



# YARRIAMBIACK SHIRE COUNCIL



*Yarriambiack Creek, Warracknabeal*

# ANNUAL REPORT 2008/2009

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## SHIRE AT A GLANCE

**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.

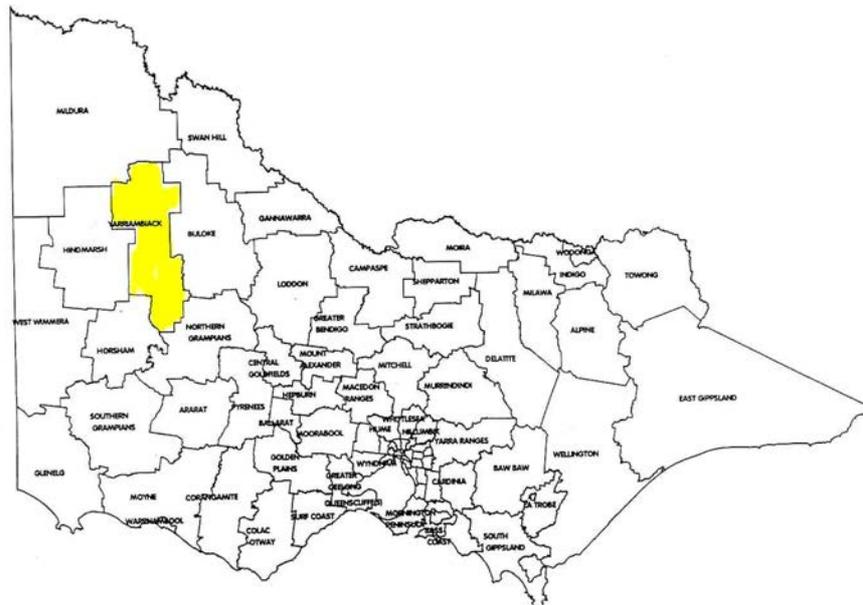
**Area:** 7,160 sq. km  
**Population:** Approximately 7,520  
**Voters:** Approximately 6,531  
**Shire Office:** Warracknabeal  
**Service Centres:** Hopetoun and Rupanyup  
**Rate Revenue:** \$6,168,625

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

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

**Key Statistics:**

Planning Permits Issued	56	Total Value	\$ 3,329,400
Building Permits Issued	89	Total Value	\$ 3,977,048
Properties (total)	7,605	Total Value (CIV)	\$ 1,262,447,900
Properties Rateable	6,718	Total Value (CIV)	\$ 1,230,507,800



## REPORT FROM THE MAYOR



As Mayor of Yarriambiack Shire Council it is indeed a privilege and also it is with much pride and pleasure that I present the introduction to the 2008/09 Yarriambiack Shire Council Annual Report. This report endeavours to demonstrate and illustrate to our residents, stakeholders and visitors, Yarriambiack Shire Council's commitment to the ongoing sustainability, variability, prosperity and governance of our municipality.

Since being elected to the position of Mayor in December 2008 it has definitely been an immense privilege and honour for me to serve and represent our community in this very special capacity.

Councillors and staff very much appreciate and understand the difficult and extremely frustrating times and conditions that our residents have endured over a long period of time and sincerely thanks and congratulates them on remaining resilient, positive, committed and focused. Hopefully the recent rains that we have thankfully received and experienced will assist in addressing the situation in a positive and ultimately beneficial manner.

Without question this is an extremely crucial and critical period in the ongoing future of our community. As the elected members of the community Council realizes and appreciates that some of the difficult decisions we make today will hopefully and eventually have a long term beneficial and advantageous impact in nurturing and developing the type of community that we choose and desire to live in now and in the future.

The Annual Report is fundamentally a 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 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 believe that it is appropriate that I personally recognise and acknowledge the outstanding contributions and commitment of my fellow councillors and in particular their endeavours to work co-operatively and diligently for the benefit and betterment of the entire municipality and region. Their dedication and willingness to address critical issues and resolve them in a spirited and united manner has been particularly impressive and ultimately extremely advantageous. All seven 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 definitely doing things better and more efficiently which is directly and indirectly benefiting our community, however, it is a team effort, councillors, staff and the community working together, to ensure that we remain a viable and enjoyable place to live and work.

In closing, I very much wish to extend my appreciation and congratulations to the Council staff led by our Chief Executive Officer Ray Campling for their commitment, enthusiasm and professionalism. In addition I would particular would also like to sincerely congratulate 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.

**Councillor Helen Ballentine**  
**Mayor**



## REPORT FROM THE CEO



The 2008/2009 financial year on reflection was not too dissimilar from previous years as it was a year in which we worked particularly hard on consolidating, and building upon our organizational commitment of continuous improvement in delivering quality services and planning strategically to ensure the ongoing sustainability and viability of the Yarriambiack Shire.

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

Council as a consequence of the introduction of various engagement tools and associated processes has endeavoured to develop and encourage positive and proactive relationships and partnerships with our community. Council has also placed significant emphasis on consolidating its relationships with both the State and Federal Governments and as a direct consequence significant and positive outcomes have been achieved which has resulted in substantial benefits being directed to our communities.

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

The information contained in this report will provide the community with an opportunity to gauge for themselves the progress that Yarriambiack Shire Council has made during the 2008/2009 financial year. It is envisaged that the year ahead will again offer a wide range of unparalleled challenges and opportunities for our community.

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

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

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

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

**Ray Campling**  
**Chief Executive Officer**



## COUNCILLOR PROFILES



**Mayor Helen Ballentine. Hopetoun Ward.**

**Elected to Council in November 2005.**

Municipal Association of Victoria  
Municipal Emergency Management Planning Committee  
North Western Municipalities Association  
Yarriambiack Drought Committee



**Cr Andrew McLean. Hopetoun Ward.**

**Elected to Council in March 2003.**

Grampians Waste Management Group  
Mallee Rural Financial Counselling Service  
Municipal Association of Victoria  
Sunraysia Highway Improvement Committee  
Yarriambiack Creek Advisory Committee



**Cr Jean Wise. Warracknabeal Ward.**

**Elected unopposed in August 1998.**

Australian Local Government Womens Association  
MAV Human Services Portfolio Committee  
RoadSafe Wimmera  
Wimmera Development Association  
Yarriambiack Shire Council Audit Committee  
Yarriambiack Chaplaincy Council



**Cr Geoff Lovel. Warracknabeal Ward.**

**Elected to Council in March 1997**

**Elected the Shire's first Mayor.**

Grampians Waste Management Group  
VicRoads Liaison Group  
Wimmera Regional Transport Group  
Yarriambiack Drought Committee



## COUNCILLOR PROFILES



### Cr Kylie Zanker. Warracknabeal Ward.

**Elected to Council in November 2008.**

Municipal Emergency Management Planning Committee  
Wimmera Regional Library Service  
Yarriambiack Shire Council Audit Committee  
Yarriambiack Shire Council Fire Prevention Committee



### Cr Ray Kingston. Dunmunkle Ward.

**Elected to Council in November 2008.**

Sustainability Accord  
Victorian Saleyards Association  
Warracknabeal Saleyards Committee  
Yarriambiack Creek Advisory Committee  
Yarriambiack Shire Council Fire Prevention Committee



### Cr John Kemfert. Dunmunkle Ward.

**Elected to Council in November 2008.**

Municipal Association of Victoria  
North Western Municipalities Association  
Wimmera Rail Association / Rail Standardisation  
Wimmera Regional Sports Assembly

## COUNCILLOR MEETING ATTENDANCE

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Councillor	Attended
Jean Wise	11 out of 11
Andrew McLean	11 out of 11
Helen Ballentine	10 out of 11
Geoff Lovel	9.5 out of 11
Ray Kingston	6 out of 6
John Kemfert	6 out of 6
Kylie Zanker	5 out of 6
Allan Avery	5 out of 5
Anne Gready	5 out of 5
Nick McIntyre	4.5 out of 5

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## SENIOR MANAGEMENT

**Chief Executive Officer**  
**Director of Planning & Infrastructure**  
**Corporate Services Manager**  
**Community Services Manager**  
**Economic Development Manager**  
**Infrastructure Services Manager**

Ray Campling  
James Magee  
Anita McFarlane  
Gavin Blinman  
Terry Sanders  
Bernie Naylor

## COUNCIL OFFICES

### MUNICIPAL OFFICE:



34 Lyle Street Warracknabeal 3393  
Box 243 Warracknabeal 3393  
**Telephone** (03) 5398 0100  
**Facsimile** (03) 5398 2502  
[info@yarriambiack.vic.gov.au](mailto:info@yarriambiack.vic.gov.au)

### HOPETOUN DISTRICT OFFICE:



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

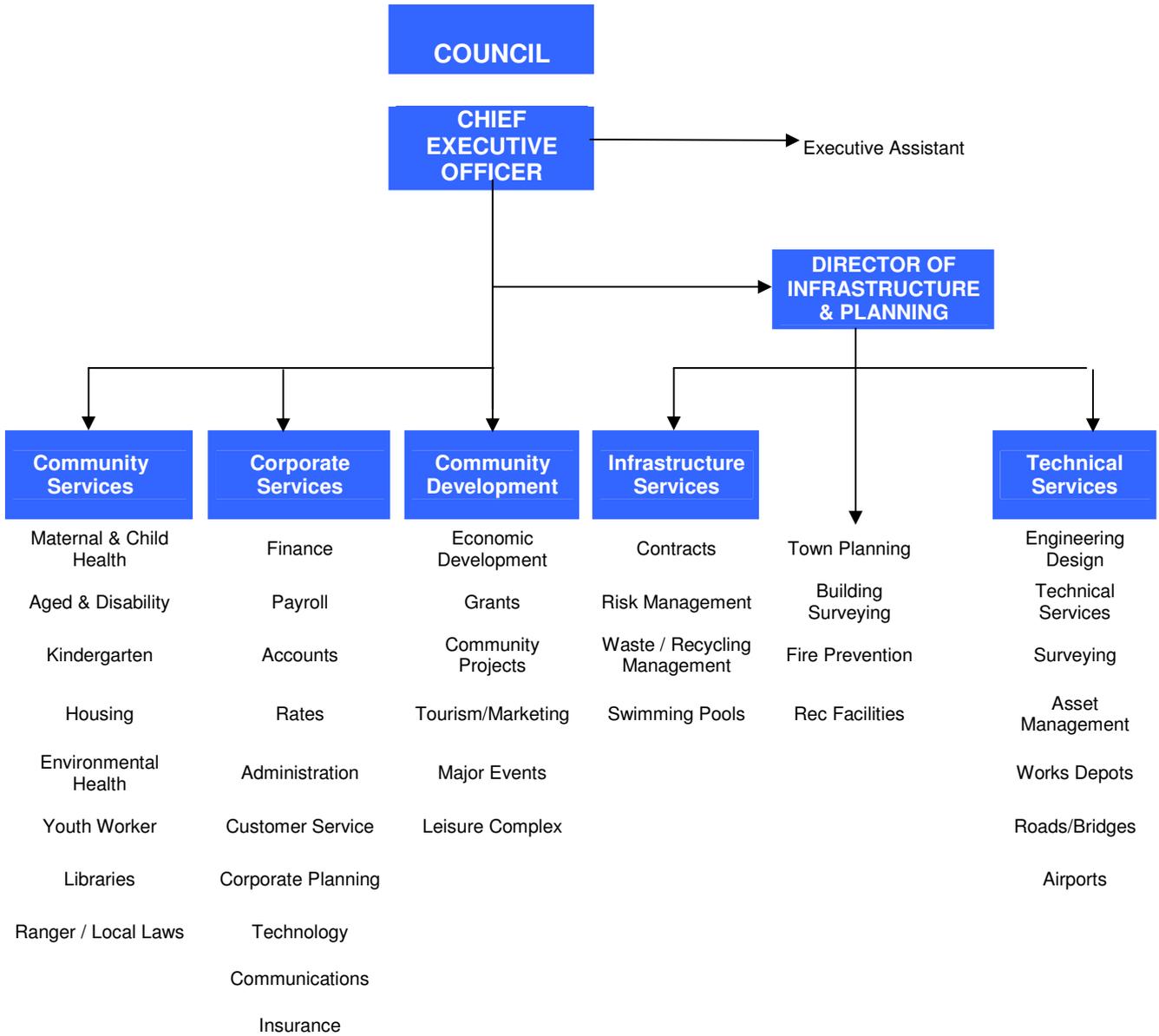
### RUPANYUP DISTRICT OFFICE:



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



## ORGANISATIONAL STRUCTURE



	MALE	FEMALE	TOTAL
<b>FULL TIME</b>	59	16	<b>75</b>
<b>PART TIME</b>	2	48	<b>50</b>
<b>CASUAL</b>	2	6	<b>8</b>
<b>TOTAL</b>	<b>63</b>	<b>70</b>	<b>133</b>



## DEPARTMENTAL REPORTS

### Department of Infrastructure and Planning

James Magee

#### Objectives

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

#### Areas of Responsibility

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

#### 2008/2009 Achievements and Activities

- Successful in commencing a two year agreement with Vicroads for maintenance of 400 km of arterial roads within the municipality. The agreement means an additional income stream approx. of \$500,000 per annum
- Continuation of a sealing of gravel town streets program
- Successfully completed Yarriambiack Shire Council's capital works program for upgrading of roads, footpaths, town streets and drainage
- Obtained funding for widening of the Stawell Warracknabeal Road (2km in 2008/9)
- Completed survey and commenced work on Breen Street, Murtoa, kerb and channel replacement project
- Review of vehicle fleet with greater emphasis being given to vehicles with environmental advantages
- Commenced development of Environmental Strategy for municipality with external funding from Victorian Local Government Sustainability Accord
- Completed installation of tanks to stages 1 and 2 of Wimmera Mallee Pipeline Project
- Commenced review of Road Management Plan
- Undertook construction and sealing of Lascelles Street, Beulah
- Completed widening of Gardiner Street, Warracknabeal
- Successfully completed first stage of Yaapeet Rainbow Road upgrade
- Constructed and sealed 2km previously gravel section of Banyena Pimpinio Road



# Corporate Services

Anita McFarlane

## Objectives

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

## Areas of Responsibility

### Administrative Support Services

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

### Financial Services

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

### Information Technology Services

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

## 2008/2009 Achievements and Activities

### Finance

Participation in MAV Financial Credibility Study  
Development of new Council Reports

### Rates & Property

The Exceptional Circumstances status was extended to include 2008/2009 year.  
Conversion of the rates database from Fujitsu to Civica

### Information Technology

The completion of the installation of phase 1 and 2 of the new computer software program.  
Implementation new Small Business & Exchange Server

### Administration

Update and reprint of 2009 Community Directory

## Staffing

10 Equivalent Full Time Staff



# Community Services

Gavin Blinman

## Objectives

To facilitate and support activities that improves the health, education, care and wellbeing 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
- Drought Recovery
- Emergency Relief
- Local Laws

## 2008/2009 Achievements and Activities:

- Introduced support services for parents and young children—New Mothers' Group, also continued to expand story time and introduced Library services to Kindergarten children.
- Conducted an education campaign through the Maternal Health nurses to improve the immunization rates for 4 year old children.
- Achieved the second highest rate in the state for valid immunizations 81.07%.
- Warracknabeal Kindergarten joined the Yarriambiack Kindergarten cluster.
- Held Climate change information sessions for Seniors in Hopetoun, Warracknabeal, Rupanyup with Ted Brown.
- Introduced new Daelibs system for Home care staff.
- Successfully applied for a grant of \$90,000 to assist youth to reconnect with their communities under the State government Youth Access funding.
- Facilitated activities and free access to all events associated with Senior Citizen's week.
- Actively involved the community in the consultation process for the *Early Years review*.
- Supported disengaged youth to attend "*Risk It*", an on-going Certificate 1 and 11 Course in literacy, numeracy and community participation.
- Distributed "*Celebrating Young People*" grants to 8 Youth organizations across the Shire to encourage young people to participate creatively and actively in their communities.
- Drought officer facilitated many community events including Beyond Blue workshop, Mental Health first aid and Bernard Denner breakfast for blokes.
- Administered the Commonwealth Government Emergency Relief Grant, giving assistance to individuals in need and support to families and Community Groups affected by the challenging financial crisis.

