



ANNUAL REPORT

2009/10

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A MESSAGE FROM THE MAYOR AND THE CHIEF EXECUTIVE OFFICER

It gives us pleasure to be able to again put together this Annual Report to allow Council to reflect on its many achievements during the past twelve months.

Our Council has certainly made some headway this year on a number of issues that will benefit our community in a number of different ways. The majority of the achievements are as a result of the preparation of Council's Strategic Management Plan in 2007, which identified a number of areas that Council was aware had to be undertaken. Some of the issues that Council has dealt with have been as a result of the communities' requirements, or otherwise as a direct result of legislative requirements.

The Australian Government, over the past eighteen months, has as part of its stimulus activity across the Nation, granted money to local government for infrastructure purposes. In the last Annual Report we reported on funds (\$100,000) being allocated for a number of projects at Bute (Skate Park), Tickera (Walking trail), Fisherman's Bay (playground fencing and paving) and Port Broughton (foreshore), and we are pleased that these projects have now been completed. The Australian Government has announced a further two smaller rounds under this program, which Council has allocated to shelter shades on the Port Broughton foreshore, and the upgrading of the Tickera Community and Recreation Association's clubroom (formerly the Tickera Golf Club).

Following a lengthy public consultation process over a period of two years, the Council upgraded its Port Broughton Office, with a large extension and extensive renovations, to provide better facilities for the community, including a reasonably large meeting room, new Rural Transaction Centre, larger foyer area with appropriate counters and improved facilities for the staff. A new Police Station for the Port Broughton district was also included in the project, for which Council has entered into a long term lease, and will receive revenue. The construction cost for the project was \$720,000, which exceeded the original budget estimate, and this was as a result of several amendments to the original costed plan, to retain the original Council Chambers constructed in 1895, to build around this building, incorporation of the Police Station, and the time delay from the original proposal to the construction date. The new offices have certainly improved the facilities for the community, and will take the Council well into the future. The inclusion of the Police Station has confirmed our Council as a leader in initiatives for community facilities, and complements the Rural Transaction Centre.

During the year the Council progressed its Waste Management program, which includes the upgrading of the Port Broughton Waste Disposal Site to a Transfer Station, where all the putrescibles (kitchen) waste will be transferred off site to Inkerman, to comply with the requirements of the Environmental Protection Agency. Work has also commenced for the preparation of recycling areas at the Port Broughton site, and this will be completed during the current year. In recent times the Council has been required to close the Alford and Kulpara Waste Disposal sites, and during the past year the Council has received approval for its post closure operations of the two sites, which included extensive tree plantings (with the assistance of community groups).

Progress has also been made with the Council's intended recycling collection program which will commence in the early part of 2010/2011, with all the collected recyclables also being transferred to a designated site outside of our district. There is no doubt that these new programs have added a significant cost to Council, which in turn is transferred to the ratepayers. This has led to a large increase in rates for the 2010/2011 financial year, to assist with the costs, which will be ongoing into the future.

After unsuccessfully trying for many years to obtain Special Local Road funding for the Wokurna - Snowtown Road, the Council agreed to apply for funding under this program, and was successful, for the upgrade to the Port Broughton Bypass Road. This project was to improve the intersections on this road, in particular the Bute - Port Broughton Road intersection, and to increase the widening of the road surface to improve safety on this road. Other significant road construction projects during the past year included the Wokurna Road and Limekiln Road.

As part of Council's strategy for maintaining its buildings the Council agreed that the rates should be raised by an additional 1%, which would be placed in a dedicated reserve account, to be used solely for the maintenance of Council buildings to ensure that they are available long term for the communities. This enables approximately \$22,000 to be allocated each year. In 2009/2010 the Council spent a lot of money from this dedicated fund, to upgrade the Bute Hall to achieve compliance with a number of standards. The Council has allocated funds to two other buildings during 2010/2011.

The Council recognises the valuable input of our local Progress Associations, who put in an exceptional effort in upgrading or improving services within their community. This includes recreational facilities, cultural facilities and improved amenities. As with all volunteer organisations, maintaining the number of volunteers is difficult, due to the social pressure of today's society, and the ever increasing red-tape that the legislators keep imposing upon volunteer groups. It is important to recognise our wonderful volunteers, as our communities could not continue to receive some of our services without them.

The Council was pleased that the Tickera Community and Recreation Association was formed during the past year, and look forward to working with them as they actively seek to make improvements to their community. Other communities that have Progress Associations include, Alford, Bute, Fisherman's Bay, Kulpara, Mundoora, Port Broughton and Wokurna.

The Council has a number of legislative requirements, which includes the development of long term financial plans and asset management plans. The development of these plans requires extensive resources, including the engagement of consultants, to help meet these requirements. We are pleased to report that substantial progress has been made on the development of these plans, and will be completed within the near future. These plans will help Council to implement sound policies for the continued maintenance of its assets, and for Council to be financially sustainable. As part of Council's financial reporting, there are a number of Key Financial Indicators that Council needs to address, and it is pleasing to note that we are well within industry standards.

Other significant legislative undertakings by the Council included the Electoral review which saw a small reduction in the number of elected members (refer to the Electoral Information section of this report), and a review of our Bylaws, which saw minimal changes to the Bylaws.

A review of the Council's Dry Zones were undertaken in late 2010, and an application for a long term period for the Dry Zone was endorsed by the Office of the Commissioner for Gambling and Liquor for Fisherman's Bay and Port Broughton for the period ending April 2015.

The Council continues to face challenges with developing its Council area, and at times the legislation framework does put a lot of pressure on Council staff and elected members. Currently the Council is working with Planning SA to implement its Better Development Plan as part of its Development Plan for the Council area, and this is finally due for implementation in late 2010. This will enable some consistency with development throughout Yorke Peninsula and the Mid North. There is continued development in Tickera and Port Broughton, however the Council reluctantly placed a hold on its proposed residential development at Bute during the year, pending a recovery in the real estate market in the Bute area.

The Council has continued to develop its close involvement with a number of Government (both Federal and State) agencies, and other strategic bodies such as the Central Region of Local Government and the YP Alliance of Councils. Unfortunately during the year the Australian and State Governments saw fit to amalgamate a number of Regional Development Boards to establish the Yorke and Mid North Regional Development Australia Board, to deliver the same services. The Council, whilst disappointed with the demise of the successful Regional Development Board, is committed to working with the new Board to achieve positive gains for our district.

With the ever increasing pressures placed upon Council members and staff, by legislative changes, cost shifting from other levels of Government, financial restrictions as a result of limited rate and other revenues, and community expectations, we are fortunate that the members and staff enjoy a close relationship to enable us all to meet these challenges.

We extend our appreciation to the Council staff for their efforts throughout the year in putting into effect the decisions of the Council within their limited resources. We are fortunate that Council enjoys a high staff retention rate that does make it easier to maintain a consistency and understanding throughout the organisation. The work by the elected members is sometimes not understood by the community and generally understated, but we are certainly grateful for their contributions.

There are certainly a number of changes that will occur within the next twelve months, particularly with the November Council elections, and we look forward to this being a successful period for all elected members, staff and the community.

**Mayor
Dean Dolling**

**Nigel Hand
Chief Executive Officer**

LIST OF ELECTED MEMBERS AND ALLOWANCES

Name of Member	Address / Phone	Allowance	Council Meetings Attended (Max. 12)
Mayor Dean C. Dolling	11 West Terrace Port Broughton Ph: 08 8635 3199 Mob: 0409 676 602	\$8500 Travelling Allowance \$422	Attended 12
Deputy Mayor Ian D. Burgess	West Park Road Bute Mob: 0488 119 738	\$4375 Travelling Allowance – Nil	Attended 12
Councillor Stacey Ireland	Second Street Bute Mob: 0407 601 421	\$1750 Travelling Allowance – Nil	Attended 2 Apology 4 Resigned December 2009
Councillor Leonie Kerley	Kadina Road Port Broughton Ph: 08 8635 3025	\$3500 Travelling Allowance – Nil	Attended 11 Leave of Absence 1
Councillor Margaret McDonald	Wards Hill Road Port Broughton Ph: 08 8635 2317	\$3500 Travelling Allowance – Nil	Attended 12
Councillor Brian Rooney	Melton Ph: 08 8827 3206 Mob: 0417 876 254	\$3500 Travelling Allowance – Nil	Attended 10 Apology 2
Councillor Tony Schkabaryn	70 Dolphin Road Fisherman's Bay Ph: 08 8635 2253	\$3500 Travelling Allowance \$475	Attended 12
Councillor Georgina Simmons	Kulpara Road Bute Ph: 08 8826 2220	\$3500 Travelling Allowance \$1,756	Attended 12
Councillor Russel Smith	Fisherman's Bay Road Port Broughton Ph: 0408 352 140	\$3500 Travelling Allowance – Nil	Attended 9 Leave of Absence 2 Apology 1
Councillor Mark Weedon	High Street Bute Ph: 08 8826 2025 Mob: 0428 859 256	\$3500 Travelling Allowance – Nil	Attended 11 Apology 1

Notes:

1. In April 2010, the Council hosted an in-house training seminar utilising Michael Kelledy and Natasha Jones of Wallmans Lawyers. A number of issues were addressed including the recent legislative changes, meeting procedures, caretaker provisions for the forthcoming 2010 Council elections.
2. The members warmly embrace the "one-on-one" format of training as generally all elected members can attend this training, when compared to having regional or city based training.
3. Elected members have access, where possible, to Council vehicles to attend meetings outside the Council area.
4. Total travelling allowance paid for 2009/10 was \$2652
5. Elected members, and staff attended Conferences and Seminars as required, for which Council paid the conference fees and accommodation for these events. The major events attended were:
 - a. South Australian Local Government Association's Annual General meeting and Half Yearly meetings in Adelaide
 - b. Central Local Government Region meetings are held quarterly at various locations within the Region
 - c. Local Government Roads and Works Conference in September 2009 at Clare
 - d. Total expenditure for elected members to attend conferences and seminars was \$2752 for conference fees and \$2177 for accommodation
 - e. Other expenses (including training expenses) for elected members amounted to \$5001
6. Council recognises that the role and responsibilities of elected members are complex and, as community volunteers, they need opportunities to develop their skills and competencies to enable better understanding of the role in such a challenging environment. Furthermore, Council recognises that networking is an extremely beneficial learning opportunity readily available through attendance of local government regional and state meetings.
7. Elected members are encouraged to attend training sessions that are on offer from a range of organisations and, in particular, the Local Government Association.
8. The Council has an Audit Committee, with an Independent Chairperson (Mr. Jeff Burgess), who is paid an annual allowance of \$1,620, which includes expenses.
9. The Council has its Council Development Assessment Panel (CDAP), which is comprised of four Independent Members (Mr. John Meier – Chair, Mr. Steven Horsell, Mr. Paul March and Mrs. Sandra Woods), along with three elected members (Crs. Ian Burgess, Russel Smith and Tony Schkabaryn). The Panel was not required to meet during the past twelve months.



Back Row: Crs. Tony Schkabaryn, Rusty Smith, Ian Burgess (Deputy Mayor), Brian Rooney and Mark Weedon
 Front Row: Crs. Leonie Kerley, Margaret McDonald, Mayor Dean Dolling, Nigel Hand (Chief Executive Officer), Cr. Georgie Simmons

REPRESENTATION BY ELECTED MEMBERS

Council is represented on Committees, Boards and Organisations as follows:

Executive Committee:

Cr D. Dolling (Chairman), Crs I. Burgess, B. Rooney and M. McDonald.

Works and Infrastructure Committee:

Full Council

Audit Committee:

Mr. J. Burgess (Independent Member and Chairman), Crs D. Dolling, I. Burgess, B. Rooney, and T. Schkabaryn.

Council Development Assessment Panel

Independent Members Mr. J. Meier (Chair), Mr. S. Horsell, Mr. P. March, and Mrs. S. Woods, Crs. I. Burgess, R. Smith and T. Schkabaryn.

Bushfire Prevention Committee:

Crs B. Rooney & D. Dolling

Bute 2000 Onwards Committee:

Cr I. Burgess

Canowindra Homes Committee:

Cr I. Burgess

Fisherman's Bay Progress Association:

Cr T. Schkabaryn

Local Government Association:

Mayor D. Dolling with Cr. I Burgess (proxy)

Local Government Association Central Region:

Mayor D. Dolling with Cr. I. Burgess (proxy)

Port Broughton Area School Governing Council:

Cr M. McDonald

Port Broughton Community School Library:

Cr G. Simmons

Port Broughton Hospital and Health Advisory Council:

Cr M. McDonald

Barunga West Road Safety Committee:

Cr R. Smith

Barunga Village Inc:

Cr G. Simmons

Barunga West Progress Association:

Cr T. Schkabaryn

Yorke Peninsula Land Use Agreement Liaison Committee:

Cr I. Burgess & Mr. Nigel Hand

Yorke Peninsula Community Transport Services:

Cr. G. Simmons.

Yorke Regional Development Board:

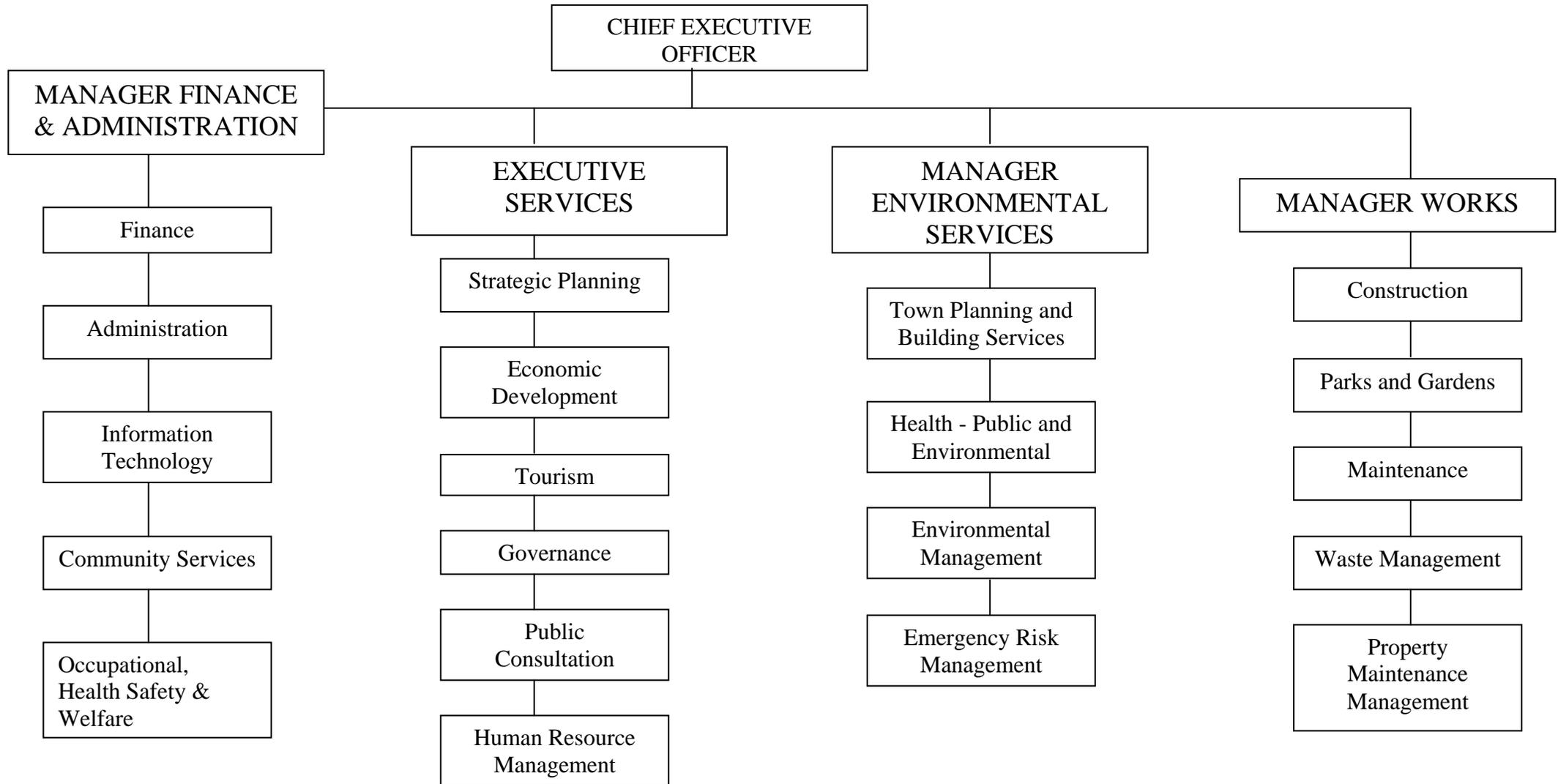
Messrs. Nigel Hand & Phillip Harris (Disbanded in December 2009)



Playground Fencing and paving at Fisherman's Bay, constructed from the Australian Government's Infrastructure Stimulus Funds, with assistance from Fisherman's Bay Progress Association and Council.



