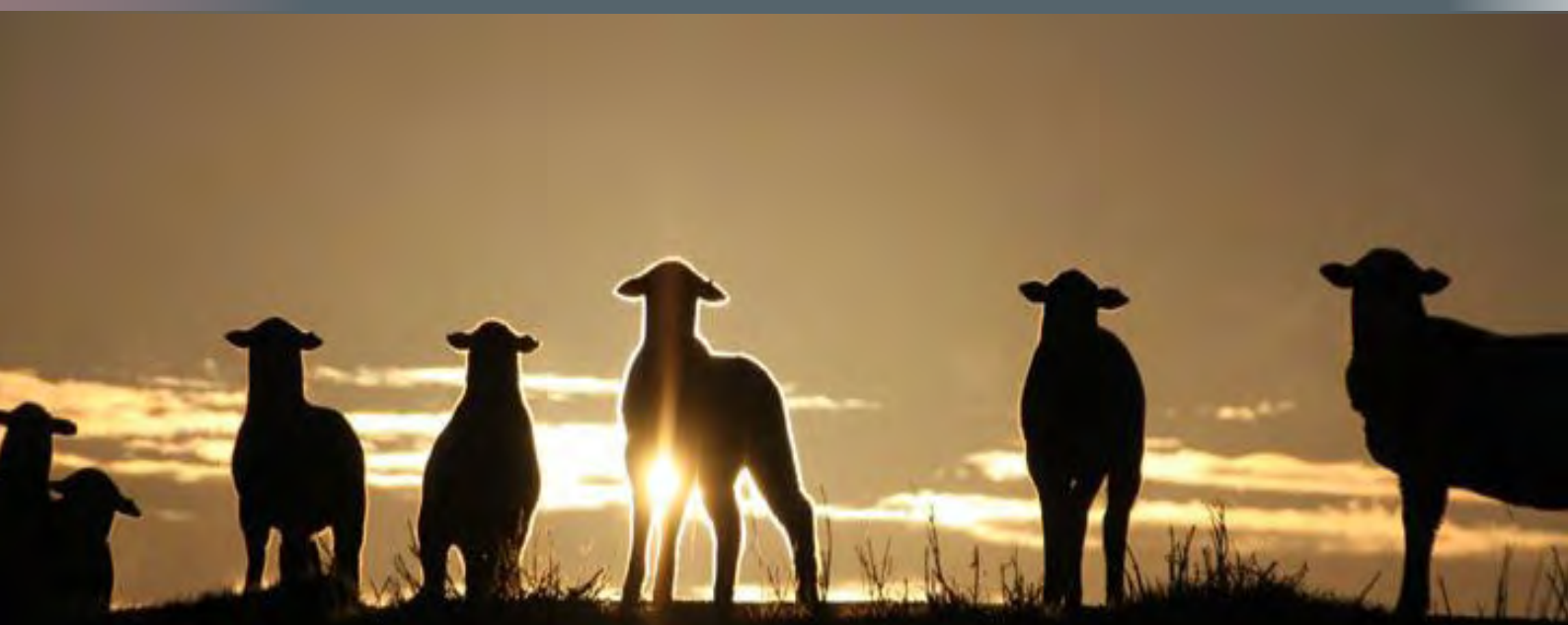


Annual Report 2013-14



Shire Details



Yarriambiack
SHIRE COUNCIL

SHIRE OFFICE

Warracknabeal

34 Lyle Street
(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

WEBSITE

www.yarriambiack.vic.gov.au



FRONT COVER PHOTO

Windmill Reflection
Holy Lamb



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Our Shire at a Glance



Field of Dreams - Beulah West



Patchewollock - Doug Jackson

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.

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.

AREA

7,158 sq. km

POPULATION

Approximately 7,082

VOTERS

Approximately 6,254

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.

RATE REVENUE

\$8,792,131.85

KEY STATISTICS

Planning Permits Issued	67
Total Value	\$9,249,239

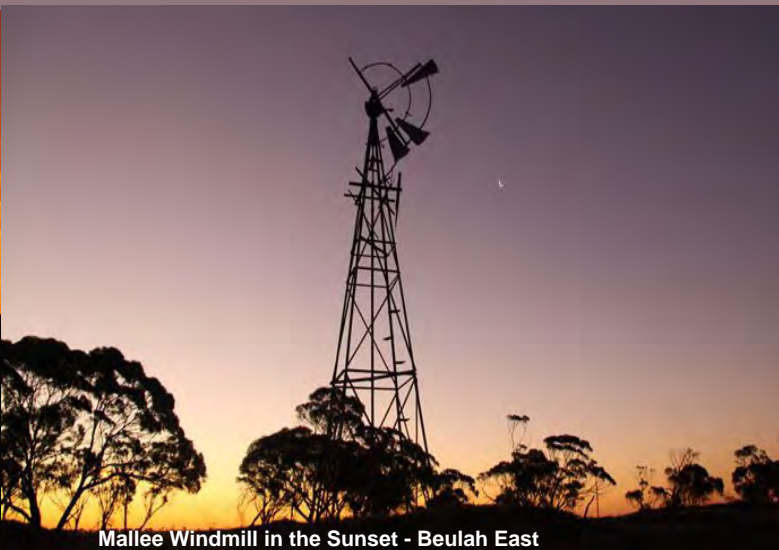
Building Permits Issued	77
Total Value	\$2,502,757

Properties (total)	7700
Total Value (CIV)	\$1,504,470,300

Properties Rateable	6846
Total Value (CIV)	\$1,458,827,500

The Shire is the heartland of grain production and handling in the Wimmera and Mallee.

Councils Philosophy



Mallee Windmill in the Sunset - Beulah East



Rays Of Light - Speed

OUR MISSION

Through strong leadership, transparency and strategic planning Councillors and Staff in partnership with community will achieve our vision.

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.

Through strong leadership, transparency and strategic planning Councillors and Staff in partnership with community will achieve our vision.



Mayors Report



Cr Andrew McLean

As Mayor of Yarriambiack Shire Council it is with great deal of immense pride, pleasure and satisfaction that I present the introduction to the 2013/2014 Yarriambiack Shire Council Annual Report.

The aim of this report is to demonstrate and illustrate to our rate payers, residents and stakeholders Yarriambiack Shire Council's commitment to the ongoing sustainability, variability, prosperity and governance of our wonderful municipality.

Since being elected to the position of mayor in November 2013 it has defiantly been an immense privilege and honour for me to serve and represent our community in this very privileged and prestigious capacity.

As the elected members of the community councillors very much realize and appreciate that some of the difficult and complex decisions that we are required to make today will hopefully and eventually have a long term positive and beneficial 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 realistic and measured expression of Council's appreciation and commitment to its core values of accountability, transparency and honesty to the community. Council as in previous years has placed significant emphasis and is committed and compelled to developing and maintaining positive and productive relationships with its community, stakeholders and the State and Federal Governments.

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

I also very much believe that it is appropriate that I personally recognize and acknowledge the outstanding contributions and commitment of my fellow councillors and in particular their endeavours to work co-operatively and diligently 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 from my perspective very much appreciated. All councillors have on numerous occasions encountered the challenge of meeting the needs and expectations of their

respective Ward constituents in addition to being mindful of the need to consider and evaluate the impact and consequences of issues on the entire municipality. 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 achievements of Council over the past year and I firmly and confidently 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 defiantly 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 a great place to live and work.

In closing, I very much wish to thank and congratulation the Council staff led by our Chief Executive Officer, Ray Campling for their commitment, passion and professionalism. In addition I would particularly also like to sincerely congratulate and extend my appreciation to 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 selfless efforts are very much appreciated. Thank you and please keep up the great work as it is very much appreciated and acknowledged.

Andrew McLean

Cr Andrew McLean
Mayor

Chief Executive Officers Report



Ray Campling

On reflection the 2013/2014 financial year was very much a replica of previous years and unquestionably a year in which we worked particularly proactively and tirelessly to further strengthen and develop our commitment of continuous improvement in providing relevant and appropriate services to our ratepayers, residents and visitors to the area. In addition it was also a year in which we continued to rigorously advocate and lobby Government for and on behalf of residents and ratepayers of the Yarriambiack Shire.

As in past year's significant time, effort and energy was expended and focused on relationship building and development, enhancement, collaboration, strategic planning, financial accountability and addressing our identified goals, objectives and outcomes. Additionally, we also placed considerable emphasis on developing an understanding and a constructive and supportive relationship with the various and diverse sectors of our community and region.

Council also placed considerable emphasis on further developing its productive relationships with both the State and Federal Governments and as a consequence significant and particularly favourable outcomes have been achieved which has resulted in substantial direct and indirect benefits being delivered to our various communities.

Council is very much committed 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 communities. We propose to ensure that Yarriambiack Shire Council continues to engage and relate to its diverse communities and fully examine how these important relationships can become even more productive and successful for the overall benefit of the Shire and ultimately the achievement and fulfilment of our community's needs, expectations and aspirations.

The information contained in this report will provide the community with an opportunity to fully determine and also judge the progress that Yarriambiack Shire Council has made during the 2013/2014 financial year. It is envisaged that the year ahead will again offer a wide range of unparalleled challenges and potentially 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 even more than we have experienced and encountered in previous years. However, I know that we have the leadership, commitment, enthusiasm and professionalism and most importantly the teamwork and a fantastic community 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 lead and work with them. Keep up the impressive work as it is definitely very much appreciated, respected and acknowledged.

To the Mayor Andrew McLean and your fellow councillors congratulations on your positive and proactive leadership and in particular for the excellent working relationship that has been established and developed with the management team and general 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 excellent and constructive relationship. In closing, I would particularly like to thank our wonderful community and in particular our many selfless and much appreciated volunteers for their support, co-operation, understanding and assistance throughout the year and for also making the Yarriambiack Shire an amazing place to live, raise a family, work, visit and call home!

Ray Campling

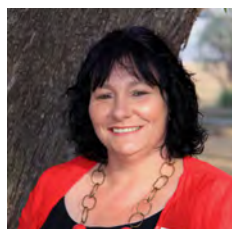
Ray Campling

Chief Executive Officer

White Ribbon Ambassador



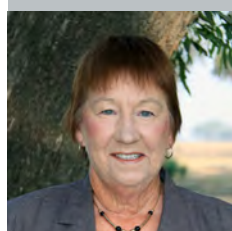
Councillors Profiles & Meeting Attendance



Cr Kylie Zanker
Warracknabeal Ward

Attendance 11/11

Internal Audit Committee
Volunteering Western Victoria
Yarriambiack Community Leaders Group
Rural Financial Counselling Services, Victoria - Murray Mallee



Cr Helen Ballentine
Hopetoun Ward

Attendance 8/11

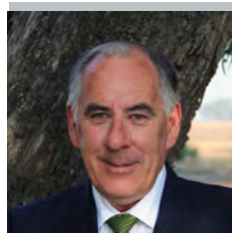
GWM Water Regional Recreation Water Users Group
Wimmera Mallee Tourism Association
Yarriambiack Tourism Association
Victorian Agriculture Sustainability Project
Victorian Local Government Association



Cr Graeme Massey
Warracknabeal Ward

Attendance 11/11

Wimmera Regional Library Service
Internal Audit Committee
Yarriambiack Chaplaincy Council
Yarrilinks



Cr Terence Grange
Dunmunkle Ward

Attendance 10/11

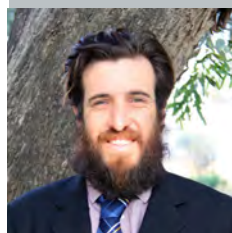
Wimmera Regional Transport Group
Western Highway Action Committee
Yarriambiack Tourism Association
Wimmera Development Association
RoadSafe Wimmera
Municipal Emergency Management Planning Committee



Cr Andrew McLean
Hopetoun Ward

Attendance 11/11

GWMWater Community Consultative Mallee User Group
Grampians Regional Waste Management Group
Sunraysia Highway Improvement Committee
Yarriambiack Creek Advisory Committee
Yarrilinks



Cr Ray Kingston
Dunmunkle Ward

Attendance 10/11

Warracknabeal Saleyards Committee
Municipal Association of Victoria
North Western Municipalities Association
Wimmera Mallee Sustainability Alliance
Livestock Association Victoria

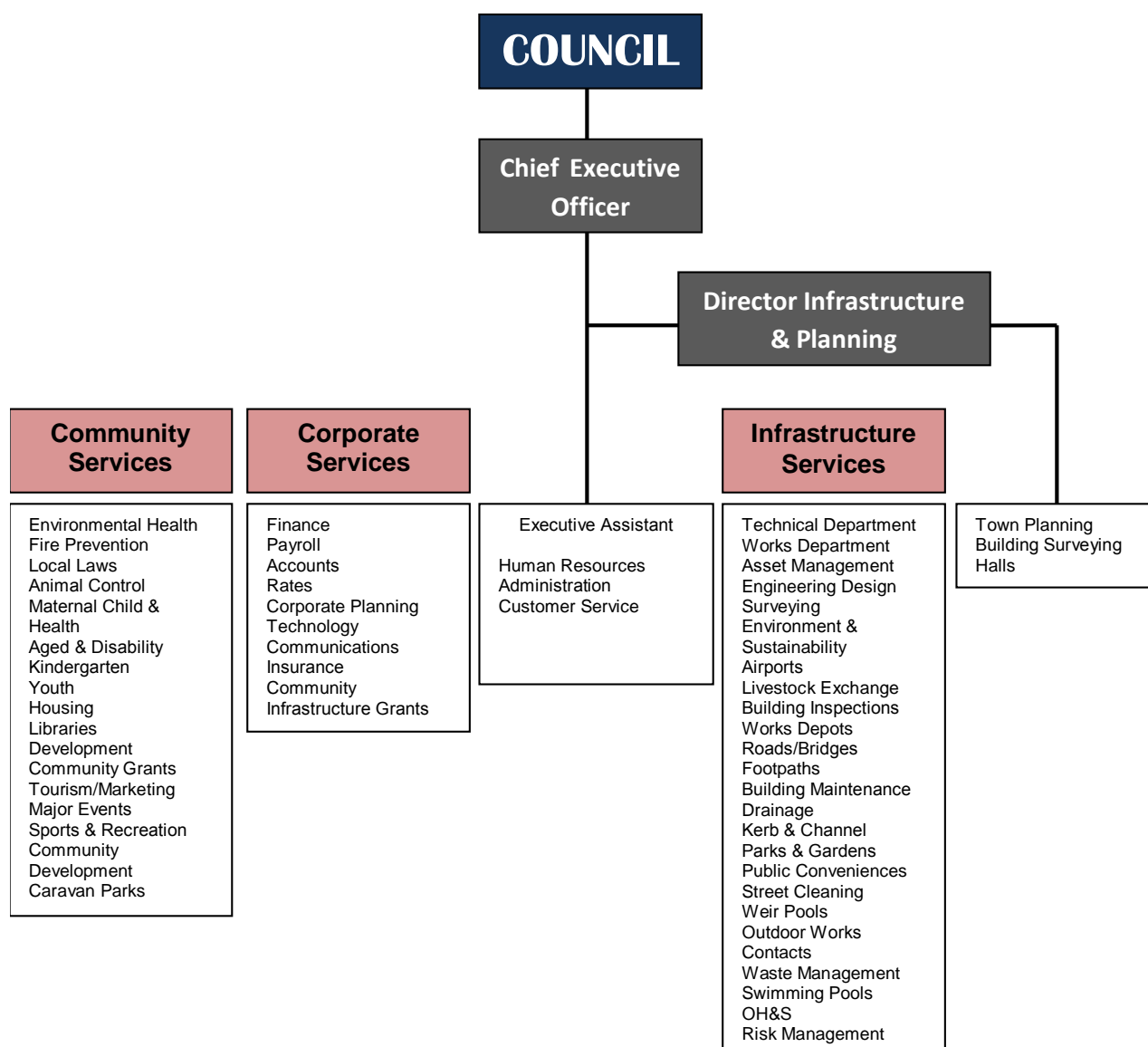


Cr Lisa Woods
Warracknabeal Ward

Attendance 11/11

Wimmera Development Association
Yarriambiack Tourism Association

Organisational Structure



Staff Numbers

	MALE	FEMALE	TOTAL
FULL TIME	69	11	80
PART TIME	1	38	39
CASUAL	1	7	8
TOTAL	71	56	127

Senior Management

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





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

- Construction and sealing of Strachan Street, Hopetoun.
- Construction and widening of Hopetoun Yaapect Road.
- Pavement renewal on Brim West Road.
- Pavement renewal on Rupanyup.
- Seal extension on the Glenorchy Road.

