

Coonamble Shire Council Annual Report 2013-14



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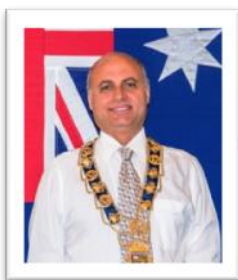
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MAYOR'S MESSAGE



I am pleased to present the 2013-14 Annual Report, covering the period of my first year as Mayor of Coonamble Shire. I am grateful for the opportunity to serve the community and am proud of the achievements that Council has delivered in 2013-14.

Key achievements over the past year have included infrastructure improvements with road works and sewer mains relining carried out. Grant funding was received to undertake upgrades to the Coonamble Showground, Saleyards, Caravan Park and Common. Coonamble Sportsground also received an irrigation system upgrade. Works at Gulargambone and Quambone included highway upgrades and improvements to parks.

Community services projects continued with a focus on building the capacity of young people to become connected and resilient community members. It was pleasing to see expanded services in Coonamble and new youth services commence in Gulargambone and Quambone.

I congratulate my fellow Councillors, management team and staff for their dedication in progressing Council's Operational Plan during the year and look forward to the challenges of the coming year.

Mayor Allan Karanough

GENERAL MANAGER'S MESSAGE

The Annual Report focuses on Council's performance in implementing its Delivery Program and 2013-14 Operational Plan.

There are a number of challenges facing local government but one of the most significant is financial sustainability. While Council has remained in a sound financial position it is a continuing challenge to ensure sustainability, while at the same time allowing the Council to continue to offer the services it does to the community. Our emphasis continues to be on ensuring services are delivered in the most efficient and effective manner possible, with a focus on the best outcomes for the community.

Highlights for the year included upgrades to infrastructure such as construction of the Coonamble Pool Splash Pad, completion of the new Water Treatment Plant and progression of works to the Levee.

Through grant funding we were also able to provide expanded library services and new youth activities in Quambone and Gulargambone.

I am pleased to report that the vast majority of actions contained in the 2012-13 Operational Plan have been completed and would like to thank Councillors and staff for their dedication and effort.

Rick Warren

General Manager



COUNCIL OFFICES & FACILITIES

Council Chambers

80 Castlereagh Street, Coonamble
Open 8.30 a.m. – 5.00 p.m. Monday – Friday
Cashier: 9.30 a.m. to 4.00 p.m. daily
Phone 6827 1900 Fax 6822 1626
Email: council@coonambleshire.nsw.gov.au
Website: www.coonambleshire.nsw.gov.au

Library

Castlereagh Street, Coonamble
Phone 6827 1925 Fax 6822 1057

Visitors Information Centre

84 Castlereagh Street, Coonamble
Phone 6827 1981

Roads & Maritime Service

Coonamble Rural Transaction Centre
26 Castlereagh Street, Coonamble
Phone 6822 1487

Riverside Caravan Park

Castlereagh Highway, Coonamble
Phone 6822 1926

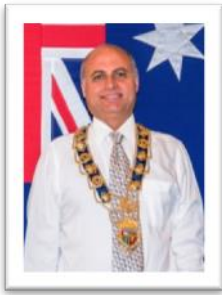
Vacation Care

Cnr Castlereagh & Tooloon Streets, Coonamble
Phone: 0407103787



COUNCILLORS

Cr. Allan Karanouh (Mayor)



Elected to Council in September 2008. Elected as Mayor in September 2013. Local businessman who operates the Global Village Restaurant and Al's Diner in Coonamble. Active member of the business sector.



Cr. Danny Keady
(Deputy Mayor)

Elected to Council in September 2012, holds the position of Deputy Mayor. Has farming and grazing business and actively involved with many community groups.



Cr. Michael Webb

Elected to Council in March 2004. Served as Deputy Mayor from March 2004 to September 2008. Re-elected to the position September 2009.



Cr. Tom Cullen

Elected to Council 1986, served as Mayor 2012 & 1995, elected Deputy Mayor 1988 – 1995. Farming and grazing interests in the local district. Active member of the grain growing industry.



Cr. Don Schieb

Elected to Council in September 2008. Well known stock and station agent actively involved in the livestock and rural industry, also pro-active in the business sector. Deputy-Mayor September 2008-September 2009



Cr. Bill Burnheim

Elected to Council in September 2012, has business interests in farming and is actively involved in the grain industry. Member of the Coonamble Theatrical Group.



Cr. John Walker

Elected to Council in September 2012, resides within the Coonamble township. Committed to local organisations, especially the Coonamble RSL Sub-Branch and RSL Club. Is a Vietnam Veteran.

COUNCIL MEETINGS

Ordinary meetings of Council are held on the second Wednesday of the month, excluding January, commencing at 9.00 a.m. Members of the public are invited to attend. Public Question Time has been set aside from 9.30 a.m. - 10.00 a.m. for interested persons to address Council.

Council's October meeting is held in the village of Quambone and the meeting for March is held at Gulargambone.

Correspondence to be considered by Council must be lodged at least ten days prior to the meeting to be included on the agenda. Only matters classified as 'urgent business' by the General Manager received after that time are included. Other issues are carried over until the following month.

COUNCIL DELEGATES

Castlereagh Macquarie (Weeds) County Council:

Councillors Michael Webb and Don Schieb

North Western Co-operative Library Service:

Councillor Bill Burnheim

Orana Regional Organisation of Councils (OROC):

Mayor and General Manager

SENIOR & EXECUTIVE STAFF

General Manager:

Mr Rick Warren

Acting Director of Engineering Services:

Mrs Kaylene Atkins

Director of Corporate Services:

Ms Lianne Tasker

Director of Development, Commercial &
Urban Services

Mr Bruce Quarmby

COMMUNITY VISION

“Coonamble Shire is a connected, respectful and diverse community, working together in a healthy natural environment that supports our vibrant local economy”



COONAMBLE SHIRE

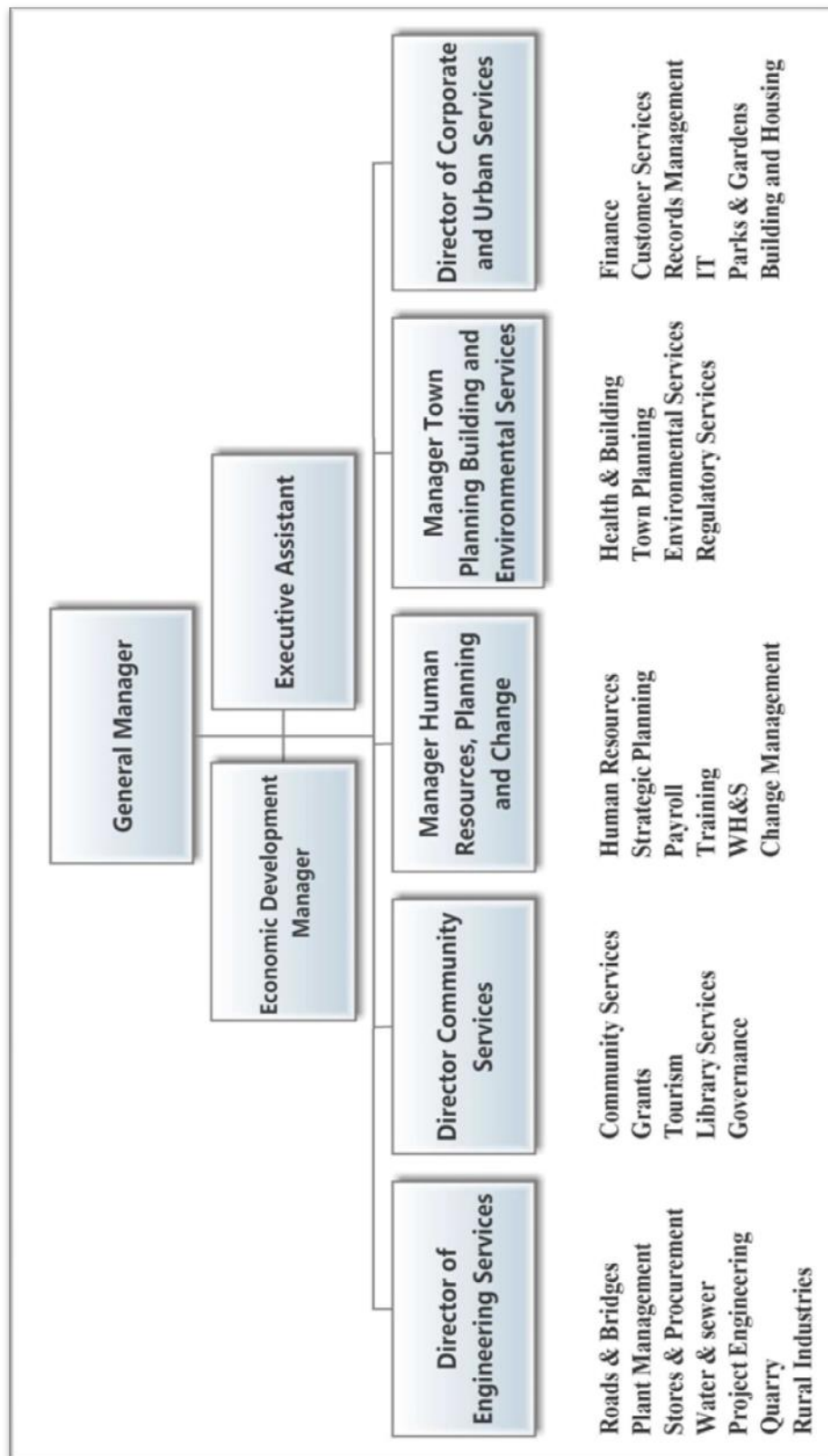
Coonamble Shire has an area of 9,955 square kilometres and is located on the traditional Indigenous land of the Wailwan and Gamilaroi people. Coonamble Shire is part of the Orana Region of Central Northern NSW and is bounded by the Shires of Walgett to the north, Warrumbungle in the east, Gilgandra to the south and Warren in the west.