COUNCIL
ORGANISATIONAL STRUCTURE





Finance and Administration

Finance

- Valuations/Property Records
- Rates
- Audit
- Payroll
- Asset Accounting
- Budget Preparation
- Management Accounting
- Financial Accounting
- Treasury Function
- Stores

Administration

- Records Management
- Customer Service
- Commercial Activities
- Rural Transaction Centres

Information Technology

- Systems Control and Development
- Hardware/Software Maintenance
- Business Information System
- IT Strategy
- Asset Register

Community Services

- Education
- Libraries
- Youth Services
- Disability Services
- Ethnic Services
- Social and Indigenous Services

- Visitor Information Outlet
- Aged Care Services
- Community Development
- Volunteers

Occupational Health Safety & Welfare

- Occupational Health & Safety
- Training and Development

Environmental Services

Town Planning and Building Services

- Building Permits & Control
- Building Regulations/Development
- Registration and Information
- Development Assessment
- Statutory Appeals
- Use and Development Policy
- PAR's
- Section 30 Reviews
- Development Compliance

Public and Environmental Health

- Food Safety
- Public Safety
 - Law and Order
- Community Health
- Immunisations
- Alcohol and Drug Strategy
 - Sharps
 - Liquor Licencing/Dry Areas

Environmental Management

- By-Laws/Local Administration Laws

- Animal Control
- Fire Prevention
- Pest & Plant Control
- Coastal Protection & Landcare

Emergency Risk Management

- Disaster Mitigation Planning

Works Services

Construction

- Plant Management – Construction
- Asset Management
- Stormwater Management
- Engineering Services
- Planning and Design
- Foreshore & Boat ramps
- Infrastructure Construction
- STED Scheme Construction

Parks and Gardens

- Parks and Gardens Management
- Arboriculture/Tree Management

Maintenance

- Plant Management – Maintenance
- Street Cleaning
- Infrastructure Maintenance
- Graffiti removal
- Workshops & Depot Management
- STED Scheme Management



Waste Management

- Waste collection
- Waste Disposal
- Recycling

Executive Services

Strategic Planning

- Corporate Planning
- Development and Review
- Performance Measurement
- Annual Plan Monitoring

Economic Development

- Business Development
- Economic Development Planning
- Investment Alteration

Tourism

- Tourism Marketing
- Cultural Development
- Events

Governance

- Emergency Response
- Compliance Reporting
- FOI
- Privacy Act
- Whistle Blowers Act
- Contracts Management
- Policy
- Developing Maintenance
- Executive Support to Council
- Legislative Compliance

- Elections/Returning Officer
- Performance Monitoring & Reporting

Public Consultation

- Communication – Newsletters
- Web Development
- Community Engagement
- Public Relations

Property Management

- Property and Building Contracts
- Property – Leasing/Disposal/Acquisitions
- Property Development
- Community Land Management
- Heritage Management

Human Resource Management

- Staffing arrangements
- Risk Management
- Organisational Development

Staffing

As at 30th June 2010, the District Council had a total of 21 staff equating to 17.6 equivalent full time (EFT) positions. The breakdown of staff numbers by gender, employment type and department is shown in the following table:

District Council Employees:	Full Time Equivalent 30 th June 2009	Full Time Equivalent 30 th June 2010	Males	%	Females	%
Offices, Rural Transaction Centre						
Senior Executives	4.0	4.0	4.0			
Administration services – general	2.6	2.8			2.8	
Rural Transaction Centres	2.0	2.0			2.0	
Risk Management Officer		0.6			0.6	
Environmental Health		0.2	0.2			
<u>Total “inside” employees</u>	8.6	9.6	4.2		5.4	
At Depots (construction, maintenance)						
Construction and maintenance, inc cleaning	6.0	6.0	6.0			
Parks, gardens and reserves	2.0	2.0	2.0			
<u>Total “outside” employees</u>	8.0	8.0	8.0			
Total Employees	16.6	17.6	12.2	71.43%	5.4	28.57%

During the year there was minimal staff turn-over, with one Administration staff member (Ms. Corinne Hewett) leaving the district for family reasons. She was replaced by Ms. Kim Thomas. The Council, in recognising the increased requirements with Occupational Health Safety and Welfare requirements, coupled with risk management issues, engaged Mrs. Bronwyn Scholes for the Risk Management role at 0.6 FTE. Mrs. Scholes also works with Wakefield Regional Council in a similar role.

Council is committed to providing and promoting a safe work environment and safe systems of work. This is duly implemented by providing and enforcing appropriate policies, procedures and systems in accordance with relevant Acts and Regulations. Council's OHS&W Committee regularly meets to review policies and procedures, discuss accident and incident reports, identify and minimise areas of risk and provide positive input into the provision of a safe and healthy workplace. Action is taken to ensure that supervisors and employees will continuously strive to comply with the Act by providing training in areas identified by the OHS&W Committee. This is reflected in the appointment of Mrs. Scholes.

The Council is supported in its efforts in providing the safe work place, through the South Australian Local Government Association's Worker Compensation Scheme, and the Regional Risk Co-ordinators. We acknowledge their valuable support for the Council.

Each year the Council is subject to Audits by the Local Government Association's Mutual Liability Scheme and Workers Compensation Scheme, and in both cases were scored above the regional and state averages in local government. This is a credit to all staff as they endeavour, with Council staff to ensure that we have a safe work place, and a safe environment for our communities.

The Council is a supporter of Equal Employment Opportunities, but with a relative low turnover of staff, the Council generally does not have many opportunities to advertise for staff. It has been noticed that when replacing staff there are not many applications where Council has the opportunities to implement the principles of Equal Employment Opportunities. For example clerical positions generally attract female applicants and construction/maintenance positions attract male applicants.



STAFFING as at 30th June 2010

STAFFING - ADMINISTRATION

Nigel Hand	Chief Executive Officer
Blue Jolly	Manager-Finance
Bronwyn Scholes (0.6 FTE)	Risk Management Officer
Georgina Adams (0.6 FTE)	Administration Officer
Tamara Harrison (0.5 FTE)	Administration Officer
Kim Thomas (0.8 FTE)	Administration Officer
Carolyn Mildren (0.4 FTE)	Administration Officer
Leanne Muller (0.4 FTE)	Administration Officer
Kathleen Brown (0.1 FTE)	Administration Officer

PORT BROUGHTON RURAL TRANSACTION CENTRE

Tamara Harrison (0.5 FTE)
Kim Thomas (0.2 FTE)
Carolyn Mildren (0.2 FTE)
Leanne Muller (0.1 FTE)

BUTE RURAL TRANSACTION CENTRE

Leanne Muller (0.3 FTE)
Jodie Herbert (0.4 FTE)
Kathleen Brown (0.3 FTE)

ENVIRONMENTAL SERVICES

Mark Marziale	Manager – Environmental Services
Chris Hunt (0.2FTE)	Environmental Health Officer

CONSTRUCTION

Robert (Fred) Linke	Manager-Works
Steven Davey	Supervisor-Works
Graham Manners	
John Pridham	
Bradley Stringer	
Brett Tancock	
Blake Siviour	

MAINTENANCE

Michael Krieger
Steven Daniel



Council utilises the following contractors for specific tasks:

HEALTH / FOOD

Mr. Peter Timony (District Council of Yorke Peninsula) – until January 2010

ENGINEERING

Mr. Roy Robinson - Wallbridge and Gilbert
Mr. Trevor Mace - Mace Engineering Services Pty Ltd

BUILDING SURVEYORS

Peter Harmer - Katnich Dodd (Building Surveyors)
Colin Crockford – Assistant Building Surveyors

LEGAL

Wallmans Lawyers - Adelaide
Norman Waterhouse – Adelaide

FINANCIAL & ACCOUNTING

Mr. Ian McDonald

PATROL GRADER CONTRACTORS

Colin Lamshed
Robert Edwards
Kenneth Naisbitt

GARBAGE COLLECTION CONTRACTORS

Wardle Garbage	Port Broughton / Mundoora/Bute Fisherman's Bay / Tickera / Alford
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CLEANING CONTRACTORS

Irene & Joan Hornby	Port Broughton
Reg Chandler	Port Broughton
Jeannie Anderson	Port Broughton
Shane Martin	Port Broughton
Leanne Tricker	Bute
Jeff Willment	Tickera
Gaye Soper	Alford

WASTE DISPOSAL SITES

Port Broughton Recycling (Phil Clarke)	Port Broughton
Owen Beadle	Bute

AUDITOR

Dean Newbery and Partners

REGISTER OF SALARIES

Council maintains a Register of Salaries for all employees, as required by Section 105 of the Local Government Act 1999, which is available for inspection at any of the Council's offices.

In compliance with the annual reporting requirements of the Local Government Act 1999, in relation to disclosure of the number of Senior Officers employed by Council, together with information on the kinds of allowances, bonuses and benefits that are made available to those officers as part of their salary package, Council is pleased to provide the following information for senior employees as at 30th June 2010:

POSITION TITLE	POSITION CLASSIFICATION	ALLOWANCES AND BENEFITS
<p>Chief Executive Officer Nigel A. Hand</p>	<p>Senior Officer Level 5 Municipal Officers (SA) Award</p>	<ul style="list-style-type: none"> • Statutory and Award allowances and benefits available to all employees. • 15% superannuation in lieu of the 9% guaranteed superannuation contribution. • Restricted private use of Council maintained vehicle pursuant to Council Policy • Membership fees to maintain membership subscriptions to approved professional associations • Payment of rental and all outgoing calls (excluding international) from private phone (in accordance with Council policy) • Provision of a fully maintained mobile phone.
<p>Manager Administration and Finance Lawrence (Blue) M Jolly</p>	<p>Senior Officer Level 2 Municipal Officers (SA) Award</p>	<ul style="list-style-type: none"> • Statutory and Award allowances and benefits available to all employees. • Restricted use of Council maintained vehicle pursuant to Council policy • Reimbursement of rental and outgoing Council calls from private phone • Provision of a fully maintained mobile phone. • Provision of private internet connection • Subsidised rental accommodation • Membership fees to approved professional associations

<p>Manager – Works Robert C. (Fred) Linke</p>	<p>Senior Officer Level 2 Municipal Officers (SA) Award</p>	<ul style="list-style-type: none"> • Statutory and Award allowances and benefits available to all employees. • Private use of Council maintained vehicle pursuant to Council policy • Payment of rental and all outgoing Council calls from private phone • Provision of a fully maintained mobile phone. • Provision of private internet connection • Membership fees to approved professional associations.
<p>Manager – Environmental Services Mark Marziale</p>	<p>Senior Officer Level 3 Municipal Officers (SA) Award</p>	<ul style="list-style-type: none"> • Statutory and Award allowances and benefits available to all employees. • Private use of Council maintained vehicle pursuant to Council policy • Payment of rental and all outgoing Council calls from private phone • Provision of a fully maintained mobile phone. • Provision of private internet connection • Membership fees to approved professional associations.



The new Columbarium constructed at the Kulpara Cemetery, built by the Kulpara Progress Association, with assistance from the Council

SERVICES TO THE COMMUNITY

Council makes decisions on policy issues relating to services that are provided for members of the public. These services currently include (but are not limited to):

Town Planning	Tourism initiatives	Fire Prevention
Dog Management	Ovals	Environmental Health
Local Strategic Planning	Libraries	Pest Plants and Animal Control
Food Safety Inspections	Reconciliation and working with the Narrunga people	Local road Construction and Maintenance
Development Assessment	Stormwater Drainage	Parks and Gardens
Street Lighting	Traffic Management	Reserves, Picnic and Camping Areas
Rubbish Collection And Disposals	Information Services	Free Internet in Libraries
Community Development Programmes	Walking Trails / Cycling Tracks	Local Representation
Online Service	Employment Training Programmes	Economic Development
Tourism Information and Support	Community Leadership	Footpaths
Festivals and Events	Building Inspection	Caravan Parks
Citizen Ceremonies	Cemeteries	Coastcare and Projects
Business Support	Natural Resource Management	Boat Ramp Construction and Maintenance
Septic Tank Effluent Disposal Schemes	Building Fire Safety Inspections	Halls
Roadside Tree Trimming	Home and Community Care Services	Water Supply
Public Toilets	Street Sweeping	Playgrounds



The new Skate Park at Bute, constructed from the Australian Government's Infrastructure Stimulus Funds, with assistance from Council, Bute 2000 Onwards Committee and the local youth.



INFORMATION SUMMARY AND REPORTING

This information statement is published by the District Council of Barunga West in accordance with the requirements of the Local Government Act 1999, as amended.

The District Council of Barunga West is pleased to comply with the legislation and welcomes inquiries.

An updated Information Statement will be published at least every 12 months.

1. STRUCTURE AND FUNCTIONS OF THE COUNCIL

Full Council

Full Council consists of nine members with one being the Mayor (as appointed by the elected members, and not at large), and is the decision making body on all policy matters. This was reduced from ten members, following an Electoral Review conducted by Council during the past twelve months. Ordinary meetings of full Council are held on the second Tuesday of every month at 7:00pm at the Bute Chambers and members of the public are welcome to attend.

Committees

Committees have been formed to streamline Council's decision making process. These committees meet as required and make recommendations to Council. The Committees are Occupational Health and Safety, Executive, Works and Infrastructure Committee, and Audit Committee and the public is welcome to attend.

Agendas and Minutes

Agendas of all full Council and Committee Meetings are placed on public display at Bute and Port Broughton, and Council's web site, not less than three days prior to those meetings. Minutes are placed on display, within five days of that meeting at both offices, as well as being available on Council's website.

Delegations

The Chief Executive Officer and other officers have the delegated authority from Council to make decisions on a number of specified administrative and policy matters. These delegations are reviewed annually as required by legislation. The last review was undertaken at Council's October 2009 meeting.

Council makes decisions that direct, and/or determines its activities and functions. Such decisions include the approval of works and services to be undertaken and the resources, which are to be made available to undertake such works and services.

Decisions are made to determine whether or not approvals are to be granted for applications from residents for various forms of development.

2. AMENDMENT OF COUNCIL RECORDS

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act. A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date.

To gain public access to these records, a member of the public must complete a Freedom of Information request form as indicated above outlining the records that he/she wished to inspect.



3. COUNCIL CERTIFICATES – SECTION 65zy

For the previous financial year the District Council of Barunga West has not, pursuant to Section 132 of the Local Government Act, issued any certificates specifying any documents to be restricted.

4. COMPETITIVE TENDERING

Council is conscious and aware of the legal requirements of the Principles of Competitive Tendering and Competitive Neutrality and applies those principles where appropriate. This is reflected in Council's Contracts and Tender Policy.

5. RATE REBATE APPLICATIONS – RETIREMENT VILLAGES

Council has one retirement village (Barunga by the Sea) within our area for which rebates are applied to.

6. COMMUNITY LAND

Council has completed a review of all its community land as required by the provisions of the Local Government Act 1999 (Chapter 11).

As part of this review Council has identified 93 parcels of land and 23 have been released from the community land classification.

Management plans have been prepared for the majority of these parcels of land.

7. REGISTERS

Pursuant to Schedule 4 (1) (b), council maintains the following registers:

- | | |
|--|-------------|
| 1. Register of Member's Interest - | Section 68 |
| 2. Register of Members Allowances and Benefits - | Section 79 |
| 3. Register of Senior Staff Interest - | Section 116 |
| 4. Register of Officer's Remuneration - | Section 105 |
| 5. Register of Community Land - | Section 207 |
| 6. Register of By-laws - | Section 252 |

8. CODES OF PRACTICE AND CONDUCT

Pursuant to Schedule 4 (1) (c), Council maintains the following Codes of Conduct and Practice:

- | | |
|--|-------------|
| 1. Elected Member's Code of Conduct - | Section 63 |
| 2. Council Employees Code of Conduct - | Section 110 |

9. MANDATORY POLICIES

- | | |
|--|-------------|
| 1. Contracts and Tenders Policy – Reviewed each year | Section 49 |
| 2. Public Consultation Policy - Reviewed each year | Section 50 |
| 3. Internal Control Policy – Reviewed each year | Section 125 |
| 4. Policy on Order Making – Reviewed each year | Section 259 |



STRATEGIC MANAGEMENT PLAN

In September 2007 the Council upgraded its current Strategic Plan to accept a new Strategic Management Plan "Moving Forward 2007-2017" which recognises that there were significant changes that Council need to consider for the future success of our Council area.

The Local Government Act specifies that Council must have a range of Management Plans, which must be reviewed on a regular basis. These include the following

- Long Term Asset Management Plan
- Long Term Financial Management Plan
- Strategic Management Plan

The Council has during the past year done an extensive amount of work in regards to the Asset Management Plan, and the Financial Management Plan. This has previously completed its unsealed road Asset Plan, and during the year the staff has worked (with the assistance of consultants Ian McDonald and Ric Gayler) to complete sealed roads, Community Wastewater Management Schemes, Land and Buildings. With Council's limited resources this has been achieved with dedicated efforts from the staff involved, and they are to be commended.

The Local Government Act stipulates dates when these plans are required to be completed, and the Council is pleased that we have completed the tasks. These plans have been a challenge for our Council to undertake, but they will enable the Council to carefully plan its infrastructure and financial requirements for the next three years. These plans will require careful monitoring and adjustment to reflect our changing needs.

In developing a Strategic Management Plan, the Council looked at a large number of issues that will reflect the future of our district, and at the benefits of having such a plan. These included the following

- Identifying the aspirations of the Community
- Focusing efforts of the Community, Elected Members and Council Staff on how they collectively want the District to develop
- Ensuring a coordinated approach to community and organisational planning, with clear priorities
- Making the most effective use of limited resources
- Guiding Council's decision-making responsibilities (including budgets)
- Providing an overall policy against which to monitor actions
- Presenting an opportunity to review policy regularly
- Providing long term direction for the Council
- Informing the Community, Government agencies and Investors of Council's position on a range of issues.

The Strategic Management Plan is an important planning tool for Council and is used to assist Council in developing its long term Financial Plan and Annual Business Plans.

Following consideration of these issues the Council has looked at what it believes it can realistically achieve for the next 10 years, within the financial and environmental resources available to the Council. Accordingly, the Council has targeted five main key objectives, which are:

- Asset Management
- Community Services
- Environmental Services
- Economic Development
- Corporate Development

As part of these key objections, the Council has established some goals and a number of key actions to be undertaken. These key objections, goals and actions reflect the need for Council to continue with our legislative responsibilities and our desire to continue to improve the infrastructure facilities and services that our Council offers to our residents, ratepayers and visitors.

The following briefly details our strategic Management Plan and some of the outcomes that were achieved by Council during the year.

