

Annual Report 2012-13



Yarriambiack
SHIRE COUNCIL

www.yarriambiack.vic.gov.au

Shire Details



Yarriambiack
SHIRE COUNCIL

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www.yarriambiack.vic.gov.au



FRONT COVER PHOTO

Lake Corrong, Hopetoun - by Jessica Magee

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Our Shire at a Glance



Mallee Sunset - Speed



Beulah Community Centre

LOCATION

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

MAJOR ATTRACTIONS

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

AREA

7,158 sq. km

POPULATION

Approximately 7,082

VOTERS

Approximately 6,254

INDUSTRY

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

RATE REVENUE

\$8,296,599.67

KEY STATISTICS

Planning Permits Issued	64
Total Value	\$5,013,690
Building Permits Issued	81
Total Value	\$4,131,883
Properties (total)	7732
Total Value (CIV)	\$1,496,037,900
Properties Rateable	6822
Total Value (CIV)	\$1,456,711,500

The Shire is situated in the
Grampians, Mildura and Murray
Outback Regions

Councils Philosophy



Caravan park - Rupanyup



Coopers Crossing Garage - Minyip

OUR MISSION

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

OUR VALUES

Customer Service

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

Continuous improvement

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

OUR PRINCIPLES

Social Justice

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

Best Value

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

Sustainability

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

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

Mayors Report



Cr Kylie Zanker

I am delighted to provide an overview of Yarriambiack Shire Councils achievements during the past year. As Mayor of the Yarriambiack Shire Council I have great pleasure presenting the introduction to the 2012/2013 Yarriambiack Shire Council Annual Report.

I believe Council has shown a considered and strategic approach with regard to its responsibilities and to the many services delivered over the last twelve month period.

I am proud of our council's achievements over the past financial year and I thank my fellow Councillors, Chief Executive Officer Ray Campling and all staff for their commitment, professionalism and combined efforts, to achieve this. The report highlights Councils dedication towards the betterment of our Yarriambiack municipality.

During my term as mayor it has been an amazing honour and privilege to serve, advocate and represent our municipality within this prestigious role. Councillors and staff working together to achieve the goals and aspirations of the community whilst ensuring that the goals are realistic and achievable has been invaluable.

During the past twelve months our communities have demonstrated resilience, positiveness, focus and commitment to the future with a strong theme of growth, retention and empowerment.

Positive examples of empowerment are seen with businesses expanding, new ones opening and many diversifying in the range of products and services that they offer to meet their community and the municipalities needs.

Councils commitment to strengthening and improving community engagement, advocacy and the use of "local knowledge" has been a valuable and vital focus across our municipality. Dedication to grow and prosper within our for ever changing and challenging world is evident.

Partnerships with State and Federal Governments, major stakeholders and importantly the community demonstrate that council as in previous years places considerable importance and is committed to developing and maintaining positive and productive relationships. Singularly we can achieve great things, however together we can achieve so much more!

This report outlines plans for next year, and beyond. Council will act strategically and be prepared for a future - I believe this report also shows a caring Council, embracing these new times, new challenges and adapting to new ways to handle these challenges.

There are many challenging times ahead and I urge all residents to be active in their local communities. Remember our cups are half full - make your voices heard and help build Yarriambiack as an even better place to live and work.

Please take time to read the 2012 - 2013 Yarriambiack Shire Council Annual Report. We are proud of the progress Council has made during the past 12 months, and look forward to another year of exciting and lifestyle-enhancing achievements in 2012-13.

In conclusion, I would like to thank my fellow Councillors, CEO Ray Campling, Yarriambiack Shire Council staff and the Yarriambiack community for the support they have given to me over the last twelve months.

The last 12 months have been an exciting time in Yarriambiack Shire, and I have thoroughly enjoyed my term as Mayor.

Cr Kylie Zanker

Cr Kylie Zanker
Mayor

Chief Executive Officers Report



Ray Campling

In consideration to the 2012/2013 financial year it was basically a mirror reflection of previous years and a year in which we worked particularly efficiently and effectively to consolidate and build upon our commitment of continuous improvement in delivering realistic and appropriate services to our ratepayers, residents and visitors to the area. It was also a year in which we proactively advocated and lobbied to Government to ensure the ongoing sustainability and viability of the Yarriambiack Shire.

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

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

Council is very much committed and obligated to further establishing and capitalizing on its various relationships and partnerships to ensure that a positive and advantageous difference is made to our 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 overall benefit of the Shire and ultimately the achievement and fulfilment of our community's needs, expectations and aspirations.

The information contained in this report will provide the community with an opportunity to fully determine and judge for themselves the progress that Yarriambiack Shire Council has made during the 2012/2013 financial year. It is envisaged that the year ahead will again offer a wide range of unparalleled challenges and potentially an array of opportunities for our community.

Council has planned to ensure that its activities support, encourage and provide added value enabling our community to fully derive benefit from every opportunity that comes our way. There will undoubtedly also be numerous challenges that we will be required to address. Possibly even more than we have experienced and encountered in previous years which have been

considerable including ten plus years of unseasonal weather conditions, two incidences of unprecedented flooding in addition to mice and locust plagues! However, I am extremely confident; in fact, I know that we have the leadership, commitment, enthusiasm and professionalism and most importantly the teamwork and community to succeed.

Council is particularly committed to continually reviewing the way in which we do things, how we operate and identify areas where we can improve and be even more responsive, efficient and effective. I would very much like to extend my personal congratulations and gratitude to all our staff, and sincerely thank them for their much appreciated efforts and commitment.

I am extremely proud of every one of them; it is definitely a pleasure and privilege to lead and work with them. Keep up the great work it is very much appreciated respected and acknowledged.

To the Mayor Kylie Zanker and your fellow councillors congratulations on your positive and proactive performance and efforts and in particular for the excellent working relationship that has been established and developed 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 this positive and constructive relationship. In closing, I would particularly like to thank our wonderful community for their support, co-operation, understanding and assistance throughout the year and for also making the Yarriambiack Shire simply a great place to live, raise a family, work, and visit!

Ray Campling

Ray Campling
Chief Executive Officer

Councillors Profiles & Meeting Attendance



Cr Kylie Zanker
Warracknabeal Ward

Attendance 10/11

Internal Audit Committee
Wimmera Volunteers Inc
Rail Freight Alliance



Cr Helen Ballentine
Hopetoun Ward

Attendance 10/11

GWM Water Regional Recreation Water Users Group
Wimmera Mallee Tourism Association
Yarriambiack Tourism Association



Cr Graeme Massey
Dunmunkle Ward

Attendance 07/07

Wimmera Regional Library Service
Grampians Waste Management Group
Internal Audit Committee
Yarriambiack Chaplaincy Council
Yarrilinks



Cr Terence Grange
Dunmunkle Ward

Attendance 07/07

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



Cr Andrew McLean
Hopetoun Ward

Attendance 11/11

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



Cr Ray Kingston
Dunmunkle Ward

Attendance 11/11

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

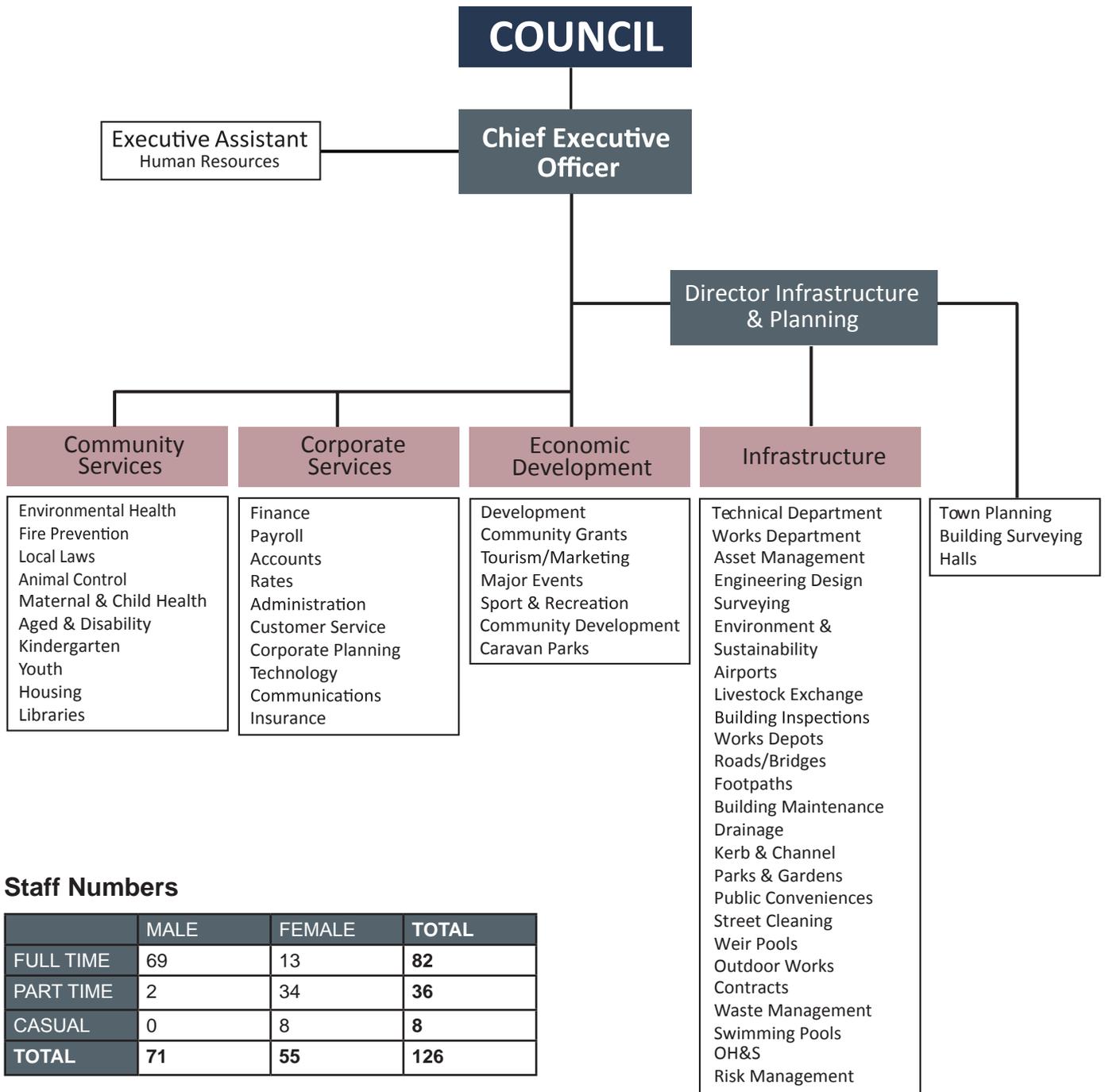


Cr Lisa Woods
Warracknabeal Ward

Attendance 07/07

Wimmera Development Association
Wimmera Mallee Tourism Association
Warracknabeal Neighbourhood House
Yarriambiack Tourism Association

Organisational Structure



Staff Numbers

	MALE	FEMALE	TOTAL
FULL TIME	69	13	82
PART TIME	2	34	36
CASUAL	0	8	8
TOTAL	71	55	126

Senior Management

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

Department of Infrastructure & 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

2012/2013 ACHIEVEMENTS AND ACTIVITIES

- Construction and sealing of section of Degenhardt St, Murtoa.
- Continuation of a sealing of gravel town streets program.
- Successfully completed Yarriambiack Shire Council's capital works program for upgrading of roads, footpaths, town streets and drainage.
- Completed another section of widening of the Dimboola-Minyip Rd.
- Completed construction and widening of the Sea Lake-Lascelles Road. Sections will be progressively reconstructed each year.
- Kerb and channel replacement at Lloyd St Murtoa. Continued to update vehicle fleet with greater emphasis being given to vehicles with environmental advantages.
- Construction and sealing of Cemetery Road Warracknabeal.
- Completed reconstruction of kerbing in Anderson Street Warracknabeal.
- Construction and sealing of Pyers St, Warracknabeal.
- Installation of three new weir gates on Rainbow Road at Warracknabeal. Eight gates now in place.
- Review of Road Management Plan has commenced. Completed flood recovery works from January 2011 flood.
- Lobbied for upgrade of the Yaapeet Rainbow railway line.
- Seal extension on the Patchewollock-Tempy Rd.
- Rehabilitation of section of Galaquil East Rd.
- Construction and sealing of Strachan St, Hopetoun.

- Construction and sealing of King St, Brim.
- Widening and sealing of Byrne St, Yaapeet.
- Pavement renewal on Harts Rd.
- Pavement renewal on Brim West Rd.
- Pavement renewal on Minyip Rich Avon Rd.
- Seal extension on the Glenorchy Rd.
- Installation of second pump at Anzac Park drainage station, Warracknabeal.

STAFFING

56 Equivalent Full Time Staff.

James Magee

James Magee

Director Infrastructure & Planning



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 and Business Directory for the Shire.
- Co-ordination of municipal functions and the hire of meeting rooms.
- Provision of administration support for the management team at the Warracknabeal office.
- Management of a Vic Roads agency at the Warracknabeal office.

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.

2012/2013 ACHIEVEMENTS AND ACTIVITIES

Finance

- Facilitate the Council elections in conjunction with the Victorian Electoral Commission.
- VAGO Sustainability Audit
- Local Government Inspectorate Audit
- Formation of a new Audit Committee

Rates & Property

- Preparation for the implementation of the Fire Services Levy

Information Technology

- Civica portal upgrade
- Purchase of new server
- Purchase of ipads for relevant staff

Administration

- Implementation of Chem Watch program for the OH&S/ Risk department
- Council and staff policy updates

STAFFING

10 Equivalent Full Time Staff

Anita McFarlane

Anita McFarlane
Corporate Services Manager



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
- Flood Recovery
- Emergency Relief
- Local Laws

2012/2013 ACHIEVEMENTS AND ACTIVITIES

- Extensions and improvements to Rupanyup Kindergarten and Maternal Child Health Centre.
- Robyn Clark engages to review Municipal Early Years Plan for the next 3 years.
- \$195,000 grant from DEECD to upgrade Hopetoun Kindergarten/Childcare centre.
- Warracknabeal & Rupanyup Kindergartens achieves an exceeding the standard rating in National Quality Improvement Framework assessment visit.
- Quality Improvement Plans
- Yarriambiack Shire continued in the role of member and chair of the Wimmera Early Years reference group, for regional cluster managers looking at change management and workforce issues in Early Years.
- Opening of the Beulah Kindergarten in 2013, 7 Kindergartens now offering 15 hours per week across the shire.
- Replacement of playground equipment in Patchewollock and Beulah kindergartens.
- Flood recovery officer position finalised in September 2012.
- Purchase of new software for HACC services to improve staff/client service delivery and communication.

