



Yarriambiack
SHIRE COUNCIL

ANNUAL REPORT



10/11

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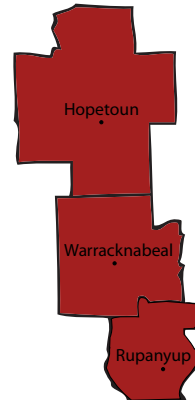
Location

The Shire is situated in the Grampians and Mildura & Murray Outback Regions and provides a link between Horsham in the south and Mildura in the northern end of that region. It is located immediately to the east of some of Victoria's main eco-tourist attractions, including the Big Desert, Wyperfeld National Park, Lake Hindmarsh, Lake Albacutya and the Little Desert.

Shire Office

Warracknabeal

34 Lyle Street Warracknabeal 3393
PO Box 243 Warracknabeal 3393
Telephone (03) 5398 0100
Facsimile (03) 5398 2502
info@yarriambiack.vic.gov.au



Service Centres

Hopetoun

75 Lascelles Street Hopetoun 3396
Telephone (03) 5083 3001
Facsimile (03) 5083 3309

Rupanyup

59 Cromie Street Rupanyup 3388
Telephone (03) 5385 5060
Facsimile (03) 5385 5300



Area

7,160 sq. km

Population

Approximately 7,520

Voters

Approximately 6,531





Industry

The Shire is the heartland of grain production and handling in the Wimmera and Mallee. The dry-land farming area produces one quarter of Victoria's total production of wheat and barley and is noted for the production of lambs and wool.

Major Attractions

Murtoa Stick Shed, Wimmera Inland Freezing Works Museum, Water Tower Museum and Concordia Cottage, Marma Lake and Rabl Park, Minyip Heritage Town, Yarriambiack Creek, Warracknabeal Agricultural Machinery Museum and Historical Centre, Federation Place, Corrong Homestead, Mallee Bush Retreat, Pine Plains, Wyperfeld National Park, Jack Emmett Billabong, Redda's Park, and Cronomby Tanks Reserve.

Rate Revenue

\$7,182,926.66

Key Statistics

Planning Permits Issued	57
Total Value	\$ 4,319,273
Building Permits Issued	68
Total Value	\$ 4,283,272
Properties (total)	7683
Total Value (CIV)	\$ 1,339,561,100
Properties Rateable	6802
Total Value (CIV)	\$ 1,303,869,000





As Mayor of Yarriambiack Shire Council it is with a great deal of pride and pleasure that I present the introduction to the 2010/2011 Yarriambiack Shire Council Annual Report. The main purpose and intent of this report is to distinctly demonstrate and highlight to our residents, stakeholders and visitors, Yarriambiack Shire Council's commitment to the ongoing sustainability, variability, and prosperity of our truly astonishing municipality.

Since being elected to the position of Mayor in December 2010 it has definitely been an incredible honour for me to serve and represent our community in this very privileged and prestigious role. Councillors and staff very much appreciate and comprehend the challenging and extremely frustrating times and conditions that we as a community have endured and experienced over an extended period of time and on behalf of my fellow councillors I sincerely commend and congratulate everyone for remaining particularly

resilient, positive, committed and focused. During the past twelve months we have endured the on-going effects of the drought, two incidences of unprecedented flooding in addition to a locust and mice plague! I was immensely proud of our community members, Council staff, the various community services groups and a host of emergency services organizations that worked both tirelessly and relentlessly during the January floods to protect both property and life. Without these paramount efforts the Shire would have experienced substantially more damage and heartbreak but in saying that the township of Rupanyup did suffer quite a degree of damage but this was fortunately kept to a minimum by in particular the outstanding efforts of the community in-conjunction with Council staff, community service groups and emergency service organizations. Simply amazing and the type of stuff that folk law is based on!

Hopefully the positive start to the new season that we are presently experiencing continues until cropping is completed! We certainly deserve a change of luck but as the adage goes' – when the going gets tough the tough get going! That has certainly been the case over the past dozen years or so!

Undoubtedly this is an extremely crucial and critical period in the ongoing future of our municipality and in saying that Council realizes and appreciates that some of the difficult decisions we make today will hopefully and eventually have a long term beneficial and advantageous impact in nurturing and developing the type of community that we choose and desire to live in now and in the future.

The Annual Report is fundamentally a practical assessment of Council's appreciation and commitment to its core values of accountability, transparency and obligation to the community. Council again as in previous years has placed considerable emphasis and is committed to developing and maintaining positive and productive relationships with its community, stakeholders, and the State and Federal Governments.

I honestly believe that this constructive and proactive interaction will assist the community and key stakeholders to make positive, better informed and substantial contributions to the planning, direction and development of the long term sustainability and viability of our municipality.

I believe that it is only appropriate and deserving that I personally recognise and acknowledge the outstanding contributions and commitment of my fellow councillors and in particular their endeavours to work co-operatively and diligently as a team for the overall benefit and betterment of the entire municipality and region. Their dedication and willingness to address critical issues and resolve them in a spirited and united manner has been particularly impressive and ultimately extremely advantageous. Generally parochial matters have been set aside enabling the Council to have a positive strategic focus in addressing crucial and critical issues that confront our municipality and region.

The Annual Report reflects the key accomplishments of Council over the past year and I firmly believe that as a Council we are continually learning and developing and in particular we are becoming better listeners, advocates and lobbyist. As a direct consequence we are hopefully doing things better and more efficiently which is directly and indirectly benefiting our community, however, it is a team effort, councillors, staff and the community working together, to ensure that we remain a viable and enjoyable place to live, work and visit.

In closing, I also very much wish to extend my appreciation and congratulations to the Council staff led by our Chief Executive Officer for their commitment, enthusiasm and professionalism. In addition I would particularly like to sincerely congratulate and thank the vast array of volunteers who have contributed so much energy and personal time to assist and enhance the lives of so many people throughout the Yarriambiack Shire.

Your wonderful efforts are very much appreciated. Thank you and please keep up the exceptional and selfless work as it is very much appreciated and acknowledged.

The 2010/2011 financial year on reflection was not too dissimilar from previous years as it was a year in which we worked extremely diligently to consolidate and build upon our organizational commitment of continuous improvement in delivering quality services and planning strategically to ensure the ongoing sustainability and viability of the Yarriambiack Shire.

As in past year's considerable time, effort and energy has been expended and focused on relationship development and enhancement, financial accountability and addressing our identified goals and objectives. Additionally we have placed significant and appropriate emphasis on developing an understanding and partnerships with the various and diverse sectors of our community and region.

Council has also placed significant emphasis on consolidating its relationships with both the State and Federal Governments and as a direct consequence significant and positive outcomes have been achieved which has resulted in substantial benefits being directed to our communities.

Council is very much compelled and obligated to further establishing and capitalizing on its various relationships and partnerships to ensure that a positive and advantageous difference is made to our community. We propose to ensure that Yarriambiack Shire Council continues to engage and relate to its community and fully examine how these important relationships can become even more productive and successful for the direct and indirect benefit of the Shire and ultimately the achievement of our community's aspirations.

The information contained in this report will provide the community with an opportunity to gauge for themselves the progress that Yarriambiack Shire Council has made during the 2010/2011 financial year. It is envisaged that the year ahead will again offer a wide range of unparalleled challenges and an array of opportunities for our community.

Council has planned to ensure that its activities support, encourage and provide added value enabling our community to fully derive benefit from every opportunity that comes our way. There will undoubtedly also be numerous challenges that we will be required to address. Possibly more than we have previously encountered however I am extremely confident, in fact, I know that we have the leadership, commitment, enthusiasm and professionalism and most importantly the teamwork to succeed.

Council is particularly committed to continually reviewing the way in which we do things, how we operate and identify areas where we can improve and be even more responsive, efficient and effective. I would very much like to extend my personal congratulations and gratitude to all our staff, and sincerely thank them for their much appreciated efforts and commitment. I am extremely proud of every one of them; it is definitely a pleasure and privilege to work with them. Keep up the great work it is very much appreciated and respected.

To the Mayor John Kemfert and your fellow councillors congratulations on your positive performance and efforts and in particular for the excellent working relationship that has been established and maintained with the management team and staff over the past twelve months.

It certainly has been a pleasure to work in association with you and your councillors, the staff and I look forward to continuing our positive and constructive relationship. In closing, I would also like to thank the general community for their support, co-operation and assistance throughout the year and for also making the Yarriambiack Shire simply a great place for so many reasons!

Ray Campling
Chief Executive Officer
Yarriambiack Shire Council





Mayor John Kemfert
Dunmunkle Ward

attendance 11 /11

Rail Freight Alliance
Wimmera Rail Association / Rail Standardisation
Wimmera Regional Sports Assembly



Cr Ray Kingston
Dunmunkle Ward

attendance 11 /11

Municipal Association of Victoria
North Western Municipalities Association
Sustainability Accord
Victorian Saleyards Association
Warracknabeal Saleyards Committee
Yarriambiack Fire Prevention Committee
Yarrilinks
Yarriambiack Tourism Association



Cr Geoff Lovel
Warracknabeal Ward

attendance 10 /11

Grampians Waste Management Group
Internal Audit Committee
Wimmera Regional Transport Group
Yarriambiack Drought Committee
Wimmera Intermodal Freight Terminal Project Control Group



Cr Kylie Zanker
Warracknabeal Ward

attendance 10 /11

Internal Audit Committee
Wimmera Regional Library Service
Wimmera Volunteers Inc
Warracknabeal Neighbourhood House
Yarriambiack Fire Prevention Committee
Yarrilinks



Cr Jean Wise
Warracknabeal Ward

attendance 10 /11

Australian Local Government Women's Association
Municipal Emergency Management Committee
RoadSafe Wimmera
Wimmera Development Association
Yarriambiack Chaplaincy Council



Cr Andrew McLean
Hopetoun Ward

attendance 10 /11

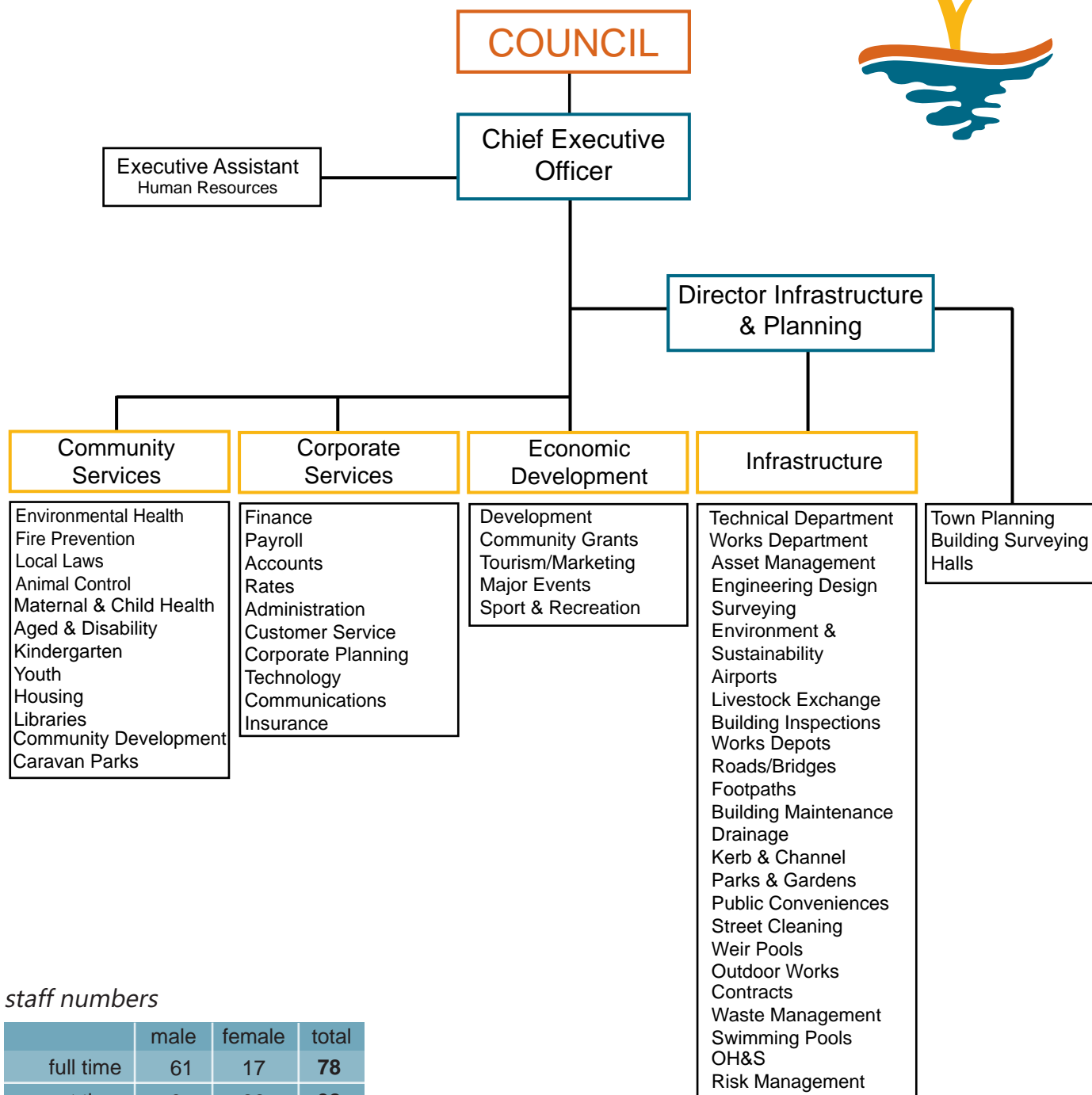
GWM Water CC Mallee Users Group
Grampians Waste Management Group
Municipal Association of Victoria
North Western Municipalities Association
Sunraysia Highway Improvement Committee
Yarriambiack Creek Advisory Committee
Sustainability Accord
Yarrilinks