Key Objective	Key Goals	Outcome 200/10
1. Asset Management	<ul style="list-style-type: none"> • Council Infrastructure meets the changing needs of the community • Manage Council's assets and Infrastructure 	<ul style="list-style-type: none"> • Substantial progress on preparation and completion of its Asset Management Plan, • Construction of the Port Broughton Office extensions and renovations, including the Police Station • Regular inspections of Council infrastructure are undertaken, and required maintenance undertaken • Progress Associations submit plans for approved work, to be in line with Council's Strategic Management Plan • Sale of Council roads in the Hd's Clinton and Kulpara almost completed • Upgrading of roads, including Bypass Road • Permit system in place for use of road reserves (cafés etc) • Upgrading of Council buildings, using dedicated Council funds • Review of Council's Asbestos Register
2. Community Service	<ul style="list-style-type: none"> • Provide an environment that offers a great outcome • Healthy partnerships with key community groups • Effective communication with the community 	<ul style="list-style-type: none"> • The Disaster Plan for the area completed • Continue to improve service at the Rural Transaction Centre • Business Continuity Plan reviewed • Continuing Community Transport Services for eligible residents • Continue with Council Newsletter and seek feedback • One public meeting held during the year, being for Annual Business Plan • Sub-committee established to review the Visitor Information Outlet operations

<p>3. Environmental Services</p>	<ul style="list-style-type: none"> • Leadership in environmental management • Protection of our Natural environment 	<ul style="list-style-type: none"> • Construction continued for the Waste Transfer Station at Port Broughton, utilising grant funds • Remediation completed of Alford and Kulpara Waste Disposal Sites (NRM grant received) • Recycling opportunities being established for the District as part of the transfer station • Improving CWMS maintenance programs for Bute and Port Broughton • Involved with climate change proposals, • Working with NRM Board on coastal access issues, as part of a coastal councils group
<p>4. Economic Development</p>	<ul style="list-style-type: none"> • Support for Economic growth over all sections • Vibrant communication with employment opportunities 	<ul style="list-style-type: none"> • Ongoing assistance to developers for land subdivisions • Continued association with the YP Councils Alliance with adjoining Councils • Continued involvement with the Central Local Government Region, and sub groups • Continuing assistance with the Yorke Regional Development Board
<p>5. Corporate Development</p>	<ul style="list-style-type: none"> • Develop an organisation that is responsive and accountable • Foster strategic partnerships • Develop a Council which value and encourage a strong relationship 	<ul style="list-style-type: none"> • Continued improvement with Council's OHS&W responsibilities • Continual improvement with Council's Risk Management responsibilities • Employment of a Risk Management Officer • A review of Council's By-laws was completed • An Electoral Review was undertaken - resulted in a reduction of elected members • Continued training opportunities for elected members and staff • Commencement of a new Records Management program

PUBLIC PARTICIPATION

Council Meetings

Members of the public have a number of opportunities to put forward their views on particular issues before Council.

These are:

- (i) **Deputations** – With the permission of the Mayor, a member of the public can address Council or a Council Committee personally or on behalf of a group of residents / interested persons.
- (ii) **Presentations to Council** – With prior notification and arrangement with the Mayor, a member of the public can address Council on any issues relevant to Council.
- (iii) **Petitions** – Written petitions can be addressed to the Council on any issue within the Council's jurisdiction.
- (iv) **Written Requests** – A member of the public can write to the Council on any Council policy, activity or service.
- (v) **Elected Members** – Members of the public can contact the elected Members of Council to discuss any issues relevant to Council.

Public Consultation

Council has duly adopted a Public Consultation Policy in accordance with Section 50 of the Local Government Act 1999.

The policy is designed to outline the principals and procedures that the District Council of Barunga West will follow to involve the community in Council's decision making process through effective communication and consultation strategies, and has the following broad objectives:

- To establish positive relationships between Council and the community.
- To promote open, transparent and responsive decision making by Council.
- To provide effective communication and consultation between Council and the community.
- To encourage, enhance and/or provide the opportunity for community participation in the decision making processes of Council.
- To achieve a greater level of community input, understanding and opportunities for active participation in the decision making process.

This policy applies to those initiatives or activities of Council on which consultation is required by the Local Government Act 1999, and other legislation or in other cases involving Council decision making.

The areas which Council is required to follow relevant steps is set out in its **Public Consultation Policy**, as follows:

This Policy provides for public consultation in cases where the Local Government Act 1999 requires Councils to follow its Public Consultation Policy, and in other cases involving Council decision making. The policy categorises Council activity into four areas and provides consultation strategies for each category.

Category 1	Mandatory requirements i.e. the requirements of the Local Government Act 1999.
Category 2	Matters of significance to the Council area, such as changes to a Council service or consideration of a new service or facility.
Category 3	Matters of significance to a specific section of the community or geographic area, such as a road or street construction, reserve development or a service change affecting a particular area.
Category 4	Matters that are procedural, operational or administrative in nature that are unlikely to have any significant impact on the community.

Consultation strategies that could be implemented on the recommendation of the Chief Executive Officer include:

1. Distribution of detailed information on the matter to all householders and non-resident ratepayers with an invitation for interested persons to make submissions to Council in relation to the matter within 21 days.
2. Establishment of a telephone "hotline" for individuals to discuss the matter with relevant staff members.
3. Public displays of information in strategic locations, with staff in attendance, if appropriate.
4. Postal surveys or questionnaires to all residents and non resident ratepayers.
5. Other forms of survey such as telephone or door knock.
6. Provision of consultation and participation strategies such as community workshops or meetings to provide members of the public with opportunities to discuss the matter with relevant staff / elected members and to participate in the planning of the changes.
7. Focus groups.

Category 1

All matters subject to the public consultation provisions of the Local Government Act 1999 (Sec 50)

This category includes matters relating to:

Representation reviews

Status of Council / Change of Name

Principal Office – Opening hours

Commercial activities – prudential requirements

Public Consultation Policies

Code of practice – access to meetings and documents

Strategic Management Plans

Community Land

- Exclusion of classification of land as community land
- Revocation of classification of land as community land
- Management plans for community land
- Amendment or revocation of management plans for community land
- Alienation by lease or licence
- Permits
 - Roads – Trees
 - Passing By-laws
 - Power to make orders

Category 2

Matters of significance to the Council area

Category 3

Matters of significance to a specific section of the community or geographic area.

Category 4

Matters that are procedural, operational or administrative in nature and unlikely to have any significant impact on the community.

N.B No public consultation is required on Category 4 matters.

Council is also required to **consult** with the community for:

- Representation review
- Status of Council or name change
- Certain commercial activities
- Strategic management plans
- Making of by-laws
- Orders making policies

Various procedures are specified in the Policy in respect of how the consultation process is to proceed, which will largely depend on the particular issue or proposal under consideration

ACCESS TO COUNCIL REGISTERS, CODES, POLICIES AND ADMINISTRATIVE DOCUMENTS

In accordance with Section 132 of the Local Government Act 1999, a member of the public is entitled:

- (i) To inspect the following documents at the Council office during ordinary hours without charge; and
- (ii) To purchase the following documents at the Council office during ordinary hours for a fee fixed by the Council or may be downloaded from the web free of charge.

DOCUMENT:

Council agenda and minutes

Agenda – posted

Agenda – collected from Council office

Minutes – posted

Minutes – collected from Council office



Monthly building approvals list (per annum)
Hundred maps
Copy of Council's policy manual
Annual report
Annual financial statements
Budget / Budget reviews / Global budget documents
Financial plan
Strategic & Corporate plan
Members register of interests
Members register of allowances and benefits
Officers register of remuneration
Register of community land
Register of public roads
Register of by-laws
Members code of conduct
Code of practice for access to meetings and documents
Employees code of conduct
Contracts and tenders policies and procedures
Public consultation policy
Rating policy
Campaign donation returns prepared by candidates
Information statement
Internal review procedure
Assessment book
Development plan
Fees and charges register
Internal control policies
Policy on order making

N.B For other documents see the Fees and Charges Register

Most documents identified in the above schedule are also available for viewing on councils website.

There are no other businesses within our Council area that operate similar services within the township and Council, therefore, believe that there are no anti competition principles involved with these Rural Transaction Centres.

FREEDOM OF INFORMATION REQUESTS

Requests for other information not included in clause 4.1 above will be considered in accordance with the provisions of the Freedom of Information Act. Under this legislation, an application fee and a search fee must be forwarded with the appropriately completed request form as provided in the Freedom of Information – (Fees and Charges) Regulations 1991, unless the applicant is granted an exemption.

Should the applicant require copies of any documents inspected pursuant to a Freedom of Information request, the charges set out in clause 4.1 will apply as will the charges/fees set out in 4.2 hereof.

During the 2008/09 year the Council received **Nil** requests for information under the Freedom of Information Act.

COUNCIL DESIGNATED OFFICER

All enquiries concerning the lodgment procedures for Freedom of Information requests, the procedure for inspecting or purchasing the identified District Council of Barunga West Administrative Policy Documents, Procedures for Access to other Councils documents and Amendments of any Council records concerning the personal affairs of a member of the public are to be directed to:

Mr. Nigel Hand
Chief Executive Officer
PO Box 3
PORT BROUGHTON SA 5522
Ph: 8635 2107 or Fax: 8635 2596



Applications will be responded to as soon as possible within the statutory 30 days of Council receiving the appropriately completed Freedom of Information request together with the application and search fee and all other information necessary for a qualified response to be provided.

An application for access to Council's document(s):

1. Must be in writing; and
2. Must specify that it is made under this Act; and
3. Must be accompanied by such application fee as may be prescribed; and
4. Must contain such information as is reasonably necessary to enable the document to be identified; and
5. Must specify an address in Australia to which notices under this act should be sent; and
6. Must be lodged at an office of the agency, and may request that access to the document be given in a particular way.

AMENDMENT OF COUNCIL RECORDS

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Freedom of Information Act. A member of the public may then make application (in the prescribed form) for a correction to any information about themselves that is incomplete, incorrect, misleading or out of date.

To gain access to these Council records, a member of the public must complete a Freedom of Information request as indicated above outlining the records that he/she wishes to inspect.

REQUESTS FOR REVIEW OF COUNCIL ACTIONS

In accordance with Section 270 of the Local Government Act, the Council has established a Policy for an Internal Review of Council's decisions. During 2009/2010 there were no applications for a review of Council's decisions

EXCLUSION OF THE PUBLIC FROM MEETINGS

Section 90(1) of the Act generally provides that a meeting of Council or its committees must be conducted in a place open to the public. However, Section 90(2) provides that a Council or its committees may order that the public be excluded from attendance at a meeting that it is considered necessary and appropriate to enable that meeting to receive, discuss or consider a matter in confidence.

Those matters are specified by Section 90(3) and include, for example, commercial information, legal advice, tenders etc.

Council chose to invoke Section 90(2) six times during the year, during separate meetings (compared to twelve times in 2008/09). The reasons for invoking Section 90(2) were as follows:

- Administration Issues – 1 time
- Development Issues – 5 times

CONFIDENTIAL DOCUMENTS

Section 91(1) – (6) of the Act generally provides that minutes of meeting proceedings must be kept and made available for public inspection. However, Section 91(7) provides that a Council or its committees may order that confidential documents, may be excluded from general public accessibility

Council chose to invoke Section 91(7) twelve times during the past twelve months

In September 2008 the Council agreed to release all the previous confidential documents for the period concluding September 2008.

COUNCIL SUBSIDIARIES

The Council, as at 30th June 2005, agreed to relinquish the status of all its Progress Associations as Section 41 or 42 Subsidiaries as defined by the Local Government Act 1999.

As part of its support for the various Progress Associations and Sporting Bodies that Council has an involvement, the Council has also agreed to pay all the public liability insurances and volunteer insurances for these groups.

The only Subsidiary Committee that Council has an involvement is with is the Central Local Government Region, which comprises 15 Councils within the Central Region of the State.

A copy of their Annual Report is attached to the Council's Annual Report.



The silhouettes at the Bute Reserve which were installed by the Bute and Districts Lions Club

ELECTORAL INFORMATION

During the 2008/09 year the Council commenced its Periodical Review in preparation for the 2010 Elections. This review involved a Public Consultation process, which has enabled the residents and ratepayers of the district to have an input. As part of the initial process the Council received two submissions.

Following consideration of the submissions the Council has agreed to the following

- The principal member of Council to be chosen by the elected members of Council from amongst their own number and the office bear the title of Mayor, pursuant to the provisions of Section 51 of the Local Government Act 1999.
- The Council area not be divided into wards (i.e. retain "no wards").
- The elected Council continue to comprise nine (9) area councillors, to be elected at council-wide elections by the community.

The Council submitted its final report to the South Australian Electoral Commission with the above recommendations, and this has been endorsed and will take effect for the November 2010 elections. The next scheduled Electoral Review is required by current legislation to be completed in 2018.

The Council was keen to retain the no wards system, which was first introduced since 2006, and believes that it has been successful. It also allows the Council to introduce a policy, that should there be a casual vacancy in Council, with the resignation or death of an elected member, that the vacancy does not have to be filled until a second vacancy occurs.

The State Government, amended the Local Government (Elections) Act, to require non-resident property owners and corporate owners to apply to be registered on the Council's voters roll, where they were previously automatically registered. This has seen a substantial reduction in the number of eligible voters on our voters roll, which in effect reduces the ratio of voters to elected members.

At the 2006 Election the Council had 2857 electors eligible to vote at the elections. With 10 elected members this gave an elector ratio to an elected member of 1: 286. With the amended elector figures and a reduced number of elected members this ratio would have been 1:328. However with the new provisions this ratio will be approximately 1:220

As a comparison to other Council's of a similar size the following is offered, based on figures as at July 2008.

COUNCIL	ELECTED MEMBERS	ELECTORS	RATIO
BARUNGA WEST	9 incl. Chairman	1976	1:220
CEDUNA	8 plus Mayor	2077	1:231
KINGSTON	11 incl. Chairman	1763	1:160
MOUNT REMARKABLE	7 incl. Chairman	2186	1:312
ROBE	6 plus Mayor	1040	1:149
STREAKY BAY	8 incl. Chairman	1457	1:182
TUMBY BAY	9 incl. Chairman	2026	1:225

NB: Figures obtained from the Local Government Association S.A. (6th October 2010).



APPLICATION OF COMPETITION PRINCIPLES – NATIONAL COMPETITION POLICY

The District Council of Barunga West is committed to the application of national competition principles, the process for which is set out in the "Statement on the Application of Competition Principles for Local Government" known as the Clause 7 Statement.

All councils in South Australia are required to identify activities that they are involved in which would be classified as "significant business activities" as defined in the National Competition Policy.

In broad terms "significant business activities" are defined as those activities where the costs are met predominately from the user, rather than from rates to other revenue sources, and Council is conducting the activity with a view of earning a return, rather than meeting a community need that would not otherwise be met. The National Competition Policy is not intended to apply to non-businesses, non-profit government activities.

Any identified "significant business activities" must then be categorised further into category one and two activities.

Category One-business activities are those with annual revenue in excess of \$2 million, or employing assets with a value in excess of \$20 million.

The District Council of Barunga West has not identified any category one significant business activities.

Category Two business activities are those that either generate income or consume resources and which are significant to the Council concerned.

The District Council of Barunga West has identified the operation of two Rural Transaction Centres as category two business activities.

The National Competition Policy principles also extend to the application of Council Bylaws and the extent that their application may restrict competition.

Council has independently reviewed all its by-laws against this principle, resulting in amendments to ensure that the competition principles are adhered to.

During the reporting period, Council has not received any complaints about the application of competitive neutrality.

The two Rural Transaction centres operate the following services:

Port Broughton

- ANZ Bank "Rural Link Agency"
- Centrelink
- Services SA
- Australian Taxation Office
- Telstra Countrywide

Bute

- Australia Post
- ANZ EFTPOS service
- Telstra Countrywide



DISTRICT COUNCIL OF BARUNGA WEST ANNUAL BUSINESS PLAN 2009/10

INTRODUCTION

The Annual Business Plan sets out the Council's proposed services, programs and projects for 2009-10. It aims to maintain efficient services for the community and continue progress towards the longer term objectives for the District Council of Barunga West set out in the *Strategic Management Plan 'Moving Forward 2007-2017'* adopted by Council in September 2007. Specific objectives for the year are consistent with Council's Long Term Financial Plan and proposed Asset Management Plan to ensure the long-term sustainability of Council's financial performance and position.

We will also endeavour to use our resources efficiently by collaborating with other sectors of the community and spheres of government to maximise benefits for our communities. We must find a balance in our decision making between social, cultural, economical and environmental issues to ensure our community is healthy, now and in the future.

Dean Dolling
Mayor

Nigel Hand
Chief Executive Officer

1. BARUNGA WEST'S STRATEGIC MANAGEMENT PLAN 2007-2017

Many of the challenges in the future cannot be predicted, however, Council must be proactive in preparing for those unforeseen impacts with robust forward planning. It is essential to ensure drainage, footpath and road infrastructure meets the needs of a growing community of the future. Continuing a commitment to taking a longer-term approach to strategic and financial planning will assist in the achievement of our Vision.

Council's Strategic Management Plan provides the context for delivering outcomes to the community over the coming years. Supported by other major management plans (including the Asset Management Plan and the Long Term Financial Plan), the Strategic Management Plan provides the detailed blueprint for achieving our long-term objectives.

1.1 Vision

The following is an excerpt from the Strategic Plan following the amalgamation of the District Councils of Bute and Port Broughton:

'(The Councils) share a vision of providing improved facilities, services and resources for its electors'

"It is based on the simple concept that if we, as a community, decide on where we want to go, we will reach our goals and achieve much more. We will work in collaboration with the community and stakeholders of all levels of importance, as strong partnerships will drive the action to achieve the ultimate goal of supporting a sustainable future."

The Strategic Management Plan Moving Forward 2007 - 2017 is prefaced by the following:

COUNCIL'S MISSION STATEMENT

The District Council of Barunga West: Creating a sustainable and enjoyable lifestyle through the equitable provision of efficient and effective services.

COUNCIL'S OBJECTIVES

The District Council of Barunga West's objective is to improve the efficiency of its operations in the provisions of works and services area. These efficiencies will allow for improved services and staff development opportunities that are available. It is a clear objective to minimise rate increases with productivity gains and improved services delivery to the electors.



COUNCIL'S CORE VALUES

The District Council of Barunga West is committed to

- Responsible use and management of community resources
- Ensuring accountability, honesty and integrity
- Ensuring effective communication with the community
- Ensuring good support for all of Council staff
- Maintaining our sound financial management practices
- Ensure effective planning for the future needs of the district
- Developing best practices in all areas of Councils operations
- Quality service to our community

These themes are identified as being significant to the long term well being of Council

COUNCIL'S MOTTO

Barunga West – Lifestyle for the Future

The following six key themes have been identified as being significant to the long term well being of Council:

- ***Actively pursue alternative sources of income other than rates***
- ***Promote community satisfaction***
- ***Pursue and promote sustainable economic development and growth***
- ***Pursue and promote sustainable environmental excellence***
- ***Maintain and develop Council's Infrastructure***
- ***Implement Best Practice Principles***

1.2 Major Strategic Project

The following are categorised as 'Major Strategic Projects' and will significantly contribute to developing amenities and services in the district:

- Port Broughton Office Extensions
- Development of the Port Broughton Bicycle/Gopher/Walking Trail
- Development of residential land in Bute
- Port Broughton Foreshore Seawall upgrade

These projects are enhancements towards delivering outcomes contained in the philosophy of Council's Vision and meet relevant criteria of the Strategic Plan themes. The Projects, because of the level of investment, scale and long term gains to Council operations and the community, gain prominence in our Capital Works program.