2013/2014 ACHIEVEMENTS AND ACTIVITIES

- Construction and sealing of section of Degenhardt Street, Murtoa including replacement of kerbing.
- 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.
- Completed another section of widening of the Dimboola-Minyip Road.
- Graveling of Simson Street, Brim.
- Completed construction and widening of the Sea Lake-Lascelles Road. Sections will be progressively reconstructed each year.
- Kerb and channel replacement at Lloyd Street Murtoa.
- Continued to update vehicle fleet with greater emphasis being given to vehicles with environmental advantages.
- Construction and sealing of McKenzie Street, Beulah.
- Completed reconstruction of kerbing in Anderson Street, Warracknabeal.
- Installation of three new weir structures and four sets of gates at the southern end of Beulah Weir Pool.
- Review of Road Hierarchy commenced.
- Submitted applications for funding for Patchewollock, Hopetoun and Warracknabeal Aerodromes.
- Lobbied for upgrade of the Yaapect Rainbow railway line.
- Continued construction of new Council Depot at Hopetoun.
- Seal extension on the Patchewollock-Tempy Road.
- Rehabilitation of section of Donald Laen Road.
- Rehabilitation of section of Lah Angle Road
- Rehabilitation of section of Banyena Pimpinio Road

James Magee

James Magee

Director Infrastructure & Planning

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

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.

Administration

- Co-ordination of the Customer Service Centres in Warracknabeal and Rupanyup (Council operated) and Hopetoun (Agency operated)
- Production and maintenance of the Community Directory and Business 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

2013/14 ACHIEVEMENTS AND ACTIVITIES

Finance

- Rating Strategy Audit
- Key Financial Controls Audit

Rates & Property

- Completion of 2014 General Valuations
- Successful implementation of the Fire Service Levy

Information Technology

- Upgrade of Council website
- Installation of a Disaster Recovery Server
- Purchase of ipads for relevant staff

Administration

- Update Council Community Directory
- Update Council Business Directory
- Council and staff policy updates

Anita McFarlane

Anita McFarlane

Corporate Services Manager



Community Services



Gavin Blinman

OBJECTIVES

To facilitate and support activities that improves the health, education, care, wellbeing and community development of the Yarriambiack Shire community.

AREAS OF RESPONSIBILITY

- Maternal and Child Health
- Kindergartens
- Home and Community Care Services
- Volunteer Transport
- Senior Citizens
- Youth
- Environmental Health
- Housing
- Arts and Culture
- Library
- Flood Recovery
- Emergency Relief
- Local Laws
- Tourism and Community Development
- Business and Economic Development

2013/2014 ACHIEVEMENTS AND ACTIVITIES

- Accreditation of HACC Services, first time in eight years, very successful.
- Seniors Concert, Frankie Holden Artist, approximately 350 people attended.
- HACC PAC Mobile fully in use with Carers & Centre Based Meals Centres.
- Transport - Gained six Volunteers.
- Active Service Model Review - Three year period.
- Diversity Plan - Three year period.
- Volunteer Training in Hopetoun and warracknabeal, very successful.
- Significant increase of social media activity on the Wimmera Mallee Tourism and Yarriambiack Tourism Facebook Pages.
- Community Action Plans continually under development to adapt to changing needs in the communities.
- Warracknabeal Caravan Park internal upgrade in now complete.
- Completion of Hopetoun Children's Centre upgrade. Total cost \$314,369.
- National Quality Framework Accreditation for Hopetoun and Murtoa Pre Schools.
- All Pre Schools provide the option of 15 hours per week for children.
- Minyip LGIP funded outdoor area complete.

- Roll out of Lets Read Program by Maternal Child Health Nurses.
- Immunisation rates among highest in the State.
- Yarriambiack has Talent, guest artist Justice Crew held workshop and performed, approximately 400 attended.
- Youth workers resigned, Council reviews youth work in our Shire.
- New Youth Engagement Plan 2014-2018 developed
- Two rounds of Celebrating Youth grants supported program across the Shire.
- Walk to School program supported by four schools in Warracknabeal, Minyip and Murtoa.
- Development of Councils Public Health Plan 2013-14.
- Funding secured for improved vaccine storage temperature monitoring.
- Successful enforcement of compliance issues in Public Health.
- Yarriambiack Shire Dangerous Dog Policy implemented.
- Draft Local Law completed.
- Non compliance of Fire Prevention noticed reduced by 60%.
- Relief Ranger starts.
- Solar lighting public safety grants \$115,000.
- Murtoa Lake Marma Stage one redevelopment \$140,000 Putting Locals First Grant.
- Local Business survey sent to all Yarriambiack Shire Council Businesses.
- Funding of \$22,500 for renewal of Economic and Tourism Development Strategy, Putting Locals First Grant.
- Murtoa Open Day, about moving to regional Victoria.
- 2014 Regional Victoria Living Expo in Melbourne.
- Bi Monthly newsletter for all businesses operating in our Shire with information on best practice.
- Commercial Building Improvement program commenced.
- National Science Week event funding \$5,000 for Inspiring Australia Program
- Shire Website includes Business Support section.

Gavin Blinman

Gavin Blinman
Community Services Manager





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

- Completion of second stage of construction to new works depot in Hopetoun.
- Upgrade to Mechanics Workshop in Warracknabeal.

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

- Completion of the upgrade to the Hopetoun Swimming Pool Change Rooms, including disabled and public toilets.
- Repair of ongoing water loss problems at Hopetoun Swimming Pool.
- Upgrade to buildings and surrounds at Woomelang Swimming Pool.

2013/2014 ACHIEVEMENTS AND ACTIVITIES

In 2013/2014 the following contracts were tendered out and awarded:-

• Supply & Delivery of Tandem Drive Water Truck	\$275,205
Kerb & Channel Construction	\$344,332
Upgrade to Hopetoun Kindergarten	\$272,000
Road Stabilisation Works	\$293,185
Construction of Pedestrian Bridge	\$250,500

Waste Management

Rehabilitation Works undertaken at the Warracknabeal landfill sites.

Construction of resale centres at Warracknabeal, Murtoa and Hopetoun.

Bernie Naylor

Bernie Naylor

Infrastructure Service Manager

Contributions, Donations & Memberships



Harvest Silhouette - Speed



The Test of Time - Woomelang

COMMUNITY & SPORTS DONATION

Anna Laursen Habel	\$1000.00
Anzac Memorial Park	\$51,704.09
Band & Scout Hall Committee Inc	\$500.00
Beulah Bowling & Croquet Club Inc	\$500.00
Beulah Business & Information Centre	\$2,330.10
Beulah Kindergarten Committee	\$2000.00
Beulah Memorial Hall Committee of Management	\$272.73
Beulah Park Trustees Committee	\$10,622.48
Beulah Public Purpose Creek Committee	\$2,142.40
Beulah Swimming Pool	\$23,294.55
Boolite Public Hall & Recreation	\$500.00
Brim Active Community Group	\$1,571.02
Brim Lions Club	\$3,401.30
Brim Memorial Hall	\$1,471.46
Brim Recreation Reserve	\$7,694.48
Brim Sports & Social Club	\$909.09
CWA of Victoria Dunmunkle Branch	\$1,363.64
D M Robinson	\$454.55
Dunmunkle Carpet Bowls Club	\$500.00
Dunmunkle Health Services Minyip	\$4,000.00
Gener8 Youth Group	\$1000.00
Hopetoun & District Preschool	\$2,000.00
Hopetoun A & P Society	\$500.00
Hopetoun Bowls Club	\$1,363.64
Hopetoun Cricket Club	\$1,863.64
Hopetoun Memorial Hall	\$1,062.38
Hopetoun P-12 College	\$2,000.00
Hopetoun Patchwork Group	\$500.00
Hopetoun Recreation Reserve	\$13,237.30
Hopetoun Swimming Pool	\$30,136.00
Lake Lascelles/Corrong Com. Management	\$13,471.32
Lake Marma Committee of Management	\$4,284.80
Lascelles Progress Association	\$2,480.29
Lubeck Memorial Public Hall Inc	\$2,602.69
Lubeck Soldiers Memorial Park Reserve	\$2,182.03

COMMUNITY & SPORTS DONATION CONT.

Lutheran Church of Australia	\$909.09
Minyip A & P Society	\$904.55
Minyip Golf Club Inc	\$500.00
Minyip Kindergarten Committee	\$2,000.00
Minyip Lawn Bowls Club	\$500.00
Minyip Lions Club	\$4,500.00
Minyip Memorial Hall Inc	\$3,824.18
Minyip Progress Association	\$2,792.00
Minyip Recreation Reserve Comm. of Management	\$14,861.45
Minyip Swimming Pool Inc	\$24,720.00
Murtoa Bowling Club	\$1,863.64
Murtoa Kindergarten	\$4,727.27
Murtoa Mechanics Institute	\$1,040.00
Murtoa Progress Association	\$1,071.20
Murtoa RSL	\$1,399.09
Murtoa Showyards Reserve Inc	\$16,381.00
Murtoa Swimming Pool Inc.	\$31,613.00
Murtoa Tennis Club	\$909.09
Patchewollock Memorial Community Centre	\$4324.18
Patchewollock Progress Association	\$3,733.26
Patchewollock Recreation Reserve	\$2,840.02
Rupanyup Consultative Committee	\$1,071.20
Rupanyup Historical Society Inc	\$500.00
Rupanyup Kindergarten Committee	\$2,000.00
Rupanyup Nursing Home Support Group	\$318.18
Rupanyup Recreation Reserve	\$6,721.57
Rupanyup RSL	\$909.09
Rupanyup SES	\$26,615.09
Rupanyup Swimming Pool	\$22,265.00
Rupanyup/Minyip Finance Group Limited	\$2,727.27
Rural Northwest Health	\$4,000.00
Shared Learning & Activities Murtoa	\$4,009.09
Sheep Hills Mechanic Institute	\$1,062.38
Speed Public Hall	\$2,205.65
Speed Recreation Reserve	\$3,261.80



Wool Clip - Speed

Beautiful Setting - Warracknabeal

COMMUNITY & SPORTS DONATION CONT.

Tempy Memorial Park	\$2,182.03
Tempy Swimming Pool	\$9,568.00
The Portsea Camp	\$1,060.00
Tigers Cricket Club	\$500.00
Warrack Eagles Football Netball Club	\$909.09
Warracknabeal A & P Society	\$500.00
Warracknabeal Action Group	\$2,071.20
Warracknabeal Bowling Club	\$909.09
Warracknabeal Golf Bowls Club	\$909.09
Warracknabeal Ladies Rest Rooms	\$486.36
Warracknabeal Memorial Kindergarten Inc	\$2,000.00
Warracknabeal Memorial Swimming Pool	\$58,872.75
Warracknabeal Neighbourhood House	\$500.00
Warracknabeal 1st Scout Group	\$1,409.09
Warracknabeal Secondary College	\$2,700.00
Warracknabeal SES	\$25,706.00
Warracknabeal Town Hall Committee	\$1,074.38
Wimmera Catchment Management Authority	\$909.09
Wimmera Mallee Sustainability Alliance	\$2,000.00
Wimmera Roller Derby League	\$1,363.64
Woomelang & District Development	\$1,571.20
Woomelang Cemetery Trust	\$2,727.27
Woomelang Historical Society	\$500.00
Woomelang Kindergarten Committee	\$2,000.00
Woomelang Memorial Hall	\$6,533.04
Woomelang Recreation Reserve	\$6,187.30
Woomelang SES	\$13,268.00
Woomelang Swimming Pool	\$22,393.00
Yaapeet Community Club Inc	\$5,489.10
Yarriambiack Creek Development	\$2,142.40

TOTAL **\$576,436.44**

MEMBERSHIPS

Maddocks	\$2,500
Municipal Association of Victoria	\$22,367.82
Rural Councils Victoria	\$2,000.00
Victorian Local Government Association	\$1,260.00
Wimmera Development Association	\$52,428.00
Wimmera Regional Library Corporation	\$166,695.00

TOTAL **\$247,250.82**



Shire Happenings 2013/14



Change is Coming - Speed



Peace and Solitude - Hopetoun

JULY

Brim Lions Club hosted an Official Opening of the Brim Flood Story Board, a \$20,000 project funded by State Government and Yarriambiack Shire Council. Mayor Kylie Zanker attended this Official Opening.

Mayor Kylie Zanker lobbied and advocated for improved services at the 2013 National General Assembly of Local Government hosted in Canberra.

Chief Executive Officer Ray Campling, Mayor Kylie Zanker and Community, Business and Economic Development Manager, Jaye Macumber met with Woodbine Chief Executive Officer Bernie O'Connor, Board President Ian Penny and Warracknabeal Action Group Members to discuss a proposal put forward for Woodbine to extend its Craft Work Shop to include products no longer available due to the closure of Target Country.

Yarriambiack, Northern Grampians, Hindmarsh, West Wimmera, Ararat and Horsham Councils are part of 16 Municipalities across north, west and central Victoria which joined forces as part of a "Lighting the Regions" project. The project aimed to upgrade street lights with energy efficient technology, this project will run over three years and will see light globes and fittings upgraded to new models that require up to 68 percent less energy to run. The Federal Government will put \$5.1 million towards the \$8 million project, Councils will contribute a third of the cost of installation.

Yarriambiack Shire Council contributes \$2,000 towards a National "yes" Campaign, which is fighting for the inclusion of Local Government in the Australian Constitution.

Drug Tasking Unit Officers discovered a large amount of chemicals and paraphernalia, believed to have been used for manufacturing amphetamines in the old post office at Yaaapeet. Yarriambiack Shire Council could be forced to pay more than \$40,000 to clean up or demolish a clandestine drug lab at Yaaapeet if the allegedly fictitious owner cannot be found.

Yarriambiack Shire Council was thrilled with the reception of the community in relation to the first Improving Livability for Older People newsletter.

2012-2013 Capital Works Program for road reconstruction and seals, the footpath program, and gavel resheeting has been completed on time and just under budget.

Yarriambiack Shire Council announced the June recipients of Sponsorship Allocations during the monthly Council Meeting. The maximum amount paid to one organisation was \$200 and the budget allocation was \$2,000.

Rupanyup Kindergarten has been assessed under the National Quality Framework and met all standards and exceeded in the management area.

Councillors voted unanimously in favour of the 2013-14 Budget.

In the Environmental and Local Laws Report it stated several animal issues have occurred throughout the Shire. Two dogs caused issues when they menaced Senior Citizens on gophers. Works have been undertaken at the pound, with new feeders installed in the dog pens allowing the Ranger to feed dangerous dogs without entering their pens. The cat room has been finished, with the roof now fully enclosed.

Mayor Kylie Zanker and Country Women's Association Warracknabeal Evening Branch Secretary, Kelly Woods presented Sharlene Ferguson with a cheque for \$1,000 after she won the inaugural 2013 Skills Scholarship for Women on Tuesday.

In partnership, Rural Northwest Health, Yarriambiack Shire Council and Volunteering Western Victoria have worked hard to revamp the services to accommodate a larger number of residents a new bus route. The new bus route was relaunched with a free barbeque at the Tourist Information Centre.

Planning Minister, Matthew Guy met with Yarriambiack Shire Mayor Kylie Zanker and Cr Ray Kingston to discuss planning zones during Mr Guy's door stop visit to Warracknabeal.

Youth Mental Health First Aid session was offered and delivered by qualified instructors Sybil Braybrook and Lisa Woods, the course was normally priced at \$300 however, the training had been heavily subsidised by Yarriambiack Shire Council, Warracknabeal Secondary College, Rural Northwest Health and Wimmera Southern Mallee and had been offered for just \$20.

AUGUST

Council offers Celebrating Young People Grants Program. This program is designed to support individuals or groups who work with youth to develop a range of programs to the areas of Arts &



The Bridge Home - Warracknabeal



Coopers Crossing Garage - Minyip

Culture, Environment, Recreation and Health/Welfare. Council offered up to \$1,000 towards each successful project. Mayor Kylie Zanker, Chief Executive Officer Ray Campling and Cr Graeme Massey were in attendance at the Official Opening of the Hopetoun Flood Study Story Board located at the north end of town, the board depicts the flooding of the Yarriambiack Creek and the work that went into redirecting the flood waters through Hopetoun.

Yarriambiack Shire Council Mayor Kylie Zanker announced the opening of the SHARE Community Grants (Sustainable Health Adaptable Resilient Engaged), a total pool of \$20,000 is available in this round for community projects.