Cr Helen Ballentine
Hopetoun Ward

attendance 9 /11

GWM Water Regional Recreation Water Users Group
Municipal Emergency Management Committee
WM Tourism Steering Group
Yarriambiack Drought Committee
Yarriambiack Tourism Association



staff numbers

	male	female	total
full time	61	17	78
part time	0	38	38
casual	1	10	11
total	62	65	127

senior management

Chief Executive Officer	Ray Campling
Director Planning & Infrastructure	James Magee
Corporate Services Manager	Anita McFarlane
Community Services Manager	Gavin Blinman
Economic Development Manager	Terry Sanders
Infrastructure Services Manager	Bernie Naylor

department of infrastructure and planning

James Magee

Objectives

To effectively and efficiently plan and deliver Council's technical and physical services

Areas of Responsibility

- Town Planning
- Building Control
- Infrastructure Maintenance/Construction
- Asset Planning & Management
- Design & Technical Services
- Waste management
- Contract Management

2010/2011 Achievements and Activities

- Completed the final year of a service agreement with Vicroads for maintenance of 400 km of arterial roads within the municipality. The agreement means an additional income of nearing \$2,000,000 for the year
- Signed agreement with Iluka for funding a road upgrade of Campbell St, Hopetoun for access from Henty Highway to their rail siding. Commenced construction of Iluka loading pad at Hopetoun
- Continuation of a sealing of gravel town streets program
- Successfully completed Yarriambiack Shire Council's capital works program for upgrading of roads, footpaths, town streets and drainage
- Obtained funding for widening of the Dimboola Minyip Rd via Roads to Market program. A 2km section competed
- Obtained funding for widening of Yaapect Rainbow Road via Roads to Market program. 1.5km completed
- Kerb and channel replacement at Breen Street Murtoa including seal widening and final seal.
- Continued to update vehicle fleet with greater emphasis being given to vehicles with environmental advantages
- Signed agreement with Bioplant, a waste to energy initiative whereby Council will provide kerbside waste as fuel for the project
- Completed reconstruction of kerbing in McDonald St Murtoa
- New kerb and seal widening for Germaine St, Yaapect
- Review of Road Management Plan has commenced
- Managed flooding response and recovery for September 2011 and January 2011. The January flood has been recognised as a 1 in 200 year event
- Successfully gained funding for additional weir gates on Yarriambiack Creek at Warracknabeal
- Implementation of Firewood collection strategy for local roads

Staffing

56 Equivalent Full Time Staff

corporate services

Anita McFarlane



Objectives

To provide customer service and dissemination of financial and other relevant information to Council's management, staff, statutory bodies and the community in general

Areas of Responsibility

Administrative Support Services

- Co-ordination of the Customer Service Centres in Warracknabeal and Rupanyup (Council operated) and Hopetoun (Agency operated)
- Production and maintenance of the Community Directory for the Shire.
- Co-ordination of municipal functions and the hire of meeting rooms.
- Provision of administration support for the management team at the Warracknabeal office.
- Management of a Vic Roads agency at the Warracknabeal office.

Financial Services

- **Organisational wide financial support** - general ledger, accounts payable, payroll, rates, accounts receivable, banking, investment, external audit, internal audit.
- **Financial Planning and Control** – budget preparation, monitoring and reporting, 5 year operational and capital works programs
- **Financial Reporting Requirements** – regular reports to management and to Council, annual statement and annual report, Grants Commission, Goods and Services Tax and Fringe Benefits Tax, periodic reports to other associated bodies.
- **Rates and Property** - Maintenance of Council's property, valuation and rating database including MapInfo and the GIS system for Council
- **Other responsibilities** – review of fees and charges, internal control, purchasing.

Information Technology Services

- Provide a platform for the development of an efficient and accurate data entry and information dissemination management information system which benefits both internal and external clients.
- The development and updating of Council's website is also an important element of service.

2010/2011 Achievements and Activities

Finance

Participation in MAV Financial Credibility Study
Upgrade BIS to version 9

Rates & Property

Department of Human Services audit on Pensioner Rebates
Conclusion of the Exceptional Circumstances

Information Technology

Update and replace computers
Update and replace council photocopiers
Implementation of the Who's In computer program
Implementation of Adobe Acrobat Creative Suite 5

Administration

Vic Roads audit
Assist with the operation of the MECC during the floods in January

Staffing

10 Equivalent Full Time Staff

community services

Gavin Blinman



- Planned and managed Relief and Recovery services during the 2011 January floods.
- Established flood recovery officer position.
- Carried out major refit to Warracknabeal childcare centre after the September and December significant rain events.
- Hosted 35 community members to the Yarriambiack Kindergarten cluster dinner.
- Promoted the Rupanyup/ Minyip kindergarten pilot program by speaking at the Kindergarten Parents Victoria State Conference in Melbourne.
- Hosted volunteer breakfast as part of Volunteer week celebrations in Murtoa, Warracknabeal and Hopetoun.
- Established working party to look at transport options for pre school children in Hindmarsh, West Wimmera and Yarriambiack shires.
- Launched Youth services Facebook site.
- 199 young people were supported to attend Friday night live events in Horsham.
- Developed shire wide monthly immunisation clinics.
- Expansion of the playgroup program in Patchewollock, Tempy, Woomelang, Beulah, Murtoa, Minyip and Hopetoun.
- Hosted regional M&CH workshop in Murtoa.
- Hosted 250 seniors from across the Wimmera to the Seniors Week concert and picnic in Warracknabeal.
- Kindergarten teacher Glenda Hewitt travelled to Sweden and England as part of the DEECD pre school teacher excellence award on a study tour.
- The Yarriambiack shire was awarded \$10,000 for Kindergarten cluster management excellence.
- E.H.O. was seconded to Mildura city council to assist with their flood recovery.
- A Vulnerable person's register was established with support from shire health agencies to support residents at risk during major incidents.
- A youth exchange with Knox city was conducted with youth going to Knox and youth from Knox coming to our shire.
- M&CH nurses ran healthy eating workshops as part of Children's week activities.
- The pilot program for 15 hours universal access to kindergarten continued in Minyip/Rupanyup.
- 25 children attended the Lord Mayor's camp at Portsea this year.
- Municipal Access plan was reviewed by a community working party.
- Municipal Health plan was updated and presented to council.
- Yarriambiack has talent program attracted 70 people.
- Municipal Heatwave plan was updated.

economic development

Terry Sanders



Objectives

The key objectives of the Economic & Community Development Unit for 2010/11 were:

- Maintain a positive investment environment
- Support existing businesses and encourage expansion
- Attract external investment

Areas of Responsibility

- Economic Development
- Tourism
- Community Development
- Sport & Recreation

2010/2011 Achievements and Activities

The major achievements for 2010/11 were:

- Continuation of the very successful “Buy Local” campaign
- Completion of construction of the Warracknabeal Industrial Estate.
- Series of Financial Management Seminars for local business.
- Completion of the Wimmera/Southern Mallee Strategic Plan
- Promotion of business development opportunities resulting from the completion of the Wimmera Mallee Pipeline
- The continued development of Y-Fest and the Murtoa Big Weekend into major events for the Shire.
- Formation of the Yarriambiack Tourism Association.
- Progress towards the establishment of the Wimmera Mallee Tourism Association.
- Secured additional funding of \$1,035,000 from State and Federal Governments for community infrastructure, including sport and recreation facilities.
- Secured funding for the restoration of flood damaged community infrastructure.

Staffing

Manager Economic & Community Development – Terry Sanders
Community Projects Co-ordinator – Dennis Smith
Manager Warracknabeal Leisure Centre – Cheryl Woods



infrastructure services management

Bernie Naylor

Objectives

To provide efficient and effective management of Council's Waste and Recycling Services, Transfer Stations, Contracts, Vehicle and Plant fleet and to manage the function of the Technical Services Department for the residents and ratepayers of Yarriambiack Shire Council

Areas of Responsibility

Contracts

- Manage the tendering and contracting processes for all contracts let by Council ensuring that all processes comply with Council policies and government legislation.
- Provide appropriate project and contract management of major projects from Council's Capital Works Program, ensuring that they are completed within budget and on time where tendered out.

Works/Technical services

- Manage functions of Technical Services Department including assets, design and sustainability
- Manage functions of works area including operations, plant and programming

Waste & Recycling

- Co-ordinate and manage Council's waste management services at the transfer stations and landfills.
- Co-ordinate and manage Council's recycling services at the transfer stations.
- Co-ordinate and manage Council's Kerbside recycling service.
- Provide appropriate and improve waste facilities by continually reviewing transfer station operations, rehabilitation and closing of landfill sites and replacing with transfer stations where appropriate.

Swimming Pools

- Liaise and provide assistance to the committees of management for the community swimming pools located in the municipality.
- Distribute annual allocations to pool committees, prepare submissions to the Department of Sport & Recreation for "Better Pools" funding in relation to upgrades of the aquatic facilities.
- Provide project management of all swimming pool project upgrades from Council's Capital Works Program.

2010/2011 Achievements and Activities

In 2010/2011 the following contracts were tendered out and awarded:

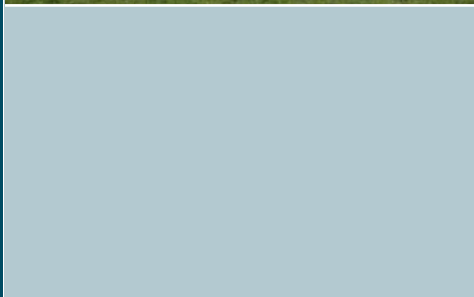
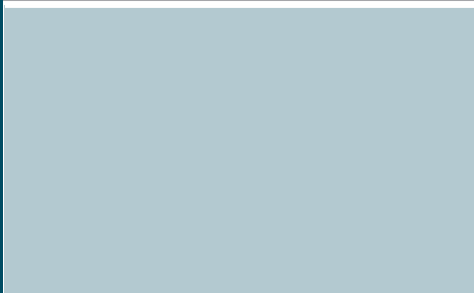
Sealing of Various Local Roads	\$788,325	Term 1 Year
Supply & Delivery of Prime Mover Truck	\$185,172	Term 1 Year
Supply & Delivery of Grader	\$286,000	Term 1 Year

Waste Management

- Extension to cardboard baling facility at the Warracknabeal transfer station
- Recycling and crushing of 2,000 tonne of concrete – Hopetoun Transfer Station

Drainage

- Upgrading of Cannings Cannel Warracknabeal to assist in drainage of the North eastern Part of Warracknabeal Township



Anzac Park	\$ 45,969.00
Beulah Business and Information Centre	\$ 1,000.00
Beulah Kindergarten	\$ 6,588.00
Beulah Memorial Hall Committee	\$ 2,314.00
Beulah Netball Club	\$ 1,000.00
Beulah Park Trustees Committee	\$ 7,464.00
Beulah Recreation Reserve	\$ 12,994.00
Beulah Swimming Pool	\$ 9,872.00
Beulah Weir Pool	\$ 14,000.00
Brim Active Community Group	\$ 1,000.00
Brim Hall	\$ 500.00
Brim Lions Club	\$ 2,450.00
Brim Recreation Reserve	\$ 7,688.00
Genr8 Youth Group	\$ 1,000.00
Grampians Regional Waste Management	\$ 5,720.00
Hopetoun Bowls Club	\$ 62,505.00
Hopetoun Hall	\$ 500.00
Hopetoun Kindergarten	\$ 7,550.00
Hopetoun Progress Association	\$ 1,000.00
Hopetoun Recreation Reserve	\$ 19,492.00
Hopetoun Scout Group	\$ 2,450.00
Hopetoun Secondary College	\$ 880.00
Hopetoun Swimming Pool	\$ 1,205.00
Lake Lascelles/Corrong Committee of Management	\$ 12,682.00
Lubeck Park Reserve	\$ 1,940.00
Lubeck Public Hall Committee	\$ 940.00
Minyip Kindergarten	\$ 16,920.00
Minyip Lions Club	\$ 2,000.00
Minyip Memorial Hall Committee	\$ 3,400.00
Minyip Progress Association	\$ 1,000.00
Minyip Recreation Reserve	\$ 13,213.00
Minyip Swimming Pool	\$ 11,342.00
Murtoa Fire Brigade	\$ 1,000.00
Murtoa Kindergarten	\$ 6,000.00
Murtoa Mechanics Hall	\$ 1,040.00
Murtoa Progress Association	\$ 1,000.00
Murtoa Showyards Reserve	\$ 14,564.00
Murtoa Swimming Pool	\$ 16,653.00
On Track Learning Wimmera Inc	\$ 1,000.00
Patchewollock Recreation Reserve	\$ 2,525.00
Rupanyup & District Consultative Committee	\$ 1,450.00
Rupanyup Kindergarten	\$ 6,200.00
Rupanyup Lions Club	\$ 2,500.00
Rupanyup Memorial Hall	\$ 3,293.00
Rupanyup Recreation Reserve	\$ 165,975.00
Rupanyup SES	\$ 13,322.00
Rupanyup Swimming Pool	\$ 9,450.00
Sheep Hills Hall	\$ 500.00
Speed Public Hall	\$ 2,636.00
Speed Recreation Reserve	\$ 2,900.00
Tempy Memorial Park	\$ 2,440.00
Tempy Swimming Pool	\$ 3,520.00
Wallup Public Hall	\$ 1,476.00
Warracknabeal Action Group	\$ 1,100.00

Warracknabeal Bowls Club	\$ 4,850.00
Warracknabeal Lions Club	\$ 10,022.00
Warracknabeal Memorial Kindergarten	\$ 10,000.00
Warracknabeal Primary School	\$ 2,000.00
Warracknabeal Secondary College	\$ 550.00
Warracknabeal SES	\$ 23,872.00
Warracknabeal Swimming Pool	\$ 37,658.00
Warracknabeal Town Hall	\$ 500.00
Warracknabeal Yarriambiack Creek Development Committee	\$ 2,200.00
Woomelang Memorial Hall	\$ 5,055.00
Woomelang Recreation Reserve	\$ 5,500.00
Woomelang SES	\$ 12,322.00
Woomelang Swimming Pool	\$ 9,550.00
Yaapeet Community Club	\$ 3,199.00
Yarriambiack Chaplaincy Council	\$ 2,393.00
	\$ 668,793.00



Memberships

Municipal Association of Victoria	\$ 22,262.00
Wimmera Development Association	\$ 48,471.00
Wimmera Regional Library	\$ 211,476.00



July 2010

- Yarriambiack Shire Councillors adopt the 2010 Municipal Public Health plan
- Warracknabeal Regional Saleyards was confirmed as a premier prime lamb selling site, when it achieved National Saleyards Quality Assurance accreditation.
- Warracknabeal's Lions Club received a grant of \$49585.00 to replace the existing playground equipment with safer, non treated pine equipment.
- YSC has been appointed as a Local Blue Green Algae Monitor and will inspect all lakes and weir pools in the Shire from October to March.
- YSC has invited Murtoa residents to have a say on the future of the town's recreations areas. The council, with Murtoa Progress Association, is developing a management plan for Lake Marma and Rabl Park for future improvements.
- Yarriambiack Shire Council will be among 22 municipalities to receive funding to control locusts.



