victoria Park, Bannockburn	Dept of Planning & Community Development	\$314,000	\$500,000	\$1,020,300
Storm Water Drainage Project, Smythesdale	Dept of Sustainability & Environment	\$25,000	\$250,000	\$540,000
Ballarat - Skipton Rail Trail Project	Regional Development Victoria Dept of Transport and Regional Services	\$242,587	\$275,000	\$641,000
TOTAL		\$4,006,797	\$8,023,881	\$12,301,700



Grants & Donations Announced (Community Grants)

In 2008-09, Council allocated the following grants and donations to community groups:

ORGANISATION	PROJECT	AMOUNT FUNDED \$
Advance Meredith Association	Stage 4, Meredith Town Place Project - Tree planting, heritage street signs, bin covers and picnic tables and chairs near playground.	1,676
Bannockburn Activity Group	Exercise for Over 50's - Purchase of equipment including treadmill, dumb bells, and steps.	903
Bannockburn Golf Club	Fairway Restoration Stage 2.	4,516
Bannockburn Kindergarten	Playground Fort and Swings.	4,516
Bannockburn Lions club	Lions Club 2nd community BBQ.	2,258
Bannockburn Recreation Stadium	Replace carpet area in foyer with rubberised flooring.	2,710
Bellarine Harness for Pleasure	Building of Eight Obstacles at Leighdale Equestrian Centre for carriage driving competitions.	4,516
Berringa Community Committee Inc.	Playground Equipment.	4,516
Corindhap Soldiers Memorial Hall	Hot water service.	1,381
Dereel Soldier's Memorial Hall	Kitchen Upgrade (stove range, hood, fridge) Storage Shed.	2,800
Garibaldi Environment Group	Garibaldi Bridges Walking Track (Stage 2) - Linking the Yarrowee River from South Durham Bridge to the Garibaldi Bridge. Includes Signage.	3,567
Garibaldi Hall Committee Inc.	The Garibaldi Hall Toilet Refurbishment and Water Conservation Project - Water tank, bathroom accessories.	4,445
Golden Plains Horsemanship Naturally	One Day Risk Assessment Workshop for Equine Clubs.	994
Golden Plains Shire Youth Activities Group	Golden Plains Summer Escape - A weekend camp in Maldon for 40 youth.	3,874
Haddon Primary School	Haddon Community Wetlands Project Stage 1 - Gravel paths and boardwalk.	4,516
Haddon Recreation Centre	Recreation Enhancement/Makeover - Landscaping, fencing, signage for athletics and heating of cricket club rooms.	3,252
Inverleigh Cricket Club	Purchase of honour board and bowling machine.	4,516
Inverleigh Kindergarten	2009 - Sand, soft fall, and upgrade of equipment.	3,505
Inverleigh Playgroup	Purchase Play Equipment and Upgrade to Outdoor Sandpit.	370
Inverleigh Progress Association	Town Entrance Signage.	3,613
Leighdale Committee of Management	Outdoor tables, horse manure bin, lap top computer.	1,809
Lethbridge Playgroup	SunSmart Shade Provision - includes building/grounds maintenance.	2,254
Lethbridge Recreation Reserve Committee of Management	Outdoor Seating at Lethbridge Recreation Reserve.	1,012
Linton Playgroup	Linton Playgroup Equipment Upgrade.	452
Mannibadar Tennis Club	New Tennis Net, Storage Cupboard and Chairs for Clubroom.	393
MARES Inc. Mothers Appreciating Recreational Equine Support	MARES Community Equine Workshops & Art Project.	2,303
Maude Recreation (Tennis) Reserve Committee of Management	Pavilion Rain Saver - Installation of tank.	2,648
Meredith & District Blue Light Youth Group	10 Blue Light Discos Across Southern Golden Plains Shire.	1,807
Meredith & District Memorial Hall	Community Hall Facility Improvement Project - Upgrade to switchboard and installation of safety switches, and new stove.	3,782
Meredith Community House Inc.	Heating Up - Cooling Down - Purchase of installation of 2 split system heating and cooling systems.	1,694
Meredith Golf Club	Renovate Men's Change Room and Toilet.	4,516
Napoleons Primary School	Napoleons Arts Festival - the Art of Sustainability.	4,516
Napoleons Sebastopol Cricket Club Inc	Water Storage Tank Installation - purchase of two 5000 gal tanks and associated pumps.	3,661
Rokewood & District Country Festival	Rokewood To Go! PA, Portable BBQ and marquee.	3,162
Rokewood Kindergarten Inc.	Facility Upgrades - repairs to fence, soft fall. Educational Equipment - new table and chairs and fridge.	2,529
Rokewood Pony Club	Games equipment.	717
Rokewood Recreation Reserve Committee of Management	Security Upgrade - change locks on three community facilities and install curtains.	1,355
Shelford Cricket Club	Fencing the oval.	2,249
Smythesdale Adult Riders Club Inc	Show Jump Infill Equipment.	1,807
Smythesdale and District Pony Club Inc.	Upgrade/Replacement of unstable jump wings.	4,427
Teesdale Cricket Club	Cricket Safety - Install concrete run up to practice nets.	1,951
Teesdale Mechanics Institute	Development of strategic plan, installation of stage curtain, replacement of external doors, catering equipment and a community event.	2,863
Teesdale Playgroup Inc	Replacement of musical instruments, toys and dress ups.	412
Teesdale Preschool Inc	Upgrade of Sandpit and Surrounds - seating and storage in the sandpit area.	1,180
Teesdale Primary School	The Turtle's Journey - Inaugural festival. Lantern parade, fire hubs, and illuminated images.	3,857
Teesdale Recreation Reserve Committee of Management	Window covering/curtains.	1,077
Victoria Police Smythesdale	SKY (Smythesdale Kids and Youth's the limit.	2,258
Woody Yaloak Equestrian Centre	One Permanent Dressage Arena.	4,516
Woody Yaloak Historical Society Inc	Purchase of Computer Equipment to Improve Research Facilities.	2,349
TOTAL		\$130,000

Golden Plains Shire Council

where opportunities grow

Freedom Of Information

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

Equal Opportunity Statement

Council has adopted an Equal Opportunity Policy as follows:

Golden Plains Shire Council's 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.

Best Value Annual Report

Golden Plains Best Value objectives are to:

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

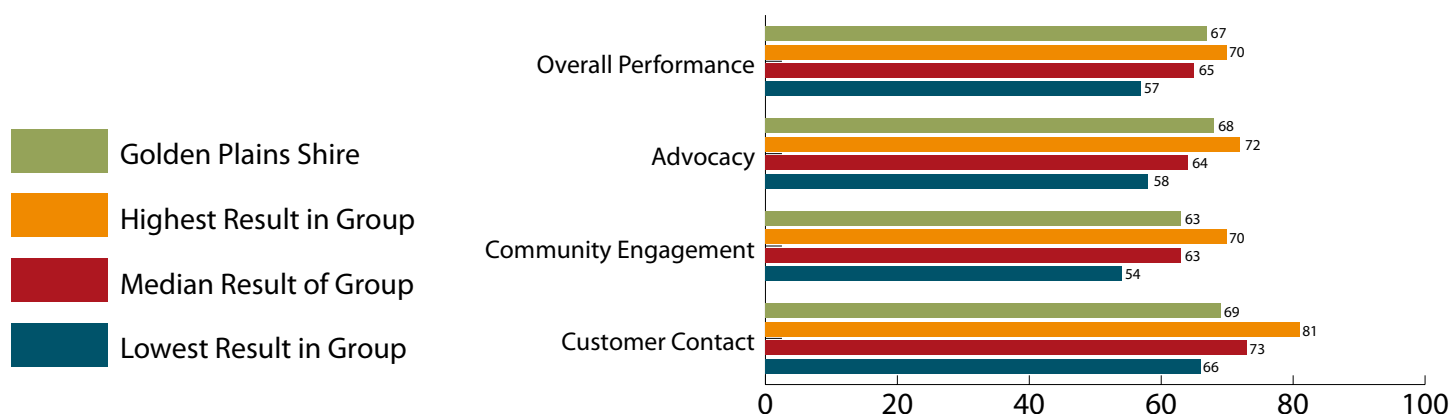
After completing the initial program of service reviews, the processes that underpin Best Value were revisited and a number of high level indicators that would indicate Council's progress in achieving Best Value were adopted. The detail of the review is contained in the "Organisational Performance Framework"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

The indicators required by the Framework are reported below:

<i>Performance measure</i>	<i>Achievement</i>	<i>Best Value Principle</i>
Achievement of Council Plan annual objectives	99%	Quality standards
Completion of Community Plan meetings	90%	Consultation Responsive to need
Improvements to processes and systems	118	Continuous improvements
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



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: 2008-09

Certification by Chief Executive Officer

Golden Plains Shire Council has complied with the requirements of the National Competition Policy (NCP) for the period 1 July 2008 to 30 June 2009, 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 2008-2009 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 10 September, 2009

Golden Plains Shire Council

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 three days undertaken in an official capacity by Councillors or any member of Council staff in the previous twelve 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 twelve months.
- (l) Agreements to establish regional libraries under section 196 of the Act.
- (m) Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles.
- (n) A register of authorised officers appointed under section 224 of the Act.
- (o) A list of donations and grants made by the Council.

- (p) Details of Council memberships.
- (q) A list of contracts valued at \$100,000 or more which 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 Plan Implementation

The 4 year Council Plan is reviewed and updated annually to include new actions and objectives. At its meeting in July 2009, Council's Director of Corporate Services reported to Council on the full implementation of Council's 2008-09 Plan, representing substantial progress in the implementation of the 4 Year Plan for the period 2007-11.

Local Laws

The following Local Laws were in place as at 30 June 2009:

Local Law No. 1 - 2009 Processes of Municipal Government

Local Law No. 2 - Public Amenity, Roads and Streets

Memberships 2008-09

Organisation	Membership Contribution
Committee for Ballarat	\$3,000
Committee for Geelong	\$3,000
G21 Geelong Region Alliance	\$29,000
Geelong Chamber of Commerce	\$650
Municipal Association of Victoria	\$16,359
National Timber Councils Taskforce	\$2,000
Rail Freight Development Alliance	\$2,200
Timber Towns Victoria	\$2,000
VECCI	\$3,078
TOTAL	\$61,287



Victorian Local Government Indicators, Standard Statements & Explanation of Variances 30 June 2009

COUNCIL PLAN STRATEGIC INDICATORS

COUNCIL PLAN STRATEGIC INDICATORS	Actual Performance Compared to Council Plan		
	Actual Result 2008-09	Council Target 2008-09	Difference
Community satisfaction rating for Customer Service	69	≥72	-3
Community satisfaction rating for Council's Advocacy	68	≥67	1
Community satisfaction rating for Economic Development	64	≥64	0
Community satisfaction rating for Town Planning Policy & Approvals	63	≥64	-1
Community satisfaction rating for Health & Human Services	75	≥78	-3
Community satisfaction rating for Recreational Facilities	67	≥69	-2
Community satisfaction rating for Local Roads & Footpaths and Asset Management System rating	51	≥53	-2
Community satisfaction rating for Waste Management	73	≥75	-2

VICTORIAN LOCAL GOVERNMENT INDICATORS

Average rates and charges per Assessment	\$ 1,067.88
Average rates and charges per Residential Assessment	\$ 928.52
Average Liabilities per Assessment	\$ 553.95
Operating Result per Assessment	\$ 418.43
Average Operating Expenditure per Assessment	\$ 2,438.86
Average Capital Expenditure per Assessment	\$ 1,076.65
Infrastructure Renewal Gap	78.99%
Infrastructure Renewal & Maintenance Gap	88.10%
Constituent Satisfaction Rating of Overall Performance	67
Community Satisfaction Rating for Council's Advocacy	68
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.