- Blue Green Algae inspection of all weir pools . 1 bloom detected during summer.
- 300 seniors attended a concert with Frankie J Holden at Warracknabeal followed by a picnic for senior's week.
- Extra senior's week concert in Hopetoun.
- ILOP, Improving Liveability for Older Persons in Yarriambiack shire. U3A Dunmunkle group established with committee members from Minyip, Rupanyup and Murtoa.
- ILOP Gopher safe paths mapping in towns across the shire.
- Review and update of Municipal Heatwave plan.
- Dog waste bag dispensers installed in 6 towns across shire.
- A food safety newsletter for food proprietors on current and important health and safety issues.
- 3rd Yarriambiack Has Talent run successfully with 100 people attending.
- Monthly Immunisation program resulted in improved rates of 100% in most age ranges for shire.
- Yarriambiack Has Talent attracted 300 families and young people to the Warracknabeal Town Hall.
- Adoption of Council Fire Management and Animal Management Plans.
- Ranger vehicle fitted with new high visibility signage.
- HACC Occupational Therapist commenced working alongside Assessment Officer.

STAFFING

7 Full Time Staff, 39 Part Time Staff, 11 Casual Staff

Gavin Blinman

Gavin Blinman
Community Services Manager



Jaye Macumber

OBJECTIVES

The key objectives of the Economic & Community Development Unit for 2012/13 were:

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

AREAS OF RESPONSIBILITY

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

2012/2013 ACHIEVEMENTS AND ACTIVITIES

The major achievements for 2012/13 were:

- Showcasing the Shire at the Regional Living Expo in Melbourne.
- The continued development of relationships and assistance provided to Community Groups - many of whom presented successful events such as; the Y-Fest Easter Festival in Warracknabeal, Murtoa's Big Weekend, the Patchewollock music festival, Dirt Festival in Rupanyup, Mallee Field Days in Speed, Plucka Santa Christmas Event in Warracknabeal and the Warracknabeal Childrens Music Project.
- Continued development of Wimmera Mallee Tourism Association.
- State and Federal Government funding sourced and secured for community infrastructure, shire infrastructure, community projects and sport and recreation facilities.
- Successful open day held in Hopetoun culminating in several families relocating to live within the Yarriambiack Shire.
- Rupanyup Music concert held with great success; as a thank you and acknowledgement to those who were affected by the 2011 Shire wide floods. Story-boards placed around the Shire to remember the Floods and acknowledge those people who worked tirelessly in times of need for their communities.

STAFFING

3 Full Time Staff and 2 Part Time Staff.

Jaye Macumber

Jaye Macumber

Manager Community, Business & Economic Development

Infrastructure Services Management



Bernie Naylor

OBJECTIVES

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

AREAS OF RESPONSIBILITY

Contracts

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

Works/Technical services

- Completion of the Flood rectification works contract following the flood and rain events in 2011.
- Completion of first stage of construction to new works depot in Hopetoun.
- Upgrade to Mechanics Workshop in Warracknabeal.

Waste & Recycling

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

Swimming Pools

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

2012/2013 ACHIEVEMENTS AND ACTIVITIES

In 2012/2013 the following contracts were tendered out and awarded:-

- Supply & Delivery of Truck and Dog Trailer, \$275,205
- Supply & Delivery of Grader, \$220,000
- Sealing of various local roads, \$800,762

Waste Management

- Rehabilitation Works undertaken at the Warracknabeal and Sheep Hills landfill sites.
- Crushing and recycling of 4000 tones of waste concrete at the Warracknabeal transfer station

Bernie Naylor

Bernie Naylor
Infrastructure Service Manager

Contributions, Donations & Memberships

COMMUNITY & SPORTS DONATION

Access Ministries	\$2,539
Anglican Church	\$500
Anzac Memorial Park	\$51,270.88
Beulah Business & Information	\$1,040
Beulah Historical Learning & Patchwork Group	\$500
Beulah Public Purpose Creek Committee	\$2,080
Beulah Swimming Pool	\$22,439
Brim Active Community Group	\$1,040
Brim Lions Club	\$3,580
Brim Memorial Bowling Club	\$500
Brim Memorial Hall	\$600.60
Brim Recreation Reserve	\$7,183
Friends of Wyperfeld National Park Inc	\$1,363.64
Grampians Regional Waste Management	\$8,363.64
Hopetoun & District Preschool	\$9,500
Hopetoun Cemetery Trust	\$590.91
Hopetoun Memorial Hall	\$546
Hopetoun Patchwork Group	\$500
Hopetoun Progress Association	\$1,040
Hopetoun RSL	\$500
Hopetoun Swimming Pool	\$31,958.09
Lake Lascelles/Corrong Com. Management	\$4,660
Lake Marma Committee of Management	\$4,160
Lascelles Progress Association	\$1,540
Lubeck Soldiers Memorial Park Reserve	\$2,118.48
Mallee Netball /Beulah Netball Management Inc.	\$2,272.73
Minyip Festival Committee	\$600
Minyip Kindergarten Committee	\$20,000
Minyip Progress Association	\$1,540
Minyip Swimming Pool Inc	\$24,291
Minyip/Murtoa Football & Netball Club	\$1,863.64
Murtoa Kindergarten	\$5,479
Murtoa Mechanics Institute	\$3,767.27
Murtoa Progress Association	\$5,585.45
Murtoa Racing Club Inc.	\$3,000
Murtoa Showyards Reserve Inc.	\$500
Murtoa Swimming Pool Inc.	\$30,983
Patchewollock Progress Association	\$4,807.27
Patchewollock Recreation Reserve	\$2,757.30
Riding Develops Abilities	\$800
Rockin Youth	\$500
Rupanyup A&P Society	\$909.09
Rupanyup Consultative Committee	\$1,040
Rupanyup Kindergarten Committee	\$17,000
Rupanyup Recreation Reserve	\$6,525.79
Rupanyup SES	\$25,717.09
Rupanyup Swimming Pool	\$21,908
Rupanyup Tennis Club	\$2,409.09

COMMUNITY & SPORTS DONATION CONT

Shared Learning & Activities Murtoa	\$12,500
Sheep Hills Mechanic Institute	\$2,818.73
Special Development School	\$2,000
Speed Recreation Reserve	\$3,166.80
Tempy Memorial Park	\$2,118.48
Tempy Swimming Pool	\$9,435
Tigers Cricket Club	\$1,000
Warracknabeal & District Historical Society	\$500
Warracknabeal Action Group	\$1,040
Warracknabeal Apex Club	\$2,727.27
Warracknabeal Lions Club	\$500
Warracknabeal Memorial Kindergarten	\$2,000
Warracknabeal Memorial Swimming Pool	\$52,449
Warracknabeal Neighbourhood House	\$2,590.91
Warracknabeal Satellite VCAL	\$800
Warracknabeal Secondary College	\$2,468
Warracknabeal SES	\$25,078
Warracknabeal Town Hall Committee	\$4,909.64
Warracknabeal Yarriambiack Creek Development	\$2,288
Wimmera Mallee Sustainability Alliance	\$5,000
Woodbine Inc	\$3,053.64
Woomelang & District Bush Nursing Centre	\$1,818.18
Woomelang Kindergarten Committee	\$22,000
Woomelang SES	\$12,944
Woomelang Swimming Pool	\$22,032
Yaapeet Community Club Inc	\$8,789.76

TOTAL \$548,795.37

MEMBERSHIPS

Municipal Association of Victoria	\$21,629.82
Rural Councils Victoria	\$2,000
Wimmera Development Association	\$51,300
Wimmera Regional Library Corporation	\$162,214

TOTAL \$237,143.82

Shire Happenings 2012/13



Windmill - Warracknabeal



Woods Farming & Heritage Museum - Rupanyup



Summer Grain Harvest

JULY

Mayor Kylie Zanker unveiled the new sheds and netball court at Murtoa and Minister for sport Hugh Delahunty officially opened the facilities.

Council released a draft budget.

Council invites residents in the Yarriambiack Shire to come along and meet, chat with Councillors and Staff whilst enjoying a delicious meal at Hopetoun, Beulah, Rupanyup, Warracknabeal, Brim, Murtoa, Woomelang, Minyip and Lubeck.

Yarriambiack Shire Council installed 27 new solar panels on the Warracknabeal Leisure Centre. The grant for the solar panels was received from the Victorian Local Sustainability Accord and administered by the Department of Sustainability and Environment.

Council completes 170 capital works projects. The capital works program came to a total cost of about \$3.66 million and \$5 million was done in flood recovery.

Council approved two National Broadband Network towers to be built in Beulah and Minyip.

Council offers a public information session which outlined the roles and responsibilities of a councillor, explaining the election process and provides useful advice for getting elected.

Staff and Councillors were available at the Mallee Machinery Field Days to discuss and advise on any issues.

Councillors voted to reappoint Chief Executive Officer Ray Campling for another five years.

Member for Swan Hill Peter Walsh on behalf of Deputy Premier for Regional and Rural Development Peter Ryan announced \$75,000 in funding for the appointment of a business officer.

Yarriambiack has cause for excitement after being named in a list of Local Government areas where fixed wireless planning proposals are expected to be lodged.

Councillor Geoff Lovel will step down after 15 years in the role. Councillor John Kemfert will also step down, his experience as a councillor spans more than 15 years and three Wimmera Councils.

AUGUST

Yarriambiack Shire Council adopted its budget for the 2012-13 financial year. Council increased rates by 4.1 percent. The Municipal charge will increase from \$40 to \$50 on all properties. Council's total operating budget for the financial year is \$20.96 million of which \$9.049 million will be generated from rates and charges.

Hundreds visited the shire tent at Mallee Machinery Field Days.

The State Government has told councils they would receive between \$100,000 & \$200,000 less in unrestricted grant money – about three per cent less than they accounted for in their 2012/13 budget. Wimmera councils were also hit with bills ranging from \$400,000 to more than \$2 million to pay by July 2013 to a Local Government superannuation fund.

Yarriambiack Shire residents are happy with the Statewide Local Government Services report which collates the results of a community satisfaction survey.

Yarriambiack has had a bittersweet childcare victory with three out of the four 'Take A Break' Centres securing Federal Government funding, Murtoa Minyip and Rupanyup.

Council welcomes a new Business Development Officer Jaye Macumber.

Yarriambiack Shire Council is working with Alzhelmers Victoria by setting up a memory lane cafe at Hopetoun.

Council contacted AGL about undertaking a trial electricity audit. The audits don't cost anything, but may save Council 30-40 percent on their powerbills. The audit will provide Council with recommendations on how to save on power usage.

Yarriambiack Shire will call on the Minister for Planning to further clarify and define proposed planning scheme changes before it agrees to zone changes.

Mayor Kylie Zanker has voiced concerns about the future of the shire roads. Council met with Vic Roads receiving the standard response 'There isn't money in the budget'.



Rural Landscape



Lake Corrong - Hopetoun



Rest Stop - Tempy

SEPTEMBER

Councillor John Kemfert was recognised at the Municipal Association of Victoria's annual dinner in Melbourne, receiving two certificates a Mayoral Emeritus Certificate of outstanding Services and a 20 years of outstanding Service Award.

Council has reported an increase in dog attacks and will launch a prevention program.

Yarriambiack Shire Council with the assistance of SED Consulting has developed a new and innovative way to update and develop Community Action Plans as a component of the SHARE Program (Sustainable Healthy Adaptable, Resilient Engaged) which will enable all community members to have a voice, inform Local Government of priority projects and promote individual projects for prospective funding.

OCTOBER

Nominations were called for Yarriambiack Shire Council Citizen of the year and Young Citizen of the year.

Council sent out post cards to residents asking them to identify what is important to them in their community, return date of post cards 12th October 2012.

Yarriambiack Shire Council's flood repair works are continuing. With installation of concrete end walls at the Brim West Road and clean up and repair works still progress at the Brim Outlet Weir. Investigations and works continue on the Murtoa south side sub-catchment project including the Murtoa bypass dam and flood control works, while discussions and investigation works continue regarding the Beulah Weir Pool upstream control, and associated flood repairs.

Terry Grange, Lisa Woods and Graeme Massey joined Yarriambiack Shire for the first time as Councillors. Councillors were sworn in at the Statutory Meeting.

Council elects a inaugural deputy mayor for the first time in shire history (Cr Helen Ballentine).

NOVEMBER

Council will extend two quarries and establish three new quarries to assist with gravel supplies for road construction and resheeting. Three new quarries, Webster's, Ey's and Hofmaiers

will be located between Hopetoun and Yaapeet.

Councillors have agreed to close the Sheep Hills Landfill following its two years of partial service.

14 Community groups within the Yarriambiack Shire Council will share in \$27,500.

Gavin Blinman announced the Beulah Kindergarten will re-open in 2013.

Yarriambiack Shire Council farewells Rosie Schilling after 24 years of Service in Community Care.

DECEMBER

Council was pleased to announce 27 groups received funding through the Community Group Financial Assistance Scheme grants for December.

JANUARY

Yarriambiack, Buloke, West Wimmera and Hindmarsh Shire Council's are behind the Wimmera Tourism Association, Yarriambiack Councillor Helen Ballentine is the chairwoman of the group. Using the internet is a way to promote lesser known destinations and activities in our Shire.

Yarriambiack Shire Council held a 'When the Flood Came' recovery concert at Rupanyup.

Andrew Richards signs on as caretaker for the Warracknabeal Caravan Park.

Mayor Kylie Zanker attended Hopetoun Australia day awards, Cr Andrew McLean attended Tempy, Cr Ray Kingston at Rupanyup, Cr Terry Grange at Minyip and Cr Graeme Massey at Wallup.

FEBRUARY

Two Yarriambiack Shire Community groups received State Government money for infrastructure upgrades. The Minyip Men's shed will upgrade it's shed receiving \$7210 and Lake Marma's boat ramp will be replaced after receiving \$24,800.