## Staffing

22.5 Effective Full Time



# Economic Development

Terry Sanders

## Objectives

The key objectives of the Economic Development Unit for 2008/09 were:

- To identify major economic issues that impact on the community and develop and implement appropriate strategies.
- Develop and implement strategies for the establishment of a renewable energy industry within the Shire.
- Foster the development of community owned enterprises as an option for the replacement of declining service industries.
- To assist communities with the review and implementation of the Community Action Plans developed as part of the Community Building Initiative.
- To encourage and support the business community and facilitate the development of new business opportunities within the Shire.
- To facilitate the provision of appropriate community infrastructure and recreational facilities within the Shire.

## Areas of Responsibility

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

## 2008/2009 Achievements and Activities

The major achievements for 2008/2009 were:

- Continuation of the implementation of the Yarriambiack Shire Economic Development Strategy for 2006 – 2009 and update of the plan for 2009 – 2012.
- Continuation of the very successful “Buy Local” campaign.
- Implementation of the recommendations contained in the feasibility studies into community owned enterprises in Woomelang and Hopetoun.
- Support the WDA in developing a submission to the State Government for the location of a major solar power plant in the Wimmera Mallee region.
- Additional funding of \$1,278,000 sourced from State and Federal Governments for community infrastructure projects.
- The completion of community projects within the communities of Hopetoun, Warracknabeal, Murtoa, Minyip and Rupanyup, identified through the Community Building Initiative process.
- Training and job opportunities provided for drought affected farmers through our involvement in the Rural Skills Connect program.
- Progress towards the establishment of the Wimmera Mallee Regional Tourism Association.

## Staffing

Manager Economic Development – Terry Sanders  
Community Development Co-ordinator – Dennis Smith  
Community Building Initiative Facilitator – Marianne Ferguson  
Manager Warracknabeal Leisure Centre – Cheryl Woods



# Infrastructure Services Management

Bernie Naylor

## Objectives

To provide efficient and effective management of Council's contracts, risk, vehicle and plant fleet, waste and recycling services to 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.

### Risk

- Develop and manage a risk management strategy/policy process for Council, particularly in respect to public liability and Council buildings.

### Waste & Recycling

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

### Swimming Pools

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

## 2008/2009 Achievements and Activities

### In 2008/2009 the following contracts were tendered out and awarded:-

Sealing of Various Local Roads	\$628,749	Term 1 Year
Supply & Delivery of Backhoe / Loader	\$133,650	Term 1 Year
Supply & Delivery of Small Town M'tce Truck	\$ 27,241	Term 1 Year
Supply & Delivery of Front Deck Mower	\$ 31,184	Term 1 Year
Supply & Delivery of Tipping / Water Truck	\$143,147	Term 1 Year
Supply & Delivery of Front Wood Chipper	\$ 46,000	Term 1 Year

### Waste Management

- Introduction of Rural recycling to residents who live along the main kerbside recycling collection routes

### Risk Management

- Implementation of Preferred tenders listing for Yarriambiack Shire Council
- Implementation of Business Continuity Plan
- Considerable improvement in Council's Rating Score by its insurers for Public and Property Risk



## CONTRIBUTIONS & DONATIONS

Anzac Park	\$ 43,062.00
Beulah Business and Information Centre	\$ 500.00
Beulah Kindergarten	\$ 2,000.00
Beulah Memorial Hall Committee	\$ 1,645.00
Beulah Park Trustees Committee	\$ 8,770.00
Beulah Swimming Pool	\$ 8,955.00
Brim Active Community Group	\$ 500.00
Brim Lions Club	\$ 4,500.00
Brim Recreation Reserve	\$ 6,205.00
Emmas Café	\$ 973.39
Genr8 Youth Group	\$ 1,550.00
Grampians Community Health Centre	\$ 750.00
Grampians Regional Waste Management	\$ 10,967.51
Hindmarsh Shire Council	\$ 5,000.00
Hopetoun Kindergarten	\$ 2,000.00
Hopetoun Progress Association	\$ 1,000.00
Hopetoun Recreation Reserve	\$ 10,675.00
Hopetoun Scout Group	\$ 1,550.00
Hopetoun Secondary College	\$ 1,000.00
Hopetoun Swimming Pool	\$ 14,073.00
Lake Lascelles/Corrong Committee of Management	\$ 11,005.00
Lascelles Progress Association	\$ 500.00
Lubeck Park Reserve	\$ 1,760.00
Lubeck Public Hall Committee	\$ 1,645.00
Minyip Kindergarten	\$ 2,000.00
Minyip Lions Club	\$ 3,000.00
Minyip Memorial Hall Committee	\$ 2,630.00
Minyip Progress Association	\$ 1,000.00
Minyip Recreation Reserve	\$ 11,985.00
Minyip Swimming Pool	\$ 10,288.00
Murtoa Kindergarten	\$ 7,000.00
Murtoa Mechanics Hall	\$ 2,630.00
Murtoa Progress Association	\$ 1,000.00
Murtoa Showyards Reserve	\$ 13,210.00
Murtoa Swimming Pool	\$ 15,102.00
Next of Kin	\$ 1,000.00
Noval Uniting Church Camp	\$ 1,000.00
On Track Learning Wimmera Inc	\$ 1,000.00
Our Lady of Help Christian School	\$ 500.00
Patchewollock Progress Association	\$ 500.00
Patchewollock Recreation Reserve	\$ 2,290.00
Rupanyup & District Consultative Committee	\$ 2,000.00
Rupanyup Kindergarten	\$ 2,000.00
Rupanyup Lions Club	\$ 2,500.00
Rupanyup Girl Guide Support Group	\$ 800.00
Rupanyup Memorial Hall	\$ 2,515.00
Rupanyup Recreation Reserve	\$ 5,420.00
Rupanyup SES	\$ 10,455.26
Rupanyup Swimming Pool	\$ 8,570.00
Speed Public Hall	\$ 1,325.00
Speed Recreation Reserve	\$ 2,630.00



## CONTRIBUTIONS & DONATIONS (continued)

Tempy Memorial Park	\$ 1,760.00
Tempy Swimming Pool	\$ 3,193.00
Warracknabeal Action Group	\$ 1,000.00
Wallup Public Hall	\$ 885.00
Warracknabeal Lions Club	\$ 3,000.00
Warracknabeal Memorial Kindergarten	\$ 2,000.00
Warracknabeal Primary School	\$ 1,500.00
Warracknabeal SES	\$ 9,791.49
Warracknabeal Swimming Pool	\$ 34,858.00
Warracknabeal Yarriambiack Creek Development Committee	\$ 2,000.00
Wimmera Uniting Care	\$ 500.00
Woomelang & District Development Association	\$ 500.00
Woomelang Memorial Hall	\$ 6,943.77
Woomelang Recreation Reserve	\$ 4,990.00
Woomelang SES	\$ 10,589.70
Woomelang Swimming Pool	\$ 8,662.00
Yaapeet Community Club	\$ 2,495.00
Yarriambiack Chaplaincy Council	\$ 2,393.00
<b>TOTAL</b>	<b>\$ 351,997.12</b>

## MEMBERSHIPS

Municipal Association of Victoria	\$ 21,015.13
Wimmera Development Association	\$ 36,972.00
Wimmera Regional Library	\$ 140,583.00
<b>TOTAL</b>	<b>\$ 198,570.13</b>



## SHIRE HAPPENINGS 2008/09

### July 2008

- Shire Council determining a 5% general rate increase for 2008/09 financial year, Chief Executive Officer commented it was un-questionably the most difficult budget he has presided over his time as CEO, initially intended to increase the 2008/09 rates by 7.5% in accordance with Council's rating strategy which was formally adopted in June 2005. Council has taken a number of critical factors into consideration including ongoing unseasonable weather conditions.
- Gravel resheet on various roads in the Shire have been completed. The completed gravel works covered 49,530m with the total works covering 58,980m.
- Yarriambiack Shire Council offered Sponsorship Allocations, maximum amount of sponsorship available to each group is \$200 to be used for prize money or purchase of a trophy for a competition open to the public and scheduled as part of an event or festival.
- Shire starts talks with Graincorp about loss of Wimmera Rail Freight Services, Councillors are concerned the loss of Yaapeet to Dimboola and Warracknabeal to Hopetoun lines would cost farmers and replacing each train with 50 B-double trucks would have a negative impact on infrastructure and road safety.
- Council along with Warracknabeal Action Group implemented the first and second stage of "Buy Local" Campaign which included customer service training workshops and colour brochures about the campaign, Council mailed out the brochures to all business, owners and residents in the Shire. This campaign had the support of a \$10,000 Regional Development Victoria grant, Council matched the funding bringing the campaign's total budget to \$20,000.
- A special breakfast for Yarriambiack business people and staff was held outside Warracknabeal Post Office to co-ordinate a photograph of local businesses to be used for promotional purposes in the Shire's "Try Local First" campaign.
- Yarriambiack Shire and Warracknabeal Action Group conducted a price compassion survey, which revealed Warracknabeal supermarket prices are less expensive than those in Horsham.
- Yarriambiack Shire Council appointed a new Municipal Building Surveyor, Wayne Wilkie who is also a Mildura Rural City Council Municipal Building Surveyor.
- All facets of a project on Fensomes Road Warracknabeal were carried out by Yarriambiack Shire staff including survey, design construction and Project Management. All works completed.
- Grant supplied by Council helped provide a musical session for youth over the school holidays.
- Council invites Senior Citizens to attend Senior Achiever Awards 2008 Government House Reception (60 years or older, not in full time employment) residing within the Shire, valuable contributor to the community.
- Yarriambiack Shire Council offers – Celebrating Youth People Grants Program, designed to support individuals or groups who work with Youth to develop a range of programs in the areas of Arts and Culture, Environment, Recreation and Health/Welfare. Ages 12 up to 25 years.
- Revenue Officer reported at a Yarriambiack Shire Council meeting which stated Council had received \$6,633,741.26 in rate payments by June 26<sup>th</sup>. The report showed residential ratepayers owed \$215,999.67, rural ratepayers owed \$182,874.26



## **SHIRE HAPPENINGS 2008/09** (continued)

and commercial ratepayers owed \$41,746.12. The outstanding figure is 6.5 percent of total rates. The percentage outstanding at the same time last year was 7.3 percent.

- Yarriambiack Shire Council has been awarded a contract to continue maintenance of 400km of arterial roads for another three years. The Municipal Road Maintenance Agreement No 7214, came to a lump sum value of \$1,606,600.

### **August 2008**

- Yarriambiack Shire Council has prepared a Planning Scheme Review Report for public comment in accordance with Section 12B on the Planning and Environment Act.
- Council offered an information session – From Citizen to Councillor.
- Council advertised Government Pensioner Rates Assistance Scheme.
- Cr Jean Wise has replaced John McTaggart as Roadsafe Wimmera Committee Leader.
- Yarriambiack Shire Council 2008-09 Budget was officially adopted at August meeting.
- Cr McLean attended a day long summit at St Kilda town hall to push the importance in making the silver and bronze railway lines a higher priority over the gold and platinum lines.
- Yarriambiack Shire Council submits Town Hall proposal – Warracknabeal, hoping to receive up to \$120,000 grant to upgrade the Town Hall.
- Council released Drum/Muster collection dates.
- The Federal Government has given Yarriambiack Shire Council \$30,776 to distribute as emergency relief grants to residents and groups in the Shire.
- Yarriambiack Council is seeking applicants from sporting clubs within the Shire for funds to improve community football and netball facilities.
- Community Facility Funding Program 2009/2010 – Sport and Recreation Victoria Minor Facilities – Yarriambiack Shire Council for funds to improve community sport & recreation facilities.
- Council issued six building permits across the Shire in July totally \$600,888.
- The Federal Government has provided Yarriambiack Shire Council \$30,776 to distribute as emergency relief grants for residents and groups across the shire. \$13,212 was “drought money” \$17,000 assistance for school fees and excursions.

### **September 2008**

- Council has given approval to 11 community organisations that will receive Sponsorship Allocation Scheme funding. Organisations receiving the funding were from Hopetoun, Murtoa, Rupanyup, Warracknabeal & Woomelang, receiving \$200.00.
- The Federal Government has allocated \$1,621.837 to Yarriambiack Shire Council to repair and upgrade Shire roads. The funding will make up for the shortfall in Council's 1.5per cent rate reduction.



## **SHIRE HAPPENINGS 2008/09** (continued)

- Council is offering to subsidise workshop – Halls Gap costs for two residents from the Shire to attend the forum after receiving drought funds through Federal Government.
- The Federal and State Government will spend close to 2million on upgrading roads in the Yarriambiack Shire Council. \$1.1 million will be spent on road rehabilitation along a 4.5 kilometre section of the Stawell-Warracknabeal Road north of Minyip \$134,000 for road rehabilitation on the Henty Highway at Lah \$63,000 for freight access and reliability improvements along the Henty Highway between Warracknabeal & Jeparit.
- Yarriambiack Shire Council will host a regional picnic and concert – Senior Festival 2008 collection (Brighten up your day).
- Council has awarded money to organisers of six youth – orientated programs in the Shire.
- Rupanyup North & Banyena Road received a total of \$42,000 in funding as part of State Government's Greyspot program.
- Council's Denis Heenan – Warracknabeal Transfer Station Operator has been nominated for Rotary Club of Warracknabeal's Pride of Workmanship Award for his customer service in his job.
- Youth program is offering grants to help youth in the transition into independent living.
- Community Grants Fund Applications December 2008. All recreation services and community volunteer fund raising organisations which are formally constituted organisations, located within the boundaries of the Yarriambiack Shire Council Municipal boundaries are eligible to apply for assistance under this scheme.

### **October 2008**

- Call for Council nominations - elections open.
- Council have extended the Municipal Rate subsidy to 2008/09 – for farmers who receive exceptional circumstances relief payments from Centrelink subsidies of up to 50 percent on Municipal rates and charges.

### **November 2008**

- Council Anne Gready retires.
- Ray Campling praised the governments recent announcement to upgrade \$4.3million rail lines.
- Council welcomes newly elected Councillors Kylie Zanker, John Kemfert and Ray Kingston.

### **December 2008**

- Redevelopment works at the Murtoa Swimming Pool totaling \$260,000 have been completed.
- Council presented Allan Avery with a certificate of appreciation at Council's statutory meeting.
- Council received Regional Development Victoria funding for the most projects in the state during the 2007/08 financial year.



## **SHIRE HAPPENINGS 2008/09** (continued)

- Council received notification Warracknabeal's Town Hall has received government contribution for over \$121,000 to boost redevelopment works.
- Council will replace about 500 signs across the Shire's 110 rail crossings in line with audit recommendations.
- Council lodged an application with Victorian Civil and Administrative Tribunal to erect a mobile tower at Murtoa.