Coonamble is situated on the Castlereagh River which runs through the town dividing east from west. Water from the Great Artesian Basin is pumped into reservoirs throughout the town for domestic use. Residents of rural properties account for approximately one third of the district population. The majority of the Shire's agricultural resources are devoted to dry and broadacre farming and grazing.

Population (Local Government Area) 2011

Male	2030
Female	2000
Total	4030

ORGANISATION STRUCTURE



CORPORATE GOVERNANCE

Policy Framework

The key documents relating to Council's governance framework are the Code of Conduct and Code of Meeting Practice. Council also operates in line with numerous policies to ensure a consistent and transparent approach is maintained.

Decision Making

Seven elected Councillors make decisions on behalf of the community at Council meetings. The General Manager is then responsible for ensuring implementation and delivery of the Council's determinations, whilst also making day-to-day decisions on operational matters.

External Controls

Many of Council's functions are set by the NSW Local Government Act 1993. Various other Acts direct Council's activity, including compliance with Federal and State Government legislation, NSW Ombudsman, Division of Local Government, Independent Commission Against Corruption, and WorkCover.

Integrated Planning and Reporting Framework

The Integrated Planning and Reporting (IPR) framework is intended to help improve community participation in decision making, reduce duplication, build networks and partnerships and strengthen Council's strategic focus.

Coonamble Shire Strategic Plan 2026

The Community Strategic Plan is the first in the hierarchy of plans Council must prepare under the Integrated Planning and Reporting Framework. It must be a 10 year (minimum) plan with high level community objectives across the areas of Social, Economic, Environment, Infrastructure and Civic Leadership.

While Council has a custodial role in initiating, preparing and maintaining the Community Strategic Plan on behalf of the local government area, it is not wholly responsible for its implementation. Other partners, such as State government agencies and community groups may also be engaged in delivering the long-term objectives of the plan.

Delivery Program

Council's Delivery Program is the program of works and services that will be delivered by Council during the elected term. It is directly linked to the objectives and strategies within the Coonamble Shire Community Strategic Plan.

Resourcing Plans

The Delivery Program is linked to resourcing plans consisting of the Long Term Financial Plan, Workforce Plan and the Asset Management Plan. These plans outline how Council will achieve the objectives of the Delivery Program in terms of money, people and physical assets.

Operational Plan

The Operational Plan identifies the specific actions which will be undertaken to achieve the Delivery Program each year.



Section 2:

KEY HIGHLIGHTS/ ACHIEVEMENTS

In summary, the Delivery Program identifies 188 actions across the five themes - Our People, Our Infrastructure, Our Environment, Our Economy and Our Leadership. At the end of the 2013/14 year 149 of the 184 actions due for completion were achieved. The following table provides a status breakdown:

	Our People	Our Infrastructure	Our Economy	Our Environment	Our Leadership	total
Completed to target	37	42	38	9	23	149
Continuing to progress	3	13	5	1	4	26
Not progressing	0	7	1	1	0	9
Sub total	40	62	44	11	27	184
Not due to commence	2	1	1	0	0	4
Total	42	63	45	11	27	188

26 actions are continuing to progress. Reasons for not meeting original timeframes include weather delays, staff being diverted to other priority projects, extended review processes or unsuccessful grant applications.

4 actions were not due to progress as they are contained in the Delivery Program but were not scheduled for the 2013/14 year.

TOURISM DEVELOPMENT

Monthly visitation for the Visitor Information Centre (VIC) has significantly increased since 2012 from 146 visitors in June/July 2012 to 280 visitors in June/ July 2013. Council continued the partnership with Outback Arts to encourage local artists to use the VIC as an exhibition space. Council maintained its tourism traineeship program and the VIC continued to host community volunteers whose contribution has been vital to the ongoing success of the service.

Council has continued tourism industry partnerships with Inland NSW Tourism, the Tourism Industry Council of NSW (now a subsidiary of the NSW Business Chamber), the Great Inland Way Committee and the Warrumbungle Tourism Cluster. The Cluster will attend the Penrith Caravan and Camping Show to promote the Warrumbungle Region in September 2014. In 2013-2014 Council was actively involved in the Destination Management process, facilitated by Inland NSW Tourism through several planning workshops, one of which was hosted by Coonamble Shire Council.

In late 2012 Council secured a three year (2013-2015), \$60,000 funding agreement with Destination NSW for the Coonamble Rodeo & Campdraft. Grant funded activities included the promotion, marketing and the facilitation of the event visitor survey, which was conducted in partnership with the University of Technology Sydney (UTS) Business School.

Council continued to sponsor the 'Promoting Coonamble Shire' photography section at the 2014 Annual Coonamble Show. Crown Lands grant funding has also been successful for the redevelopment of the Caravan Park amenities.

Support was provided to the Macquarie River Trails initiative and Council became a Bronze Sponsor of the project in 2013. The installation of a Macquarie River Trails sign in the Smith Park information bay includes information on the Macquarie Marshes. During 2013 Coonamble Shire Council partnered with local stakeholders including Quambone Business and Tourism Services, and Quambone Resources to apply for several grant programs for the development of the Macquarie Marshes Education and Interpretation Station in Quambone Park. Discussions continue with the NPWS and neighbouring Councils to identify potential opportunities for Macquarie Marshes Open Days and usage of the Nature Reserve.

COMMUNITY SERVICES

Council's approach to its community service delivery involves building capacity of local services through community development support and co-ordination, provision of early intervention activities and strategic development in response to community identified need.

During 2013 – 2014 Council focussed on engaging young people in diversionary activities and opportunities for community participation and self-development.

The Coonamble Shire Youth Council continued to operate throughout the year in partnership with Coonamble High School and Gulargambone Central School. The Youth Council successfully drove the Youth Week program with a number of activities hosted throughout April 2014. Workshops such as *Your Voice Your Choice* and *Boss for the Day* provided opportunities for young people to participate in strengthening their communities.

The Bang the Table project continued with NSW Office of Communities funding making it possible for the Youth Council to plan and host a number of events. In addition, the Youth Council was successful in attracting funding to address transport disadvantage for young people travelling between Coonamble, Gulargambone and Quambone.

Free entry to Coonamble and Gulargambone Pools for children during school holidays, along with upgrades to both pool facilities saw improved recreational opportunities for community members. Council also facilitated a holiday program at Quambone during the Christmas period providing activities and entertainment for children and their families.

Coonamble Vacation Care Service continued to operate, providing an important service to parents/carers and children. The service successfully underwent its first audit under the new Children's Services Quality Framework and will continue to work towards quality improvement.

In response to community members raising the impact of isolation on mental health, and limited opportunities for young mothers to connect, the "Skircle" (skill circle) was established. A twelve week program commenced and included participants learning (and sharing) drawing, felt making, jewellery making, sewing and sculpture. The program included supervision for children at the Coonamble Library, while their mothers/carers engaged with the group.

Council facilitated the 2014 Australia Day event and collaborated on a number of other events with local organisations such as the White Ribbon Gala Night – raising community awareness about domestic and family violence - and NAIDOC celebrations.