Golden Plains Shire Council

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Standard Statements

Standard Income Statement

For the year ended 30 June 2009

	ACTUAL \$	BUDGET \$	VARIANCE \$	VARIANCE %
REVENUE				
Rates	8,765,965	8,600,000	165,965	1.93%
Grants and Subsidies	12,248,960	10,681,435	1,567,525	14.68%
Contributions and Recoupments	1,366,437	1,398,542	(32,105)	2.30%
Fees and Charges	2,805,419	2,980,230	(174,811)	5.87%
Other Revenue	504,194	455,150	49,044	10.78%
Total Revenue	25,690,975	24,115,357	1,575,618	6.53%

EXPENDITURE				
Contracts and Materials	8,858,033	9,404,930	546,897	5.82%
Employee Costs	9,152,814	9,519,980	367,166	3.86%
Depreciation	3,865,807	4,859,483	993,676	20.45%
Debt Servicing	82,282	111,550	29,268	26.24%
Other Expenses	213,771	169,680	(44,091)	25.98%
Bad Debts	1,391	-	(1,391)	-
Total Expenditure	22,174,098	24,065,623	1,891,525	7.86%
Net Gain on Disposals	273,990	463,535	(189,545)	40.89%
Share of Net Profit of Associates accounted for by the Equity Method	13,529	-	13,529	-
Surplus from Ordinary Activities	Ref 1 3,804,396	513,269	3,291,127	641.21%



Standard Statements

Standard Balance Sheet

As at 30 June 2009

		ACTUAL \$	BUDGET \$	VARIANCE \$	VARIANCE %
CURRENT ASSETS					
Cash and Cash Equivalents		8,666,358	7,214,334	1,452,024	20.13%
Receivables		996,694	1,109,900	(113,206)	10.20%
Inventory - Consumables		23,947	25,000	(1,053)	4.21%
Non-Current Assets Classified as Held For Sale		966,068	814,930	151,138	18.55%
Other Current Assets		183,014	72,000	111,014	154.19%
Total Current Assets	Ref 2	10,836,081	9,236,164	1,599,917	17.32%

NON-CURRENT ASSETS

Land	Ref 3	10,044,510	12,651,130	(2,606,620)	20.60%
Land Under Roads		21,444	-	-	-
Buildings	Ref 4	15,066,569	17,062,717	(1,996,148)	11.70%
Furniture and Equipment		729,106	691,822	37,284	5.39%
Plant and Machinery		4,268,968	4,599,486	(330,518)	7.19%
Work in Progress	Ref 5	1,646,219	685,948	960,271	139.99%
Other Structures	Ref 6	1,306,273	1,006,910	299,363	29.73%
Infrastructure		134,965,883	143,324,903	(8,359,020)	5.83%
Investment in Associate	Ref 7	257,254	223,880	33,374	14.91%
Gravel Pit Rehabilitation		85,000	80,000	5,000	6.25%
Total Non-Current Assets		168,391,226	180,326,796	(11,957,014)	6.63%
TOTAL ASSETS		179,227,307	189,562,960	(10,357,097)	5.46%

CURRENT LIABILITIES

Payables		1,853,774	1,400,000	(453,774)	32.41%
Interest-Bearing Liabilities		167,718	286,601	118,883	41.48%
Provision for Employee Benefits		1,581,263	1,250,000	(331,263)	26.50%
Trust Funds		212,511	120,000	(92,511)	77.09%
Provision for Rehabilitation of Gravel Pits		25,000	-	-	-
Total Current Liabilities		3,840,266	3,056,601	(758,665)	24.82%

NON-CURRENT LIABILITIES

Interest-Bearing Liabilities		1,094,578	1,226,750	132,172	10.77%
Provision for Employee Benefits		185,059	120,000	(65,059)	54.22%
Provision for Rehabilitation of Gravel Pits		129,103	155,000	25,897	16.71%
Total Non-Current Liabilities		1,408,740	1,501,750	93,010	6.19%
TOTAL LIABILITIES	Ref 8	5,249,006	4,558,351	(665,655)	14.60%
NET ASSETS		173,978,301	185,004,609	(11,026,308)	5.96%

EQUITY

Accumulated Surplus and Reserves		173,978,301	185,004,609	(11,026,308)	5.96%
TOTAL EQUITY		173,978,301	185,004,609	(11,026,308)	5.96%



Golden Plains Shire Council

where opportunities grow

Standard Statements

Standard Statement of Cash Flows

For the year ended 30 June 2009

For the year ended 30 June 2009		ACTUAL	BUDGET	VARIANCE	VARIANCE	
CASH FLOWS FROM OPERATING ACTIVITIES		\$	\$	\$	%	
(Inclusive of GST where applicable)						
Receipts from Ratepayers		8,763,646	8,806,800	(43,154)	0.49%	
Grants		12,598,751	10,937,055	1,661,696	15.19%	
Interest Received		513,864	352,816	161,048	45.65%	
Fees and Charges		2,911,015	2,950,475	(39,460)	1.34%	
Contributions and Recoupments		863,728	1,709,015	(845,287)	49.46%	
Land Sales		1,304,833	1,954,843	(650,010)	33.25%	
Payments to Employees		(9,065,984)	(9,469,810)	403,826	4.26%	
Payments to Suppliers		(9,454,825)	(10,521,971)	1,067,146	10.14%	
Net GST Refunded		192,920	709,500	(516,580)	72.81%	
Net Cash Inflow from Operating Activities		8,627,948	7,428,723	1,199,225	16.14%	
CASH FLOWS FROM INVESTING ACTIVITIES						
(Net of GST)						
Payment for Land and Buildings		(815,006)	(1,264,002)	448,996	35.52%	
Payment for Infrastructure Assets		(5,524,417)	(5,246,006)	(278,411)	5.31%	
Payment for Plant and Machinery		(1,771,081)	(2,153,800)	382,719	17.77%	
Payment for Furniture and Equipment		(265,362)	(345,510)	80,148	23.20%	
Payment for Other Structures		(468,376)	(293,910)	(174,466)	59.36%	
Proceeds from Sale of Assets		874,914	920,150	(45,236)	4.92%	
Net Cash Outflow from Investing Activities		(7,969,328)	(8,383,078)	413,750	4.94%	
CASH FLOWS FROM FINANCING ACTIVITIES						
Repayment of Borrowings		(265,896)	(314,839)	48,943	15.55%	
Finance Costs		(91,637)	(111,550)	19,913	17.85%	
Net Cash Inflow from Financing Activities		(357,533)	(426,389)	68,856	16.15%	
Net Increase/(Decrease) in Cash Held		Ref 9	301,087	(1,380,744)	1,681,831	121.81%
Cash at the Beginning of the Year			8,365,271	8,595,078	(229,807)	2.67%
Cash at the End of the Year			8,666,358	7,214,334	1,452,024	20.13%

Standard Statement of Capital Works

For the year ended 30 June 2009

For the year ended 30 June 2009

	ACTUAL	BUDGET	VARIANCE	VARIANCE	
	\$	\$	\$	%	
CAPITAL WORKS					
Land and Buildings	505,867	1,191,102	685,235	57.53%	
Furniture and Equipment	335,070	318,900	(16,170)	5.07%	
Plant and Machinery	1,871,344	1,958,000	86,656	4.43%	
Work in Progress	1,595,195	-	(1,595,195)	-	
Other Structures	492,160	290,500	(201,660)	69.42%	
Infrastructure	4,252,337	5,100,055	847,718	16.62%	
Total Capital Works	Ref 10	9,051,973	8,858,557	(193,416)	2.18%

Represented by:

Renewal	2,086,248	3,126,440	1,040,192	33.27%	
Upgrade	2,572,841	2,507,000	(65,841)	2.63%	
New Assets	4,190,436	3,225,117	(965,319)	29.93%	
Expansion	202,448	-	(202,448)	-	
Total Capital Works		9,051,973	8,858,557	(193,416)	2.18%



Standard Statements

EXPLANATION OF VARIANCES

STANDARD STATEMENT OF INCOME

Ref 1: Council recorded an Operating Surplus for the year of \$3.804m compared to a budgeted surplus of \$513k. The difference of \$3.291m is predominantly due to the following:

Favourable Variances

Bannockburn Community & Cultural Hub deferred to 2009-10	\$1,053k
Part 2009-10 General Purpose Grant received in June 2009 (Government Stimulus)	\$1,061k
Grant – Bannockburn Recreation Precinct Development not budgeted (Government Stimulus)	\$1,000k
Depreciation lower than budget due to revaluation of Infrastructure	\$994k
Cost of land sold at Bakers Lane lower than budget due to a combination of fewer blocks sold and savings in construction costs	\$695k
Grant – Inverleigh Netball & Bowls Pavilion not budgeted	\$469k
Subdivisions Handed to Council higher than budget	\$343k
Rates Revenue higher than budget due to additional supplementary rate assessments	\$166k
Grant – Community Building Initiative Phase 2 not budgeted	\$144k
Smart Water Fund project not proceeding	\$140k
Grant – Rail Trail Project, Council managed greater portion of project	\$128k
Grant – Bruce's Creek Walking Path not budgeted	\$106k
Community Building Initiative Facilitator deferred to 2009-10	\$94k
Grant – Victoria Park (GDFL) Oval & Lighting not budgeted	\$85k
Implementation of Economic Development Strategy lower than budget	\$82k
Private Works expenditure lower than budget due to decrease in demand	\$82k
Country Football & Netball project not proceeding	\$75k
Teesdale Turtle Development to be completed in 2009-10	\$75k
Periodic Bridge Maintenance works incomplete	\$71k
Cape Clear Playground not proceeding	\$60k
Grant – Synthetic Surfaces Fund (Linton Bowls) not budgeted	\$60k
Panel & VCAT hearings lower than budget due to combination of results being achieved by negotiation and some VCAT issues still outstanding	\$59k
Grant – Drought Relief, Ross Creek not budgeted	\$56k
Grant – Environmental Management not budgeted	\$55k
Interest Received higher than budget due to increased cash balance	\$49k
Inverleigh River Walk part works completed 2007-08	\$40k
Rokewood/Corindhap/Dereel UDF deferred to 2009-10	\$40k
Interest on borrowings lower than budget – no new borrowings	\$29k
Grant – Storm Water Drainage project not budgeted	\$25k
South East Review deferred to 2009-10	\$25k
Grant – Housing Strategy not budgeted	\$20k