- Six community groups within the Shire share a total of \$14,000 in funding through Wimmera Volunteers Small Grants Program.
- YSC Councillors attended the Grampians Region launch of the Ready for Tomorrow blueprint for rural and regional Victoria, which will see \$630.7 million to create new opportunities and build a prosperous and sustainable future.
- Yarriambiack Shire residents will soon enjoy better access to library facilities, with plans to purchase a new mobile library van.
- The SHARE program was launched. The Sustainable Healthy Adaptable Resilient Engaged Program replaces the Community Building Initiative.
- Rural Northwest Health Aged Care Facility celebrated its 2nd birthday. Mayor Jean Wise and Councillor Kylie Zanker represented the Yarriambiack Shire Council.

August 2010



- Councillors and staff were available at the Mallee Machinery Field days to discuss and advise on any issues of concern to residents
- Yarrilinks returned for another year, this year to Wallup, for the annual tree planting weekend, aiming to return vegetation to the Yarriambiack Creek and the entire Shire
- Council is offering up to \$1000 towards successful projects as part of the Celebrating Young Peoples Grants Program.



- Murtoa resident Sharon Garrick received her citizenship at the Council Offices
- Declaration of the rates and the Government Pensioner rates assistance scheme
- Water is flowing down the Yarriambiack Creek towards Warracknabeal.
- Council are preparing to take on the locust plague with State Government assistance.
- The Yarriambiack Shire Council has been urged to take action on flooding at the industrial estate.

September 2010

- Wimmera Development Association together with Council and welfare agencies meets to find solutions to the region's affordable housing shortage.
- Discussion turns to concern about the prospect of floods as the Yarriambiack Creek continues to rise
- Yarriambiack Shire Council representatives help the Warracknabeal Herald celebrate their 125 year anniversary
- The Yarriambiack Shire Council will once again subsidise the Lord Mayors Camp to Portsea.



- Council will receive \$10,000 for professional staff development after demonstrating excellence and innovation in kindergarten management
- Community grants are once again made available to recreation, service and community organisations within the Shire
- Mayor Jean Wise officially opened Rupanyup Bowling Club's new green.

October 2010

- Hopetoun and surrounding residents are invited to a free BBQ to meet and talk with Councillors & Staff.
- Yarriambiack Shire Council released its 2009/10 annual report, outlining its shires commitment to the ongoing sustainability, viability and prosperity of the municipality.

- CEO Ray Campling urges all residents to use Fire Action Week 2010 to help prepare for the upcoming fire season.
- Rupanyup and surrounding residents are invited to a free BBQ to meet and talk with Councillors & Staff.
- A project to upgrade lighting at Warracknabeal's Anzac Park is set to become a reality, thanks to administrative and financial assistance from the Council, Bendigo Bank and Horsham Sports and Community Club.

November 2010

- Yarriambiack Shire Council will receive \$300,000 to upgrade public facilities at weir pools in the district.
- Yarriambiack Shire Council, in conjunction with Wimmera Volunteers, will maintain a data base of people who are available to volunteer on a casual basis.
- Warracknabeal Memorial Kindergarten teacher Glenda Hewitt was presented with a National Excellence in Teaching Award at a Council Meeting.
- Councillor Helen Ballentine officially opens the Hopetoun Bowls Club new synthetic green, made possible with a grant through the Shire.
- Yarriambiack Shire Council Mayor Jean Wise and CEO Ray Campling attended the Remembrance Day ceremony



- Warracknabeal Memorial Kindergarten teacher Glenda Hewitt was presented with a National Excellence in Teaching Award at a Council Meeting.
- Yarriambiack Shire Council will now have the power to demolish or repair buildings in a ruinous or dangerous state.
- Four Fairhills High School students made the trip to Warracknabeal Secondary College as part of the Knox City and Yarriambiack Shire Councils' student exchange program.

- Yarriambiack Shire, Hopetoun Red Cross, DHS and Victoria Police along with students from Hopetoun Primary School and Rural Northwest staff conducted a mock Relief Centre Exercise at Hopetoun Senior Citizens.
- Mayor Jean Wise attended the 75th anniversary celebrations of the Hopetoun CWA.
- Councillor John Kemfert is the newly elected Mayor of the Shire.
- A luncheon was held to thank all volunteers of the Shire.
- Residents can now dispose of unwanted or damaged electronic goods for free at Warracknabeal, Murtoa and Hopetoun transfer stations.

December 2010



- Yarriambiack Shire Volunteers will share the use of a new bus owned by Wimmera Volunteers.
- Council has begun inspecting properties for fire hazards and has issued 525 clean-up orders to property owners.

January 2011

- Murtoa Golf Club receive \$58,720 and Minyip Tennis Club \$37,000 from the Sustainable Sports Ground Program.
- Warracknabeal weir at Rainbow Road is cut to let water out of the Yarriambiack creek.
- Murtoa residents welcome the return of water to Lake Marma.
- Yarriambiack creek peaks at Beulah, with levels never seen before.
- 100mm of rain fell in six hours causing flash flooding in Warracknabeal's Scott Street.
- Council together with Emergency Service hold public meetings to brief residents on the implications on a potential One in One Hundred year flood.



- Councillor Kylie Zanker attends the 13th National Volunteers conference in Melbourne.
- Yarriambiack Shire residents will enjoy cooked breakfasts as part of annual Australia Day celebrations.
- A record number of roads and bridges were closed across the Shire due to flooding.
- Long-serving community member Alan Chivell received Yarriambiack Shire Council's Citizen of the Year Award.



- The township of Speed will officially change its name to "Speedkills" for one month to encourage people to slow down. The TAC donated \$20,000 to the Speed Lions Club.
- GWMWater detects blue-green algae in Warracknabeal's town water storage.

February 2011

- Yarriambiack Shire Council will start trapping and testing mosquitoes in the wake of the flood and a spike in insect numbers.
- ABC radio broadcasts live from outside the visitors information centre.
- Council will write to the Planning Minister to change the zoning in parts of Hopetoun to encourage industrial development
- Council holds a free "We beat the flood" get together at Anzac Park Warracknabeal.

March 2011

- Rupanyup Transfer Station re-opens after flooding
- Yarriambiack Shire Council Chief Executive Officer Ray Campling tenders his resignation after 8 years
- Murtoa residents celebrate the filling of Lake Marma
- A ten year agreement, with Bio-plant Limited to collect kerbside waste and supply it to the group's waste to energy plant, has been reached.



- Flood recovery is on the top of the agenda for Mayor John Kemfert when he attends a Rural Councils Victoria Rural Summit.
- Council will meet with Murtoa Progress Association representatives to discuss council relinquishing responsibility for Lake Marma



- Councillor Helen Ballentine attended the inauguration of the new Victorian Governor Alex Chernov.
- Y-Fest continues to grow in popularity with record numbers attending
- Yarriambiack Shire Council and Hindmarsh Shire Council will share resources with the appointment of a flood recovery officer

April 2011

- Melbourne-based company Context have been appointed to prepare stage one of a Shire heritage study
- Councillor Helen Ballentine and Hopetoun resident Kathleen Poulton attended Government House to say goodbye to the Governor.
- Legislation has been passed which will guarantee Council's ability to nominate another public holiday in lieu of Melbourne Cup
- Yarriambiack Shire Council CEO Ray Campling withdraws his resignation.

May 2011

- Yarriambiack Shire Council will host breakfasts in Warracknabeal, Hopetoun and Murtoa to thank volunteers across the district.
- Council will receive funding for a part time Youth worker position, to be based in Murtoa.



- SHARE Community Grants open



- Powercor showcased a new electrical meter to Yarriambiack Shire Council, which will replace old household meters.
- Final stages of improvements at Warracknabeal Children's Centre are complete.
- Council increase general rates by 6 percent

June 2011

- \$10,000.00 has been granted in funding to 34 community groups as part of the shire's Community Group Financial Assistance Scheme.
- Yarriambiack Shire will join with other councils in North West Victoria are undertaking consultation with the community prior to adopting and further developing Infrastructure Design Manual.
- St Mary's Primary School years 5 & 6 students attend Council meeting

The following information is available for public inspection at the Warracknabeal Office in accordance with the Local Government (General) Regulations 2004, Part 5, Regulation number 11.

- (a) Details of current allowances fixed for the Mayor, and Councillors under section 74 or 74A of the Act;
- (b) the total annual remuneration for all senior officers in respect of the current financial year and the previous financial year, set out in a list that states—
 - (i) ranges of remuneration of senior officers, where the difference between the lower amount and the higher amount in each range must not exceed \$10 000; and
 - (ii) the number of senior officers whose total annual remuneration falls within the ranges referred to in subparagraph
- (c) details of overseas or interstate travel (with the exception of interstate travel by land for less than 3 days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months, including the names of the Councillors or members of Council staff and the date, destination, purpose and total cost to the Council of the overseas or interstate travel, including accommodation costs;
- (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 of the Act except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act;
- (g) A list of all special committees established by Council and the purpose for which each committee was established;
- (h) A list of all special committees established by the Council which were abolished or ceased to function during the financial year;
- (i) Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act;
- (j) a register of delegations kept under sections 87 and 98 of the Act, including the dates on which the last reviews under sections 86(6) and 98(6) of the Act took place;
- (k) Submissions received in accordance with section 223 of the Act during the previous 12 months;
- (l) Agreements to establish regional libraries under section 196 of the Act;
- (m) Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the Council as lessor or lessee, including the name of the other party to the lease and the terms and the value of the lease;
- (n) A register of authorised officers appointed under section 224 of the Act;

- (o) A list of donations and grants made by the Council during the financial year, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant;
- (p) A list of the names of the organisations of which the Council was a member during the financial year and details of all membership fees and other amounts and services provided during that year to each organisation by the Council.
- (q) a list of contracts valued at \$100 000 (or such higher amount as is fixed from time to time under section 186(1) of the Act) or more—
 - (i) which the Council entered into during the financial year without first engaging in a competitive process; and
 - (ii) which are not contracts referred to in section 186(5) or (5A) of the Act.

our mission

“Yarriambiack Shire Council will combine strategic planning and prudent management to ensure a positive and sustainable future”

our values

Customer Service

- treat our customers with courtesy and respect;
- lead and develop leadership within our community;
- constantly strive to improve our services;
- forge closer relationships with customers
- investigate matters thoroughly and objectively, and
- keep our customers informed, in plain language, about the process and outcome.
- treat people fairly, with respect and have proper regard for their rights;
- make decisions lawfully, fairly, impartially, and in the public interest;
- we are honest, trustworthy, reliable, transparent and accountable in our dealings;
- we are careful, conscientious and diligent;
- use public resources economically and efficiently, and
- actively pursue positive outcomes for the community.

Continuous improvement

We drive continuous and sustainable improvement in service provision, operational efficiency and stakeholder relations to create a leading organisation.

our principles

Social Justice

We strive to make sure that every part of our core business is accessible by and inclusive of all community members.

Best Value

We provide services that are responsive to community needs, meet set performance standards, provide value for money, balance affordability and accessibility, and support opportunities for local employment growth or retention.

Sustainability

We manage public assets and resources in a way that supports and balances sustainable economic, social and environmental objectives and adheres to the principles of intergenerational equity.

Equal Employment Opportunity, Anti Discrimination & Bullying

The Yarriambiack Shire Council is committed to providing a workplace free of all forms of discrimination and harassment including bullying. It aims for equality of opportunity for all employees – both permanent and temporary. By effectively implementing our Equal Opportunity Policy we will attract talented people and use their abilities to maximum advantage for both the organization and the employee alike.

Quality Equal Opportunity programs are increasingly part of what best-practice organizations do to ensure the maximum contribution from their people by managing diversity effectively. The Yarriambiack Shire Council seeks to make this best practice approach an integral part of our organisation's culture.

It is the responsibility of all employees to provide a working environment free from discrimination, harassment and bullying. To this end we will take all practicable steps to ensure our contractors provide a similar working environment.

Audit Committee

The Audit Committee is an independent advisory Committee to Council. The primary objective of the Audit Committee is to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and facilitating the organisation ethical development.

As part of Council's governance obligations to its community, Council has constituted an Audit Committee to facilitate:

- the enhancement of the creditability and objectivity of internal and external financial reporting;
- effective management of financial and other risks and the protection of Council assets;
- compliance with laws and regulations as well as use of best practice guidelines;
- the effectiveness of the internal audit function
- the provision of an effective means of communication between the external auditor, internal audit, management and the Council

Internal Audits undertaken during the 2010/11 year include:

- Infrastructure Management
- Tendering & Contract Management
- Employment Taxes

Code of Conduct

In signing the Code of Conduct Yarriambiack Shire Councillors and staff agreed to abide by its principles and all relevant legislation. The Code provides guidelines on behaviour, standards or performance, ethical conduct and meeting community expectation.

Pecuniary Interests

Councillors are required to declare any pecuniary interest in any matter, and the nature of that interest, before a matter is discussed in a Council or Committee meeting. A Pecuniary Interest Register is maintained by Council and is available for inspection at the Warracknabeal Office.

All Councillors and senior staff are required to complete and sign a Form 26 Register of Interest Primary Return when elected or appointed in accordance with the Local Government Act.

No Pecuniary Interests were declared in the 2010/11 financial year.

Occupational Health & Safety

Yarriambiack Shire Council is fully committed to the provision of the highest levels of Quality Services and the management of risk. We are committed to providing a safe and healthy environment for employees, contractors and the public and to the management of risk. This policy commits the entire agreement to ensuring ongoing active prevention of injury and illness in our workplace and the preservation of our assets (both physical and reputation). This policy also commits to identifying and analyzing Council's liability associated with risk and promotion and support of risk management practices. The policy specifically requests all employees to participate actively in program development and implementation and to identify and report potential risk so as to help eliminate high risk activities.