Council consulted with land holders and water authorities to decide whether to take responsibility for water channels in the Shire. Council pushed for a detailed investigation of

Shire Happenings 2012/13



Relics Wheel - Speed



Church - Minyip



Saleyards - Warracknabeal

decommissioning after landholders expressed concerns. The report covers 1778 square km.

Council is working closely with Landcare coordinator Tim Inkster to obtain funding to remove rubbish from Yarriambiack Creek. Members of the public were urged to notify Council if they are aware of locations of hard waste that has been dumped in the creek.

Council unanimously voted against the location proposed for the Rupanyup National Broadband Network tower.

Mayor Kylie Zanker attended the official opening of the improvements to the Poulton Park Pool and Community Precinct. \$135,000 from the Victorian Government coupled with \$85,000 from Council and community enthusiasm, dedication and in-kind labour produced an amazing facility for the Hopetoun Community.

Councillors were informed that Council's capital works program is proceeding well for 2012-13.

Community (bus) transport service for Warracknabeal residents who need to get to Horsham for health reasons will start.

MARCH

Infrastructure projects in Yarriambiack Shire gets the green light with \$275,000 funding from the Victorian Government. Member for Mildura Peter Crisp said the funding allows Yarriambiack Shire to get on with delivering priority projects for the community such as redevelopment of Council's Hopetoun depot, development at Woomelang and Hopetoun Caravan Parks.

Councillors were swamped with concerned phone calls in regards to changing the angle parking in McDonald Street Murtoa. Council listened to these objections and wrote to residents seeking their assistance with a review. The letter detailed four options for residents to respond to.

Victorian Farmers Federation Wimmera branch president Ross Johns, Warracknabeal branch member Mick Morcom and Marshall Rodda discussed the future of farming with Yarriambiack Councillors.

Yarriambiack Shire Council will now be responsible for Craig's Channel east of Warracknabeal, after GWM Water made

the decision it would no longer be required for water delivery purposes.

Council is seeking submission from district residents regarding difficulties they are experiencing with rural telecommunications so they can be collated and forward to State and Federal Government.

Senior Victorians, younger people with disabilities and their carers in Yarriambiack will benefit this year from a \$33.4 million boost to Home & Community Care Services helping them to live independently at home. The additional funding will allow more affordable and accessible care to help meet the individual needs. Yarriambiack Shire Council receives \$132,300 funding boost and estimated 2000 hours of care.

Council voted unanimously against a proposal by the Heritage Council of Victoria to list Lake Marma Reserve on the Victorian State Heritage register.

Member for Swan Hill Peter Walsh announced that the Yarriambiack and Northern Grampians Shire Councils will each be offered \$18,000 grants as part of the first round of funding under the Victorian Coalition Government's \$6 million four-year Street Life program. The Yarriambiack and Northern Grampians Shires will work with Hindmarsh and West Wimmera Councils to deliver the Wimmera Online Precinct – a program to facilitate the incubation of an online business and increase the online activity and capabilities of local retailers.

APRIL

Member for Swan Hill Peter Walsh announced \$282,000 funding for six projects aimed at improving the overall amenity and quality of living throughout the Shire. The funding is part of the Victorian Coalition Government Local Government Infrastructure Grants program, which saw 87 projects state wide funding totalling \$15.2 million. Warracknabeal Weir gate project received \$105,000 for replacement of three 2.4 metre wide sets of gates with three double leaf gates which will allow greater passing capacity in times of flood. Senior Citizen rooms at Warracknabeal \$15,000 Minyip \$15,000 and Rupanyup \$16,000 will be upgraded with safe updated kitchens. Minyip Kindergarten - \$25,000 will be used to provide an all-weather area. Warracknabeal Leisure Centre - \$6,000 for a security fence and increase of parking space.



Playground - Beulah



Aerodrome - Warracknabeal



Four Wheel Driving - Yaapeet

Council met with Vic Roads to discuss installing a pedestrian crossing on the Stawell-Warracknabeal Road and Wimmera Highway at Rupanyup amid concerns about the safety of school children and seniors crossing the road.

Council has endorsed a motion for the National General Assembly to call on Federal Government to make additional funding available for mobile telephone and data services in regional areas.

Yarriambiack Shire Council continues its efforts to map and test safe gopher paths before releasing a detailed map to the community. The mapping comes under the Improving Liveability for Older People program.

Councillor Helen Ballentine delivered a certificate in recognition of being the oldest known Shire resident to Hopetoun resident Dorrie Malcolm who celebrated her 106th Birthday.

Yarriambiack Shire Council for the second year joined other Wimmera Mallee Councils to exhibit at the Regional Victoria Living Expo at the Melbourne Exhibition Centre from April 19-21, 2013. The Expo raised awareness and highlighted the value, opportunities available across the Yarriambiack Shire. As with last year the focus was around increased awareness and encouraging Melbournians to consider our lifestyle, education, career and housing benefits for their future, basically a tree change.

Council proudly sponsored a scholarship on behalf of the Country Women's Association evening branch. CWA said that it's a scholarship designed to assist women who want to update their skill in their current field of work, or to start in a completely new area.

MAY

Hopetoun's sporting community will soon be able to get more active at new cricket facilities, thanks to a \$22,400 funding boost announced through the Victorian Government's Community Facility Funding Program (CFFP). Member for Mildura, Peter Crisp, said the grant would help Yarriambiack Council kick start projects at the Hopetoun Recreation Ground which will provide even more opportunities for local clubs and the wider community to participate in sport.

Yarriambiack Shire hosted its first open day starting with a Barbeque lunch at the Mallee Bush Retreat on the foreshore of

Hopetoun's Lake Lascelles. The open day was a wonderful way to showcase and highlight the terrific resources we have to offer across our Shire.

New Bureau of Statistics estimated a population decline in the 2011-2012 financial year with Yarriambiack Shire Council estimated to decrease by 71 people or 1.7 percent.

Yarriambiack Shire Council invited all young professionals to take advantage of a social networking opportunity when it launches a new urban professionals network, aimed at professionals aged between 18-40 who are looking to build positive relationships and professional networks, while enjoying fun, social gatherings with like minded people. Hosted by Yarriambiack Shire Councillor Lisa Woods and sponsored by Council and the Commercial Hotel.

Yarriambiack Shire joined forces with 16 Local Governments across North West and Central Victoria, to develop a combined submission to the Federal Government to upgrade 23,000 streetlights. The submission is aimed at having Federal Government replace Victoria's streetlights with energy efficient technology, and is expected to save more than \$40 million in electricity and maintenance costs during the next 20 years.

Yarriambiack Shire was highlighted during the recent 2013 Rural Summit at Lakes Entrance attended by Mayor Kylie Zanker. Positive focus was given around the presentation of the Yarriambiack Shire's Open Day.

Mayor Kylie Zanker, CEO Ray Campling and Community Business and Economic Development Manager Jaye Macumber met to advocate for the Warracknabeal Target Store to stay open after an announcement that the Target Country Store will close on May 31st.

Warracknabeal Senior Citizens Club celebrated its 50th anniversary of both the club rooms and the Club. Mayor Kylie Zanker, CEO Ray Campling and Community Services Manager Gavin Blinman attended this celebration.

Councils Community Services Manager Gavin Blinman presented Thelma Petschel with a plaque commemorating her 22 years of service at the Murtoa Kindergarten she was also presented with flowers and a garden seat at a morning tea held to thank Thelma for her commitment and service and to wish her well for her retirement.

Shire Happenings 2012/13



Patchewollock Sculpture



Yaapeet Bus Shelter

All recreation, service and community organisation volunteer fundraising groups which are formally constituted organisations, located within the Yarriambiack Shire Council were eligible to apply for assistance with the maintenance and capital improvements of community assets. Applications close on Friday, May 24th at 4pm.

Wimmera Catchment Authority together with Yarriambiack Shire Council, have applied to State Government for funding of \$220,000 to complete flood studies along Yarriambiack Creek and Dunmunkle Creek. There is two studies being applied for. The first one for \$160,000 is for Dunmunkle Creek from the Wimmera River to Boolite including the township of Rupanyup. This study is important because no previous studies have been done in this area and it is Councils worst affected area during the January 2011 floods. The Second study is \$60,000 for Warracknabeal and is required to follow up a previous study completed in 2007.

Council announced in its draft budget that it is proposing a rates increase of six percent for the 2013-14 financial year, as well as a \$10 increase to the Municipal Charge in accordance with the Local Government Act 1989, Section 159.

Councillors have agreed under sufferance to take out a loan of \$500,000 for their share of a multi-million dollar superannuation scheme shortfall. Council will repay its \$2,104,861 share of the superannuation through long service leave investments, savings in the 2012-13 budget and through the NAB loan.

Council Staff removed the historic cannon to a temporary home in preparation for repair works to its damaged wheels. This canon was presented to Council by the Victorian War Trophy Committee and unveiled at the Anzac Park on March 16 1921. This canon was presented to Council to recognise Lieutenant Colonel John Wesley Mitchell who was born in Warracknabeal on March 16 1891.

JUNE

Yarriambiack Shire Council encouraged groups to apply for the Federal Government 2013/14 Community Grants. Grants of up to \$10,000 are available for community gardens, city farms or similar activities and up to \$25,000 is available for farmers' markets and food rescue programs. This grant is an initiative of the National Food Plan. Grants must be matched on a dollar to dollar basis. Projects must be completed and a final report

submitted by March 31, 2014.

Share Grants were awarded to 10 out of the 18 applicants. The acronym for the Sustainable, Healthy, Adaptable, Resilient, Engaged program is a community planning process, jointly funded by the Department of Planning and Community Development and the Yarriambiack Shire Council.

Yarriambiack Shire Council approves grants of up to \$500 for 20 Community groups across the Shire as part of the Community Group Financial Assistance Scheme.

Yarriambiack Shire Councillors unanimously agreed to name an unnamed track in Murtoa and an unnamed lane in Woomelang. The name chosen for the track in Murtoa is Uhe Track in recognition of the German Founders Uhe Pioneers for their contribution of foundering Murtoa. The Woomelang unnamed Lane will be called Bailey Lane to honour the name of World War I soldier Private William Bailey who made the ultimate sacrifice in battle.

Sponsorship Allocation grants were offered to any community organised events held within our Municipality. The grants are 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.

Yarriambiack Shire Councillors approved a planning permit for Wimmera Grain Company to erect four, cone bottom silos on the Wimmera Highway in Rupanyup.

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

About Us & Freedom of Information



Sowing with dad



Dinner for two - Beulah

EQUAL EMPLOYMENT OPPORTUNITY, ANTI DISCRIMINATION & BULLYING

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

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

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

AUDIT COMMITTEE

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

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

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

CODE OF CONDUCT

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

PECUNIARY INTERESTS

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

All Councillors and senior staff are required to complete and sign a Form 26 Register of Interest Primary Return when elected or appointed in accordance with the Local Government Act. No Pecuniary Interests were declared in the 2012/13 financial year.

OCCUPATIONAL HEALTH & SAFETY

Yarriambiack Shire Council is fully committed to the provision of the highest levels Quality Services and the management of risk. We are committed to providing a safe and healthy environment for employees, contractors and the public and to the management of risk.

This policy commits the entire agreement to ensuring ongoing active prevention of injury and illness in our workplace the preservation of our assets (both physical and reputation). This policy also commits to identifying and analyzing Council's liability associated with risk and promotion and support of risk management practices.

The policy specifically requests all employees to participate actively in program development and implementation and to identify and report potential risk so as to help eliminate high risk activities.

About Us & Freedom of Information



Volunteers Breakfast - Mallee Bush Retreat



Lake Marma - Murtoa

RISK MANAGEMENT

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

The organisation is committed to the management of risk to continue to protect its:

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

ACCESS AND INCLUSION PLAN 2011-14

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

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

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

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

FREEDOM OF INFORMATION

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

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

The Yarriambiack Shire Council is committed to providing a workplace free of all forms of discrimination and harassment including bullying.

Information to be made available to the public



Entrance to Minyip



Kangroos in scrub land - Yaapeet

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

- (a) Details of current allowances fixed for the Mayor, and Councillors under section 74 or 74A of the Act;
- (b) The total annual remuneration for all senior officers in respect of the current financial year and the previous financial year, set out in a list that states -
 - (i) ranges of remuneration of senior officers, where the difference between the lower amount and the higher amount in each range must not exceed \$10,000; and
 - (ii) the number of senior officers whose total annual remuneration falls within the ranges referred to in subparagraph
- (c) Details of overseas or interstate travel (with the exception of interstate travel by land for less than 3 days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months, including the names of the Councillors or members of Council staff and the date, destination, purpose and total cost to the Council of the overseas or interstate travel, including accommodation costs;
- (d) Names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted;
- (e) Names of Councillors who submitted returns of interest during the financial year and the dates the returns were submitted.
- (f) Agendas for and minutes of ordinary and special meetings held in the previous 12 months kept under section 93 of the Act of the Act except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act;
- (g) A list of all special committees established by Council and the purpose for which each committee was established;
- (h) A list of all special committees established by the Council which were abolished or ceased to function during the financial year;
- (i) Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act;
- (j) A register of delegations kept under sections 87 and 98 of the Act, including the dates on which the last reviews under sections 86(6) and 98(6) of the Act took place;
- (k) Submissions received in accordance with section 223 of the Act during the previous 12 months;
- (l) Agreements to establish regional libraries under section 196 of the Act;
- (m) Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the Council as lessor or lessee, including the name of the other party to the lease and the terms and the value of the lease;
- (n) A register of authorised officers appointed under section 224 of the Act;
- (o) A list of donations and grants made by the Council during the financial year, including the names of persons or bodies which have received a donation or grant the amount of each donation or grant;
- (p) A list of the names of the organisations of which the Council was a member during the financial year and details of all membership fees and other amounts and services provided during that year to each organisation by the Council.
- (r) A list of contacts valued at \$100,000 (or such higher amount as is fixed from time to time under section 186(1) of the Act) or more -
 - (i) which the Council entered into during the financial year without first engaging in a competitive process; and
 - (ii) which are not contracts referred to in section 186(5) or (5A) of the Act.