Yarriambiack Shire Council called on for four year old Kindergarten enrolments for 2014.

Yarriambiack Has Talent showcased Justice Crew and attracted more than 500 people to warracknabeal Town Hall.

Yarriambiack Deputy Mayor Helen Ballentine had a short-lived career change, stepping in as the principal of Hopetoun P-12 College for a day. Cr Ballentine led the College for a day on August 15, 2013 as part of a State Wide initiative to get community members into classrooms.

Yarriambiack Shire Council Mayor, Kylie Zanker was recently given the honour of presenting Warracknabeal Special Development School students with their 2013 Literacy Awards.

Yarriambiack Shire Council offered groups and organisations to apply for Community Assistance Grants; these grants are to assist with the maintenance and capital improvements of community assets.

Recovery works from 2011 flood threat were completed in June, at a total cost to Yarriambiack Shire Council of \$6,445,012.

Council complied Occupational Health and Safety checklist for the Shire Kindergarten.

Chief Executive Officer Ray Campling and Cr Andrew McLean attended the Official Opening of the new \$85,000 Hopetoun and District Men's Shed.

Yarriambiack Shire Council has allocated more than \$223,000 to its Swimming Pools. About \$75,000 of the amount will go towards management and lifeguards. Eight pools in Warracknabeal,

Rupanyup, Minyip, Murtoa, Hopetoun, Beulah, Woomelang and Tempy will receive the money.

Three entries received a total of \$2,100 towards their respective projects as part of round 15 of the Yarriambiack Shire Council Celebrating Young People Youth Grants. Warracknabeal Secondary College received \$700 to continue its Knox City School Exchange, Beulah Primary School, \$400 towards the year six Students Melbourne Transition Program and Hopetoun Secondary College student Keely Michael received \$1,000 to assist towards planning a Family Fun Day at Lake Lascelles as part of school studies.

Council adopted the rules for Hopetoun, Murtoa and Warracknabeal Caravan Parks at its monthly meeting.

Council advertised its intention to update the Yarriambiack Shire Business and Community Directories, asking for any participants who have their business/organisation/club included in the current directories and require changes are to notify Council. Also any new organisations wanting to register their details are to contact Council.

Improved mobile phone coverage, the Western Highway duplication and real-time weather data are at the top of the Wimmera's wish-list for the Federal Election. Horsham, Hindmarsh, Northern Grampians, Ararat, Yarriambiack and West Wimmera Councils have teamed up to put the region's priorities to the Mallees 12 candidates.

Council attended a "Come Along, Meet & Chat" with Councillors and Staff whilst enjoying a delicious meal. The community gatherings were held at Rupanyup, Murtoa, Minyip, Beulah, Woomelang and Yaapect.

OCTOBER

Yarriambiack Seniors enjoyed a sentimental journey entertainment from Cliff Richards, Vera Lynn, Patsy Cline and many more when "Sentimental Journey" performed a free concert at Warracknabeal Town Hall in October as part of Senior Citizens Week Celebrations.

Yarriambiack Shire Council called for interested young people 12-25 years of age from across the Shire who would like to be involved in a reference group to develop the new Council Youth Plan. The new Youth Plan will help Council develop a direction for future youth support and services over the next five years in our Shire.



Shire Happenings 2013/14

After the Storm - Beulah West



The Sun through the Yarriambiack. Rainbow Road. Warracknabeal

NOVEMBER

Hopetoun Preschool has exceeded the standards set under the National Quality Framework. Yarriambiack Shire Council Community Service Manager, Gavin Blinman said Hopetoun Preschool Director, Robyn Hallam and her team deserve praise for the result. The rating is now posted on the "My School" Website and everyone across Australia can see that Hopetoun is a top rated Preschool.

The Annual Report of the Yarriambiack Shire Council has been prepared in accordance with Section 131 of the Local Government Act 1989. The Annual Report was adopted at the Ordinary Meeting of Council held on Wednesday, 13 November 2013.

19 Warracknabeal Businesses have signed up to be recognised as Wimmera Southern Mallee Local Learning Employment Network's school friendly businesses. Yarriambiack Shire Council signed up to the School Friendly Business Program.

Mayor Kylie Zanker officially welcomed three new citizens to Australia during a recent Citizenship Ceremony.

Yarriambiack Shire Council Ranger and Local Laws Officer, Greg Wilson urges all residents to start fire prevention and clean up works at their properties. Yarriambiack hosted free green waste days at all Shire tips during the weekend of November 2 and 3.

Mayor Andrew McLean encouraged residents to shop locally during the festive season and support local businesses; they have been exceptional community supporters for many years.

Yarriambiack Shire Council called for interested young people 12-25 years of age from across the Shire who would like to be involved in a reference group to develop the new Council Youth Plan.

Yarriambiack Shire Council thanked the countless volunteers from right across the District, who freely give up their time to offer a wide array of valuable services.

DECEMBER

Member for Swan Hill, Mr Peter Walsh announced \$220,000 in State Government Funding to go towards building a \$295,000 Swing Bridge. Yarriambiack Shire Council and Yarriambiack Creek Committee are contributing a combined \$75,000 towards to project, which is expected to be completed in June 2014.

Yarriambiack Shire provides an opportunity for residents and business owners to discuss, promote and advertise relevant tourism topics (free of charge) in the region via the Yarriambiack Tourism Facebook Page.

JANUARY

Yarriambiack Shire Council Mayor Andrew McLean announced the opening of SHARE Community Grants (Sustainable Health Adaptable Resilient Engaged). This program is a community planning process to assist communities to develop Community Action Plans, promote individual projects for prospective funding and support, coordinate and plan for future infrastructure and service needs, build relationships and connections with stakeholders and other communities in times of significant change. A total amount of approximately \$20,000 is available in this round for community projects. Eligible projects may include small equipment, events, projects that support shared facilities/equipment, seed funding for larger projects and projects that encourage visitors and tourism to the region. Projects that are not eligible include retrospective funding, prizes, raffles, wages, insurance and ongoing maintenance or running costs.

MARCH

Council called for interested young people 12-25 years of age from across the Shire who would like to be involved in a reference group to develop the new Council Youth Plan, the plan will help Council develop direction for the future of youth support and services over the next five years in our Shire. The group will meet at least three times over a six month period.

Home owners wishing to remove asbestos from their home were able to take advantage of a free, six month trial launched by Yarriambiack Shire Council. WorkSafe and Council had identified the significant public health challenge to all levels of Government caused by the poor removal and illicit dumping of asbestos waste from domestic renovations. As a result, WorkSafe and Council have jointly developed and agreed to implement a Domestic Asbestos Removal Support Program to protect both Council and the community. As part of the agreement, WorkSafe will supply Yarriambiack Shire Council with 50 sets of Domestic Asbestos Removal Kits, Council will then distribute, upon request, the initial 50 kits free of charge to domestic home owners to assist them in the removal and disposal of up to ten metres of non-friable or bonded, asbestos material. This is a good example of Councils working together. Yarriambiack Shire Council is in negotiations with the Horsham Rural City Council regarding the



Lake Marma - Murtoa



Patche Racetrack - Patchewollock

disposal of the asbestos to Doon Landfill.

Yarriambiack Shire Councillors and Staff attended a three day expo in Melbourne to promote the benefits to relocating to our Shire.

Council once again offered Celebrating Young People Youth Grants. The program encouraged groups and individuals to work with young people to develop ideas for involvement in the area of Arts, Culture, Recreation, Environment, Health and Welfare. Community Groups and individuals are able to submit applications for up to \$1,000.

District business owners were invited to attend a Branding Workshop for small businesses at Yarriambiack Shire Council's Warracknabeal Office. The Workshop is designed to help business owners take a fresh look at the way their business communicates with the world. Understanding your brand is a critical first step to marketing success. The session was offered free.

Yarriambiack Shire Council called all farmers with issues they need assistance with, from slow internet speed to exporting issues. As a small business, farms are a key economic factor within the Shire and we want to help farmers with any concerns.

APRIL

Chief Executive Officer labelled expected State Government Budget cuts as the most drastic in more than 15 years. Council expects the Government to make cuts to Kindergarten, Youth and Emergency Relief Services in its 2014-15 Budget. Community Services Manager, Gavin Blinman said there could be a reduction in Kindergarten funding without Federal funding, services could fall to 10 hours a week. Rural Health Alliance also faces Budget cuts of 20 percent which could affect Council's Youth Services. Currently, Council are funded for two staff but with the funding cut this would be cut to only one staff member. Further cuts could be made to Emergency Relief Services; cuts would be from \$23,000 to \$16,900 a year.

Former State Minister Sport and Recreation Member for Lowan, Hugh Delahunty switched on the new lights at Murtoa Show Yards Reserve. Minyip Murtoa Football and Netball Club members joined him to launch four new light poles and upgrading the oval's switchboard and power supply. The State Government contributed \$80,000 towards the project. Minyip Murtoa Football Club provided \$23,000 while Yarriambiack

Shire Council contributed \$20,000.

Youth Celebrated - Councillors agreed to grant the requested amounts to six applicants as they were all good programs and worth supporting. The six successful applicants were Minyip Festival Committee \$500, Warracknabeal Secondary College School Nurse \$1,000, Warracknabeal and Hopetoun Secondary College Reach Programs \$1,000, Anna Laursen-Habel \$1,000, Rockin Youth Gen R8 \$1,000.

North West Lady Councillors Meet - Seven female Councillors from Yarriambiack and beyond convened at Hopetoun's Council Chamber, an informal gathering to network and share ideas. Yarriambiack Shire Council's Helen Ballentine, Kylie Zanker and Lisa Woods attended along with Chief Executive Officer, Ray Campling.

Yarriambiack Shire held its 16th Y Fest with a full weekend of entertainment drawing many visitors to our Shire, once again a very successful Easter weekend.

MAY

Yarriambiack Shire Council advertised in the Sunday Sun for an Open Day to be held at Murtoa to promote a tree-change location for city people. "Murtoa Open Weekend" attracted ten interested families; the tour began with a launch at the Railway Hotel. Mayor Andrew McLean and resident Paula Clark officially welcomed the group. The group were taken on a tour around Murtoa inspecting Shops, the Community Health Centre and the town's Kindergarten and School's. They also visited Historical Attractions and Sporting Grounds. Tea was held at Murtoa Recreation Reserve on Saturday night.

Yarriambiack Shire Council adopted a revision of its four year plan at its monthly meeting.

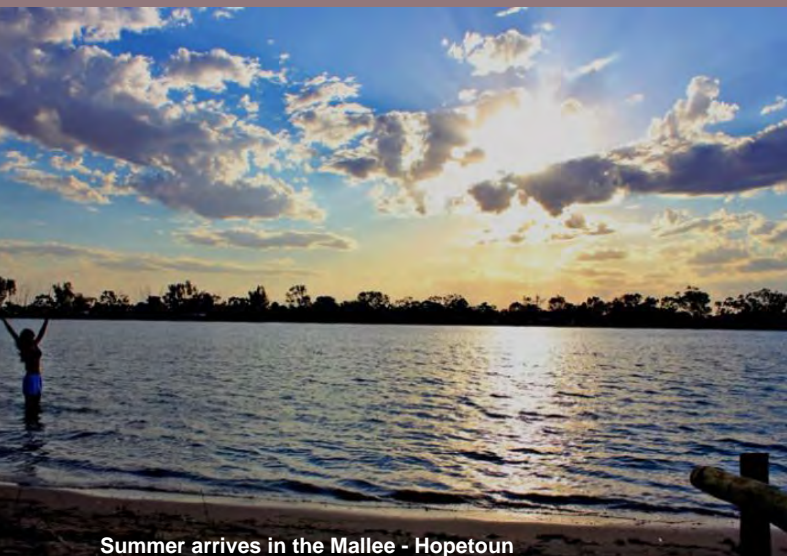
Council is providing design and management support to the Yarriambiack Creek Committee with the construction of a new suspension footbridge near the Rainbow Road Weir, this will give walkers safe access across the creek.

Yarriambiack Shire Council offered a volunteers training session to provide Council's volunteers with the latest information and training.

Yarriambiack Shire Council has approved a Planning Permit to allow grain storage silos built illegally on a Rainbow Road



Shire Happenings 2013/14



Summer arrives in the Mallee - Hopetoun



Reflections - Woomelang

property to stay put. A Planning Report submitted by Council's Town Planning, David Young recommended Council support the permit application as the land was zoned for farming. The objections was based around privacy and lifestyle issues, noise, dust, odours and views.

Council offered a Green Free Waste disposal day free of charge.

Parts of Yarriambiack Shire Council considered dangerous will have new lighting installed to improve safety standards and tackle vandalism. Visiting the Shire on Thursday, Member for Swan Hill, Peter Walsh announced more than \$115,000 has been allocated Shire wide for the project from State Government's Public Safety Infrastructure Fund.

Yarriambiack Shire Council is among the best in the State for community satisfaction, having exceeded four of the five State Wide Performance Measure Index Scores, this was shown in the recently released Local Government Community Satisfaction Survey 2014.

JUNE

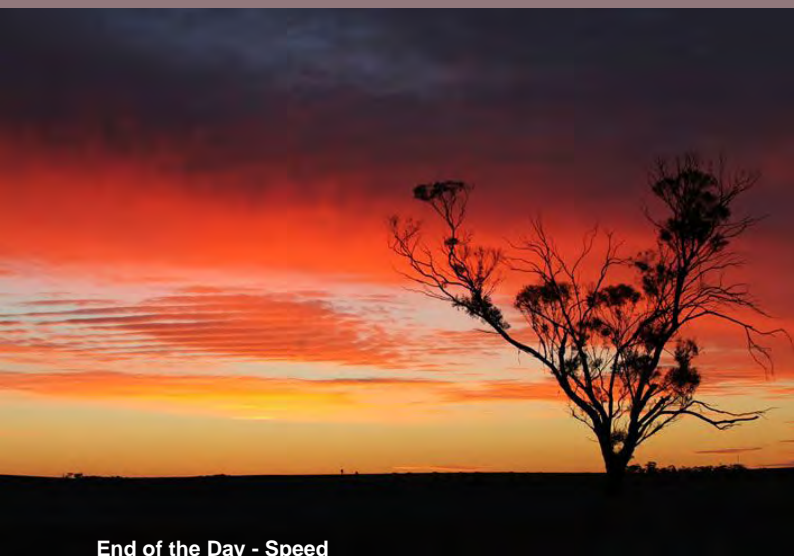
Attacks prompt new Yarriambiack Policy. Council has introduced a Policy on dangerous dogs following a spate of dog attacks in the Shire. Council implemented a Dog Attack Prevention Policy at its meeting on Wednesday.

Council released its Draft Budget at Wednesday's Council Meeting; the Budget proposed a six percent general rate increase and the rate differential for farmers will increase from 15 to 23 percent.

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

Yarriambiack Shire Population: 7,082
Covering an area of 7,158sq km

About Us



End of the Day - Speed



Lake Corrong - Hopetoun

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 organisation and the employee alike.

Quality Equal Opportunity programs are increasingly part of what best-practice organisations 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

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 2013/14 financial year.

OCCUPATIONAL HEALTH & SAFETY

Yarriambiack Shire Council is fully committed to the provision of the highest levels 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 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.



About Us



Post Office - Warracknabeal



One Stormy Evening - Patchewollock

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 organisation 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 organisation 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

ACCESS AND INCLUSION PLAN 2011-14

The Yarriambiack shire Council Access and Inclusion plan is now in its third year and council staff and councillors have focused on key areas of transport access for all in our shire.

The Wimmera Early Years transport report and the Yarriambiack Health alliance transport report are two documents that staff and councillors have supported and used to improve transport options locally and across the shire. Lobbying of state government also continues to improve options for rural and remote area residents.

Footpath access has also been a focus following on from the consultations done with this plan and Improving Livability for Older Persons report mapping of safe gopher paths across the shire is almost complete and sealing of town footpaths has been a priority.

Council senior staff and councillors also hold annual consultation meetings in most towns so that residents can have access, meet and have their say on vital council issues and plans.

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.

PROTECTED DISCLOSURE ACT 2012

The Yarriambiack Shire Council is committed to the aims and objectives of the Protected Disclosure Act. It does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct.

No 'Disclosures' were reported to IBAC under Section 21(2) during the financial year 2013-2014.