### **January 2008**

- Yarriambiack Shire youth initiative received a \$90,000 boost when Youth Affairs minister James Merlino visited Warracknabeal Memorial Swimming Pool.
- Yarriambiack Shire Council announces contribution of \$40,000 to go towards Warracknabeal town hall face lift project.
- Council awarded popular event Y-Feast with community event of the Year during Australia Day celebrations. Presented to Lance Huebner by Councillor Jean Wise.

### **February 2009**

- Council offers the Youth Grants Program designed to support individuals or groups who work with youth to develop a range of programs in the areas of Arts and Culture, Environment, Recreation and Health/Welfare. Council will offer up to \$1,000 towards each successful project.
- Council received funding to undergo a viability study as population declines to the north of the shire impacts on kindergarten attendance numbers.
- Council extends an offer of assistance to Horsham Rural City Council following news of the Remlaw fires.

### **March 2009**

- Council congratulated Warracknabeal and district residents on their commitment to recycling in the shire.
- Council has spent over \$200,000 upgrading shire footpaths in response to community satisfaction surveys. \$220,000 has been spent on Council's capital works program 2008.
- Council and Wimmera Mallee Waste offer rural Yarriambiack residents on main transport routes in the shire the opportunity to join a kerbside recycling program.
- Council agreed to adopt a Domestic Animal Management Plan.
- Five building permits were issued for the month at a total value of \$53,899 with three planning permits also issued.
- Council received funding to run a 15 week group program for ageing clients at risk of falls following receipt of over \$26,000 in funding. Council currently cares for about 270 residents aged over 80 years.
- Wimmera Municipalities have embraced a program aiming to retain young people. Horsham Rural City Council, Hindmarsh Shire, Yarriambiack Shire and West Wimmera Shire Councils are working with Grampians Regional Management Forum



## SHIRE HAPPENINGS 2008/09 (continued)

to access funding under the Rural Skills Cadetship program which provides grants for full time tertiary students and businesses.

- Council has asked Regional Development Victoria to fund a Lake Marma walking track project and Woomelang Hall redevelopment. Council asked for \$66,100 to build a Lake Marma walking track and \$22,615 for upgrades to the Woomelang Hall.
- Council seeks expressions of interest from businesses and students who wish to participate in the State Government funded Rural Skills Cadetship Program. The program provides grants for cadetships for full-time tertiary students to obtain semester break employment with local business. Participating students will receive up to \$2,500 towards their educational, transport and living costs and employers can obtain up to \$1,250 on completion of the 12 month period of employment.
- As part of a plan to support local jobs and boost the economy, Federal Government approved \$444,000 in funding for community infrastructure projects within Yarriambiack Shire.
- Council's mayor Helen Ballentine will visit 13 towns across Warracknabeal and district in coming weeks in an attempt to promote the positive aspects of living in the Shire.
- Member for Western Victoria Jaala Pulford announced \$10,000 funding to assist Yarriambiack, Buloke, Hindmarsh and West Wimmera shires undertake a tourism opportunities study.
- Yarriambiack Shire held a session preventing falls at the Warracknabeal Leisure Centre.
- A record crowd of over 2000 people descended on Warracknabeal for the 11<sup>th</sup> annual Y-Feast parade and events over the weekend, injecting an estimated \$1 million into Warracknabeal Businesses.
- Council's Environmental Health Officer Tim Rose recently journeyed to Murrindindi to assist victims of the Black Saturday bush fires.
- Council will receive over \$4million towards its capital works program as part of Federal Government Roads to Recovery funding program.

### April 2008

- Council and Department of Education and Early Childhood Development presented a series of Community Consultations to review Council's Early Years Services provided at the Kindergarten or Playgroup.
- Shire applied for State Government funding to complete many projects within the Council.
- Council is working closely with community groups to engage youth in the shire. "We can 2" program made possible by a \$90,000 State Government Grant.
- Council introduces a rural recycling collection service.
- Council offers Community Grants funds applications, these grants are to assist with the maintenance and capital improvements of community assets.
- As part of the Victorian Local Sustainability Accord, the Yarriambiack Shire Council called for expression of interest to form a steering Committee to assist in the development of a new Environment Management Strategy.



## **SHIRE HAPPENINGS 2008/09** (continued)

### **May 2008**

- Councillors and CEO conducted a Council Community Visitation Program by visiting the business centres within the Shire giving people the opportunity to discuss any issues they may have.
- Council are in the final stages of creating black waste dump points for motor homes and caravans travelling through the shire. \$15,000 has been allocated for the construction at Warracknabeal Caravan Park just outside the entrance and Hopetoun Caravan Park. Council hopes to have dump sites installed by the end of the financial year.
- Council announces intention to review its Roads Management Plan, the purpose of the review consistent with the role, functions and responsibilities of the Council as a road authority under the Act.
- Council recently received funding from the Victorian Government's Sustainability Fund to assist with the development of its first Environmental Management Strategy. The strategy will aim to build on current environmental knowledge and develop innovative solutions to current and future environmental issues at a local level.
- Council offers a free green waste disposal day.
- Proving it's worth as a vibrant, family oriented place to live, Yarriambiack Shire was recently named the number one destination for affordable housing across the entire state of Victoria.

### **June 2008**

- Shire residents are encouraged to nominate an outstanding senior community member as part of the 2009 Victorian Senior of the Year awards.
- Councils and Mayor Helen Ballentine was part of a small group of Mayor's who will meet with the Governor General in Canberra on June 22.
- Council was successful in obtaining a grant to restore the Woomelang Community War Memorial as part of the Victorian Government's Restoring Community War Memorials grant program.
- Council hosted a free grant writing workshop, Council won funding from the Department of Planning and Community Development's Community Learning Program.
- Council has distributed grants worth \$10,050 to 35 community groups.
- Yarriambiack Shire, Hindmarsh Shire, Buloke and West Wimmera Shire unite to form a Wimmera Mallee Regional Tourism Association aiming to respond to a reported 16 percent drop in overnight stays in the area.
- Council proposed a 5% general rate increase as part of its 2009/10 budget announcement.



## **INFORMATION TO BE MADE AVAILABLE TO THE PUBLIC**

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) Details of senior officers' total salary packages for the current financial year and the previous year including the gross salary, the amount of the Council or employer contribution to superannuation, the value of any motor vehicle provided by the Council and the total value of any other benefits and allowances provided by the Council;
- (c) Details of overseas or interstate travel (with the exception of interstate travel by land for less than three 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 of the overseas or interstate travel;
- (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 where such 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 section 87, 88 and 98 of the Act, including the date on which the last review under section 98(6) of the Act took place;
- (k) Submissions received in accordance with section 223 of the Act during the previous 12 months;
- (l) Agreements to establish regional libraries under section 196 of the Act;
- (m) Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the Council as lessor or lessee, including the name of the other party to the lease and the terms and the value of the lease;
- (n) A register of authorised officers appointed under section 224 of the Act;
- (o) A list of donations and grants made by the Council during the financial year, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant;



## INFORMATION TO BE MADE AVAILABLE TO THE PUBLIC

- (p) A list of the names of the organisations of which the Council was a member during the financial year and details of all membership fees and other amounts and services provided during that year to each organisation by the Council.
- (q) A list of contracts valued at \$100,000 or more which the Council entered into during the financial year without first engaging in a competitive process and which are not contracts referred to in section 186(5) of the Act.

## COUNCIL'S PHILOSOPHY

### OUR MISSION

To make Yarriambiack Shire Council an outstanding municipality with one of the highest levels of community satisfaction for small Rural Shires.

### OUR VALUES AND PRINCIPLES

#### VALUES

##### **Customer Service**

We:

- treat our customers with courtesy and respect;
- 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 and reliable in our dealings;
- we are careful, conscientious and diligent, and
- use public resources economically and efficiently.

##### **Continuous improvement:**

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

#### 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.



## ABOUT US

### Equal Employment Opportunity, Anti Discrimination & Bullying

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

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

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

### Audit Committee

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

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

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

### 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 2008/09 financial year.



## Occupational Health & Safety

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

## Risk Management

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

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

## **FREEDOM OF INFORMATION**

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

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



## VICTORIAN GOVERNMENT INDICATORS

2009

### 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. 64%

### ENGAGEMENT

Community satisfaction rating for Council's engagement in decision making on key local issues 65%

### ALL RATES

Average rates and charges per assessment \$ 1,060.00

### RESIDENTIAL RATES

Average residential rates and charges per assessment \$ 584.00

### OPERATING COSTS

Average operating expenditure per assessment \$ 2,400.63

### CAPITAL EXPENDITURE

Average capital expenditure per assessment \$ 721.07

### INFRASTRUCTURE

Renewal 62%

Renewal and maintenance 71%

### DEBTS

Average liability per assessment \$ 532.82

### OPERATING RESULT

Operating result per assessment \$ 168.62



## NATIONAL COMPETITION POLICY COMPLIANCE

### CERTIFICATION BY CHIEF EXECUTIVE OFFICER

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

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

for the financial year 2008/09 as set out below

#### A. TRADE PRACTICES COMPLIANCE

- Council is compliant.
- Council has not received any Trade Practices complaints.

#### B. LOCAL LAWS COMPLIANCE

- Council is compliant.
- Reviewed all existing local laws to ensure compliance with competition principles.

#### C. COMPETITIVE NEUTRALITY COMPLIANCE

- Council has no significant businesses.

I certify that:

1. this statement has been prepared in accordance with the 2006/07 Local Government Improvement Incentive guidelines issued in June 2007 for reporting on the following criterion:- National Competition Policy in accordance with *National Competition Policy and Local Government – A Revised Statement of Victorian Government Policy (January 2002)*; and
2. this statement presents fairly the Council's implementation of the National Competition Policy.



**RAY CAMPLING**  
**CHIEF EXECUTIVE OFFICER**

Dated: 25<sup>th</sup> September 2009



# PERFORMANCE STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

## Introduction to the Performance Statement

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

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

Key Strategic Activity	Performance Measure	Note	Target	Actual	Compliance
<b>Overall Performance</b>					
To represent and assist local communities in the pursuit of their goals	Community Satisfaction rating for Council's overall performance generally of the Council	1	≥67 %	65%	Not achieved
<b>Leadership and Advocacy</b>					
To provide leadership and advocacy on key Shire issues	Community satisfaction rating for Council's advocacy and community representation on key local issues.	1	≥68 %	64%	Not achieved
<b>Community Engagement</b>					
To engage appropriate interest groups and individuals on specific issues.	Community satisfaction rating for Council's engagement in decision making on key local issues.	1	≥64 %	65%	Achieved
<b>Responsiveness to Enquiries and Requests</b>					
To be responsive and accountable to the local community	Community satisfaction rating for Council's interaction and responsiveness in dealing with the public.	1	≥76 %	74%	Not achieved
<b>Financial Management</b>					
To develop and implement financial plans for the long term viability of the Shire	Compliance with STEP program implementation timetable		Progress to the next step in the STEP Program	Sign off by CEO	Achieved
	Ratio of capital expenditure to total depreciation		≥ 100%	94%	Not achieved
	Ratio of actual to budget for Capital Works		100%	103%	Achieved
<b>Provide Appropriate Services</b>					
To provide appropriate services to meet community needs in an effective manner	Community satisfaction rating for Council's overall performance in key areas and responsibilities	1	≥62 %	67%	Achieved
	Client satisfaction rating for education, care and health services		≥80 %	98%	Achieved



## **Summary of explanations of major variations between Actual & Target results**

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

### **Note 1 Annual Community Satisfaction Survey**

The first five of the key performance indicators are based upon the results of a survey conducted from January to March each year. The survey is coordinated by the Department of Victorian Communities and prepared by the independent research group, Wallis Consulting Group, on behalf of participating Councils. While Council expected a similar result as last year, the outcomes were better than expected as a result of perceptions at the time of the survey.

## CERTIFICATION OF PERFORMANCE STATEMENT

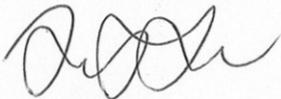
In our opinion, the accompanying Performance Statement of the Yarriambiack Shire Council in respect of the 2008/2009 financial year is presented fairly in accordance with the Local Government Act 1989.

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

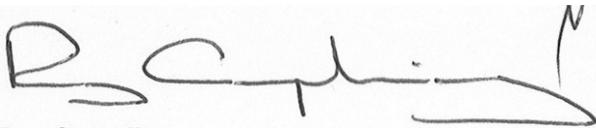
As at the time of signing, we are not aware of any circumstances, which would render any particular item in the statement to be misleading or inaccurate.



**Jean M. Wise**  
Councillor  
Dated: 25<sup>th</sup> September 2009



**Kylie L. Zanker**  
Councillor  
Dated: 25<sup>th</sup> September 2009



**Ray Campling**  
Chief Executive Officer  
Dated: 25<sup>th</sup> September 2009

# VAGO

Victorian Auditor-General's Office

## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Yarriambiack Shire Council

#### *The Performance Statement*

The accompanying performance statement for the year ended 30 June 2009 of the Yarriambiack Shire Council which comprises the statement, the related notes and the certification of performance statement has been audited.

#### *The Councillors' Responsibility for the Performance Statement*

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

#### *Auditor's Responsibility*

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

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

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

#### *Matters Relating to the Electronic Presentation of the Audited Performance Statement*

This auditor's report relates to the performance statement published in both the annual report and on the website of the Yarriambiack Shire Council for the year ended 30 June 2009. The Councillors are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited performance statement to confirm the information included in the audited performance statement presented on the Council's website.

1

Level 24, 35 Collins Street, Melbourne Vic. 3000

Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email [comments@audit.vic.gov.au](mailto:comments@audit.vic.gov.au) Website [www.audit.vic.gov.au](http://www.audit.vic.gov.au)

*Auditing in the Public Interest*



**Independent Auditor's Report (continued)**

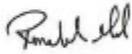
*Independence*

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 2009 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE  
25 September 2009

  
D D R Pearson  
Auditor-General

## STANDARD STATEMENTS

### Notes to the Standard Statements

#### 1. Basis of preparation of Standard Statements

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

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

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

The Standard Statements are not a substitute for the General Purpose Financial Statements, which are included on pages 42 to 87 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 12th August 2008. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from assets revaluations, as their impacts were not considered predictable.

Detailed information on the actual financial results is contained in the General Purpose Financial Statements on pages 42 to 87. The detailed budget can be obtained by contacting council or through the council's website. The Standard Statements must be read with reference to these documents.