Unfavourable Variances

Grant – Bannockburn Community & Cultural Hub to be received 2009-10	(\$740k)
Land sales at Bakers Lane lower than budget due to fewer blocks sold	(\$595k)
Grant – Smythesdale Business, Health & Community Hub \$330k received in 2007-08 and \$202k to be received in 2009-10	(\$532k)
Ballarat City Council re Auslink Buninyong – Mt Mercer Road Grant	(\$263k)
Victoria Park (GDFL) Oval & Lighting transferred from capital	(\$166k)
Victoria Park, Bannockburn partly budgeted for in 2007-08 expenses incurred in 2008-09	(\$148k)
Public Open Space Contributions lower than budget due to timing of compliance	(\$127k)
Private works income lower than budget due to decrease in demand	(\$108k)
Grant – Teesdale Turtle Development different funding provided	(\$99k)
Street Beautification expenses higher than budget due to additional activity	(\$92k)
Grant – Victoria Park, Bannockburn to be received 2009-10	(\$86k)
Grant – Drought Relief Water Storage & Irrigation received 2007-08	(\$80k)
Grant – Part Economic Development Strategy to be received 2009-10	(\$68k)

Gravel Road Routine Maintenance higher than budget due to more effort required on gravel roads as a result of prolonged adverse weather conditions	(\$68k)
Drainage Maintenance higher than budget as additional drainage maintenance was required in conjunction with gravel road routine maintenance	(\$65k)
Vehicle Operations underfunded in budget	(\$61k)
Grant – Skate Facility Access Program received 2007-08	(\$48k)
Gravel sales lower than budget due to less demand	(\$46k)
Inspection Fees – Private Building Control lower than budget as less demand for Council business	(\$46k)
Grant – Smart Water Fund project not proceeding	(\$45k)
Tree Clearing expenses higher than budget due to completion of additional works	(\$45k)
Sign & Guidepost Maintenance higher than budget	(\$42k)
Contribution – Smart Water Fund, project not proceeding	(\$40k)
2008-09 General Purpose Grant lower than budget	(\$32k)
Depot Maintenance, additional expenditure required for WorkCover compliance	(\$32k)
Recommissioning of Existing Bores not budgeted	(\$31k)
Community Development Phase 2 budgeted for in 2007-08 and works commenced in 2008-09	(\$30k)
Grant – Management of Recreation Facilities \$24k received 2007-08 and \$8k 2009-10	(\$30k)
Routine Bridge Maintenance underfunded, rectified in 2009-10 budget	(\$29k)
Printing & Stationery higher than budget	(\$29k)
Property Rating Revaluation underfunded	(\$28k)
Rating Review not budgeted	(\$27k)
Grass Cutting higher than budget as additional fire prevention work	(\$27k)
Development of New Waste Strategy not budgeted - due to a lack of internal resources a consultant was engaged	(\$24k)
Level of Vacant Job Advertising was greater than anticipated	(\$23k)
Garbage Collection lower than budget due to fewer customers than budgeted	(\$20k)
Other unfavourable variances	(\$118k)
Total Operating Surplus Variance	\$3,291k

STANDARD BALANCE SHEET

Ref 2: Current Assets are \$1.60m higher than budget due to having an opening bank balance \$230k lower than budget, \$1.37m of unexpended operating projects, capital expenditure \$193k higher than budget and payables being higher than budget due to timing differences relating to the payment of creditors.

Ref 3: Land is \$2.61m lower than budget due to a decrease in the fair value in 2008 subsequent to the budget being adopted.

Ref 4: Buildings are \$2.00m lower than budget primarily due to a decrease in the fair value in 2008 subsequent to the budget being adopted.

Ref 5: Work in Progress is \$960k higher than budget due to the Smythesdale Business, Health & Community Hub not being completed by 30 June 2009.

Ref 6: Other Structures are \$299k higher than budget due to the reclassification of items from infrastructure to other structures with a value of \$150k, unbudgeted expenditure of \$84k and the decrease in the fair value in 2008.

Ref 7: Investment in Associate is \$33k higher than budget due to the following:

- The opening actual balance was higher than budget \$20k
- Surplus from Geelong Regional Library not budgeted \$13k

Golden Plains Shire Council

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Standard Statements

Ref 8: 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 lower than budget due to the budgeted loan not being required.
- The annual leave and long service leave provision is higher due to less leave being taken compared to budget. Long service leave is now recognised as being payable after 7 years service. The budget was prepared on the previous requirement of 10 years service.

STANDARD STATEMENT OF CASH FLOWS

Ref 9: Council budgeted for a net decrease in cash of \$1.38m but recorded an increase of \$301k, a variance of \$1.68m. This variance is due to the following:

Favourable Variances

Grants & Subsidies higher than budget primarily due to some 2009-10 grants received early	\$1,662k
Payments to Suppliers lower than budget due to timing	\$1,067k
Payments for Capital Expenditure lower than budget due to timing	\$459k
Payments to Employees lower than budget due to periods of vacancies	\$404k
Interest Received higher than budget due to additional investments	\$161k
Loan repayments lower than budget due to new borrowings not proceeding	\$49k
Interest paid lower than budget due to new borrowings not proceeding	\$20k

Unfavourable Variances

Proceeds from Contributions lower than budget due to less activity in this area	(\$845k)
Proceeds from Sale of Assets lower than budget due to fewer land sales	(\$695k)
Net GST refunded lower than budget due to less payments to suppliers	(\$516k)
Receipts from Ratepayers lower than budget due to timing in collection	(\$43k)
Proceeds from Fees & Charges lower than budget due to less activity	(\$39k)
Other Unfavourable Variances	(\$2k)
Total Cash Flow Variance	\$1,682k

STANDARD STATEMENT OF CAPITAL WORKS

Ref 10: Council spent \$9.05m on capital expenditure in 2008-09, \$193k higher than budget. This variance is due to the following:

Favourable Variances

Smythesdale Business, Health & Community Hub to be completed in 2009-10	\$301k
Purchase of land in Bannockburn did not proceed	\$255k
Bannockburn Community & Cultural Hub project not progressed as far.	\$186k
Purchase of land deferred to 2009-10	\$178k
Vehicle purchases lower than budget due to timing	\$57k
Purchase of Isuzu Crane Truck savings	\$50k
Purchase of John Deere Mower deferred to 2009-10	\$40k
Resurfacing of Tennis Courts lower than budget deferred to 2009-10 due to adverse weather conditions	\$40k

Unfavourable Variances

Smythesdale Main Street Development budgeted in 2007-08	(\$344k)
Shelford – Mt Mercer Road (Auslink) higher than budget	(\$258k)
Inverleigh Netball & Bowls Pavilion not budgeted	(\$202k)
Replacement of Kelly Road bridge budgeted in 2007-08	(\$76k)
Bakers Lane Road construction higher than budget	(\$70k)
Haddon Recreation Reserve Oval Improvement not budgeted	(\$53k)
Local Roads Resealing higher than budget	(\$47k)
Roads to Recovery higher than budget	(\$47k)
Relocation of Lethbridge Toilets not budgeted	(\$37k)
Victoria Park, Bannockburn budgeted in 2007-08	(\$36k)
Open Space Implementation higher than budget	(\$36k)
Iseki SF330 Ride on Mower budgeted in 2007-08	(\$26k)
Roads to Market (English Road) higher than budget	(\$26k)
Fendt Tractor budgeted in 2007-08	(\$25k)
Other unfavourable variances	(\$17k)
Total Capital Works Variance	(\$193k)

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 29–30 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 26 June 2008. The budget was based on assumptions that were relevant at the time of adopting the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet Council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from assets revaluations, as their impacts were not considered predictable.

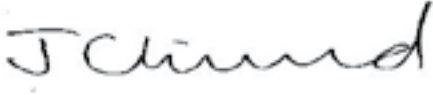
Detailed information on the actual financial results are contained in the General Purpose Financial Statements on pages 29–30. The detailed budget can be obtained by contacting Council or through Council's website. The Standard Statements must be read with reference to these documents.



Standard Statements

CERTIFICATION OF STANDARD STATEMENTS

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



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.

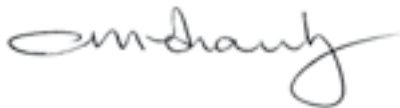
We have been authorised by Council on 23rd July 2009 to certify the financial statements in their final form.

Signed at Bannockburn this 10th day of September 2009.



COUNCILLOR JENNY BLAKE

Mayor



COUNCILLOR GERALDINE FRANTZ

Acting Chairperson, Audit and Finance Committee



ROD NICHOLLS

Chief Executive Officer

Golden Plains Shire Council

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where
opportunities
grow



Financial Report



Financial Report

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Income Statement

For the year ended 30 June 2009

		2009	2008
REVENUE	NOTE	\$	\$
Rates	7	8,765,965	7,765,102
Grants and Subsidies	8	12,248,960	8,279,365
Contributions and Recoupments	9	1,366,437	4,002,316
User Fees and Charges	10	2,634,534	2,388,949
Statutory Fees and Fines	11	170,885	163,088
Other Revenue	12	504,194	703,063
Total Revenue		25,690,975	23,301,883
EXPENSES			
Contracts and Materials	13	8,858,033	7,607,184
Employee Costs	14	9,152,814	8,047,347
Depreciation	15	3,865,807	4,458,913
Finance Costs		82,282	98,759
Other Expenses	16	213,771	164,072
Bad Debts		1,391	544
Total Expenses		22,174,098	20,376,819
Net Gain on Disposals	17	273,990	392,865
Share of Net Profit of Associates Accounted for by the Equity Method	29	13,529	19,841
Net Asset Revaluation Decrement		-	(126,919)
Surplus for the Period		3,804,396	3,210,851