Victorian Government Indicators



OVERALL PERFORMANCE

Community satisfaction rating for overall performance generally of the Council. 64%

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 64%

ALL RATES

Average rates and charges per assessment \$1,214.95

RESIDENTIAL RATES

Average residential rates and charges per assessment \$549.73

OPERATING COSTS

Average operating expenditure per assessment \$2,863.04

CAPITAL EXPENDITURE

Average capital expenditure per assessment \$1,165.93

INFRASTRUCTURE

Renewal 52%
Renewal and maintenance 81%

DEBTS

Average liability per assessment \$698.01

OPERATING RESULT

Operating result per assessment \$202.15

Performance Statement

For The Year Ended 30 June 2013

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	Performance Target	Actual	Compliance
Overall Performance					
To promote awareness of Council activities and services	Local Government Victoria Annual Community Satisfaction rating for overall performance generally of the Council.	1	65%	64%	Not Achieved
Advocacy and Leadership					
Providing leadership and advocacy on key Council issues	Local Government Victoria Annual Community Satisfaction rating for advocacy and representation on key local issues.	1	65%	64%	Not Achieved
Community Engagement					
To engage appropriate interest groups and individuals on specific issues	Local Government Victoria Annual Community Satisfaction rating in decision making on key issues	1	63%	66%	Achieved
Responsiveness to Enquiries					
To be responsive and accountable to the local community	Local Government Victoria Annual Community Satisfaction rating for Council's interaction and responsiveness in dealing with the public	1	>73%	70%	Not Achieved
Financial Management					
Developing and implementing financial plans for the long term viability of the Shire	Achieve the budgeted operating result. The difference between the budgeted operating result and the actual operating result for the financial year.	1	>\$0	> \$956	Achieved
	Complete the capital works program. The proportion of budgeted Capital Works projects completed at the conclusion of the financial year.	1	100%	100%	Achieved
Provide Appropriate Services					
Providing appropriate services to meet community needs in an effective manner	Local Government Victoria Annual Community Satisfaction rating for overall performance in key areas and responsibilities.	1	62%	58%	Not Achieved

Performance Statement

For The Year Ended 30 June 2013

NOTE 1

Summary of explanations of major variations between Actual & Target results

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

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, JWS Research, on behalf of participating Councils. While Council expected a similar result last year, the outcomes were not as good as expected as a result of perceptions at the time of the survey.

Certification of Performance Statement

For The Year Ended 30 June 2013

In our opinion, the accompanying Performance Statement of the Yarriambiack Shire Council in respect of the 2012/2013 financial year is presented fairly in accordance with the Local Government Act 1989.

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

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

On the 11th September 2013 we were authorised by Yarriambiack Shire Council to approve the Performance Statements in its final form on behalf of the Yarriambiack Shire Council.

Kylie L Zanker
Councillor

Date: 30 September 2013
Warracknabeal

William G Massey
Councillor

Date: 30 September 2013
Warracknabeal

Raymond J Campling
Chief Executive Officer

Date: 30 September 2013
Warracknabeal

Independent Auditor's Report

VAGO

Victorian Auditor-General's Office

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

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Yarriambiack Shire Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2013 of the Yarriambiack Shire Council which comprises the statement, the related notes and the certification of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Yarriambiack Shire Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Independent Auditor's Report

Independent Auditor's Report (continued)

Independence

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

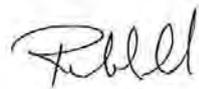
Auditor's Opinion

In my opinion, the performance statement of the Yarriambiack Shire Council in respect of the 30 June 2013 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the performance statement of the Yarriambiack Shire Council for the year ended 30 June 2013 included both in the Yarriambiack Shire Council's annual report and on the website. The Councillors of the Yarriambiack Shire Council are responsible for the integrity of the Yarriambiack Shire Council's website. I have not been engaged to report on the integrity of the Yarriambiack Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE
30 September 2013


John Doyle
Auditor-General

Notes To The Standard Statement

For The Year Ended 30 June 2013

1. BASIS OF PREPARATION OF STANDARD STATEMENTS

Council is required to prepare and include audited Standard Statements within its Annual Report. Four Statements are required a Standard Income Statement, Standard Balance Sheet, Standard Cash Flow Statement and a Standard Statement of Capital Works, together with explanatory notes.

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

The Standard Statements have been prepared on accounting basis consistent with those used for General Purpose Financial Statements and the Budget. The result reported in these statements are consistent 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 36 to 81 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 20 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 8th August 2012. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from assets revaluations, as their impacts were not considered predictable.

Detailed information of the actual financial results is contained in the General Purpose Financial Statements on pages 39 to 83. The detailed budget can be obtained by contacting Council of through the Council website. The Standard Statements must be read with reference to these documents.

Budgeted Standard Income Statement

For The Year Ended 30 June 2013

	Ref	Budget \$'000	Actual \$'000	Variance \$'000	%
Income					
Rates & Charges		9,049	9,394	(345)	(4%)
Grants - Operating	1	8,156	10,137	(1,981)	(24%)
Grants - Capital	2	2,261	743	1,518	67%
Fees, Fines & User Charges	3	902	1,186	(284)	(32%)
Contributions & Donations	4	205	296	(91)	(44%)
Interest		288	337	(49)	(17%)
Total income		20,861	22,093	(1,232)	(6%)
Expenses					
Employee benefits		7,201	6,984	217	3%
Materials and services		5,601	6,663	(1,062)	(19%)
Contributions & donations		889	901	(12)	(1%)
Depreciation		5,791	6,081	(290)	(5%)
Finance costs	5	26	(19)	45	(173%)
Other expenses		1,452	1,551	(99)	(7%)
Total expenses		20,960	22,161	(1,201)	(6%)
Surplus (deficit) for the year		(99)	(68)	(31)	32%
Net gain (loss) on disposal of property, infrastructure, plant and equipment	6	182	(811)	993	546%
Movement in Associated Entities	7	-	6	(6)	100%
Comprehensive result		83	(873)	956	1152%

Major Variance Report Explanation

For The Year Ended 30 June 2013

REF	ITEM	EXPLANATION
1	Grants - Operating	Grants exceeded budget expectations due mainly to the early payment of the first two instalments of the 2013/14 Grants Commission Grant. This was an extra \$2,328,069.
2	Grants - Capital	Variance is due to less capital grant monies being received for Council capital projects. Community projects grants were classified as operating grants.
3	Fees, Fines & User Charges	Fees, fines & user charges exceeded budget due mainly to an increase in the amount of private works completed during the 2012/13 year. Council has done in excess of \$100,000 worth of private works for Hindmarsh Shire Council. Council also received \$33,000 from the State Revenue Office for the administration of the introduction of the Fire Services Levy which was not budgeted for. The Warracknabeal Caravan Park fees of \$68,000 was also not budgeted for as there was a change in the control and operation of the park in the 2012/13 year with all fees coming to the Council rather than being paid to the caretaker.
4	Contributions & Donations	The increase in contributions & donations relates mainly to workcover and income protection insurance reimbursements of \$199,000. Also included are community projects that have been completed and community groups billed accordingly. The most significant community contribution is for the construction of the Hopetoun Netball Courts totalling \$15,299.
5	Finance costs	Finance costs were less than budgeted because of the extra grant income received. This meant that there were only rare occasions when Council had to use the overdraft facility and therefore incur interest costs.
6	Net gain (loss) on disposal of property, infrastructure, plant and equipment	The variance is due to the write back of roads and footpaths which were upgraded in the 2012/13 capital works program.
7	Movement in Associated Entities	Council budgets for the Wimmera Regional Library Corporation to have a break even financial result each year.

Budgeted Standard Balance Statement

For The Year Ended 30 June 2013

	Ref	Budget \$'000	Actual \$'000	Variance \$'000	%
Current assets					
Cash and cash equivalents		4,474	3,990	484	(11%)
Trade and other receivables	8	1,379	2,567	(1,188)	(86%)
Inventories	9	328	896	(568)	(173%)
Other assets	10	598	281	317	53%
Total current assets		6,779	7,734	(955)	(14%)
Non-current assets					
Trade and other receivables	11	502	387	115	23%
Property, infrastructure, plant and equipment		132,373	147,246	(14,873)	(11%)
Total non-current assets		132,875	147,634	(14,759)	(11%)
Total assets		139,654	155,368	(15,714)	(11%)
Current liabilities					
Trade and other payables	12	975	1,896	(921)	(94%)
Interest-bearing loans and borrowings	13	18	158	(140)	(776%)
Provisions		2,239	2,450	(211)	(9%)
Total current liabilities		3,232	4,504	(1,272)	(39%)
Non-current liabilities					
Interest-bearing loans and borrowings	14	27	396	(369)	(1367%)
Provisions	15	276	498	(222)	(80%)
Total non-current liabilities		303	894	(591)	(195%)
Total liabilities		3,535	5,398	(1,863)	(53%)
Net assets		136,119	149,970	(13,851)	(10%)
Equity					
Accumulated surplus		70,997	63,155	7,842	11%
Asset revaluation reserve	16	65,122	86,815	(21,693)	(33%)
Total equity		136,119	149,970	(13,851)	(10%)

Major Variance Report Explanation

For The Year Ended 30 June 2013

REF	ITEM	EXPLANATION
8	Trade and other receivables	Trade and other Receivables are higher than budgeted due to \$1million of Country Roads Bridges Initiative funding and some community projects grant monies being outstanding as at the end of the financial year.
9	Inventories	The stockpiling of gravel in several of Council's gravel pits was being completed in June therefore increasing the stock levels on hand at year end.
10	Other assets	Other assets are higher than budget due to outstanding grants being accounted for in the debtors reports. Other assets also includes the accrued income of workcover claims and income protection claims.
11	Trade and other receivables	Variance in the contribution from the gypsum pit owners is due to payments being less than budgeted. Payments from gypsum pit owners are based on the total tonnage carted from the pits at an agreed \$ rate.
12	Trade and other payables	Above budget due mainly to outstanding payments to contractors and suppliers being made for the completion of the capital works program.
13	Interest-bearing loans and borrowings	Variance is due to the draw down of two loans in the 2012/13 year. The first loan of \$154,000 was for the purchase of a roller and the second loan was for \$500,000 for payment of Council's share of the unfunded superannuation liability. Loans were reclassified between current and non current liabilities.
14	Interest-bearing loans and borrowings	See Ref 13
15	Provisions	Variance is due to increases in employee provisions for Annual Leave, Long Service Leave and Sick Leave provisions which reflect increases in the Enterprise Bargaining Agreement. Provisions for the reinstatement of gravel pits have also been increased and reclassified between current and non current liabilities.
16	Reserves	Variance is due to the revaluation of infrastructure assets.

Budgeted Standard Cash Flow Statement

For The Year Ended 30 June 2013

	Ref	Budget \$'000	Actual \$'000	Variance \$'000	%
Cash flows from operating activities					
<i>Receipts</i>					
Rates and charges		9,016	9,287	(271)	(3%)
Grants and contributions		10,987	10,263	724	7%
Interest		288	321	(33)	(11%)
User charges, fees and fines	17	1,108	1,910	(802)	(72%)
		21,399	21,781	(382)	(2%)
<i>Payments</i>					
Employee benefits		(7,068)	(6,984)	(84)	1%
Materials, contractors and other expenses	18	(8,511)	(10,942)	2,431	(29%)
		(15,579)	(17,926)	2,347	(15%)
Net cash provided by operating activities		5,820	3,855	1,965	(34%)
Cash flows from investing activities					
Proceeds from sales of property, plant and equipment	19	430	265	165	38%
Repayment of loans and advances	20	70	-	70	100%
Payments for property, plant and equipment		(8,243)	(9,201)	958	(12%)
Net cash used in investing activities		(7,743)	(8,936)	1,193	(15%)
Cash flows from financing activities					
Finance costs	21	-	(13)	13	(100%)
Proceeds from borrowings	22	-	654	(654)	(100%)
Repayment of borrowings	23	(60)	(39)	99	164%
Net cash provided by (used in) financing activities		(60)	603	(543)	(905%)
Net increase (decrease) in cash and cash equivalents		(1,982)	(4,479)	2,497	(126%)
Cash and cash equivalents at beginning of year		6,456	8,469	(2,013)	(31%)
Cash and cash equivalents at end of year		4,474	3,990	484	11%

Major Variance Report Explanation

For The Year Ended 30 June 2013

REF	ITEM	EXPLANATION
17	User charges, fees and fines	See Ref 3
18	Materials, contractors and other expenses	Materials, contractors and other expenses have exceeded budget mainly due to the completion of the Natural Disaster works.
19	Proceeds from sales of property, plant and equipment	Proceeds from the sale of assets were less than budgeted due to the decision to not trade some of the large plant items. These plant items retained to assist with the capital works program.
20	Repayment of Loans and advances	There were no community loan or advances made during the 2012/2013 year.
21	Finance costs	See Ref 5
22	Proceeds from borrowings	See Ref 13
23	Repayment of borrowings	Loan repayments were less than budget due to the timing of the draw down of the loans which were drawn in the later part of the the 2012/2013 year.

Budgeted Standard Statement of Capital Works

For The Year Ended 30 June 2013

	Ref	Budget \$'000	Actual \$'000	Variance \$'000	%
Capital works areas					
Roads		6,067	7,089	(1,022)	(17%)
Drains	24	69	90	(21)	(31%)
Other	25	83	-	83	100%
Buildings		829	762	67	8%
Plant, equipment and other		1,196	1,260	(64)	(5%)
Total capital works		8,243	9,201	(958)	(12%)
Represented by:					
Asset renewal		6,452	5,528	924	14%
New assets	26	497	1,718	(1,221)	(246%)
Asset expansion/upgrade	27	1,294	1,956	(662)	(51%)
Total capital works		8,243	9,201	(958)	(12%)

Major Variance Report Explanation

For The Year Ended 30 June 2013

REF	ITEM	EXPLANATION
24	Drains	Actual was higher than budgeted due to the replacement of the drainage pump in Warracknabeal. Unforeseen works were undertaken in the pit to accommodate the installation of the new pump.
25	Other	Works at the Woomelang Park have been deferred until the 2013/14 year.
26	New assets	Reallocation of asset capital works from renewal to new assets due to receiving grant monies for new works.
27	Asset expansion/upgrade	Reallocation of asset capital works from renewal to asset expansion / upgrade due to receiving grant monies for asset expansion / upgrade.