The NSW Local Government Awards is held annually in conjunction with Local Government Week. A variety of Awards are presented to Councils who have demonstrated outstanding work in various areas. In August 2013, Coonamble Shire Council was awarded the RH Dougherty Award for Excellence in Communication for its Burglar Beware project. In addition, Council achieved a finalist award for “Best Small Council with the Most Outstanding Youth Week Program” category of the NSW Local Government Youth Week Awards.

ENVIRONMENT

- ✓ ***Continuation of a moratorium on Coal Seam Gas mining***
- ✓ ***Supporting the community to lobby for a Shire Gas Field free environment***
- ✓ ***Reduction of feral animals and weed control***
- ✓ ***Companion animal education campaign***
- ✓ ***Community Swimming Pool awareness campaign***

LIBRARY SERVICES

As part of our commitment to the inclusion of diverse sections of the community the Coonamble Library developed and promoted a number of new activities and services during the 2013/14 year.

Story Time in Language (STIL) aimed to provide early literacy development to children aged 0-5 while increasing the target group's exposure to language and cultural diversity. STIL involves children, together with their families, listening to stories incorporating a language other than English. The stories were read by culturally diverse community members who incorporated words and anecdotes from their own cultural perspective.

In addition, the Story Walk project is targeted to families who are not traditional library visitors. This outreach early literacy program involved visits to businesses in Coonamble's main street. The visits included business employees reading chapters of a story book to the group and concluded at the library with a hands-on activity relevant to the story theme. The project also aims to strengthen connection between participants and commercial spaces within the Coonamble main street area.

Fortnightly deliveries are made to our housebound patrons at Koonambil and around Coonamble via the Words on Wheels program. In addition, funding was secured for a program which will assist more mature members of the community to access e-devices and other technology.

The library was utilised by a number of external groups and organisations for a variety of recreational, social and business purposes.

The library computer systems were upgraded and the installation of a reading magnifier installed to assist people who experience difficulties with small text.

Council, in conjunction with Outback Arts, facilitated the NetWaste Waste to Art competition. Other events included Author Talks, National Simultaneous Storytime, Children's Book Week, International Day of People with a Disability and Harmony Day. Christmas craft was also held in November and December during the school holidays and for parents/carers.

Council was successful in obtaining grant funding in the amount of \$82,000 from the State Library of NSW for the facilitation of the "Library Connections" project. The project aimed to build connections between the Aboriginal community of Coonamble Shire and the Coonamble Library.

The Library commenced establishment of an Aboriginal cultural display, utilising local art and craft persons and increased number of Library resources by Aboriginal authors/artists. The project also established the Stories in the Street program which involved Library staff reading in public places and pre-schools.

After school activities such as “Homework Help and Fun in the Library”, sessions and fortnightly “Movies @ the Library” sessions were also commenced. These sessions saw a significant increase in numbers of children visiting the library after school each day.

Library Connections

Thanks to NSW State Library funding community members enjoyed an increased level of service delivery and new and sustained programs;

- ✓ ***Broad consultation methods - group meetings, community events and surveys***
- ✓ ***Wide community engagement with project input by 15 groups and 152 individuals***
- ✓ ***23 artworks acquired for cultural display***
- ✓ ***Aboriginal resources increased with books, DVDs and early learning resources***
- ✓ ***Improved level of service delivery***
- ✓ ***Weekly Stories in the Street sessions***
- ✓ ***Harmony Day celebration with cultural display launch, live art and dance demonstrations***
- ✓ ***Language workshop***
- ✓ ***Public computer language program installed***
- ✓ ***Community Art workshops***
- ✓ ***Increased membership numbers***
- ✓ ***After school activity program for young people – 5 days per week***
- ✓ ***Homework help sessions – 2 days per week***
- ✓ ***Regular Big Screen Movie nights***

ECONOMIC DEVELOPMENT

Council commenced marketing the Hooper Drive Industrial Estate resulting in the sale of three blocks. In response to business inquiries, sites were made available for commercial leases at Coonamble Airport and new alternative heavy vehicle access constructed.

Council welcomed the completion of the upgrade of the Coonamble to Dubbo Branch Rail Line with increased speeds and loads in place. The line has been re-classified to Class 3.

Council is a major sponsor of the Coonamble Chamber of Commerce's Buy Local Campaign which was supported by 76 local businesses this year.

Council also sponsored local business training opportunities including Reducing Energy Costs in Business and Retail Revamp Workshops in partnership with Coonamble Chamber of Commerce.

Shire Economic Development Committee was formed to advise Council on activities and projects to diversify and strengthen the economic base of Coonamble Shire.

Council continues to work with other agencies to provide advice and assistance to local businesses. Partners include NSW Trade & Investment, the Orana Business Enterprise Centre, NSW Business Chamber, Aboriginal Enterprise Development and Many Rivers Microfinance. Council's ED Office provided support to 21 potential new or expanding businesses.

The Economic Development Office liaised with NSW Public Works for the purpose of achieving Aboriginal employment targets and to encourage use of local companies in maintenance and refurbishment projects at Coonamble High and Public Schools which commenced in July.

Council's on-line Business Directory, providing free listings for all local businesses, was updated with a new user-friendly format. Business and community information and merchandise is included in Welcome Packs provided to approximately 60 new families in 2013/14.

Council undertakes lobbying and advocacy for improved services and economic infrastructure from a range of state and federal government departments. This year submissions were made to: Australian Mobile Blackspots Program; NSW Regional Air Services Inquiry and the federal Department of Agriculture in relation to the ongoing drought.

INFRASTRUCTURE

- ✓ ***Splash Pad installation Coonamble Pool***
- ✓ ***Improvements to Parks and Gardens***
- ✓ ***Purchase of new Pre Coater for Quarry***
- ✓ ***Upgrade of Dubbo Road & Aberford St Intersection***
- ✓ ***Sealed Gordon Street***
- ✓ ***Carinda Road upgrade***
- ✓ ***Commenced safety upgrade at Saleyards***
- ✓ ***Membership of Lower Macquarie Water Alliance***
- ✓ ***Water Treatment Plant completed***

LEADERSHIP

- ✓ ***Four school based Traineeships commenced***
- ✓ ***Gulargambone Central School membership of Youth Council***
- ✓ ***Youth Council member awarded Australia Day Young Citizen of the Year***
- ✓ ***Local Government Week “Tour of Council” provided a behind the scenes tour of Council’s administration buildings***
- ✓ ***“Boss for the Day” workshops provided young people with opportunities to identify and resolve community issues***

Staff Training

Staff attended 186 training sessions during the 2013/2014 year with a total expenditure of \$154,875.78. The following table details training attended during the year.

Training	Number of attendees
2014 NSW Revenue Professionals Annual Conference	1
Asset Inspector Training	4
Cert IV - Civil Construction Supervision	2
Chainsaw Operations - Basic Tree Felling /Intermediate Tree Felling	12
Code of Conduct Awareness Workshop	9
Confined Space Awareness Course/ Enter and Work in Confined Spaces – full & refresh	17
Customer Service & Handling Difficult Customers	6
Design & Inspect Traffic Control Plans (Orange Card)/ Traffic Control (Blue card)	17
Effective Panel Convenor	1
Effectively Manage the Workplace Issues of Drugs & Alcohol	12
GST Training / Finance for Non Finance Managers	2
ICAC - Corruption Prevention Workshop	9
Identify & respond to children and young people at risk	1
Integrated Consultative Committee Training Program	8
Introduction to Return to Work Coordination	1
Library Training	1
Manage Asthma Emergencies /First Aid and Anaphylaxis	4
New and Emerging Managers Training	4
Pool Lifeguard Licence/ Pool Lifeguard - Full Course	6
Report Writing Workshop	14
Risk Assessment & Critical Control Point Workshop	9
RMS Council Agency Training	1
Select/Modify Control Plans (Red card)	4
Time Management Training	14
WHS General Construction Induction (White Card)	2
Workplace Investigation Officer Training	4
Workplace Policies Workshop	1
Provide First Aid / First Aid Refresher	16
Local Government Finance - Residential Course	1
Local Government - Debt Recovery / Sale of Land for Unpaid Rates	3
Grand Total	186

Section 3: Reporting on Delivery Program

Theme: Our People

P1 Our community is connected across geographic, interest, cultural and social groups

P1.1 Leverage online technologies to improve virtual connections

CSP Action	DP Action	Status	Comment
P1.1.1 Improve the quality of Coonamble Shire Website and include opportunities for community groups to share information.	Website includes opportunities for community groups to share information - 2012/13 completed.	Completed	Website upgraded.
P1.1.2 Utilise internet technology to provide community information to specific demographic and interest groups.	Installation of easy access computer in Library, specifically for people with a disability.	Progressing	Continuing to source appropriate hardware and software.