Policy, Guidelines and Management of Protected Disclosures can be accessed via the Yarriambiack Shire Council Website

Information to be made available to the public



Stick Shed - Murtoa

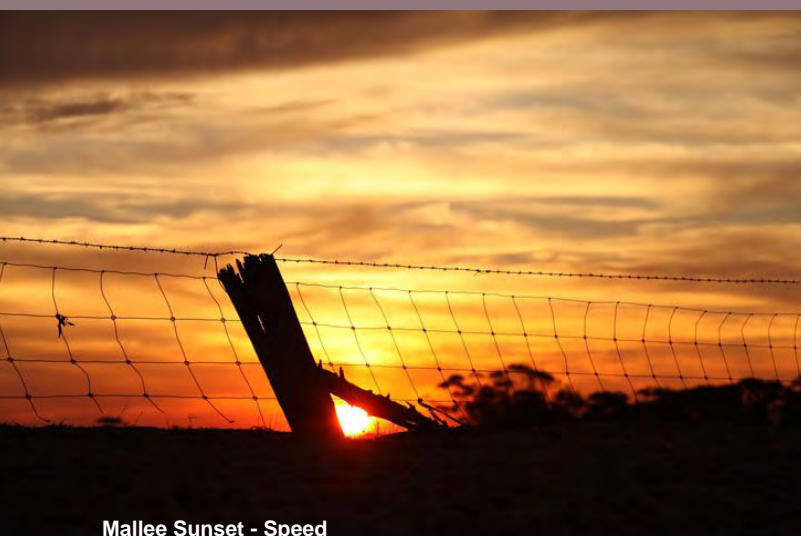


The Old Farm Gate - Beulah

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 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.
- (r) A list of contacts 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.

Victorian Government Indicators



OVERALL PERFORMANCE

Community satisfaction rating for overall performance generally of the Council. 65%

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 67%

ALL RATES

Average rates and charges per assessment \$1,306.23

RESIDENTIAL RATES

Average residential rates and charges per assessment \$582.31

OPERATING COSTS

Average operating expenditure per assessment \$2,971.16

CAPITAL EXPENDITURE

Average capital expenditure per assessment \$1,040.23

INFRASTRUCTURE

Renewal 54%
Renewal and maintenance 61%

DEBTS

Average liability per assessment \$750.47

OPERATING RESULT

Operating result per assessment \$319.21

Performance Statement

For the year ended 30 June 2014

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.

Goals	Performance Measure	Note	Target 2013/2014	Comment/Results
Goal 1 – Community Engagement				
To engage appropriate interest groups and individuals on awareness of Council activities and services	Community satisfaction with community consultation and engagement.	1	>62%	Achieved 67%
	Proportion of infants born that receive primary immunisations.	1	>90%	Achieved 94.2 of infants born received Primary Immunisation.
	Proportion of registered premises that are inspected annually as required by the Food Act 1984 and the Public Health and Wellbeing.	1	100%	Not Achieved 60% of registered premises are been inspected annually.
	Percentage of clients satisfied with Home and Community Care (HACC) services.	1	>90%	Achieved 90.5% of clients surveyed were satisfied with Home & Community Care Services.
	Review Disability Action Plan and implement activities and recommendations of this review.	1	30-Jun-14	Not Achieved In progress draft form.



Performance Statement

For the year ended 30 June 2014

Goals	Performance Measure	Note	Target 2013/2014	Comment/Results
Goal 2 – Responsible Management				
To provide leadership and advocacy and be accountable to the local community.	Financial indicators (VAGO).	1	Sustain all yellow or green indicators	Achieved All indicators were yellow or green
	Community satisfaction with overall performance of Council.	1	>60	Achieved 65%
	Community satisfaction with Council's advocacy.	1	>60	Achieved 65%
	Community satisfaction with customer satisfaction.	1	>65	Achieved 70%
	Develop and finalise 10 year Long Term Financial Plan.	1	30-Jun-14	Not Achieved Draft format working in progress
	Adjusted Working Capital – Measures the ability to pay existing liabilities in the next 12 months.	1	>1.20 to 1	Not Achieved 0.99
	Indebtedness – Measures total borrowings as a percentage of rates and charges revenue.	1		Achieved 4.9%
	An equitable, efficient and transparent rating strategy to be reviewed.	1	To be adopted by 30 June 2014	Not Achieved To be developed
	Percentage completion of Audit Committee annual plan.	1	95%	Achieved 3 internal Audits were conducted in 2013/14 Rating Strategy Council Decisions Key Financial Controls
	Develop an Information Technology Strategy.	1	30-Jun-14	Not Achieved To be developed

Performance Statement

For the year ended 30 June 2014

Goals	Performance Measure	Note	Target 2013/2014	Comment/Results
Goal 3 – Asset Management				
The communities current and future needs for assets and facilities are responsibly managed based on community service needs.	Percentage of building permits approved within 30 days.	1	>80%	Not Achieved 71% Building Permits approved within 30 days.
	Percentage of planning applications processed within 60 days.	1	>60%	Achieved 83% planning permits processed within 60 days.
	Percentage of capital projects completed at the conclusion of the financial year.	1	100%	Achieved 100% was achieved due to obtaining grants.
	Develop and implement service level plans through indirect feedback from community engagement program.	1	40 plans to be adopted by Asset Management Working Group by 30 June 2014	Not Achieved 27 plans out of 41 have been drafted.
	Complete migration of data into new asset management system.	1	30-Jun-14	Not Achieved 95% Migration of data
	Compliance with Asset Management STEP program	1	Completion of Annual NMAF Survey	Achieved



Performance Statement

For the year ended 30 June 2014

Goals	Performance Measure	Note	Target 2013/2014	Comment/Results
Goal 4 – Sustaining the Economy & Environment				
Lead in sustainable growth and development to meet the communities need.	Community satisfaction with waste management.	1	>65%	Not Achieved Was not measured.
	Increase the number of visitors to Council's caravan parks.	1	Increased revenue from 2012/2013	Achieved Caravan Park revenue increased by \$12,404.87
	Support the development of the new Wimmera Mallee Tourism Association with representation from the local tourism associates in the Shires of Yarriambiack, Buloke, Hindmarsh and West Wimmera to form the foundations of sustainable tourism growth.	1	Attend 4-5 meetings per year	Achieved Council staff, councillors or community representative attended 5 Wimmera Mallee Tourism meetings for the year.
	Active involvement in Rural Council's Victoria and the Wimmera Development Association.	1	Attend 8 meetings per year	Achieved Council Representatives attended over 8 meetings for 2013/2014 year.
	Continue to support the Yarriambiack Landcare Network and local Landcare groups to help improve extent and quality of native vegetation and promote awareness of sustainable farming practices.	1	Involvement in attending Yarrilinks meetings	Achieved 100% Attendance.
	Continue the upgrade of Hopetoun Caravan Park Amenities Block.	1	30-Jun-14	Achieved Upgrade completed
	Increase visitors online visiting the Yarriambiack Tourism/Facebook page.	1	200 likes by 30 June 2014	Achieved At the 30 June the Yarriambiack Tourism/Facebook page had 1,074 likes



Performance Statement

For The Year Ended 30 June 2014

NOTE 1

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.



Certification of Performance Statement

For The Year Ended 30 June 2014

In our opinion the accompanying Performance Statement of the Yarriambiack Shire Council in respect of the 2013/14 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 date of signing, we are not aware of any circumstances, which would render any particulars in the statement to be misleading or inaccurate.

On the 27th August 2014 we were authorised by the Yarriambiack Shire Council to approve the Performance Statement in their final form on behalf of the Yarriambiack Shire Council.



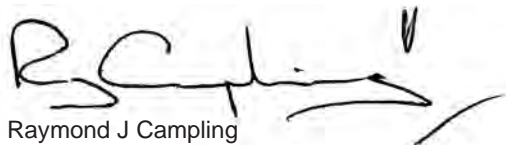
William G Massey
Councillor

Date : 24 October 2014
Warracknabeal



Kylie L Zanker
Councillor

Date : 24 October 2014
Warracknabeal



Raymond J Campling
Chief Executive Officer

Date : 24 October 2014
Warracknabeal

Independent Auditor's Report

VAGO

Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000
Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
Email comments@audit.vic.gov.au
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Yarriambiack Shire Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2014 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* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from 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. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about 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.

Independent Auditor's Report

Independent Auditor's Report (continued)

Independence

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

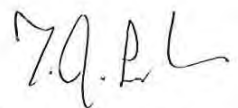
Auditor's Opinion

In my opinion, the performance statement of the Yarriambiack Shire Council in respect of the 30 June 2014 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 2014 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
24 October 2014


Dr Peter Frost
Acting Auditor-General

Notes To The Standard Statement

For The Year Ended 30 June 2014

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 (Planning and Reporting) Regulations 2014.

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 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 43 to 100 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 10th July 2013. 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 of the actual financial results is contained in the General Purpose Financial Statements on pages 43 to 100. The detailed budget can be obtained by contacting Council or through the Council website. The Standard Statements must be read with reference to these documents.



Budgeted Standard Income Statement

For The Year Ended 30 June 2014

	Ref	Budget \$'000	Actual \$'000	Variance \$'000	%
Income					
Rates & Charges		10,000	10,058	58	1%
Grants - Operating		7,474	8,173	699	9%
Grants - Capital	1	2,421	548	(1,873)	(77%)
Fees, Fines & User Charges		1,111	1,088	(23)	(2%)
Contributions & donations	2	289	419	130	45%
Interest	3	189	134	(55)	(29%)
		21,484	20,420	(1,064)	(5%)
Expenses					
Employee benefits		7,367	7,487	120	2%
Materials and services	4	5,154	6,258	1,104	21%
Contributions & donations		926	852	(74)	(8%)
Depreciation	5	6,069	6,871	802	13%
Finance costs	6	46	97	51	110%
Other expenses		1,375	1,313	(62)	(5%)
Total expenses		20,937	22,878	1,941	9%
Surplus (deficit) for the year		547	(2,458)	(3,005)	(549%)
Net gain (loss) on disposal of property, infrastructure, plant and equipment	7	70	(2,113)	(2,183)	(3119%)
Movement in Associated Entities	8	0	8	8	100%
Comprehensive result		617	(4,563)	(5,180)	(840%)

Major Variance Report Explanation

For The Year Ended 30 June 2014

Ref	Item	Explanation
1	Grants - Capital	Variance is due to less capital grant monies being received for Council owned projects. Community projects where grant monies are received are classified as operating grants
2	Contributions & Donations	The increase above budget in contributions & donations relates mainly to workcover (\$43,970) and income protection insurance (\$50,207) reimbursements. Also included are community projects that have been completed and community groups billed accordingly (\$29,333).
3	Interest	Interest is less than budgeted due to fewer investments being held during the 2013/14 year. Interest rates on current investments are low due to the economic climate.
4	Materials & services	Materials and services have exceeded budget mainly due to the increase in the use of contractors to assist in the completion of project works. Consultants have also increased due to increase of hours in the building and planning departments.
5	Depreciation	Increase in depreciation is due mainly to the revaluation of infrastructure assets.
6	Finance costs	Finance costs are higher than budgeted due to less grants being received and therefore more reliance on using the Council overdraft facility. Council increased their overdraft facility during 2013/14.
7	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 during the 2013/14 capital works program
8	Movement in Associated Entities	Council budgets for the Wimmera Regional Library Corporation to have a break even financial result each year. Council's share in the Wimmera Development Association was brought to account in 2013/14



Budgeted Standard Balance Statement

For The Year Ended 30 June 2014

	Ref	Budget \$'000	Actual \$'000	Variance \$'000	%
Current assets					
Cash and cash equivalents	9	4,701	1,280	(3,421)	(73%)
Trade and other receivables	10	1,286	2,430	1,144	89%
Inventories	11	884	709	(175)	(20%)
Other assets	12	180	264	84	46%
Total current assets		7,051	4,683	(2,368)	(34%)
Trade and other receivables	13	357	518	161	45%
Property, infrastructure, plant and equipment	14	138,390	157,666	19,276	14%
Total non-current assets		138,747	158,184	19,437	14%
Total assets		145,798	162,867	17,069	12%
Current liabilities					
Trade and other payables	15	1236	2,244	1,008	82%
Interest-bearing loans and borrowings	16	184	147	(37)	(20%)
Provisions		2,459	2,510	51	2%
Total current liabilities		3,879	4,900	1,021	26%
Non-current liabilities					
Interest-bearing loans and borrowings	17	452	350	(102)	(22%)
Provisions	18	372	527	155	42%
Total non-current liabilities		824	878	54	7%
Total liabilities		4,703	5,779	1,076	23%
Net assets		141,095	157,088	15,993	11%
Equity					
Accumulated surplus		65,251	58,639	(6,612)	(10%)
Asset revaluation reserve	19	75,844	98,449	22,605	30%
Total equity		141,095	157,088	15,993	11%

Major Variance Report Explanation

For The Year Ended 30 June 2014

Ref	Item	Explanation
9	Cash and cash equivalents	Variance is due to fewer investments being held at the 30th June as a result of less grant monies being received through out the year. Council has also outlaid monies for projects where grant money has not yet being received.
10	Trade and other receivables	Trade and other Receivables are higher than budgeted due to \$1.1million of Country Roads Bridges Initiative funding being outstanding as at the end of the financial year.
11	Inventories	There was less inventory on hand compared to budget as at the 30th June due to the completion of the capital works program.
12	Other assets	Other assets are higher than budget due to the industrial estate in Warracknabeal not being sold prior to the end of the financial year.
13	Trade and other receivables	Trade and other receivables is above budget as Council has brought to account Council's share in the Wimmera Development Association.
14	Property, infrastructure, plant and equipment	Above budget due mainly to revaluation of infrastructure assets and completion of Capital Works program.
15	Trade and other payables	Above budget due mainly to outstanding payments to contractors and suppliers being made for the completion of the capital works program.
16	Interest-bearing loans and borrowings	Variance is due to the draw down of the new loan and commencement of repayments of new loan being less than what was budgeted.
17	Interest-bearing loans and borrowings	See Ref 16
18	Provisions	Variance is due to increase in employee provisions which reflects increase in the enterprise bargaining agreement. Provisions for the reinstatement of gravel pits have also been increased.
19	Asset revaluation reserve	Variance is due to the revaluation of infrastructure assets and land and buildings



Budgeted Standard Cash Flow Statement

For The Year Ended 30 June 2014

	Ref	Budget \$'000	Actual \$'000	Variance \$'000	%
Cash flows from operating activities					
Receipts					
Rates and charges		10,066	9,930	(136)	(1%)
Grants and contributions	20	10,312	8,838	(1,474)	(14%)
Interest	21	189	115	(74)	(39%)
User charges, fees and fines		1,379	1,507	128	9%
		<u>21,946</u>	<u>20,389</u>	<u>(1,557)</u>	<u>(7%)</u>
Employee benefits		(7,239)	(7,487)	(248)	3%
Materials, contractors and other expenses		(7,803)	(7,637)	166	(2%)
		<u>(15,042)</u>	<u>(15,124)</u>	<u>(82)</u>	<u>1%</u>
Net cash provided by operating activities		<u>6,904</u>	<u>5,266</u>	<u>(1,638)</u>	<u>(24%)</u>
Cash flows from investing activities					
Proceeds from sales of property, plant and equipment	22	325	259	(66)	(20%)
Repayment of loans and advances	23	70	0	(70)	(100%)
Payments for property, plant and equipment		(7,557)	(8,010)	(453)	6%
Net cash used in investing activities		<u>(7,162)</u>	<u>(7,751)</u>	<u>(589)</u>	<u>8%</u>
Cash flows from financing activities					
Finance costs	24	46	(67)	(113)	(245%)
Proceeds from borrowings		0	0	0	0%
Repayment of borrowings		(160)	(158)	2	(1%)
Net cash provided by (used in) financing activities		<u>(114)</u>	<u>(225)</u>	<u>(111)</u>	<u>97%</u>
Net increase (decrease) in cash and cash equivalents		<u>(370)</u>	<u>(2,710)</u>	<u>(2,340)</u>	<u>632%</u>
Cash and cash equivalents at beginning of year		<u>5,071</u>	<u>3,990</u>	<u>(1,081)</u>	<u>(21%)</u>
Cash and cash equivalents at end of year		<u>4,701</u>	<u>1,280</u>	<u>(3,421)</u>	<u>(73%)</u>

Major Variance Report Explanation

For The Year Ended 30 June 2014

Ref	Item	Explanation
20	Grants and contributions	See Ref 1
21	Interest	See Ref 3
22	Proceeds from sales of property, plant and equipment	Proceeds from the sale of assets were less than budgeted due to the decision to not trade some of the large plant items. These plant items retained to assist with the capital works program.
23	Repayment of loans and advances	No loan or advance repayments were received from community groups
24	Finance costs	See Ref 6

Budgeted Standard Statement of Capital Works

For The Year Ended 30 June 2014

	Ref	Budget \$'000	Actual \$'000	Variance \$'000	%
Capital works areas					
Roads		5,444	5,752	308	6%
Drains		27	26	(1)	(4%)
Open Space	25	21	29	8	38%
Buildings		868	883	15	2%
Plant, equipment and other		1,198	1,320	122	10%
Total capital works		7,557	8,010	453	6%
Represented by:					
Asset renewal	26	6,234	4,714	(1,520)	(24%)
New assets	27	583	1,621	1,038	178%
Asset expansion/upgrade	28	740	1,676	936	126%
Total capital works		7,557	8,010	453	6%

Major Variance Report Explanation

For The Year Ended 30 June 2014

Ref	Item	Explanation
25	Open Space	Council replace more playground equipment than was budgeted due to safety concerns of existing playground equipment at Preschools.
26	Asset renewal	Reallocation of asset capital works from renewal to new and expansion / upgrade assets due to receiving grant monies.
27	New assets	See Ref 26
28	Asset expansion/upgrade	See Ref 26



Certification of Standard Statements

For The Year Ended 30 June 2014

In my 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*, the *Local Government (Planning and Reporting) Regulations 2014*.