## STANDARD INCOME STATEMENT

For the year ending 30 June 2009

	Ref	Budget \$'000	Actual \$'000	Variance	
				\$'000	%
<b>Revenues</b>					
Rates and Garbage Charges		7,103	7,064	(39)	(0.5)%
Government Grants – Operating	1	5,208	6,349	1,141	21.9%
Government Grants – Capital	2	1,192	1,930	738	61.9%
User Charges, Fees & Fines		1,360	1,426	66	4.9%
Contributions & Donations	3	285	352	67	23.5%
Interest	4	134	318	184	137.3%
<b>Total Revenues</b>		<b>15,282</b>	<b>17,439</b>	<b>2,157</b>	
<b>Expenses</b>					
Employee Benefits		(5,703)	(5,422)	(281)	(4.9)%
Materials & Services		(4,298)	(4,222)	(76)	(1.8)%
Depreciation	5	(4,503)	(5,078)	575	12.8%
Contributions & Donations	6	(924)	(641)	(283)	(30.6)%
Finance Costs	7	(34)	(21)	(13)	(38.2)%
Other	8	(805)	(635)	(170)	(21.1)%
<b>Total Expenses</b>		<b>(16,267)</b>	<b>(16,019)</b>	<b>(248)</b>	
Net loss on disposal of Fixed Assets	9	29	(320)	(349)	(1203.4)%
Share of Net Profit/(Loss) of Associates accounted for by the equity method		-	25	25	-
<b>NET SURPLUS (DEFICIT) FOR THE YEAR</b>		<b>(956)</b>	<b>1,125</b>	<b>1,585</b>	



## STANDARD INCOME STATEMENT

### Major Variance Report Explanation

Ref	Item	Explanation
1	Government Grants – Operational	Grants exceeded budget expectations due mainly to the early payment of the first instalment of the 2009/10 Grants Commission Grant. This was an extra \$1,000,000 grant payment.
2	Government Grants – Capital	Grants exceeded budget expectations mainly due to the extra community infrastructure federal grant of \$444,000 which has been used to maximise funding dollars for community projects.
3	Contributions & Donations	The grants received for the development of sporting facilities and community assets has resulted in increases in community contributions due to the structural requirements of the grants.
4	Interest	Upfront payments of grants for community projects allowed for excess funds to be invested for short terms and at high rates of interest prior to the economic downturn.
5	Depreciation	Increase in depreciation is due to the revaluation of infrastructure assets.
6	Contributions & Donations	Due to the carry over into the 2009/10 financial year of several community projects (after grants have been received), there is a decrease in contributions and donations because the payments made for these particular community projects are facilitated by Council.
7	Finance Costs	Finance costs were less than budgeted because of the grant income received. This meant there were only rare occasions when Council had to use the overdraft facility and therefore incur interest costs.
8	Other	Decrease of insurance premiums of \$100,000 compared to budget. The main saving on the public liability insurance was due to low number of claims and improvement in risk management.
9	Net profit/(loss) on disposal of Fixed Assets	The variance is due to the write back of roads and footpaths which were upgraded in the 2008/09 capital works program.



## STANDARD BALANCE SHEET

As at 30 June 2009

	Ref	Budget \$'000	Actual \$'000	Variance	
				\$'000	%
<b>Current Assets</b>					
Cash & Investments	10	4,520	7,028	2,508	55.5%
Receivables	11	771	1,015	244	31.6%
Inventories		396	384	(12)	(3.0)%
Other	12	370	229	(141)	(38.1)%
<b>Current Assets</b>		<b>6,057</b>	<b>8,656</b>	<b>2,599</b>	
<b>Current Liabilities</b>					
Creditors and Accruals	13	841	978	137	16.3%
Trust Funds and Deposits		-	109	109	-
Interest Bearing Liabilities	14	223	140	(83)	37.2%
Provisions		1,816	1,775	(41)	(2.3)%
<b>Current Liabilities</b>		<b>2,880</b>	<b>3,002</b>	<b>122</b>	
<b>NET CURRENT ASSETS</b>		<b>3,177</b>	<b>5,654</b>	<b>2,477</b>	
<b>Non Current Assets</b>					
Receivables	15	186	259	73	39.2%
Fixed Assets		103,906	111,181	7,275	7.0%
Investment – Library		282	275	(7)	(2.5)%
<b>Non Current Assets</b>		<b>104,374</b>	<b>111,715</b>	<b>7,341</b>	
<b>Non Current Liabilities</b>					
Interest Bearing Liabilities	16	183	265	82	44.8%
Provisions		293	288	(5)	(1.7)%
<b>Non Current Liabilities</b>		<b>476</b>	<b>553</b>	<b>77</b>	
<b>NET NON CURRENT ASSETS</b>		<b>103,898</b>	<b>111,162</b>	<b>7,264</b>	
<b>NET ASSETS</b>		<b>107,075</b>	<b>116,816</b>	<b>9,741</b>	
<b>Equity</b>					
Accumulated Surplus		62,507	64,593	2,086	3.3%
Reserves	17	44,568	52,223	7,655	17.2%
<b>EQUITY</b>		<b>107,075</b>	<b>116,816</b>	<b>9,741</b>	



## STANDARD BALANCE SHEET

### Major Variance Report Explanation

Ref	Item	Explanation
10	Cash & Investments	Increase in the number of investments held and cash in bank at the end of the financial year due to increased number of community project grants received and the early payment of the first instalment of the 2009/10 Grants Commission grant.
11	Receivables	\$202,000 in project grants and contributions were outstanding at the end of the financial year which was not included in the budget.
12	Other	There was no accrual of grants for community projects in the 2008/09 year which were budgeted for.
13	Creditors and Accruals	Increase above budget is a result of payments made for capital items such as the purchase of new plant and payment to cartage contractors being finalised later than normal.
14	Interest Bearing Liabilities	Variance is due to Council's finance lease of the Civica computer system not being included in the budget figures for this area in the 2008/09 year.
15	Receivables	The decline in the climatic conditions resulted in a decrease in the contribution from the gypsum pit owners due to increase volume of gypsum being carted from the pits. The repayment is based on the quantity of gypsum sold to the farmer.
16	Interest Bearing Liabilities	See Ref 12
17	Reserves	Increase in the revaluation reserve is due to a review of unit rates in the infrastructure assets. The increase in the unit rates, reflect the increasing costs of inputs.



## STANDARD CASH FLOW STATEMENT

For the year ending 30 June 2009

	Note	Budget \$'000	Actual \$'000	Variance	
				\$'000	%
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from Customers	18	9,681	8,096	1,585	(16.4)%
Payments to Suppliers & Employees	19	(12,719)	(10,927)	(1,792)	(14.1)%
<b>Sub Total</b>		<b>(3,038)</b>	<b>(2,831)</b>	<b>207</b>	
Government Grants & Charges	20	6,555	8,279	1,724	26.3%
Interest	21	135	318	183	135.6%
Borrowing Costs	22	(34)	(21)	13	(38.2)%
<b>Net Cash inflow from Operating Activities</b>		<b>3,618</b>	<b>5,745</b>	<b>2,127</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from Asset Sales	23	331	224	(107)	(32.3)%
Repayment of Advances	24	117	48	(69)	(59.0)%
Purchase of Property, Plant & Equipment		(4,507)	(4,811)	(304)	6.7%
<b>Net Cash outflows from Investing Activities</b>		<b>(4,059)</b>	<b>(4,539)</b>	<b>(480)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Proceeds from New Borrowings		-	-	-	
Repayment of Loans		(223)	(223)	-	0.0%
<b>Net Cash inflow from Financing Activities</b>		<b>(223)</b>	<b>(223)</b>	<b>-</b>	
<b>Net Increase/(Decrease) in Cash Held</b>		<b>(664)</b>	<b>983</b>	<b>1,647</b>	
Cash at the Beginning of the Year		5,184	6,045	861	16.6%
<b>Cash at the End of the Year</b>		<b>4,520</b>	<b>7,028</b>	<b>2,508</b>	



## STANDARD CASH FLOW STATEMENT

### Major Variance Report Explanation

Ref	Item	Explanation
18	Receipts from Customers	Lower than budget due to contributions towards community projects being received prior to the 30 June 2008. Contributions from Vic Roads for works done on their roads was lower than budget as there was less Vic Roads requests for maintenance works. Contributions from staff for use of fuel cards was lower than budget because of a decrease in the number of staff using the cards. Animal Registration collections were lower than budget due to a decrease in the animals registered.
19	Payments to Suppliers & Employees	Vic Roads maintenance expenditure was lower than budget due to Vic Roads requesting less maintenance work to be done on their roads. Community projects budgeted for in the 2008/09 year were delayed until the 2009/10 year therefore projects were not expended during 2008/09.
20	Government Grants & Charges	See Ref 1 & 2
21	Interest	See Ref 3
22	Borrowing Costs	Due to grant monies being received for community projects the overdraft facility was not used and therefore interest on overdraft was minimal.
23	Proceeds from Asset Sales	Proceeds from the sale of assets were less than budgeted for due to low trade values and the down turn in the economy. This reduced the changeover of the number of vehicles which had been budgeted for.
24	Repayment of Advances	Gypsum Pit owners paid \$48,000 based on tons of gypsum carted for the pit. Other Gypsum Pit owners have not yet made a contribution as budgeted.

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## STANDARD STATEMENT OF CAPITAL WORKS

For the year ending 30 June 2009

	Note	Budget \$'000	Actual \$'000	Variance	
				\$'000	%
Land and Buildings	26	417	185	(232)	(55.6)%
Plant and Equipment	27	1,010	964	(46)	(4.6)%
Infrastructure assets					
Roads & Streets	28	3,064	3,436	372	11.2%
Drains, Tips, Bores & Tanks	29	160	226	66	41.3%
<b>Total Capital Works</b>		<b>4,651</b>	<b>4,811</b>	<b>(160)</b>	
<b>Types of Capital Works</b>					
Renewal		3,705	3,146	(559)	(15.0)%
New Assets		946	1,665	719	76.0%
<b>Total Capital Works</b>		<b>4,651</b>	<b>4,811</b>	<b>(160)</b>	

### Major Variance Report Explanation

Ref	Item	Explanation
26	Land and Buildings	Actual was lower than budgeted due to several capital projects being carried forward into the next financial year ie Warracknabeal Town Hall redevelopment and Warracknabeal Leisure Complex upgrade
27	Plant and Equipment	See Ref 20.
28	Roads & Streets	See Ref 23.
29	Drains, Tips, Bores & Tanks	The over expenditure of the 2008/09 budget is due to the continuing Wimmera Mallee Pipeline project of installing tanks along the pipeline. This project was under spent in the 2007/08 year. Fencing was erected at several transfer stations and tips.



## CERTIFICATION OF STANDARD STATEMENTS

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



**Anita J. McFarlane**  
Principal Accounting Officer

Dated: 25<sup>th</sup> September 2009

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

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

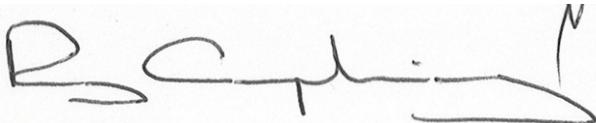
We have been authorised by the Council on 9<sup>th</sup> September 2009 to certify the standard statements in their final form.



**Jean M. Wise**  
Councillor  
Dated: 25<sup>th</sup> September 2009



**Kylie L. Zanker**  
Councillor  
Dated: 25<sup>th</sup> September 2009



**Ray Campling**  
Chief Executive Officer  
Dated: 25<sup>th</sup> September 2009

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## INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008/2009 \$'000	2007/2008 \$'000
<b>REVENUE</b>			
Rates and Charges	3	7,064	6,773
Government Grants – Operating	4	6,349	5,144
Government Grants – Capital	4	1,930	1,840
User Charges, Fees & Fines	5	1,426	1,492
Contributions, Donations & Reimbursements	6	352	295
Other Revenue	7	318	362
<b>TOTAL REVENUE</b>		<b>17,439</b>	<b>15,906</b>
<b>EXPENSES</b>			
Employee Benefits	8	(5,422)	(5,218)
Materials and Services	9	(4,222)	(4,263)
Bad and Doubtful Debts	10	12	-
Depreciation & Amortisation	11	(5,078)	(4,462)
Contributions & Donations	12	(641)	(1,440)
Finance Costs	13	(21)	(33)
Other Expenses	14	(647)	(597)
<b>TOTAL EXPENSES</b>		<b>(16,019)</b>	<b>(16,013)</b>
Net gain(loss) on disposal of property, infrastructure, plant and equipment	15	(320)	(3)
Share of net profit(losses) of associates accounted for by the equity method	16	25	(33)
<b>SURPLUS(DEFICIT) FOR THE YEAR</b>		<b>1,125</b>	<b>(143)</b>

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



## BALANCE SHEET

AS AT 30 JUNE 2009

	Note	2008/2009 \$'000	2007/2008 \$'000
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash & cash equivalents	17	7,028	6,045
Trade and other receivables	18	1,015	850
Inventories	19	384	216
Other Assets	20	229	246
		<b>8,656</b>	<b>7,357</b>
<b>NON CURRENT ASSETS</b>			
Trade and other receivables	18	259	310
Investments in associates accounted for using the equity method	16	275	249
Property, infrastructure, plant and equipment	21	111,181	106,448
		<b>111,715</b>	<b>107,007</b>
		<b>120,371</b>	<b>114,364</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	23	978	1,675
Trust funds and deposits	24	109	47
Provisions	25	1,775	1,612
Interest-bearing loans and borrowings	26	140	223
		<b>3,002</b>	<b>3,557</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	25	288	254
Interest bearing loans and borrowings	26	265	406
		<b>553</b>	<b>660</b>
		<b>3,555</b>	<b>4,217</b>
		<b>116,816</b>	<b>110,147</b>
<b>EQUITY</b>			
Accumulated Surplus		64,593	63,468
Reserves	27	52,223	46,679
		<b>116,816</b>	<b>110,147</b>

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



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2009

	Note	Total \$'000	Accumulated Surplus \$'000	Reserves \$'000
Balance at Beginning of the financial year		110,147	63,468	46,679
Surplus (deficit) for the year		1,125	1,125	-
Net asset revaluation increment	27	5,544	-	5,544
<b>Balance at end of the financial year</b>		<b>116,816</b>	<b>64,593</b>	<b>52,223</b>

FOR THE YEAR ENDED 30 JUNE 2008

	Note	Total \$'000	Accumulated Surplus \$'000	Reserves \$'000
Balance at Beginning of the financial year		104,179	63,611	40,568
Surplus (deficit) for the year		(143)	(143)	-
Net asset revaluation increment		6,111	-	6,111
<b>Balance at end of the financial year</b>		<b>110,147</b>	<b>63,468</b>	<b>46,679</b>

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

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

	Note	2008/2009 \$'000 Inflows/ (Outflows)	2007/2008 \$'000 Inflows/ (Outflows)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b><i>GST Inclusive</i></b>			
General Rates and Charges Receipts		6,998	6,800
Other operating receipts		1,098	2,284
Employee Costs		(5,422)	(5,200)
Other payments		(5,505)	(7,155)
	<b>Sub Total</b>	<b>(2,831)</b>	<b>(3,271)</b>
Government grants		8,279	7,373
Interest		318	320
Finance costs		(21)	(33)
	<b>Net cash provided by (used in) operating activities</b>	<b>5,745</b>	<b>4,389</b>
	28		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for Property, Plant & Equipment, Infrastructure		(4,811)	(3,982)
Proceeds from Sale of Property, Plant & Equipment, Infrastructure		224	197
Repayment of Advances		48	77
	<b>Net cash provided by (used in) investing activities</b>	<b>(4,539)</b>	<b>(3,708)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of Borrowings		(223)	20
	<b>Net cash provided by (used in) financing activities</b>	<b>(223)</b>	<b>20</b>
	<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>983</b>	<b>701</b>
Cash and cash equivalents at the Beginning of the Year		6,045	5,343
	<b>Cash and cash equivalents at the end of the financial year</b>	<b>7,028</b>	<b>6,044</b>
	17		
Financing arrangements	26	-	-
Restrictions on cash assets	22	-	-

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



## INTRODUCTION

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

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 is also provided:

- 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](http://www.yarriambiack.vic.gov.au)

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

### Note 1 Significant Accounting Policies

#### (a) Basis of Accounting

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

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

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 Council have been eliminated in full.