2. SIGNIFICANT INFLUENCES AND PRIORITIES

2.1 External Influences

In preparing the Draft Annual Business Plan 2008/2009 a number of external influences have been taken into consideration as they are likely to impact on the services delivered by Council. These include:

- Local Government Cost Index
- Increase in NRM levy
- Interest Rate Changes
- Increase in public liability insurance premiums by approx. 8%
- Fuel and Oil costs subject to fluctuation

2.2 Internal Influences

- Lack of financial resources
- Lack of available professionals in dedicated areas
- Infrastructure maintenance backlog

3. CONTINUING SERVICES

Councils have basic responsibilities under the Local Government Act (1999) and other relevant legislation.

These include:

- Regulatory activities eg supporting the elected Council
- Determining long term strategic management plans for the Council, preparing annual business plans and budgets and setting rates
- Management of basic infrastructure including roads, footpaths, parks, public open space, street lighting and stormwater drainage
- Street cleaning and rubbish collection
- Development planning and control, including building safety assessment
- Various environmental health services
- Economic Development
- Environmental programs
- Community Programs

4. PROJECT PRIORITIES FOR THE YEAR

- Port Broughton Office Extensions
- Road Construction Program in rural areas
- Bute and Port Broughton footpath upgrades
- Residential development in Bute
- Upgrade of depot facilities aligned to OHSW requirements
- Patrol Grading Program
- Port Broughton Foreshore
- Development of the Port Broughton Waste Depot Transfer Facility

5. MEASURING PERFORMANCE

5.1 Measuring achievement of strategic directions 2008/09

Measuring performance is critical to ensuring that Council is contributing to achievement of the Strategic Management Plan 2007-2017 and has measurement tools in place.

6. FUNDING OF THE BUSINESS PLAN

Consistent with Council's long-term financial plan, an operating deficit of \$349,881 is predicted in 2009/10. The operating deficit measures the difference between operating revenue and expenses for the period. The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than revenue. The Council's revenue in 2009/10 includes \$2,415,354 proposed to be raised from general rates.

6.1 IMPACT ON COUNCIL'S FINANCIAL POSITION

After taking account of planned net outlays on existing and new assets in 2009/10, the Council's net borrowing is currently \$1,849,244. The level of the Council's net financial liabilities is expected to increase by \$400,000 as at 30 June 2010. The LGFA Cash Advance Debenture will be used as bridging finance, where necessary, to support the Bute Residential Development project. The annual repayment level of Council's only debts, being LGFA Debentures, represents 13.25% of General Rate revenue.

7. RATES OVERVIEW

The Local Government Act 1999 requires a Council to prepare and adopt an Annual Business Plan. Following on from this plan is the adoption of the Budget for the ensuing year which requires the setting of rates.

7.1 METHOD USED TO VALUE LAND

Council has decided to continue to use capital value as the basis for valuing land within the council area. Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers.

7.2 ADOPTION OF VALUATIONS

Council intends to adopt the valuations made by the Valuer-General as provided to the Council in May 2009. If a ratepayer is dissatisfied with the valuation made by the Valuer-General refer Rates Notice.

7.3 NOTIONAL VALUES

Application for a notional value must be made to the Office of the Valuer-General.

7.4 FIXED CHARGE

Council has imposed a Fixed Charge of \$240.

7.5 SERVICE CHARGE

Council provides a septic tank effluent disposal system to all properties in Bute and Port Broughton and has set charges accordingly.

7.6 SINGLE FARM ENTERPRISES

Application must be made, on a form provided by Council, for Council to assess the eligibility of the candidate. The lodging of the form does not alter the due date for payment of the rates. Applications were advertised earlier this year and have now closed.

7.7 RATE CONCESSIONS

Refer Rates Notice

7.12 PAYMENT OF RATES

Council has decided that the payment of all rates will be by four instalments, due on the 3rd day of September, December 2008 and March, June 2009.

Council is offering a discount of 2.5% for the payment of all rates (in full) by September 3rd 2008.

7.13 LATE PAYMENT OF RATES

The Local Government Act provides that Councils impose a penalty of a fine on any payment for rates, whether instalment or otherwise, that is received late.

7.14 REMISSION AND POSTPONEMENT OF RATES

Section 182 of the Local Government Act permits Council, on the application of a ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship.

7.14.1 Postponement of Rates – Seniors

Application may be made to Council for a postponement of the payment of any amount of rates in excess of \$500.00 for any eligible ratepayer

7.15 REBATE OF RATES

The Local Government Act requires Councils to rebate the rates payable on some land.

7.16 SALE OF LAND FOR NON-PAYMENT OF RATES

The Local Government Act provides that a Council may sell any property where the rates have been in arrears for three years or more.

ENVIRONMENTAL SERVICES

Statistics for our Council area indicate that whilst we had a reduction in the number of development applications processed last year, there was an increase in the value of the developments. The Council area does not have a significant growth rate commonly seen in other coastal areas, but does experience a small but continuous steady growth for the district, and this has been reflected in the demand for housing allotments, and the increased number of dwellings being approved. These approvals are across the Council area, but in particular the coastal areas of Tickera and Port Broughton.

During the past year the Council has been continuing its liaison with Planning SA on developing the Better Development Plan (BDP) modules for our Development Plan, and improving our existing General Development Plan. The BDP modules, are a process whereby the Government are attempting to have consistent policies across the majority of Councils within the State. We are pleased that the Plan is now available for Public Consultation with the community and government agencies, and are hopeful that it will be implemented in late 2010. The Council has prepared a Statement of Intent for a Rural Living Development Plan Amendment, which has been submitted to the Minister, who has responded by seeking a range of additional information, seeking justification from Council for the proposed amendments to the Rural Living areas. This is now being attended to by Council staff and consultants.

In March 2009 the Council established an Independent Council Development Assessment Panel (CDAP), in accordance with the provisions of the Development Act 1993, utilising the independent members (including the chair) from the District Council of the Copper Coast's CDAP. The independent members are Messrs. John Meier (Chair), Stephen Horsell, Paul March and Mrs. Sandra Woods. The Council members are Crs. Ian Burgess, Rusty Smith and Tony Schkabaryn. The CDAP was not required to meet to consider any applications during the past twelve months.

During the year development to the value of \$9,862,427 processed (compared to \$4,575,264 in 2008/09). The profile of development applications received for the year is set out in the table below:

	Number requiring Public Notification	Number of Complying Applications	Number of Non Complying Applications	Consent Use	Total Number of Applications
Residential	3	42	0	24	66
Industrial	2	2	1	4	5
Commercial	6	0	0	6	6
Rural	1	13	2	1	16
Total	12	55	3	35	93

Of the total number of applications lodged 88 were approved by Council staff, with the balance still to be assessed. The number of applications approved by Council in 2009/10 decreased by 69 (42.6%), with an increased value of development of 115.5%. This was mainly as a result of the application from Fisherman's Bay Management Pty Ltd for the effluent disposal system, and large developments such as the Council office extensions and some residences.

The Council is continuing to work with the Fisherman's Bay Management Pty Ltd application for freeholding of the residential allotments at Fisherman's Bay, which has been on-going for a number of years. It is hoped that the final approval for this proposal will come to a conclusion in the near future.

The Council is committed to ensuring that the School Based Immunisation Program continues, and appreciates the wonderful support of the local Medical Practitioners at the Port Broughton Medical Clinic to ensure that this service is continued within our community.

The Council, as part of its close working relationships with its adjoining Councils, has enjoyed the opportunity to engage (on a part time basis) an Environmental Health Officer from the District Council of Yorke Peninsula. However due to the ever increasing requirements within this field, the Yorke Peninsula Council had to relinquish this arrangements, and the Council has since June 2010, employed, again on a part-time basis Mr. Chris Hunt to fulfill this role.

The Council has also maintained its Public Health Regulations responsibilities with regards to a number of programs including the following:-

- Food Safety program, including inspections of premises
- Mosquito control using a baiting program
- Communicable Disease management
- Waste Disposal Systems management
- Community Waste Water Disposal systems (formerly called STEDS)

As outlined in the Introductory message from the Mayor and Chief Executive Officer, the Council has worked **tremendously** hard in the past twelve months to comply with the State Government's Environmental Protection Agency requirements for waste management and control throughout our Council district.

The Council is involved with the Central Region of Local Government Waste Management Committee, which is looking at a range of waste disposal, waste minimisation and waste recycling options, as part of the Agency's requirements to improve their waste management operations. This has been beneficial for Council's working together to achieve the requirements of the Agency.

When completed this will see waste collected as part of its weekly collection operations transferred from the district, along with other non recyclable waste deposited at the Port Broughton Waste Disposal Site, to a destination still to be determined at this stage. Once completed at Port Broughton, this set up will be replicated, in some form at the Bute Waste Disposal Site.



The *Barunga by the Sea* Retirement Village in Dale Road Port Broughton, which has been constructed by the Barunga Village Inc.



**ANNUAL
FINANCIAL
STATEMENTS**

2009/10

DISTRICT COUNCIL OF BARUNGA WEST

General Purpose Financial Reports for the year ended 30 June 2010

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DISTRICT COUNCIL OF BARUNGA WEST
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2010

	Notes	2010 \$	2009 \$
INCOME			
Rates	2	2,807,731	2,666,548
Statutory charges	2	84,204	68,637
User charges	2	290,171	297,025
Grants, subsidies and contributions	2	843,263	807,221
Investment income	2	77,370	83,314
Reimbursements	2	24,989	41,569
Other income	2	163,520	137,647
Total Income		<u>4,291,247</u>	<u>4,101,961</u>
EXPENSES			
Employee costs	3	1,060,538	872,357
Materials, contracts & other expenses	3	1,867,763	2,091,497
Finance costs	3	110,421	136,202
Depreciation, amortisation & impairment	3	1,776,622	1,574,917
Total Expenses		<u>4,815,344</u>	<u>4,674,973</u>
OPERATING SURPLUS / (DEFICIT)		(524,097)	(573,012)
Asset disposal & fair value adjustments	4	162,586	101,557
Amounts received specifically for new or upgraded assets	2	217,000	100,000
NET SURPLUS / (DEFICIT)		<u>(144,511)</u>	<u>(371,455)</u>
transferred to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	(3,742,614)	6,257,943
Total Other Comprehensive Income		<u>(3,742,614)</u>	<u>6,257,943</u>
TOTAL COMPREHENSIVE INCOME		<u>(3,887,125)</u>	<u>5,886,488</u>

This Statement is to be read in conjunction with the attached Notes.

DISTRICT COUNCIL OF BARUNGA WEST

BALANCE SHEET
as at 30 June 2010

	Notes	2010 \$	2009 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	2,121,526	1,577,570
Trade & other receivables	5	428,634	189,594
Inventories	5	<u>182,550</u>	<u>183,574</u>
Total Current Assets		<u>2,732,710</u>	<u>1,950,738</u>
Non-current Assets			
Financial Assets	6	91,267	110,704
Infrastructure, Property, Plant & Equipment	7	41,076,065	37,757,713
Other Non-current Assets	6	<u>127,376</u>	<u>5,870</u>
Total Non-current Assets		<u>41,294,708</u>	<u>37,874,287</u>
Total Assets		<u>44,027,418</u>	<u>39,825,025</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	454,242	310,914
Borrowings	8	238,064	209,164
Provisions	8	<u>473,338</u>	<u>420,130</u>
Total Current Liabilities		<u>1,165,644</u>	<u>940,208</u>
Non-current Liabilities			
Borrowings	8	2,042,119	1,640,084
Provisions	8	<u>16,076</u>	<u>39,257</u>
Total Non-current Liabilities		<u>2,058,195</u>	<u>1,679,341</u>
Total Liabilities		<u>3,223,839</u>	<u>2,619,549</u>
NET ASSETS		<u>40,803,579</u>	<u>37,205,476</u>
EQUITY			
Accumulated Surplus		2,252,628	2,833,244
Asset Revaluation Reserves	9	37,589,864	33,847,250
Other Reserves	9	<u>961,087</u>	<u>524,982</u>
TOTAL EQUITY		<u>40,803,579</u>	<u>37,205,476</u>

This Statement is to be read in conjunction with the attached Notes.

DISTRICT COUNCIL OF BARUNGA WEST

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2010

2010	Notes	Accumulated Surplus \$	Asset Revaluation Reserve \$	Other Reserves \$	TOTAL EQUITY \$
Balance at end of previous reporting period		2,833,244	33,847,250	524,982	37,205,476
Restated opening balance		2,833,244	33,847,250	524,982	37,205,476
Net Surplus / (Deficit) for Year		(144,511)	-	-	(144,511)
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment		-	3,742,614	-	3,742,614
Transfers between reserves		(436,105)	-	436,105	-
Balance at end of period		2,252,628	37,589,864	961,087	40,803,579
2009					
Balance at end of previous reporting period		3,159,715	27,589,307	569,966	31,318,988
Restated opening balance		3,159,715	27,589,307	569,966	31,318,988
Net Surplus / (Deficit) for Year		(371,455)	-	-	(371,455)
Other Comprehensive Income					
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	6,257,943	-	6,257,943
Transfers between reserves		44,984	-	(44,984)	-
Balance at end of period		2,833,244	33,847,250	524,982	37,205,476

This Statement is to be read in conjunction with the attached Notes

DISTRICT COUNCIL OF BARUNGA WEST

CASH FLOW STATEMENT for the year ended 30 June 2010

	Notes	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		4,516,227	4,444,345
Investment receipts		68,819	94,583
<u>Payments</u>			
Operating payments to suppliers & employees		(3,094,440)	(3,096,221)
Finance payments		(84,449)	(140,581)
Net Cash provided by (or used in) Operating Activities		1,406,157	1,302,126
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		-	-
Sale of replaced assets		27,000	186,592
Sale of surplus assets		160,198	-
Repayments of loans by community groups		18,144	57,647
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(764,598)	(1,247,445)
Expenditure on new/upgraded assets		(733,880)	(6,750)
Loans made to community groups		-	(30,000)
Net Cash provided by (or used in) Investing Activities		(1,293,136)	(1,039,956)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings		-	258,000
<u>Payments</u>			
Repayments of Borrowings		430,935	(171,948)
Net Cash provided by (or used in) Financing Activities		430,935	86,052
Net Increase (Decrease) in cash held		543,956	348,222
Cash & cash equivalents at beginning of period	11	1,577,570	1,229,348
Cash & cash equivalents at end of period	11	2,121,526	1,577,570

This Statement is to be read in conjunction with the attached Notes

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under clause 11 of the *Local Government (Financial Management) Regulations 1999*.

1.2 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

2 The Local Government Reporting Entity

District Council of Barunga West is incorporated under the SA Local Government Act 1999 and has its principal place of business at 11 Bay Street, Port Broughton SA. These financial statements include the consolidated fund and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports. A separate statement of moneys held in the Trust Fund is available for inspection at the Council Office by any person free of charge.

3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 1 - Significant Accounting Policies (cont)

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

5 Inventories

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

5.1 Real Estate Assets Developments

Real Estate Assets developments have been classified as Inventory in accordance with AASB 102 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

5.2 Other Real Estate held for resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

All assets are initially recognised at cost.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to *infrastructure, property, plant & equipment* when completed ready for use.

For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 1 - Significant Accounting Policies (cont)

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are as follows. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Buildings - new construction/extensions	\$10,000
Park & Playground Furniture & Equipment	\$2,000
Road construction & reconstruction	\$10,000
Paving & footpaths, Kerb & Gutter	\$2,000
Drains & Culverts	\$5,000
Reticulation extensions	\$5,000
Sidelines & household connections	\$5,000
Artworks	\$5,000

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
Infrastructure	
Sealed Roads – Surface	15 to 25 years
Sealed Roads – Structure	20 to 50 years
Unsealed Roads	10 to 20 years
Bridges – Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Drains	80 to 100 years
Culverts	50 to 75 years
Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 1 - Significant Accounting Policies (cont)

	Reticulation Pipes – PVC	70 to 80 years
	Reticulation Pipes – other	25 to 75 years
	Pumps & Telemetry	15 to 25 years
Other Assets		
	Library Books	10 to 15 years
	Artworks	indefinite

6.5 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

6.6 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with AASB 123 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

7 Payables

7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

7.2 Payments Received in Advance & Deposits

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

8 Borrowings

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 to which it relates, and is recorded as part of "Payables".

9 Employee Benefits

9.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 1 - Significant Accounting Policies (cont)

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

10 Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

11 Joint Ventures and Associated Entities

Council participates in cooperative arrangements with other Councils for the provision of services and facilities.

12 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

In respect of finance leases, where Council substantially carries all of the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class, and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

13 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 1 - Significant Accounting Policies (cont)

14 New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2010 reporting period.

- AASB 1 *First-time Adoption of Australian Accounting Standards*
- AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*
- AASB 7 *Financial Instruments: Disclosures*
- AASB 9 *Financial Instruments*
- AASB 101 *Presentation of Financial Statements*
- AASB 107 *Statement of Cash Flows*
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
- AASB 110 *Events after the Reporting Period*
- AASB 117 *Leases*
- AASB 118 *Revenue*
- AASB 119 *Employee Benefits*
- AASB 132 *Financial Instruments: Presentation*
- AASB 136 *Impairment of Assets*
- AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*
- AASB 139 *Financial Instruments: Recognition and Measurement*
- AASB 1031 *Financial Instruments: Recognition and Measurement*
- AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]*
- AASB 2009-12 *Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]*
- AASB 2009-13 *Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1]*
- AASB 2010-1 *Amendments to Australian Accounting Standards – Limited Exemption from Comparative AASB 7 Disclosures for First-time Adopters [AASB 1 & AASB 7]*
- *Interpretation 4* *Determining whether an Arrangement contains a Lease*
- *Interpretation 14* *AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*
- (Standards not affecting local government have been excluded from the above list.)