Anita J McFarlane (B.Com)
Principal Accounting Officer

Date : 24 October 2014
Warracknabeal

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*, the *Local Government (Planning and Reporting) Regulations 2014*.

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

We have been authorised by the Council on 27th August to certify the financial statements in their final form.



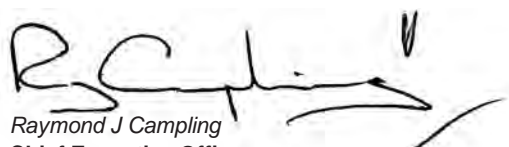
William G Massey
Councillor

Date : 24 October 2014
Warracknabeal



Kylie L Zanker
Councillor

Date : 24 October 2014
Warracknabeal



Raymond J Campling
Chief Executive Officer

Date : 24 October 2014
Warracknabeal

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Comprehensive Income Statement

For The Year Ended 30 June 2014

	NOTE	2014 \$'000	2013 \$'000
Income			
Rates and charges	2	10,058	9,394
User charges, fees and fines	3	1,088	1,186
Contributions & donations	5	419	296
Grants - Operating (recurrent)	4	8,173	10,137
Grants - Capital (non-recurrent)	4	548	743
Net gain/(loss) on disposal of property, infrastructure, plant & equipment	6	(2,113)	(811)
Other income	7	134	337
Share of net profits/(losses) of associates and accounted for by the equity method	15	8	6
Total income		18,315	21,288
Expenses			
Employee costs	8	(7,487)	(6,984)
Materials and services	9	(6,258)	(6,663)
Bad and doubtful debts	10	(30)	32
Contributions & donations	11	(852)	(901)
Depreciation & amortisation	12	(6,871)	(6,081)
Finance costs	13	(67)	(13)
Other expenses	14	(1,313)	(1,551)
Total expenses		(22,878)	(22,161)
Surplus/(deficit) for the year		(4,563)	(873)
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment(decrement)		11,647	11,513
Share of other comprehensive income of associates accounted for by the equity method		33	(13)
Total comprehensive result		7,118	10,627

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

Balance Sheet

As at 30 June 2014

	NOTE	2014 \$'000	2013 \$'000
Assets			
Current assets			
Cash and cash equivalents	16	1,280	3,990
Trade and other receivables	17	2,430	2,567
Inventories	18	709	896
Assets held for sale	19	85	89
Other assets	20	178	192
Total current assets		4,683	7,734
Non-current assets			
Trade and other receivables	17	72	37
Investment in associates	15	445	350
Property, infrastructure, plant and equipment	21	157,666	147,246
Total non-current assets		158,184	147,634
Total assets		162,867	155,368
Liabilities			
Current liabilities			
Trade and other payables	22	2,190	1,858
Trust funds and deposits	23	54	38
Provisions	24	2,510	2,450
Interest-bearing loans and borrowings	25	147	158
Total current liabilities		4,901	4,504
Non-current liabilities			
Provisions	24	527	396
Interest-bearing loans and borrowings	25	350	498
Total non-current liabilities		878	894
Total liabilities		5,779	5,398
Net Assets		157,088	149,970
Equity			
Accumulated surplus		58,639	63,155
Reserves	26	98,449	86,815
Total Equity		157,088	149,970

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



Statement of Changes in Equity

For The Year Ended 30 June 2014

	Note	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
		2014	2014	2014	2014
		\$'000	\$'000	\$'000	\$'000
2014					
Balance at beginning of the financial year		149,970	63,155	86,800	15
Comprehensive result		7,118	(4,530)	11,649	-
Balance at end of the financial year		157,088	58,625	98,449	15

		Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
		2013	2013	2013	2013
		\$'000	\$'000	\$'000	\$'000
2013					
Balance at beginning of the financial year		139,343	64,041	75,287	15
Comprehensive result		10,627	(886)	11,513	-
Balance at end of the financial year		149,970	63,155	86,800	15

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

Cash Flow Statement

For The Year Ended 30 June 2014

	NOTE	2014 Inflows/ (Outflows) \$'000	2013 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		9,930	9,287
Grants (inclusive of GST)		8,838	10,263
Interest		115	321
Other receipts		1,507	1,910
Employee costs		(7,487)	(6,984)
Other payments		(7,637)	(10,942)
Net cash provided by (used in) operating activities	27	5,266	3,855
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	41	(8,010)	(9,201)
Proceeds from sale of property, infrastructure, plant and equipment		259	266
Net cash provided by (used in) investing activities		(7,751)	(8,935)
Cash flows from financing activities			
Finance costs		(67)	(13)
Proceeds from borrowings		-	654
Repayment of borrowings		(158)	(39)
Net cash provided by (used in) financing activities		(225)	603
Net increase (decrease) in cash and cash equivalents		(2,710)	(4,479)
Cash and cash equivalents at the beginning of the financial year		3,990	8,469
Cash and cash equivalents at the end of the financial year	28	1,280	3,990
Financing arrangements	29		
Restrictions on cash assets	30		

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



Notes to the Financial Report

For The Year Ended 30 June 2014

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

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989, and the Local Government (Planning and Reporting) Regulations 2014.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

- (a) **Basis of accounting**

This financial report has been prepared under the historical cost convention, except where specifically stated in notes 1(h), 1(l), 1(t), 1(w), 1(x) and 1(y).

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 that have material assets or liabilities, 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.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(b) Change in accounting policies

AASB 13 Fair Value Measurement

Council has applied AASB 13 for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements. The fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items for which other A-IFRS require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of AASB 2 Share-based Payment, leasing transactions that are within the scope of AASB 17 Leases, and measurements that have some similarities to fair value but not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements.

AASB 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, Council has not made any new disclosures required by AASB 13 for the 2013 comparative period.

Other than the additional disclosures, the application of AASB 13 has not had any material impact on the amounts recognised in the financial statements.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

AASB 119 Employee

In the current year, Council has applied AASB 119 Employee Benefits (as revised in 2011) and the related consequential amendments for the first time. AASB 119 changes the definition of short-term employee benefits. These were previously benefits that were due to be settled within twelve months after the end of the reporting period in which the employees render the related service, however, short-term employee benefits are now defined as benefits expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously classified by Council as short-term benefits no longer meet this definition and are now classified as long-term benefits. This has resulted in a change of measurement for that portion of annual leave provision from an undiscounted to discounted basis.

This change in classification has not materially altered Councils measurement of the annual leave provision.

(c) 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 5. 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.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

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.

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.

Interest

Interest is recognised as it is earned.

Other income

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

(d) Trade and other receivables and Inventories

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 has occurred.

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.

(e) 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 on the basis that they are assessed as not having a limited useful life.

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



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

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

Property	Period
Land	-
Tip Cells	4 to 30 years
Buildings	30 to 75
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 pavements /resheets	10 to 14
Sealed road pavements	60 years
Sealed road final seal	12 years
Footpaths, kerb & channel	25 years
Bridges & culverts	80 years
Main drains	25 to 80

(f) Repairs and maintenance

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

(g) Borrowing costs

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

Borrowing costs include interest on bank overdrafts and interest on borrowings.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(h) 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 Limit \$'000
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	
Earthworks all	5,000
Gravel road pavements /resheets	2,000
Sealed road pavements	5,000
Sealed road final seal	2,000
Footpaths, kerb & channel	2,000
Bridges & culverts	5,000
Main drains	5,000



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(h) Recognition and measurement of assets continued

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 Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 21 Property Plant and Equipment.

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

More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 21 Property Plant and Equipment.

(i) 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.

(j) Financial Assets

Financial assets are valued at fair value, being market value, at balance date. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(k) Investments

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

(l) Accounting for investments and 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. The Council's share of the financial result of the entities is recognised in the comprehensive income statement.

(m) 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).

(n) Employee costs

The calculation of employee benefits includes all relevant on-costs and are calculated as follows at reporting date.

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability - unconditional LSL representing 7 years is disclosed as a current liability even when the council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months

The components of this current liability are measured at :

- present value - component that is not expected to be settled within 12 months.
- nominal value - component that is expected to be settled within 12 months.



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Classification of employee costs

Non-current liability - conditional LSL representing less than 7 years is disclosed as a non-current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The council recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Employee benefits on-costs

Employee benefits on-costs (payroll tax, workers compensation, superannuation, annual leave and long service leave accrued while on LSL taken in service) are recognised separately from provision for employee benefits.

(o) Leases

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.

(p) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be 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.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(q) **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.

(r) **Web site costs**

Costs in relation to websites are charged as an expense in the period in which they are incurred.

(s) **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.

(t) **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.

(u) **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.

(v) **Non-current assets held for sale**

A non-current asset held for sale (including disposal groups) 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, disposal groups and related liabilities 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 (or disposal group sale) is expected to be completed within



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(w) 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.

(x) 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 by way of note and presented inclusive of the GST payable.

(y) Pending accounting

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.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Pronouncement	Summary	Application Date	Impact on Council
AASB 9 Financial Instruments	<p>AASB 9 standard is one of a series of amendments that are expected to eventually completely replace AASB 139. During 2010-11, the standard will be expanded to include new rules on measurement of financial liabilities and hedge accounting. Currently the existing provisions of AASB 139 will continue to apply in these areas.</p> <p>AASB 9 simplifies the classifications of financial assets into those to be carried at amortised cost and those to be carried at fair value – the 'available for sale' and 'held-to-maturity' categories no longer exists. AASB 9 also simplifies requirements for embedded derivatives and removes the tainting rules associated with held-to-maturity assets.</p> <p>The new categories of financial assets are:</p> <ul style="list-style-type: none"> • Amortised cost – those assets with 'basic' loan features'. • Fair value through other comprehensive income this treatment is optional for equity instruments not held for trading (this choice is made at initial recognition and is irrevocable). • Fair Value through profit and Loss - everything that does not fall into the above two categories. <p>The following changes also apply:</p> <ul style="list-style-type: none"> • Investments in unquoted equity instruments must be measured at fair value. However, cost may be the appropriate measure of fair value where there is insufficient more recent information available to determine a fair value. • There is no longer any requirement to consider whether 'significant or prolonged' decline in the value of financial assets has occurred. The only impairment testing will be on those assets held at amortised cost, and all impairments will be eligible for reversal. <p>Similarly, all movements in the fair value of a financial asset now go to the income statement, or, for equity instruments not held for trading, other comprehensive income. There is no longer any requirement to book decrements through the income statement, and increments through equity.</p>	01-Jul-15	<p>The impact is not likely to be extensive in the local government sector. Although it will vary considerably between entities. While the rules are less complex than those of AASB 139, the option to show equity instruments at cost has been largely removed, which is likely to lead to greater volatility within the income statement. However it may also lead to an improved financial position for some entities.</p> <p>This will also create a requirement to measure some instruments annually that has not previously existed.</p>



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Pronouncement	Summary	Application Date	Impact on Council
AASB 10 Consolidated Financial Statements	<p>This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities.</p> <p>The AASB has issued an exposure draft ED 238 Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.</p>	01-Jul-14	The AASB have finalised deliberations on ED 238 and any modifications made to AASB 10 for not-for-profit entities, Council will need to re-assess the nature of its relationships with other entities, including those that are currently not consolidated.
AASB 11 Joint Arrangements	This Standard deals with the concept of joint control, and sets out a new principles-based approach for determining the type of joint arrangement that exists and the corresponding accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement.	01-Jul-14	The AASB have finalised deliberations and any modifications made to AASB 11 for not-for-profit entities, Council will need to assess the nature of arrangements with other entities in determining whether a joint arrangement exists in light of AASB 11.
AASB 12 Disclosure of Interests in Other Entities	<p>This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 Separate Financial Statements and AASB 131 Interests in Joint Ventures.</p> <p>The exposure draft ED 238 proposes to add some implementation guidance to AASB 12, explaining and illustrating the definition of a 'structured entity' from a not-for-profit perspective.</p>	01-Jul-14	Impacts on the level and nature of the disclosures will be assessed based on the eventual implications arising from AASB 10, AASB 11 and AASB 128 Investments in Associates and Joint Ventures.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Pronouncement	Summary	Application Date	Impact on Council
AASB 127 Separate Financial Statements	This revised Standard prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.	01-Jul-14	The impact of this standard will need to be assessed in line with the final deliberations by the AASB on the application of this standard to not for profit entities.
AASB 128 Investments in Associates and Joint Ventures	This revised Standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.	01-Jul-14	The impact of this standard will need to be assessed in line with the final deliberations by the AASB on the application of this standard to not for profit entities.
AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounts Standard arising from Reduced Disclosure Requirements	These standards set out the tiers of financial reporting and the reduced disclosure framework.	01-Jul-14	Council has yet to determine the impact of this standard



Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
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 rates for 2013/14 was \$1,457 million (2012/13 \$1,453 million). The 2013/14 rate in the CIV dollar was \$0.06825 for general rates and \$0.5801 for farm rates (2012/13, \$0.6444 for general rates and \$0.5477 for farm rates).		
Residential	1,942	1,824
Commercial	342	324
Farm/Rural	6,502	6,140
Supplementary rates and rate adjustments	(6)	(7)
Municipal charge	375	256
Garbage / Recycling charge	904	856
Total Rates and Charges	10,058	9,394

The date of the latest general revaluation of land for rating purposes within the municipal district was 1st January 2014, and the valuation will be first applied in the rating year commencing 1st July 2014.

The date of the previous general revaluation of land for rating purposes within the municipal district was 1st January 2012, and the valuation first applied to the rating period commencing 1st July 2012.