## Note 1 Significant Accounting Policies (continued)

### (b) Revenue Recognition

#### *Rates, grants and contributions*

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

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

A provision for doubtful debts in respect of uncollected rates and other amounts owing is made for amounts that are considered uncollectible.

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 the condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 4. The note also discloses the amount of unused grant or contributions from prior years that was expended on Council's operations during the current year.

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

#### *User charges, fees and fines*

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

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

#### *Sale of property, infrastructure, plant and equipment*

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

#### *Interest and rents*

Interest and rentals are recognised as revenue when the payment is due, the value of the payment is notified, the payment is received, or as interest accrues (refer Note 1 (i)) whichever first occurs.

### (c) 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 infrastructure 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.

**Note 1 Significant Accounting Policies (continued)**

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

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

	Depreciation Periods
Land	-
Tip Cells	4 to 10 years
Transfer Stations	30 years
Buildings	30 to 75 years
Heritage Buildings	50 years
Plant & Equipment	5 to 25 years
Motor Vehicles	1 to 15 years
Office Furniture & Equipment	3 to 15 years
Roads, Streets - Gravel Road Pavement/Resheets	10 to 14 years
- Sealed Road Pavement	60 years
- Sealed Road Final Seal	12 years
Footpath, Kerb & Channel	25 years
Bridges & Culverts	80 years
Main Drains	25 to 80 years

**(d) 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.

**(e) Borrowing Costs**

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

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

**(f) 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 been applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

**Note 1 Significant Accounting Policies (continued)**

	Threshold \$
Land	1,000
Land Under Roads	1,000
Pipeline Tanks	2,000
Dams and Bores	2,000
Tip Cells	2,000
Transfer Stations	5,000
Buildings	5,000
Heritage Buildings	5,000
Plant & Equipment	1,000
Office Furniture & Equipment	1,000
Roads, Streets – Earthworks All	5,000
- Gravel Road Pavement/Resheets	2,000
- Sealed Road Pavement	5,000
- Sealed Road Final Seal	2,000
Footpath, Kerb & Channel	2,000
Bridges & Culverts	5,000
Main Drains	5,000

*Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than tip cells, heritage buildings, plant and equipment and office furniture and equipment, are measured at their fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction. At balance date, 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.

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.

*Land under roads*

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

**(g) 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.

**(h) Other financial assets**

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

**(i) Investments**

Investments, other than investments in associates, are measured at cost. Interest revenues are recognised as they accrue.



## Note 1 Significant Accounting Policies (continued)

### (j) Accounting for Investments in Associates

Council's investment in associates is accounted for by the equity method as the Council has the ability to influence rather than control the operations of the entities. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in the Council's share of the net assets of the entities. Audited statements were not available at the time of preparing the Council's financial report.

The Council's share of the net assets is calculated on the same ratio as it contributes to the operating costs of the service. The annual contribution is included as an expense in the Income Statement.

### (k) Tender deposits

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited (refer note 24).

### (l) Employee Benefits

#### *Wages and Salaries*

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

#### *Annual Leave*

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date. Annual leave expected to be paid within 12 months is measured at nominal value based on the amount including appropriate oncosts, expected to be paid when settled.

Annual leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows

#### *Long Service Leave*

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

#### *Classification of employee benefits*

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

#### *Superannuation*

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

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



## Note 1 Significant Accounting Policies (continued)

### *Sick Leave gratuity*

A gratuity is provided to all employees who have accumulated 20 years of service with this Council or its immediate predecessors. The liability represents a set proportion of accumulated sick leave that is paid on resignation, retirement or retrenchment. At balance date, the liability is measured at the present value of estimated future cash flows to be made for this entitlement. Commonwealth bond rates are used for discounting future cash flows.

### (m) Leases

#### *Finance Leases*

Leases of assets where substantially all the risks and benefits incidental to ownership of the asset, but not the legal ownership, are transferred to the Council are classified as financial leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Leased assets are currently being amortised over a 1 to 5 year period.

#### *Operating leases*

Lease payments for operating leases are recognised as an expense in the years in which they are incurred as this reflects the pattern of benefits derived by the Council.

### (n) Allocation between Current and Non-Current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being the Council's operational cycle, or if the Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

### (o) Agreements equally proportionately unperformed

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

### (p) Web Site Costs

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

### (q) Goods and Services Tax

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.

### (r) 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 income statement.



**Note 1 Significant Accounting Policies (continued)**

**(s) Rounding**

Unless otherwise stated, amounts in the report have been rounded to the nearest thousand dollars.

**(t) Non-current asset held for sale**

A non-current asset held for sale is measured at the lower of its carrying amount and fair value less costs to sell.

**(u) Inventories**

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

**(v) 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 increases 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.

## Note 2 Pending Accounting Standards

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

AASB amendment	Standards affected	Outline of amendment	Application date of Standard	Application date for Council
AASB 2008-11	AASB 3 Business Combinations	Amends an earlier version of AASB 3 issued in July 2004. However before the mandatory application of this Standard the Australian Accounting Standards Board will consider the suitability of this Standard for combinations in the not for profit sector. This may result in further amendments to this Standard or additional scope exclusion. Consequently, it is not possible to assess the likely impact of this Standard on Council	01-Jul-09	01-Jul-09
AASB 2007-06	AASB 101 Presentation of Financial Statements	Amends an earlier version of AASB 101 issued in July 2006. This Standard introduces the concept of a "complete set of financial statements" and amends the title of some statements in the accounts. The other change of some relevance to Council relates to reporting owner changes in equity and comprehensive income. No significant impacts are expected to arise from this standard.	01-Jan-09	01-Jan-09
AASB 2007-08	AASB 123 Borrowing Costs	Amends an earlier version of AASB 123 issued in July 2004. This Standard requires borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset to be capitalised. Previously, entities had the option of expensing such costs. Subject to the existence of borrowings for the purpose of funding capital expenditure, this standard will require related borrowing costs to be capitalised rather than expensed. It is not expected that this will have a material impact on the reported financial performance or position of Council.	01-Jan-09	01-Jan-09
AASB 2008-05	AASB 127 Consolidated and Separate Financial Statements	Amends an earlier version of AASB 127 issued in July 2004. This standard makes various relatively minor changes. This Standard is not expected to have any impact on Council,	01-Jul-09	01-Jul-09
AASB 2008-1, AASB 2008-2, AASB 2008-3, AASB 2008-5, AASB 2008-6, AASB 2008-7	Various	These standards make revisions, which are generally minor, to a range of other accounting standards. It is not expected that these Standards will have any significant impact on Council.	01-Jan-09	01-Jan-09

### Note 3 Rates and Charges

Council uses capital improved value 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.

Rates	2008/2009	2007/2008
Number of Ratable Properties – General	3,726	3,735
Number of Ratable Properties – Rural	2,946	2,908
Total Capital Improved Value (CIV) – General	\$282,102,800	\$252,183,360
Total Capital Improved Value (CIV) – Rural	\$947,228,800	\$884,141,800
Rate (cents in the \$ CIV) – General	0.5932	0.6132
Rate (cents in the \$ CIV) – Rural	0.5042	0.5212
	<b>\$'000</b>	<b>\$'000</b>
Rate Declared	6,477	6,155
Supplementary Adjustments	(31)	14
<b>Total General Rate</b>	<b>6,446</b>	<b>6,169</b>

Charges	2008/2009	2007/2008
Number of Services – Residential	2,661	2,659
Number of Services – Commercial / Industrial	459	463
Number of Services – Rural	180	167
Number of Services – Recycling	2,835	2,805
Rate (\$ per Service Exc. GST) – 80Lt	\$80.85	\$77.00
Rate (\$ per Service Exc. GST) – 120Lt Residential	\$113.40	\$108.00
Rate (\$ per Service Exc. GST) – 120Lt Other	\$103.10	\$97.18
Rate (\$ per Service Exc. GST) – 240Lt Residential	\$242.55	\$231.00
Rate (\$ per Service Exc. GST) – 240Lt Other	\$220.50	\$210.00
Rate (\$ per Service Exc. GST) – Residential Recycling	\$73.50	\$70.00
Rate (\$ per Service Exc. GST) – Other Recycling	\$73.50	\$70.00
	<b>\$'000</b>	<b>\$'000</b>
Charges Declared	626	590
Supplementary Adjustments	(8)	14
<b>Total Garbage Charge</b>	<b>618</b>	<b>604</b>
<b>Total Rates &amp; Charges</b>	<b>7064</b>	<b>6,773</b>

#### General Revaluation for Rating Purposes

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

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



**Note 4 Government Grants & Reimbursements**

	2008/2009 \$'000	2007/2008 \$'000
<b>Operating Grants</b>		
General Revenue Grant	2,025	2,225
Grants Commission Local Roads Grant	2,952	1,547
Home and Community Care Grants	574	529
Valuation Grants	72	-
National Competition Grant	-	9
Kindergarten Grant	201	225
Community Transport and Youth Services Grants	143	123
Infant Welfare Grants	197	123
Recycling Reimbursements	19	128
Landcare Grants	-	5
Environmental Grants	15	-
Drought Grants	75	55
Other Recurrent Grants	76	175
<b>Total Operating Grants</b>	<b>6,349</b>	<b>5,144</b>
<b>Capital Grants</b>		
Local Road Grants	-	311
Federal Roads Grant	841	847
Federal Community Infrastructure Grant	444	-
Town Hall & Cultural Buildings Grants	63	-
Recreational Grants	405	412
Drought Relief Grants	-	50
Wimmera Pipeline Grant	173	128
Waste & Environment Grants	-	14
Emergency Management Grants	-	50
Other Capital Grants	4	28
<b>Total Capital Grants</b>	<b>1,930</b>	<b>1,840</b>
<b>Total Grants</b>	<b>8,279</b>	<b>6,984</b>

**Conditions over 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:

	2008/2009 \$'000	2007/2008 \$'000
State Community Development Grants	-	60
Community Building Initiative Grant	-	24
Federal Community Infrastructure Grant	400	-
Heritage Victoria	-	5
<b>Total</b>	<b>400</b>	<b>89</b>

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

	2008/2009 \$'000	2007/2008 \$'000
Heritage Victoria	5	-
Community Building Initiative Grant	24	-
State Community Development Grants	60	130
Federal Roads Grant	-	124
<b>Total</b>	<b>89</b>	<b>254</b>
<b>Net Increase (decrease) in restricted assets resulting from Grant revenues for the reporting period</b>	<b>311</b>	<b>(165)</b>



**Note 5 User charges, fees and fines**

	2008/2009 \$'000	2007/2008 \$'000
Vic Roads Charges	585	734
Home Help Brokerage Services	190	161
HACC Charges	168	148
Rents	46	36
Sale Yard Fees & Charges	75	65
Staff Sales	64	54
Town Planning & Building Fees & Charges	45	47
Caravan Park Fees	23	26
Tip Fees	36	41
Animal Control Fees & Fines	33	37
Private Works	25	37
Other Fees & Charges	136	106
<b>Total</b>	<b>1,426</b>	<b>1,492</b>

**Note 6 Contributions, donations and other reimbursements**

	2008/2009 \$'000	2007/2008 \$'000
<b>Operating</b>		
Workcover Reimbursements	50	75
Kindergartens	24	21
Private Use Vehicle Expenses	34	24
Finance Costs	-	4
Swimming Pool	1	5
Income Protection Insurance	42	6
Other	85	41
<b>Total Operating</b>	<b>236</b>	<b>176</b>
<b>Capital Contributions</b>		
Council Facilities	-	-
Community Facilities	116	119
<b>Total Capital</b>	<b>116</b>	<b>119</b>
<b>Total</b>	<b>352</b>	<b>295</b>

**Note 7 Other revenue**

	2008/2009 \$'000	2007/2008 \$'000
Interest on Investments	265	315
Interest on Rates	52	45
Miscellaneous	1	2
<b>Total</b>	<b>318</b>	<b>362</b>



**Note 8 Employee benefits**

	2008/2009 \$'000	2007/2008 \$'000
Wages & Salaries Paid	5,013	4,340
Councillor's Allowance	146	108
Increase(Decrease) in Employee Entitlements	183	107
Superannuation	418	417
Workcare Costs	170	128
Other Employee Costs	108	707
<b>Total Employee Costs</b>	<b>6,038</b>	<b>5,807</b>
Labour Used in Capital	616	589
<b>Total</b>	<b>5,422</b>	<b>5,218</b>

**Note 9 Materials and services**

	2008/2009 \$'000	2007/2008 \$'000
Transport Services Materials & Contractors	1,842	2,360
Waste & Environment Services	830	842
External Plant Hire	33	34
Consultants	232	206
Supply of Meals	173	153
Electricity	163	145
Office Computers & Equipment	69	113
Telephone	92	105
Land & Building Maintenance	416	109
Other Materials & Services	372	196
<b>Total</b>	<b>4,222</b>	<b>4,263</b>

**Note 10 Bad and doubtful debts**

	2008/2009 \$'000	2007/2008 \$'000
Rates	(18)	-
Other Debtors	6	-
<b>Total</b>	<b>(12)</b>	<b>-</b>

**Note 11 Depreciation and amortisation**

Depreciation expense for the year was charged in respect of:

	2008/2009 \$'000	2007/2008 \$'000
Buildings	451	453
Heritage Buildings	58	57
Plant & Equipment	526	620
Furniture & Equipment	142	82
Roads & Streets	3,392	2,807
Footpaths, Kerb & Channel	299	275
Bridges	32	22
Drainage	90	69
Aerodrome Runways	44	37
Tanks and Bores	12	8
Gravel Pits & Garbage Tips	32	32
<b>Total</b>	<b>5,078</b>	<b>4,462</b>



**Note 12 Contributions and Donations**

	2008/2009 \$'000	2007/2008 \$'000
<b>Operating</b>		
Regional Library	140	129
Sporting Reserves	88	106
Swimming Pools	119	96
Economic Development	46	57
Community Halls	21	16
State Emergency Service	30	30
Drought Relief	-	64
Other	114	155
<b>Total Operating</b>	<b>558</b>	<b>653</b>
<b>Capital</b>		
Sporting Facilities	13	209
Swimming Pools	70	374
Other Community Facilities	-	204
<b>Total Capital</b>	<b>83</b>	<b>787</b>
<b>Total</b>	<b>641</b>	<b>1,440</b>

**Note 13 Finance costs**

	2008/2009 \$'000	2007/2008 \$'000
<b>Interest on:</b>		
Borrowings	20	32
Overdrafts	1	1
	21	33
Less capitalised borrowing costs on qualifying assets	-	-
<b>Total</b>	<b>21</b>	<b>33</b>
Rate used to capitalise finance costs	-	-

**Note 14 Other expenses**

	2008/2009 \$'000	2007/2008 \$'000
Insurance	262	308
Hire & Rentals	11	49
Travelling Expenses	-	65
Printing & Stationery	57	39
Advertising	58	56
Postage	17	16
Audit	46	24
Legal Costs	19	8
Subscriptions	47	30
Water	63	-
Bank Fees & Charges	19	-
Miscellaneous	48	2
<b>Total</b>	<b>647</b>	<b>597</b>