Certification of Standard Statements

For The Year Ended 30 June 2013

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 (B.Com)

Principal Accounting Officer

Date: 30 September 2013
Warracknabeal

In our opinion the accompanying standard statements have been prepared on the 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 circumstances which would render any particulars in the standard statements to be misleading or inaccurate.

We have been authorised by the Council on 11th September to certify the standard statements in their final form.



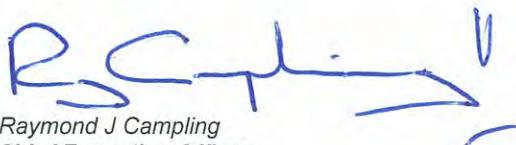
Kylie L Zanker
Councillor

Date: 30 September 2013
Warracknabeal



William G Massey
Councillor

Date: 30 September 2013
Warracknabeal



Raymond J Campling
Chief Executive Officer

Date: 30 September 2013
Warracknabeal

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Comprehensive Income Statement

For The Year Ended 30 June 2013

		2013 \$'000	2012 \$'000
Income			
Rates and charges	2	9,394	8,639
User charges, fees and fines	3	1,186	2,235
Contributions & donations	5	296	299
Grants - recurrent	4	10,137	13,517
Grants - non-recurrent	4	743	566
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	6	(811)	(1,371)
Other income	7	337	495
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	15	6	(33)
Total income		21,288	24,347
Expenses			
Employee costs	8	(6,984)	(6,607)
Employee benefits - additional superannuation call		-	(2,105)
Materials and services	9	(6,663)	(8,125)
Bad and doubtful debts	10	32	(6)
Contributions & donations	11	(901)	(1,138)
Depreciation and amortisation	12	(6,081)	(5,972)
Finance costs	13	(13)	(9)
Other expenses	14	(1,551)	(1,373)
Total expenses		(22,161)	(25,335)
Profit/(Loss)		(873)	(988)
Other comprehensive income			
Net asset revaluation increment (decrement)		11,513	6,164
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	15	(13)	(49)
Comprehensive result		10,627	5,127

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

Balance Sheet

As at 30 June 2013

		2013 \$'000	2012 \$'000
Assets			
Current assets			
Cash and cash equivalents	16	3,990	8,469
Trade and other receivables	17	2,567	2,643
Inventories	18	896	741
Non-current assets classified as held for sale	19	89	150
Other assets	20	192	213
Total current assets		7,734	12,216
Non-current assets			
Trade and other receivables	17	37	80
Investments in associates	15	350	357
Property, infrastructure, plant and equipment	21	147,246	133,702
Total non-current assets		147,634	134,139
Total assets		155,368	146,355
Liabilities			
Current liabilities			
Trade and other payables	22	1,858	2,112
Trust funds and deposits	23	38	57
Provisions	24	2,450	2,306
Interest-bearing loans and borrowings	25	158	61
Total current liabilities		4,504	4,536
Non-current liabilities			
Trade and other payables	22	-	2,105
Provisions	24	396	354
Interest-bearing loans and borrowings	25	498	17
Total non-current liabilities		894	2,476
Total liabilities		5,398	7,012
Net Assets		149,970	139,343
Equity			
Accumulated surplus		63,155	64,041
Reserves	26	86,815	75,302
Total Equity		149,970	139,343

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

Statement of Changes in Equity

For The Year Ended 30 June 2013

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

	Total	Accumulated Surplus	Asset Revaluation Reserve	Other
2012	2012 \$'000	2012 \$'000	2012 \$'000	2012 \$'000
Balance at beginning of the financial year	134,216	65,078	69,123	15
Comprehensive result	5,127	(1,037)	6,164	-
Balance at end of the financial year	139,343	64,041	75,287	15

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

Cash Flow Statement

For The Year Ended 30 June 2013

	2013	2012
	Inflows/ (Outflows)	Inflows/ (Outflows)
Note	\$'000	\$'000
Cash flows from operating activities		
Rates	9,287	8,493
Grants (inclusive of GST)	10,263	14,555
Interest	321	484
Other receipts (inclusive of GST)	1,910	3,931
Payments to employees (including redundancies)	(6,984)	(8,362)
Other payments	(10,942)	(10,433)
Net cash provided by (used in) operating activities	3,855	8,668
	27	
Cash flows from investing activities		
Payments for property, infrastructure, plant and equipment	(9,201)	(10,592)
Proceeds from sale of property, infrastructure, plant and equipment	265	230
Repayment of loans and advances from community organisations	-	-
Net cash provided by (used in) investing activities	(8,937)	(10,362)
Cash flows from financing activities		
Finance costs	(13)	(9)
Proceeds from Borrowings	654	-
Repayment of interest bearing loans and borrowings	(39)	(103)
Net cash provided by (used in) financing activities	603	(112)
Net increase (decrease) in cash and cash equivalents	(4,479)	(1,806)
Cash and cash equivalents at the beginning of the financial year	8,469	10,275
Cash and cash equivalents at the end of the financial year	3,990	8,469
	28	
Financing arrangements	29	
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The above cash flow statement should be read with the accompanying notes.

Notes to the Financial Report

For The Year Ended 30 June 2013

INTRODUCTION

- (a) The Yarriambiack Shire Council was established by an Order of the Governor in Council on 19th January 1995 and is a body corporate.

The Council's main office is located at 34 Lyle Street, Warracknabeal.

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

The following information could also be provided here:

External Auditor - Auditor-General of Victoria

Internal Auditor - AFS Chartered Accountants & Business Advisors

Solicitors - Russell Kennedy

Bankers - National Australia Bank

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

This financial report is a general purpose financial report that consists of an Comprehensive Income Statement, Statement of Financial Position, 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.

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

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

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

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

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

(b) Revenue Recognition

Rates, Grants and Contributions

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

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

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

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

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

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

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

User Fees and Fines

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

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

Sale of Property, Plant and Equipment, Infrastructure

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

Trade and Other Receivables

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

Rental

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

Interest

Interest is recognised progressively as it is earned.

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT)

(c) Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential.

Other inventories are measured at the lower of cost and net realisable value.

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

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

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

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

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

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

Property	Period
Land	-
Tip Cells	4 to 10 years
Tip Cells	30 years
Buildings	30 to 75 years
Heritage buildings	50 years
Plant and Equipment	5 to 25 years
Motor Vehicles	1 to 15 years
Office Furniture & Equipment	3 to 15 years
Roads	
Gravel road pavements /resheets	0 to 14 years
Sealed road pavements	60 years
Sealed road final seal	12 years
Footpaths, kerb & channel	25 years
Bridges & culverts	80 years
Main drains	25 to 80 years

(e) 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.

(f) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs include interest on bank overdrafts, interest on borrowings, and finance lease charges.

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT)

(g) Recognition and Measurement of Assets

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

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

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

Revaluation

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

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

Council recognises land under roads it controls at fair value.

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT)

(h) Cash and Cash Equivalents

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

(i) Investments

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

(j) Accounting for Investments in Associates

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

(k) Tender Deposits

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

(l) Employee Costs

Wages and salaries

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

Annual leave

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date.

Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled.

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

Long service leave

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

Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled.

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

Classification of employee benefits

An employee benefit liability is classified as a current liability if the Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period.

This would include all annual leave and unconditional long service leave entitlements.

Superannuation

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees. In addition Council may, periodically be required to contribute to the defined benefits schemes for current and former employees.

Details of these arrangements are recorded in note 31.

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT)

(m) Leases

Finance leases

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

Operating leases

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

(n) Allocation between Current and Non-Current

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

(o) Agreements Equally Proportionately Unperformed

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

(p) 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 (GST)

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

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

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

(s) Rounding

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

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT)

(t) Non-current Assets held for Sale

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

(u) Financial Guarantees

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

(v) 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.

Notes to the Financial Report

For The Year Ended 30 June 2013

Pronouncement	What's new?	Impact/Action	Transition	Effective date
AASB 9 Financial Instruments	<p>AASB 9 standard is one of a series of amendments that are expected to eventually completely replace AASB 139. During 2010-11, the standard will be expanded to include new rules on measurement of financial liabilities and hedge accounting. Currently the existing provisions of AASB 139 will continue to apply in these areas. AASB 9 simplifies the classifications of financial assets into those to be carried at amortised cost and those to be carried at fair value – the 'available for sale' and 'held-to-maturity' categories no longer exists. AASB 9 also simplifies requirements for embedded derivatives and removes the tainting rules associated with held-to-maturity assets. The new categories of financial assets are:</p> <ul style="list-style-type: none"> · Amortised cost – those assets with 'basic' loan features'. · Fair value through other comprehensive income - this treatment is optional for equity instruments not held for trading (this choice is made at initial recognition and is irrevocable). · Fair Value through profit and Loss - everything that does not fall into the above two categories. <p><i>The following changes also apply:</i></p> <ul style="list-style-type: none"> · Investments in unquoted equity instruments must be measured at fair value. However, cost may be the appropriate measure of fair value where there is insufficient more recent information available to determine a fair value. · There is no longer any requirement to consider whether 'significant or prolonged' decline in the value of financial assets has occurred. The only impairment testing will be on those assets held at amortised cost, and all impairments will be eligible for reversal. · Similarly, all movements in the fair value of a financial asset now go to the income statement, or, for equity instruments not held for trading, other comprehensive income. There is no longer any requirement to book decrements through the income statement, and increments through equity. 	<p>The impact is not likely to be extensive in the local government sector. Although it will vary considerably between entities. While the rules are less complex than those of AASB 139, the option to show equity instruments at cost has been largely removed, which is likely to lead to greater volatility within the income statement. However it may also lead to an improved financial position for some entities. This will also create a requirement to measure some instruments annually that has not previously existed.</p>	<p>Transitional arrangements are extensive – in general retrospective restatement is required, but there are exceptions. Early-adoption of the standard before 1 January 2014 removes the requirement for restatement of comparatives</p>	<p>Periods beginning on or after 1 January 2015. The standard was amended in 2012 to delay the effective date by two years (previously 1 January 2013).</p>
AASB 12 Disclosure of Involvement with Other Entities	<p>AASB 12 requires the disclosure of information to enable users to evaluate the nature of, and risks associated with, its interests in other entities and The effect of those interests on its financial position, financial performance, and cash flows. AASB 12 applies to all entities that have subsidiaries, joint arrangements, associates, or unconsolidated structured entities, and requires disclosures grouped into four categories:</p>	<p>The disclosures required will be both qualitative and quantitative. In particular, management should document and be able to justify its key judgments concerning control and significant influence. In the local government context this is likely to require increased disclosures around the operations of Library Corporations as well as other activities that Council have an interest in.</p>	<p>Early adoption is permitted, but AASB 10, AASB 11, AASB 12, AASB 127 (revised) and AASB 128 (revised) must all be adopted simultaneously.</p>	<p>Periods beginning on or after 1 January 2013</p>

Notes to the Financial Report

For The Year Ended 30 June 2013

Pronouncement	What's new?	Impact/Action	Transition	Effective date
	<ul style="list-style-type: none"> · Significant judgments and assumptions, including how control, joint control, or significant influence has been determined. · Interests in subsidiaries, including details of the composition of the group, the interests held by any non-controlling interest, any changes in control, and the nature of any associated risks. · Interests in joint arrangements and associates, including their nature and extent, the effects on the group, and any associated risks. · Interests in unconsolidated structured entities, including their nature and extent, any changes during the year, and the associated risks. 			
AASB 13 Fair Value Measurement	<p>AASB 13 replaces the existing IFRS guidance on fair value measurement and disclosure. It applies whenever another standard permits or requires the use of fair value measurements. It sets out a fair value hierarchy for such measurements:</p> <ul style="list-style-type: none"> · Level 1 – quoted prices in active markets for identical assets and liabilities, which can be accessed at the measurement date. · Level 2 – inputs other than quoted market prices included within Level 1, which are observable for the asset or liability, either directly or indirectly. · Level 3 – unobservable inputs for the asset or liability. <p>There are also extensive disclosure requirements relating to each of the three levels within the hierarchy.</p>	<p>The standard determines 'how to' rather than 'when' in respect of fair value measurements, and summarises the existing IFRS guidance in one place. This standards may assist those councils that have equity investments that are no longer able to be held at cost.</p>	<p>Early adoption is permitted.</p>	<p>Periods beginning on or after 1 January 2013</p>
AASB 119 Employee Benefits, AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	<p>The standards require the recognition of all re-measurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called "corridor" method), the immediate recognition of all past service cost in profit or loss and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset.</p>	<p>The entity is yet to assess its full impact.</p>		<p>1 January 2013 / 1 July 2013</p>

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT)

(w) Contingent assets and contingent liabilities and commitments

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

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

Notes to the Financial Report

For The Year Ended 30 June 2013

	2013 \$'000	2012 \$'000
NOTE 2 RATES AND CHARGES		
<p>Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The capital improved value of a property is its net market value after deducting selling costs.</p> <p>The valuation base used to calculate general rates for 2012/13 was \$1,453 million (2011/12 \$1,304 million). The 2012/13 rate in the CIV dollar was \$0.6444 for general rates and \$0.5477 for farm rates (2011/12, \$0.6632 for general rates and \$0.5637 for farm rates).</p>		
Residential	1,824	1,635
Commercial	324	318
Farm/Rural	6,140	5,698
Supplementary rates and rate adjustments	(7)	(2)
Municipal charge	256	207
Garbage charge	856	785
Total rates and charges	9,394	8,639

The date of the latest general revaluation of land for rating purposes within the municipal district was 1st January 2012, and the valuation will be first applied in the rating year commencing 1st July 2012.

The date of the previous general revaluation of land for rating purposes within the municipal district was 1st January 2010, and the valuation first applied to the rating period commencing 1st July 2010.