NOTE 3 USER CHARGES, FEES AND FINES

Town planning & building fees	92	96
Animal control fees & fines	29	30
Caravan Park Fees	121	-
Leisure Centre fees	10	12
Aged services fees	221	196
Aged services brokerage fees	165	142
Waste fees	80	43
Rents	50	39
Saleyard fees & charges	93	91
Vic Roads Charges	10	11
Private Works	8	179
Other fees and charges	209	346
Total User Charges, Fees and Fines	1,088	1,186

Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 4 GRANTS		
Grants were received in respect of the following :		
Summary of grants		
Federally funded grants	1,309	1,031
State funded grants	7,211	9,725
Others	201	125
Total	8,721	10,880
Recurrent		
Commonwealth Government - Roads to Recovery	1,285	1,001
Commonwealth Government - Community Infrastructure	457	457
State Government - Country Roads & Bridges Initiative	1,000	1,000
Victoria Grants Commission - Unallocated	1,419	2,624
Victoria Grants Commission - Local Roads	953	1,760
Home and Community Care and Assessment	597	585
Natural Disaster	955	1,100
Valuation	3	79
Maternal & Child Health	190	170
Recycling	25	19
Community Development	212	229
Environmental Health	8	12
Preschools	635	718
Community Transport & Youth	185	183
Flood Relief	15	60
Meals on Wheels	77	40
Senior Citizens	45	41
Emergency Relief	24	27
Other	88	32
Total recurrent	8,173	10,137
Non-recurrent		
Victorian Government - Roads to Market	-	335
Heritage	4	80
Recreation	108	277
Community Water Projects	40	-
Industrial Estate	75	-
Environmental Strategy	50	50
Emergency Management	9	-
Recycling	36	-
Lighting Project	69	-
Other	157	-
Total non-recurrent	548	743
Total grants	8,721	10,880



Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 4 GRANTS CONTINUED		
Conditions on grants		
Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:		
Public Safety Lighting Improvement	69	-
State Government - Country Roads & Bridges Initiative	1,000	1,000
Heritage Victoria	-	80
	<u>1,069</u>	<u>1,080</u>
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:		
State Government - Country Roads & Bridges Initiative	1,000	1,000
Natural Disaster	-	1,000
Heritage Victoria	80	-
Flood Relief	-	50
	<u>1,080</u>	<u>2,050</u>
Net increase (decrease) in restricted assets resulting from grant revenues for the year:	<u>(11)</u>	<u>(970)</u>
NOTE 5 CONTRIBUTIONS		
Workcover reimbursements	111	115
Preschools	6	9
Private use vehicle reimbursements	37	37
Swimming pool reimbursements	-	5
Income protection	92	84
Community facilities	160	43
Other	13	3
Total contributions	<u>419</u>	<u>296</u>
NOTE 6 NET GAIN/(LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT		
Proceeds of sale	259	265
Write down value of assets disposed	(2,372)	(1,076)
Total Net Gain/(Loss)	<u>(2,113)</u>	<u>(811)</u>
NOTE 7 OTHER INCOME		
Interest	58	226
Interest on rates	57	96
Other	20	16
Total other income	<u>134</u>	<u>337</u>

Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 8 EMPLOYEE COSTS		
Wages and salaries	5,411	5,105
WorkCover	297	89
Councillor Allowance	137	159
Annual leave and long service leave	766	888
Superannuation	688	713
Fringe benefits tax	47	30
Other	142	-
Total employee costs	7,487	6,984
NOTE 9 MATERIALS AND SERVICES		
Materials and services	1,462	1,640
Contract payments	3,102	3,264
Supply of meals	235	222
Office computers & equipment	55	57
Building & grounds maintenance	174	258
External Plant Hire	156	177
Utilities	229	319
Consultants	671	410
Other materials & services	174	315
Total materials and services	6,258	6,663
NOTE 10 BAD AND DOUBTFUL DEBTS		
Rates debtors	22	(38)
Other debtors	8	6
Total bad and doubtful debts	30	(32)
NOTE 11 CONTRIBUTIONS AND DONATIONS		
Regional Library	167	162
Sporting Reserves	211	159
Swimming Pools	193	194
Economic Development	101	99
Communtiy Halls	20	32
State Emergency Services	65	63
Preschools	14	78
Other	82	115
Total contributions & donations	852	901



Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 12 DEPRECIATION AND AMORTISATION		
Property		
Buildings	444	393
Heritage buildings	128	102
Plant and Equipment		
Plant, machinery and equipment	978	843
Fixtures, fittings and furniture	78	80
Infrastructure		
Roads	4,632	4,035
Bridges	48	47
Footpaths and kerb & channel	357	385
Drainage	104	98
Other		
Airport runways	53	51
Tanks & bores	19	19
Gravel Pits & Garbage Tips	28	28
Total depreciation and amortisation	6,871	6,081
NOTE 13 FINANCE COSTS		
Bank overdraft charges	33	7
Interest - Borrowings	34	6
Total finance costs	67	13
NOTE 14 OTHER EXPENSES		
Auditors' remuneration	55	28
Insurance	390	358
Operating lease rentals	382	672
Printing & Stationery	84	80
Advertising	74	70
Postage	21	19
Legal costs	52	73
Subscriptions	65	58
Water	97	116
Bank fees & charges	29	18
Other	65	59
Total other expenses	1,313	1,551

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 15 INVESTMENT IN ASSOCIATES

Investments in associates accounted for by the equity method are:

- Wimmera Regional Library Corporation
- Wimmera Development Association

Total Investment in associates

2014 \$'000	2013 \$'000
394	350
51	-
445	350

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 13.16% equity interest. (13.10% in 2012/13).

Council's share of accumulated surplus(deficit)

Council's share of accumulated surplus(deficit) at start of year

Reported surplus(deficit) for year

Transfers (to) from reserves

Distributions for the year

Council's share of accumulated surplus(deficit) at end of year

172	174
11	6
5	(1)
(6)	(7)
182	172

Council's share of reserves

Council's share of reserves at start of year

Transfers (to) from reserves

Council's share of reserves at end of year

203	202
(2)	1
201	203

Movement in carrying value of specific investment

Carrying value of investment at start of year

Share of surplus(deficit) for year

Change in equity share

Carrying value of investment at end of year

350	357
11	6
33	(13)
394	350

Council's share of expenditure commitments

Operating commitments

268	265
268	265

Wimmera Development Association

Background

Yarriambiack Shire Council in conjunction with Horsham Rural City Council, Hindmarsh Shire Council, Northern Grampians Shire Council, and West Wimmera Shire Council have an interest in the Wimmera Development Association. Wimmera Development Association (WDA) is the peak economic development organisation for the Wimmera Southern-Mallee region supporting existing local businesses, and promoting economic development opportunities to investors. Yarriambiack Shire Council currently has a 13.58% equity interest. (13.58% in 2012/13).

Council's share of accumulated surplus(deficit)

Council's share of accumulated surplus(deficit) at start of year

Reported surplus(deficit) for year

Transfers (to) from reserves

Distributions for the year

Council's share of accumulated surplus(deficit) at end of year

54	-
(3)	-
(4)	-
4	-
51	-



Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 15 INVESTMENT IN ASSOCIATES CONTINUED		
Council's share of reserves		
Council's share of reserves at start of year	14	-
Transfers (to) from reserves	3	-
Council's share of reserves at end of year	<u>17</u>	<u>-</u>
Movement in carrying value of specific investment		
Carrying value of investment at start of year	54	-
Share of surplus(deficit) for year	(3)	-
Change in equity share	-	-
Carrying value of investment at end of year	<u>51</u>	<u>-</u>
Council's share of expenditure commitments		
Operating commitments	146	-
	<u>146</u>	<u>-</u>
NOTE 16 CASH AND CASH EQUIVALENTS		
Cash on hand	2	2
Cash at bank	673	372
Money market call account	1	527
Term deposits	605	3,089
Total Cash and cash equivalents	<u>1,280</u>	<u>3,990</u>
NOTE 17 TRADE AND OTHER RECEIVABLES		
Current		
Rates debtors	1,184	1,117
Provision for doubtful debts - rate debtors	(129)	(107)
Grants	1,157	1,192
Advance to Gypsum Pit Owners	24	50
Loans and advances to community organisations	24	-
Other debtors	212	365
Provision for doubtful debts - other debtors	(42)	(51)
	<u>2,430</u>	<u>2,567</u>
Non-current		
Advance to Gypsum Pit Owners	-	37
Loans and advances to community organisations	72	-
	<u>72</u>	<u>37</u>
Total Trade and other receivables	<u>2,502</u>	<u>2,604</u>
NOTE 18 INVENTORIES		
Inventories held for distribution	709	896
Total inventories	<u>709</u>	<u>896</u>
NOTE 19 ASSETS HELD FOR SALE		
Land	85	89
Total Assets held for sale	<u>85</u>	<u>89</u>
NOTE 20 OTHER ASSETS		
Prepayments	165	154
Accrued income	13	38
Total Other assets	<u>178</u>	<u>192</u>

Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT		
Summary		
at cost	12,772	13,890
Less accumulated depreciation	(6,455)	(5,705)
	<u>6,317</u>	<u>8,185</u>
at fair value as at 30 June 2010	-	21,530
at fair value as at 30 June 2013	-	207,575
at fair value as at 30 June 2014	239,719	-
Less accumulated depreciation	(88,370)	(90,044)
	<u>151,349</u>	<u>139,061</u>
Total	<u>157,666</u>	<u>147,246</u>
Property		
Land		
Freehold Land		
at fair value as at 30 June 2010	-	1,061
at fair value as at 30 June 2014	1,259	-
Controlled Crown Land		
at fair value as at 30 June 2010	-	739
at fair value as at 30 June 2014	808	-
Total Land	<u>2,066</u>	<u>1,800</u>
Buildings on freehold land		
at cost	-	2,240
Less accumulated depreciation	-	(61)
	<u>-</u>	<u>2,179</u>
at fair value as at 30 June 2010	-	10,349
at fair value as at 30 June 2014	12,868	-
Less accumulated depreciation	-	(657)
	<u>12,868</u>	<u>9,692</u>
	<u>12,868</u>	<u>11,871</u>
Buildings on controlled land		
at cost	-	259
Less accumulated depreciation	-	(5)
	<u>-</u>	<u>254</u>
at fair value as at 30 June 2010	-	7,061
at fair value as at 30 June 2014	6,872	-
Less accumulated depreciation	-	(399)
	<u>6,872</u>	<u>6,662</u>
	<u>6,872</u>	<u>6,916</u>



Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT		
Heritage buildings		
at cost	-	79
Less accumulated depreciation	-	(9)
	-	70
at fair value as at 30 June 2010	-	2,320
at fair value as at 30 June 2014	2,220	-
Less accumulated depreciation	-	(295)
	2,220	2,025
	2,220	2,095
Total Buildings	21,960	20,882
Total Property	24,026	22,682

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2014 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land	-	-	2,066
Buildings	-	-	19,740
Heritage Buildings	-	-	2,220
Total	-	-	24,026

No transfers between levels occurred during the year.

Plant and Equipment

Plant, machinery and equipment

at cost	10,172	9,488
Less accumulated depreciation	(5,404)	(4,682)
	4,768	4,806

Office Equipment, Furniture and Fittings

at cost	1,146	1,080
Less accumulated depreciation	(716)	(642)
	430	438

Total Plant and Equipment

5,198	5,244
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Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED		
Infrastructure		
Roads		
at cost	-	-
at fair value as at 30 June 2013	-	176,729
at fair value as at 30 June 2014	186,137	-
Less accumulated depreciation	(73,662)	(74,102)
	<u>112,475</u>	<u>102,627</u>
Bridges		
at cost	-	-
at fair value as at 30 June 2013	-	3,642
at fair value as at 30 June 2014	3,743	-
Less accumulated depreciation	(1,559)	(1,516)
	<u>2,184</u>	<u>2,126</u>
Footpaths, kerb and channel		
at cost	-	-
at fair value as at 30 June 2013	-	16,859
at fair value as at 30 June 2014	15,859	-
Less accumulated depreciation	(7,888)	(7,966)
	<u>7,971</u>	<u>8,893</u>
Drainage		
at cost	-	-
at fair value as at 30 June 2013	-	7,277
at fair value as at 30 June 2014	7,523	-
Less accumulated depreciation	(3,379)	(3,285)
	<u>4,144</u>	<u>3,992</u>
Airport Runways		
at fair value as at 30 June 2013	-	2,360
at fair value as at 30 June 2014	2,430	-
Less accumulated depreciation	(1,853)	(1,793)
	<u>577</u>	<u>567</u>
Tanks & Bores		
at cost	-	-
at fair value as at 30 June 2013	709	708
Less accumulated depreciation	(30)	(30)
	<u>679</u>	<u>678</u>
Gravel Pits & Garbage Tips		
Gravel Pits		
at cost	107	107
Less accumulated depreciation	(41)	(41)
	<u>66</u>	<u>66</u>



Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED		
Tip Structures		
at cost	71	71
Less accumulated depreciation	(65)	(65)
	<u>6</u>	<u>6</u>
Transfer Stations		
at cost	567	567
Less accumulated depreciation	(229)	(201)
	<u>338</u>	<u>365</u>
Total Infrastructure	<u>128,440</u>	<u>119,320</u>

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2014 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Roads	-	-	112,475
Bridges	-	-	2,184
Footpaths, kerb and channel	-	-	7,971
Drainage	-	-	4,144
Airport Runways	-	-	577
Tanks & Bores	-	-	679
Total	<u>-</u>	<u>-</u>	<u>128,031</u>
No transfers between levels occurred during the year.			
Total property, infrastructure, plant and equipment		<u>157,666</u>	<u>147,246</u>

Valuation basis

Non-specialised land, non-specialised buildings

Non-specialised land and non-specialised buildings are valued using the market based direct comparison method. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by Ian Wilson, AAPI to determine the fair value using the market based direct comparison method. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2014.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market based direct comparison approach.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED

Specialised land and specialised buildings

The market based direct comparison method is also used for specialised land although is adjusted to reflect the specialised nature of the assets being valued. For Council specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciations. Specialised assets contain significant, unobservable adjustments, therefore these assets are classified as Level 3 fair value measurements.

An adjustment is made to reflect a restriction on the sale or use of an asset by Council. The adjustment is an allowance made to reflect the difference in value between unrestricted assets and those held by the Council which are impacted by external restraints on their use.

Where it has not been possible to examine hidden works such as structural frames and floors, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the building. The estimated cost of reconstruction including structure services and finishes, also factors in any heritage classifications as applicable.

An independent valuation of Council's specialised land and specialised buildings was performed by Ian Wilson, AAPI. The valuation was performed using either the market based direct comparison method or depreciated replacement cost, adjusted for restrictions in use. The effective date of the valuation is 30 June 2014.

Infrastructure

Infrastructure is valued using the depreciated replacement cost method. This cost represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. Replacement costs relate to costs to replace the property to an "as new" standard. Economic obsolescence has also been factored into the depreciated replacement cost calculation.

Infrastructure assets contain significant unobservable adjustments, therefore these assets are classified as Level 3.

A valuation of Council's, infrastructure assets was performed by Council's Engineer, James Magee B.Eng (Civil). The valuation was performed based on the depreciated reproduction cost of the assets. The effective date of the valuation is 30 June 2014.

There were no changes in valuation techniques throughout the period to 30 June 2014.

For all assets measured at fair value, the current use is considered the highest and best use.



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED

Reconciliation of Level 3 fair value

2014	Specialised Land and Land Improvements \$'000	Specialised Buildings \$'000	Infrastructure \$'000
Opening Balance	1,801	20,881	118,883
Depreciation	-	(572)	(5,214)
Revaluation	236	854	10,557
Acquisitions (Disposals)	29	797	3,801
Closing Balance	2,066	21,960	128,031

Description of significant unobservable inputs into level 3 valuations

	Valuation Technique	Significant Unobservable Inputs	Range	Sensitivity
Specialised Land and Land Improvements	Market based direct comparison approach	Extent and impact of Community Service Obligation (CSO)	20%	Increase or decrease in the extent of restriction would result in a significantly lower or higher fair value.
Specialised Buildings	Depreciated Replacement Cost	Direct cost per square metre	\$3 - \$2413	Increase or decrease in the direct cost per square metre adjustment would result in a significantly lower or higher fair value.
		Useful life of infrastructure	20 - 200 years	Increase or decrease in the estimated useful life of the asset would result in a significantly lower or higher fair value.
Roads	Depreciated Replacement Cost	Direct cost per square metre	\$3 - \$47	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value.
		Useful life of infrastructure	12 - 100 years	Increase or decrease in the estimated useful life of the asset would result in a significantly lower or higher fair value.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED

	Valuation Technique	Significant Unobservable Inputs	Range	Sensitivity
Bridges	Depreciated Replacement Cost	Direct cost per square metre	\$352 - \$1,725	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value.
		Useful life of infrastructure	50 - 100 years	Increase or decrease in the estimated useful life of the asset would result in a significantly lower or higher fair value.
Footpaths	Depreciated Replacement Cost	Direct cost per square metre	\$32 - \$127	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value.
		Useful life of infrastructure	15 - 50 years	Increase or decrease in the estimated useful life of the asset would result in a significantly lower or higher fair value.
Kerb and channel	Depreciated Replacement Cost	Direct cost per square metre	\$77 - \$200	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value.
		Useful life of infrastructure	50 years	Increase or decrease in the estimated useful life of the asset would result in a significantly lower or higher fair value.
Drainage	Depreciated Replacement Cost	Direct cost per square metre	\$50 - \$3,888	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value.
		Useful life of infrastructure	80 years	Increase or decrease in the estimated useful life of the asset would result in a significantly lower or higher fair value.