## Note 15 Disposal of Property, Plant & Equipment

	2008/2009 \$'000	2007/2008 \$'000
<b>Proceeds From Asset Disposals</b>		
Land & Buildings	-	18
Plant & Equipment	224	170
Footpath Pavers	-	9
<b>Sub Total</b>	<b>224</b>	<b>197</b>
<b>Less: Carrying Amount of Assets Disposed</b>		
Land & Buildings	-	29
Plant & Equipment	238	163
Footpath Pavers	-	8
Roads & Streets	296	-
Footpaths	10	-
<b>Sub Total</b>	<b>544</b>	<b>200</b>
<b>Profit / (Loss) on Disposal</b>		
Land & Buildings	-	(11)
Plant & Equipment	(14)	7
Footpath Pavers	-	1
Roads & Streets	(296)	-
Footpaths	(10)	-
<b>Profit / (Loss) on Disposal</b>	<b>(320)</b>	<b>(3)</b>

## Note 16 Investments in Associates

	2008/2009 \$'000	2007/2008 \$'000
Investments in associates accounted for by the equity method are: Regional Library – refer Note 1(j)		
<i>Council's share of accumulated surplus (deficit)</i>		
Council's share of accumulated surplus (deficit) at start of year	69	122
Reported surplus (deficit) for year	17	(46)
Transfer (to) from reserves	1	(7)
<b>Council's share of accumulated surplus (deficit) at end of year</b>	<b>87</b>	<b>69</b>
<i>Council's share of reserves</i>		
Council's share of reserves at start of year	180	168
Transfers (to) from reserves	8	12
<b>Council's share of reserves at end of year</b>	<b>188</b>	<b>180</b>
<i>Movement in carry value of specific investment</i>		
Carrying value of investment at start of year	249	290
Share of surplus (deficit) for year	17	(46)
Share of asset revaluation	9	5
<b>Carrying value of investment at end of year</b>	<b>275</b>	<b>249</b>
Council's share of expenditure commitments		
Operating Commitments	229	284
<b>Total Investments in Associates</b>	<b>275</b>	<b>249</b>



## NOTES TO THE ACCOUNTS

### Note 17 Cash and Cash Equivalents

	2008/2009 \$'000	2007/2008 \$'000
Current		
Cash on Hand	2	2
Cash at Bank	2,599	1,526
Cash Investments – at call	234	251
Cash Investments up to 90 days		
- Bank Bills	594	588
- Term Deposits	3,599	3,678
<b>Total Cash Assets</b>	<b>7,028</b>	<b>6,045</b>

### Note 18 Trade and Other Receivables

	2008/2009 \$'000	2007/2008 \$'000
Current		
Rate Debtors	661	447
Less: Provision for Doubtful Debts	(117)	(135)
Grants	74	75
Advance to Gypsum Pit Owners	113	113
Other Debtors	302	362
Less: Provision for Doubtful Debts	(18)	(12)
<b>Total Current</b>	<b>1,015</b>	<b>850</b>
Non Current		
Advance to Gypsum Pit Owners	245	293
Other Debtors	14	17
<b>Total Non-Current</b>	<b>259</b>	<b>310</b>
<b>Total Debtors</b>	<b>1,274</b>	<b>1,160</b>

### Note 19 Inventories

	2008/2009 \$'000	2007/2008 \$'000
Inventories held for distribution	300	131
Inventories held for resale		
Cost of Acquisition	84	85
Capitalised Development Costs	-	10
<b>Total Inventories</b>	<b>384</b>	<b>226</b>

### Note 20 Other Assets

	2008/2009 \$'000	2007/2008 \$'000
Current		
Prepayments	187	167
Accrued Income	42	79
<b>Total Other Assets</b>	<b>229</b>	<b>246</b>



**Note 21 Property, Plant & Equipment & Infrastructure**

	2008/2009 \$'000	2007/2008 \$'000
<b>SUMMARY</b>		
- at cost	11,155	10,465
<u>Less:</u> Accumulated Depreciation	(3,619)	(3,484)
<b>Sub Total</b>	<b>7,536</b>	<b>6,981</b>
- at fair value at 30 June 2008	1,503	1,503
- at valuation at 30 June 2008	26,226	26,233
<u>Less:</u> Accumulated Depreciation	(12,659)	(11,938)
<b>Sub Total</b>	<b>15,070</b>	<b>15,798</b>
- at Council valuation at 30 June 2009	170,275	156,478
<u>Less:</u> Accumulated Depreciation	(81,700)	(72,809)
<b>Sub Total</b>	<b>88,575</b>	<b>83,669</b>
<b>Total Property, Plant &amp; Equipment, Infrastructure</b>	<b>111,181</b>	<b>106,448</b>
<b>Land</b>		
Freehold Land		
- at Independent Valuation on 30 June 2008 (a)	887	887
Controlled Crown Land		
- at Independent Valuation on 30 June 2008 (a)	616	616
<b>Total Land</b>	<b>1,503</b>	<b>1,503</b>
<b>Buildings</b>		
Buildings on Freehold Land		
- at Cost	353	249
- at valuation at 30 June 2008 (b)	16,692	16,699
<u>Less:</u> Accumulated Depreciation	(8,475)	(8,198)
Buildings on Controlled Crown Land		
- at Cost	176	150
- at valuation at 30 June 2008 (b)	9,534	9,534
<u>Less:</u> Accumulated Depreciation	(3,914)	(3,739)
<b>Total Buildings</b>	<b>14,366</b>	<b>14,695</b>

**Basis of Valuation**

- (a) Independent valuations were undertaken by Ian Wilson, AAPI. The basis of valuation is current market value for land and buildings and includes all other items regarded as part of the asset except for the runways attached to aerodromes which are included as infrastructure assets.
- (b) Independent valuations were undertaken by Ian Wilson, AAPI. The basis of valuation is based on estimated current replacement cost for buildings and includes all other items regarded as part of the asset and subsequently depreciated to reflect the assets current condition and life expectancy.



**Note 21 Property, Plant & Equipment & Infrastructure (continued)**

	2008/2009 \$'000	2007/2008 \$'000
<b>Heritage Buildings</b>		
Heritage Buildings on Freehold Land		
- at Cost	1,391	1,328
<u>Less: Accumulated Depreciation</u>	(255)	(200)
Heritage Buildings on Controlled Crown Land		
- at Cost	35	35
<u>Less: Accumulated Depreciation</u>	(15)	(12)
<b>Total Heritage Buildings</b>	<b>1,156</b>	<b>1,151</b>
<b>Plant &amp; Machinery</b>		
Plant & Equipment – at cost	7,218	6,910
<u>Less: Accumulated Depreciation</u>	(2,794)	(2,605)
<b>Total Plant &amp; Machinery</b>	<b>4,424</b>	<b>4,305</b>
<b>Office Equipment, Furniture &amp; Fittings</b>		
Plant & Equipment – at cost	1,061	997
<u>Less: Accumulated Depreciation</u>	(650)	(525)
<b>Total Office Equipment, Furniture &amp; Fittings</b>	<b>411</b>	<b>472</b>
<b>Roads &amp; Streets</b>		
- at cost (W.I.P)	34	25
- at Council's Valuation at 30 June 2009 (c)	145,682	-
- at Council's Valuation at 30 June 2008 (c)	-	135,603
<u>Less: Accumulated Depreciation</u>	(68,469)	(61,332)
<b>Total Roads &amp; Streets</b>	<b>77,247</b>	<b>74,296</b>
<b>Footpaths, Kerb &amp; Channel</b>		
- at Council's Valuation at 30 June 2009 (c)	13,091	-
- at Council's Valuation at 30 June 2008 (c)	-	12,295
<u>Less: Accumulated Depreciation</u>	(7,192)	(6,849)
<b>Total Roads &amp; Streets</b>	<b>5,899</b>	<b>5,446</b>
<b>Bridges</b>		
- at Council's Valuation at 30 June 2009 (c)	2,574	-
- at Council's Valuation at 30 June 2008 (c)	-	1,779
<u>Less: Accumulated Depreciation</u>	(1,273)	(872)
<b>Total Bridges</b>	<b>1,301</b>	<b>907</b>
<b>Drainage</b>		
- at Council's Valuation at 30 June 2009 (c)	6,595	-
- at Council's Valuation at 30 June 2008 (c)	-	4,843
<u>Less: Accumulated Depreciation</u>	(3,465)	(2,582)
<b>Total Drainage</b>	<b>3,130</b>	<b>2,261</b>
<b>Airport Runways</b>		
- at Council's Valuation at 30 June 2009 (c)	2,051	-
- at Council's Valuation at 30 June 2008 (c)	-	1,822
<u>Less: Accumulated Depreciation</u>	(1,279)	(1,159)
<b>Total Airport Runways</b>	<b>772</b>	<b>663</b>

**Note 21 Property, Plant & Equipment & Infrastructure (continued)**

	2008/2009 \$'000	2007/2008 \$'000
<b>Tanks &amp; Bores</b>		
Tanks & Bores – Cost	177	111
- at Council's Valuation at 30 June 2009 (c)	282	
- at Council's Valuation at 30 June 2008 (c)		136
<u>Less: Accumulated Depreciation</u>	(22)	(16)
<b>Total Tanks and Bores</b>	<b>437</b>	<b>231</b>
<b>Gravel Pits &amp; Garbage Tips</b>		
Gravel Pits – Cost	107	107
<u>Less: Accumulated Depreciation</u>	(24)	(19)
Tip Structures – Cost	71	71
<u>Less: Accumulated Depreciation</u>	(55)	(51)
Transfer Stations – Cost	532	482
<u>Less: Accumulated Depreciation</u>	(96)	(72)
<b>Total Gravel Pits &amp; Garbage Tips</b>	<b>535</b>	<b>518</b>

**Basis of Valuation**

- (c) The valuations were undertaken by the Council's Engineer, James Magee, Bachelor of Civil Engineering. The basis of valuation is based on estimated replacement cost and subsequently depreciated to reflect the assets current condition and life expectancy.

**Reconciliation of Property, Plant & Equipment & Infrastructure**

	Balance at beginning of financial year \$'000	Acquisition of Assets \$'000	Depreciation and Amortisation \$'000	WDV of Disposals & Transfers \$'000	Revaluation Increment/Decrement \$'000	Balance at end of financial Year \$'000
<b>2008/2009</b>						
Land	1,503	-	-	-	-	1,503
Buildings	14,695	122	(451)	-	-	14,366
Heritage Buildings	1,151	63	(58)	-	-	1,156
<b>Total Land &amp; Buildings</b>	<b>17,349</b>	<b>185</b>	<b>(509)</b>	<b>-</b>	<b>-</b>	<b>17,025</b>
Plant & Machinery	4,305	883	(526)	(238)	-	4,424
Office Equipment	472	81	(142)	-	-	411
<b>Total Plant &amp; Equipment</b>	<b>4,777</b>	<b>964</b>	<b>(668)</b>	<b>(238)</b>	<b>-</b>	<b>4,835</b>
Roads and Streets	74,297	3,150	(3,392)	(296)	3,488	77,247
Footpath, Kerb and Channel	5,446	272	(299)	(10)	490	5,899
Bridges	907	4	(32)	-	422	1,301
Drainage	2,261	10	(90)	-	949	3,130
Airport Runways	663	-	(44)	-	153	772
Tanks and Bores	230	177	(12)	-	42	437
Gravel Pits & Garbage Tips	518	49	(32)	-	-	535
<b>Total Infrastructure</b>	<b>84,322</b>	<b>3,662</b>	<b>(3,901)</b>	<b>(306)</b>	<b>5,544</b>	<b>89,321</b>
<b>Total Property, Plant &amp; Equipment &amp; Infrastructure</b>	<b>106,448</b>	<b>4,811</b>	<b>(5,078)</b>	<b>(544)</b>	<b>5,544</b>	<b>111,181</b>



**Note 21 Property, Plant & Equipment & Infrastructure (continued)**

**Reconciliation of Property, Plant & Equipment & Infrastructure**

	Balance at beginning of financial year \$'000	Acquisition of Assets \$'000	Depreciation and Amortisation \$'000	WDV of Disposals & Transfers \$'000	Revaluation Increment/Decrement \$'000	Balance at end of financial Year \$'000
<b>2007/2008</b>						
Land	1,503	-	-	-	-	1,503
Buildings	14,850	298	(453)	-	-	14,695
Heritage Buildings	1,154	54	(57)	-	-	1,151
<b>Total Land &amp; Buildings</b>	<b>17,507</b>	<b>352</b>	<b>(510)</b>	<b>-</b>	<b>-</b>	<b>17,349</b>
Plant & Machinery	4,251	855	(620)	(181)	-	4,305
Office Equipment	204	351	(82)	(1)	-	472
<b>Total Plant &amp; Equipment</b>	<b>4,455</b>	<b>1,206</b>	<b>(702)</b>	<b>(182)</b>	<b>-</b>	<b>4,777</b>
Roads and Streets	69,147	2,860	(2,993)	-	5,283	74,297
Footpath, Kerb and Channel	4,934	295	(275)	-	492	5,446
Bridges	850	-	(22)	-	79	907
Drainage	2,161	-	(69)	-	169	2,261
Airport Runways	612	-	(37)	-	88	663
Tanks and Bores	129	111	(8)	-	-	230
Gravel Pits & Garbage Tips	455	94	(32)	-	-	518
<b>Total Infrastructure</b>	<b>78,288</b>	<b>3,360</b>	<b>(3,436)</b>	<b>-</b>	<b>6,111</b>	<b>84,322</b>
<b>Total Property, Plant &amp; Equipment &amp; Infrastructure</b>	<b>100,250</b>	<b>4,918</b>	<b>(4,648)</b>	<b>(182)</b>	<b>6,111</b>	<b>106,448</b>

**Note 22 Restricted Assets**

Assets, which have restrictions externally imposed on their use by law or regulation and which are included in Council's assets.

	2008/2009 \$'000	2007/2008 \$'000
Restricted assets with offsetting liabilities		
Long Service Leave – Investments (a)	828	778
Trust Funds & Refundable Deposits (a)	109	47
<b>Sub Total</b>	<b>937</b>	<b>825</b>
Restricted assets forming part of Equity		
Unexpended Specific Purpose Grants (b)	400	436
Land & Buildings (c)	6,412	6,561
Heritage Assets (d)	1,156	1,151
Infrastructure Assets (d)	89,321	84,322
<b>Sub Total</b>	<b>97,289</b>	<b>92,470</b>
<b>Total</b>	<b>98,226</b>	<b>93,295</b>

- (a) Imposed by regulation
- (b) Government Grants not fully expended
- (c) Crown Land
- (d) No commercial market



**Note 23 Trade and Other Payables**

	2008/2009 \$'000	2007/2008 \$'000
Current		
Creditors	794	1,588
Tax Liabilities	11	11
Accruals	173	76
<b>Total</b>	<b>978</b>	<b>1,675</b>

**Note 24 Trust Funds and Deposits**

Amounts received as tender deposits and retention amounts.