NOTE 3 USER CHARGES, FEES AND FINES

Town planning & building fees	96	99
Animal control fees & fines	30	36
Leisure Centre fees	12	21
Aged services fees	196	171
Aged services brokerage fees	142	171
Tip Fees	43	51
Rents	39	63
Saleyard fees & charges	91	92
Vic Roads charges	11	516
Private works	179	824
Other fees & charges	346	191
Total user fees	1,186	2,235

NOTE 4 GRANTS

Grants were received in respect of the following :

Summary of grants

Federally funded grants	1,031	2,000
State funded grants	9,725	12,058
Others	125	25
Total	10,880	14,083

Notes to the Financial Report

For The Year Ended 30 June 2013

	2013 \$'000	2012 \$'000
NOTE 4 GRANTS (CONT)		
<i>Recurrent</i>		
Commonwealth Government - Roads to Recovery	1,001	938
Commonwealth Government - Community Infrastructure	457	458
State Government - Country Roads & Bridges Initiative	1,000	2,000
Victoria Grants Commission - Unallocated	2,624	1,901
Victoria Grants Commission - Local Roads	1,760	3,785
Home and Community Care and Assessment	585	591
Natural Disaster	1,100	2,577
Valuation	79	2
Maternal & Child Health	170	172
Recycling	19	24
Community Development	229	46
Environmental Health	12	13
Preschools	718	457
Community Transport & Youth	183	178
Flood Relief	60	227
Meals on Wheels	40	46
Senior Citizens	41	35
Emergency Relief	27	27
Other	32	40
Total recurrent	10,137	13,517
<i>Non-recurrent</i>		
Victorian Government - Roads to Market	335	-
Heritage	80	-
Recreation	277	396
Community Water Projects	-	150
Environmental Strategy	50	-
Other	-	20
Total non-recurrent	743	566
CONDITIONS ON GRANTS		
Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:		
Natural Disaster	-	1,000
State Government - Country Roads & Bridges Initiative	1,000	1,000
Weir Pool Grant	-	-
Heritage Victoria	80	-
Flood Relief	-	50
Total	1,080	2,050
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:		
State Government - Country Roads & Bridges Initiative	1,000	-
Natural Disaster	1,000	2,173
Weir Pool Grant	-	20
Community Water Projects	-	150
Flood Relief	50	78
	2,050	2,421
Net increase (decrease) in restricted assets resulting from grant revenues for the year:	(970)	(371)

Notes to the Financial Report

For The Year Ended 30 June 2013

		2013 \$'000	2012 \$'000
NOTE 5	CONTRIBUTIONS		
	Workcover reimbursements	115	57
	Preschools	9	15
	Private use vehicle reimbursements	37	30
	Swimming pool reimbursements	5	5
	Income protection	84	77
	Community facilities	43	112
	Other	3	3
	Total contributions	<u>296</u>	<u>299</u>
NOTE 6	NET GAIN/(LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT & EQUIPMENT		
	Proceeds of sale	265	230
	Write down value of assets disposed	(1,076)	(1,601)
	Total	<u>(811)</u>	<u>(1,371)</u>
NOTE 7	OTHER INCOME		
	Interest	226	411
	Interest on rates	96	73
	Other	16	11
	Total other income	<u>337</u>	<u>495</u>
NOTE 8	EMPLOYEE BENEFITS		
	Wages and salaries	5,105	4,677
	WorkCover	89	109
	Councillor Allowance	159	148
	Annual leave and long service leave	888	982
	Superannuation	713	667
	Fringe benefits tax	30	24
	Total employee benefits	<u>6,984</u>	<u>6,607</u>
NOTE 9	MATERIALS AND SERVICES		
	Materials and services	1,640	1,934
	Contract payments	3,264	4,822
	Supply of meals	222	188
	Office computers & equipment	57	25
	Building & grounds maintenance	258	15
	External Plant Hire	177	189
	Utilities	319	280
	Consultants	410	338
	Other materials & services	315	334
	Total materials and services	<u>6,663</u>	<u>8,125</u>
NOTE 10	BAD AND DOUBTFUL DEBTS		
	Rates debtors	(38)	3
	Other debtors	6	3
	Total bad and doubtful debts	<u>(32)</u>	<u>6</u>

Notes to the Financial Report

For The Year Ended 30 June 2013

		2013 \$'000	2012 \$'000
NOTE 11	CONTRIBUTIONS AND DONATIONS		
	Regional Library	162	166
	Sporting Reserves	159	348
	Swimming Pools	194	131
	Economic Development	99	150
	Community Halls	32	16
	State Emergency Services	63	24
	Preschools	78	-
	Other	115	303
	Total contributions and donations	<u>901</u>	<u>1,138</u>
NOTE 12	DEPRECIATION AND AMORTISATION		
	<i>Property</i>		
	Buildings		
	Buildings	393	364
	Heritage buildings	102	101
	<i>Plant and Equipment</i>		
	Plant, machinery and equipment	843	729
	Fixtures, fittings and furniture	80	85
	<i>Infrastructure</i>		
	Roads	4,035	4,116
	Bridges	47	44
	Footpaths & kerb & channel	385	337
	Drainage	98	93
	<i>Other</i>		
	Airport Runways	51	49
	Tanks & Bores	19	18
	Gravel Pits & Garbage Tips	28	36
	Total depreciation and amortisation	<u>6,081</u>	<u>5,972</u>
NOTE 13	FINANCE COSTS		
	Bank overdraft charges	7	4
	Interest - Borrowings	6	5
	Total finance costs	<u>13</u>	<u>9</u>
NOTE 14	OTHER EXPENSES		
	Auditors' remuneration	28	40
	Insurance	358	322
	Operating lease rentals	672	565
	Printing & Stationery	80	80
	Advertising	70	65
	Postal	19	16
	Legal costs	73	32
	Subscriptions	58	61
	Water	116	84
	Bank fees & charges	18	12
	Other	59	96
	Total other expenses	<u>1,551</u>	<u>1,373</u>

Notes to the Financial Report

For The Year Ended 30 June 2013

	2013 \$'000	2012 \$'000
NOTE 15 INVESTMENT IN ASSOCIATES		
Investments in associates accounted for by the equity method are:		
- Wimmera Regional Library Corporation	350	357
Total	<u>350</u>	<u>357</u>
Wimmera Regional Library Corporation		
<i>Background</i>		
Yarriambiack Shire Council in conjunction with Horsham Rural City Council, Buloke Shire Council, Hindmarsh Shire Council, Northern Grampians Shire Council and West Wimmera Shire Council have an interest in the Wimmera Regional Library Corporation. The library services much of the population in western Victoria and Yarriambiack Shire Council currently has a 13.10% equity interest. (13.59% in 2011/12).		
<i>Council's share of accumulated surplus(deficit)</i>		
Council's share of accumulated surplus(deficit) at start of year	174	236
Reported surplus(deficit) for year	6	(33)
Transfers (to) from reserves	(1)	1
Distributions for the year	(7)	(30)
Council's share of accumulated surplus(deficit) at end of year	<u>172</u>	<u>174</u>
<i>Council's share of reserves</i>		
Council's share of reserves at start of year	202	203
Transfers (to) from reserves	1	(1)
Council's share of reserves at end of year	<u>203</u>	<u>202</u>
<i>Movement in carrying value of specific investment</i>		
Carrying value of investment at start of year	357	439
Share of surplus(deficit) for year	6	(33)
Change in equity share	(13)	(49)
Carrying value of investment at end of year	<u>350</u>	<u>357</u>
<i>Council's share of expenditure commitments</i>		
Operating commitments	265	303
	<u>265</u>	<u>303</u>

NOTE 16 CASH AND CASH EQUIVALENTS

Cash on hand	2	2
Cash at bank	372	2,740
Money market call account	527	507
Term deposits	3,089	5,220
Total cash and cash equivalents	<u>3,990</u>	<u>8,468</u>

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

Refer to note 30 for details.

Notes to the Financial Report

For The Year Ended 30 June 2013

	2013 \$'000	2012 \$'000
NOTE 17 TRADE AND OTHER RECEIVABLES		
<i>Current</i>		
Rates debtors	1,117	994
Provision for doubtful debts - rate debtors	(107)	(158)
Grants	1,192	1,337
Advance to Gypsum Pit Owners	50	50
Other debtors	365	451
Provision for doubtful debts - other debtors	(51)	(32)
Total	<u>2,567</u>	<u>2,643</u>
<i>Non-current</i>		
Advance to Gypsum Pit Owners	37	78
Other debtors	-	2
Total	<u>37</u>	<u>80</u>
Total trade and other receivables	<u>2,603</u>	<u>2,723</u>
 NOTE 18 INVENTORIES		
Inventories held for distribution	896	741
Total inventories	<u>896</u>	<u>741</u>
 NOTE 19 ASSETS HELD FOR SALE		
Cost of acquisition	89	150
Total assets held for sale	<u>89</u>	<u>150</u>
 NOTE 20 OTHER ASSETS		
Prepayments	154	154
Accrued income	38	59
Total other assets	<u>192</u>	<u>213</u>

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 21 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

	2013 \$'000	2012 \$'000
Summary		
at cost	13,890	12,587
Less accumulated depreciation	<u>(5,705)</u>	<u>(5,025)</u>
	8,185	7,562
at fair value as at 30 June 2010	21,530	22,155
at fair value as at 30 June 2012	-	194,720
at fair value as at 30 June 2013	207,575	-
Less accumulated depreciation	<u>(90,044)</u>	<u>(90,734)</u>
	139,062	126,141
Total	147,246	133,702
Property		
Land		
<i>Freehold Land</i>		
at fair value as at 30 June 2010	1,061	1,062
<i>Controlled Crown Land</i>		
at fair value as at 30 June 2010	739	739
Total Land	1,801	1,801
Buildings on freehold land		
at cost	2,240	1,596
Less accumulated depreciation	(61)	(24)
at fair value as at 30 June 2010	10,349	10,348
Less accumulated depreciation	<u>(657)</u>	<u>(438)</u>
	11,871	11,482
Building on controlled crown land		
at cost	259	142
Less accumulated depreciation	(5)	(1)
at fair value as at 30 June 2010	7,061	7,061
Less accumulated depreciation	<u>(399)</u>	<u>(266)</u>
	6,915	6,936
Heritage buildings		
at cost	79	107
Less accumulated depreciation	(9)	(5)
at fair value as at 30 June 2010	2,320	2,292
Less accumulated depreciation	<u>(295)</u>	<u>(197)</u>
	2,095	2,198
Total Buildings	20,881	20,615
Total Property	22,682	22,416
<p>Valuation of land (excluding land under roads) and buildings were undertaken by a qualified independent valuer Ian Wilson, AAPI. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at the date of valuation. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions.</p>		
Plant and Equipment		
Plant, machinery and equipment		
at cost	9,488	8,951
Less accumulated depreciation	<u>(4,682)</u>	<u>(4,140)</u>
	4,806	4,811
Office Equipment, Furniture and Fittings		
at cost	1,080	1,013
Less accumulated depreciation	<u>(642)</u>	<u>(577)</u>
	438	436
Total Plant and Equipment	5,244	5,247

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 21	PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT)	2013	2012
		\$'000	\$'000
	Infrastructure		
	Roads & Streets		
	at cost	-	-
	at fair value as at 30 June 2013	176,729	-
	at fair value as at 30 June 2012	-	167,718
	Less accumulated depreciation	(74,102)	(75,316)
		102,627	92,402
	Bridges		
	at cost	-	-
	at fair value as at 30 June 2013	3,642	-
	at fair value as at 30 June 2012	-	3,373
	Less accumulated depreciation	(1,516)	(1,435)
		2,126	1,938
	Footpaths, kerb & channel		
	at cost	-	-
	at fair value as at 30 June 2013	16,859	-
	at fair value as at 30 June 2012	-	14,507
	Less accumulated depreciation	(7,966)	(8,302)
		8,893	6,205
	Drainage		
	at cost	-	-
	at fair value as at 30 June 2013	7,277	-
	at fair value as at 30 June 2012	-	6,872
	Less accumulated depreciation	(3,285)	(3,123)
		3,992	3,749
	Airport runways		
	at fair value as at 30 June 2013	2,360	-
	at fair value as at 30 June 2012	-	2,250
	Less accumulated depreciation	(1,793)	(1,629)
		567	621
	Tanks & Bores		
	at cost	-	34
	at fair value as at 30 June 2013	708	-
	at fair value as at 30 June 2012	-	653
	Less accumulated depreciation	(30)	(29)
		678	658
	Gravel Pits & Garbage Tips		
	<i>Gravel Pits</i>		
	at cost	107	107
	Less accumulated depreciation	(41)	(37)
		66	70
	<i>Tip Structures</i>		
	at cost	71	71
	Less accumulated depreciation	(65)	(68)
		6	3
	<i>Transfer Stations</i>		
	at cost	567	567
	Less accumulated depreciation	(201)	(174)
		365	393
		119,320	106,039
	Total Infrastructure	119,320	106,039
	Valuation of infrastructure assets has been determined by Council's Engineer, James Magee. B.Eng (Civil)		
	The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.		
	Works in progress		
	Roads at cost	-	-
	Total Works in progress	-	-
	Total property, infrastructure, plant and equipment	147,246	133,702

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 21 PROPERTY, PLANT AND EQUIPMENT, INFRASTRUCTURE (CONT)

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

(a) Impairment losses

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

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

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 21 PROPERTY, PLANT AND EQUIPMENT, INFRASTRUCTURE (CONT)

2012	Balance at beginning of financial year	Impairment Reversal	Acquisition of assets	Transfer of Assets	Revaluation increments (decrements)	Depreciation and amortisation (note 12)	Written down value of disposals	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property								
Land	1,801	-	-	-	-	-	-	1,801
Total land	1,801	-	-	-	-	-	-	1,801
Buildings	17,972	-	833	-	-	(364)	(24)	18,417
Heritage buildings	2,278	-	21	-	-	(101)	-	2,198
Total buildings	20,250	-	854	-	-	(465)	(24)	20,615
Total property	22,051	-	854	-	-	(465)	(24)	22,416
Plant and Equipment								
Plant & machinery	4,740	-	1,096	-	-	(843)	(326)	4,811
Office Equipment, Furniture & Fittings	478	-	43	-	-	(85)	-	436
Total plant and equipment	5,218	-	1,139	-	-	(923)	(339)	5,247
Infrastructure								
Roads & Streets	85,444	1,387	6,260	80	4,580	(4,116)	(1,232)	92,402
Bridges	1,613	57	319	-	8	(44)	(15)	1,938
Footpaths, Kerb & Channel	5,327	-	551	-	672	(337)	(8)	6,205
Drainage	3,088	6	33	-	733	(93)	(18)	3,749
Airport Runways	538	-	-	-	132	(49)	-	621
Tanks & Bores	628	-	9	-	39	(18)	-	658
Gravel Pits & Garbage Tips	492	-	10	-	-	(36)	-	466
Total infrastructure	97,129	1,450	7,181	80	6,164	(4,693)	(1,273)	106,040
Works in progress								
Roads	80	-	-	(80)	-	-	-	0
Total works in progress	80	-	-	(80)	-	-	-	0
Total property, plant and equipment, infrastructure	124,478	1,450	9,174	-	6,164	(5,972)	(1,594)	133,702