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED

	Valuation Technique	Significant Unobservable Inputs	Range	Sensitivity
Airport Runways	Depreciated Replacement Cost	Direct cost per square metre	\$30	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value.
Tanks & Bores	Depreciated Replacement Cost	Useful life of infrastructure	10 - 40 years	Increase or decrease in the cost per unit would result in a significantly lower or higher fair value.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED

2014	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 26)	Depreciation and amortisation (note 12)	Written down value of disposals	Impairment losses recognised in profit or loss (a)	Transfers	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property								
Land	1,801	29	236	-	-	-	-	2,066
Total land	1,801	29	236	-	-	-	-	2,066
Buildings	18,786	883	601	(444)	(86)	-	-	19,740
Heritage buildings	2,095	-	253	(128)	-	-	-	2,220
Total buildings	20,881	883	854	(572)	(86)	-	-	21,960
Total property	22,682	912	1,090	(572)	(86)	-	-	24,026
Plant and Equipment								
Plant and equipment	4,806	1,240	-	(978)	(300)	-	-	4,768
Office equipment, furniture & fittings	438	80	-	(78)	(9)	-	-	431
Total plant and equipment	5,244	1,320	-	(1,056)	(309)	-	-	5,199
Infrastructure								
Roads	102,627	4,870	11,560	(4,632)	(1,950)	-	-	112,475
Bridges	2,126	28	78	(48)	-	-	-	2,185
Footpaths, kerb and channel	8,893	854	(1,394)	(357)	(25)	-	-	7,970
Drainage	3,991	26	232	(104)	(2)	-	-	4,145
Airport Runways	567	-	62	(53)	-	-	-	577
Tanks & Bores	678	-	19	(19)	-	-	-	679
Gravel Pits & Garbage Tips	437	-	-	(28)	-	-	-	409
Total infrastructure	119,320	5,778	10,559	(5,242)	(1,977)	-	-	128,440
Total property, plant and equipment, infrastructure	147,246	8,010	11,649	(6,871)	(2,372)	-	-	157,666

(a) Impairment losses

Impairment losses are recognised in the comprehensive income statement under other expenses.

Reversals of impairment losses are recognised in the comprehensive income statement under other revenue.



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT CONTINUED

	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 26)	Depreciation and amortisation (note 12)	Written down value of disposals	Impairment losses recognised in profit or loss (a)	Transfers	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2013								
Property								
Land	1,801	0	0	0	0	0	0	1,801
Total land	1,801	0	0	0	0	0	0	1,801
Buildings	18,417	762	-	(393)	-	-	-	18,786
Heritage buildings	2,198	-	-	(102)	-	-	-	2,095
Total buildings	20,615	762	-	(495)	-	-	-	20,881
Total property	22,416	762	-	(495)	-	-	-	22,682
Plant and Equipment								
Plant and equipment	4,811	1,165	-	(843)	(326)	-	-	4,806
Office equipment, furniture & fittings	436	95	-	(80)	(13)	-	-	438
Total plant and equipment	5,247	1,260	-	(923)	(339)	-	-	5,244
Infrastructure								
Roads	92,402	6,447	8,526	(4,035)	(714)	-	-	102,627
Bridges	1,938	130	106	(47)	-	-	-	2,126
Footpaths, kerb and channel	6,205	512	2,566	(385)	(6)	-	-	8,893
Drainage	3,749	90	279	(97)	(30)	-	-	3,991
Airport Runways	621	-	(3)	(51)	-	-	-	567
Tanks & Bores	658	-	38	(19)	-	-	-	678
Gravel Pits & Garbage Tips	466	-	-	(28)	-	-	-	437
Total infrastructure	106,039	7,179	11,513	(4,662)	(750)	-	-	119,320
Total property, plant and equipment, infrastructure	133,702	9,201	11,513	(6,081)	(1,089)	-	-	147,246

(a) Impairment losses

Impairment losses are recognised in the comprehensive income statement under other expenses.

Reversals of impairment losses are recognised in the comprehensive income statement under other revenue.

Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 22 TRADE AND OTHER PAYABLES		
Trade payables	1,686	1,602
Accrued expenses	504	256
Total Trade and other payables	2,190	1,858

NOTE 23 TRUST FUNDS AND DEPOSITS		
Refundable building deposits	10	10
Refundable contract deposits	-	22
Community projects deposits	41	-
Other refundable deposits	3	5
Total Trust Funds and Deposits	54	37

NOTE 24 PROVISIONS

	Annual leave \$ '000	Long service \$ '000	Landfill restoration \$ '000	Other \$ '000	Total \$ '000
2014					
Balance at beginning of the financial year	1,103	1,277	348	117	2,845
Additional provisions	651	202	191	9	1,052
Amounts used	(566)	(168)	(110)	(16)	(860)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	-	-	-
Balance at the end of the financial year	1,188	1,310	429	110	3,037
2013					
Balance at beginning of the financial year	1,032	1,175	345	108	2,661
Additional provisions	647	244	123	25	1,038
Amounts used	(576)	(142)	(120)	(16)	(854)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	-	-	-
Balance at the end of the financial year	1,103	1,277	348	117	2,845



Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 24 PROVISIONS CONTINUED		
(a) Employee provisions		
Current provisions expected to be settled within 12		
Annual leave	591	566
Long service leave	175	165
Other	96	103
	<u>862</u>	<u>834</u>
Current provisions expected to be settled after 12		
Annual leave	597	537
Long service leave	929	965
	<u>1,526</u>	<u>1,502</u>
Total Current provisions	<u>2,388</u>	<u>2,336</u>
Non-current		
Long service leave	206	147
Other	14	14
	<u>220</u>	<u>161</u>
Aggregate carrying amount of employee provisions:		
Current	2,388	2,336
Non-current	<u>220</u>	<u>161</u>
	<u>2,608</u>	<u>2,497</u>
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average increase in employee costs	3.57%	4.50%
Weighted average discount rates	2.58%	3.79%
Weighted average settlement period	3 years	12 mths

(b) Land fill 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 budget 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.

	2014 \$'000	2013 \$'000
Provisions for gravel pit and landfill reinstatement:		
Current	122	114
Non-current	<u>307</u>	<u>235</u>
	<u>429</u>	<u>349</u>

Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 25 INTEREST-BEARING LOANS AND BORROWINGS		
Current		
Bank overdraft	-	-
Borrowings - secured	147	158
	147	158
The bank loans are secured over the rates of the Council		
Non-current		
Borrowings - secured	350	498
	497	656
Total Interest-bearing loans and borrowings	497	656
The maturity profile for Council's borrowings is:		
Not later than one year	147	158
Later than one year and not later than five years	350	498
Later than five years	-	-
	497	656
Aggregate carrying amount of interest-bearing loans and borrowings:		
Current	147	158
Non-current	350	498
	497	656



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 26 RESERVES

(a) Asset revaluation reserves

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
2014			
Property			
Land	1,413	236	1,649
Buildings	15,900	854	16,754
	17,313	1,090	18,403
Infrastructure			
Roads	58,742	11,560	70,302
Bridges	1,124	78	1,202
Footpaths and kerb and channel	5,726	(1,394)	4,332
Drainage	3,165	232	3,397
Airport Runways	484	62	546
Tanks & Bores	245	19	264
	69,487	10,559	80,046
Total asset revaluation reserves	86,800	11,649	98,449

2013

Property			
Land	1,413	-	1,413
Buildings	15,900	-	15,900
Heritage buildings	-	-	-
	17,313	-	17,313
Infrastructure			
Roads	50,216	8,526	58,742
Bridges	1,018	106	1,124
Footpaths and kerb and channel	3,160	2,566	5,726
Drainage	2,886	279	3,165
Airport Runways	487	(3)	484
Tanks & Bores	207	38	245
	57,974	11,513	69,487
Total asset revaluation reserves	75,287	11,513	86,800

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
(b) Other reserves				
2014				
Aerodrome Maintenance	15	-	-	15
Total Other reserves	15	-	-	15
2013				
Aerodrome Maintenance	15	-	-	15
Total Other reserves	15	-	-	15

The Aerodrome Maintenance reserve is maintained to account for funds reserved for the specific purpose of assisting Council achieve its objectives.

Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 27 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SUPPLUS (DEFICIT)		
Surplus/(deficit) for the year	(4,563)	(873)
Depreciation/amortisation	6,871	6,081
Profit/(loss) on disposal of property, plant and equipment, infrastructure	2,113	811
Share of net profit/(loss) of associates accounted for by equity method	8	(6)
Bad and Doubtful Debts	30	(32)
Finance Costs	67	13
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	101	150
Decrease in other assets	(14)	20
Increase/(decrease) in trade and other payables	368	(2,340)
(Increase)/decrease in investments in associates	(95)	-
(Increase)/decrease in inventories	187	(155)
Increase/(Decrease) in provisions	192	184
Net cash provided by/(used in) operating activities	5,266	3,854
NOTE 28 RECONCILIATION OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents (see note 16)	1,280	3,990
Less bank overdraft	-	-
	1,280	3,990
NOTE 29 FINANCING ARRANGEMENTS		
Bank overdraft	2,500	1,200
Used facilities	(115)	(115)
Borrowing Facilities	497	655
Unused facilities	2,882	1,740
NOTE 30 RESTRICTED ASSETS		
Council has cash and cash equivalents (note 16) that are subject to restrictions.		
Unspent grants (note 4)	1,069	1,080
Trust funds and deposits	54	38
Reserve funds (note 29)	-	-
Total Restricted Assets	1,123	1,118



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 31 SUPERANNUATION

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. The defined benefit section provides lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from Council and the Council's legal or constructive obligation is limited to these contributions.

Obligations for contributions to the Fund are recognised as an expense in Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation category, Vision MySuper/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 (for the year ended 30 June 2014, this was 9.25% required under Superannuation Guarantee legislation). Our commitment to defined contribution plans is limited to making contributions in accordance with our minimum statutory requirements. 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.

Effective from 1 July 2014, the Superannuation Guarantee contribution rate is legislated to increase to 9.5%.

Defined Benefit

As provided under Paragraph 34 of AASB 119, Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a multi-employer sponsored plan.

As a multi-employer sponsored plan, the Fund was established as a mutual scheme to allow for the mobility of the workforce between the participating employers without attaching a specific liability to particular employees and their current employer. Therefore, there is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employer. While there is an agreed methodology to allocate any shortfalls identified by the Fund Actuary for funding purposes, there is no agreed methodology to allocate benefit liabilities, assets and costs between the participating employers for accounting purposes. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

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. The Fund's employer funding arrangements comprise of three components (which are detailed below) are:

1. Regular contributions - which are ongoing contributions needed to fund the balance of benefits for current members and pensioners;
2. Funding calls – which are contributions in respect of each participating employer's share of any funding shortfalls that arise; and
3. Retrenchment increments – which are additional contributions to cover the increase in liability arising from retrenchments.

Council is also required to make additional contributions to cover the contribution tax payable on the contributions referred to above.

Employees are also required to make member contributions to the Fund. As such, assets accumulate in the Fund to meet member benefits, as defined in the Trust Deed, as they accrue.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 31 SUPERANNUATION CONTINUED

Employer Contributions

Regular Contributions

On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 31 December 2011, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2014, this rate was 9.25% of members' salaries. This rate increased to 9.5% on 1 July 2014 and is expected to increase in line with the required Superannuation Guarantee contribution rate.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit (the funded resignation or retirement benefit is calculated as the VBI multiplied by the benefit).

Funding Calls

The Fund is required to comply with the superannuation prudential standards. Under the superannuation prudential standard SPS 160, the Fund is required to target full funding of its vested benefits. There may be circumstances where:

- a fund is in an unsatisfactory financial position at an actuarial investigation (i.e. its vested benefit index (VBI) is less than 100% at the date of the actuarial investigation); or
- a fund's VBI is below its shortfall limit at any time other than at the date of the actuarial investigations.

If either of the above occur, the fund has a shortfall for the purposes of SPS 160 and the fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. There may be circumstances where the Australian Prudential Regulation Authority (APRA) may approve a period longer than three years.

The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall. The methodology used to allocate the shortfall was agreed in 1997 to fairly and reasonably apportion the shortfall between the participating employers.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's defined benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

The pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund are based on:

- The service periods of all active members split between the active members pre-1 July 1993 and post-30 June 1993 service period;
- The service periods of all deferred members split between the deferred members pre-1 July 1993 and post-30 June 1993 service period ; and
- The pensioner (including fixed term pension) liabilities which are allocated to the pre-1993 period.

The pre-1 July 1993 component of the shortfall is apportioned between the participating employers based on the employer's share of the total participating employer payroll at 30 June 1993.

The post-30 June 1993 component of the shortfall is apportioned between the participating employers based on the employer's share of the total participating employer payroll at the date the shortfall has been calculated.



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 31 SUPERANNUATION CONTINUED

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. In the unlikely event that the Fund is wound up and there is a surplus in the Fund, the surplus cannot be applied for the benefit of the defined benefit employers where there are on-going defined benefit obligations. The surplus would be transferred to the fund accepting those defined benefit obligations (including the lifetime pension obligations) of the Fund.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

Differences between calculations

The Fund surplus or deficit (i.e. the difference between fund assets and liabilities) is calculated differently for funding purposes (i.e. calculating required contributions), for the calculation of accrued benefits as required in AAS 25 and for 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.

Retrenchment increments

During 2013-14, Council was not required to make payments to the Fund in respect of retrenchment increments.

Shortfall amounts

The amount of the unpaid shortfall at 30 June 2014 is Nil (Nil 2012/13).

Accrued benefits

The Fund's liability for accrued benefits was determined in the 31 December 2011 actuarial investigation pursuant to the requirements of Australian Accounting Standard Board AAS25 follows:

	31-Dec-11
	\$'000
Net Market Value of Assets	4,315,324
Accrued Benefits (per accounting standards)	4,642,133
Difference between Assets and Accrued Benefits	<u>(326,809)</u>
 Vested Benefits	
(Minimum sum which must be paid to members when they leave the fund)	4,838,503
 The financial assumptions used to calculate the Accrued Benefits for the defined benefit category of the Fund were:	
 Net Investment Return	7.50% p.a.
Salary Inflation	4.25% p.a.
Price Inflation	2.75% p.a.

The next full actuarial investigation of the Fund's liability for accrued benefits will be based on the Fund's position as at 30 June 2014. The anticipated completion date of this actuarial investigation is 19 December 2014.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 31 SUPERANNUATION CONTINUED

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2014 are detailed below:

Scheme	Type of Scheme	Rate	2014 \$'000	2013 \$'000
Vision Super	Defined benefits	9.50%	328	299
Vision Super	Accumulation Plan	9.50%	535	496
Health Super	Accumulation Plan	9.50%	15	25
Health Employee Super	Accumulation Plan	9.50%	28	25

There were no contributions outstanding to the above schemes as at 30 June 2014

2014
\$'000

2013
\$'000

NOTE 32 COMMITMENTS

The Council has not entered into new contracts as at 30 June 2014 and therefore there are no commitments.

NOTE 33 OPERATING LEASES

Operating lease commitments

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

Not later than one year	147	202
Later than one year and not later than five years	62	125
Later than five years	-	-
Total Operating Leases	209	327

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.

The Department of Environment and Primary Industries holds a National Australia Bank Guarantee given by the Shire for the sum of \$145,500 which is being used if a site is damaged after gravel extraction. This is to be reviewed during 2014/15.