P1.2 Increase the representation of Aboriginal people in community roles including local Council

CSP Action	DP Action	Status	Comment
P1.2.1. Utilise Local Government Week to raise awareness of the role and function of Council	Conduct community awareness campaign during Local Govt Week August 2013.	Completed	Grant writing workshops and a community awareness raising activity, involving a guided tour of Council, conducted.
P1.2.2. Provide appropriate opportunities for Aboriginal people to participate in Council's community planning	Regularly attend CWPs, provide information and gain feedback. Utilise NAIDOC and other specific events for consultation activities.	Completed	Information provided, and feedback sought, from Community Working Party, Aboriginal Educational Consultative Group and Land Council meetings. Consultation undertaken during NAIDOC event/s.

P1.3. Leverage the skills and knowledge in our community to promote social interaction and facilitate knowledge sharing

CSP Action	DP Action	Status	Comment
P1.3.1. Support activities/projects that increase community participation and connection	Collaborate with Government, non-Government organisations and community in facilitation of activities that build social capital.	Completed	Community events and activities facilitated in partnership with local community service organisations eg: Children's Week, International Day of People with a Disability, NAIDOC, Harmony Day.
P1.3.2. Maintain local business database Distribute relevant information to local businesses	Maintain Website business database.	Completed	Website content and format updated to improve usability.
P1.3.3. Source, collate & distribute residents packs and Welcome to Coonamble bags	Co ordinate organisations and groups for resources, collate packs for Welcome to Coonamble committee.	Progressing	Packs compiled for Welcome events in Coonamble and Gulargambone.
P1.3.4. Provide Community Development Workers to facilitate community building	Recruit to position, if vacant.	Completed	Recruitment activities undertaken.
P1.3.5. Continue to consult residents with a focus on quality of life experience rather than sole satisfaction with Council services	Produce, distribute and collate Shire wide survey.	Completed	Survey activity complete.

P2 Our Community is a place where people feel safe

P2.1. Encourage an inclusive, active community where people look out for each other

CSP Action	DP Action	Status	Comment
P2.1.1. Utilise Safer by Design principles in public space planning	Incorporate Safer by Design principles into any public space development including parks, walkways, car parks.	Completed	Public space development carried out in accordance with standards, regulations and safer by design principles.
P2.1.2. Work with Police and communities to target crime "hot spots"	Participate in Community Policing meetings. Contribute to Community Safety Committee planning.	Completed	Police and Community meetings attended. Liaison with Police and community in development, and delivery, of crime prevention projects.
P2.1.3. Support activities that promote community involvement in neighbourhood safety (eg: Neighbourhood Watch).	Facilitate Burglar Beware Project.	Completed	Project completed to timeline and budget.
P2.1.4. Encourage safety audits for elderly residents	In conjunction with Police, co-ordinate home safety audits for aged and/or vulnerable residents.	Completed	Audits completed as part of the Burglar Beware project.

P2.2. Develop and grow the community's sense of shared responsibility

CSP Action	DP Action	Status	Comment
P2.2.1. Work with partners to develop programs that assist women and children to escape from family violence and men to address family violence	Collaborate with Coonamble Domestic Violence Committee to develop a Committee level DV Prevention Plan.	Completed	Plan complete. Facilitation of the Domestic Violence Collective passed onto Inspiration House/Coonamble Family Wellbeing.
P2.2.2. Work with community groups to lobby for the development of a domestic violence safe house	Contribute to the development and submission of a business case for DV safe house.	Completed	Business Case completed and submitted for funding.

CSP Action	DP Action	Status	Comment
P2.2.3. Work with community groups to develop local solutions to drug and alcohol related issues	Participate in Coonamble Alcohol and Drug Advisory Group initiatives.	Completed	Participation in group training, networking and capacity building.
P2.2.4. Work with partners to develop strategies to minimise crime and anti-social behaviour in the community	Contribute to Youth Council, DV Committee, Alcohol & Drug Advisory Group, Community Safety Committee initiatives where appropriate.	Completed	Active membership of groups. Development and facilitation of youth activities at Coonamble and Quambone.
P2.2.5. Control straying animals	Develop and implement community education campaign.	Completed	Community information distributed via post out and local businesses. Increased enforcement supported campaign.
P2.2.6. Provide Crime Prevention information	Publish information on Council website.	Completed	Appropriate information posted on Website.
P2.2.7 Liaise with local Police and State Government to increase Police presence	Attend Police & Community meetings. Advocate as issues arise.	Completed	Police issues raised with Local Area Command as they arose.

P3 A range of services supports our community to lead healthy Lifestyles

P3.1 Support and promote healthy lifestyles

CSP Action	DP Action	Status	Comment
P3.1.1. Advocate, support and raise awareness of programs that promote the physical and mental health and well-being of community members	Promote Beyond Blue program through Youth Week. Promote Black Dog Institute through Libraries. Partner with local agencies in community development activities, within Council's resources.	Completed	Facilitated Bike Week activity. Promotion of mental health informant through Libraries. Participation in Health Service Pitt Stop program, support of White Ribbon and other domestic violence campaigns. Mental health programs promoted through community development activities.
P3.1.2. Inspection of Food premises	Carry out annual inspection program.	Completed	Food premises inspected and complying with food requirements.
P3.1.3. Investigate and develop further age appropriate play areas that meet the needs of ages 0-5 and 6-12 years	Not due(2014/15)	Not Due To Start	

P3.2. Improve access to medical and specialist services

CSP Action	DP Action	Status	Comment
P3.2.1. Maintain existing level of assistance to medical and dental facilities within the Shire	Provide subsidised accommodation for dental and medical practitioners.	Completed	Ongoing subsidised accommodation provided for Medical and Dental services in line with Council Policy.

P3.3. Support the production of local produce, including home-grown and domestic produce

CSP Action	DP Action	Status	Comment
P3.3.1. Ensure ongoing program of noxious weed and insect control through membership of Castlereagh – Macquarie County Council	Attend Castlereagh Macquarie County Council meetings. Provide financial contribution.	Completed	2013/14 financial contribution provided. Meetings attended.
P3.3.2. Provide quality assistance and advice to industry and community	Upgrade community Website information.	Completed	Website updated with information received from relevant authorities.

P3.4. Improve access to services for disengaged community members

CSP Action	DP Action	Status	Comment
P3.4.1. Support appropriate community development activities undertaken by a range of organisations and provide assistance with project development, governance, grant writing, community building and group facilitation	Provide community assistance through Grants Officer. Support Inspiration House with governance assistance. Assist local community service agencies with Community Development capacity building. Liaise with Moorambilla committee.	Completed	Community grants workshop facilitated, Moorambilla assisted, DV Committee grant assistance, grants information available on Council Website. Assistance provided to Management Committee of Inspiration House.

P3.5. Increase the community's involvement in sporting activities

CSP Action	DP Action	Status	Comment
P3.5.1. Ensure parks and gardens and sportsgrounds are maintained to an acceptable standard	Replace sprinkler system Coonamble & Gulargambone. Improve garden beds, main street Coonamble.	Completed	Installation and upgrade of sprinkler systems at Smith Pak, Coonamble and Gulargambone sporting grounds completed. Replanting of garden beds at the entrance to the main street of Coonamble.

P4 Our community respects and encourages the diversity of culture, ability and ages of our population

P4.1. Increase opportunities for our community to celebrate together

CSP Action	DP Action	Status	Comment
P4.1.1. Support activities that promote cultural awareness and diversity in ability and age	Participation in Youth Week, Children's Week, Harmony Day, Senior's Week, International Day of People with a Disability & NAIDOC.	Completed	Youth Week events facilitated in collaboration with Youth Council and community partners. Participated in Children's Week, Seniors Week and NAIDOC by supporting community partners. Hosted International day of People with a Disability and Harmony Day in Coonamble Library.
P4.1.2. Continue to facilitate Australia Day activities	Host Annual Australia Day event	Completed	Event facilitated at Coonamble Showground.

P4.2. Improve interaction across social cultural and age groups

CSP Action	DP Action	Status	Comment
P4.2.1. Provide strategic early intervention community development programs for children and young people	Facilitate Junior Youth Council project & Youth Council. Seek funding opportunities that align with Council's Child & Youth Development policy.	Completed	Junior Youth Council project completed. Youth Council membership increased with representation from Gulargambone Central School. Youth Council attracted external funding totalling \$57,000.
P4.2.2. Support strategies that focus on active ageing and ageing in place	Facilitate Senior's Week event/activity at Coonamble Library. Begin consultation for Coonamble Shire Positive Ageing Strategy.	Completed	Supported local Senior's Week activity. Planning for Ageing Strategy commenced.