Risk Management

Our aim is, in conjunction with our Risk Management Strategy, to try and achieve best practice in controlling as many of the risks to which the organization is exposed. We will achieve this by identifying our priority exposures, addressing these, incorporating appropriate risk management strategies, risk improvements and contingency planning into our business, monitoring and reviewing ongoing risk to account for changes in our operations and to enable us to make well-informed decisions on risk controls. The organization is committed to the management of risk to continue to protect its:

- Ratepayers, customers and stakeholders
- Employees, Councillors and their skills
- Environment
- Quality of service
- Assets and intellectual property
- Contractual and statutory obligations
- Image and reputation

Freedom of Information

The Yarriambiack Shire Council maintains documents relation to all of the functional areas of the Council operations. These documents are broadly defined as being current, secondary and archival.

Requests for access to a document should be made to the Chief Executive Officer, who is Council's designated FOI Officer. Contact should be made with the Chief Executive Officer prior to the lodging of any potential FOI request.

2011

Overall Performance	Community satisfaction rating for overall performance generally of the Council.	63%
Advocacy	Community satisfaction rating for Council's advocacy and community representation on key local issues.	65%
Engagement	Community satisfaction rating for Council's engagement in decision making on key local issues	64%
All Rates	Average rates and charges per assessment	\$ 1,048.81
Residential Rates	Average residential rates and charges per assessment	\$ 464.06
Operating Costs	Average operating expenditure per assessment	\$ 2,831.58
Capital Expenditure	Average capital expenditure per assessment	\$ 662.37
Infrastructure	Renewal	93%
	Renewal and maintenance	84%
Debts	Average liability per assessment	\$ 684.50
Operating Result	Operating result per assessment	\$ 165.04

FOR THE YEAR ENDED 30 JUNE 2011**Introduction to the Performance Statement**

The Victorian Government is of the view that it is reasonable to expect all Councils to collect and publish performance information. The Government has amended the Local Government Act to ensure that local government:-

- develops strategic objectives and defines the strategic indicators for monitoring those achievements in the Council Plan,
- refines the activities and initiatives in the strategic objectives and sets the performance targets in the Council Annual Budget,
- and then reports against those performance targets in the Annual Report.

Key Strategic Activity	Performance Measure	Note	Target	Actual	Compliance
Overall Performance					
Representing and assisting local communities in pursuing of their goals	Community satisfaction rating for overall performance generally of the Council	1	≥65 %	63%	Not Achieved
Leadership and Advocacy					
Providing leadership and advocacy on key Council issues	Community satisfaction rating for overall performance generally of the Council	1	≥65 %	65%	Achieved
Community Engagement					
Engaging the communities on key local issues	Community satisfaction rating for overall performance generally of the Council	1	≥65 %	64%	Not Achieved
Responsiveness to Enquiries and Requests					
Being responsive and accountable in dealing with the community	Community satisfaction rating for overall performance generally of the Council	1	≥70 %	72%	Achieved
Financial Management					
Developing and implementing financial plans for the long term viability of the shire	Achieve the budgeted operating result. The difference between the budgeted operating result and the actual operating result for the financial year.		> \$0	\$1259	Achieved
	Complete the capital works program. The proportion of budgeted Capital Works projects completed at the conclusion of the financial year.		100%	84%	Not Achieved
Provide Appropriate Services					
Providing appropriate services to meet community needs	Community satisfaction rating for overall performance generally of the Council	1	≥67 %	66%	Not Achieved

Summary of explanations of major variations between Actual & Target results

The requirements of legislation require explanations for the major variations between the actual and targeted performance indicators. These variations can be caused by many factors or assumptions made at the time of formulating the Annual Business Plan upon which this Performance Statement is based.

Annual Community Satisfaction Survey

The first five of the key performance indicators are based upon the results of a survey conducted from January to March each year. The survey is coordinated by the Department of Victorian Communities and prepared by the independent research group, Wallis Consulting Group, on behalf of participating Councils. While Council expected a similar result as last year, the outcomes were not as good as expected as a result of perceptions at the time of the survey.

In our opinion, the accompanying Performance Statement of the Yarriambiack Shire Council in respect of the 2010/2011 financial year is presented fairly in accordance with the Local Government Act 1989.

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

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

On the 14th September 2011 we were authorised by Yarriambiack Shire Council to approve the Performance Statement in its final form on behalf of the Yarriambiack Shire Council.



Jean M. Wise

Councillor

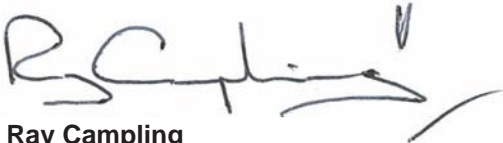
Dated: 26th September 2011



Kylie L. Zanker

Councillor

Dated: 26th September 2011



Ray Campling

Chief Executive Officer

Dated: 26th September 2011



Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Yarriambiack Shire Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2011 of the Yarriambiack Shire Council which comprises the statement, the related notes and the certification of performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

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

Auditor's Responsibility

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

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

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

Independence

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



Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Auditor's Opinion

In my opinion, the performance statement of the Yarriambiack Shire Council in respect of the 30 June 2011 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the performance statement of the Yarriambiack Shire Council for the year ended 30 June 2011 included both in the Yarriambiack Shire Council's annual report and on the website. The Councillors of the Yarriambiack Shire Council are responsible for the integrity of the Yarriambiack Shire Council's website. I have not been engaged to report on the integrity of the Yarriambiack Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE
27 September 2011

A handwritten signature in black ink, appearing to read "D D R Pearson".

D D R Pearson
Auditor-General

notes to the standard statements

1. Basis of preparation of Standard Statements

Council is required to prepare and include audited Standard Statements within its Annual Report. Four Statements are required a Standard Income Statement, Standard Balance Sheet, Standard Cash Flow Statement, 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 basis consistent with those used for General Purpose Financial Statements and the Budget. The result reported in these statements are consistent with those reported in the General Purpose Financial Statements.

The Standard Statements are not a substitute for the General Purpose Financial Statements, which are included on pages 40 to 86 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 10 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 11th August 2010. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from assets revaluations, as their impacts were not considered predictable.

Detailed information on the actual financial results is contained in the General Purpose Financial Statements on pages 40 to 86. The detailed budget can be obtained by contacting council or through the council's website. The Standard Statements must be read with reference to these documents.

standard income statement

for the year ending 30 June 2011

	Ref	Budget \$'000	Actual \$'000	Variance \$'000	%
Revenues from Ordinary Activities					
Rates & Charges		8,073	8,058	(15)	(0.2%)
Government Grants - Operating	1	6,149	9,115	2,966	48.2%
Government Grants - Capital		1,554	1,430	(124)	(8.0%)
User Charges	2	1,549	3,659	2,110	136.2%
Reimbursements, Contributions & Donations	3	325	516	191	58.8%
Interest	4	177	491	314	177.2%
Other Revenues	5	0	113	113	100.0%
Total Revenue		17,827	23,382	5,555	31.2%
Expenses from Ordinary Activities					
Employee Costs		6,395	6,864	469	7.3%
Materials & Services	6	5,246	7,825	2,579	49.2%
Contributions & Donations	7	667	769	102	15.3%
Depreciation	8	4,698	5,461	763	16.2%
Finance Costs	9	34	13	(21)	(61.8%)
Bad Debts	10	0	46	46	100.0%
Other Costs (includes associated entities)	11	912	777	(135)	(14.8%)
Total Expenditure		17,952	21,755	3,803	21.2%
Net gain(loss) on disposal of property					
Infrastructure, plant and equipment	12	160	(430)	(590)	(368.8%)
Movement in Associated Entities	13	0	71	71	100.0%
Net Surplus (Deficit) from Operations		35	1,268	1,233	3522.8%

major variance report explanation

Ref	Item	Explanation
1	Government Grants - Operating	Grants exceeded budget expectations due mainly to the early payment of the first instalment of the 2011/12 Grants Commission Grant. This was an extra \$1,109,796 Grant payment. Council also received two Natural Disaster Grants for flood events in September and January of \$195,177 and \$1,778,114 respectively.
2	User Charges	User charges exceeded budget due mainly to a \$2,248,541 increase above budget of works on Vic Roads roads. This extra work was due mainly to the Natural Disaster flooding in January.
3	Reimbursements, Contributions & Donations	The increase in reimbursements, contributions & donations relates mainly to community projects from the 2009/10 year, that were carried forward, and projects in the 2010/11 year that have been completed and community groups billed accordingly. The most significant community contribution is for the construction of the Rupanyup Community Centre totalling \$150,000.
4	Interest	Payments of grants for community projects, grants commission and natural disaster have allowed for excess funds to be invested for short terms and at higher rates of interest.
5	Other Revenues	Insurance settlements at the Warracknabeal Childrens Centre, Warracknabeal Library and Warracknabeal Town Hall. Insurance claims were due to storm damage.
6	Materials & Services	Materials and contracts have exceeded budget mainly due to the Natural Disasters in September and January. Increase costs of materials and the use of contractors were incurred during the emergency response and clean up costs associated with the flood event.
7	Contributions & Donations	Increase above budget is due to the carry over of community projects which were not completed in the 2009/10 year.
8	Depreciation	Increase in depreciation is due to mainly to the revaluation of infrastructure of assets
9	Finance Costs	Finance costs were less than budgeted because of the extra grant income received. This meant that there were only rare occasions when Council had to use the overdraft facility and therefore incur interest costs.
10	Bad Debts	Variance is due to a review of outstanding rates and trade receivables and the likelihood that these outstanding monies will not be collectable.
11	Other costs	Other costs exceeded budget because costs associated with the operation of the Municipal Emergency Control Centre during the January Natural Disaster were not budgeted.
12	Net gain(loss) on disposal of property Infrastructure, plant and equipment	The variance is due to the write back of roads and footpaths which were upgraded in the 2010/11 capital works program.
13	Movement in associated entities	Council budgets for the Wimmera Regional Library Corporation to have a break even financial result each year.

standard balance statement

as at 30 June 2011

	Ref	Budget	Actual	Variance	
		\$'000	\$'000	\$'000	%
Current Assets					
Cash & Cash Equivelants	14	5,311	10,275	4,964	93.5%
Trade and other Receivables	15	713	3,032	2,319	325.3%
Accrued Income	16	100	186	86	85.6%
Prepayments	17	278	195	(83)	(29.9%)
Inventories	18	437	513	76	17.4%
Assets Held for Resale	19	10	207	197	1968.4%
Current Assets		6,849	14,408	7,559	110.4%
Current Liabilities					
Trade and other Payables	20	1,231	2,767	1,536	124.8%
Provisions	21	1,724	2,046	322	18.7%
Interest Bearing Loans & Borrowings		100	103	3	3.1%
Current Liabilities		3,055	4,916	1,861	60.9%
NET CURRENT ASSETS		3,794	9,492	5,698	150.2%
Non Current Assets					
Trade and other Receivables	22	178	149	(29)	(16.4%)
Fixed Assets		113,835	124,479	10,644	9.4%
Investment - Library	23	275	439	164	59.6%
Non Current Assets		114,288	125,067	10,779	9.4%
Non Current Liabilities					
Provisions	21	297	265	(32)	(10.6%)
Interest Bearing Liabilities	24	105	78	(27)	(25.6%)
Non Current Liabilities		402	343	(59)	(14.6%)
NET NON CURRENT ASSETS		113,886	124,724	10,838	9.5%
NET ASSETS		117,680	134,216	16,535	14.1%
Equity					
Accumulated surplus		66,262	65,078	(1,193)	(1.8%)
Revaluation Reserves	25	51,418	69,138	17,729	34.5%
EQUITY		117,680	134,216	16,536	14.1%

major variance report explanation

Ref	Item	Explanation
14	Cash & Cash Equivalents	Increase in the number of investments held and cash in bank at the end of the financial year was due to monies received for the Natural Disaster and also the early payment of the first instalment of the 2011/12 Grant Commission grant.
15	Trade and other Receivables	Trade and other Receivables are higher than budgeted due to \$1.39 million of Vic Roads works for flood damage and community projects grant monies being outstanding as at the end of the financial year.
16	Accrued Income	Accrued income is higher than budget is due to insurance settlements for storm damage at the Warracknabeal Town Hall and Warracknabeal Childrens Centre being accrued for.
17	Prepayments	Prepayments are lower than budget due to insurance premiums being paid in July.
18	Inventories	The stockpiling of gravel at Hewitts Pit was being completed in June therefore increasing the stock levels on hand at year end.
19	Assets Held for Resale	Development works at the Warracknabeal industrial estate have been completed and blocks are now on the market to be sold.
20	Trade and other Payables	Above budget due mainly to outstanding payments to contractors for completing works on Vic Roads roads and contractors submitting accounts for emergency and restoration works for the Natural Disaster in January
21	Provisions	Variance is due to increase in employee provision for Annual Leave and Long Service Leave and adjustment of the Sick Leave provision to reflect changes in the new Enterprise Bargaining Agreement. Provisions for the reinstatement of gravel pit and tip provisions have also been increased.
22	Trade and other Receivables	Variance in the contribution from the gypsum pit owners is due to payments being less than budgeted. Council is yet to negotiate a settlement with one party. Payments from gypsum pit owners is based on the total tonnage carted from the pits at an agreed \$ rate.
23	Investment - Library	Council's share in the Wimmera Regional Library has increased due to a surplus results.
24	Interest Bearing Liabilities	Variance is due to repayments being higher than budgeted for.
25	Revaluation Reserve	Variance is due to the impairment of roads, bridges and drains as a result of the floods in September and January.