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

Balance Sheet

As at 30 June 2009

		2009	2008
CURRENT ASSETS	NOTE	\$	\$
Cash and Cash Equivalents	18	8,666,358	8,365,271
Receivables	19	996,694	1,302,360
Inventory - Consumables	20	23,947	39,880
Non-Current Assets Classified as Held For Sale	21	966,068	1,421,782
Other Current Assets	22	183,014	351,663
Total Current Assets		10,836,081	11,480,956
NON-CURRENT ASSETS			
Property, Infrastructure, Plant and Equipment	28	168,133,972	166,718,563
Investment in Associate	29	257,254	243,725
Total Non-Current Assets		168,391,226	166,962,288
TOTAL ASSETS		179,227,307	178,443,244
CURRENT LIABILITIES			
Payables	23	1,853,774	1,584,307
Interest-Bearing Liabilities	24	167,718	265,895
Provision for Employee Benefits	25	1,581,263	1,423,793
Trust Funds	26	212,511	169,614
Provision for Rehabilitation of Gravel Pits	27	25,000	15,000
Total Current Liabilities		3,840,266	3,458,609
NON-CURRENT LIABILITIES			
Interest-Bearing Liabilities	24	1,094,578	1,262,297
Provision for Employee Benefits	25	185,059	168,695
Provision for Rehabilitation of Gravel Pits	27	129,103	147,861
Total Non-Current Liabilities		1,408,740	1,578,853
TOTAL LIABILITIES		5,249,006	5,037,462
NET ASSETS		173,978,301	173,405,782
EQUITY			
Reserves	5	50,056,676	54,250,412
Accumulated Surplus	5	123,921,625	119,155,370
TOTAL EQUITY		173,978,301	173,405,782

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

Financial Report

Statement of Changes in Equity

For the year ended 30 June 2009

		ACCUMULATED SURPLUS	ASSET REVALUATION RESERVE	RESERVES	TOTAL EQUITY
2009	NOTE	\$	\$	\$	\$
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)	5	-	(3,231,877)	-	(3,231,877)
Transfers to Other Reserves	5	(39,562)	-	39,562	-
Transfers from Other Reserves	5	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

		ACCUMULATED SURPLUS	ASSET REVALUATION RESERVE	RESERVES	TOTAL EQUITY
2008	NOTE	\$	\$	\$	\$
Balance at the Beginning of the Year		115,824,956	52,019,754	4,957,591	172,802,301
Surplus/(Deficit) for the Year	4	3,210,851	-	-	3,210,851
Net asset revaluation (decrement)		-	(2,607,370)	-	(2,607,370)
Transfers to Other Reserves		(178,486)	-	178,486	-
Transfers from Other Reserves		298,049	-	(298,049)	-
Balance at the End of the Year	5	119,155,370	49,412,384	4,838,028	173,405,782

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 2009

CASH FLOWS FROM OPERATING ACTIVITIES

(Inclusive of GST where applicable)

	NOTE	2009 \$	2008 \$
Receipts from Ratepayers		8,763,646	7,616,497
Grants		12,598,751	8,670,765
Interest Received		513,864	685,530
Fees and Charges		2,911,015	2,516,885
Contributions and Recoupments		863,728	1,909,628
Land Sales		1,304,833	(126,580)
Payments to Employees		(9,065,984)	(7,888,203)
Payments to Suppliers		(9,454,825)	(8,605,030)
Net GST Refunded		192,920	329,090
Net Cash Provided by Operating Activities	6	8,627,948	5,108,582

CASH FLOWS FROM INVESTING ACTIVITIES (Net of GST)

Payment for Land and Buildings		(815,006)	(569,019)
Payment for Infrastructure Assets		(5,524,417)	(3,422,023)
Payment for Plant and Machinery		(1,771,081)	(1,655,346)
Payment for Furniture and Equipment		(265,362)	(268,330)
Payment for Other Structures		(468,376)	(269,971)
Proceeds from Sale of Assets		874,914	915,684
Net Cash Used in Investing Activities		(7,969,328)	(5,269,005)

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of Interest-Bearing Borrowings		(265,896)	(249,176)
Finance Costs		(91,637)	(102,686)
Net Cash Used in Financing Activities		(357,533)	(351,862)

Net Increase/(Decrease) in Cash and Cash Equivalents		301,087	(512,285)
Cash and Cash Equivalents at the Beginning of the Year		8,365,271	8,877,556
Cash and Cash Equivalents at the End of the Year	18	8,666,358	8,365,271

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

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

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

(b) Change in Accounting Policy

The accounting policies for the 2008-09 financial year are consistent with those of the previous financial year except for the useful lives of some components of infrastructure as detailed in note 1(e) depreciation of non-current assets. These changes were made in line with the Moloney Asset Management Systems Report produced by Mr Peter Moloney Dip CE.

CE. EWS. MIE Aust. in October 2008. The Moloney Asset Management System is a uniquely packaged asset and risk management product that utilises detailed information on asset components, condition assessments and unit rates to determine asset valuations and capital renewal program information.

(c) Revenue Recognition

Rates

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

Grants And Contributions

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

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon prior notification that a grant has been secured. They 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.



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(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 2009	USEFUL LIVES 2008
Land	-	-	-
Land Under Roads	-	-	-
Building	5,000	30 to 150 years	30 to 150 years
Furniture and Equipment	1,000	3 to 20 years	3 to 20 years
Plant and Machinery	1,000	3 to 20 years	3 to 20 years
Unsealed Formations	-	-	-
Sealed Formations	-	-	-
Footpaths	5,000	74 years	40 years
Sealed Pavements	5,000	90 years	70 years
Unsealed Pavements	5,000	25 years	18 years
Sealed Surfaces	5,000	19 years	17 years
Bridges and Major Culverts	5,000	90 years	90 years
Underground Drainage	5,000	50 years	50 years
Road Name Plates	5,000	22 years	22 years
Kerb and Channel	5,000	90 years	60 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. Borrowing costs include interest on borrowings.

(h) Recognition and Measurement of Assets

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

Revaluation of Non-Current Assets

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

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

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

Land Under Roads (LUR)

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

Method of Valuation:

Land – valuation based on fair value as at 30 June 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 Moloney 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. Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled. Annual leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Long Service Leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service. Long service leave expected to be paid within 12 months

is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Classification of Employee Benefits

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

Superannuation

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan and is included in note 14. Further details regarding superannuation are included in note 31.

(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: CHANGE IN ACCOUNTING POLICY

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

AASB Amendment	Standards Affected	Outline of Amendment	Application Date of Standard	Application Date For Council
AASB 2008-11	AASB 3 Business Combinations	Amends an earlier version of AASB 3 issued in July 2004. However, before the mandatory application of this Standard, the Australian Accounting Standards Board will consider the suitability of this Standard for combinations in the not for profit sector. This may result in further amendments to this Standard or an additional scope exclusion. Consequently, it is not possible to assess the likely impact of this Standard on Council.	01-Jul-09	01-Jul-09
AASB 2007-06	AASB 101 Presentation of Financial Statements	Amends an earlier version of AASB 101 issued in July 2006. This Standard introduces the concept of a 'complete set of financial statements' and amends the title of some statements in the accounts. The other change of some relevance to Council relates to reporting owner changes in equity and comprehensive income. No significant impacts are expected to arise from this Statement	01-Jan-09	01-Jan-09
AASB 2007-08	AASB 123 Borrowing Costs	Amends an earlier version of AASB 123 issued in July 2004. This Standard requires borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset to be capitalised. Previously, entities had the option of expensing such costs. Subject to the existence of borrowings for the purpose of funding capital expenditure, this standard will require related borrowing costs to be capitalised rather than expensed. It is not expected that this will have a material impact on the reported financial performance or position of Council.	01-Jan-09	01-Jan-09
AASB 2008- 5	AASB 127 Consolidated and Separate Financial Statements	Amends an earlier version of AASB 127 issued in July 2004. This standard makes various relatively minor changes. This Standard is not expected to have any impact on Council.	01-Jul-09	01-Jul-09
AASB 2008-1 AASB 2008-2 AASB 2008-3 AASB 2008-5 AASB 2008-6 AASB 2008-7	Various	These standards make revisions, which are generally minor, to a range of other accounting standards. It is not expected that these Standards will have any significant impact on Council.	01-Jan-09	01-Jan-09

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NOTE 3: FUNCTIONS/ACTIVITIES OF THE COUNCIL

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

(i) Citizen and Customer Service

Communications and Marketing; and Customer Service Centres.

(ii) Civic Leadership

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

(iii) Economic Development

Economic Development.

(iv) Environment and Land Use Planning

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

(v) Financial Management

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

(vi) Human Support Services

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

(vii) Recreation and Community Development

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

(viii) Roads and Streets Infrastructure

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

(ix) Waste Management

Garbage Collection, Municipal Landfill and Litter Control.

NOTE 4: REVENUE AND EXPENDITURE BY KEY RESULT AREA

	2009 \$	2008 \$
REVENUE FROM ORDINARY ACTIVITIES		
Citizen and Customer Service	12,823	12,021
Civic Leadership	209,292	234,074
Economic Development	1,980,383	1,134,071
Environment and Land Use Planning	907,788	808,841
Financial Management	15,529,961	15,258,833
Human Support Services	3,326,907	2,918,798
Recreation and Community Infrastructure	2,849,481	1,202,025
Roads and Streets Infrastructure	1,735,010	2,113,813
Waste Management	1,188,151	1,106,965
Total Revenue from Ordinary Activities	27,739,796	24,789,441

EXPENDITURE FROM ORDINARY ACTIVITIES

Citizen and Customer Service	557,929	524,810
Civic Leadership	1,794,732	1,625,126
Economic Development	1,136,504	702,818
Environment and Land Use Planning	2,538,570	2,499,590
Financial Management	1,871,598	1,532,588
Human Support Services	4,544,127	3,932,088
Recreation and Community Infrastructure	4,032,049	2,758,239
Roads and Streets Infrastructure	6,293,610	7,001,554
Waste Management	1,166,281	1,001,777
Total Expenditure from Ordinary Activities	23,935,400	21,578,590
Surplus from Ordinary Activities	3,804,396	3,210,851

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



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NOTE 5: EQUITY OF THE COUNCIL

	OPENING BALANCE 1-JUL-08 \$	INCREASE/ (DECREASE) IN NET ASSETS \$	TRANSFERS TO AND FROM RESERVES \$	CLOSING BALANCE 30-JUN-09 \$
Discretionary				
General Appropriations	3,184,319	(1,026,532)	961,859	3,119,646
Committed				
Unexpended Projects	4,309,662	-	(959,261)	3,350,401
Long Service Leave Non-Current Liability	168,695	-	16,364	185,059
Profit Equalisation	100,000	-	-	100,000
Drainage Levy	54,063	-	-	54,063
Recreation Lands Reserve	153,108	-	(42,160)	110,948
Developer Contributions	52,500	-	23,198	75,698
Non-Current Assets and Liabilities	165,383,435	1,599,051	-	166,982,486
Total Equity of the Council	173,405,782	572,519	-	173,978,301

Total Equity Comprised of:

Accumulated Surplus	119,155,370	3,804,396	961,859	123,921,625
Reserves	54,250,412	(3,231,877)	(961,859)	50,056,676
Total Equity of the Council	173,405,782	572,519	-	173,978,301

Reserves are Represented by the following:

Asset Revaluation	49,412,384	(3,231,877)	-	46,180,507
Unexpended Projects	4,309,662	-	(959,261)	3,350,401
Long Service Leave Non-Current Liability	168,695	-	16,364	185,059
Profit Equalisation	100,000	-	-	100,000
Drainage Levy	54,063	-	-	54,063
Recreation Lands Reserve	153,108	-	(42,160)	110,948
Developer Contributions	52,500	-	23,198	75,698
Total Reserves	54,250,412	(3,231,877)	(961,859)	50,056,676

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	36,106,118	(3,231,877)	-	32,874,241
Total Asset Revaluation Reserve	49,412,384	(3,231,877)	-	46,180,507

NOTE 6: RECONCILIATION OF SURPLUS TO NET CASH INFLOW FROM OPERATIONS

	NOTE	2009 \$	2008 \$
Surplus for the Period		3,804,396	3,210,851
Depreciation	15	3,865,807	4,458,913
(Profit)/Loss on Disposal of Assets	17	288,422	(164,772)
Subdivisions - Roads Handed to Council	30	(593,402)	(1,468,890)
Finance Costs		82,282	98,759
Assets of which Council was appointed Committee of Management	30	-	(881,035)
Revaluation (Increment)/Decrement		-	126,919
Decrease/(Increase) in Other Non-Current Assets	29	(13,529)	(19,841)
Decrease/(Increase) in Receivables		443,261	(203,790)
Decrease/(Increase) in Inventories	20 and 21	471,647	(1,173,136)
Increase/(Decrease) in Creditors and Provisions		279,064	179,282
Reclassification of Land Held for Sale as a Current Asset		-	945,322
Net Cash Inflow from Operations		8,627,948	5,108,582

Financial Report

NOTE 7: VALUATIONS AND RATES

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

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

	2009 \$	2008 \$
Residential	1,547,982,000	1,446,751,000
Farm	856,837,000	774,481,000
Non-Farm Vacant Land	199,663,500	168,688,000
Business	33,508,611	28,238,000
Total Capital Improved Valuations	2,637,991,111	2,418,158,000

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.

	2009 \$	2008 \$
Residential	5,081,049	4,564,159
Farm	2,103,642	1,896,250
Non-Farm Vacant Land	1,433,324	1,211,165
Business	147,950	93,528
Total Rates Revenue	8,765,965	7,765,102



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NOTE 8: GRANTS AND SUBSIDIES

	2009 \$	2008 \$
Recurrent Grants		
Victoria Grants Commission - General Purpose Grant	3,157,373	2,382,082
Victoria Grants Commission - Local Roads Grant	2,082,369	1,555,039
Local Road Improvements	1,010,466	686,423
Home Care	796,688	719,315
Kindergarten	383,026	382,854
Maternal and Child Health	139,758	113,183
Library	127,705	123,728
Transport Connections	91,592	79,634
Community Health	70,113	60,405
Family Day Care	56,303	55,715
Childrens' Services	48,121	37,844
School Crossing	13,025	13,025
Bus Shelter	7,169	11,895
Youth Projects	2,000	2,000
Total Recurrent Grants	7,985,708	6,223,142
Non-Recurrent Grants		
Community Facilities (halls, etc)	1,145,517	346,071
Bannockburn Recreation Precinct	1,000,000	-
Smythesdale Business, Health and Community Hub	468,500	330,000
Health Promotion	314,020	300,460
Paths and Trails	242,587	322,273
Bannockburn Cultural and Community Hub	215,000	-
Smythesdale Streetscape	210,000	-
Community Development	152,636	194,645
Land Use Planning	137,465	116,000
Economic Development	92,400	91,000
Home Care	64,540	54,125
Youth Projects	64,400	81,950
Environment Projects	57,575	16,746
Civic Leadership	25,360	52,573
Storm Water Project	25,000	100,000
Art Project	20,000	15,000
Fire Access	19,002	6,200
Building Control	5,000	5,000
Youth Employment	2,500	6,000
Other	1,250	1,000
Maternal and Child Health	500	500
Childrens' Services	-	3,205
Local Government Improvement Incentive Program	-	8,475
Tourism	-	5,000
Total Non-Recurrent Grants	4,263,252	2,056,223
Total Grants and Subsidies	12,248,960	8,279,365

Financial Report

NOTE 8: GRANTS AND SUBSIDIES (cont.)

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:

	2009 \$	2008 \$
Sport and Recreation Projects	1,488,829	173,455
Aged and Disability Services	172,716	75,410
Stormwater Drainage, Smythesdale	125,000	100,000
Community Building Initiative	112,181	50,503
Health Promotion	110,736	146,281
Bruce's Creek Walking Track	104,207	-
Bannockburn Community and Cultural Hub	78,875	-
Aged and Disability Minor Equipment	56,210	44,043
Land Use Planning	24,110	4,110
Roads to Recovery	23,367	59,911
Environment	14,720	7,178
Kindergarten Cluster	8,369	66,659
Youth Development	3,802	45,629
Arts and Culture	3,485	10,546
Building Control	3,050	4,401
Economic Development	2,951	51,639
Childrens' Services	80	1,396
Auslink (Roads to Recovery)	-	991,680
Smythesdale Business, Health and Community Hub	-	494,977
Recreation Planning	-	24,000
Tourism	-	2,750
Recommission Bores	-	1,020
Total	2,332,688	2,355,588

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

Auslink (Roads to Recovery)	991,680	967,877
Smythesdale Business, Health and Community Hub	494,977	35,023
Sport and Recreation Projects	173,455	28,000
Aged and Disability Services	75,410	-
Kindergarten Cluster	66,659	18,279
Roads To Recovery	59,911	-
Economic Development	51,081	2,911
Community Building Initiative	49,313	1,547
Youth Development	45,629	-
Health Promotion	35,545	286,126
Recreation Planning	24,000	-
Art Stop Project	10,546	-
Environment	5,000	21,034
Tourism	2,750	-
Childrens' Services	1,396	7,104
Building Control	1,351	-
Recommission Bores	1,020	-
Aged and Disability Minor Equipment	154	2,042
Paths and Trails	-	300,000
Bannockburn Town Centre Investment Strategy	-	10,000
Healthy Feet	-	1,300
Total	2,089,877	1,681,243
Net increase / (decrease) in restricted assets resulting from grant revenues for the year:	242,811	674,345

Financial Report

NOTE 9. CONTRIBUTIONS AND RECOUPMENTS

	2009	2008
Cash	\$	\$
Private Works	236,670	685,628
Kindergarten Reimbursement	130,215	69,932
Family Day Care - Social Security	129,275	116,049
Motor Vehicle Recoupments	105,469	76,024
Developers' Community Contributions	37,307	42,000
Legal Costs Recouped	37,069	97,818
Developers' Recreation Lands Contributions	23,197	199,515
Recoupment from Insurers	17,671	3,249
Sale of Big Bins	13,543	13,942
Other	11,683	23,299
Revaluation Contribution - State Revenue Office	11,146	78,424
Standpipe Water Sales	10,103	2,882
Community Contributions	7,537	89,636
Economic Development Projects	2,150	39,370
Ballarat-Skipton Rail Trail	-	99,270
Environment Projects	-	13,673
Civic Leadership	-	1,680
Total Cash Contributions and Recoupments	773,035	1,652,391
Non-Cash		
Subdivisions - Roads Handed to Council	571,958	1,468,890
Subdivisions - Land Under Roads Handed to Council	21,444	-
Assets Not Previously Recognised	-	881,035
Total Non-Cash Contributions and Recoupments	593,402	2,349,925
Total Contributions and Recoupments	1,366,437	4,002,316

NOTE 10: USER FEES AND CHARGES

	2009	2008
	\$	\$
Garbage Collection Charge	1,133,286	1,058,706
Child Care Fees	724,160	563,263
Home and Community Care Fees	192,199	212,589
Animal Registration Charges	127,106	111,631
Planning and Building Fees	107,342	136,546
Gravel Cartage Levy	80,137	56,641
Septic Tank Fees	49,153	38,812
Community Bus Hire Charges	44,278	34,959
Bannockburn Family Services Centre Charges	33,689	28,344
Tip Fees	30,059	28,156
Subdivision Supervision Fees	25,918	39,116
Food Premises Registration Fees	25,048	22,545
Rents and Leases	21,776	21,715
Other	12,833	10,038
Fire Hazard Eradication Fees	12,733	6,815
Northern Community Centre Charges	11,754	9,071
Infringements and Fines	3,063	10,002
Total User Fees and Charges	2,634,534	2,388,949

Please refer to the table in Note 35(d) for the ageing analysis of contractual receivables.

Financial Report

NOTE 11: STATUTORY FEES AND FINES

	2009	2008
	\$	\$
Planning and Building Fees	144,125	145,067
Infringements and Fines	13,538	3,461
Land Information Certificates	13,222	14,560
Total Statutory Fees and Fines	170,885	163,088

NOTE 12: OTHER REVENUE

	2009	2008
	\$	\$
Interest on Investments	395,044	594,389
Interest on Rates	10 9,150	108,674
Total Other Revenue	504,194	703,063

NOTE 13: CONTRACTS AND MATERIALS

	2009	2008
	\$	\$
Delivery of Projects and Services	2,861,447	2,017,158
General Maintenance	1,396,772	1,242,918
Garbage Operations	983,933	870,733
Other Expenses	700,699	824,671
Contractors and Consultants	597,828	600,796
Vehicle and Machinery Operations	542,371	414,466
Printing, Stationery and Postage	224,131	182,375
Telecommunications	191,397	176,197
Information Technology Operations	183,827	225,036
Building Maintenance	154,750	197,517
Advertising	154,676	99,370
Training	151,599	70,804
Insurance	149,714	173,939
Utilities	137,426	117,909
Gravel Pit Operations	130,037	142,157
Cleaning	121,863	73,814
Plant Operating Costs	93,422	177,324
Election Expenses	82,141	-
Total Contracts and Materials	8,858,033	7,607,184

NOTE 14: EMPLOYEE COSTS

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

	2009	2008
	\$	\$
Wages & Salaries	7,850,408	6,724,671
Superannuation (Annual Contributions)	777,278	676,479
Annual Leave & Long Service Leave	915,221	804,354
Fringe Benefits Tax	63,080	43,084
Workcover Premium & Claims Costs	120,836	99,138
Other	13,939	18,559
Total Employee Costs	9,740,762	8,366,285
Less Employee Costs charged to Capital	(587,948)	(318,938)
Total Employee Costs as per Income Statement	9,152,814	8,047,347

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NOTE 15: DEPRECIATION

	2009	2008
	\$	\$
Depreciation was charged in respect of:		
Infrastructure Assets	2,157,411	2,838,331
Plant and Machinery	931,387	794,657
Buildings	428,852	531,460
Furniture and Equipment	288,252	253,340
Other Structures	54,905	36,125
Gravel Pit Rehabilitation	5,000	5,000
Total Depreciation Expense	3,865,807	4,458,913