CSP Action	DP Action	Status	Comment
P4.2.3. Develop an Ageing Population Strategy for the Shire	Develop an Ageing Population Strategy for the Shire. (Due 2014/15)	Not Due To Start	
P4.2.4. Work in collaboration with agencies and community groups to address existing and emerging issues specific to the Aboriginal community	Attend Community Working Party meetings. Work with CWP to advance local Aboriginal Community Action Plan	Completed	Collaboration with Community Working Parties (Coonamble and Gulargambone) to advance their Community Action Plans.
P4.2.5. Develop a Multicultural Services Program Plan (MSPP) and review annually	Conduct consultation and finalise MSPP.	Completed	Multicultural Services Program Plan completed and endorsed by Council.
P4.2.6. Develop a Disability Action Plan	Consultation and collaboration with stakeholders. Production of Disability Action Plan.	Progressing	Disability Action Plan preparation commenced.
P4.2.7. Ensure Council consultation provides opportunities for participation for people from diverse backgrounds	Develop Community Consultation Guidelines.	Completed	Community Consultation Policy and Procedures completed.
P4.2.8. Provide appropriate support to organisations that provide services to people with a disability and culturally and linguistically diverse (CALD) community members	Provide community development support to local organisations providing CALD services, where requested.	Completed	No requests made.
P4.2.9. Provide appropriate support to the development of an Aboriginal Cultural Centre (ACC)	Provide appropriate support, through relevant departments, for the development of an ACC, if requested.	Completed	No assistance requested.

P4.3. Promote role models who demonstrate community respect

CSP Action	DP Action	Status	Comment
P4.3.1. Provide Aboriginal Cultural Awareness training to all staff and Councillors	Provide Aboriginal Cultural Awareness training to all staff and Councillors.	Progressing	Action progressing and due for completion in September 2014.

P4.4. Promote more cultural events in the Shire

CSP Action	DP Action	Status	Comment
P4.4.1. Assist with Moorambilla event	Provide agreed financial contribution. Liaise with Moorambilla Committee.	Completed	Moorambilla Festival assistance provided.
P4.4.2. Assist Coonamble Shire events with marketing and promotion	Provide promotion through e-newsletter & Website. Provide advice and guidance through Tourism staff.	Completed	Timely and relevant information provided on Website. E-newsletter produced regularly. Produced and distributed Spring Event Calendar. Local tourism operators assisted with project development.

Theme: Our Infrastructure

I1 Strong community connections: Our community connections support and facilitate our access to each other and our local services

I1.1. Maintain local road maintenance and construction

CSP Action	DP Action	Status	Comment
I1.1.1. Continue to implement rolling plant replacement program	Replace plant in accordance with Rolling Replacement Program.	Progressing	Major plant replaced.
I1.1.2. Depot maintained and upgraded	Maintain Depot to meet legislative requirements.	Completed	Depot maintained to meet legislative requirements.
I1.1.3. Plant operated efficiently and economically	Monitor Plant usage and costs.	Completed	Plan operated efficiently and effectively.
I1.1.4. RMS RMCC Contract continued on Castlereagh Highway (HW 18)	RMCC Maintenance Contract completed as directed by the RMS.	Completed	Contract signed and works undertaken in partnership with RMS.
I1.1.5. Routine maintenance, heavy patching and reseals continued under Regional Roads Block Grant contract	Regular inspection and programming of heavy patching and resealing.	Completed	Inspections undertaken and ongoing. Reseal and heavy patch program completed.
I1.1.6. Reconstruction of sealed regional roads under Regional Roads Repair Program continued	Submit applications for REPAIR funding and complete successful grant projects.	Completed	2013/14 funding received and works completed.
I1.1.7. Continue local roads reconstruction under Roads to Recovery Program	Complete rehabilitation and widening of SR86 (Carinda Road).	Completed	Planned works completed.
I1.1.8. Continue local sealed roads routine maintenance, heavy patching & resealing	Regular inspection and allocation of resources in accordance with budget and schedule.	Completed	Inspections ongoing. Planned heavy patching and resealing works completed.
I1.1.9. Continue local unsealed roads routine maintenance, grading, reforming, re-laying, causeway re-sheeting	Complete maintenance and improvement works as detailed in Roads Management Plan.	Progressing	Progressed Roads Management Plan within limitations caused by dry weather conditions.

CSP Action	DP Action	Status	Comment
I1.1.10. Implement asset management inspection regime and maintenance defect register	Implement asset management inspection regime and maintenance defect register.	Progressing	Action progressing.
I1.1.11. Implement 3 yearly pavement investigation based on technically sound practices	Review test results for deflections and roughness.	Completed	Review program completed.

11.2. Minimise the effects of flooding on our infrastructure

CSP Action	DP Action	Status	Comment
I1.2.1. Continue to invest in Levee management	Maintain Levee and provide Council share of grants.	Completed	Planned works completed.
I1.2.2. Provide flood levee for East Coonamble	Invite tenders for construction of Stage I of Levee reconstruction.	Completed	Tender Award due August 2014.
I1.2.3. Investigate flood levels West Coonamble	Engage consultants and complete studies.	Completed	Additional funding secured.

11.3. Public transport that facilitates access to services and communities for remote residents

CSP Action	DP Action	Status	Comment
I1.3.1. Support projects that aim to reduce transport disadvantage	Seek Transport NSW assistance for Youth Week transport and Domestic Violence relief transport.	Completed	Youth Week transport funding secured for Lightning Ridge. Additional "Youth Wheels" transport funding secured allowing future transport for young people between Coonamble, Gulargambone & Quambone.
I1.3.2. Maintain Certification of Aerodrome to CASA Regulations	Maintain Airport and surrounds to acceptable standard.	Completed	Certification maintained.
I1.3.4. Rail loading – assist interested parties to build a loading site to further develop local industry	Refer potential operators to appropriate assistance.	Completed	Referrals made as appropriate.

CSP Action	DP Action	Status	Comment
I1.3.5. Inland rail – pursue Coonamble sub-corridor in government planning and investment.	Lobby/advocate when opportunities arise.	Completed	Submission prepared for Inland Rail Implementation Group.

I2 Cultural expression and enjoyment- our community benefits from access to appropriate facilities

I2.1. Increase the exhibition and production of more cultural events in the Shire

CSP Action	DP Action	Status	Comment
I2.1.1. Ensure Showground & Pavilion are well managed	Coordinate effective usage through streamlined booking processes. Complete Showground Management Plan.	Progressing	Showground Management plan to be completed.
I2.1.2. Encourage development of multi purpose community facilities to meet the needs of local communities and provide a focal point for community activity. Priority project: Rodeo Arena development project	Progress construction of Arena contingent on successful funding applications.	Progressing	Submission made to ClubGrants Category 3 – unsuccessful.
I2.1.3. Support development of diverse cultural and recreational opportunities for children and young people eg: Skate Park at Gulargambone	Support development of Gulargambone skate/BMX facility within identified resources. Pursue grant funding for Quambone Recreation Space.	Completed	All possible grant opportunities for Gulargambone and Quambone pursued.
I2.1.4. Develop a Coonamble Shire Public Art Policy and Procedure	Work with stakeholders to develop a Public Art Policy & procedure.	Progressing	Public Art Policy planning commenced.
I2.1.5. Continue to support regional arts development	Provision of agreed subsidy to Outback Arts. Facilitation of Waste to Art project.	Completed	2013/14 contribution paid. Waste to Art facilitated in conjunction with Outback Arts.
I2.1.6. Maintain/Improve parks to acceptable standards	Contingent on grant funding, construct toilet blocks at Lions Park and Broome Park Coonamble.	Not Due To Start	

CSP Action	DP Action	Status	Comment
I2.1.7. Upgrade Showground to ensure reasonable standard of facility is provided	Electricity upgrade and sprinkler system upgrade at Coonamble Showground.	Progressing	Actions to be completed.
I2.1.8. Ensure pools are well maintained	Structural integrity assessment carried out Coonamble, Gulargambone & Quambone pools.	Completed	Report received with regards to potential structural issues with Coonamble Pool. A long term plan outlining the future direction of the Coonamble facility will be produced during the 2014/15 financial year.