standard cash flow statement

for the year ending 30 June 2011

	Ref	Budget	Actual	Variance	
		\$'000	\$'000	\$'000	%
OPERATING ACTIVITIES					
Receipts from Rates & Charges		8,104	7,365	(739)	(9.1%)
Receipts from Clients	26	1,911	4,288	2,377	124.4%
Payments For Employee Costs		(6,282)	(6,864)	(582)	9.3%
Payments to Suppliers & Employees	27	(7,453)	(9,035)	(1,582)	21.2%
Sub Total		(3,720)	(4,246)	(526)	14.1%
Government Grants & Contributions	28	8,008	10,545	2,537	31.7%
Interest Received	29	177	491	314	177.2%
NET CASH USED IN OPERATING ACTIVITIES		4,499	6,790	2,322	51.6%
INVESTING ACTIVITIES					
Proceeds from Asset Sales	30	446	239	(207)	(46.3%)
Repayment of Advances	31	70	96	26	37.4%
Asset Purchases	32	(5,983)	(5,090)	893	(14.9%)
NET CASH USED IN INVESTING ACTIVITIES		(5,467)	(4,755)	713	(13.0%)
FINANCING ACTIVITIES					
Borrowing Costs	33	34	(13)	(47)	(138.2%)
Loan Repayments	34	(100)	(169)	(69)	68.8%
NET CASH USED IN FINANCING ACTIVITIES		(66)	(182)	(116)	175.4%
NET CASH FLOW		(1,068)	1,853	2,966	(277.7%)
Opening Cash Balance		6,378	8,422	2,044	32.0%
CLOSING CASH BALANCE		5,310	10,275	5,010	94.3%

major variance report explanation

Ref	Item	Explanation
26	Receipts from Clients	Variance is a result of extra Vic Roads work totalling \$1.39 million
27	Payments to Suppliers & Employees	Variance is due primarily to the Natural Disaster event in January.
28	Government Grants & Contributions	See Ref 1
29	Interest Received	See Ref 4
30	Proceeds from Asset Sales	Proceeds from the sale of assets were less than budgeted due to low trade values and the decision to maintain some plant and equipment for flood work
31	Repayment of Advances	Council received contributions from gypsum pit owners which were higher than budget.
32	Asset Purchases	The variance is a results of the non completion of the capital works program due to the flood event and the reallocation of resources.
33	Borrowing Costs	See Ref 9
34	Loan Repayments	See Ref 24

standard statement of capital works

for the year ending 30 June 2011

	Ref	Budget \$'000	Actual \$'000	Variance \$'000 %	
Capital works areas					
Infrastructure Assets	35	3,793	2,958	835	22%
Drains		60	62	(2)	(3%)
Land & Buildings	36	1,211	953	258	21%
Plant equipment and other		1,056	1,117	(61)	(6%)
Total capital works		6,120	5,090	1030	17%
Represented by:					
Asset renewal	37	4,509	2,584	1,925	43%
New assets	38	575	1,775	(1,200)	(209%)
Asset expansions / upgrade	39	1,036	731	305	29%
Total capital works		6,120	5,090	1030	17%

major variance report explanation

Ref	Item	Explanation
35	Infrastructure Assets	Actual was lower than budgeted due to several capital projects being incomplete as at the end of the financial year. As a result of the floods a number of these projects were deferred.
36	Land & Buildings	Actual was lower than budgeted due to several capital projects being incomplete as at the end of the financial year. As a result of the floods a number of these projects were deferred.
37	Asset renewal	See Ref 35
38	New assets	Variance is due to the construction of the new Rupanyup Community Centre, which was to be completed in the 2009/10 financial year, being completed in 2010/11.
39	Asset expansions / upgrade	See Ref 35

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



Anita J. McFarlane
Principal Accounting Officer
Dated:

In our opinion the accompanying standard statements have been prepared on an accounting basis consistent with the financial statements and in accordance with the Local Government Act 1989 and the Local Government (Finance and Reporting) Regulations 2004.

As at the date of signing, we are not aware of any circumstance that would render any particulars in the standard statements to be misleading or inaccurate.

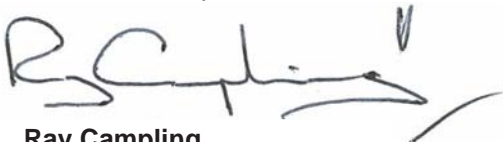
We have been authorised by the Council on 14th September 2011 to certify the standard statements in their final form.



Jean M. Wise
Mayor
Dated: 26th September 2011



Kylie L. Zanker
Councillor
Dated: 26th September 2011



Ray Campling
Chief Executive Officer
Dated: 26th September 2011

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comprehensive
income statement

For the Year Ended 30 June 2011

	Note	2011 \$'000	2010 \$'000
Income			
Rates and charges	2	8,058	7,636
User charges, fees and fines	3	3,659	1,706
Contributions & donations	5	516	244
Grants - recurrent	4	9,115	8,504
Grants - non-recurrent	4	1,430	253
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	6	(430)	(2,055)
Other income	7	604	325
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	15	71	56
Total income		23,023	16,669
Expenses			
Employee benefits	8	(6,864)	(5,696)
Materials and services	9	(7,825)	(4,970)
Bad and doubtful debts	10	(46)	(3)
Contributions & donations	11	(769)	(701)
Depreciation and amortisation	12	(5,461)	(5,273)
Finance costs	13	(13)	(14)
Other expenses	14	(777)	(817)
Total expenses		(21,755)	(17,474)
Surplus/(Deficit)		1,268	(805)
Other comprehensive income			
Net asset revaluation increment(decrement)		(1,450)	18,365
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	15	40	(18)
Comprehensive result		(142)	17,542

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

balance sheet

As at 30 June 2011

	Note	2011 \$'000	2010 \$'000
Assets			
Current assets			
Cash and cash equivalents	16	10,275	8,422
Trade and other receivables	17	3,032	1,208
Inventories	18	513	182
Non-current assets classified as held for sale	19	207	85
Other assets	20	381	255
Total current assets		14,408	10,152
Non-current assets			
Trade and other receivables	17	149	199
Investments in associates accounted for using the equity method	15	439	313
Property, infrastructure, plant and equipment	21	124,479	126,969
Total non-current assets		125,067	127,481
Total assets		139,475	137,633
Liabilities			
Current liabilities			
Trade and other payables	22	2,746	838
Trust funds and deposits	23	21	23
Provisions	24	2,046	1,827
Interest-bearing loans and borrowings	25	103	169
Total current liabilities		4,916	2,857
Non-current liabilities			
Provisions	24	265	237
Interest-bearing loans and borrowings	25	78	181
Total non-current liabilities		343	418
Total liabilities		5,259	3,275
Net Assets		134,216	134,358
Equity			
Accumulated surplus		65,078	63,770
Reserves	26	69,138	70,588
Total Equity		134,216	134,358

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

statement of
changes in equity

For the Year Ended 30 June 2011

	Note	Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
2011					
Balance at beginning of the financial year		134,358	63,770	70,573	15
Comprehensive result		(142)	1,308	(1,450)	-
Balance at end of the financial year		134,216	65,078	69,123	15

		Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
2010					
Balance at beginning of the financial year		116,816	64,593	52,208	15
Comprehensive result		17,542	(823)	18,365	-
Balance at end of the financial year		134,358	63,770	70,573	15

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

cash flow statement

For the Year Ended 30 June 2011

	Note	2011 Inflows/ (Outflows) \$'000	2010 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates		7,365	7,533
Grants (inclusive of GST)		10,545	8,757
Interest		491	325
Other receipts (inclusive of GST)		4,288	1,462
Net GST refund/payment		-	(15)
Payments to employees (including redundancies)		(6,864)	(5,695)
Other payments		(9,035)	(5,709)
Net cash provided by (used in) operating activities	27	<u>6,790</u>	<u>6,658</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	41	(5,090)	(5,126)
Proceeds from sale of property, infrastructure, plant and equipment		239	213
Repayment of loans and advances from community organisations		96	30
Net cash provided by (used in) investing activities		<u>(4,755)</u>	<u>(4,883)</u>
Cash flows from financing activities			
Finance costs		(13)	(14)
Proceeds from interest bearing loans and borrowings		-	109
Repayment of interest bearing loans and borrowings		(169)	(476)
Net cash provided by (used in) financing activities		<u>(182)</u>	<u>(381)</u>
Net increase (decrease) in cash and cash equivalents		1,853	1,394
Cash and cash equivalents at the beginning of the financial year		8,422	7,028
Cash and cash equivalents at the end of the financial year	28	<u>10,275</u>	<u>8,422</u>
Financing arrangements	29		
Restrictions on cash assets	30		

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

introduction

- (a) The Yarriambiack Shire Council was established by an Order of the Governor in Council on 19th January 1995 and is a body corporate.
The Council's main office is located at 34 Lyle Street, Warracknabeal.
- (b) 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.

The following information could also be provided here:

External Auditor - Auditor-General of Victoria

Internal Auditor - AFS Chartered Accountants & Business Advisors

Solicitors - Russell Kennedy

Bankers - National Australia Bank

Website address - www.yarriambiack.vic.gov.au

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

note 1 significant accounting policies

(a) Basis of accounting

This financial report has been prepared on the accrual and going concern bases.

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 1(g), 1(j), and 1(q).

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.

All entities controlled by Council, such as Special Committees of Management, have been included in this financial report. All transactions between these entities and the Council have been eliminated in full. Details of entities not included in this financial report based on their materiality are detailed in note 42.

note 1 significant accounting policies**(b) Revenue recognition***Rates, grants and contributions*

Rates, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for doubtful debts on rates has not been established as unpaid rates represents a charge against the rateable property that will be recovered when the property is next sold.

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

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

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in note 4. 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.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date.

User fees and fines

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

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

Sale of property, plant and equipment, infrastructure

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Trade and other receivables

Receivables are carried at amortised cost using the effective interest rate method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred.

note 1 significant accounting policies*Trade and other receivables*

Receivables are carried at amortised cost using the effective interest rate method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred.

Rental

Rents are recognised as revenue when the payment is due or the payment is received, whichever first occurs. Rental; payments received in advance are recognised as a prepayment until they are due.

Interest

Interest is recognised progressively as it is earned.

(c) Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value.

(d) Depreciation and amortisation of property, plant and equipment, infrastructure, intangibles

Buildings, land improvements, plant and equipment, infrastructure, heritage assets, 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 reassessed 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.

Road earthworks are not depreciated.

Straight line depreciation is charged based on the residual useful life as determined each year.

Major depreciation periods used are listed below and are consistent with the prior year unless otherwise stated:

	Period
Property	
Land	-
Tip Cells	4 to 10 years
Transfer Stations	30 years
Buildings	30 to 75 years
Heritage buildings	50 years
Plant and Equipment	5 to 25 years
Motor Vehicles	1 to 15 years
Office Furniture & Equipment	3 to 15 years
Roads - Gravel road pavement / resheets	10 to 14 years
- Sealed road pavement	60 years
- Sealed road final seal	12 years
Footpaths, kerb & channel	25 years
Bridges & culverts	80 years
Main drains	25 to 80 years

note 1 significant accounting policies

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

(f) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs include interest on bank overdrafts, interest on borrowings, and finance lease charges.

(g) Recognition and measurement of assets

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of 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 arm's 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 directly attributable variable and fixed overheads.

The following classes of assets have been recognised in note 21. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

	Threshold \$
Property	
Land	1,000
Land under roads	1,000
Pipeline Tanks	2,000
Dams and Bores	2,000
Tip Cells	2,000
Transfer Stations	5,000
Buildings	5,000
Heritage Buildings	5,000
Plant & Equipment	1,000
Office Furniture & Equipment	1,000
Roads, Streets - Earthworks all	5,000
- Gravel road pavement / resheets	2,000
- Sealed road pavement	5,000
- Sealed road final seal	2,000
Footpaths, kerb & channel	2,000
Bridges & culverts	5,000
Main drains	5,000

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant 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, the 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.

note 1 significant accounting policies

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 3 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 surplus 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 surplus for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Land under roads

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

(h) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

(i) Investments

Investments (non-financial), other than investments in associates, are measured at cost.

(j) Accounting for investments in associates

Council's investment in associates is accounted for by the equity method as the Council has the ability to influence rather than control the operations of the entities. 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 entities. Audited statements were not available at the time of preparing the Council's financial report. The Council's share of the net assets is calculated on the same ratio as it contributes to the operating costs of the service. The annual contribution is included as an expense in the comprehensive income statement.

(k) Tender deposits

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited (refer to note 23).

(l) Employee benefits*Wages and salaries*

Liabilities for wages and salaries and rostered days off are recognised and measured as the amount unpaid at balance date and include appropriate oncosts such as 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.

note 1 significant accounting policies

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

A liability is recognised in respect of Council's present obligation to meet the unfunded obligations of defined benefit superannuation schemes to which its employees are members. The liability is defined as the Council's share of the scheme's unfunded position, being the difference between the present value of employees' accrued benefits and the net market value of the scheme's assets at balance date. The liability also includes applicable contributions tax of 17.25 %.

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees together with any movements (favourable/unfavourable) in the position of any defined benefits schemes. Details of these arrangements are recorded in note 31.

Sick leave gratuity

A gratuity is provided to all employees who have accumulated 15 years of service with this Council or its immediate predecessors. The liability represents a set proportion of accumulated sick leave that is payable on resignation, retirement or retrenchment. At balance date, the liability is measured at the present value of estimated future cash flows to be made for this entitlement. Commonwealth bond rates are used for discounting future cash flows.

(m) Leases*Finance leases*

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Leased assets are currently being amortised over a 1 to 5 year period.

note 1 significant accounting policies*Operating leases*

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

(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 settled. 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, or if the Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(o) Agreements equally proportionately unperformed

The Council does not recognise assets and liabilities arising from agreements that are equally proportionately unperformed in the balance sheet. Such agreements are recognised on an 'as incurred' basis.

(p) 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 presented 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.

(q) Impairment of assets

At each reporting date, the 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 comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

(r) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statement may not equate due to rounding.