(a) Impairment losses

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

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

Notes to the Financial Report

For The Year Ended 30 June 2013

		2013 \$'000	2012 \$'000			
NOTE 22	TRADE AND OTHER PAYABLES					
	Current					
	Trade payables	1,602	1,895			
	Accrued expenses	256	217			
		<u>1,858</u>	<u>2,112</u>			
	Non-current					
	Trade payables	-	2,105			
		-	2,105			
	Total trade and other payables	<u>1,858</u>	<u>4,217</u>			
NOTE 23	TRUST FUNDS AND DEPOSITS					
	Refundable building deposits	10	15			
	Refundable contract deposits	22	40			
	Other refundable deposits	5	2			
	Total trust funds and deposits	<u>38</u>	<u>57</u>			
NOTE 24	PROVISIONS					
		Annual	Long	Land	Other	Total
		leave	service	restoration		
			leave			
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2013	Balance at beginning of the financial year	1,032	1,175	345	108	2,661
	Additional provisions	647	244	123	25	1,038
	Amounts used	(576)	(142)	(120)	(16)	(854)
	Balance at the end of the financial year	<u>1,103</u>	<u>1,277</u>	<u>348</u>	<u>117</u>	<u>2,845</u>
2012	Balance at beginning of the financial year	849	1,021	322	118	2,311
	Additional provisions	652	330	70	2	1,054
	Amounts used	(469)	(176)	(47)	(12)	(704)
	Balance at the end of the financial year	<u>1,032</u>	<u>1,175</u>	<u>345</u>	<u>108</u>	<u>2,661</u>
	(a) Employee benefits					
	<i>(i) Current</i>					
	Annual leave			1,103		1,032
	Long service leave			1,130		965
	Other employee benefits			103		97
				<u>2,336</u>		<u>2,094</u>
	<i>(ii) Non-current</i>					
	Long service leave			147		210
	Other employee benefits			14		11
				<u>161</u>		<u>221</u>
	Aggregate carrying amount of employee benefits:					
	Current			2,336		2,094
	Non-current			161		221
				<u>2,497</u>		<u>2,315</u>
	The following assumptions were adopted in measuring the present value of employee benefits:					
	Weighted average increase in employee costs			4.50%		4.31%
	Weighted average discount rates			3.79%		3.05%
	Weighted average settlement period			12 mths		12 mths
	<i>(i) Current</i>					
	All annual leave and the long service leave entitlements representing 10 or more years of continuous service					
	- Short-term employee benefits, that fall due within 12 months after the end of the period			165		115
	- Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value			965		850
				<u>1,130</u>		<u>965</u>
	<i>(ii) Non-current</i>					
	Long service leave representing less than 10 years of continuous service measured at present			147		210

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 24 PROVISIONS (CONT)

(b) Land Fill Restoration

Council is obligated to restore landfill and gravel pit sites to a particular standard. The provision for landfill and gravel pit restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard and budgeted costs for that work. Accordingly the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

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

	2013	2012
	\$'000	\$'000
Provisions for gravel pit and landfill reinstatement		
Current	114	212
Non-current	235	133
Total	348	345

NOTE 25 INTEREST-BEARING LOANS AND BORROWINGS

Current

Borrowings - secured	158	23
Total	158	23

Non-current

Borrowings - secured	498	17
Total	498	17

The maturity profile for Council's borrowings is:

Not later than one year	158	23
Later than one year and not later than five years	498	17
Total	655	40

Finance leases

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

Current

Leases	-	38
Total	-	38

Non-current

Leases	-	-
Total	-	-

The maturity profile for Council's borrowings is:

Not later than one year	-	38
Later than one year and not later than five years	-	-
Total	-	38

Aggregate carrying amount of interest-bearing loans and borrowings:

Current	158	61
Non-Current	498	17
Total interest-bearing loans and borrowings	655	78

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 26 RESERVES

	beginning of reporting period	Increment (decrement)	Balance at Balance at end of reporting period
	\$'000	\$'000	\$'000
(a) Asset Revaluation Reserve			
2013			
Property			
Land	1,413	-	1,413
Buildings	15,900	-	15,900
	17,313	-	17,313
Infrastructure			
Roads & Streets	50,216	8,526	58,742
Bridges	1,018	106	1,124
Footpaths, Kerb and Channel	3,160	2,566	5,726
Drainage	2,886	279	3,165
Airport Runways	487	(3)	485
Tanks & Bores	207	38	245
	57,974	11,513	69,487
Total asset revaluation reserve	75,287	11,513	86,800
2012			
Property			
Land	1,413	-	1,413
Buildings	15,900	-	15,900
	17,313	-	17,313
Infrastructure			
Roads & Streets	45,636	4,580	50,216
Bridges	1,010	8	1,018
Footpaths, Kerb and Channel	2,488	672	3,160
Drainage	2,153	733	2,886
Airport Runways	355	132	487
Tanks & Bores	168	39	207
	51,810	6,164	57,974
Total asset revaluation reserve	69,123	6,164	75,287

The asset revaluation reserve was established to capture the movements in asset

	Balance at beginning of reporting period	Transfer from accumulated	Balance at end of reporting period surplus
	\$'000	\$'000	\$'000
(b) Other Reserves			
2013			
Aerodrome Maintenance	15	-	15
Total other reserves	15	-	15
2012			
Aerodrome Maintenance	15	-	15
Total other reserves	15	-	15

Provide a description of the nature and purpose of the reserve

Notes to the Financial Report

For The Year Ended 30 June 2013

		2013 \$'000	2012 \$'000
NOTE 27	RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS (DEFICIT)		
	Profit/(Loss)	(873)	(988)
	Depreciation/amortisation	6,081	5,972
	Profit/(loss) on disposal of property, infrastructure, plant and equipment	811	1,371
	Share of profit of associates in joint ventures	(6)	33
	Bad & Doubtful Debts	(32)	6
	Finance Costs	13	-
	<i>Change in assets and liabilities:</i>		
	(Increase)/decrease in trade and other receivables	150	461
	(Increase)/decrease in other assets	20	168
	Increase/(decrease) in trade and other payables	(2,340)	1,524
	(Increase)/decrease in inventories	(155)	(228)
	Increase/(decrease) in provisions	184	349
	Net cash provided by/(used in) operating activities	<u>3,855</u>	<u>8,668</u>
NOTE 28	RECONCILIATION OF CASH AND CASH EQUIVALENTS		
	Cash and cash equivalents (see note 16)	3,990	8,468
	Less bank overdraft	-	-
	Total reconciliation of cash and cash equivalents	<u>3,990</u>	<u>8,468</u>
NOTE 29	FINANCING ARRANGEMENTS		
	Bank overdraft	1,200	1,200
	Used facilities	(115)	(115)
	Borrowing facilities	655	40
	Unused facilities	<u>1,740</u>	<u>1,125</u>
NOTE 30	RESTRICTED ASSETS		
	Council has cash and cash equivalents (note 16) that are subject to restrictions. As at the reporting date, Council had legislative restrictions in relation to reserve funds (Recreational Lands Reserves).		
	Unspent grants (note 4)	1,080	2,050
	Long service leave (note 24)	-	965
	Trust funds and deposits (note 23)	38	57
	Total restricted assets	<u>1,118</u>	<u>3,072</u>

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 31

SUPERANNUATION

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

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

Accumulation

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 (for the year ended 30 June 2013, this was 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.

Effective from 1 July 2013, the Superannuation Guarantee contribution rate will increase to 9.25%, and will progressively increase to 12% by 2019.

Defined Benefit

The Fund's Defined Benefit category is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated to each 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 defined benefit obligations.

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 2011, Yarriambiack Shire Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. This rate is currently 9.25% of members' salaries (9.25% in 2011/12).

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

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

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

Shortfall amounts

The Local Authorities Superannuation Fund's latest actuarial investigation as at 31 December 2011 identified an unfunded liability of \$406 million (excluding contributions tax) in the defined benefit category of which Yarriambiack Shire Council is a contributing employer. Yarriambiack Shire Council was made aware of the expected shortfall during the 2011/12 year and was informed of its share of the shortfall on 2 August 2012. Yarriambiack Shire Council has not been advised of any further adjustments.

The projected value of Yarriambiack Shire Council's contribution to the shortfall at 30 June 2012 (including contributions tax) amounted to \$2,104,862 which was accounted for in the Balance Sheet in Current Liabilities Provisions (see Note 22).

Yarriambiack Shire Council received an early payment discount of \$1,251 and this has been accounted for in the 2012/13 Comprehensive Operating Statement within Employee Benefits (see Note 8) and in the Balance Sheet in Non Current Liabilities Accounts Payable (see Note 22).

The Fund surplus or deficit (ie the difference between fund assets and liabilities) is calculated differently for funding purposes (ie calculating required contributions) and for the calculation of accrued benefits as required in AAS 25 to provide the values needed for the AASB 119 disclosure in the Yarriambiack Shire Council's financial statements. AAS 25 requires that the present value of the defined benefit liability be calculated based on benefits that have accrued in respect of membership of the plan up to the measurement date, with no allowance for future benefits that may accrue.

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 31 SUPERANNUATION (CONT)

Yarriambiack Shire Council received an early payment discount of \$1,251 and this has been accounted for in the 2012/13 Comprehensive Operating Statement within Employee Benefits (see Note 8) and in the Balance Sheet in Non Current Liabilities Accounts Payable (see Note 22).

The Fund surplus or deficit (ie the difference between fund assets and liabilities) is calculated differently for funding purposes (ie calculating required contributions) and for the calculation of accrued benefits as required in AAS 25 to provide the values needed for the AASB 119 disclosure in the Yarriambiack Shire Council's financial statements. AAS 25 requires that the present value of the defined benefit liability be calculated based on benefits that have accrued in respect of membership of the plan up to the measurement date, with no allowance for future benefits that may accrue.

The amount of the unpaid shortfall at 30 June 2013 is \$0 (\$2.105 million unpaid amount for 2011/12)

Retrenchment increments

During 2012-13, Yarriambiack Shire Council was not required to make payments to the Fund in respect of retrenchment increments (\$0 in 2011/12). Yarriambiack Shire Council's liability to the Fund as at 30 June 2013, for retrenchment increments, accrued interest and tax is \$0 (\$0 in 2011/12).

Accrued benefits

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

	31-Dec-11
	\$'000
Net Market Value of Assets	4,315,324
Accrued Benefits (per accounting standards)	4,642,133
Difference between Assets and Accrued Benefits	<u>(326,809)</u>
Vested Benefits (Minimum sum which must be paid to members when they leave the fund)	4,838,503

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

Net Investment Return	7.50% p.a.
Salary Inflation	4.25% p.a.
Price Inflation	2.75% p.a.

Superannuation contributions

Contributions by Yarriambiack Shire Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2013 are detailed below:

Scheme	Type of scheme	Rate	2013	2012
			\$'000	\$'000
Vision Super	Defined benefits	9.25%	299	301
Vision Super	Accumulation Plan	9.00%	496	456
Health Super	Accumulation Plan	9.00%	25	20
Health Employee Super	Accumulation Plan	9.00%	15	7

There were \$0 contributions outstanding and no loans issued from or to the above schemes as at 30 June 2013.

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 32 COMMITMENTS

The Council has not entered into any new contracts as at 30 June 2013 and therefore there are no commitments.

NOTE 33 OPERATING LEASES

Operating Lease Commitments

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

	2013 \$'000	2012 \$'000
Not later than one year	202	231
Later than one year and not later than five years	125	209
Later than five years	-	-
Total operating leases	327	440

NOTE 34 CONTINGENT LIABILITIES

The Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors.

As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 35 FINANCIAL INSTRUMENTS

(a) Accounting Policy, Terms and Conditions

Recognised financial instruments

Financial assets

Recognised financial instruments	Note	Accounting Policy	Terms and Conditions
Cash and cash equivalents	16	<p>Cash on hand and at bank and money On call deposits returned an market all account are valued at face value.</p> <p>Interest is recognised as it accrues.</p> <p>Investments and bills are valued at cost.</p> <p>Investments are held to maximise interest returns of surplus cash.</p> <p>Interest revenues are recognised as they accrue.</p> <p>Managed funds are measured at market value.</p>	<p>On call deposits returned an average interest rate and balance date was 3.81 (2.31% in 2011/2012).</p> <p>Funds returned fixed interest rate of between 3.65% (4.44% in 2011/2012), and 4.30% (6.00% in 2011/2012) net of fees.</p>

Trade and other receivables

Other debtors	17	<p>Receivables are carried at amortised cost using the effective interest method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis.</p>	<p>General debtors are unsecured. Credit terms are based on 30 days. There has been an increase in doubtful debts of 38% (2.94% in 2011/12).</p>
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Financial Liabilities

Trade and other payables	22	<p>Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.</p>	<p>General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.</p>
Interest-bearing loans and borrowings	25	<p>Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.</p>	<p>Borrowings are secured by way of mortgages over the general rates of the Council.</p> <p>The weighted average interest rate on borrowings is 5.50% (9.63% in 2011/2012).</p>
Bank overdraft	29	<p>The Council has a \$1,200,000 bank overdraft facility, which is used, in part, from time to time. The balance owing at 30/06/2013 was nil.</p>	<p>The overdraft is subject to annual review.</p> <p>It is secured by a mortgage over Council's general rates and is repayable on demand.</p>

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 35 FINANCIAL INSTRUMENTS (CONT)

(b) Interest Rate Risk

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and

2013

	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets						
Cash and cash equivalents	899	3,089	-	-	2	3,990
Trade and other receivables	-	-	-	-	2,603	2,603
Total financial assets	899	3,089	-	-	2,605	6,593
Weighted average interest rate	3.95%	4.10%	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	-	-	1,858	1,858
Trust funds and deposits	-	-	-	-	38	38
Interest-bearing loans and borrowings	-	158	498	-	-	655
Total financial liabilities	-	158	498	-	1,896	2,552
Weighted average interest rate	-	5.50%	5.50%	-	-	-
Net financial assets (liabilities)	899	2,932	(498)	-	709	4,042