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 35 FINANCIAL INSTRUMENTS

(a) Accounting Policy, terms and conditions

Recognised financial instruments	Note	Accounting Policy	Terms and Conditions
Financial			
Cash and cash equivalents	16	<p>Cash on hand and at bank and money market call account are valued at face value.</p> <p>Interest is recognised as it accrues.</p> <p>Investments and bills are valued at cost.</p> <p>Investments are held to maximise interest returns of surplus cash.</p> <p>Interest revenues are recognised as they accrue.</p> <p>Managed funds are measured at market value.</p>	<p>On call deposits returned an average interest rate and at balance date was 1.84% (3.81% in 2012/2013).</p> <p>Funds returned fixed interest rate of between 2.95% (3.65% in 2012/2013), and 3.65% (4.30% in 2012/2013) net of fees.</p>
Trade and other receivables			
Other debtors	17	<p>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.</p>	<p>General debtors are unsecured and are not subject to interest charges and are normally settled within 30 days of invoice receipt.</p>
Financial Liabilities			
Trade and other payables	22	<p>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.</p>	<p>General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.</p>
Interest-bearing loans and borrowings	25	<p>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.</p>	<p>Borrowings are secured by way of mortgages over the general rates of the Council. The weighted average interest rate on borrowings is 5.34% (5.50% in 2012/2013).</p>
Bank overdraft	25	<p>Overdrafts are recognised at the principal amount. Interest is charged as an expense as it accrues.</p>	<p>The overdraft is subject to annual review. It is secured by a mortgage over Council's general rates and is repayable on demand.</p>

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 35 FINANCIAL INSTRUMENTS CONTINUED

(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:

2014	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets						
Cash and cash equivalents	673	605	-	-	2	1,280
Trade and other receivables	-	-	-	-	2,502	2,502
Total financial assets	673	605	-	-	2,504	3,782
Weighted average interest rate	1.84%	3.32%				
Financial liabilities						
Trade and other payables	-	-	-	-	2,190	2,190
Trust funds and deposits	-	-	-	-	54	54
Interest-bearing loans and borrowings	-	147	350	-	-	497
Total financial liabilities	-	147	350	-	2,244	2,742
Weighted average interest rate		5.34%	5.34%			
Net financial assets (liabilities)	673	458	(350)	-	260	1,041

2013	Floating Interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets						
Cash and cash equivalents	899	3,089	-	-	2	3,990
Trade and other receivables	-	-	-	-	2,603	2,603
Total financial assets	899	3,089	-	-	2,605	6,593
Weighted average interest rate	3.95%	4.10%				
Financial liabilities						
Trade and other payables	-	-	-	-	1,858	1,858
Trust funds and deposits	-	-	-	-	38	38
Interest-bearing loans and borrowings	-	158	498	-	-	656
Total financial liabilities	-	158	498	-	1,896	2,551
Weighted average interest rate		5.50%	5.50%			
Net financial assets (liabilities)	899	2,931	(498)	-	709	4,042



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 35 FINANCIAL INSTRUMENTS CONTINUED

(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	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Financial assets				
Cash and cash equivalents	1,280	3,990	1,280	3,990
Trade and other receivables	2,502	2,603	2,502	2,603
Total financial assets	3,782	6,594	3,782	6,594
Financial liabilities				
Trade and other payables	2,190	1,858	2,190	1,858
Trust funds and deposits	54	38	54	38
Interest-bearing loans and borrowings	497	655	497	611
Total financial liabilities	2,742	2,551	2,742	2,507

(d) Credit Risks

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.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 35 FINANCIAL INSTRUMENTS CONTINUED

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 by a tender process. 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 Transport, Planning and Local Infrastructure 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 have a policy for establishing credit limits for the entities we deal with;
- 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.

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 34.



Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 35 FINANCIAL INSTRUMENTS CONTINUED		
Movement in Provisions for Doubtful Debts		
Balance at the beginning of the year	157	190
New Provisions recognised during the year	13	19
Amounts already provided for and written off as uncollectable	7	48
Amounts provided for but recovered during the year	(6)	(100)
Balance at end of year	<u>170</u>	<u>157</u>

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:

Current (not yet due)	180	134
Past due between 31 and 60 days	25	1,155
Past due between 61 and 90 days	2	2
Past due by more than 91 days	2,465	1,469
Total Trade & Other Receivables	<u>2,672</u>	<u>2,761</u>

Ageing of Individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$170,000 (2013: \$157,000) were impaired. The amount of the provision raised against these debtors was \$170,000 (2013: \$157,000). 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:

Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	170	157
Total Trade & Other Receivables	<u>170</u>	<u>157</u>

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 35 FINANCIAL INSTRUMENTS CONTINUED

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 instruments;
- 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 repayments to rate revenue.

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

The table below lists the contractual maturities for Financial Liabilities

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

	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000
2014						
Trade and other payables	2,190	-	-	-	-	2,190
Trust funds and deposits	54	-	-	-	-	54
Interest-bearing loans and borrowings	73	75	137	212		497
Total financial liabilities	2,318	75	137	212	-	2,741

	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000
2013						
Trade and other payables	1,858	-	-	-	-	1,858
Trust funds and deposits	38	-	-	-	-	38
Interest-bearing loans and borrowings	82	76	283	215	-	656
Total financial liabilities	1,978	76	283	215	-	2,552



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 35 FINANCIAL INSTRUMENTS CONTINUED

(f) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, 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 2.50%.

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			
		-2% -200 basis points		+1% +100 basis points	
	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2014					
Financial assets:					
Cash and cash equivalents	1,280	(26)	(26)	13	13
Trade and other receivables	2,502	-	-	-	-
Financial liabilities:					
Trade and other payables	2,190	-	-	-	-
Trust funds and deposits	54	-	-	-	-
Interest-bearing loans and borrowings	497	(10)	(10)	5	5

		Interest rate risk			
		-2% -200 basis points		+1% +100 basis points	
	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2013					
Financial assets:					
Cash and cash equivalents	3,990	(80)	(80)	40	40
Trade and other receivables	2,603	-	-	-	-
Financial liabilities:					
Trade and other payables	1,858	-	-	-	-
Trust funds and deposits	38	-	-	-	-
Interest-bearing loans and borrowings	655	(13)	(13)	7	7

(g) Fair Value Hierarchy

All financial assets carried at fair value are measured at quoted prices in active markets for identical assets or liabilities

NOTE 36 AUDITORS' REMUNERATION

	2014 \$'000	2013 \$'000
Audit fee to conduct external audit - Victorian Auditor-General	35	20
Internal audit fees - AFS & Associates Pty Ltd	20	8
	<u>55</u>	<u>28</u>

NOTE 37 EVENTS OCCURRING AFTER BALANCE DATE

No matters have occurred after balance date that require disclosure in the financial report.

Notes to the Financial Report

For The Year Ended 30 June 2014

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 Andrew Robert MCLEAN	(Mayor)
	Councillor Helen Anne McCulloch BALLENTINE	
	Councillor Kylie Louise ZANKER	
	Councillor William Graeme MASSEY	
	Councillor Lisa Maree WOODS	
	Councillor Terence Sydney GRANGE	
	Councillor Raymond John KINGSTON	

Chief Executive Officer Raymond James CAMPLING

(ii) Remuneration of Responsible Persons

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

	2014 No.	2013 No.
\$1 - \$9,999	-	3
\$10,000 - \$19,999	5	6
\$20,000 - \$29,999	1	-
\$40,000 - \$49,999	1	-
\$50,000 - \$59,999	-	1
\$170,000 - \$179,999	-	1
\$200,000 - \$210,000	1	
	8	11

	2014 \$'000	2013 \$'000
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	380	353

(iii) No retirement benefits have been made by the Council to a Responsible Person. (2012/13 Nil).

(iv) No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2012/13 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 \$376,287 (2012/13 \$68,370).



Notes to the Financial Report

For The Year Ended 30 June 2014

	2014 \$'000	2013 \$'000
NOTE 38 RELATED PARTY TRANSACTIONS CONTINUED		
(vi) Senior Officers Remuneration		
A Senior Officer other than a Responsible Person, is an officer of Council who:		
a) has management responsibilities and reports directly to the Chief Executive; or		
b) whose total annual remuneration exceeds \$133,000		
The number of Senior Officers other than the Responsible Persons, are shown below in their relevant income bands:		
Income Range:	2014 No.	2013 No.
< \$130,000	2	3
\$140,000 - \$149,999	1	-
\$150,000 - \$159,999	-	1
	3	4
Total Remuneration for the reporting year for Senior Officers included above, amounted to	2014 \$'000 381	2013 \$'000 476

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 39 INCOME, EXPENSES AND ASSETS BY FUNCTION/ACTIVITIES

2014	Corporate Services	Community Services	Future Development	Community Facilities	Transport	Waste & Environment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income							
Grants	2,374	1,775	824	245	3,401	101	8,721
Other	9,478	643	227	194	419	993	11,952
Total Income	11,852	2,418	1,051	439	3,820	1,093	20,674
Expenses	(2,592)	(3,442)	(788)	(1,702)	(14,838)	(1,874)	(25,236)
Surplus (deficit) for the year	9,261	(1,024)	263	(1,263)	(11,018)	(781)	(4,563)
Assets attributed to functions / activities *	10,392	5,775	1,627	11,502	132,918	653	162,867

2013	Corporate Services	Community Services	Future Development	Community Facilities	Transport	Waste & Environment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income							
Grants	4,463	1,837	686	358	3,517	19	10,880
Other	7,963	605	213	92	615	920	10,407
Total Income	12,425	2,442	899	450	4,132	939	21,287
Expenses	(1,560)	(3,273)	(1,577)	(1,328)	(12,489)	(1,933)	(22,160)
Surplus (deficit) for the year	10,865	(832)	(678)	(878)	(8,357)	(994)	(873)
Assets attributed to functions / activities *	10,224	6,070	2,015	9,941	126,422	697	155,368

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



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 39 INCOME, EXPENSES AND ASSETS BY FUNCTION/ACTIVITIES CONTINUED

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

Corporate 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.

Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 40 FINANCIAL RATIOS (PERFORMANCE INDICATORS)

	2014 \$'000	2014 (%)	2013 \$'000	2013 (%)	2012 \$'000	2012 (%)
(a) Debt servicing ratio (to identify the capacity of Council to service its outstanding debt)						
<u>Debt servicing costs</u>	67		6		5	
<u>Total revenue</u>	18,315	= 0.37%	21,288	= 0.03%	24,347	= 0.02%

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>	225		51		112	
<u>Rate revenue</u>	8,780	= 2.56%	8,281	= 0.62%	7,648	= 1.46%

The strategy involves the payment of loan principal and interest, finance lease principal and interest. 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>	8,780		8,281		7,648	
<u>Total revenue</u>	18,315	= 47.94%	21,288	= 38.90%	24,347	= 31.41%

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>	5,725		5,360		5,990	
<u>Total realisable assets</u>	24,027	= 23.83%	25,911	= 20.69%	29,065	= 20.61%

For the purpose of the calculation of financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use.

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.



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 40 FINANCIAL RATIOS (PERFORMANCE INDICATORS)

	2014 \$'000	2014 (%)	2013 \$'000	2013 (%)	2012 \$'000	2012 (%)
(e) Working capital ratio (to assess Council's ability to meet current commitments)						
<u>Current assets</u>	4,683		7,734		12,216	
<u>Current liabilities</u>	4,901	= 95.56%	4,504	= 171.71%	4,536	= 269.31%

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>	4,683		7,734		12,216	
<u>Current liabilities</u>	4,726	= 99.10%	3,373	= 229.29%	3,571	= 342.09%

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.

	2014 \$'000	2013 \$'000
NOTE 41 CAPITAL EXPENDITURE		
Capital expenditure areas		
Roads	4,898	6,577
Drainage	26	90
Footpath, kerb & channel	854	512
Buildings	883	762
Plant and equipment	1,320	1,260
Other	29	-
Total capital works	8,010	9,201
Represented by:		
Renewal of infrastructure	(a) 4,714	5,528
Upgrade of infrastructure	(b) 993	1,398
Upgrade of buildings	(b) 682	558
New infrastructure	100	253
New buildings	201	205
New plant and equipment	1,320	1,260
Total capital works	8,010	9,201

Notes to the Financial Report

For The Year Ended 30 June 2014

	2014	2013
	\$'000	\$'000

NOTE 41 CAPITAL EXPENDITURE CONTINUED

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		8,010	9,201
Asset revaluation movement	26(a)	11,649	11,513
Depreciation/amortisation	12	(6,871)	(6,081)
Written down value of assets sold	21	(2,372)	(1,089)
Net movement in property, plant and equipment, infrastructure	21	<u>10,416</u>	<u>13,544</u>

(a) Asset renewal expenditure

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) Asset upgrade expenditure

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.

(c) Asset expansion expenditure

Expenditure which extends an existing asset, at the same standard as is currently enjoyed by residents, to a new group of users. It is discretionary expenditure which increases future operating and maintenance costs, because it increases council's asset base, but may be associated with additional revenue from the new user group.

(d) New asset expenditure

Expenditure which creates a new asset that provides a new service that did not previously exist. New asset expenditure does not have any element of renewal, expansion or upgrade of existing assets. New capital expenditure may or may not result in additional revenue for council and will result in an additional burden for future operation, maintenance and capital renewal.



Notes to the Financial Report

For The Year Ended 30 June 2014

NOTE 42 SPECIAL COMMITTEES AND OTHER ACTIVITIES

Section 86 Committee

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 the Financial Report

For The Year Ended 30 June 2014

In my opinion the accompanying financial statements have been prepared in accordance with the Local Government Act 1989, the Local Government (Planning and Reporting) Regulations 2014, Australian Accounting Standards and other mandatory professional reporting requirements.



Anita McFarlane
Principal Accounting Officer

Date : 24 October 2014
Warracknabeal

In our opinion the accompanying financial statements present fairly the financial transactions of Yarriambiack Shire Council for the year ended 30 June 2014 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 27th August to certify the financial statements in their final form.



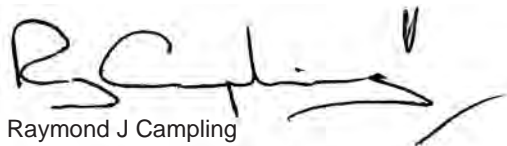
William G Massey
Councillor

Date : 24 October 2014
Warracknabeal



Kylie L Zanker
Councillor

Date : 24 October 2014
Warracknabeal



Raymond J Campling
Chief Executive Officer

Date : 24 October 2014
Warracknabeal



Independent Auditor's Report

VAGO

Victorian Auditor-General's Office

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Melbourne VIC 3000

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Facsimile 61 3 8601 7010

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INDEPENDENT AUDITOR'S REPORT

To the Councillors, Yarriambiack Shire Council

The Financial Report and Standard Statements

The accompanying financial report for the year ended 30 June 2014 of the Yarriambiack Shire Council which comprises comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report has been audited.

The accompanying standard statements for the year ended 30 June 2014 of Yarriambiack Shire Council which comprises budgeted standard income statement, budgeted standard balance sheet, budgeted standard cash flow statement, budgeted statement of capital works, the related notes and the certification of standard statements have been audited.

The Councillors' Responsibility for the Financial Report and Standard Statements

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

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

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report and standard statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994* and the *Local Government Act 1989*, my responsibility is to express an opinion on the financial report and standard statements based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report and standard statements are free from material misstatement.

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

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Councillors, as well as evaluating the overall presentation of the financial report and standard statements.

Independent Auditor's Report

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.

Opinion

In my opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of the Yarriambiack Shire Council as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*
- (b) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in note 1 to the statements and the requirements of the *Local Government Act 1989*.

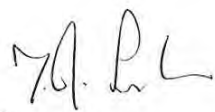
Basis of Accounting for Standard Statements

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 Financial Report and Standard Statements

This auditor's report relates to the financial report and standard statements of the Yarriambiack Shire Council for the year ended 30 June 2014 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 financial report and standard statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report and standard statements to confirm the information contained in the website version of the financial report and standard statements.

MELBOURNE
24 October 2014

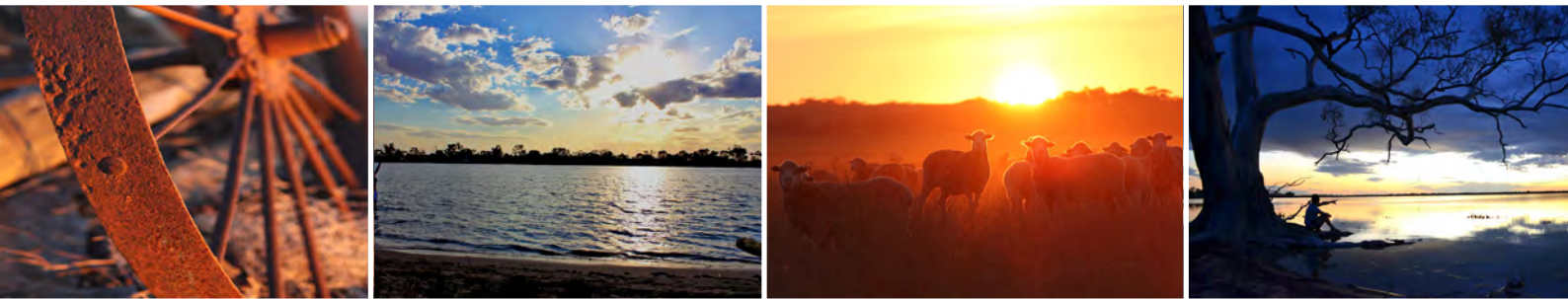

Dr Peter Frost
Acting Auditor-General





Our Vision

In consultation with our community Yarriambiack Shire Council will provide a viable, sustainable and vibrant future.



Yarriambiack
SHIRE COUNCIL

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