(s) Non-current assets held for sale

A non-current asset held for sale is measured at the lower of its carrying amount and fair value less costs to sell, and are not subject to depreciation. Non current assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale is expected to be completed within 12 months from the date of classification.

note 1 significant accounting policies**(t) Financial guarantees**

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

(u) Pending Accounting Standards

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

<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or ending on</i>	<i>Impact on Local Government financial statements</i>
AASB 9: Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038]	<p>These standards are applicable retrospectively and amend the classification and measurement of financial assets. Council has not yet determined the potential impact on the financial statements. Specific changes include:</p> <ul style="list-style-type: none"> * removing the tainting rules associated with held-to-maturity assets; * simplifying the requirements for embedded derivatives; * removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost; * allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and * reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on: <ul style="list-style-type: none"> a. the objective of the entity's business model for managing the financial b. the characteristics of the contractual cash flows. 	Applicable for annual reporting periods commencing on or after 1 January 2013.	These changes are expected to provide some simplification in the accounting for and disclosure of financial instruments
AASB 124: Related Party Disclosures	This standard removes the requirement for government related entities to disclose details of all transactions with the government and other government related entities and clarifies the definition of a related party to remove inconsistencies and simplify the structure of the standard.	Applicable for annual reporting periods commencing on or after 1 January 2011.	Although this standard does not strictly apply to Local Government it is often used as guidance, as such there will be greater clarity on the disclosure of inter government transactions.
AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]	This standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of International Financial Reporting Standards by the IASB. The standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures.	Applicable for annual reporting periods commencing on or after 1 January 2011.	These amendments are not expected to impact Council
AASB 2009-14: Amendments to Australian Interpretation — Prepayments of a Minimum Funding Requirement [AASB Interpretation 14]	This standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan.	Applicable for annual reporting periods commencing on or after 1 January 2011.	These amendments are not expected to impact Council

(v) Contingent assets and contingent liabilities and commitments

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

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

note 2 rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The capital improved value of a property is its net market value after deducting selling costs

The valuation base used to calculate general and farm rates for 2010/11 was \$1.307 million (2009/10 \$1.230 million). The 2010/11 rate in the CIV dollar was \$0.6234 for general rates and \$0.5298 for farm rates (2009/10, \$0.6249 for general rates and \$0.5312 for farm rates).

	2011 \$'000	2010 \$'000
Residential	1,530	1,492
Commercial	302	290
Farm/Rural	5,352	5,020
Supplementary rates and rate adjustments	(4)	9
Municipal charge	155	157
Garbage charge	723	668
Total rates and charges	8,058	7,636

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

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

note 3 user charges, fees & fines

Town planning & Building fees	73	66
Animal control fees & fines	47	30
Leisure centre fees	23	-
Aged services fees	156	172
Aged services brokerage fees	199	180
Tip Fees	52	53
Rents	51	81
Saleyard fees & charges	99	108
Vic Roads charges	2,474	738
Other fees and charges	485	278
Total user fees	3,659	1,706

Ageing analysis of contractual receivables

Please refer to Note 35(e) for the ageing analysis of contractual receivables.

note 4 grants

Grants were received in respect of the following :

	2011 \$'000	2010 \$'000
Summary of grants		
Federally funded grants	796	1,190
State funded grants	9,729	7,442
Others	20	125
Total	10,545	8,757

Recurrent

Commonwealth Government - roads to recovery	621	972
Commonwealth Government - community infrastructure	175	218
Victoria Grants Commission - unallocated	1,722	1,601
Victoria Grants Commission - local roads	2,632	2,419
Home and Community Care and Assessment	492	455
Natural Disaster	2,173	931
Valuation	76	2
Maternal and child health	170	162
Recycling	20	24
Community Development	185	684
Environmental	11	46
Preschools	422	473
Community Transport & Youth	176	167
Flood Relief	78	-
Meals on Wheels	46	44
Senior Citizens	37	32
Emergency Relief	65	25
Other	14	250

Total recurrent	9,115	8,504
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Non-recurrent

Victorian Government - roads to market	458	-
Industrial Estate	15	-
Town Hall & Culture Buildings	108	9
Recreation	357	68
Wimmera Pipeline	-	101
Community Water Projects	272	-
Roadside Project	150	-
Waste & Environment	23	75
Other	47	-

Total non-recurrent	1,430	253
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Conditions on grants

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

Natural Disaster	2,173	-
Weir Pool Grant	20	-
Community Water Projects	150	-
Flood Relief	78	-
State Community Development Grants	-	106
Community Building Initiative Grant	-	703
Heritage Victoria	-	35

Total	2,421	844
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Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:

Heritage Victoria	35	-
Community Building Initiative Grant	703	-
State Community Development Grants	106	-
Federal Roads Grant	-	400

	844	400
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Net increase (decrease) in restricted assets resulting from grant revenues for the year:	1,577	444
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note 5 contributions

	2011 \$'000	2010 \$'000
Workover reimbursements	51	49
Preschools	34	65
Private use vehicle reimbursements	24	30
Swimming pool reimbursements	10	10
Income protection	84	32
Community facilities	307	35
Other	6	23
Total contributions	516	244

note 6 net gain/(loss) on disposal of property, infrastructure, plant & equipment

Proceeds of sale	239	213
Write down value of assets disposed	(669)	(2,268)
Total	(430)	(2,055)

note 7 other income

Interest	408	262
Interest on rates	83	59
Other	113	4
Total other income	604	325

note 8 employee benefits

Wages and salaries	4,801	4,587
WorkCover	231	225
Councillor Allowance	146	146
Annual leave and long service leave	635	(3)
Superannuation	621	572
Superannuation - additional call*	402	-
Fringe benefits tax and work cover	29	169
Redundancy		
Total employee benefits	6,864	5,696

* during the period Council was required to make an additional contribution to Vision Super to meet our obligations in relation to members of the defined benefit plan

note 9 materials and services

Contract payments	4,434	2,288
Waste & environmental services	158	193
Supply of meals	178	178
Office computers & equipment	53	57
Building & grounds maintenance	272	636
External Plant Hire	215	73
Utilities	277	250
Consultants	331	396
Other materials & services	1,907	899
Total materials and services	7,825	4,970

note 10 bad and doubtful debts

	2011 \$'000	2010 \$'000
Rates debtors	39	-
Other debtors	7	3
Total bad and doubtful debts	46	3

note 11 contributions and donations

Regional Library	211	156
Sporting Reserves	138	123
Swimming Pools	98	95
Economic Development	100	55
Community Halls	13	58
State Emergency Services	49	42
Other	161	172
Total Contributions and donations	769	701

note 12 depreciation and amortisation

<i>Property</i>		
Buildings		
Buildings	356	454
Heritage buildings	100	60
<i>Plant and Equipment</i>		
Plant, machinery and equipment	591	497
Fixtures, fittings and furniture	52	147
<i>Infrastructure</i>		
Roads	3,823	3,600
Bridges	37	36
Footpaths and cycleways	321	302
Drainage	83	80
Airport Runways	47	46
Tanks & Bores	17	17
Gravel Pits & Garbage Tips	34	34
Total depreciation and amortisation	5,461	5,273

note 13 finance costs

Interest - Borrowings	13	14
Total finance costs	13	14

note 14 other expenses

	2011 \$'000	2010 \$'000
Auditors' remuneration	33	43
Insurance	278	262
Operating lease rentals	108	133
Printing & Stationery	40	73
Advertising	62	51
Postage	17	18
Legal Costs	26	69
Subscriptions	43	41
Water	64	44
Bank Fees & Charges	15	13
Other	92	70
Total other expenses	777	817

note 15 investment in associates

Investments in associates accounted for by the equity method are:

- Wimmera Regional Library corporation	439	313
Total	439	313

Wimmera Regional Library corporation

Background

Yarriambiack Shire Council in conjunction with Horsham Rural City Council, Buloke Shire Council, Hindmarsh Shire Council, Northern Grampians Shire Council and West Wimmera Shire Council have an interest in the Wimmera Regional Library Corporation. The library services much of the population in western Victoria and Yarriambiack Shire Council currently has a 15.31% equity interest. (13.02% in 2009/10)

Council's share of accumulated surplus(deficit)

Council's share of accumulated surplus(deficit) at start of year	125	87
Reported surplus (deficit) for year	71	56
Transfers (to) from reserves	(15)	-
Change in equity share	55	(18)
Council's share of accumulated surplus(deficit) at end of year	236	125

Council's share of reserves

Council's share of reserves at start of year	188	188
Transfers (to) from reserves	15	-
Council's share of reserves at end of year	203	188

Movement in carrying value of specific investment

Carrying value of investment at start of year	313	275
Share of surplus (deficit) for year	71	56
Change in equity share	55	(18)
Carrying value of investment at end of year	439	313

Council's share of expenditure commitments

Operating commitments	274	219
	274	219

note 16 cash and cash equivalents

	2011 \$'000	2010 \$'000
Cash on hand	2	2
Cash at bank	4,015	1,051
Cash investments - at call	305	268
Cash investments up to 90 days		
- Bank Bills	590	587
- Term Deposit	5,363	6,514
Total cash and cash equivalents	10,275	8,422

Councils cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. Refer to note 30 for details.

note 17 trade and other receivables

Current

Rates debtors	848	772
<u>Less</u> Provision for doubtful debts - rate debtors	(155)	(116)
Grants	485	220
Advance to Gypsum Pit Owners	50	100
Other debtors	1,833	254
Provision for doubtful debts - other debtors	(29)	(22)
Total	3,032	1,208

Non-current

Advance to Gypsum Pit Owners	143	189
Other debtors	6	10
Total	149	199

Total trade and other receivables

3,181	1,407
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note 18 inventories

Inventories held for distribution	513	182
Total inventories	513	182

note 19 non-current assets classified as held for sale

Cost of acquisition	207	85
Total	207	85

note 20 other assets

Prepayments	195	231
Accrued income	186	24
Total	381	255

note 21 property, infrastructure, plant and equipment

	2011 \$'000	2010 \$'000
<i>Summary</i>		
at cost	13,969	9,554
Less accumulated depreciation	(4,288)	(3,986)
	<u>9,681</u>	<u>5,568</u>
at fair value as at 30 June 2010	202,030	203,854
Less accumulated depreciation	(87,232)	(82,453)
	<u>114,798</u>	<u>121,401</u>
Total	<u>124,479</u>	<u>126,969</u>
<i>Property</i>		
Land		
Freehold Land		
at fair value as at 30 June 2010	1,062	1,062
Controlled Crown Land		
at fair value as at 30 June 2010	739	739
Total Land	<u>1,801</u>	<u>1,801</u>
Buildings on freehold land		
at cost	841	-
Less accumulated depreciation	(3)	-
at fair value as at 30 June 2010	10,372	10,601
Less Accumulated depreciation	(220)	-
	<u>10,990</u>	<u>10,601</u>
Building on controlled crown land		
at cost	55	-
at fair value as at 30 June 2010	7,061	7,061
Less accumulated depreciation	(133)	-
	<u>6,983</u>	<u>7,061</u>
Heritage buildings on free hold land		
at cost	85	28
Less accumulated depreciation	(2)	-
at fair value as at 30 June 2010	2,292	2,292
Less accumulated depreciation	(98)	-
	<u>2,277</u>	<u>2,320</u>
Total Buildings	<u>20,249</u>	<u>19,982</u>
Total Property	<u>22,050</u>	<u>21,783</u>
Valuation of land (excluding land under roads) and buildings were undertaken by qualified independent valuer Ian Wilson, AAPI. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at the date of valuation. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions.		
Plant & Machinery		
at cost	8,286	7,711
Less accumulated depreciation	(3,545)	(3,113)
Total Plant & Machinery	<u>4,741</u>	<u>4,598</u>

note 21 property, infrastructure, plant and equipment

	2011 \$'000	2010 \$'000
Office Equipment, Furniture & Fittings		
at cost	973	1,105
Less accumulated depreciation	(495)	(664)
Total Office Equipment, Furniture & Fittings	478	441
Total Plant and Equipment	5,219	5,039
Infrastructure		
Roads & Streets		
at cost	2,331	-
at fair value as at 30 June 2010	156,286	157,798
Less accumulated depreciation	(73,173)	(69,350)
	85,444	88,448
Bridges		
at cost	238	-
at fair value as at 30 June 2010	2,719	2,776
Less accumulated depreciation	(1,344)	(1,307)
	1,613	1,469
Footpaths, kerb & channel		
at cost	265	-
at fair value as at 30 June 2010	12,898	12,918
Less accumulated depreciation	(7,836)	(7,515)
	5,327	5,403
Drainage		
at cost	62	-
at fair value as at 30 June 2010	5,831	5,837
Less accumulated depreciation	(2,805)	(2,722)
	3,088	3,115
Airport runways		
at fair value as at 30 June 2010	2,117	2,117
Less accumulated depreciation	(1,579)	(1,532)
	538	585
Tanks & Bores		
at cost	19	-
at fair value as at 30 June 2010	653	653
Less accumulated depreciation	(44)	(27)
	628	626

note 21 property, infrastructure, plant and equipment

	2011 \$'000	2010 \$'000
Gravel Pits & Garbage Tips		
<i>Gravel Pits</i>		
at cost	107	107
Less accumulated depreciation	(32)	(28)
	<u>75</u>	<u>79</u>
<i>Tip Structures</i>		
at cost	71	71
Less accumulated depreciation	(64)	(60)
	<u>7</u>	<u>11</u>
<i>Transfer Stations</i>		
at cost	557	532
Less accumulated depreciation	(147)	(121)
	<u>410</u>	<u>411</u>
Total Infrastructure	<u>97,130</u>	<u>100,147</u>
Valuation of infrastructure assets has been determined by Council's Engineer, James Magee, B.Eng (Civil)		
The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.		
Works in progress		
Roads at cost	80	-
Total Works in progress	<u>80</u>	<u>-</u>
Total property, infrastructure, plant and equipment	<u>124,479</u>	<u>126,969</u>

note 21 property, infrastructure, plant and equipment

2011	Balance at beginning of financial year	Acquisition of assets	Depreciation and amortisation (note 12)	Written down value of disposals	Impairment losses (a)	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property						
Land	1,801	-	-	-	-	1,801
Total land	1,801	-	-	-	-	1,801
Buildings	17,662	896	(356)	(229)	-	17,973
Heritage buildings	2,320	58	(100)	-	-	2,277
Total Buildings	19,982	954	(456)	(229)	-	20,250
Total Property	21,783	954	(456)	(229)	-	22,051
Plant and Equipment						
Plant & machinery	4,598	1,017	(591)	(283)	-	4,741
Office Equipment, Furniture & Fittings	441	101	(52)	(12)	-	478
Total Plant and Equipment	5,039	1,117	(642)	(295)	-	5,219
Infrastructure						
Roads & Streets	88,448	2,331	(3,823)	(125)	(1,387)	85,444
Bridges	1,469	238	(37)	-	(57)	1,613
Footpaths, Kerb & Channel	5,403	265	(321)	(20)	-	5,327
Drainage	3,115	62	(83)	-	(6)	3,088
Airport Runways	585	-	(47)	-	-	538
Tanks & Bores	626	19	(17)	-	-	628
Gravel Pits & Garbage Tips	501	25	(34)	-	-	492
Total infrastructure	100,147	2,939	(4,362)	(145)	(1,450)	97,130
Works in progress						
roads	-	80	-	-	-	80
Total works in progress	-	80	-	-	-	80
Total property, plant and equipment, infrastructure	126,969	5,090	(5,461)	(669)	(1,450)	124,479