Council is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

The Australian Accounting Standards Board is currently reviewing AASB 1004 *Contributions*. It is anticipated that the changes resulting from this review may have a material effect on the timing of the recognition of grants and contributions, but the financial consequences cannot be estimated until a revised accounting standard is issued.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 2 - INCOME

	Notes	2010 \$	2009 \$
RATES REVENUES			
<u>General Rates</u>		2,447,962	2,279,083
Less: Discretionary rebates, remissions & write offs		(17,986)	11,942
		2,429,976	2,291,025
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		122,596	128,066
Community wastewater management systems		245,265	237,405
		367,861	365,471
<u>Other Charges</u>			
Penalties for late payment		9,953	10,052
		9,953	10,052
Less: Discretionary rebates, remissions & write offs		(59)	-
		2,807,731	2,666,548
 STATUTORY CHARGES			
Development Act fees		27,879	4,780
Town planning fees		45,017	53,948
Animal registration fees & fines		8,133	8,180
Other fines, penalties & expiations		3,175	1,729
		84,204	68,637
 USER CHARGES			
Cemetery/crematoria fees		21,333	13,024
Commercial activity revenue		198,473	202,189
CWMS Sub-division fees		13,114	7,967
Hire, leases and rents		29,286	26,157
Boat Ramp fees		22,650	21,953
Sundry		5,314	25,735
		290,171	297,025
 INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		68,456	71,670
Banks & other		275	2,137
Loans to community groups		8,639	9,507
		77,370	83,314

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

NOTE 2 - INCOME (continued)

	Notes	2010 \$	2009 \$
REIMBURSEMENTS			
- for private works		13,969	31,570
- other		<u>11,020</u>	<u>9,999</u>
		<u>24,989</u>	<u>41,569</u>
OTHER INCOME			
Insurance & other recoupments - infrastructure, property, plant & equipment		26,651	21,151
Rebates received		20,336	11,600
Sundry		<u>116,532</u>	<u>104,896</u>
		<u>163,520</u>	<u>137,647</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		217,000	100,000
Other grants, subsidies and contributions		714,712	689,386
Individually significant item - additional Grants Commission payment	see below	<u>128,551</u>	<u>117,835</u>
		<u>1,060,263</u>	<u>907,221</u>
<i>The functions to which these grants relate are shown in Note 2.</i>			
Sources of grants			
Commonwealth government		914,399	882,596
State government		145,864	24,625
Other		-	-
		<u>1,060,263</u>	<u>907,221</u>
Individually Significant Item			
On 30 June 2010, Council received payment of the first quarter instalment of the 2010/11 Grant Commission (FAG) grant. This represents a significant increase in income from this source for 2009/10, with an equivalent reduction in 2010/11.		128,551	117,835

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 3 - EXPENSES

	Notes	2010 \$	2009 \$
EMPLOYEE COSTS			
Salaries and Wages		1,018,259	847,267
Employee leave expense		9,631	24,497
Superannuation - defined contribution plan contributions	18	40,135	36,659
Superannuation - defined benefit plan contributions	18	52,201	46,762
Workers' Compensation Insurance		40,002	18,381
Less: Capitalised and distributed costs		<u>(99,690)</u>	<u>(101,209)</u>
Total Operating Employee Costs		<u>1,060,538</u>	<u>872,357</u>
 <i>Total Number of Employees</i>		 <i>18</i>	 <i>17</i>
<i>(Full time equivalent at end of reporting period)</i>			
 MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		9,500	9,000
Elected members' expenses		53,252	61,909
Operating Lease Rentals - non-cancellable leases	18		
- minimum lease payments		<u>31,908</u>	<u>31,337</u>
Subtotal - Prescribed Expenses		<u>94,660</u>	<u>102,246</u>
 <u>Other Materials, Contracts & Expenses</u>			
Contractors		1,033,303	1,080,733
Individually Significant Items		12,000	240,000
Materials		586,615	360,750
Levies paid to government - NRM levy		121,092	127,684
Sundry		<u>20,093</u>	<u>180,084</u>
Subtotal - Other Materials, Contracts & Expenses		<u>1,773,103</u>	<u>1,989,251</u>
		<u>1,867,763</u>	<u>2,091,497</u>
 INDIVIDUALLY SIGNIFICANT ITEMS			
Provision for Waste Depot Remediation		<u>12,000</u>	<u>240,000</u>

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 3 - EXPENSES (cont)

	Notes	2010 \$	2009 \$
FINANCE COSTS			
Interest on Loans		<u>110,421</u>	<u>136,202</u>
		<u>110,421</u>	<u>136,202</u>
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Land		-	
Buildings & Other Structures		422,007	302,748
Infrastructure		985,993	980,651
CWMS		100,975	70,764
Stormwater		29,758	-
Plant & Equipment		190,126	173,757
Furniture & Fittings		3,271	2,504
Other Assets		44,492	44,493
		<u>1,776,622</u>	<u>1,574,917</u>

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2010	2009
Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	27,000	186,592
Less: Carrying amount of assets sold	<u>24,612</u>	<u>85,035</u>
Gain (Loss) on disposal	<u>2,388</u>	<u>101,557</u>
 <i>Assets surplus to requirements</i>		
Proceeds from disposal	<u>160,198</u>	<u>-</u>
Gain (Loss) on disposal	<u>160,198</u>	<u>-</u>
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		
	<u>162,586</u>	<u>101,557</u>

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 5 - CURRENT ASSETS

	2010	2009
	\$	\$
CASH & EQUIVALENT ASSETS		
Cash on Hand and at Bank	110,233	35,431
Deposits at Call	<u>2,011,293</u>	<u>1,542,139</u>
	<u>2,121,526</u>	<u>1,577,570</u>
TRADE & OTHER RECEIVABLES		
Rates - General & Other	163,174	115,549
Accrued Revenues	18,889	10,338
Debtors - general	201,647	21,237
GST Recoupment	25,488	24,327
Loans to community organisations	<u>19,436</u>	<u>18,143</u>
	<u>428,634</u>	<u>189,594</u>
INVENTORIES		
Stores & Materials	<u>182,550</u>	<u>183,574</u>
	<u>182,550</u>	<u>183,574</u>

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 6 - NON-CURRENT ASSETS

	Notes	2010 \$	2009 \$
FINANCIAL ASSETS			
Receivables			
Loans to community organisations		<u>91,267</u>	<u>110,704</u>
TOTAL FINANCIAL ASSETS		<u>91,267</u>	<u>110,704</u>
OTHER NON-CURRENT ASSETS			
Capital Works-in-Progress		<u>127,376</u>	<u>5,870</u>
		<u>127,376</u>	<u>5,870</u>

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2009				2010			
	\$				\$			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	11,055,729	-	-	11,055,729	7,559,183	-	-	7,559,183
Buildings & Other Structures	6,122,561	519,788	(1,183,063)	5,459,286	25,934,496	935,025	(19,037,058)	7,832,463
Infrastructure	29,780,594	-	(14,336,088)	15,444,506	31,595,646	263,989	(13,801,877)	18,057,758
CWMS	3,660,683	-	(353,819)	3,306,864	4,574,308	-	(963,465)	3,610,843
Stormwater	-	-	-	-	2,342,467	-	(733,433)	1,609,034
Plant & Equipment	-	1,669,248	(701,345)	967,903	-	1,822,593	(891,471)	931,122
Furniture & Fittings	-	30,368	(9,495)	20,873	-	30,367	(12,765)	17,602
Other Assets	1,724,605	-	(222,053)	1,502,552	1,724,605	-	(266,545)	1,458,060
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	52,344,172	2,219,404	(16,805,863)	37,757,713	73,730,705	3,051,974	(35,706,614)	41,076,065
2009 Totals	32,432,177	3,350,158	(3,928,718)	31,853,617	52,344,172	2,219,404	(16,805,863)	37,757,713

This Note continues on the following pages.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2009	CARRYING AMOUNT MOVEMENTS DURING YEAR					2010
	\$	\$					\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Net Revaluation	CARRYING AMOUNT
	New/Upgrade	Renewals					
Land	11,055,729	-	-	-	-	(3,496,546)	7,559,183
Buildings & Other Structures	5,459,286	733,880	201,145	-	(422,007)	1,860,159	7,832,463
Infrastructure	15,444,506	-	263,989	-	(985,993)	3,335,256	18,057,758
CWMS	3,306,864	-	-	-	(100,975)	404,954	3,610,843
Stormwater	-	-	-	-	(29,758)	1,638,792	1,609,034
Plant & Equipment	967,903	-	177,957	(24,612)	(190,126)	-	931,122
Furniture & Fittings	20,873	-	-	-	(3,271)	-	17,602
Other Assets	1,502,552	-	-	-	(44,492)	-	1,458,060
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	37,757,713	733,880	643,091	(24,612)	(1,776,622)	3,742,615	41,076,065
2009 Totals	31,853,617	326,863	979,243	(85,036)	(1,574,917)	6,257,943	37,757,713

This Note continues on the following pages.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 7 (cont) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.19 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent additions at cost, this remains as the basis of recognition of non-material asset classes.

Land & Land Improvements

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation by Council Consultants, Liquid Pacific at 1 July 2009 at current replacement cost. Liquid Pacific has valued Crown Land, and other land under the care and control of Council, as being restricted in development potential and, therefore, those assets warrant a reduction in Fair Value, hence the marked Land Valuation movement. Additions are recognised at cost.

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset. The weighted average depreciation period is 45 years.

Buildings & Other Structures

Building & Other Structures were valued by Council Consultants, Liquid Pacific as at 1st July 2009 at written down current replacement cost, based on actual costs incurred during the reporting period and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after the respective dates of valuation are recorded at cost.

Infrastructure

Transportation assets were valued by Council Consultants, Gayler Professional Engineering Pty Ltd at written down current replacement cost as at 1 July 2009 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after the respective dates of valuation are recorded at cost.

Community Wastewater Management System

Community wastewater management system infrastructure was valued by Council Consultants, Gayler Professional Engineering Pty Ltd at written down current replacement cost as at 1 July 2009 and pursuant to Council's election are disclosed at deemed cost. The valuation increment of this asset class has resulted in a proportional depreciation expense. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater

Stormwater drainage infrastructure was valued by Council Consultants, Gilbert and Associates as at 1st July 2009 at written down current replacement cost, based on actual costs incurred and pursuant to Council's election are disclosed at deemed cost. The implementation of identifying Stormwater infrastructure as a separate asset class has resulted in a valuation increment and a proportional depreciation expense. All acquisitions made after the respective dates of valuation are recorded at cost.

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

All other assets

These assets are recognised on the cost basis.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 8 - LIABILITIES

	Notes	2010		2009	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		275,487	-	158,536	-
Accrued expenses - employee entitlements		100,293	-	99,888	-
Accrued expenses - other		68,462	-	42,490	-
Other		10,000	-	10,000	-
		<u>454,242</u>	<u>-</u>	<u>310,914</u>	<u>-</u>
 BORROWINGS					
Loans		238,064	2,042,119	209,164	1,640,084
		<u>238,064</u>	<u>2,042,119</u>	<u>209,164</u>	<u>1,640,084</u>

All interest bearing liabilities are secured over the future revenues of the Council.

PROVISIONS

Employee entitlements (including oncosts)	221,338	16,076	180,130	39,257
Future reinstatement / restoration, etc	252,000	-	240,000	-
	<u>473,338</u>	<u>16,076</u>	<u>420,130</u>	<u>39,257</u>

Movements in Provisions - 2010 year only (current & non-current)

	Future Reinstatement	Employment Entitlements
Opening Balance	240,000	219,387
Add Additional amounts recognised	12,000	17,799
(Less) Payments	-	228
Closing Balance	<u>252,000</u>	<u>237,414</u>

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2009	Net Increments (Decrements)	Transfers, Impairments	30/6/2010
Notes	\$	\$	\$	\$
Asset Revaluation Reserve				0
Land	11,055,729	(3,496,546)		7,559,183
Building & Other Structures	5,459,286	1,860,159		7,319,445
Infrastructure	12,365,267	3,335,256		15,700,523
CWMS	3,306,864	404,954		3,711,818
Stormwater	-	1,638,792		1,638,792
Other Assets	1,660,104			1,660,104
TOTAL	33,847,250	3,742,615		37,589,865
<i>2009 Totals</i>	<i>27,589,307</i>	<i>6,257,943</i>		<i>33,847,250</i>

OTHER RESERVES	1/7/2009	Transfers to Reserve	Transfers from Reserve	30/6/2010
Miscellaneous	77,091	-	-	77,091
Plant Replacement	56,876	-	-	56,876
CWMS	202,638	41,992	-	244,630
Asset Sales	167,153	-	(37,000)	130,153
Future Planning	21,224	431,113	-	452,337
TOTAL OTHER RESERVES	524,982	473,105	(37,000)	961,087
<i>2009 Totals</i>	<i>569,966</i>	<i>29,456</i>	<i>(74,440)</i>	<i>524,982</i>

PURPOSES OF RESERVES

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non-current assets (less any subsequent impairment losses, where applicable).

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

		2010	2009
	Notes	\$	\$
CASH & FINANCIAL ASSETS			
Unexpended amounts received from Federal Government		30,000	45,000
CWMS		260,450	211,940
Financial Assistance Grants Pre-payment		<u>128,551</u>	<u>117,835</u>
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		<u>419,001</u>	<u>374,775</u>

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	Notes	2010 \$	2009 \$
Total cash & equivalent assets	5	<u>2,121,526</u>	<u>1,577,570</u>
Balances per Cash Flow Statement		<u>2,121,526</u>	<u>1,577,570</u>

**(b) Reconciliation of Change in Net Assets to Cash
from Operating Activities**

Net Surplus (Deficit)	(144,511)	(371,455)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,776,622	1,574,917
Net increase (decrease) in unpaid employee benefits	18,432	24,497
Net (Gain) Loss on Disposals	<u>(162,586)</u>	<u>(101,557)</u>
	1,487,957	1,126,402
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(237,747)	41,161
Net (increase) decrease in inventories	1,024	(180,450)
Net increase (decrease) in trade & other payables	142,923	75,013
Net increase (decrease) in other provisions	<u>12,000</u>	<u>240,000</u>
Net Cash provided by (or used in) operations	<u>1,406,157</u>	<u>1,302,126</u>

(c) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:

Cash Advance Facility	150,000	150,000
Corporate Credit Cards	11,500	11,500

Council has immediate access to the short-term draw-down facility with variable interest rate borrowings under a cash advance facility provided by the Local Government Finance Authority of SA.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES										
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2010	2009	2010	2009
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Administration	3,692,643	3,321,045	380,375	362,794	3,312,268	2,958,251	748,169	511,924	4,726,705	4,760,648
Public Order & Safety	8,132	8,180	46,842	57,427	(38,710)	(49,247)	-	-	514,232	514,232
Health	1,554	1,462	53,466	46,486	(51,912)	(45,024)	-	-	449,953	449,953
Social Security & Welfare	-	-	23,101	23,694	(23,101)	(23,694)	-	-	146,095	164,790
Housing & Community Amenities	217,637	228,118	849,086	1,069,885	(631,449)	(841,767)	577	-	7,642,660	7,319,268
Protection of the Environment	723	50	135,523	126,906	(134,800)	(126,856)	-	-	1,012,891	978,378
Sport & Recreation	41,021	56,610	549,934	496,468	(508,913)	(439,858)	1,400	4,500	4,417,959	4,624,786
Mining, Manufacturing & Construction	27,879	4,641	153,767	117,731	(125,888)	(113,090)	-	-	867,766	867,766
Transport & Communications	310,117	390,797	1,956,737	1,838,674	(1,646,620)	(1,447,877)	310,117	390,797	21,164,128	16,809,026
Economic Affairs	78,777	76,707	73,142	62,017	5,635	14,690	-	-	481,777	527,101
Other Purposes	129,764	114,351	593,371	472,891	(463,607)	(358,540)	-	-	2,603,252	2,809,077
TOTALS	4,508,247	4,201,961	4,815,344	4,674,973	(307,097)	(473,012)	1,060,263	907,221	44,027,418	39,825,025

Excludes net gain (loss) on disposal or revaluation of assets.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Administration

Governance, Administration n.e.c., Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Housing for Council Employees, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose, and Separate and Special Rates.

Public Order & Safety

Public Order and Safety, Crime Prevention, Emergency Services, Other Fire Protection, Other Public Order and Safety, Health Services, Pest Control, Car Parking – non-fee-paying, and Other Community Amenities.

Health

Health, Immunisation, Nursing Homes, Preventive Health Services, Other Health Services, Community Support, Other Services for the Aged and Disabled, Community Assistance, Community Transport, Family and Neighbourhood Support, Other Community Support, Community Amenities.

Social Security & Welfare

Aged and Other Services.

Housing & Community Amenities

Dog and Cat Control, Clean Air/Pollution Control, Litter Control, Health Inspection, Parking Control, and Other Regulatory Services, Sewerage/CWMS, Cemeteries, Public Conveniences, Library Services, Heritage, Museums, and Other Cultural Services..

Protection of the Environment

Agricultural Services, Agricultural Water, Animal/Plant Boards, Landcare, Other Agricultural Services, Waste Management, Domestic Waste, Green Waste, Waste Disposal Facility, Other Waste Management, Other Environment, Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

Sport & Recreation

Jetties, Other Marine Facilities, Parks and Gardens, Sports Facilities – Outdoor, and Other Recreation.

Mining, Manufacturing and Construction

Building Control, Town Planning, Land Development, Land Management

Transport & Communications

Footpaths and Kerbing, Roads –Sealed, Roads – Formed, Roads- Natural Formed, Roads – Unformed, Traffic Management, LGGC – Roads (formula funded), and Other Transport.

Economic Affairs

Employment Creation Programs, Regional Development, Support to Local Businesses, Tourism, and Other Economic Development.