2012

	Floating Interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	Total \$'000
Cash and cash equivalents	3,246	5,220	-	-	2	8,468
Trade and other receivables	-	-	-	-	2,723	2,723
Total financial assets	3,246	5,220	-	-	2,725	11,191
Weighted average interest rate	2.31%	5.11%	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	-	-	4,217	4,217
Trust funds and deposits	-	-	-	-	57	57
Interest-bearing loans and borrowings	-	23	17	-	38	78
Total financial liabilities	-	23	17	-	4,311	4,351
Weighted average interest rate	-	9.55%	9.55%	-	-	-
Net financial assets (liabilities)	3,246	5,197	(17)	-	(1,586)	6,840

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 35 FINANCIAL INSTRUMENTS (CONT)

(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		Aggregate net fair value	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<i>Financial assets</i>				
Cash and cash equivalents	3,990	8,468	3,990	8,468
Trade and other receivables	2,603	2,723	2,603	2,723
Total financial assets	6,594	11,190	6,594	11,190
<i>Financial liabilities</i>				
Trade and other payables	1,858	4,217	1,858	4,217
Trust funds and deposits	38	57	38	57
Interest-bearing loans and borrowings	655	78	611	77
Total financial liabilities	2,551	4,351	2,507	4,351

(d) Credit Risk

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

(e) Risks and Mitigation

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

Market risk

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

Interest rate risk

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

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

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

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

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1989. We manage interest rate risk by adopting an investment policy that ensures:

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

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

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 35 FINANCIAL INSTRUMENTS (CONT)

Credit risk

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

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

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

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

	2013	2012
	\$'000	\$'000
Movement in Provisions for Doubtful Debts		
Balance at the beginning of the year	190	184
New Provisions recognised during the year	19	7
Amounts provided for but recovered during the year	48	28
Amounts already provided for and written off as uncollectible	(100)	(29)
Balance at end of year	157	190

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:

	2013	2012
	\$'000	\$'000
Current (not yet due)	134	177
Past due between 31 and 60 days	1,155	144
Past due between 61 and 90 days	2	3
Past due by more than 91 days	1,469	2,589
Total Trade & Other Receivables	2,761	2,913

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$157,000 (2012 \$190,000) were impaired. The amount of the provision raised against these debtors was \$157,000 (2012 \$190,000). The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

	2013	2012
	\$'000	\$'000
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	157	190
Total Trade & Other Receivables	157	190

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 35 FINANCIAL INSTRUMENTS (CONT)

Liquidity risk

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

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

To help reduce these risks we:

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

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

The table below lists the contractual maturities for Financial Liabilities

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

2013	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	1,858	-	-	-	-	1,858	1,858
Trust funds and deposits	38	-	-	-	-	38	38
Interest-bearing loans and borrowings	82	76	283	215	-	655	655
Total financial liabilities	1,978	76	283	215	-	2,552	2,551

2012	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	2,112	-	2,105	-	-	4,217	4,217
Trust funds and deposits	57	-	-	-	-	57	57
Interest-bearing loans and borrowings	41	21	17	-	-	78	78
Total financial liabilities	2,210	21	2,122	-	-	4,352	4,352

(f) Sensitivity Disclosure Analysis

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

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

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 35 FINANCIAL INSTRUMENTS (CONT)

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

		Interest rate risk			
		-2%	-2%	+1%	+1%
		Profit	basis points	Profit	basis points
		\$'000	Equity	\$'000	Equity
2013	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	3,990	(80)	(80)	40	40
Trade and other receivables	2,603	0	0	0	0
Financial liabilities:					
Trade and other payables	1,858	0	0	0	0
Trust funds and deposits	38	0	0	0	0
Interest-bearing loans and borrowings	655	(13)	(13)	7	7

		Interest rate risk			
		-2%	-2%	+1%	+1%
		Profit	basis points	Profit	basis points
		\$'000	Equity	\$'000	Equity
2012	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	8,468	(169)	(169)	85	85
Trade and other receivables	2,723	0	0	0	0
Financial liabilities:					
Trade and other payables	4,217	0	0	0	0
Trust funds and deposits	57	0	0	0	0
Interest-bearing loans and borrowings	78	(2)	(2)	1	1

(g) Fair Value Hierarchy

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

Notes to the Financial Report

For The Year Ended 30 June 2013

	2013 \$'000	2012 \$'000
NOTE 36 AUDITORS' REMUNERATION		
Audit fee to conduct external audit - Victorian Auditor-General	20	29
Internal audit fees - AFS & Associates Pty Ltd	8	23
Total Auditors Renumeration	<u>28</u>	<u>51</u>

NOTE 37 EVENTS OCCURRING AFTER BALANCE DATE

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

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 38 RELATED PARTY TRANSACTIONS

(i) Responsible Persons

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

Councillors	Councillor Kylie Louise ZANKER	(Mayor)
	Councillor Helen Anne McCulloch BALLENTINE	
	Councillor Andrew Robert McLEAN	
	Councillor Raymond John KINGSTON	
	Councillor Graeme MASSEY	(elected 10/2012)
	Councillor Lisa WOODS	(elected 10/2012)
	Councillor Terry GRAINGE	(elected 10/2012)
	Councillor Geoffrey William LOVEL	(retired 10/2012)
	Councillor Jean Margaret WISE	(retired 10/2012)
	Councillor John Samuel KEMFERT	(retired 10/2012)
Chief Executive Officer	Raymond James CAMPLING	

(ii) Remuneration of Responsible Persons

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

	2013	2012
	No.	No.
\$ 0 - \$9,999	3	-
\$10,000 - \$19,999	6	5
\$20,000 - \$29,999	-	1
\$40,000 - \$49,999	-	1
\$50,000 - \$59,999	1	-
\$170,000 - \$179,999	1	1
	<u>11</u>	<u>8</u>
	\$'000	\$'000
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	353	364

(iii) No retirement benefits have been made by the Council to a Responsible Person. (2011/12, Nil).

(iv) No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2011/12, Nil).

(v) Other Transactions

Transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year amounted to \$3,254 (2011/12, \$68,370).

(vi) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council who has management responsibilities and reports directly to the Chief Executive or whose total annual remuneration exceeds \$127,000.

The number of Senior Officers other than the Responsible Persons, are shown below

	2013	2012
	No.	No.
Income Range:		
<\$130,000	3	3
\$140,000 - \$149,999	-	1
\$150,000 - \$159,999	1	-
	<u>4</u>	<u>4</u>
Total Remuneration for the reporting year for Senior Officers included above,	476	454

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 39 INCOME, EXPENSES AND ASSETS BY FUNCTION/ACTIVITIES

2013	Corporate Services	Community Services	Future Development	Community Facilities	Transport	Waste & Environment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME							
Grants	4,463	1,837	686	358	3,517	19	10,880
Other	7,963	605	213	92	615	920	10,407
TOTAL	<u>12,425</u>	<u>2,442</u>	<u>899</u>	<u>450</u>	<u>4,132</u>	<u>939</u>	<u>21,287</u>
EXPENSES	(1,560)	(3,273)	(1,577)	(1,328)	(12,489)	(1,933)	(22,160)
SURPLUS (DEFICIT) FOR THE YEAR	<u>10,865</u>	<u>(832)</u>	<u>678</u>	<u>(878)</u>	<u>(8,357)</u>	<u>(994)</u>	<u>(873)</u>
ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*	<u>10,224</u>	<u>6,070</u>	<u>2,015</u>	<u>9,941</u>	<u>126,422</u>	<u>697</u>	<u>155,368</u>
2012	Corporate Services	Community Services	Future Development	Community Facilities	Transport	Waste & Environment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME							
Grants	5,688	1,748	742	278	5,604	24	14,084
Other	8,427	601	197	142	14	873	10,254
TOTAL	<u>14,115</u>	<u>2,348</u>	<u>939</u>	<u>420</u>	<u>5,617</u>	<u>897</u>	<u>24,338</u>
EXPENSES	(4,443)	(2,966)	(920)	(1,815)	(13,076)	(2,106)	(25,326)
SURPLUS (DEFICIT) FOR THE YEAR	<u>9,672</u>	<u>(618)</u>	<u>19</u>	<u>(1,396)</u>	<u>(7,459)</u>	<u>(1,209)</u>	<u>(988)</u>
ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*	<u>14,864</u>	<u>6,027</u>	<u>1,867</u>	<u>10,004</u>	<u>112,855</u>	<u>721</u>	<u>146,338</u>

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

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

Corporate Services

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

Community Services

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

Future Development

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

Community Facilities

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

Transport

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

Waste and Environment

Rubbish collection, recycling and disposal and tree schemes.

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 40 FINANCIAL RATIOS (PERFORMANCE INDICATORS)

	2013 \$'000	2013 (%)	2012 \$'000	2012 (%)	2011 \$'000	2011 (%)
(a) Debt servicing ratio (to identify the capacity of Council to service its outstanding debt)						
<u>Debt servicing costs</u>	6		5		13	
Total revenue	21,288	= 0.03%	24,347	= 0.02%	23,023	= 0.06%

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

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

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

<u>Debt servicing & redemption costs</u>	51		112		182	
Rate revenue	8,281	= 0.62%	7,648	= 1.46%	7,180	= 0.06%

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

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

<u>Rate revenue</u>	8,281		7,648		7,180	
Total revenue	21,288	= 38.9%	24,347	= 31.43%	23,023	= 31.19%

The level of Council's reliance on rate revenue is

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

<u>Total indebtedness</u>	5,360		5,990		4,343	
Total realisable assets	25,911	= 20.69%	29,065	= 20.61%	31,156	= 13.94%

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

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

The following assets are excluded from total assets when calculating Council's realisable assets:
land and buildings on Crown land; restricted assets; heritage assets; total infrastructure assets; and Council's investment in associate.

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

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 40 FINANCIAL RATIOS (PERFORMANCE INDICATORS) CONT

	2013 \$'000	2013 (%)	2012 \$'000	2012 (%)	2011 \$'000	2011 (%)
(e) Working capital ratio (to assess Council's ability to meet current commitments)						
<u>Current assets</u>	7,734		12,216		14,408	
Current liabilities	4,504	= 171.73%	4,536	= 269.32%	4,916	= 293.08%

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

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

<u>Current assets</u>	7,734		12,216		14,408	
Current liabilities	3,373	= 229.27%	3,571	= 342.07%	23,023	= 358.05%

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

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

NOTE 41 CAPITAL EXPENDITURE

	2013 \$'000	2012 \$'000
Capital expenditure areas		
Roads & streets & bridges	6,577	6,580
Drainage	90	33
Footpath, kerb & channel	512	551
Buildings	762	854
Plant and equipment	1,260	1,139
Other	-	19
Total capital works	9,201	9,175
Represented by:		
Renewal of infrastructure	(a) 5,528	6,014
Upgrade of infrastructure	(b) 1,398	2,440
Upgrade of buildings	(b) 558	-
New infrastructure	253	672
New buildings	205	341
New plant and equipment	1,260	1,158
Total capital works	9,201	10,625

Notes to the Financial Report

For The Year Ended 30 June 2013

NOTE 41 CAPITAL EXPENDITURE (CONT)

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:

		2013 \$'000	2012 \$'000
Total capital works		9,201	9,175
Impairment loss recognised in profit or loss		-	1,450
Asset revaluation movement	26(a)	11,513	6,164
Depreciation/amortisation	12	(6,081)	(5,972)
Written down value of assets sold	21	(1,089)	(1,594)
Net movement in property, plant and equipment, infrastructure	21	<u>13,544</u>	<u>9,223</u>

(a) Renewal

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

(b) Upgrade

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

NOTE 42 SPECIAL COMMITTEES AND OTHER ACTIVITIES

Section 86 Committees

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

Other

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

Certification of the Financial Report

For The Year Ended 30 June 2013

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



Anita J McFarlane (B.Com)

Principal Accounting Officer

Date: 30 September 2013
Warracknabeal

In our opinion the accompanying financial statements present fairly the financial transactions of Yarriambiack Shire Council for the year ended 30 June 2013 and the financial position of the Council as at that date.

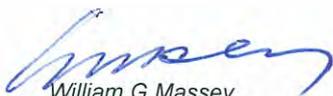
As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council on 11th September to certify the financial statements in their final form.



Kylie L Zanker
Councillor

Date: 30 September 2013
Warracknabeal



William G Massey
Councillor

Date: 30 September 2013
Warracknabeal



Raymond J Campling
Chief Executive Officer

Date: 30 September 2013
Warracknabeal

Independent Auditor's Report

VAGO

Victorian Auditor-General's Office

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

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Yarriambiack Shire Council

The Financial Report and Standard Statements

The accompanying financial report for the year ended 30 June 2013 of the Yarriambiack Shire Council which comprises comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report has been audited.

The accompanying standard statements for the year ended 30 June 2013 of the Council which comprises budgeted standard income statement, budgeted standard balance statement, budgeted standard cash flow statement, budgeted 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, and the financial reporting requirements of the *Local Government Act 1989*
- the standard statements in accordance with the basis of preparation as described in Note 1 to the statements and the requirements of the *Local Government Act 1989*.

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

Auditor's Responsibility

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

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

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

Independant Auditor's Report

Independent Auditor's Report (continued)

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

Independence

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

Opinion

In my opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of the Yarriambiack Shire Council as 30 June 2013 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*
- (b) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in Note 1 to the statements and the requirements of the *Local Government Act 1989*.

Basis of Accounting for Standard Statements

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

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

This auditor's report relates to the financial report and standard statements of the Yarriambiack Shire Council for the year ended 30 June 2013 included both in the Yarriambiack Shire Council's annual report and on the website. The Councillors of the Yarriambiack Shire Council are responsible for the integrity of the Yarriambiack Shire Council's website. I have not been engaged to report on the integrity of the Yarriambiack Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report and standard statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report and standard statements to confirm the information contained in the website version of the financial report and standard statements.

MELBOURNE
30 September 2013


John Doyle
Auditor-General



Our Vision

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



Speed
Murtoa
Patchewollock
Sheep Hills
Warracknabeal
Tempy
Speed
Murtoa
Patchewollock
Sheep Hills
Lubeck
Turriff
Yaapeet
Warracknabeal
Brim
Speed
Murtoa
Patchewollock
Lubeck
Tempy



Yarriambiack
SHIRE COUNCIL

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