	2008/2009 \$'000	2007/2008 \$'000
Contractors Retention Amount	32	42
Vic Roads	66	-
Building Deposits	10	5
Other	1	
<b>Total</b>	<b>109</b>	<b>47</b>

**Note 25 Provisions**

	2008/2009 \$'000	2007/2008 \$'000
Current		
Annual Leave	679	627
Long Service Leave – Short Term (a)	125	44
Long Service Leave – Longer Term (b)	768	754
Retiring Gratuity	56	48
Other Employee Benefits	26	29
Gravel Pit Reinstatement	85	66
Garbage Pit Reinstatement	35	44
<b>Sub Total</b>	<b>1,774</b>	<b>1,612</b>
Non Current		
Long Service Leave (b)	146	115
Retiring Gratuity	19	19
Gravel Pit Reinstatement (c)	107	107
Garbage Pit Reinstatement	16	13
<b>Sub Total</b>	<b>288</b>	<b>254</b>
<b>Total</b>	<b>2,062</b>	<b>1,866</b>
The following assumptions were adopted in measuring the present value of annual leave, long service leave and retiring gratuity:		
Weighted average employee costs	4.45%	4.75%
Weighted average discount rates	5.48%	6.54%
Weighted average settlement period	12	12

(a) Current Annual Leave and Long Service Leave

Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value	125	44
Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value	768	754
<b>Total</b>	<b>893</b>	<b>798</b>



**Note 25 Provisions (continued)**

(b) Non Current Long Service Leave

Long Service Leave representing less than 10 years of continuous services measured at present value 146 115

(c) Gravel Pit Reinstatement

A provision is created upon the extraction of gravel from private land for its re-instatement on an ongoing basis and at the end of the pits life. An assessment of the re-instatement works required for each pit is calculated against the balance of the provision at the end of the financial period. Where necessary the balance is adjusted.

	Balance at beginning of financial year \$'000	Additional provisions \$'000	Provisions Used \$'000	Balance at end of financial year \$'000
<b>2008/2009</b>				
Annual Leave	627	357	(305)	679
Long Service Leave	913	177	(51)	1,039
Retiring Gratuity	67	23	(15)	75
Other Employee Benefits	29	26	(29)	26
Gravel Pit Reinstatement	173	58	(39)	192
Garbage Tip Reinstatement	57	-	(6)	51
<b>Total Provisions</b>	<b>1,866</b>	<b>641</b>	<b>(445)</b>	<b>2,062</b>
<b>2007/2008</b>				
Annual Leave	581	428	(382)	627
Long Service Leave	870	118	(75)	913
Retiring Gratuity	69	5	(7)	67
Other Employee Benefits	196	29	(196)	29
Gravel Pit Reinstatement	162	91	(80)	173
Garbage Tip Reinstatement	64	-	(7)	57
<b>Total Provisions</b>	<b>1,942</b>	<b>671</b>	<b>(747)</b>	<b>1,866</b>



**Note 26 Interest Bearing Loans and Borrowings**

	2008/2009 \$'000	2007/2008 \$'000
<b>Borrowings</b>		
Current		
Borrowings – Secured	82	165
<b>Total Current</b>	<b>82</b>	<b>165</b>
Non-Current		
Borrowings – Secured	112	195
<b>Total Non-Current</b>	<b>112</b>	<b>195</b>
<b>Total</b>	<b>194</b>	<b>360</b>
The maturity profile for Council's borrowings is:		
Not later than one year	82	165
Later than one year and not later than five years	112	195
<b>Total Borrowings Liabilities</b>	<b>194</b>	<b>360</b>
<b>Finance Lease</b>		
Council had the following obligation under finance lease for the lease of computer equipment (the sum of which is recognised as a liability)		
Current		
Finance Lease	58	58
<b>Total Current</b>	<b>58</b>	<b>58</b>
Non-Current		
Finance Lease	153	211
<b>Total Non-Current</b>	<b>153</b>	<b>211</b>
<b>Total</b>	<b>211</b>	<b>269</b>
The maturity profile for Council's finance lease is:		
Not later than one year	58	58
Later than one year and not later than five years	153	211
<b>Total Finance Lease Liabilities</b>	<b>211</b>	<b>269</b>
Aggregate carrying amount of interest-bearing loans and borrowings:		
Current	140	223
Non Current	265	406
<b>Total</b>	<b>405</b>	<b>629</b>
<b>Financing Arrangements</b>		
Bank Overdraft Limit	1,200	1,200
Bank Guarantee Facility	107	107
Borrowing Facility	196	360
<b>Total</b>	<b>1,503</b>	<b>1,667</b>

**Note 27 Reserves**

	Balance 2008	Increment/ (Decrement)	Balance 2009
	\$'000	\$'000	\$'000
<b>2009</b>			
<b>Revaluation Reserves</b>			
Land	1,116	-	1,116
Buildings	11,453	-	11,453
Roads & Streets	29,664	3,488	33,152
Footpath, Kerb and Channel	2,468	490	2,958
Bridges	441	422	863
Drains	1,117	949	2,066
Airport Runways	347	153	500
Bores & Tanks	58	42	100
<b>Sub Total</b>	<b>46,664</b>	<b>5,544</b>	<b>52,208</b>
<b>General Reserves</b>			
Aerodrome Maintenance	15	-	15
<b>Sub Total</b>	<b>15</b>	<b>-</b>	<b>15</b>
<b>Total</b>	<b>46,679</b>	<b>5,544</b>	<b>52,223</b>

	Balance 2007	Increment/ (Decrement)	Balance 2008
	\$'000	\$'000	\$'000
<b>2008</b>			
<b>Revaluation Reserves</b>			
Land	1,116	-	1,116
Buildings	11,453	-	11,453
Roads & Streets	24,381	5,283	29,664
Footpath, Kerb and Channel	1,976	492	2,468
Bridges	362	79	441
Drains	948	169	1,117
Airport Runways	259	88	347
Bores & Tanks	58	-	58
<b>Sub Total</b>	<b>40,553</b>	<b>6,111</b>	<b>46,664</b>
<b>General Reserves</b>			
Aerodrome Maintenance	15	-	15
<b>Sub Total</b>	<b>15</b>	<b>-</b>	<b>15</b>
<b>Total</b>	<b>40,568</b>	<b>6,111</b>	<b>46,679</b>



**Note 28 Reconciliation of Cash Flows from Operating Activities to Surplus (Deficit)**

	2008/2009 \$'000	2007/2008 \$'000
Surplus (Deficit) for the period	1,113	(143)
Depreciation	5,078	4,462
<u>Capital / Financing Related Items</u>		
Change in Investment in Library	(25)	33
Loss / (Profit) on Sale of Property, Plant & Equipment	320	3
Increase/(Decrease) Gypsum Pit Owners balance	(48)	(77)
Change in Capital Creditors	(479)	(768)
<u>Change in Assets &amp; Liabilities</u>		
(Increase)/Decrease in Receivables	114	15
Increase/(Decrease) in Employee Benefits	183	(80)
(Increase)/Decrease in Inventories	168	73
(Increase)/Decrease in Other Assets	(17)	(84)
Increase/(Decrease) in Payables & Other Liabilities	(662)	955
<b>Net Cash Provided by / (Used in) Operating Activities</b>	<b>5,745</b>	<b>4,389</b>
<b>The reconciliation of cash and cash equivalents is as follows:</b>		
Cash and cash equivalents (see Note 17)	7,028	6,045

**Note 29 Operating Lease Commitments**

At the reporting date, the Council had the following obligations under non-cancellable operating leases (these obligations are not recognised as liabilities).

	2008/2009 \$'000	2007/2008 \$'000
Motor Vehicles	253	18
<b>Total</b>	<b>253</b>	<b>18</b>
These expenditures are due for payment:		
Not later than one year	111	18
Later than one year and not later than five years	142	-
<b>Total</b>	<b>253</b>	<b>18</b>

**Note 30 Other Commitments**

At the reporting date, the Council had entered into contracts for the following capital and other expenditure, which have not been recognised as liabilities in the balance sheet as follows:

	2008/2009 \$'000	2007/2008 \$'000
<b>Operating</b>		
Kerbside Garbage Collection	680	485
Kerbside Recycling Collection	669	525
Valuation Contract	313	372
Murtoa Swimming Pool Upgrade	-	242
<b>Total</b>	<b>1,662</b>	<b>1,624</b>
These expenditures are due for payment:		
Not later than one year	493	681
Later than one year and not later than five years	1,169	943
<b>Total</b>	<b>1,662</b>	<b>1,624</b>



## Note 31 Superannuation

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

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (9% required under Superannuation Guarantee Legislation). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

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

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

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

Fund surplus or deficit (ie the difference between fund assets and liabilities) are calculated differently for funding purposes (ie calculating required contributions) and for the calculation of accrued benefits as required in AAS 25 to provide the values needed for the AASB 119 disclosure in a council's financial statements. AAS 25 requires that the present value of the benefit liability which is calculated in respect of membership completed at the calculation date makes no allowance for future benefits that may accrue. The actuarial investigation concluded that although the Net Market Value of Assets was in excess of Accrued Benefits at 31 December 2008, based on the assumptions adopted, there was a shortfall of \$71 million when the funding of future benefits was also considered. However, the Council has been advised that no additional contributions will be required as at 30 June 2009. The Actuary will undertake the next actuarial investigation as at 30 June 2010 to ascertain if additional contributions are required.

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

	31 December 2008 \$'000
Net Market Value of Assets	3,630,432
Accrued Benefits	3,616,422
Difference between Assets and Accrued Benefits	14,010
Vested Benefits (minimum sum which must be paid to members when they leave the fund)	3,561,588

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

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



### Note 31 Superannuation (continued)

Details of contributions to superannuation funds during the year and contributions payable at 30 June are as follows:

	2008/2009 \$'000	2007/2008 \$'000
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	415	417
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	-	-

Council has an ongoing obligation to share in the future experience of the Fund. Favourable or unfavourable variations may arise should the experience of the Fund differ from the assumptions made by the Fund's actuary in estimating the Fund's accrued benefit liability.

### Note 32 Auditors' Remuneration

	2008/2009 \$'000	2007/2008 \$'000
External audit fees – Victorian Auditor General	31	24
Internal audit fees – AFS & Associates	14	9
<b>Total</b>	<b>45</b>	<b>33</b>

### Note 33 Events occurring after the Balance Date

At the date of this report the Council is not aware of any activities giving rise to an event occurring after the balance date.

### Note 34 Contingent Assets & Contingent Liabilities

At the date of this report the Council is not aware of any activities giving rise to a contingent asset or a contingent liability.

**Note 35 Financial Instruments**

**(a) Accounting Policy, Terms & Conditions**

Financial Instruments	Notes	Accounting Policy	Terms and Conditions
<b>Financial Assets</b>			
Cash and cash equivalents	17	Cash on hand and at bank and money market call account are valued at face value.	Cash funds are at call and have an average interest rate of 2.4% (6.67% in 2007/2008).
		Investments and bills are valued at cost.	Funds returned fixed interest rate of between 3.22% (7.69% in 2007/2008), and 7.40% (7.76% in 2007/2008) net of fees.
		Investments are held to maximise interest returns of surplus cash.	
		Interest revenue is recognised as it accrues.	
Trade and other receivables	18	Trade and other receivables, are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable. Collectability of overdue amounts is assessed on an ongoing basis	General debtors are unsecured. Credit terms are based on 30 days. There has been a decrease in doubtful debts of 8.8% (7.4% in 2007/2008)
<b>Financial Liabilities</b>			
Bank Overdraft	N/A	The Council has a \$1,200,000 bank overdraft facility, which is used, in part, from time to time. The balance owing at 30/06/2009 was nil.	Interest is charged at the bank's benchmark rate. The bank overdraft is secured by a charge over the rates of the Council.
Trade and other payables	23	Trade Creditors are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.	General Creditors are unsecured, not subject to interest charges and are normally settled on 30 days.
Interest-bearing loans and borrowings.	26	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 recognized as part payables.	Borrowings are secured by way of mortgage over the general rates of the Council. The weighted average interest rate on borrowings is 6.51% during 2008/2009 (6.42% in 2007/2008)

**Note 35 Financial Instruments (continued)**

**(b) Interest rate risk**

The Council's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognized and unrecognized at balance date, are as follows: -

Financial Instruments	Floating Interest Rate \$'000	Fixed Interest Rate Maturing in:			Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	Non-Interest Bearing \$'000	
<b>2009</b>					
<i>(i) Financial Assets</i>					
Cash and cash equivalents	2,833	4,193	-	2	7,028
Trade and other receivables		-	-	1,274	1,274
Accrued Income		22	-	20	42
<b>Total Financial Assets</b>	<b>2,833</b>	<b>4,215</b>	<b>-</b>	<b>1,296</b>	<b>8,344</b>
<b>Weighted Average Interest Rate</b>	<b>2.47%</b>	<b>3.84%</b>	<b>-</b>	<b>-</b>	
<i>(ii) Financial Liabilities</i>					
Trade and other payables	-	-	-	978	978
Interest – bearing loans and Borrowings	-	84	112	211	407
<b>Total Financial Liabilities</b>	<b>-</b>	<b>84</b>	<b>112</b>	<b>1,189</b>	<b>1,385</b>
<b>Weighted Average Interest Rate</b>	<b>n/a</b>	<b>6.51%</b>	<b>6.51%</b>	<b>-</b>	
<b>Net Financial Assets (Liabilities)</b>	<b>2,833</b>	<b>4,131</b>	<b>(112)</b>	<b>107</b>	<b>6,959</b>

Financial Instruments	Floating Interest Rate \$'000	Fixed Interest Rate Maturing in:			Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	Non-Interest Bearing \$'000	
<b>2008</b>					
<i>(i) Financial Assets</i>					
Cash and cash equivalents	1,777	4,266	-	2	6,045
Trade and other receivables	-	120	-	1,039	1,159
Accrued Income	-	52	-	27	79
<b>Total Financial Assets</b>	<b>1,777</b>	<b>4,438</b>	<b>-</b>	<b>1,068</b>	<b>7,283</b>
<b>Weighted Average Interest Rate</b>	<b>6.67%</b>	<b>8.12%</b>	<b>-</b>	<b>-</b>	
<i>(ii) Financial Liabilities</i>					
Trade and other payables	-	-	-	1,675	1,675
Interest – bearing loans and Borrowings	-	165	196	268	629
<b>Total Financial Liabilities</b>	<b>-</b>	<b>165</b>	<b>196</b>	<b>1,943</b>	<b>2,304</b>
<b>Weighted Average Interest Rate</b>	<b>n/a</b>	<b>6.42%</b>	<b>6.50%</b>	<b>-</b>	
<b>Net Financial Assets (Liabilities)</b>	<b>1,777</b>	<b>4,273</b>	<b>(196)</b>	<b>(875)</b>	<b>4,979</b>



**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	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>Financial Assets</b>				
Cash and cash equivalents	7,028	6,045	7,028	6,045
Trade and other receivables	1,274	1,159	1,274	1,159
Accrued Income	74	79	74	79
<b>Total Financial Assets</b>	<b>8,376</b>	<b>7,283</b>	<b>8,376</b>	<b>7,283</b>
<b>Financial Liabilities</b>				
Trade and other payables	978	1,675	978	1,675
Interest – bearing loans and borrowings	407	629	407	629
<b>Total Financial Liabilities</b>	<b>1,385</b>	<b>2,304</b>	<b>1,385</b>	<b>2,304</b>

**d) Credit risk**

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

**e) Risks and mitigation**

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

*Market risk*

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

*Interest rate risk*

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominately short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which expose us to fair value interest rate risk.

Our loan borrowings are sourced from major Australian banks. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of finding;
- 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 net debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Australia Loan Council 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,
- adequate safety,



**Note 35 Financial Instruments (continued)**

- 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 all financial assets included in our balance sheet. To help manage this risk:

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

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 Victoria 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.