I2.2. Maintain and improve the role of our community libraries

CSP Action	DP Action	Status	Comment
I2.2.1. Expand the role of Council libraries to support early language/literacy skills and life skills programs	Facilitate Story Time in Language project. Facilitate Story Walk project	Completed	Projects facilitated.
I2.2.2. Provide high quality library services that are responsive to community need	Develop and facilitate patron survey.	Completed	Survey distributed and collated.
I2.2.3. Continue to develop the libraries as multi-purpose community spaces	Encourage diverse community groups to utilise library space.	Completed	Increase in Library usage with community members gathering for social purposes, school group visits, after school activities and outreach sessions through the Library Connections project.

I2.3. Share access to local facilities to fully realise the potential of local infrastructure

CSP Action	DP Action	Status	Comment
I2.3.1. Continue to upgrade and maintain infrastructure that supports cultural recreational and leisure activities	Review Asset Management Plan – Building Maintenance. Carry out works in accordance with AMP.	Completed	Annual review of AMP for buildings completed and works completed as planned.

CSP Action	DP Action	Status	Comment
I2.3.2. Investigate and maximise opportunities for Council buildings to be used for multipurpose community activity	Review usage of infrastructure. Identify opportunities to maximise usage.	Completed	Library building utilised for multipurpose community activity including art and language workshops, Harmony Day celebration, craft workshops and movie nights.
I2.3.3. Manage Council's Local Heritage Fund. Oversee provision of Heritage Advisory Services provided to owners of properties across the Shire	Administer program according to guidelines and local needs.	Completed	Program administered.
I2.3.4. Continue to provide museum advisory support	Source expertise as required.	Completed	Funding received for the Neville Owen Preservation Assessment project and expertise engaged.

I3 Good health: our community has safe and reliable access to our primary utilities

I3.1. Deliver safe drinking water and sewerage services

CSP Action	DP Action	Status	Comment
I3.1.1. Implement a mains replacement program based on Water Management Plan	Invite tenders for the replacement of mains in accordance with budget provisions.	Progressing	Replacement works undertaken in conjunction with Dubbo street road work.
I3.1.2. Install a new water treatment plant	Complete new treatment plant at No 4 Bore	Completed	Water Treatment Plant online.
I3.1.3. Investigate viability of iron removal from Gulargambone water supply	Report on viability of iron removal from Gulargambone water supply.	Not Progressing	No action.
I3.1.4. Ensure water assets are well maintained	Maintenance of mains, services and essential infrastructure undertaken.	Completed	Planned works completed, maintenance ongoing.
I3.1.5. Implement a mains relining program based on Sewerage Management Plan	Invite tenders to complete next stage of relining program.	Not Progressing	Action to be completed 2014/15.
I3.1.6. Maintain sewer assets	Monitor and repair pumps and equipment.	Completed	Maintenance and repair work completed as planned.

CSP Action	DP Action	Status	Comment
I3.1.7. Treatment Plants maintained to Legislative requirements	Regular monitoring of effluent quality.	Completed	Monitoring and testing completed as planned.
I3.1.8. Completion of Stormwater Management Plan	Develop draft Stormwater Management Plan.	Not Progressing	Action to be completed 2014/15

I3.2. Improve community access to services

CSP Action	DP Action	Status	Comment
I3.2.1. Liaise with RFS to provide operational and strategic fire protection in Coonamble	Attend Bush Fire Management Committee meetings, provide input. Provide administration function for RFS cluster Councils.	Completed	Ongoing support provided for Rural Fire Service Zone with regular attendance at Bush Fire Management Committee meetings.
I3.2.2. Continue sponsorship of SES to respond to disasters	Provide backup staff and equipment as required.	Completed	Plant and staff available.
I3.2.3. Manage town common	Ensure Town Common is self-sustaining. Update Common Management Plan.	Progressing	Funding received for building new stock yards. Common Management Plan to be completed.

I3.3. Minimise our hard waste production and promote recycling

CSP Action	DP Action	Status	Comment
I3.3.1. Develop a separate Waste Management Plan	Develop a separate Waste Management Plan	Not Progressing	Action to be completed 2014/15.

I3.4. Maintain all recreational facilities to ensure safety and promote use

CSP Action	DP Action	Status	Comment
I3.4.1 Maintain/Improve Parks to acceptable standards	Continue works in accordance with Asset Management Plan.	Completed	Budgeted works completed.
I3.4.2. Complete buildings maintenance & Improvement program	Schedule works for duration of Long Term Financial Plan.	Completed	Works scheduled for the duration of the Delivery Program. Budget allocation included for the length of the Long Term Financial Plan.

I4 Appropriate investment: our community is looking to the future to improve and protect our access to resources

I4.1. Attract investment in alternative energy production

CSP Action	DP Action	Status	Comment
I4.1.1. Seek private and government investment in green power generation within the Shire	Investigate and produce report on green power options, including Bio Gas.	Not Progressing	No funding available.

I4.2. Ensure long term management and protection of our community assets

CSP Action	DP Action	Status	Comment
I4.2.1. Prepare Asset Management Plans for major asset classes	Major asset classes – Roads and Infrastructure AMPs prepared.	Progressing	Preparation continuing. Action to be completed 2014/15.
I4.2.2. Refine existing Asset Management Plans	Existing AMPs refined for roads, drainage, footpaths, water and sewerage.	Progressing	Preparation continuing. Action to be completed 2014/15.
I4.2.3. Review Asset Management Plans for the major asset groups including risk management plans	Annual review of all Asset Management Plans.	Completed	Reviews completed.
I4.2.4. Identify infrastructure expenditure by both:• Expenditure Category - asset group; eg: road pavement • Exp Type - operating, maintenance, capital renewal, upgrade	Collect and review data.	Completed	Expenditure identified in quarterly reviews.
I4.2.5. Consider ongoing ownership costs of new capital works proposals in budget deliberations by identifying the renewal and capital upgrade/expansion components of all capital works projects, and providing for the ongoing operational and maintenance requirements	Undertake capital review of new and renewal projects.	Completed	Quarterly budget reviews consider capital expenditure.

CSP Action	DP Action	Status	Comment
I4.2.6. Periodically collect data for all major infrastructure classes	Utilise REFLECT and other data to collect information.	Completed	Data collected quarterly as part of Budget Review process.
I4.2.7. Integrate Council's corporate asset register meeting both technical and financial reporting requirements	Identify Asset Management options and assess suitability for technical and financial operations	Completed	Quarterly budget reviews consider capital expenditure.
14.2.8 Continue to improve the information on the relationship between the service level and cost so that future community consultation will be well informed of the options and costs	Collate and consolidate data for use during community consultation.	Completed	Data collected and utilised as required.
I4.2.9. Prepare long term cash flow predictions for asset maintenance, rehabilitation and replacement.	Review and refine Long Term Financial Plan (LTFP).	Completed	Information collected for budgeting purposes. Reviewed as part of Estimates process.
I4.2.10. Revalue assets at intervals in accordance with Australian Accounting Standards	Revaluations undertaken in consultation with external auditor.	Completed	Revaluations completed as required. Water/sewer assets revalued 2012, buildings and land revalued 2013.
I4.2.11. Review Council's Asset Management Policy	Review in accordance with Policy Review Schedule.	Completed	Updated in conjunction with 2014/15 estimates.
I4.2.12. Develop a funding model which addresses the need for sustainable renewal of infrastructure and which identifies all asset life cycle costs	Duplication - see I4.2.5.	Completed	Quarterly budget reviews consider capital expenditure.
I4.2.13. Improve staff capacity in the usage of asset management systems	Key staff undertake Asset Management training.	Completed	Appropriate training undertaken by key staff in Engineering Services.

Theme: Our Economy

EC1 Support: We support our local economy without compromising on quality

EC1.1. Re-establish and maintain a robust, well patronised Coonamble main street

CSP Action	DP Action	Status	Comment
EC1.1.1. Continue to plan and implement Coonamble main street beautification and revitalisation projects	Stage I main street project completed. Upgrade of two garden beds.	Completed	Main Street beautification - Stage I completed with further works to garden beds to occur during 2014/15 financial year.
EC1.1.2. Maintain main street and business area public spaces to a high standard	Address feral pest issues.	Completed	Implementation of pest control measures has significantly reduced the number of pests. Ongoing monitoring in the main street.
EC1.1.3. Identify opportunities for new tourism product	Produce strategy for development of identified new tourism products - Coonamble.	Completed	Provided assistance to new and developing tourism product including the Castlereagh Cattle Drive and investigated the viability of other potential tourism products including the Coonamble Saleyards. Participated in regional marketing campaigns including the Great Western Plains Great Big Adventures Campaign.
EC1.1.4. Provide training and support to tourism related businesses in the Shire	Provide web maintenance training to local businesses/ committees. Assist with Tourism Award applications and grants, if requested.	Completed	No assistance requested for tourism awards. EOIs submitted to Destination NSW for tourism and marketing workshops.
EC1.1.5. Develop existing visitor markets	Participate in appropriate development of existing visitor market initiatives in line with the Regional Destination Plan	Completed	Supported the development of new events that aim to attract new visitor markets including Bushwackers Festival and Macquarie River (and Marshes) Artist Muster. Collaboration on a regional accommodation investment prospectus with central inland tourism LGA members
EC1.1.6. Develop new visitor markets in line with Inland RTO	Participate in appropriate visitor market initiatives outlined in the Regional Destination Plan for Coonamble.	Completed	Participated in all cluster meetings with the Central NSW Inland NW Tourism cluster to identify opportunities for collaboration in line with the regional Destination Management Plan.