Other Purposes

Private Works.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 13 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Rates & Associated Charges (including legals & penalties for late payment)	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Secured over the subject land, arrears attract interest of 2.5% (2009: 2.5%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth & State.</p> <p>Carrying amount: approximates fair value.</p>
Receivables - Retirement Home Contributions	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Retirement Home Contributions	<p>Accounting Policy: To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p>Terms & conditions: Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.</p> <p>Carrying amount: approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.</p>
Liabilities - Interest Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable half-yearly; interest is charged at fixed rates between 4.8% and 8.35% (2009: 4.8% and 8.35%)</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 117.</p>

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2010	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<u>Financial Liabilities</u>					
Payables	285,487	-	-	285,487	285,487
Non-Current Borrowings	377,683	1,308,686	1,448,487	3,134,856	2,280,183
Total	663,170	1,308,686	1,448,487	3,420,343	2,565,670

2009	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<u>Financial Liabilities</u>					
Payables	171,912	-	-	171,912	168,536
Non-Current Borrowings	209,064	943,236	696,948	1,849,248	1,849,248
Total	380,976	943,236	696,948	2,021,160	2,017,784

The following interest rates were applicable to Council's borrowings at balance date:

	30 June 2010		30 June 2009	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates	6.57	2,280,183	6.57	1,849,248
		<u>2,280,183</u>		<u>1,849,248</u>

Net Fair Value

Carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. Council also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 14 - COMMITMENTS FOR EXPENDITURE

	2010	2009
Notes	\$	\$
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Special Local Roads Grant	187,000	-
Infrastructure	30,000	100,000
	217,000	100,000
These expenditures are payable:		
Not later than one year	217,000	100,000
	217,000	100,000
Other Expenditure Commitments		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	10,500	20,500
Financial Assistance Grants	128,551	117,835
Waste Management Services	282,716	378,204
	421,767	516,539
These expenditures are payable:		
Not later than one year	139,051	127,835
Later than one year and not later than 5 years	282,716	388,704
	421,767	516,539

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 15 - FINANCIAL INDICATORS

	2010	2009	2008
<p>These Financial Indicators have been calculated in accordance with <i>Information Paper 9 - Local Government Financial Indicators</i> prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.</p>			
Operating Surplus	(524,097)	(573,012)	(6,267)
<i>Being the operating surplus (deficit) before capital amounts .</i>			
Adjusted Operating Surplus	(534,813)	(690,847)	(6,267)
<p><i>In June 2010 the Commonwealth Government made an advance payment approximately equal to one quarter of the 2010/11 Financial Assistance Grant (see Note 3). This income has materially distorted the amount of the Operating Result for the 2009/10 reporting period. The Adjusted Operating Surplus and Adjusted Operating Surplus Ratio adjust for this distortion.</i></p>			
Operating Surplus Ratio			
<u>Operating Surplus</u>	(19%)	(19%)	0%
Rates - general & other less NRM levy			
Adjusted Operating Surplus Ratio	(20%)	(24%)	0%
<i>This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.</i>			
Net Financial Liabilities			
	582,412	741,681	595,533
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).</i>			
Net Financial Liabilities Ratio			
<u>Net Financial Liabilities</u>	13%	18%	15%
Total Operating Revenue less NRM levy			
Interest Cover Ratio			
<u>Net Interest Expense</u>	0.8%	1.3%	0.5%
Total Operating Revenue less NRM levy less Investment Income			
Asset Sustainability Ratio			
<u>Net Asset Renewals</u>	42%	67%	76%
Depreciation Expense			
<i>Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.</i>			
Asset Consumption Ratio			
<u>Carrying value of depreciable assets</u>	48%	61%	84%
Gross value of depreciable assets			
<i>Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.</i>			

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 16 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances

	2010	2009
	\$	\$
Income	4,291,247	4,101,961
less Expenses	<u>4,815,344</u>	<u>4,674,973</u>
	(524,097)	(573,012)
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	764,598	1,247,445
less Depreciation, Amortisation and Impairment	1,776,622	1,574,917
less Proceeds from Sale of Replaced Assets	<u>27,000</u>	<u>186,592</u>
	(1,039,024)	(514,064)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	733,880	6,750
less Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>160,198</u>	-
	<u>573,682</u>	<u>6,750</u>
Net Lending / (Borrowing) for Financial Year	<u>(58,755)</u>	<u>(65,698)</u>

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 17 - OPERATING LEASES

Leases providing revenue to the Council

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

Investment Property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

Lessees commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:

	2010	2009
	\$	\$
Not later than one year	80,740	77,786
Later than one year and not later than 5 years	172,774	253,514
Later than 5 years	-	-
	<u>253,514</u>	<u>331,300</u>

Lease payment commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment.

Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased.

No lease contains any escalation clause.

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

	2010	2009
	\$	\$
Not later than one year	14,228	31,337
Later than one year and not later than 5 years	5,893	15,668
Later than 5 years	-	-
	<u>20,121</u>	<u>47,005</u>

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 18 – SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector have the option to contribute to Marketlink and/or Salarylink. All other employees (including casuals) have all contributions allocated to Marketlink.

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2009/10 for Marketlink members and 3% for Salarylink members; 9% and 3% respectively in 2008/09). 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.

Salarylink (Defined Benefit) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Scheme's Trustee based on advice from the Scheme's Actuary. The rate is currently 6% (6% in 2008/2009) of "superannuation" salary. Given that Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation, the remaining 3% for Salarylink members is allocated to their Marketlink account. Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink Plan is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent full actuarial investigation conducted by the Scheme's actuary, L C Brett, BSc., FIA, FIAA, of Brett and Watson Pty Ltd as at 30 June 2009. The Trustee has determined that the current funding arrangements are inadequate for the expected Defined Benefit Plan liabilities. The contribution rate has increased to 6.3% from 1 July 2010. However, future financial and economic circumstances may require further changes to Council's contribution rates.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2010

Note 19 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position but knowledge of those items is considered relevant to user of the financial report in making and evaluating decisions about the allocation of scarce resources.

LAND UNDER ROADS

As reported elsewhere in these Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

At reporting date, Council controlled 1,056 km of road reserves of average width 8 metres.

DISTRICT COUNCIL OF BARUNGA WEST

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2010**

Note 20 - EVENTS AFTER BALANCE DATE

There were no events that occurred after 30 June 2010 that require disclosure

District Council of Barunga West

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2010**

STATEMENT BY CHIEF EXECUTIVE OFFICER

I, Nigel Hand, the person for the time being occupying the position of Chief Executive Officer of District Council of Barunga West, do hereby state that the Financial Statements of the Council for the year ended 30 June 2010 are to the best of my knowledge presented fairly, and in accordance with accounting procedures which have been maintained in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999* made under that Act.



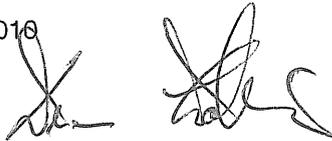
Nigel Hand

CHIEF EXECUTIVE OFFICER

Dated this 4th day of NOVEMBER 2010

ADOPTION STATEMENT

Laid before the District Council of Barunga West and adopted on the 23rd day of November 2010



Dean Dolling

MAYOR

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DISTRICT COUNCIL OF BARUNGA WEST

We have audited the accompanying financial report of the District Council of Barunga West, which comprises the balance sheet as at 30 June 2010 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Chief Executive Officer's Statement.

The Responsibility of the Chief Executive Officer for the Financial Report

The Chief Executive Officer of the District Council of Barunga West is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1999 and Local Government (Financial Management) Regulations 1999. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for an audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Local Government Act 1999 and Local Government (Financial Management) Regulations 1999 and the Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of District Council of Barunga West, and its financial performance and cash flows for the year then ended in accordance with the Local Government Act 1999, Local Government (Financial Management) Regulations 1999 and the Australian Accounting Standards (including Australian Accounting Interpretations).

**DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS**



**DON VENN
PARTNER**

Signed on the 8 day of November 2010,
at 214 Melbourne Street, North Adelaide, South Australia 5006.

District Council of Barunga West

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2010**

CERTIFICATION OF AUDITOR INDEPENDENCE

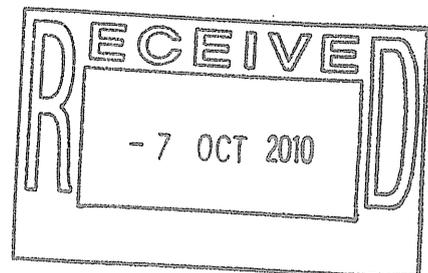
To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the District Council of Barunga West for the year ended 30 June 2010, the Council's Auditor, Dean Newbery & Partners, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.


.....
N Hand
CHIEF EXECUTIVE OFFICER


.....
J Burgess
PRESIDING MEMBER
AUDIT COMMITTEE

Date: 6th OCTOBER 2010



Auditor's Independence Declaration Under Section 16A of the Local Government (Financial Management) Regulations 1999 to the District Council of Barunga West.

I confirm that, for the audit of the financial statements of the District Council of Barunga West for the year ended 30 June 2010, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A (4) *Local Government (Financial Management) Regulations 1999*.



DON VENN

Partner

**DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS
214 MELBOURNE STREET
NORTH ADELAIDE SA 5006**

NORTH ADELAIDE, this 12th day of July 2010



Central

Local Government Region of South Australia

Incorporated under provisions of the Local Government Act

Annual Report for 2009 – 2010

A regional subsidiary of:

- *The Barossa Council*
- *District Council of Barunga West*
- *Clare & Gilbert Valleys Council*
- *District Council of The Copper Coast*
- *The Flinders Ranges Council*
- *Regional Council of Goyder*
- *Light Regional Council*
- *District Council of Mallala*
- *District Council of Mount Remarkable*
- *Northern Areas Council*
- *District Council of Orreroo/Carrieton*
- *District Council of Peterborough*
- *Port Pirie Regional Council*
- *Wakefield Regional Council*
- *District Council of Yorke Peninsula*

Contact Details

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CRYSTAL BROOK SA 5523

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0427609 404

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(08) 8638 5551

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ceo@centralregion.sa.gov.au

Website:

www.centralregion.sa.gov.au

The Central Local Government Region of South Australia

The Central Local Government Region was established in 1998 under Section 200 of the Local Government Act 1934 as a controlling authority. It now continues in existence and as a regional subsidiary of its member Councils under Part 2 of Schedule 2 of the Local Government Act 1999 by virtue of the provisions of Section 25 of the Local Government (Implementation) Act 1999.

The Central Region is established to:

- undertake co-ordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level
- facilitate and co-ordinate activities of local government at a regional level related to community and economic development with the object of achieving improvement for the benefit of the communities of its Constituent Councils
- develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of local government when dealing with other governments, private enterprise and the community
- develop further co-operation between its Constituent Councils for the benefit of the communities of the region
- develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities of the region
- undertake projects and activities that benefit the region and its communities
- associate, collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest.

The Central Region is a body corporate and is governed by a Board of Management which has the responsibility to manage all activities of the Central Region and ensure that the Central Region acts in accordance with its Charter. The Board has 15 members, comprising one representative elected from each constituent Council:

- Barossa Council
- District Council of Barunga West
- Clare & Gilbert Valleys Council
- District Council of The Copper Coast
- The Flinders Ranges Council
- Regional Council of Goyder
- Light Regional Council
- District Council of Mallala
- District Council of Mount Remarkable
- Northern Areas Council
- District Council of Orroroo/Carrieton
- District Council of Peterborough
- Port Pirie Regional Council
- Wakefield Regional Council
- District Council of Yorke Peninsula

The Region's area spans the Barossa through the Clare Valley, Yorke Peninsula, Adelaide Plains, Mid and Upper North districts through to the Flinders Ranges, covering 27 per cent of the incorporated area of the State and comprises some 27 per cent of the State's population outside Adelaide.

Office Bearers for 2009/10

Chairman:	Mayor James Maitland (Wakefield)
Deputy Chairs:	Mayor Max Mc Hugh (Flinders Ranges) Mayor Ray Agnew (Yorke Peninsula)
Delegate to the LGA State Executive:	Mayor James Maitland (Wakefield) Mayor Ray Agnew (Yorke Peninsula)
Proxy Delegate to the LGA State Executive:	Mayor Allan Aughey (Clare & Gilbert Valleys)
Delegates to SAROC:	Mayor James Maitland (Wakefield) Mayor Ray Agnew (Yorke Peninsula) Mrs Anita Crisp Proxy: Mayor Allan Aughey (Clare & Gilbert Valleys)
Executive Officer:	Anita Crisp
Auditor:	Gerald Cobiac and Co.



Central Local Government Region Board of Management

The Central Local Government Region Board of Management comprises an elected delegate appointed from each of the 15 member councils. A proxy delegate is also appointed, with policy provisions allowing for representation by other elected or endorsed members.

In February 2007 the Central Local Government Region confirmed, subject to the provisions within the Charter, the appointment of the following Council delegates to the CLGR Board of Management for a term to expire concurrent with the 2010 Local Government elections:

Council	Delegate	Proxy Delegate
The Barossa Council	Mayor Brian Hurn	Cr Barrie Stewart
District Council of Barunga West	Mayor Dean Dolling	Deputy Mayor Ian Burgess
District Council of the Copper Coast	Mayor Paul Thomas	Deputy Mayor Dean Rodda
Clare & Gilbert Valleys Council	Mayor Allan Aughey	Cr Wayne Thomas
Flinders Ranges Council	Mayor Max McHugh	Deputy Mayor John Shute
Regional Council of Goyder	Mayor Peter Matthey	Deputy Mayor Warren Mosey
Light Regional Council	Mayor Robert Hornsey	Deputy Mayor Bill Carrick
District Council of Mallala	Chair Cr Tony Flaherty, replaced mid term by Chair Cr Marcus Strudwicke	
District Council of Mount Remarkable	Mayor Trevor Roocke	Cr Michael Pearce
Northern Areas Council	Chair Cr Allan Woolford	Cr Denis Clark
District Council of Orroroo Carrieton	Chair Cr Kathie Bowman	Deputy Chair Cr Colin Parkyn
District Council of Peterborough	Mayor Ruth Whittle	Cr Judith Kempen
Port Pirie Regional Council	Deputy Mayor Neville Wilson	Mayor Brenton Vanstone
Wakefield Regional Council	Mayor James Maitland	Deputy Mayor Barry Nottle
District Council of Yorke Peninsula	Mayor Ray Agnew	Cr Jeff Cook and Cr Joyce Yeomans

Meetings of the Central Local Government Region Board of Management

Four meetings of the Central Local Government Region Board of Management were held during the 2009/2010, each hosted by one of the member Councils. The meeting host and location is rotated throughout the region on alphabetical order. Meetings were held:

- Friday 14th August 2009 – AGM, hosted by District Council of the Copper Coast
- Friday 13th November 2009, hosted by The Flinders Ranges Council
- Friday 12th February 2010, hosted by Regional Council of Goyder
- Friday 14th May 2010, hosted by Light Regional Council

Committee Meetings

In accordance with its Charter, the Central Local Government Region maintains several sub committees to assist in effective project implementation and governance. The committee's generally meet on an as needs basis and comprise representatives from the various member councils along with, in many cases additional delegates from other relevant regional bodies or state government agencies:

Committee	Members	Meeting Dates
Executive Committee:	Mayor James Maitland, Mayor Max McHugh, Mayor Ray Agnew, Mayor Trevor Roocke, Cr Kathie Bowman	10 th July 2009 9 th October 2009 24 th March 2010
Member Councils CEO's Forums:	David Morcom (Barossa), Nigel Hand (Barunga West), Roy Blight (Clare & Gilbert Valleys), Peter Dinning (Copper Coast), Colin Davies (Flinders Ranges), John Brak (Goyder), Brian Carr (Light), Charles Mansueto (Mallala), Sean Cheriton (Mt Remarkable), Keith Hope (Northern Areas), Iian Wilson (Orroroo/Carrieton), Terry Barnes (Peterborough), Andrew Johnson (Pirie Regional), Phil Barry (Wakefield), Ricki Bruhn (Yorke Peninsula). Chaired by a member of the CLGR Executive	10 th July 2009 9 th October 2009 18 December 2009 9 th April 2010
Transport Infrastructure Planning Committee:	Roy Blight – Chair (Clare & Gilbert Valleys), Michael Lange (Barossa), David Hassett (Wakefield), John Tillack (Mallala), Tony Eckermann (Clare & Gilbert Valleys), Roy O'Connor (Goyder), Fred Linke (Barunga West), Paul McInerney (Regional Development), Peter Tan (DTEI)	23 rd September 2009 23 rd November 2009 10 th February 2010 25-26 th March 2010
Regional Waste Management Steering Committee:	Ian Baldwin (Barossa), Debbie Devlin (Port Pirie), Stephen Goldsworthy (Yorke Peninsula), Andrew Philpott (Light), Cr Trevor Roocke (Mt Remarkable), Cr Tony Schkabaryn (Barunga West), Cr Frederick Sparks (Northern Areas). <u>Northern</u> Colin Davies (Flinders Ranges), Sean Cheriton/Brenton Pearce (Mt Remarkable), Iian Wilson/John Schmidt (Orroroo Carrieton), Terry Barnes/Chris Thomson (Peterborough), Peter Broomhead (Northern Areas), Roy O'Connor/Trevor Wood (Goyder), Len Wilton (Pirie). Marina Wagner/Damon Curnow (EPA), Justin Lang (ZWSA), Ryan Viney (LGA). Mr Trevor Hockley (Project Officer) – Ex officio <u>Lower North & Yorke</u> Ian Baldwin (Barossa), Andrew Philpott (Light), Steve Bateman (Mallala), Dave Hassett/Glen Growden (Wakefield), Richard Pym (Copper Coast), Stephen Goldsworthy (Yorke Peninsula), Fred Linke (Barunga West), Tony Eckermann (Clare & Gilbert Valleys), Roy O'Connor/Trevor Wood (Goyder), Len Wilton (Pirie). Mr Marina Wagner/Damon Curnow (EPA), Justin Lang (ZWSA), Ryan Viney (LGA). Mr Trevor Hockley (Project Officer) – Ex officio	<i>*note the regional waste committee has not met, with transition to two sub-regional working groups from July 09</i> 5 th August 2009 15 th October 2009 5 th March 2009
Natural Disaster and Risk Mitigation Project Steering Committee:	Mr Phil Barry (Wakefield), Mr Ian Baldwin (Barossa), Cr Allan Woolford (Northern Areas), Mr John Schmidt (Orroroo Carrieton), Mr Matt Maywald (State Emergency Services), Mr Neville Hyatt (Project Officer) – Ex Officio	Nil – this project is now complete
Water Project Steering Committee:	Mr Ricki Bruhn (Yorke Peninsula), Mr Peter Dinning (Copper Coast), Mr Henri Mueller (Mallala), Mr Peter Stockings (Yorke Regional Development Board), Mr Kerry	9 th September 2009 5 th November 2009 10 th February 2010

Committee	Members	Meeting Dates
	Ward (Northern & Yorke NRM Board), Mr Paul Doherty (SA Water/Office of Water Security). Mr Geoffrey White (Project Officer) – Ex officio	
Broadband Project Steering Committee:	Mr Phil Barry (Wakefield) – Chair, Mr Ricki Bruhn (Yorke Peninsula), Mr Peter Dinning (Copper Coast), Ms Leonie Fretwell (Goyder), Ms Kelly-Anne Saffin (Mid North Regional Development Board), Cr Elizabeth Calvert (Clare & Gilbert Valleys), Ms Louise Sladdin (Regional Broadband Officer) – Ex officio	6 th August 2009 17 th September 2009
Coastal Councils Project Executive Committee:	Mayor Ray Agnew (Yorke Peninsula), Mr Damien Moloney/Mr Charles Mansueto (Mallala), Ms Anita Crisp (Central Region Executive Officer), Ms Deborah Allen (Coastcare Facilitator) – ex officio	Nil
Executive Officer Performance Review Committee:	Mayor James Maitland, Mr Nigel Hand, Cr Kathie Bowman	Nil

Regional Forums and Workshops

In order to progress specific priorities and actions, the Central Local Government Region occasionally holds information forums or workshops to allow member councils and other relevant stakeholders to come together and discuss or learn about particular initiatives.