**Movement in provisions for Doubtful Debts**

	2009 \$'000	2008 \$'000
Balance at the beginning of the year	147	158
New Provisions recognised during the year	18	12
Amounts already provided for and written off as uncollectable	(12)	-
Amounts provided for but recovered during the year	(18)	(23)
<b>Balance at end of year</b>	<b>135</b>	<b>147</b>

**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:

	2009 \$'000	2008 \$'000
Current (not yet due)	247	310
Past due by up to 30 days	30	-
Past due between 31 and 60 days	5	38
Past due between 60 and 90 days	1	31
Past due between 90 and 180 days	49	-
<b>Total Trade &amp; Other Receivables</b>	<b>332</b>	<b>379</b>

**Note 35 Financial Instruments (continued)***Liquidity Risk*

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

- we have readily accessible standby facilities and other funding arrangements in place; and
- monitor budget to actual performance on a regular basis.

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

2009	6mths or less \$'000	6-12 mths \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	978	-	-	-	-	978	978
Trust funds and deposits	99	10	-	-	-	109	109
Interest-bearing loans and borrowings	71	71	126	139	-	407	407
<b>Total financial liabilities</b>	<b>1,148</b>	<b>81</b>	<b>126</b>	<b>139</b>	-	<b>1,494</b>	<b>1,494</b>

2008	6mths or less \$'000	6-12 mths \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	1,675	-	-	-	-	1,675	1,675
Trust funds and deposits	42	5	-	-	-	47	47
Interest-bearing loans and borrowings	111	111	142	265	-	629	629
<b>Total financial liabilities</b>	<b>1,828</b>	<b>116</b>	<b>142</b>	<b>265</b>	-	<b>2,351</b>	<b>2,351</b>

**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 sources from the Reserve Bank of Australia):

- A parallel shift of +2% and -1% in market interest rates (AUD) from year-end rates of 7%

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

2009	Carrying amount subject to interest	Interest rate risk			
		-1% 100 basis points		2% 200 basis points	
		Profit	Equity	Profit	Equity
<b>Financial Assets:</b>					
Cash and cash equivalents	7,028	(70)	(70)	141	141
Other financial assets	229	(2)	(2)	5	5
Trade and other receivables	1,274	(13)	(13)	26	26
<b>Financial Liabilities</b>					
Interest-bearing loans and borrowings	407	(4)	(4)	8	8

2008	Carrying amount subject to interest	Interest rate risk			
		-1% 100 basis points		2% 200 basis points	
		Profit	Equity	Profit	Equity
<b>Financial Assets:</b>					
Cash and cash equivalents	6,045	(60)	(60)	121	121
Other financial assets	246	(2)	(2)	5	5
Trade and other receivables	1,159	(12)	(12)	23	23
<b>Financial Liabilities</b>					
Interest-bearing loans and borrowings	629	(6)	(6)	13	13

**Note 36 Related Party Transactions**

- (a) The Responsible Persons holding office at Yarriambiack Shire Council during the reporting period were:

<b>Councillors:</b>	Helen Anne McCulloch BALLENTINE (Mayor from December 2008)
	Geoffrey William LOVEL
	Jean Margaret WISE
	Andrew Robert McLEAN
	Kylie Louise ZANKER (Elected November 2008)
	Ray KINGSTON (Elected November 2008)
	John KEMFERT (Elected November 2008)
	Allan Stanley AVERY (Retired November 2008)
	Amanda Margaret Anne GREASY (Retired November 2008)
	Nicholas Vaughan McINTYRE (Retired November 2008)
<b>Chief Executive Officer:</b>	Ray CAMPLING

- (b) *Remuneration of Responsible Persons*

	2008/2009 No.	2007/2008 No.
Annualised remuneration of responsible persons were within the following bands:		
\$1 – \$9,999	3	-
\$10,000 – \$19,999	5	6
\$20,000 – \$29,999	1	-
\$30,000 – \$39,999	-	1
\$40,000 – \$49,999	1	-
\$160,000 – \$169,999	1	1
<b>Total</b>	<b>11</b>	<b>8</b>
	2008/2009 \$'000	2007/2008 \$'000
Total remuneration for the reporting year for responsible persons included above, amounted to:	318	273

- (c) Council paid no retirement benefits in connection with the retirement of Responsible Persons of the Council.
- (d) No loans have been made, guaranteed or secured by the Council to Responsible Persons during the reporting year (2007/2008 – Nil).
- (e) *Other Transactions*  
Transactions other than remuneration payments or the reimbursement of approved expenses entered in to by Council with Responsible Persons or related Parties of such Responsible Persons, during the reporting year 2008/09 amounted to \$25,339.56 (2007/08 \$125,502).
- (f) *Senior Officers Remuneration*  
A Senior Officer other than a Responsible Person is an officer of Council who has management responsibility and reports directly to the Chief Executive Officer or whose total annual remuneration exceeds \$100,000.

The number of senior officers other than the Responsible Persons is shown below in their relevant income bands.

	2008/2009 No.	2007/2008 No.
\$80,000 – \$89,999	1	3
\$90,000 – \$99,999	2	1
\$100,000 – \$109,999	-	2
\$110,000 – \$119,999	1	-
<b>Total</b>	<b>4</b>	<b>6</b>
	2007/2008 \$'000	2007/2008 \$'000
Total remuneration for the reporting period for responsible persons included above, amounted to:	393	408



**Note 37 Revenue, Expenses and Assets by Function / Activity**

	Total	Corporate Services	Community Services	Future Development	Community Facilities	Transport	Waste & Environment
<b>2009</b>							
<b>Income</b>							
Rates	7,064	6,446	-	-	-	-	618
Grants & Reimbursement	8,279	5,049	1,384	532	419	876	19
Other	2,320	401	577	113	192	951	86
<b>Total Income</b>	<b>17,663</b>	<b>11,896</b>	<b>1,961</b>	<b>645</b>	<b>611</b>	<b>1,827</b>	<b>723</b>
<b>Expenses</b>							
Employee Costs	5,422	1,169	1,529	223	85	1,922	494
Depreciation	5,078	190	153	38	222	4,440	35
Other	6,038	974	710	336	985	2,018	1,015
<b>Total Expenses</b>	<b>16,538</b>	<b>2,333</b>	<b>2,392</b>	<b>597</b>	<b>1,292</b>	<b>8,380</b>	<b>1,544</b>
<b>Surplus (Deficit) for the year</b>	<b>1,125</b>	<b>9,563</b>	<b>(431)</b>	<b>48</b>	<b>(681)</b>	<b>(6,553)</b>	<b>(821)</b>
<b>Assets attributed to Functions / Activities</b>	<b>120,371</b>	<b>10,589</b>	<b>4,812</b>	<b>1,369</b>	<b>8,119</b>	<b>94,771</b>	<b>711</b>
	Total	Corporate Services	Community Services	Future Development	Community Facilities	Transport	Waste & Environment
<b>2008</b>							
<b>Income</b>							
Rates	6,773	6,156	-	-	-	-	617
Grants & Reimbursement	6,984	3,784	1,284	166	445	1,172	133
Other	2,149	482	501	86	218	820	42
<b>Total Income</b>	<b>15,906</b>	<b>10,422</b>	<b>1,785</b>	<b>252</b>	<b>663</b>	<b>1,992</b>	<b>792</b>
<b>Expenses</b>							
Employee Costs	5,218	1,436	1,556	401	108	1,602	115
Depreciation	4,462	138	139	34	260	3,861	30
Other	6,369	1,046	654	335	1,494	1,967	873
<b>Total Expenses</b>	<b>16,049</b>	<b>2,620</b>	<b>2,349</b>	<b>770</b>	<b>1,862</b>	<b>7,430</b>	<b>1,018</b>
<b>Surplus (Deficit) for the year</b>	<b>(143)</b>	<b>7,802</b>	<b>(564)</b>	<b>(518)</b>	<b>(1,199)</b>	<b>(5,438)</b>	<b>(226)</b>
<b>Assets attributed to Functions / Activities</b>	<b>114,386</b>	<b>9,670</b>	<b>4,923</b>	<b>1,301</b>	<b>7,962</b>	<b>89,885</b>	<b>623</b>

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



**Note 37 Revenue, Expenses and Assets by Function / Activity (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 operation 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, Weighbridges and Quarries.

**WASTE AND ENVIRONMENT**

Rubbish Collection, Recycling and Disposal and Tree Schemes.

**Note 38 Financial Ratios**

	2008/2009		2007/2008		2006/2007	
(1) Debt Exposure Ratio	\$	%	\$	%	%	%
(To identify Council's exposure to debt)						
<i>Total indebtedness</i>						
<i>Total realisable assets</i>	<u>2,618</u>	11.55	<u>3,392</u>	11.29	<u>2,595</u>	12.87
	22,673		30,042		20,163	

Total realisable assets includes current and non-current assets but excludes infrastructure assets.



**Note 38 Financial Ratios (continued)**

	2008/2009		2007/2008		2006/2007	
	\$	%	\$	%	\$	%
<b>(2) Working Capital Ratio</b>						
(To assess a Council's ability to meet current commitments)						
$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	$\frac{8,657}{3,004}$	2.88	$\frac{7,536}{3,557}$	2.12	$\frac{6,610}{2,697}$	2.45
<b>(3) Adjusted Working Capital Ratio</b>						
(To assess a Council's ability to meet current commitments)						
$\frac{\text{Current Assets}}{\text{Current Liabilities}}$						
Current Liabilities have been reduced to reflect the long service liability 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 even though it is unlikely to fall due within 12 months after the end of the period.	$\frac{8,657}{2,111}$	4.10	$\frac{7,536}{3,054}$	2.46	$\frac{6,610}{2,127}$	3.11
<b>(4) Debt Commitment Ratio</b>						
(To identify Council's debt redemption strategy)						
$\frac{\text{Debt Servicing \& Redemption}}{\text{Rate Revenue}}$	$\frac{243}{7,064}$	3.43%	$\frac{13}{6,773}$	0.19%	$\frac{289}{6,316}$	4.58%
The strategy involves the payment of loan principal and interest, finance lease principal and interest.						
<b>(5) Debt Servicing Ratio</b>						
(To identify Council's capacity to service its outstanding debt)						
$\frac{\text{Debt Servicing Costs}}{\text{Total Revenue}}$	$\frac{-21}{-17,439}$	0.12%	$\frac{-33}{-15,906}$	0.21%	$\frac{-28}{-15,778}$	0.18%
Debt servicing costs refer to the payment of interest on loan borrowings, finance lease interest and bank overdraft.						
<b>(6) Revenue Ratio</b>						
(To identify Council's dependence on non-rate income)	$\frac{7,064}{17,439}$	40.51%	$\frac{6,773}{15,906}$	42.58%	$\frac{6,316}{15,778}$	40.03%
$\frac{\text{Rate Revenue}}{\text{Total Revenue}}$						



## Note 39 Capital Expenditure

### Capital expenditure areas

	Note	2008/2009 \$'000	2007/2008 \$'000
Land		-	-
Buildings		122	298
Heritage Buildings		63	54
Plant & Machinery		883	855
Office Equipment		81	351
Roads and Streets		3,150	2860
Footpath, Kerb and Channel		272	295
Bridges		4	-
Drainage		10	-
Airport Runways		-	-
Tanks and Bores		177	110
Gravel Pits and Garbage Tips		49	95
<b>Total capital works</b>		<b>4,811</b>	<b>4,918</b>
Represented by:			
Renewal	(a)	3,146	2,227
Upgrade	(b)	1,665	2,691
Expansion	(c)	-	-
<b>Total capital works</b>		<b>4,811</b>	<b>4,918</b>

### 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:

	Note	2008/2009 \$'000	2007/2008 \$'000
Total capital works		4,811	4,918
Asset revaluation movement	27	5,544	6,110
Depreciation / Amortisation	11	(5,078)	(4,648)
Written down value of assets sold	15	(544)	(182)
<b>Net movement in property, plant and equipment, infrastructure</b>	<b>21</b>	<b>4,733</b>	<b>6,198</b>

#### (a) Renewal

Expenditure on 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.



## Note 39 Capital Expenditure (continued)

**(b) Upgrade**

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

**(c) Expansion**

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.

## Note 40 Special Committees and other activities

Committee	Purpose
<b>Section 86 Committees</b>	
Woomelang Units	To manage and administer the units
Woomelang Multi Purpose Centre	To manage and administer 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 operation of the swimming pool
Warracknabeal Leisure Centre	To manage and administer operation of the Leisure Centre
Tempy Swimming Pool	To manage and administer operation of the swimming pool
<b>Other</b>	
Occupational Health & Safety Committee	To manage O H & S activities for the Council
Tender Evaluation Committee	To evaluate tenders for the Council
Enterprise Bargaining Consultative Committee	To facilitate the implementation of the Agreement

## CERTIFICATION OF FINANCIAL REPORT

In my opinion the accompanying financial statements of the Yarriambiack Shire Council for the year ended 30<sup>th</sup> June 2009 has been prepared in accordance with the Local Government Act 1989, the Local Government (Finance and Reporting) Regulations 2004, Australian Accounting Standards and other mandatory professional reporting requirements.



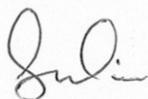
**Anita J. McFarlane**  
Principal Accounting Officer

Dated: 25<sup>th</sup> September 2009  
Warracknabeal

In our opinion the accompanying financial statements present fairly the financial transactions of the Yarriambiack Shire Council for the year ended 30<sup>th</sup> June 2009 and the financial position of the Council as at that date.

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

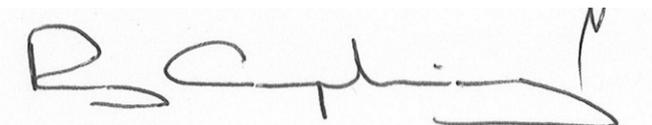
We have been authorised by the Council on 9<sup>th</sup> September 2009 to certify the financial statements in their final form.



**Jean M. Wise**  
Councillor  
Dated: 25<sup>th</sup> September 2009  
Warracknabeal



**Kylie L. Zanker**  
Councillor  
Dated: 25<sup>th</sup> September 2009  
Warracknabeal



**Ray Campling**  
Chief Executive Officer  
Dated: 25<sup>th</sup> September 2009  
Warracknabeal

# VAGO

Victorian Auditor-General's Office  
**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 2009 of Yarriambiack Shire Council which comprises of income statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the certification of financial report has been audited.

The accompanying standard statements for the year ended 30 June 2009 of the Council which comprises of standard income statement, standard balance sheet, standard cash flow statement, standard statement of capital works, the related notes and the certification of standard statements have been audited.

*The Councillors' Responsibility for the Financial Report and Standard Statements*

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

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

This responsibility includes:

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

*Auditor's Responsibility*

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

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

1

Level 24, 35 Collins Street, Melbourne Vic. 3000

Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email [comments@audit.vic.gov.au](mailto:comments@audit.vic.gov.au) Website [www.audit.vic.gov.au](http://www.audit.vic.gov.au)

*Auditing in the Public Interest*



# VAGO

Victorian Auditor-General's Office

## Independent Auditor's Report (continued)

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

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

This auditor's report relates to the financial report and standard statements published in both the annual report and on the website of the Yarriambiack Shire Council for the year ended 30 June 2009. The Councillors of the Yarriambiack Shire Council are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the Council's website.

### *Independence*

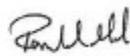
The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with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

### *Auditor's Opinion*

In my opinion:

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

MELBOURNE  
25 September 2009

  
D D R Pearson  
Auditor-General

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*Auditing in the Public Interest*