CSP Action	DP Action	Status	Comment
EC1.1.7. Participate in Inland Tourism and Great Inland Way initiatives	Maintain membership of the Great Inland Way (GIW) and Inland Tourism NSW.	Completed	Attended Inland Tourism and GIW meetings. Commenced planning for Inland Tourism Central Inland Destination Management strategy.
EC1.1.8. Tourism Information on Coonamble Shire be displayed at regional and interstate visitor centres	Distribute Coonamble Shire brochures throughout region. VIC displays / attendance at selected consumer shows.	Completed	Brochures available at regional VICs. Planned caravan and camping shows were attended as part of the Warrumbungle Tourism Cluster.

EC1.2. Reinvigorate the main street precinct in Gulargambone

CSP Action	DP Action	Status	Comment
EC1.2.1. Lobby for funding for main street beautification	Apply for funding when opportunities arise.	Completed	Monitoring of grant funding opportunities ongoing.
EC1.2.2. Maintain main street and business area public spaces to a high standard	Liaise with local businesses regarding street appearance.	Completed	Feedback received from local businesses.
EC1.2.3. Identify opportunities for new tourism product	Produce strategy for development of identified new tourism products - Gulargambone.	Completed	Product gap analysis evaluated for Gulargambone with past projects assessed in terms of visitor appeal and long-term sustainability.
EC1.2.4. Provide training and support to tourism related businesses in the Shire	Investigate opportunities for provision of staff support at 2828 Café. Provide web maintenance training to local businesses/ committees. Assist with Tourism Award applications and grants.	Completed	2828 staff support provided with provision of visitor information resources and training assistance to staff and volunteers. No assistance required for 2014 tourism awards. Continued administration of Regional Flagship Grant on behalf of the Coonamble Rodeo Association for the 2014 event.
EC1.2.5. Develop existing visitor markets	Identify opportunities to develop existing visitor markets.	Completed	Regular discussions with managers of existing tourism attractions (e.g. 2828 staff) to evaluate possible tourism product opportunities.
EC1.2.6. Develop new visitor markets in line with Inland RTO	Participate in appropriate visitor market initiatives outlined in the Regional Destination Plan.	Completed	Supported the development of new events including Bushwackers Festival and Macquarie River (and Marshes) Artist Muster. Participations in the Dubbo Region Visitor Guide.

CSP Action	DP Action	Status	Comment
EC1.2.7. Participate in Inland Tourism and Great Inland Way initiatives	Maintain membership of the Great Inland Way and Inland Tourism NSW.	Completed	Meetings attended.
EC1.2.8. Tourism Information on Coonamble Shire be displayed at regional & interstate visitor centres	Shire brochures at regional VICs. Displays/attendance at select consumer shows.	Completed	Brochures available at regional VICs. Planned caravan and camping shows were attended as part of the Warrumbungle Tourism Cluster.

EC2 Growth & diversity: our growing regional economy is diverse

EC2.1. Identify and attract industry programs that will draw new industry to the Shire

CSP Action	DP Action	Status	Comment
EC2.1.1. Promote the Shire as a location for business development and investment	Review Development and Investment Strategy. Develop Country Week promotional package.	Progressing	No participation in Country Week.
EC2.1.2. Support business initiatives that develop economic growth	Provide information and referral service to established businesses.	Completed	Businesses referred to Trade & Investment, Business Enterprise Centre, Many Rivers Micro Finance and others as appropriate.
EC2.1.3. Market Industrial subdivision lots	Develop advertising package for distribution to potential purchasers. Market lots through Real Estate Agents. Develop Advertising and Sales Campaign.	Completed	Package distributed and on Website. Listed with Real Estate Agents and included in promotional activities.
EC2.1.4. Encourage skills attraction and development activities. Support Coonamble Employment Circle to improve local skills base	Participate in Coonamble Employment Circle and support appropriate initiatives that contribute to skill development.	Completed	Active participation in Employment Circle meetings. Support of the Orana Driver Learner Program and the Rural Skills project.
EC2.1.5. Pursue improvements to physical infrastructure that supports business and enterprise development	Pursue external funding opportunities that contribute to infrastructure improvements.	Completed	Funding submitted for Coonamble Caravan Park, Saleyard and Western Education & Events Centre.

CSP Action	DP Action	Status	Comment
EC2.1.6. Support and assist proponents of new agricultural, horticultural and aquaculture enterprises	Provide interested parties with referrals and linkages to various sources of assistance.	Completed	Referrals made as appropriate.
EC2.1.7. Support projects that enhance and promote local natural resources to encourage business and tourism	Encourage stage II of Artesian Spa project (establishment and operation of facility). Strengthen relationship with National Parks & Wildlife Service. Investigate opportunities for Marsh development in line with Regional Destination Plan.	Completed	Secured funds for amenities redevelopment at Coonamble Caravan Park. Worked with NPWS to help promote the Marshes Discovery Weekend. Continued to support Quambone Resources Committee re Marsh information infrastructure development.
EC2.1.8. Develop Business Plan and Development Application in support of the establishment of an Artesian Baths facility in Coonamble	Completed 2012/13.	Completed	

EC2.2. Promote rural entrepreneurial ventures

CSP Action	DP Action	Status	Comment
EC2.2.1. Ensure Quarry operation is financially viable	Maintain plant and equipment in good condition. Review plant and operations.	Completed	Review and maintenance ongoing.
EC2.2.2. Maintain Quarry quality certification	Test all products as per QA documentation.	Completed	Tests completed as required.
EC2.2.3. Ensure Quarry is maintained to Department of Mines' standard	Ensure that all plant and equipment pass Inspectors' Audits.	Completed	Maintained to standards. Audits completed.
EC2.2.4. Ensure proper pricing of product	Monitor production costs and income.	Completed	Monitoring and review ongoing.

CSP Action	DP Action	Status	Comment
EC2.2.5. Provide information and referrals to business start-ups and expansions	Provide appropriate referrals to BEC, NSW I & I, AusInd	Completed	Referrals for business start-ups and expansion made as appropriate.
EC2.2.6. Promote and process applications to the Business Assistance Fund	Facilitate program according to Business Assistance Fund Policy.	Not Progressing	Assistance provided to Gulargambone business venture. (Business Assistance Fund not operating. Business Assistance applications now processed in accordance with alternate funding).
EC2.2.7. Prepare a business prospectus for potential investors	Prepare a Business Prospectus for potential investors	Progressing	Investor Business Prospectus to be completed.
EC2.2.8. Maintain Sale Yard QA Certification	Operate Saleyard in accordance with Quality Assurance Manual.	Completed	Annual review completed and National Saleyard Quality Assurance status approved.
EC2.2.9. Ensure saleyard operation is sustainable	Develop proposal for increased usage of facility.	Progressing	Proposal to be completed.
EC2.2.10. Coonamble Saleyards – support physical improvements and better marketing	Business & Marketing Plan implemented through Saleyards Sub-committee in partnership with Coonamble Associated Agents.	Progressing	Implementation to be completed.

EC3 Local education: our educational opportunities include support for our local economy

EC3.1. Leading organisations provide cadetships and graduate employment opportunities

CSP Action	DP Action	Status	Comment
EC3.1.1. Continue to provide the School to Work program, offering options for work experience and Traineeship/ Apprenticeship employment with Council	Continue to provide the School to Work program, offering options for work experience and Traineeship/ Apprenticeship employment with Council.	Completed	Two School Based Traineeships completed December 2013. Four School Based Traineeships commenced February 2014.

EC3.3. Provide broad opportunities for social education and personal wellbeing

CSP Action	DP Action	Status	Comment
EC3.3.1. Support social enterprise opportunities that allow young people to transition from school/TAFE to employment	Provide advice and referral through Community and Economic Development staff	Completed	Advice provided through Employment Circle and Interagency forums. Support provided to Bovine Appreciation Club. School to work transition program in place through school based traineeship program.