NOTE 16: OTHER EXPENSES

	2009	2008
	\$	\$
Councillors' Allowances	147,279	132,000
External Audit Fees	41,488	24,736
Internal Audit Fees	25,004	7,336
Total Other Expenses	213,771	164,072

NOTE 17: NET GAIN ON DISPOSALS

Plant and Machinery, and Furniture and Equipment

	2009	2008
	\$	\$
Proceeds from Sale of Assets	843,860	816,738
Carrying Amount of Assets Sold	(856,883)	(660,819)
Net Gain/(Loss) on Disposal of Plant and Machinery and Furniture and Equipment	(13,023)	155,919

Non-Current Property

Proceeds from Disposal of Assets	-	130,000
Carrying Amount of Assets Disposed of	(275,399)	(121,147)
Net Gain/(Loss) on Disposal of Non-Current Property	(275,399)	8,853

Inventory - Property

Proceeds from Sale of Assets	1,191,432	520,979
Carrying Amount of Assets Sold	(629,020)	(292,886)
Net Gain on Disposal of Inventory - Property	562,412	228,093

Total Net Gain on Disposals	273,990	392,865
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NOTE 18: CASH AND CASH EQUIVALENTS

	2009	2008
	\$	\$
Short Term Deposits	6,602,263	4,840,000
At Call Deposits	1,707,230	2,826,555
Cash at Bank	356,865	698,716
Total Cash and Cash Equivalents	8,666,358	8,365,271

Cash and Cash Equivalents Subject to External Restrictions:

Long Service Leave Investment Account*	968,542	776,639
Recreation Lands Reserve	110,948	153,108
Total Restricted Cash Assets	1,079,490	929,747

* 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 25 due to a different basis of calculation prescribed by the regulation.

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NOTE 19: RECEIVABLES

	2009	2008
	\$	\$
Rate Debtors	586,888	664,284
Other Debtors	409,806	638,076
Total Receivables	996,694	1,302,360

NOTE 20: INVENTORY - CONSUMABLES

	2009	2008
	\$	\$
Stock on Hand	23,947	39,880
Total Inventory - Consumables	23,947	39,880

NOTE 21: NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	2009	2008
	\$	\$
Bakers Lane Stage 2	235,939	712,783
Bakers Lane Stage 3	407,857	386,727
Bakers Lane Stage 4	322,272	322,272
Total Non-Current Assets Classified as Held for Sale	966,068	1,421,782

NOTE 22: OTHER CURRENT ASSETS

	2009	2008
	\$	\$
Prepaid Expenditure	13,641	104,847
Accrued Income	169,373	246,816
Total Other Current Assets	183,014	351,663

NOTE 23: PAYABLES

	2009	2008
	\$	\$
Trade Creditors	1,414,389	1,215,658
Accrued Expenditure	439,385	368,649
Total Payables	1,853,774	1,584,307

NOTE 24: INTEREST-BEARING LIABILITIES

	2009	2008
	\$	\$
Current		
Bank Loan Secured over Council's Rates and Charges	167,718	265,895
Total Interest-Bearing Liabilities - Current	167,718	265,895
Non-Current		
Bank Loan Secured over Council's Rates and Charges	1,094,578	1,262,297
Total Interest-Bearing Liabilities - Non-Current	1,094,578	1,262,297

The Maturity Profile for Council's Interest-Bearing Liabilities is:

Not Later Than One Year	167,718	265,895
Later Than One Year and Not Later Than Five Years	781,049	735,570
Later Than Five Years	313,529	526,727
Total Interest-Bearing Liabilities	1,262,296	1,528,192

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NOTE 25: PROVISION FOR EMPLOYEE BENEFITS

	2009	2008
	\$	\$
Current		
Annual Leave Provision	718,457	678,771
Long Service Leave Provision	862,806	745,022
Total Provision for Employee Benefits - Current	1,581,263	1,423,793
Non-Current		
Long Service Leave Provision	185,059	168,695
Total Provision for Employee Benefits - Non-Current	185,059	168,695

NOTE 26: TRUST FUNDS

	2009	2008
	\$	\$
Building Deposits	77,302	79,852
Community Groups Deposits	3,369	3,145
Planning Deposits	66,317	66,317
Other Deposits	11,282	300
Contractors Retention	54,241	20,000
Total Trust Funds	212,511	169,614

NOTE 27: PROVISION FOR REHABILITATION OF GRAVEL PITS

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.



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NOTE 28: PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

	2009 \$	2008 \$
Summary		
At Cost	15,402,353	16,742,877
Less Accumulated Depreciation	3,071,082	2,924,079
	12,331,271	13,818,798
At Fair Value as at 30 June 2009	198,203,428	210,570,100
Less Accumulated Depreciation	43,425,683	58,730,272
	154,777,745	151,839,828
At Fair Value as at 30 June 2007	1,732,749	1,732,749
Less Accumulated Depreciation	731,031	696,376
	1,001,718	1,036,373
At Council Valuation as at 30 June 2004	42,313	42,313
Less Accumulated Depreciation	19,075	18,749
	23,238	23,564
Total Property, Infrastructure, Plant and Equipment	168,133,972	166,718,563
Land		
At Cost	-	432,117
At Fair Value as at 30 June 2009	10,044,510	9,511,500
	10,044,510	9,943,617
Land Under Roads		
At Fair Value as at 30 June 2009	21,444	-
	21,444	-
Buildings		
At Cost	314,975	-
Less Accumulated Depreciation	360	-
	314,615	-
At Fair Value as at 30 June 2009	20,882,038	21,008,384
Less Accumulated Depreciation	6,130,084	5,736,917
	14,751,954	15,271,467
Other Structures		
At Cost	493,917	275,550
Less Accumulated Depreciation	10,758	5,273
	483,159	270,277
At Fair Value as at 30 June 2009	972,228	717,503
Less Accumulated Depreciation	149,114	100,527
	823,114	616,976
Work in Progress		
Buildings and Building Improvements At Cost	1,626,043	127,376
Infrastructure At Cost	18,676	-
Land	1,500	-
Other Structures At Cost	-	1,757
	1,646,219	129,133

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NOTE 28: PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (cont.)

	2009	2008
	\$	\$
Furniture and Equipment		
At Cost	1,656,395	1,617,825
Less Accumulated Depreciation	927,289	929,376
	729,106	688,449
Plant and Machinery		
At Cost	6,319,639	5,931,044
Less Accumulated Depreciation	2,050,671	1,751,309
	4,268,968	4,179,735
Gravel Pit Rehabilitation		
At Cost	100,000	100,000
Less Accumulated Depreciation	15,000	10,000
	85,000	90,000
Infrastructure		
Footpaths		
At Cost	721,080	1,230,468
Less Accumulated Depreciation	2,291	15,381
	718,789	1,215,087
At Fair Value as at 30 June 2009	4,090,373	1,691,769
Less Accumulated Depreciation	654,526	538,409
	3,435,847	1,153,360
Sealed Pavements		
At Cost	2,189,271	3,539,974
Less Accumulated Depreciation	6,468	42,933
	2,182,803	3,497,041
At Fair Value as at 30 June 2009	89,608,770	100,231,668
Less Accumulated Depreciation	18,405,900	26,177,081
	71,202,870	74,054,587
Unsealed Pavements		
At Cost	260,153	470,752
Less Accumulated Depreciation	3,136	18,451
	257,017	452,301
At Fair Value as at 30 June 2009	12,295,609	14,373,428
Less Accumulated Depreciation	1,600,611	5,084,048
	10,694,998	9,289,380
Sealed Surfaces		
At Cost	1,423,074	2,087,586
Less Accumulated Depreciation	34,426	127,337
	1,388,648	1,960,249
At Fair Value as at 30 June 2009	15,565,617	17,489,976
Less Accumulated Depreciation	5,703,346	9,170,761
	9,862,271	8,319,215



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NOTE 28: PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (cont.)

		2009	2008
	NOTE	\$	\$
Sealed Formations			
At Cost		23,860	-
Less Accumulated Depreciation		-	-
		23,860	-
At Fair Value as at 30 June 2009		15,301,885	14,619,656
Less Accumulated Depreciation		-	-
		15,301,885	14,619,656
Unsealed Formations			
At Fair Value as at 30 June 2009		5,838,190	5,930,120
Less Accumulated Depreciation		-	-
		5,838,190	5,930,120
Kerb and Channel			
At Cost		132,825	-
Less Accumulated Depreciation		-	-
		132,825	-
At Fair Value as at 30 June 2009		2,055,169	1,191,192
Less Accumulated Depreciation		387,960	160,968
		1,667,209	1,030,224
Bridges and Major Culverts			
At Cost		76,000	883,483
Less Accumulated Depreciation		422	7,399
		75,578	876,084
At Fair Value as at 30 June 2009		21,527,595	23,804,904
Less Accumulated Depreciation		10,394,142	11,761,561
		11,133,453	12,043,343
Underground Drainage			
At Fair Value as at 30 June 2007		1,732,749	1,732,749
Less Accumulated Depreciation		731,031	696,376
		1,001,718	1,036,373
Road Name Plates			
At Cost		44,945	44,945
Less Accumulated Depreciation		20,261	16,620
		24,684	28,325
At Council Valuation as at 30 June 2004		42,313	42,313
Less Accumulated Depreciation		19,075	18,749
		22,238	23,564
Total Infrastructure			
At Cost			
At Fair Value as at 30 June 2009		166,283,208	-
At Fair Value as at 30 June 2008		-	179,332,713
At Fair Value as at 30 June 2007		1,732,749	1,732,749
At Council Valuation as at 30 June 2004		42,313	42,313
Less Accumulated Depreciation		37,963,595	53,836,074
Total Infrastructure		134,965,883	135,528,909
Total Property, Infrastructure, Plant and Equipment	30	168,133,972	166,718,563

NOTE 29: INVESTMENT IN ASSOCIATE

	2009	2008
	\$	\$
Equity in Geelong Regional Library (GRL)	257,254	243,725
Total Other Non-Current Assets	257,254	243,725
Movement in Carrying Value of Specific Investment		
Carrying value of investment at start of year	243,725	223,884
Share of surplus for year	13,529	19,841
Carrying Value of Investment at End of Year	257,254	243,725

Council's share of the net equity of GRL is 3.48% (3.47% 2008). The GRL is comprised of seven representatives from four member Councils. Golden Plains Shire Council has one representative on the GRL Board.

NOTE 30: 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.