note 21 property, infrastructure, plant and equipment

2010	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 29)	Depreciation and amortisation (note 12)	Written down value of disposals	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property						
Land	1,503	-	298	-	-	1,801
Total land	1,503	-	298	-	-	1,801
Buildings	14,366	438	3,311	(454)	1	17,662
Heritage buildings	1,156	53	1,136	(60)	35	2,320
Total buildings	15,522	491	4,447	(514)	36	19,982
Total property	17,025	491	4,745	(514)	36	21,783
Plant and Equipment						
Plant & machinery	4,424	890	-	(497)	(219)	4,598
Office Equipment, Furniture & Fittings	411	203	-	(147)	(26)	441
Total plant and equipment	4,835	1,093	-	(644)	(245)	5,039
Infrastructure						
Roads & Streets	77,247	2,868	13,870	(3,600)	(1,937)	88,448
Bridges	1,301	-	204	(36)	-	1,469
Footpaths, Kerb & Channel	5,899	419	(470)	(302)	(143)	5,403
Drainage	3,130	8	93	(80)	(36)	3,115
Airport Runways	772	-	(145)	(46)	4	585
Tanks & Bores	437	138	68	(17)	-	626
Gravel Pits & Garbage Tips	535	109	-	(34)	(109)	501
Total infrastructure	89,321	3,542	13,620	(4,115)	(2,221)	100,147
Total property, plant and equipment, infrastructure	111,181	5,126	18,365	(5,273)	(2,430)	126,969

note 22 trade and other payables

	2011 \$'000	2010 \$'000
Trade payables	2,215	627
Accrued expenses	531	211
Total trade and other payables	2,746	838

note 23 trust funds and deposits

Refundable building deposits	20	5
Refundable contract deposits	-	3
Vic Roads deposits	-	11
Other refundable deposits	1	4
Total trust funds and deposits	21	23

note 24 provisions

	Annual leave \$ '000	Long service leave \$ '000	Landfill & gravel pit restoration \$ '000	Other Employee Benefits \$ '000	Total \$ '000
2011					
Balance at beginning of the financial year	716	998	248	102	2,064
Additional provisions	554	90	133	26	803
Amounts used	(421)	(67)	(59)	(10)	(556)
Balance at the end of the financial year	849	1,021	322	118	2,311
2010					
Balance at beginning of the financial year	679	1,039	243	101	2,062
Additional provisions	362	12	124	32	530
Amounts used	(325)	(53)	(119)	(31)	(528)
Balance at the end of the financial year	716	998	248	102	2,064

	2011 \$'000	2010 \$'000
(a) Employee benefits		
Current (i)		
Annual leave	849	716
Long service leave	892	894
Other employee benefits	108	92
	1,849	1,702
Non-current (ii)		
Long service leave	130	104
Other employee benefits	10	10
	140	114
Aggregate carrying amount of employee benefits:		
Current	1,849	1,702
Non-current	140	114
	1,989	1,816

The following assumptions were adopted in measuring the present value of employee benefits:

Weighted average increase in employee costs	4.60%	4.48%
Weighted average discount rates	5.23%	5.16%
Weighted average settlement period	12	12

(i) Current

All annual leave and the long service leave entitlements representing 10 or more years

- Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value
- Other long-term employee benefits that do not fall due within 12 months after the end

72	40
820	854
892	894

note 24 provisions

	2011 \$'000	2010 \$'000
(ii) Non-current		
Long service leave representing less than 10 years of continuous service measured at present value	130	104

(b) Land fill and gravel pit restoration

Council is obligated to restore landfill and gravel pit sites to a particular standard. The provision for landfill and gravel pit restoration has been calculated 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 and budgeted costs for that work. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council does not expect to receive reimbursement from a third party.

Provision for gravel pit and landfill reinstatement

Current	197	125
Non-current	125	123
Total	322	248

note 25 interest-bearing loans and borrowings**Borrowings****Current**

Borrowings - secured	46	111
Total	46	111

Non-current

Borrowings - secured	40	86
Total	40	86

The maturity profile for Council's borrowings is:

Not later than one year	46	111
Later than one year and not later than five years	40	86
Total	86	197

Finance leases

Council had the following obligations under finance leases for the lease of equipment (the sum of which is recognised as a liability after deduction of future lease finance charges included in the obligation):

Current

Leases	57	58
Total	57	58

Non-current

Leases	38	95
Total	38	95

Not later than one year	57	58
Later than one year and not later than five years	38	95
Total	95	153

Aggregate carrying amount of interest-bearing loans and borrowings:

Current	103	169
Non-current	78	181
Total interest-bearing loans and borrowings	181	350

note 26 reserves

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
(a) Asset revaluation reserve	\$'000	\$'000	\$'000
2011			
Property			
Land	1,413	-	1,413
Buildings	15,900	-	15,900
	17,313	-	17,313
Infrastructure			
Roads & Streets	47,023	(1,387)	45,636
Bridges	1,067	(57)	1,010
Footpaths, Kerb & Channel	2,488	-	2,488
Drainage	2,159	(6)	2,154
Airport Runways	355	-	355
Tanks & Bores	168	-	168
	53,260	(1,450)	51,810
Total asset revaluation reserve	70,573	(1,450)	69,123
2010			
Property			
Land	1,116	297	1,413
Buildings	11,453	4,447	15,900
	12,569	4,744	17,313
Infrastructure			
Roads & Streets	33,152	13,871	47,023
Bridges	863	204	1,067
Footpaths, Kerb & Channel	2,958	(470)	2,488
Drainage	2,066	93	2,159
Airport Runways	500	(145)	355
Tanks & Bores	100	68	168
	39,639	13,621	53,260
Total asset revaluation reserve	52,208	18,365	70,573

The asset revaluation reserve was established to capture the movements in asset valuations upon the periodic revaluation of Council's assets

	Balance at beginning of reporting period	Transfer to or from accumulated surplus	Balance at end of reporting period
(b) Other reserves	\$'000	\$'000	\$'000
2011			
Aerodrome Maintenance	15		15
Total Other reserves	15	-	15
2010			
Aerodrome Maintenance	15	-	15
Total Other reserves	15	-	15

The aerodrome maintenance reserve was established for major maintenance requirements at the three aerodromes located within the Council

note 27 reconciliation of cash flows from operating activities to surplus (deficit)

	2011 \$'000	2010 \$'000
Net surplus / deficit	1,268	(822)
Depreciation/amortisation	5,461	5,273
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(430)	2,055
Share of profit of associates and joint ventures	71	38
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(1,774)	172
Increase/(decrease) in other assets	126	26
Increase/(decrease) in trade and other payables	2,152	36
(Increase)/decrease in inventories	(331)	(117)
Increase/(decrease) in provisions	247	(3)
Net cash provided by operating activities	6,790	6,658

note 28 reconciliation of cash and cash equivalents

Cash and cash equivalents (see note 16)	10,275	8,422
Less bank overdraft	-	-
Total reconciliation of cash and cash equivalents	10,275	8,422

note 29 financing arrangements

Bank overdraft	1,200	1,200
Used facilities	(107)	(107)
Borrowing facilities	86	197
Unused facilities	1,179	1,290

note 30 restricted assets

Council has cash and cash equivalents (note 16) that are subject to restrictions. As at the reporting date, Council had legislative restrictions in relation to employee entitlements (Long Service Leave) and Trust funds and deposits.

Unspent grants (note 4)	2,421	844
Trust funds and deposits (note 23)	21	23
Long service leave (note 24)	895	854
Total restricted assets	916	877

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

note 31 superannuation

Post-employment Benefit

Yarriambiack Shire Council makes employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). *Obligations for contributions are recognised as an expense in profit or loss when they are due.* The Fund has two categories of membership, 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 reliably allocate benefit liabilities, assets and costs between employers. As provided under Paragraph 32 (b) of AASB 119, [Employer] does not use defined benefit accounting for these contributions.

Yarriambiack Shire 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, Yarriambiack Shire Council makes the following contributions:-

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

The Fund surplus or deficit (ie the difference between fund assets and liabilities) is calculated differently for funding purposes (ie 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 the council's financial statements. AAS 25 requires that the present value of the defined benefit liability be calculated based on benefits that have accrued in respect of membership of the plan up to the measurement date, with no allowance for future benefits that may accrue.

Following an actuarial review conducted by the Trustee in late 2010, as at 31 December 2008, a funding shortfall of \$71 million for the Fund was determined. A call to Employers for additional contributions was made for the financial year 30 June 2011. Yarriambiack Shire Council paid this in June to take advantage of a discount available. A further actuarial review will be undertaken as at 31 December 2011 by mid 2012. Based on the result of this review, a detailed funding plan will be developed and implemented to achieve the target of full funding by 31 December 2013. The Yarriambiack Shire Council will be notified of any additional required contributions by late 2012.

Accounting Standard Disclosure

The Fund's liability for accrued benefits was determined by the Actuary at 31 December 2008 pursuant to the requirements of Australian Accounting Standard AAS25 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.

	2011 \$'000	2010 \$'000
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	564	522

Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date.

43	36
607	558

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	544	514
Employer contributions payable to Health Super	15	3
Employer contributions payable to Health Employees Superannuation	6	5
	564	522

Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date.

40 36

Employer contributions payable to Health Super at reporting date.

2 -

Employer contributions payable to Health Employees Superannuation at reporting date.

1 -

43 36

note 32 commitments

The Council has entered into the following commitments

2011	Not later than 1 year \$'000	year and not later than 2 years \$'000	years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<i>Operating</i>					
Recycling	201				201
Garbage collection	222				222
Valuation contract	65	-	-	-	65
Total	488	-	-	-	488

2010	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<i>Operating</i>					
Recycling	193	198			391
Garbage collection	212	221			433
Valuation contract	-	130	-	-	130
Total	405	549	-	-	954

note 33 operating leases

(a) Operating lease commitments

At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of motor vehicles for use within Council's activities (these obligations are not recognised as liabilities):

	2011 \$'000	2010 \$'000
Not later than one year	78	103
Later than one year and not later than two years	40	52
Later than two years and not later than five years	49	23
	167	178

note 34 contingent liabilities

The Council is presently involved in several 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.

note 35 financial instruments

(a) Accounting Policy, terms and conditions

Recognised financial instruments	Note	Accounting Policy	Terms and Conditions
Financial assets			
Cash and cash equivalents	16	Cash on hand and at bank and money market call account are valued at face value. Interest is recognised as it accrues. Investments and bills are valued at cost. Investments are held to maximise interest returns of surplus cash. Interest revenues are recognised as they accrue.	On call deposits returned have an average interest rate and at balance date this rate was 4.2% (3.9% in 2009/2010). Funds returned fixed interest rate of between 4.75% (4.70% in 2009/2010), and 6.01% (6.10% in 2009/2010) net of fees.
Trade and other receivables			
Other debtors	17	Receivables are carried at amortised cost using the effective interest method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis.	General debtors are unsecured. Credit terms are based on 30 days. There has been an increase in doubtful debts of 25% (18% in 2009/2010).
Financial Liabilities			
Trade and other payables	22	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing loans and borrowings	25	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued 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. The weighted average interest rate on borrowings is 8.83% (6.51% in 2009/2010).
Bank overdraft	25	The Council has a \$1,200,000 bank overdraft facility, which is used, in part, from time to time. The balance owing at 30/06/2011 was nil.	The overdraft is subject to annual review. It is secured by a mortgage over Council's general rates and is repayable on demand.

(b) Interest Rate Risk

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

note 35 financial instruments

2011	Fixed interest maturing in:					Total \$'000
	Floating interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	
Financial assets						
Cash and cash equivalents	4,320	5,953	-	-	2	10,275
Trade and other receivables	-	-	-	-	3,181	3,181
Total financial assets	4,320	5,953	-	-	3,183	13,456
Weighted average interest rate	4.20%	5.66%				
Financial liabilities						
Trade and other payables	-	-	-	-	2,746	2,746
Trust funds and deposits	-	-	-	-	21	21
Interest-bearing loans and borrowings	-	46	40	-	95	181
Total financial liabilities	-	46	40	-	2,862	2,948
Weighted average interest rate		8.78%	9.55%			
Net financial assets (liabilities)	4,320	5,907	(40)	-	321	10,508
2010						
	Floating Interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	Total \$'000
Financial assets						
Cash and cash equivalents	1,319	7,101	-	-	2	8,422
Other financial assets	-	-	-	-	255	255
Trade and other receivables	-	-	-	-	751	751
Total financial assets	1,319	7,101	-	-	1,008	9,428
Weighted average interest rate	3.87%	5.55%				
Financial liabilities						
Trade and other payables	-	-	-	-	838	838
Trust funds and deposits	-	-	-	-	23	23
Interest-bearing loans and borrowings	-	109	88	-	153	350
Total financial liabilities	-	109	88	-	1,014	1,211
Weighted average interest rate	n/a	6.51%	6.51%			
Net financial assets (liabilities)	1,319	6,992	(88)	-	(6)	8,217

(c) Net Fair Values

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assets				
Cash and cash equivalents	10,275	8,422	10,275	8,422
Other financial assets	0	255	0	255
Trade and other receivables	3,181	751	3,181	751
Total financial assets	13,456	9,428	13,456	9,428
Financial liabilities				
Trade and other payables	2,767	861	2,767	861
Interest-bearing loans and borrowings	181	350	172	341
Total financial liabilities	2,948	1,211	2,939	1,202

note 35 financial instruments**(d) Credit Risk**

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

(e) Risks and mitigation

The risks associated with our 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 our financial instruments will fluctuate because of changes in market prices. The 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 we are 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 we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Our loan borrowings are sourced from major Australian banks. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt 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.