The forums and workshops provide an opportunity for greater awareness, understanding and engagement with various Central Local Government Region activities and increases the level of active involvement by stakeholders. The following issue-specific forums were held during the 2009/10 financial year.

- 12th November 2009 Climate Change Workshop & Training Forum, Hawker *
- 23rd November 2009 Regional Transport Workshop – Special Local Roads Briefing, Crystal Brook
- 17th March 2010 Coastal Councils Forum, Ardrossan
- 9th April 2010 Water, Natural Resources and Regional Development Update Forum, Clare

*- in conjunction with LGA training and development program



participants to the Water, Natural Resources and Regional Development Update Forum in Clare and the Climate Change Workshop Training Session in Hawker

Achievements for 2009/10

During the 2009/10 year, the Central Region continued to progress a number of priority activities, as identified under the target areas within the strategic and business plan:

Focus Areas and Targets	Achievements for 2009/10
1. Board Governance and Operation	
<p><i>The Central Local Government Region's actions and operation accountable and transparent in accordance with agreed governance practices.</i></p>	<ul style="list-style-type: none"> ▪ Appointment of Central Region Audit Committee ▪ CLGR Board meeting agendas & minutes distributed in accordance with policy ▪ Committee operations executed within terms of reference ▪ Ongoing alignment of Central Local Government operations with agreed policies and procedures ▪ Commence review of Central Region Strategic Plan targets ▪ Review accounting and financial management services contractual arrangements
2. Communication, Networks and Relationships	
<p><i>The Central Local Government Region -</i></p> <ul style="list-style-type: none"> • <i>is well regarded by its member councils and stakeholders as a valid and relevant organisation</i> • <i>has a solid and broad network of relevant stakeholders with whom appropriate communication, a positive and collaborative relationship exists.</i> 	<ul style="list-style-type: none"> ▪ Monthly newsletter prepared and distributed ▪ Attendance by Local Government Association (LGA) and Department of Planning and Local Government (DPLG) at Central Region quarterly meetings ▪ Communications with LGA and DPLG staff as required ▪ Central Region representation at SA Regional Organisation of Councils (SAROC) and LGA State Executive meetings ▪ Communication with SAROC Executive Officers on key issues ▪ Participation of relevant regional agencies and bodies on Central Region committees and at workshops and forums as appropriate ▪ Member of Parliament briefings as required ▪ Website updates ▪ Regular ABC local radio and newspaper media coverage of Central Region projects and events
3. Regional Identity and Cohesion	
<p><i>Stakeholders of the Central Local Government geographical area operate as a strong, coordinated region that is well recognised and regarded at State and Federal levels and that works with an effective, collaborative and pro-active approach to issues of priority.</i></p>	<ul style="list-style-type: none"> ▪ Participation in Regional Government Coordination Network ▪ Continued Central Region office co-location with Regional Department of Transport, Crystal Brook ▪ Correspondence with State Government regarding number of uncoordinated regional plans and committees ▪ Formal submissions and ongoing liaison with State Government, LGA and Councils regarding establishment of Regional Development Australia (RDA) ▪ Submission to draft Greater Adelaide 30 Year Plan ▪ Liaison with SAROC and DPLG regarding long timeframes and cost of rezoning
4. Local Government Leadership, Succession and Sustainability	
<p><i>Local Government viewed as a genuine, effective, capable and legitimate level of government, with elections well contested, an improved rate of recruitment and retention of Local Government professional staff and a greater public awareness and appreciation of the role and function of</i></p>	<ul style="list-style-type: none"> ▪ Quarterly Council Chief Executive Officer's forum held ▪ Attendance at Australian Local Government Association assembly in Canberra ▪ Liaison with LGA and Government regarding increasing compliance and reporting responsibilities facing Councils ▪ Coordination of Central Zone appointments to LGA State Executive Committee ▪ Liaison with LGA on State Election Strategy

<p><i>Councils. Local Government operations are sustainable and adequately resourced</i></p>	<ul style="list-style-type: none"> ▪ Liaison with SAROC and Valuer Generals office regarding amalgamation of Council assessment details ▪ Central Region nominee to LGA Land Access Working Group and Valuation Working Group
5. Regional IT & Telecommunications	
<p><i>Improved telecommunications and technologies across the CLGR region</i></p>	<ul style="list-style-type: none"> ▪ Second year of Clever Networks funding for Regional Broadband Project Officer ▪ Funding submission to Digital Regions Initiative ▪ Ongoing liaison with Federal Minister and State Government and RDA regarding lack of competitive access to broadband in the region ▪ Correspondence and deputation with Federal and State Government regarding digital television switchover ▪ Federal funding for engagement of a regional Digital TV Switchover Liaison Officer ▪ Final report for Clever Networks Broadband project complete ▪ Update reports to SAROC and LGA regarding regional broadband ▪ Update broadband data for Central Region
6. Waste Management	
<p><i>Viable, sensible and long term solutions for waste management across the region</i></p>	<ul style="list-style-type: none"> ▪ Implementation of Regional Waste Management Strategy recommendations underway with support from TJH Management Services ▪ Regular meetings of waste sub regions active (southern & northern) including active participation by Environment Protection Authority and Zero Waste SA ▪ Coordination of Regional Assessment Panel for Zero Waste SA 'Regional Implementation Program' ▪ Preparation of Regional Implementation Program regional submission ▪ Liaison with State Government regarding hazardous waste ▪ Liaison with Federal and State Government regarding e-waste particularly in relation to digital TV switchover
7. Roads and Transport	
<p><i>Sound and sustainable transport network and appropriate community access to transportation</i></p>	<ul style="list-style-type: none"> ▪ Transport Infrastructure Planning Committee active ▪ Assessment, inspection and regional submission to Special Local Roads program ▪ Council Special Local Roads briefing held ▪ Update of Council road priorities sought ▪ Ongoing liaison with Councils and LGA regarding Rural Property Addressing rollout ▪ Liaison with LGA regarding Rail Crossing Interface agreements and funding proposal
8. Natural Resource Management	
<p><i>Local Government is appropriately resourced and considered as a genuine, integral and active partner to help achieve local NRM outcomes.</i></p>	<ul style="list-style-type: none"> ▪ Australian Government funded network of Local Government Environment & Sustainability Officers engaged ▪ Additional technical support for roadside vegetation management engaged ▪ Submission to LGA review of NRM levy report ▪ Review Central Local Government and NRM Engagement Plan ▪ Host NRM and Local Government engagement forum ▪ Local Government rep attendance at Regional NRM Board meetings ▪ Continued engagement of Regional Coastcare Officer through NRM Board funding ▪ Completion of Coastal Assessment Reports for Coastal Councils and support to seek on-ground works funding ▪ Coordination of annual 'Coastal Council' Forum and ongoing liaison with Coastal Councils ▪ Funding submissions for extension of Environment and Coastcare support to Councils

9. Regional Water Supply

Measurable improvement in sustainable water supply for the Region

- Continued support for final year of regional ICLEI Water Campaign delivery – nine Councils participating
- Water agencies workshop held in conjunction with Council CEO's forum
- Liaison with State water agencies to simplify planning and resourcing requirements for rural Councils
- Proposal to SAROC and LGA for funding support from Government for delivery of water activities by Councils
- Funding of Technical Officer (Water) for Central Region
- Coordinate Central Region projects to LGA bid to Water for Cities and Towns program

10. Energy Supplies

Secure, adequate and effective energy networks to meet community needs

- Rural Electricity Augmentation submission to State Government, Electricity Supply Planning Industry Commission and ESCOSA

11. Disaster Mitigation

Disaster risk is effectively managed and impact minimised

- Participation in Zone Emergency Management committees (ZEMC)
- Correspondence to State Minister regarding ZEMC funding
- Local Government representation on Regional Drought Taskforce
- Correspondence to State Minister regarding continuation of drought support programs
- Funding submissions for development of Regional Climate Change Vulnerability Assessment in conjunction with RDA, NRM and LGA
- Engagement of Business SA to offer Council Carbon and Sustainability Audits
- Convene Climate Change workshop and training session in conjunction with LGA
- Representative to LGA Climate Change Steering Committee and attendance at ALGA and National Emergency Management climate change workshops

12. Community Health and Wellbeing

Appropriate infrastructure, facilities and services in place to suitably meet demand and enhance community health and wellbeing

- Liaison with Councils and agencies in relation to draft SA Public Health Bill, Telstra bill payment transaction fees and increase in SA Ambulance callout fees
- Presentation to Region and liaison with SAPOL Yorke & Mid North Local Service Area
- Expression of Interest to Obesity Prevention and Lifestyle program (OPAL)



From Left: Central Region Transport Committee; SAROC Delegates Launch LGA State Election Strategy; ICLEI Water Campaign Recognition Event

Audited Financial Statements 2009/2010

CENTRAL LOCAL GOVERNMENT REGION OF SA INC.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2010

	NOTES	2010	2009
		\$	\$
INCOME			
Council Contributions	3.	147,201	142,698
Grants, Subsidies and Other Contributions	4.	230,468	495,656
Investment Income	5.	13,074	14,684
Other Incomes	6.	7,727	14,431
TOTAL INCOME		<u>398,470</u>	<u>667,469</u>
EXPENSES			
Employee Costs	7.		893
Materials, Contracts & Other Expenses	8.	550,155	433,664
TOTAL EXPENSES		<u>550,155</u>	<u>434,557</u>
OPERATING SURPLUS (DEFICIT)		<u>(151,685)</u>	<u>232,911</u>
Asset Disposal & Fair Value Adjustments	9.	(7,277)	(8,947)
NET SURPLUS (DEFICIT)		<u>(158,962)</u>	<u>223,964</u>
TOTAL COMPREHENSIVE INCOME		<u>(158,962)</u>	<u>223,964</u>

This Statement is to be read in conjunction with the accompanying notes.

BALANCE SHEET
AS AT 30 JUNE 2010

	NOTES	2010	2009
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash & Cash Equivalents	10.	380,773	458,610
Trade & Other Receivables	11.	30,027	104,574
TOTAL CURRENT ASSETS		410,801	563,184
NON-CURRENT ASSETS			
Infrastructure, Property, Plant & Equipment	12.	21,830	28,641
TOTAL NON-CURRENT ASSETS		21,830	28,641
TOTAL ASSETS		432,630	591,824
LIABILITIES			
CURRENT LIABILITIES			
Trade & Other Payables	13.		232
TOTAL CURRENT LIABILITIES		0	232
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		0	0
TOTAL LIABILITIES		0	232
NET ASSETS		432,630	591,592
EQUITY			
Accumulated Surplus		310,630	591,592
Other Reserves		122,000	-
TOTAL EQUITY		432,630	591,592

This Statement is to be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010

2010	Accumulated Surplus	Asset Revaluation Reserve	Available for Sale Financial Assets	Other Reserves	Total Equity
Balance at End of Previous Reporting Period	591,592				591,592
Adjust. due to Compliance with Revised Acc Standards					0
Adjust. to give effect to Changed Acc Policies					0
RESTATED OPENING BALANCE	591,592	-	-	-	591,592
NET SURPLUS (DEFICIT)	(158,962)				(158,962)
OTHER COMPREHENSIVE INCOME					
Gain on Revaluation of I,P,P&E					0
Avail-for-Sale Fin Instruments - Change in Fair Value					0
Share of Other Comp Income - Joint Ventures & Associates					0
Impairment (Expense) / Recoupments Offset to Asset Rev Reserve					0
Transfer to Acc Surplus on Sale of I,P,P & E					0
Transfer to Acc Surplus on Sale of Avail-for-Sale Fin Instruments	(122,000)			122,000	0
BALANCE AT END OF PERIOD	310,630	-	-	122,000	432,630
2009					
Balance at End of Previous Reporting Period	367,628				367,628
Adjust. due to Compliance with Revised Acc Standards					0
Adjust. to give effect to Changed Acc Policies					0
RESTATED OPENING BALANCE	367,628	-	-	-	367,628
NET SURPLUS (DEFICIT)	223,964				223,964
OTHER COMPREHENSIVE INCOME					
Gain on Revaluation of I,P,P&E					0
Avail-for-Sale Fin Instruments - Change in Fair Value					0
Share of Other Comp Income - Joint Ventures & Associates					0
Impairment (Expense) / Recoupments Offset to Asset Rev Reserve					0
Transfer to Acc Surplus on Sale of I,P,P & E					0
Transfer to Acc Surplus on Sale of Avail-for-Sale Fin Instruments					0
Transfer Between Reserves					0
BALANCE AT END OF PERIOD	591,592	-	-	-	591,592

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010**

	NOTES	2010	2009
		\$	\$
		INFLWS	
		(OUTFLOWS)	
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts</i>			
Operating Receipts		453,861	569,113
Investment Receipts		12,126	17,255
GST Collected		42,706	60,275
GST Refund from the ATO		43,469	40,161
<i>Payments</i>			
Operating Payments to Suppliers & Employees		(550,366)	(434,346)
Finance Payments			
GST Payments on Purchases		(43,674)	(40,140)
GST Remitted to the ATO		(35,493)	(65,184)
NET CASH PROVIDED BY (OR USED IN) OPERATING ACTIVITIES		(77,371)	147,136
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts</i>			
Sale of Replaced Assets		21,364	18,636
<i>Payments</i>			
Expenditure on Renewal/Replacement of Assets		(21,830)	(28,641)
NET CASH PROVIDED BY (OR USED IN) INVESTING ACTIVITIES		(466)	(10,004)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts</i>			
<i>Payments</i>			
NET CASH PROVIDED BY (OR USED IN) FINANCING ACTIVITIES		0	0
NET INCREASE (DECREASE) IN CASH HELD		(77,837)	137,131
CASH & CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD		458,610	321,479
CASH & CASH EQUIVALENTS AT END OF REPORTING PERIOD	14.	380,773	458,610

This Statement is to be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

1. **Significant Accounting Policies**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) ***The Local Government Reporting Entity***

The Central Local Government Region of South Australia Incorporated ("the Region") is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999.

The Constituent Councils are:

The Barossa Council;	District Council of Mount Remarkable;
District Council of Barunga West;	Northern Areas Council;
Clare and Gilbert Valleys Council;	District Council of Orroroo / Carrieton;
District Council of the Copper Coast;	District Council of Peterborough;
The Flinders Ranges Council;	Port Pirie Regional Council;
Regional Council of Goyder;	Wakefield Regional Council; and
Light Regional Council;	District Council of Yorke Peninsula.
District Council of Mallala;	

All funds received and expended by the Region have been included in the Financial Statements forming part of this Financial Report.

(b) ***Basis of Accounting***

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The financial report was authorised for issue by the Region by certificate under clause 11 of the Local Government (Financial Management) Regulation 1999 dated 4 August 2010.

Except where stated below, these financial statements have been prepared in accordance with the historical cost convention.

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Region's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

All amounts in the financial statements have been rounded to the nearest dollar (\$).

(c) ***Income Recognition***

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Region obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Region's operations for the current reporting period.

(d) ***Cash, Cash Equivalents & Other Financial Instruments***

Cash Assets include all amounts readily convertible to cash on hand at the Region's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables are generally unsecured and do not bear interest. All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to Financial Instruments forms part of Notes 15 and 16.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**(e) Infrastructure, Property, Plant & Equipment**

All non-current assets purchased are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use".

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Region for each type of asset. In determining such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are as follows:-

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000

Certain asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value.

All plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets. Depreciation is recognised on a straight-line basis.

(f) Payables

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

(g) Employee Benefits

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based on costs) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based on costs) to be made in respect of services provided by employees up to the reporting date.

No accrual is made for sick leave as experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Region does not make payment for untaken sick leave.

(h) Superannuation

The Region makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently.

No changes in accounting policy have occurred during either the current or previous reporting periods.

Accumulation Fund Members - The accumulation fund receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (9% in 2009/2010; 9% in 2008/2009). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Defined Benefit Members - the Region makes employer contributions to the defined benefits categories of the Scheme at rates determined by the Scheme's Trustee. The rate is currently 6% (6% in 2008/2009) of superannuation salary. Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Fund's Defined Benefit Plan is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), the Region does not use defined benefit accounting for these contributions.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010(i) *GST Implications*

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax":-

* Receivables and Creditors include GST receivable and payable.

* Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.

* Non-current assets and capital expenditures include GST net of any recoupment.

* Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

(j) *Comparative Information*

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

(k) *New Accounting Standards*

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2010 reporting period.

AASB 1	First-time Adoption of Australian Accounting Standards
AASB5	Non-Current Assets Held for Sale and Discontinued Operations
AASB 7	Financial Instruments: Disclosures
AASB 9	Financial Instruments
AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates & Errors
AASB 110	Events after the Reporting Date
AASB 117	Leases
AASB 118	Revenue
AASB 119	Employee Benefits
AASB 132	Financial Instruments: Presentation
AASB 136	Impairment of Assets
AASB 137	Provisions, Contingent Liabilities and Contingent Assets
AASB 139	Financial Instruments: Recognition and Measurement
AASB 1031	Financial Instruments: Recognition and Measurement
AASB 2009-11	Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]
AASB 2009-12	Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]
AASB 2009-13	Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1]
AASB 2010-1	Amendments to Australian Accounting Standards – Limited Exemption from Comparative AASB 7 Disclosures for First-time Adopters [AASB 1 & AASB 7]
Interpretation 4	Determining whether an Arrangement contains a Lease
Interpretation 14	AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

NB. Standards not affecting Local Government Entities have been excluded from the above list.