2009

	LAND	LAND UNDER ROADS	BUILDINGS	OTHER STRUCTURES	WORK IN PROGRESS	FURNITURE & EQUIPMENT	PLANT & MACHINERY	GRAVEL PIT REHAB.	INFRA-STRUCTURE	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
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
Additions	190,892	-	314,975	492,160	1,595,196	335,070	1,871,343	-	4,252,337	9,051,973
Subdivisions - Roads Handled to Council	-	21,444	-	-	-	-	-	-	571,958	593,402
Revaluation Decrements in Replacement Value	-	-	-	-	-	-	-	-	(21,261,768)	(21,261,768)
Revaluation Decrements in Accumulated Depreciation	-	-	-	-	-	-	-	-	18,029,891	18,029,891
Depreciation	-	-	(428,852)	(54,905)	-	(288,252)	(931,387)	(5,000)	(2,157,411)	(3,865,807)
Written Down Value of Disposals	(160,000)	-	(95,407)	(19,992)	-	(6,161)	(850,722)	-	-	(1,132,282)
Reclassification Between Classes	70,000	-	(30,614)	1,757	(78,110)	-	-	-	1,987	(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

	2009
Additions Represented By:	\$
Renewal of Infrastructure	1,899,755
Upgrade of Infrastructure	2,162,560
New Infrastructure	190,022
New Land	190,892
Upgrade of Buildings	221,305
Renewal Buildings	93,670
New Plant and Equipment	1,871,343
New Furniture and Equipment	335,070
New Work in Progress	1,392,748
Expansion Work in Progress	202,448
New Other Structures	210,361
Renewal Other Structures	92,823
Upgrade Other Structures	188,976
Total Additions	9,051,973

2008

	LAND	BUILDINGS	OTHER STRUCTURES	WORK IN PROGRESS	FURNITURE & EQUIPMENT	PLANT & MACHINERY	GRAVEL PIT REHAB.	INFRA-STRUCTURE	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Carrying amount at 1 July 2007	11,301,994	16,773,350	624,165	685,948	666,665	3,925,241	95,000	132,777,077	166,849,440
Additions	432,117	98,877	286,522	111,166	278,096	1,701,238	-	3,551,681	6,439,697
Subdivisions - Roads Handled to Council	-	-	-	-	-	-	-	1,468,890	1,468,890
Additions - Assets Under Management	320,000	464,232	96,803	-	-	-	-	-	881,035
Revaluation Decrement in Replacement Value	(1,130,132)	(4,857,584)	(149,626)	-	-	-	-	-	(6,137,342)
Revaluation Decrement in Accumulated Depreciation	-	3,399,809	3,245	-	-	-	-	-	3,403,054
Depreciation	-	(631,460)	(36,125)	-	(253,340)	(794,657)	(5,000)	(2,898,331)	(4,458,913)
Written Down Value of Disposals	(35,030)	(86,117)	-	-	(2,972)	(657,847)	-	-	(781,969)
Reclassification Between Classes	-	10,360	82,269	(667,981)	-	5,760	-	569,592	-
Reclassification to Current Asset	(945,332)	-	-	-	-	-	-	-	(945,332)
Carrying amount at 30 June 2008	9,943,617	15,271,467	887,253	129,133	688,449	4,179,735	90,000	135,528,909	166,718,563

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NOTE 31: 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.

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 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);
- Fund surplus or deficit (i.e. the difference between fund assets and liabilities) are 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 which is calculated in respect of membership completed at the calculation date makes 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 has been advised that no additional contributions will be required as at 30 June 2009. The Actuary will undertake the next actuarial investigation as at 30 June 2010 to ascertain if additional contributions are required.

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 AAS 25 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	8.50% p.a.
Salary Inflation	4.25% p.a.
Price Inflation	2.75% p.a.

	2009 \$	2008 \$
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	777,235	676,479
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	69,191	27,919

NOTE 32: CONTINGENT LIABILITIES

Contingent Liabilities

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

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. 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 and Resources

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

Bank Guarantee – Department of Natural Resources and Environment

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

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

NOTE 33: CONTRACTUAL COMMITMENTS FOR EXPENDITURE

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

	2009				2008			
	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	934,000	-	-	934,000	905,000	934,000	-	1,839,000
Tip Contractor	57,140	-	-	57,140	56,260	57,140	-	113,400
Inverleigh Pavilion	299,734	-	-	299,734	-	-	-	-
Smythesdale Town Square	227,174	-	-	227,174	-	-	-	-
Shared Path Bruces Creek	180,000	-	-	180,000	-	-	-	-
Linton Bowls Club	172,440	-	-	172,440	-	-	-	-
Heritage Study	-	-	-	-	40,000	-	-	40,000
Economic Development	-	-	-	-	89,960	-	-	89,960
Recreation - Bowls Green	-	-	-	-	138,000	-	-	138,000
	1,870,488	-	-	1,870,488	1,229,220	991,140	-	2,220,360

NOTE 34: FINANCIAL RATIOS (PERFORMANCE INDICATORS)

(a) Revenue Ratio

Purpose: To assess the dependence on non-rate income sources.

	2009	2008	2007
Rate Revenue	$\frac{8,765,965}{25,690,975}$ 34.12%	$\frac{7,765,102}{23,301,883}$ 33.32%	$\frac{7,006,888}{22,817,245}$ 30.71%
Total Revenue			

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.

	2009	2008	2007
Total Indebtedness	$\frac{5,249,006}{44,261,424}$ 11.86%	$\frac{5,037,462}{42,914,335}$ 11.74%	$\frac{4,870,861}{44,896,085}$ 10.85%
Total Realisable Assets			

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.

	2009	2008	2007
Debt Servicing	$\frac{82,282}{25,690,975}$ 0.32%	$\frac{98,759}{23,301,883}$ 0.42%	$\frac{116,036}{22,817,245}$ 0.51%
Total Revenue			

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.

	2009	2008	2007
Debt Servicing and Redemption	$\frac{348,178}{8,765,965}$ 3.97%	$\frac{347,935}{7,765,102}$ 4.48%	$\frac{467,035}{7,081,683}$ 6.59%
Rate Revenue			

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.

	2009	2008	2007
Current Assets	$\frac{10,836,081}{3,840,266}$ 282%	$\frac{11,480,956}{3,458,609}$ 332%	$\frac{10,599,838}{3,058,920}$ 346%
Current Liabilities			

The ratio expresses the level of current assets the Council has available to meet its current liabilities.

(f) Adjusted Working Capital Ratio

Purpose: To assess Council's ability to meet current commitments.

	2009	2008	2007
Current Assets	$\frac{10,836,081}{2,977,460}$ 364%	$\frac{11,480,956}{2,713,587}$ 423%	$\frac{10,599,838}{2,352,588}$ 450%
Current Liabilities			

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.

Financial Report

NOTE 35: FINANCIAL INSTRUMENTS

(a) Accounting Policies, Terms and Conditions

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

FINANCIAL INSTRUMENT	NOTE	ACCOUNTING POLICIES	TERMS AND CONDITIONS
(1) Financial Assets			
Cash and Cash Equivalents	18	Cash amounts are stated at face value. Interest is recognised as it accrues.	On call deposits returned floating interest rates of 5.09% (2008: 6.46%).
At Call Deposits	18	At call deposits are stated at cost. Interest is recognised as it accrues.	Cash amounts are available at call. The effective interest rate is 2.95% to 7.55% (2008: 6.2% to 8.1%)
Short Term Deposits	18	Short-term deposits are stated at cost. Interest is recognised as it accrues.	Short-term deposits held as at balance date have an average maturity of 134 days and effective interest rates of 3.53% to 4.59% (2008: 7.80% to 8.85%).
Other Debtors	19	Trade debtors are carried at nominal amounts less provision for doubtful debts. A provision for doubtful debt is recognised when collection of the full nominal amount is no longer probable.	Credit Sales are on 14 day terms. Interest is charged on overdue debts arising from the provision of goods and services excluding HACC debtors at the rate of 10% (12% 2008).
Accrued Income	22	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	23	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	24	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 one bank loan. The effective interest rate is 6.09% (2008: 6.09%).
Trust Funds	26	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:

FINANCIAL INSTRUMENT 2009	NOTE	FLOATING INTEREST RATE \$'000	FIXED INTEREST RATE MATURING IN 1 YEAR OR LESS \$'000	FIXED INTEREST RATE MATURING IN 1-8 YEARS \$'000	NON-INTEREST BEARING \$'000	TOTAL CARRYING AMOUNT DISCLOSED IN BALANCE SHEET \$'000
(1) Financial Assets						
Cash and Cash Equivalents	18	357	-	-	-	357
At Call Deposits	18	1,707	-	-	-	1,707
Short Term Deposits	18	-	6,602	-	-	6,602
Other Debtors	19	-	-	-	410	410
Accrued Income	22	-	-	-	169	169
Prepayments	22	-	-	-	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	23	-	-	-	1,414	1,414
Accrued Expenditure	23	-	-	-	439	439
Interest-Bearing Liabilities	24	-	168	1,094	-	1,262
Trust Funds	26	-	-	-	213	213
Total Financial Liabilities		-	168	1,094	2,066	3,328
Weighted Average Interest Rate			6.09%	6.09%		
Net Financial Assets (Liabilities)		2,064	6,434	(1,094)	(1,473)	5,931

Financial Report

NOTE 35: FINANCIAL INSTRUMENTS (cont.)

FINANCIAL INSTRUMENT 2008	NOTE	FLOATING INTEREST RATE \$'000	FIXED INTEREST RATE MATURING IN 1 YEAR OR LESS \$'000	FIXED INTEREST RATE MATURING IN 1-8 YEARS \$'000	NON-INTEREST BEARING \$'000	TOTAL CARRYING AMOUNT DISCLOSED IN BALANCE SHEET \$'000
(1) Financial Assets						
Cash and Cash Equivalents	18	699	-	-	-	699
At Call Deposits	18	2,827	-	-	-	2,827
Short Term Deposits	18	-	4,000	840	-	4,840
Other Debtors	19	-	-	-	638	638
Accrued Income	22	-	-	-	247	247
Prepayments	22	-	-	-	105	105
Total Financial Assets		3,526	4,000	840	990	9,356
Weighted Average Interest Rate		6.91%	7.34%	8.85%		
(2) Financial Liabilities						
Trade Creditors	23	-	-	-	1,216	1,216
Accrued Expenditure	23	-	-	-	369	369
Interest-Bearing Liabilities	24	-	266	1,262	-	1,528
Trust Funds	26	-	-	-	170	170
Total Financial Liabilities		-	266	1,262	1,755	3,283
Weighted Average Interest Rate			6.19%	6.09%		
Net Financial Assets (Liabilities)		3,526	3,734	(422)	(765)	6,073

(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	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
(1) Financial Assets					
Cash and Cash Equivalents	18	357	699	357	699
At Call Deposits	18	1,707	2,827	1,707	2,827
Short Term Deposits	18	6,602	4,840	6,602	4,840
Other Debtors	19	410	638	410	638
Accrued Income	22	169	247	169	247
Prepayments	22	14	105	14	105
Total Financial Assets		9,259	9,356	9,259	9,356
(2) Financial Liabilities					
Trade Creditors	23	1,414	1,216	1,414	1,216
Accrued Expenditure	23	439	369	439	369
Interest-Bearing Liabilities	24	1,262	1,528	1,262	1,528
Trust Funds	26	213	170	213	170
Total Financial Liabilities		3,328	3,283	3,328	3,283

(d) Credit Risk

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

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

To help manage this risk, Council:

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

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is the Victorian Government. Apart from the Victorian Government Council does not have any significant credit risk exposure to a single customer or groups of customers. Ongoing credit evaluation is performed on the financial condition of our customers and, where appropriate, an allowance for doubtful debts is raised.