We manage the interest rate exposure on our 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. We manage interest rate risk by adopting an investment policy that ensures:

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

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

Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

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

note 35 financial instruments

Movement in Provisions for Doubtful Debts	2011 \$'000	2010 \$'000
Balance at the beginning of the year	138	135
New Provisions recognised during the year	48	21
Amounts already provided for and written off as uncollectible	21	3
Amounts provided for but recovered during the year	(23)	(21)
Balance at end of year	184	138

Ageing of Trade and Other Receivables

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

	2011 \$'000	2010 \$'000
Current (not yet due)	1,608	191
Past due by up to 30 days	46	29
Past due between 31 and 60 days	4	6
Past due between 61 and 90 days	489	3
Past due by more than 91 days	851	1,040
Total Trade & Other Receivables	2,997	1,269

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$184,000 (2009-2010: \$138,000) were impaired. The amount of the provision raised against these debtors was \$184,000 (2009-2010: \$138,000). The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of Trade and Other Receivables that have been individually determined as impaired at reporting date was:

	2011 \$'000	2010 \$'000
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 60 days	-	-
Past due between 61 and 90 days	-	-
Past due by more than 91 days	184	138
Total Trade & Other Receivables	184	138

Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

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

To help reduce these risks we:

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

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

note 35 financial instruments

The table below lists the contractual maturities for Financial Liabilities

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

2011	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	2,746	-	-	-	-	2,746	2,746
Trust funds and deposits	21	-	-	-	-	21	21
Interest-bearing loans and borrowings	65	38	78	-	-	181	181
Total financial liabilities	2,832	38	78	-	-	2,948	2,948
2010	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	838	-	-	-	-	838	838
Trust funds and deposits	20	3	-	-	-	23	23
Interest-bearing loans and borrowings	89	89	108	64	-	350	350
Total financial liabilities	947	92	108	64	-	1,211	1,211

(f) Sensitivity disclosure analysis

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

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

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

		Interest rate risk			
		-200 Profit \$'000	-2 % basis points Equity \$'000	+100 Profit \$'000	+1% basis points Equity \$'000
2011	\$'000				
Financial assets:					
Cash and cash equivalents	10,275	(206)	(206)	103	103
Trade and other receivables	3,181	(64)	(206)	103	103
Financial liabilities:					
Trade and other payables	2,746	(55)	(55)	27	27
Trust funds and deposits	21	(0)	(0)	0	0
Interest-bearing loans and borrowings	181	(4)	(4)	2	2

note 35 financial instruments

		Interest rate risk			
		-200	-1%	+100	2%
2010	\$'000	Profit	basis points Equity	Profit	basis points Equity
		\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	8,422	(84)	(84)	168	168
Other financial assets	255	(3)	(3)	5	5
Trade and other receivables	635	(6)	(6)	13	13
Financial liabilities:					
Interest-bearing loans and	350	(4)	(4)	7	7

note 36 auditors' remuneration

	2011	2010
	\$'000	\$'000
Audit fee to conduct external audit - Victorian Auditor-General	31	31
Internal audit fees - AFS & Associates	15	13
	<u>46</u>	<u>44</u>

note 37 events occurring after balance date

No matters have occurred after balance date that warrant disclosure in this report.

note 38 related party transactions

- (i) **Responsible Persons**
Names of persons holding the position of a Responsible Person at the Council at any time during the year are:
- Councillors**
- Councillor John KEMFERT (Mayor 1/12/10 to current)
 - Councillor Jean Margaret WISE (Mayor 1/07/10 to 30/11/10)
 - Councillor Helen Anne McCulloch BALLENTINE
 - Councillor Geoffrey William LOVEL
 - Councillor Andrew Robert McLEAN
 - Councillor Kylie Louise ZANKER
 - Councillor Ray KINGSTON

Chief Executive Officer Ray CAMPLING

note 38 related party transactions

(ii) Remuneration of Responsible Persons

The numbers of Responsible Officers, whose total remuneration from Council and any related entities fall within the following bands:

	2011 No.	2010 No.
\$10,000 - \$19,999	5	5
\$20,000 - \$29,999	-	1
\$30,000 - \$39,999	2	1
\$170,000 - \$179,999	1	1
	<u>8</u>	<u>8</u>
	\$'000	\$'000
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	334	324

(iii) No retirement benefits have been made by the Council to a Responsible Person. (2009/10, nil).

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

(v) Other Transactions

Transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year amounted to \$64,420 (2009/10, \$164,763.41).

(vi) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council whose total annual remuneration exceeds \$124,000, or if remuneration is less than \$124,000 has management responsibilities and reports directly to the Chief Executive Officer

The number of Senior Officers other than the Responsible Persons, are shown below in their relevant income bands:

Income Range:	2011 No.	2010 No.
<\$124,000	3	3
\$130,000 - \$139,999	-	1
\$140,000 - \$149,999	1	-
	<u>4</u>	<u>4</u>
	\$'000	\$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to	445	429

note 39 income, expenses and assets by function /activities

2011	Corporate Services \$'000	Community Services \$'000	Future Development \$'000	Community Facilities \$'000	Transport \$'000	Waste & Environment \$'000	Total \$'000
INCOME							
Grants	4,430	1,490	657	465	3,441	62	10,545
Other	7,915	626	152	408	2,556	821	12,478
TOTAL	12,345	2,116	809	873	5,997	883	23,023
EXPENSES	(2,597)	(2,751)	(683)	(1,411)	(12,606)	(1,707)	(21,755)
SURPLUS (DEFICIT) FOR THE YEAR	9,748	(635)	126	(538)	(6,609)	(824)	1,268
ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*	17,392	5,688	1,921	10,088	103,643	743	139,475

2010	Corporate Services \$'000	Community Services \$'000	Future Development \$'000	Community Facilities \$'000	Transport \$'000	Waste & Environment \$'000	Total \$'000
INCOME							
Grants	4,022	1,492	521	498	2125	99	8,757
Other	7,355	627	158	86	1,117	782	10,125
TOTAL	11,377	2,119	679	584	3,242	881	18,882
EXPENSES	2,239	2,501	701	1,311	11,351	1,584	19,687
SURPLUS (DEFICIT) FOR THE YEAR	9,138	(382)	(22)	(727)	(8,109)	(703)	(805)
ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*	12,841	6,139	3,373	8,234	106,155	890	137,632

*Assets have been attributed to functions/activities based on the control and/or custodianship of specific assets.

The activities relating to the municipality's components reported on are as follows:

Community Services

General rates and Grants Commission revenue, council, general administration and finance costs which are not allocated to the other functions.

Community Services

Fire prevention, animal control, emergency management and the administration of local laws, maternal & child health services, health act administration, immunizations, preschools and rental accommodation, homecare, senior citizen centres, meals on wheels, home maintenance, emergency transport and sundry welfare services.

Future Development

Planning, building control, commercial and industrial promotion, caravan parks, tourist promotion and public conveniences.

Community Facilities

Maintenance of halls, cultural buildings and operations of the library, parks and reserves, recreation centres, swimming pools, sporting clubs, sale yards and other sundries.

Transport

Construction and maintenance of roads and bridges, footpaths, parking facilities, traffic control, street lighting, street cleaning and drainage, plant operations, workshops and depots, and quarries.

Waste and Environment

Rubbish collection, recycling and disposal, and tree schemes

note 40 financial ratios (performance indicators)

	2011 \$'000	2011 (%)	2010 \$'000	2010 (%)	2009 \$'000	2009 (%)
(a) Debt servicing ratio (to identify the capacity of Council to service its outstanding debt)						
<u>Debt servicing costs</u>	13		14		21	
Total revenue	23,023	= 0.06%	18,668	= 0.07%	17,439	= 0.12%

Debt servicing costs refer to the payment of interest on loan borrowings, finance lease, and bank overdraft.

The ratio expresses the amount of interest paid as a percentage of Council's total revenue.

- (b) **Debt commitment ratio** (to identify Council's debt redemption strategy)

<u>Debt servicing & redemption costs</u>	182	= 2.53%	490	= 7.19%	243	= 3.44%
Rate revenue	7,180		6,811		7,064	

The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

- (c) **Revenue ratio** (to identify Council's dependence on non-rate income)

<u>Rate revenue</u>	7,180	= 31.19%	6,814	= 36.50%	7,064	= 40.51%
Total revenue	23,023		18,668		17,439	

The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of Council.

- (d) **Debt exposure ratio** (to identify Council's exposure to debt)

<u>Total indebtedness</u>	4,343	= 13.94%	2,398	= 9.07%	2,618	= 11.55%
Total realisable assets	31,155		26,444		22,673	

Any liability represented by a restricted asset (note 30) is excluded from total indebtedness.

The following assets are excluded from total assets when calculating Council's realisable assets:

land and buildings on Crown land; restricted assets; heritage assets; total infrastructure assets; and Council's investment in associate.

This ratio enables assessment of Council's solvency and exposure to debt. Total indebtedness refers to the total liabilities of Council. Total liabilities are compared to total realisable assets which are all Council assets not subject to any restriction and are able to be realised. The ratio expresses the percentage of total liabilities for each dollar of realisable assets.

note 40 financial ratios (performance indicators)

	2011 \$'000	2011 (%)	2010 \$'000	2010 (%)	2009 \$'000	2009 (%)
(e) Working capital ratio (to assess Council's ability to meet current commitments)						
<u>Current assets</u>	14,408		10,152		8,657	
<u>Current liabilities</u>	4,916	= 293.08%	2,857	= 355.34%	3,004	= 288.18%

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

(f) **Adjusted working capital ratio** (to assess Council's ability to meet current commitments)

<u>Current assets</u>	14,408		10,152		8,657	
<u>Current liabilities</u>	4,024	= 358.04%	1,963	= 517.17%	2,111	= 410.09%

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

Current liabilities have been reduced to reflect the long service leave that is shown as a current liability because Council does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date, but is not likely to fall due within 12 months after the end of the period.

note 41 capital expenditure

	2011 \$'000	2010 \$'000
Capital expenditure areas		
Roads & streets & bridges	2,649	2,868
Drainage	62	8
Footpaths, kerb & channel	265	419
Buildings	953	491
Plant and equipment	1,117	1,093
Other	43	247
Total capital works	5,090	5,126
Represented by:		
Renewal of infrastructure	(a) 2,585	2,693
Upgrade of infrastructure	(b) 731	1,093
New infrastructure	161	247
New buildings	496	-
New plant and equipment	1,117	1,093
Total capital works	5,090	5,126

Property, plant and equipment, infrastructure movement

The movement between the previous year and the current year in property, plant and equipment, infrastructure as shown in the Balance Sheet links to the net of the following items:

Total capital works	5,090	5,126
Impairment loss recognised in profit or loss	(1,450)	-
Asset revaluation movement	29(a) -	18,365
Depreciation/amortisation	12 (5,461)	(5,273)
Written down value of assets sold	22 (669)	(2,430)
Net movement in property, plant and equipment, infrastructure	22 (2,489)	15,788

note 41 capital expenditure

(a) Renewal

Expenditure on an existing asset which returns the service potential or the life of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time.

(b) Upgrade

Expenditure which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the council's asset base.

note 42 special committees and other activities

Section 86 Committees

Woomelang Units	To manage and administer the units
Woomelang Multi purpose Centre	To manage and administer the functions of the centre
Murtoa Units	To manage and administer the units
Warracknabeal Saleyards Committee of Management	To manage saleyard activities for Council
Hopetoun Swimming Pool	To manage and administer the operation of the pool
Warracknabeal Leisure Centre	To manage and administer the operation of the centre
Tempy Swimming Pool	To manage and administer the operation of the pool

Other

Occupational Health & Safety Committee	To manage OH&S activities for Council
Tender Evaluation Committee	To evaluate tenders for Council
Enterprise Bargaining Consultative Committee	To facilitate the negotiation and implementation of the agreement

certification of financial report

In my opinion the accompanying financial statements have 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.



Anita J McFarlane (BCom)
Principal Accounting Officer

Date : 26th September 2011
Warracknabeal

In our opinion the accompanying financial statements present fairly the financial transactions of the Yarriambiack Shire Council for the year ended 30 June 2011 and the financial position of the Council as at that date.

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 the Council on 14th September 2011 to certify the financial statements in their final form.



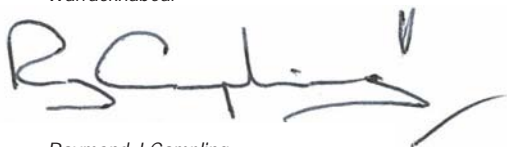
Kylie L Zanker
Councillor

Date : 26th September 2011
Warracknabeal



Jean M Wise
Councillor

Date : 26th September 2011
Warracknabeal



Raymond J Campling
Chief Executive Officer

Date : 26th September 2011
Warracknabeal



Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT**To the Councillors, Yarriambiack Shire Council***The Standard Statements and Financial Report*

The accompanying standard statements for the year ended 30 June 2011 of the Council which comprises of standard income statement, standard balance sheet, standard cash flow statement, standard statement of capital works, the related notes and the certification of standard statements have been audited.

The accompanying financial report for the year ended 30 June 2011 of the Yarriambiack Shire Council which comprises of comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the certification of the financial report has been audited.

The Councillor's Responsibility for the Standard Statements and Financial Report

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

- 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*
- 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*.

This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the standard statements and financial report 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 standard statements and financial report 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 standard statements and financial report are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standard statements and financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the standard statements and financial report, 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 standard statements and financial report 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 standard statements and financial report.



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.

Independence

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

Auditor's Opinion

In my opinion:

- (a) the 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*.
- (b) the financial report presents fairly, in all material respects, the financial position of the Yarriambiack Shire Council as at 30 June 2011 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*.

Basis of Accounting for Standard Statements

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

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

This auditor's report relates to the standard statements and financial report of the Yarriambiack Shire Council for the year ended 30 June 2011 included both in the Yarriambiack Shire Council's annual report and on the website. The Councillors of the Yarriambiack Shire Council are responsible for the integrity of the Yarriambiack Shire Council's website. I have not been engaged to report on the integrity of the Yarriambiack Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the standard statements and financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited standard statements and financial report to confirm the information contained in the website version of the standard statements and financial report.

MELBOURNE
27 September 2011


D D R Pearson
Auditor-General