The Region is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

The Australian Accounting Standards Board is currently reviewing AASB 1004 Contributions. It is anticipated that the changes resulting from this review may have a material effect on the timing of the recognition of grants and contributions, but the financial consequences cannot be estimated until a revised accounting standard is issued.

(l) *Subscriptions*

Clause 5.2 of the Charter of the Region prescribes that subscriptions by Constituent Councils will be decided at the Annual General Meeting. For 2009 / 2010 these were \$9,072 exclusive of GST.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**2. Functions / Activities of the Region**

Incomes and expenses have been attributed to the functions / activities which are described below.

The activities of the Region are categorised into the following broad programs:

General Operating Activities	Natural Resource Management
Regional Transport Strategy & Review	Natural Disaster & Risk Mitigation
Water Project	Broadband Project
Transport Infrastructure Committee	Regional Waste Management

Incomes, expenses and the carrying amount of assets which are reliably attributable to each of the listed functions & activities are reported on regularly throughout the year and are available upon request to the Executive Officer.

	NOTES	2010	2009
		\$	\$
3. COUNCIL CONTRIBUTIONS			
General Operations		136,080	133,425
Roads Project		11,121	9,273
		<u>147,201</u>	<u>142,698</u>
4. GRANTS, SUBSIDIES & OTHER CONTRIBUTIONS			
Other Grants, Subsidies & Contributions		230,468	495,656
		<u>230,468</u>	<u>495,656</u>
<i>Sources of Grants</i>			
Commonwealth Government		80,468	379,091
State Government		125,000	80,000
Other		25,000	36,565
		<u>230,468</u>	<u>495,656</u>
<i>Conditions Over Grants & Contributions</i>			
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:			
Unexpended at Close of Previous Reporting Period		452,918	251,157
Less: Expended During the Current Period from Revenues Recognised in Previous Reporting Periods:-			
Waste Study		13,727	
Regional Bus Project		170,500	
Disaster Mitigation Project			57,188
Broadband Project		92,908	6,542
Local Government		36,565	
Natural Resources Management		122,913	623
		<u>436,614</u>	<u>64,353</u>
Plus: Amounts Recognised as Revenues in this Reporting Period but Not Yet Expended in Accordance with the Conditions:-			
Waste Study			13,727
Broadband Project			92,908
Water Project		4,795	
Natural Resources Management		6,513	122,913
Climate Change		69,406	
Local Government			36,565
Coastal Councils Project		3,023	
Digital Television		17,518	
		<u>101,255</u>	<u>266,114</u>
Unexpended at Close of Reporting Period and held as Restricted Assets		<u>117,559</u>	<u>452,918</u>
Net Increase (Decrease) in Restricted Assets in Current Reporting Period		<u>(335,359)</u>	<u>201,761</u>
5. INVESTMENT INCOME			
Interest on Investments			
Local Government Finance Authority		12,761	14,671
Banks & Other		313	13
		<u>13,074</u>	<u>14,684</u>
6. OTHER INCOMES			
Vehicle Charges		7,000	13,917
Sundry		727	514
		<u>7,727</u>	<u>14,431</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	NOTES	2010	2009
7. EMPLOYEE COSTS		\$	\$
Salaries and Wages		-	819
Superannuation - Defined Cost Plan Contributions	19.	-	74
		<u>-</u>	<u>893</u>
<i>Total Number of Employees</i>		-	-
<i>(Full Time Equivalent at End of Reporting Period)</i>			
8. MATERIALS, CONTRACTS & OTHER EXPENSES			
<i>Prescribed Expenses</i>			
Auditor's Remuneration			
Auditing the Financial Reports		900	1,200
		<u>900</u>	<u>1,200</u>
<i>Other Materials, Contracts & Expenses</i>			
Contractors		495,903	403,481
Energy / Fuel		4,112	3,413
Members Allowances		5,405	
Meeting Costs		6,175	
Liability Insurance		5,108	
Gazette Notice		5,002	
Sundry		27,550	25,570
		<u>549,255</u>	<u>432,464</u>
		<u>550,155</u>	<u>433,664</u>
9. ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS			
Proceeds from Disposal		21,364	18,636
Less: Carrying Amount of Assets Sold		28,641	27,583
		<u>(7,277)</u>	<u>(8,947)</u>
10. CASH & CASH EQUIVALENTS		\$	\$
Cash on Hand & At Bank		76,314	85,962
Deposits at Call		304,460	372,648
	14.	<u>380,773</u>	<u>458,610</u>
11. TRADE & OTHER RECEIVABLES			
Accrued Revenues		3,521	2,573
Debtors - General		26,506	102,001
		<u>30,027</u>	<u>104,574</u>
12. INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Valuation of Assets</i>			
At 1 July 2004 upon the transition to AIFRS, the Region elected pursuant to AASE 1.19 to retain a previously established deemed cost under GAAP as its deemed cost for the purposes of AIFRS.			
Pursuant to the Region's election, property, plant and equipment assets are recognised on the cost basis.			
PLANT & EQUIPMENT			
At Fair Value			
At Cost		21,830	28,641
		<u>21,830</u>	<u>28,641</u>
Carrying Amount at Close of Previous Reporting Period		28,641	27,583
Additions		21,830	28,641
Disposals		(28,641)	(27,583)
Discontinued Operations Disposals			
Carrying Amount at Close of Current Reporting Period		<u>21,830</u>	<u>28,641</u>
13. TRADE & OTHER PAYABLES			
Accrued Expenses - Other			232
		<u>0</u>	<u>232</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	NOTES	2010	2009
		\$	\$

14. RECONCILIATION TO CASH FLOW STATEMENT

Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Statement of Financial Position as follows:

Total Cash and Cash Equivalents	10.	380,773	458,610
Less: Short Term Borrowings	BS		
Balance per Cash Flow Statement		<u>380,773</u>	<u>458,610</u>

Reconciliation of Change in Net Assets to Cash from Operating Activities

Net Surplus (Deficit)		(158,962)	223,964
Non-Cash Items in Income Statement			
Net (Gain) Loss on Disposals		7,277	8,947
(Gain) Loss on Disposal of Assets of Discontinued Operations			
		<u>(151,685)</u>	<u>232,911</u>
Add (Less): Changes in Net Current Assets			
Net (Increase) Decrease in Receivables		74,546	(86,008)
Net Increase (Decrease) in Trade & Other Payables		(232)	232
Net Cash Provided (or Used In) Operating Activities		<u>(77,371)</u>	<u>147,136</u>

Non-Cash Financing and Investing Activities

Acquisition of Assets by Means of:-

Physical Resources Received Free of Charge

Non-Cash Grants & Contributions

Amounts Recognised in Income Statement

	0	0
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Finance Leases

Land Taken Over for Non-Payment of Rates

	<u>0</u>	<u>0</u>
--	----------	----------

Financing Arrangements

Unrestricted access was available at Balance Date to the following Lines of Credit:-

Bank Overdrafts	0	0
Corporate Credit Cards	0	0

The Bank Overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

15. RECOGNISED FINANCIAL INSTRUMENTS

Bank, Deposits at Call, Short Term Deposits

Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.

Terms & conditions: Deposits are placed on 24 hour call with the Local Government Finance Authority at market interest rates..

Carrying amount: Approximates fair value due to the short term to maturity.

Receivables - Fees & Other Charges

Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & conditions: Unsecured, and do not bear interest. The Region is not materially exposed to any individual debtor, with credit risk exposure concentrated within the Region's boundaries.

Carrying amount: Approximates fair value (after deduction of any allowance).

Receivables - Other Levels of Government

Accounting Policy: Carried at nominal value.

Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth & State.

Carrying amount: Approximates fair value.

Liabilities - Creditors and Accruals

Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Region.

Terms & conditions: Liabilities are normally settled on 30 day terms

Carrying amount: Approximates fair value.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

16. LIQUIDITY ANALYSIS	Instrument Due			Total Contractual Cash Flows	Carrying Values
	< 1 year	> 1 and < 5 yrs	> 5 years		
2010					
Financial Liabilities					
Payables				0	0
Current Borrowings				0	0
Non-Current Borrowings				0	0
Total Financial Liabilities	0	0	0	0	0
2009					
Financial Liabilities					
Payables	232			232	232
Current Borrowings				0	0
Non-Current Borrowings				0	0
Total Financial Liabilities	232	0	0	232	232

The following interest rates were applicable to the Region's borrowings at balance date:

	2010		2009	
	Weighted Ave Interest Rate	Carrying Value	Weighted Ave Interest Rate	Carrying Value
	%	\$	%	\$
Overdraft	N/A	0	N/A	0
Other Variable Rates		0		0
Fixed Interest Rates		0		0
		0		0

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Region.

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Region is the carrying amount, net of any allowance for doubtful debts. All Region investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in the Notes in relation to individual classes of receivables (if applicable), exposure is concentrated within the Region's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Region's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

Liquidity Risk is the risk that the Region will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Region has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

Net Fair Value of Financial Assets and Liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value. Due to the nature of the financial instruments held by the Region, the costs associated with their settlement would not be material and therefore have not been considered.

Credit Risk Exposure

Credit risk represents the loss that would be recognised if other parties failed to perform as contracted.

The credit risk on financial assets, excluding investments, of the Region which have been recognised in the Balance Sheet (if any) is the carrying amount, net of any provision for doubtful debts. The Region does not have significant exposure to any concentration of credit risk.

The net fair value of other monetary financial assets and financial liabilities is based on market prices where a market exists or by discounting expected future cash flows by the current interest rates for assets and liabilities with similar risk properties.

Cash flows are discounted using standard valuation techniques and the applicable market yield having regard to the timing of cash flows. The carrying amount of bank term deposits, accounts receivable, accounts payable and bank loans approximate net fair value.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

16. LIQUIDITY ANALYSIS (CONT.)

	NOTES	2010	2009
RECONCILIATION OF FINANCIAL ASSETS & LIABILITIES		\$	\$
<i>Excess of Financial Assets over Liabilities</i>			
Financial Assets		407,279	560,611
Financial Liabilities		0	(232)
		<u>407,279</u>	<u>560,378</u>
<i>Non-Financial Assets (Liabilities)</i>			
Accrued Revenues		3,521	2,573
Property, Plant & Equipment		21,830	28,641
		<u>25,351</u>	<u>31,214</u>
<i>Net Assets per Balance Sheet</i>		<u>432,630</u>	<u>591,592</u>

17. FINANCIAL INDICATORS

	2010	2009	2008	2007
These Financial Indicators have been calculated in accordance with Information Paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.				
Operating Surplus	(151,685)	232,911	(9,197)	55,806
<i>Being the operating surplus (deficit) before capital amounts.</i>				
Operating Surplus Ratio	N/A	N/A	N/A	N/A
<i>This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.</i>				
Net Financial Liabilities	(410,801)	(562,951)	(340,044)	(385,463)
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in the Region's businesses).</i>				
Net Financial Liabilities Ratio	(103 %)	(84 %)	(95 %)	(97 %)
Interest Cover Ratio	(3.4 %)	(2.2 %)	(6.6 %)	(5.8 %)
Asset Sustainability Ratio	N/A	N/A	N/A	N/A
Asset Consumption Ratio	N/A	N/A	N/A	N/A

18. UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Region prepared on a simplified Uniform Presentation Framework basis. All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils & Subsidiaries provide a common 'core' of financial information, which enables meaningful comparisons of finances.

	2010	2009
	\$	\$
Income	398,470	667,468
less Expenses	(550,155)	(434,557)
	<u>(151,685)</u>	<u>232,911</u>
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(21,830)	(28,641)
less Depreciation, Amortisation and Impairment		
less Proceeds from Sale of Replaced Assets	21,364	18,636
	<u>(466)</u>	<u>(10,004)</u>
Net Outlays on New & Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	0	0
less Amounts Received Specifically for New and Upgraded Assets	0	0
less Proceeds from Sale of Surplus Assets	0	0
	<u>0</u>	<u>0</u>
Net Lending (Borrowing) for Reporting Period	<u>(152,151)</u>	<u>222,907</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

19. SUPERANNUATION

The Region makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme (the Scheme). The Scheme has two categories of membership, each of which is funded differently.

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

The Scheme's Defined Benefit Plan is a multi-employer sponsored plan. As the Scheme's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable allocate benefit liabilities, assets and costs between employers. As provided under AASB 119.32(b), the Region does not use defined benefit accounting for these contributions.

The Region makes employer contributions to the defined benefit category of the Scheme at rates determined by the Trustee on the advice of the Scheme's Actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Scheme's actuary, L C Brett, BSc., FIA, FLAA, of Brett and Watson Pty Ltd as at 30 June 2008, the Trustee has determined that the Scheme was in a satisfactory financial position.

However, in considering the impact of the movement in investment markets since 30 June 2008, the actuary has determined that the Scheme is currently in an "unsatisfactory financial position" as that term is used under superannuation law. This means that there are currently insufficient assets to be able to pay Salarylink benefits should all existing members cease employment at the same time. Whilst it is impossible that this will occur, the Trustee liaised with the Local Government Association, on behalf of the employers in the Scheme, and the Government regulator, APRA, to determine an appropriate plan of action to rectify the Scheme's financial position. The Region no longer has any employees employed.

20. JOINT VENTURES & ASSOCIATED ENTITIES

An *Associate* is an entity, including an unincorporated entity such as a partnership, over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

A *Joint Venture* is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

The Region has no interests in Joint Ventures or Associated Entities.

Although the Region itself is a Regional Subsidiary established by the 15 Member Councils (as listed in Note 1 (a)), it is not considered to be an associate of any of the individual Councils as no one Council has significant influence. As such, equity accounting procedures are not used by the individual Councils. It is likely that each Council's interest in the Regional Subsidiary is non-material, and as such, it is appropriate for a Council to write off its annual contribution as an expense.

CENTRAL LOCAL GOVERNMENT REGION OF SA INC.

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

STATEMENT BY CHIEF EXECUTIVE OFFICER

I, ANITA CRISP the person for the time being occupying the position of **CHIEF EXECUTIVE OFFICER** of the **CENTRAL LOCAL GOVERNMENT REGION OF SA INC.** do hereby state that the Financial Statements of the Incorporated Body for the year-ended 30 June 2010 are to the best of my knowledge presented fairly and in accordance with accounting procedures which have been maintained in accordance with the Local Government Act 1999, and the Local Government (Financial Management) Regulations 1999 made under that Act.



A Crisp
Executive Officer

4 August 2010

Date

- ADOPTION STATEMENT -

Laid before the Central Local Government Region of SA Inc.

and adopted on the (13th) day of August 2010



EXECUTIVE OFFICER



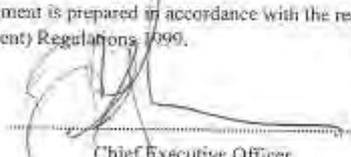
PRESIDENT

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the Audit of the Central Local Government Region of South Australia Incorporated for the year ended 30 June 2010, the Association's Auditor, Cobiac and Chapman, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

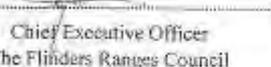
This Statement is prepared in accordance with the requirements of Regulation 16A(2) of the Local Government (Financial Management) Regulations, 1999.



Chief Executive Officer
The Barossa Council



Chief Executive Officer
Clare & Gilbert Valleys Council



Chief Executive Officer
The Flinders Ranges Council



Chief Executive Officer
Light Regional Council



Chief Executive Officer
District Council of Mount Remarkable



Chief Executive Officer
District Council of Ororo Carrieton



Chief Executive Officer
Port Pirie Regional Council



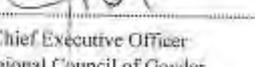
Chief Executive Officer
District Council of Yorke Peninsula



Chief Executive Officer
District Council of Barunga West



Chief Executive Officer
District Council of the Copper Coast



Chief Executive Officer
Regional Council of Goyder



Chief Executive Officer
District Council of Mallala



Chief Executive Officer
Northern Areas Council



Chief Executive Officer
District Council of Peterborough



Chief Executive Officer
Wakefield Regional Council

CENTRAL LOCAL GOVERNMENT REGION OF SA INC

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of the Central Local Government Region of South Australia incorporated for the year ended 30 June 2010, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 15A (4) of the Local Government (Financial Management) Regulations 1999.



GERALD P. COBIAC AOA CPA

Partner

Cobiac & Chapman

Certified Practising Accountants

Prospect, South Australia

10/2 August, 2010

**INDEPENDENT AUDIT REPORT
TO THE MEMBER COUNCILS
OF THE CENTRAL LOCAL GOVERNMENT REGION OF SA INC.**

Scope

We have audited the attached special purpose Financial Report on pages 1 to 13 comprising the Income Statement, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement, the Notes to the Financial Statements and Statement by the Executive Officer for the year ended 30 June 2010.

The Central Local Government Region of SA Inc Board is responsible for the preparation and presentation of the Financial Report and the information contained therein and has determined that the accounting policies used are consistent with the financial reporting requirements of their Constitution, and are appropriate to meet the needs of the Incorporated Body. We have conducted an independent audit of the Financial Statements in order to express an opinion on them. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the Association.

The Financial Report has been prepared for distribution to members for the purpose of fulfilling the Incorporated Body's financial reporting requirements. As such, we disclaim any assumption of responsibility for reliance on this report or on the Financial Report to which it related to any person other than the members, or for any purpose other than that for which it is prepared. The Audit has been conducted in accordance with Australian Standards to provide reasonable assurances as to whether the Financial Statements are free of material misstatement. The procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the Financial Statements, and evaluation of accounting policies and significant account estimates. These procedures have been undertaken to form an opinion as to whether in all material respects, the Financial Statements are presented fairly in accordance with the operations of, and with the accounting policies of the Incorporated Body. (These bodies do not require the application of all statements of Accounting Concepts and Accounting Standards)

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the Financial Statements of the Central Local Government Region of SA Inc are properly drawn up in accordance with the accounting policies as adopted by the Committee. Financial Statements disclose the financial position of the Central Local Government Region of SA Inc as at 30 June 2010 and the results of its operations for the year then ended.



GERALD P. COBIAC AUA CPA

Partner

Cobiac & Chapman

Certified Practising Accountants

Prospect, South Australia

22 August, 2010