Council's 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 32.

	2009 \$'000	2008 \$'000
Ageing of Trade and Other Receivables		
Current (not yet overdue)	207	425
Past due between 31 and 60 days	30	94
Past due between 61 and 90 days	68	69
Past due over 90 days	105	50
Total Trade and Other Receivables	410	638

Financial Report

NOTE 35: FINANCIAL INSTRUMENTS (cont.)

Liquidity risk

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

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

To help reduce these risks Council:

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

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.

2009	1 Year \$'000	2 Years \$'000	3 Years \$'000	4 Years \$'000	5 Years \$'000	> 5 Years \$'000	Total \$'000
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

2008	1 Year \$'000	2 Years \$'000	3 Years \$'000	4 Years \$'000	5 Years \$'000	> 5 Years \$'000	Total \$'000
Trade Creditors	1,216	-	-	-	-	-	1,216
Accrued Expenditure	369	-	-	-	-	-	369
Interest-Bearing Liabilities	266	168	178	189	200	527	1,528
Trust Funds	150	20	-	-	-	-	170
Total Financial Liabilities	2,001	188	178	189	200	527	3,283

(e) Risks and mitigation

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

Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest-bearing financial assets and liabilities that Council uses. Non derivative interest-bearing assets are predominantly short term liquid assets.

Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk.

Council's loan borrowings are sourced from major Australian banks by a tender process. Council does not have any finance leases or overdraft arrangements.

Council manages interest rate risk on its portfolio by:

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

Council manages the interest rate exposure on its debt portfolio by 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;
- adequate safety;
- 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.

(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 overleaf 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.

Financial Report

NOTE 35: FINANCIAL INSTRUMENTS (cont.)

2009		Interest rate risk			
Market risk exposure	Carrying amount subject to interest	-2% -200 basis points		+1% +100 basis points	
		Profit	Equity	Profit	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
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	-	-	-	-

2008		Interest rate risk			
Market risk exposure	Carrying amount subject to interest	-1% -100 basis points		2% 200 basis points	
		Profit	Equity	Profit	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	699	(7)	(7)	14	14
Other financial assets	7,667	(77)	(77)	153	153
Financial liabilities:					
Interest-bearing loans and borrowings	1,528	-	-	-	-

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



Financial Report

NOTE 36: RELATED PARTY DISCLOSURES

(a) Identity of Responsible Persons

Responsible Persons of the Council during the year were:

Cr J Blake	(Mayor from December 2008)
Cr D Guinane	(Mayor until December 2008)
Cr D Cotsell	
Cr G Dupe	
Cr G Frantz	
Cr J Jones	(until December 2008)
Cr H Kirby	(from December 2008)
Cr K Knight, OAM	
Cr B McArthur	
Cr A Parker	(until December 2008)

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:

	2009 No.	2008 No.
\$0,000 - \$9,999	2	-
\$10,000 - \$19,999	7	7
\$20,000 - \$29,999	-	2
\$40,000 - \$49,999	1	-
\$200,000 - \$209,999	1	1
	11	10

Total Remuneration of Responsible Persons \$363,110 \$334,660

(c) Identity of Senior Officers

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

D Madden	Director Technical Operations
L Jenner	Director Community Services (to 17/10/08)
J Evans	Director Community Services (from 15/12/08)
D Miller	Director Corporate Services (to 24/10/08)
R Trigg	Director Corporate Services (from 24/11/08)
D Spear	Manager Executive Projects
F Andrews*	Manager Human Services

*Classified as a Senior Officer under Section 94AB(1)(b) of the Local Government Act 1989.

(d) Remuneration and Benefits – Senior Officers

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

	2009 No.	2008 No.
\$ 40,000 - \$ 49,999	1	-
\$ 50,000 - \$ 59,999	1	-
\$ 60,000 - \$ 69,999	1	-
\$ 90,000 - \$ 99,999	1	1
\$100,000 - \$109,999	1	-
\$110,000 - \$119,999	1	-
\$120,000 - \$129,999	-	2
\$130,000 - \$139,000	-	1
\$140,000 - \$149,999	1	-
	7	4

Total Remuneration of Senior Officers \$628,700 \$481,234

Note: Termination benefits of \$11,560 are included in the 2009 remuneration figure.

(e) Other Transactions of Responsible Persons/Senior Officers

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

2009 2008

\$ \$

Haddon Bottle Shop – Cr B McArthur	276	932
------------------------------------	-----	-----

These transactions were on normal commercial terms.

Certification of Accounts

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

Signed at Bannockburn this 10th day of September 2009.

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 2009 and the financial position of the Council as of that date.

As at the date of signing, we are not aware of any circumstances that would render any particulars in the financial report to be misleading or inaccurate. We have been authorised by Council on 23rd July 2009 to certify the financial report in its final form.

Signed at Bannockburn this 10th day of September 2009.

COUNCILLOR JENNY BLAKE

Mayor

COUNCILLOR GERALDINE FRANTZ

Acting Chairperson, 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 2009 of Golden Plains Shire Council which comprises of Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report and the Certification of Accounts has been audited.

The accompanying standard statements for the year ended 30 June 2009 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.

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Auditing in the Public Interest

VAGO

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 2009. The Councillors of the 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 the Council's 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:

- the financial report presents fairly, in all material respects, the financial position of Golden Plains Shire Council as at 30 June 2009 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Local Government Act 1989*.
- The standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in note 1 to the statements and comply with the requirements of the *Local Government Act 1989*.

MELBOURNE
14 September 2009


D D R Pearson
Auditor-General

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Auditing in the Public Interest

Performance Statement

PERFORMANCE STATEMENT for the year ended 30 June 2009					
Key Strategic Activities		Actual performance compared to target performance			
Key Strategic Activity	Performance Measure	Actual 2008-09	Budget Target 2008-09	Difference	Achieved / Not Achieved
Citizen and Customer Service	Community satisfaction rating for Customer Service	69	≥72	-3	Not Achieved
Civic Leadership	Community satisfaction rating for Council's Advocacy	68	≥67	1	Achieved
Economic Development	Community satisfaction rating for Economic Development	64	≥64	0	Achieved
Environment and Land Use Planning	Community satisfaction rating for Town Planning Policy and Approvals	63	≥64	-1	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	75	≥78	-3	Not Achieved
Recreation and Community Development	Community satisfaction rating for Recreational Facilities	67	≥69	-2	Not 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 and Footpaths	51	≥53	-2	Not Achieved
Waste Management	Community satisfaction rating for Waste Management	73	≥75	-2	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 initiatives Council are taking 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.

Citizen and Customer Service

- Development of a new Customer Service Strategy 2009-2010.
- Development of a new Communications and Marketing Strategy 2009-2010.

Environment and Land Use Planning

- Work closely with the Country Fire Authority and Department of Sustainability and Environment to ensure residents are prepared in the event of bushfires.
- Review resources allocated to local laws enforcement annually as part of the Council's budget process.

Human Support Services

- Continually advocate and facilitate additional services to the Shire. E.g. Health Services in Smythesdale.
- Implement Maternal and Child Health Services Action Plan 2009-2010.

Recreation and Community

- Development of Bannockburn recreation precinct 2009-2010.
- Construction of Smythesdale Business, Health and Community Hub 2008-2009.
- Construction of Bannockburn Community and Cultural Hub 2009-2010.

Roads and Streets Infrastructure

- Implementation of the Road Strategy 2009-2010.
- Continue to advocate for the improvement of state roads.
- Review resources as part of the annual budget process.



Performance Statement

Waste Management

- Implement Waste Management Strategy.
- Investigate environmentally friendly ways of disposing of waste. E.g. recycle program.

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 included in the community satisfaction survey are similar to 2008 and that Golden Plains is ranked strongly in comparison to other small rural councils.

Local Government Community Satisfaction Survey – Summary Results

Key Result Area	2009	2008	2009 Comparison to other Small Rural Councils	2009 Median performance of Small Rural Council Group
Citizen and Customer Service	69	67	Lower	73
Civic Leadership	68	68	Higher	64
Economic Development	64	65	Higher	59
Environment and Land Use Planning	63	66	Higher	61
Human Support Services	75	75	Similar	76
Recreation and Community	67	67	Similar	69
Roads and Streets Infrastructure	51	52	Similar	52
Waste Management	73	74	Similar	71

Council is firmly focused on continual improvement to ensure it increases the above ratings. The Local Government Community Satisfaction Survey 2009 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 economic development, traffic management and parking facilities and advocacy. Although town planning policy and approvals is noted as an area for further improvements the Shire performs at a higher level than others in the group on this measure.'

Council Approval of the Performance Statement

In our opinion, the accompanying performance statement of the Golden Plains Shire Council in respect of 2008-09 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 Key Strategic Activities as described in the Council Plan in respect of that year and describes the extent to which the Key Strategic Activities were achieved in that year having regard to those targets and measures.

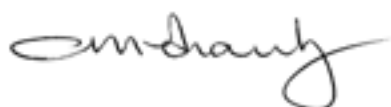
As at the time of signing, we are not aware of any circumstance which would render any particular in the statement to be misleading or inaccurate.

Signed at Bannockburn this 10th day of September 2009.



COUNCILLOR JENNY BLAKE.

Mayor



COUNCILLOR GERALDINE FRANTZ

Acting Chairperson, 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 2009 of the Golden Plains Shire Council which comprises the statement, the related notes and the Council Approval of the Performance Statement has been audited.

The Councillors' Responsibility for the Performance Statement

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

Auditor's Responsibility

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

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

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

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 the Golden Plains Shire Council for the year ended 30 June 2009. 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 the Council's website.

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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 the Golden Plains Shire Council in respect of the 30 June 2009 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
14 September 2009


D D R Pearson
Auditor-General



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Golden Plains Shire Council

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www.goldenplains.vic.gov.au

Customer Service Centres

2 Pope Street, Bannockburn
Monday–Friday 8.30am to 5.00pm
(excluding Public Holidays)

68 Sussex Street, Linton
Monday–Friday 8.30am to 12.30pm, 1.00pm to 5.00pm
(excluding Public Holidays)

Postal Address

Golden Plains Shire Council
PO Box 111, Bannockburn VIC 3331

Telephone

03 5220 7111 or 1300 36 30 36*

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

Facsimile

03 5220 7100

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