EC3.4. Provide education that addresses the needs of the local population

CSP Action	DP Action	Status	Comment
EC3.4.1. Facilitate partnerships and linkages with government, business and community to develop and improve the education and skill base of young people	Participate in Coonamble Connected Communities (School) initiatives.	Completed	Relationship established with Connected Communities Engagement Officers. Collaboration with both school and Youth Council/Youth Week projects and school holiday events.
EC3.4.2. Assist with Education Fund Scholarship	Provide agreed funding.	Completed	Coonamble and District Education Foundation donation provided.
EC3.4.3. Support appropriate alternative education programs	Participate in appropriate Connected Communities strategies.	Completed	School research visits to Library. Development of Homework Help session at Coonamble Library. Library Connections project provided cultural development/ research assistance.
EC3.4.4. Promote Shire libraries as venues for innovative educational support	Encourage Schools and alternative education providers to creatively use Library space.	Completed	Primary and High School visits to Library. Higher education exams held. Space utilised for tutoring activities.
EC3.4.5. Encourage and support initiatives to build the local skill base and increase employment participation	Support Employment Expo, within resources	Not Due To Start	Bi-annual event to be held in 2015.

EC4 Local employment: our community members are gainfully employed in appropriate and satisfying jobs

EC4.1. Provide appropriate and accessible education for our community

CSP Action	DP Action	Status	Comment
EC4.1.1. Facilitate partnerships that support and develop life long learning opportunities	Provide expanded library programs involving learning opportunities for pre-school children and Seniors. Pursue opportunities for staff learning exchanges with Sister City, Campbelltown City Council, and other networks.	Completed	Library programs included pre-school reading visits and Stories in the Street program. Tech Savvy Seniors Program grant secured through North Western Library Service. Sister City information exchange in support of Library staff professional development.

EC4.2. Identify local employment opportunities and promote these across the community

CSP Action	DP Action	Status	Comment
EC4.2.1. Continue to facilitate School to Work program	Identified traineeship /apprenticeship opportunities filled as resources are available. Complete School to Work Program (Work Crew) construction project.	Progressing	Four School Based Traineeships have been sustained. Work Crew School to Work project in development with Coonamble High School.
EC4.2.2. Continue to recruit using EEO best practice principles	Equal Employment Opportunity (EEO) training to be undertaken by key staff involved in recruitment.	Completed	EEO training undertaken by seven staff including those involved in recruitment.
EC4.2.3. Promote job opportunities on line and through local agencies	Advertise employment opportunities locally and on website. Update employment information package.	Completed	All advertisements advertised locally and employment information package updated on Website and available from front office staff.

Theme: Our Environment

EN1 Local produce: our community benefits from an environment that ably supports local fresh food needs of our community

EN1.1. Promote local food production through appropriate policies

CSP Action	DP Action	Status	Comment
EN1.1. Provide quality planning and customer services to potential developers / residents	Review and update approval and planning processes. Provide Website information.	Completed	Website updated to include relevant information from NSW Food Authority.

EN1.2 Support local food production and consumption

CSP Action	DP Action	Status	Comment
EN2.1. Promote and support opportunities for value-adding of local produce	Provide business information and referral service. Promote local initiatives on Council Website.	Completed	Businesses referred as appropriate. Information on Website and Facebook.

EN2 Environmentally sustainable investment: our community enjoys an environment that is not compromised by new industries and investments

EN2.1. Plan land use strategically and sensitively

CSP Action	DP Action	Status	Comment
EN2.1.1. Develop a strategy to attract new investment / industry, review annually	Review Zoning to identify barriers to investment opportunities.	Not progressing	Review to be completed.
EN2.1.2. Develop Land Use Strategy.	Develop Land Use Strategy.	Completed	Planning proposal on public display until end of July 2014.
EN2.1.3. Continue to review Local Environmental Plan	DCP reviewed in accordance with Legislation.	Progressing.	Review progressing.
EN2.1.4. Ensure compliance with NSW Building Certification	Assess applications in accordance with Legislation.	Completed	All applications assessed according to Legislation.

CSP Action	DP Action	Status	Comment
EN2.1.5. Provide quality over the counter, telephone and email advice to customers	Respond to enquiries, provide pro-active information on Website.	Completed	Website updated with Swimming Pool and Planning information.
EN2.1.6. Approvals completed within time frame required	Monitor approval timeframe.	Completed	All approvals completed in accordance with time frame requirements.

EN2.2. Promote ecologically and environmentally sustainable development

CSP Action	DP Action	Status	Comment
EN2.2.1. Enforcement of environmental regulations	Improve staff capacity and environmental knowledge.	Completed	Key staff have completed Catchment Management Authority training and environmental education workshops.

EN3 Good environmental management: our community values knowledge sharing and promotion of best practice environmental management

EN3.1. Share knowledge and facilitate knowledge sharing amongst those working on the land

CSP Action	DP Action	Status	Comment
EN3.1.1. Ensure appropriate opportunities for those working on the land to participate in Council consultation regarding decisions that affect them	Ensure methods for reaching people working on the land are incorporated into consultation strategies.	Completed	Community Consultation Procedure includes consideration of people working on the land.

EN3.2. Ensure the health of our river system

CSP Action	DP Action	Status	Comment
EN3.2.1. Enforcement of environmental regulations	Regular inspection of creeks and river.	Completed	Weekly river and waterways inspections carried out.

Theme: Our Leadership

L1 A community that is supported by active, respected leaders

L1.1. Encourage broader involvement in community activities

CSP Action	DP Action	Status	Comment
L1.1.1. Continue to support Coonamble Shire Youth Council as a link between young people and their Council	Facilitate Youth Council meetings (2 per term). Focus on inclusion of Gulargambone Central School.	Completed	Gulargambone Central School membership sustained. Youth Council meetings conducted as scheduled with both Coonamble High School and Gulargambone Central School.
L1.1.2. Promote genuine opportunities for people to participate in decisions that affect them	Utilise broad methods of community consultation, including "in place" strategies.	Completed	Consultation included in-place methods of engagement (ie: Operational Plan, Library programs, public space re-development).
L1.1.3. Co-ordinate local involvement in regional business awards	Coordinate Regional Business Awards 2014.	Completed	Sponsorship received from RDA Orana, NSW Business Chamber and Australian Business Ltd. Awards open July 2014 to coincide with 2015 NSW Business Chamber Awards.
L1.1.4. Encourage children and young people to be involved in the planning and design of community spaces	Utilise child and youth friendly consultation methods to ensure genuine opportunities for engagement.	Completed	Swimming Pool and Library Space consultation included child and youth friendly methods of engagement. Youth Council members engaged in appropriate consultation.

L1.2. Promote opportunities for leaders to learn the features of good leadership

CSP Action	DP Action	Status	Comment
L1.2.1. Utilise Local Government Week to raise awareness of the role and function of Council	Conduct community awareness campaign during Local Govt Week August 2013	Completed	Tour of Council Administration buildings conducted. Community Grants Workshop facilitated. Council's RH Dougherty Award for Excellence in communication and Youth Week finalist nomination, promoted during Local Government Week.

CSP Action	DP Action	Status	Comment
L1.2.2. Encourage staff to develop leadership skills	Develop coaching and mentoring program for junior staff. Develop Leadership and Professional Practice training program for senior staff.	Progressing	Coaching and mentoring program informally developed. To be finalised and implemented during 2014/15

L1.3. Support leadership succession planning

CSP Action	DP Action	Status	Comment
L1.3.1. Continue to work in partnership with key services in the Shire, assisting with governance and leadership development	Provide advice and support with governance and leadership development to key services in the Shire, where requested.	Completed	Grants and tourism assistance provided eg: Rodeo Regional Flagship funding administration. Community development assistance provided to local organisations.
L1.3.2. Take measures to publicize the positive contribution young people make to the Shire	Produce positive media/ promotion of youth activities, events and achievements, prior/ during or after the event.	Completed	Positive media produced for Youth Week, Library activities and Children's Week events.

L1.4. Encourage and promote a high level of leadership in the community

CSP Action	DP Action	Status	Comment
L1.4.1. Lobby against forced Local Government amalgamations	Lobby as opportunities arise.	Completed	Council continues to be assessed as sound in maintaining independent financial sustainability.
L1.4.2. Develop a Business Continuity Plan	Develop a business continuity plan	Completed	Completed 2012/13.
L1.4.3. Provide high quality customer service to the community	Facilitate Shire Wide community survey to ascertain customer service baseline. Develop quality improvement plan in response.	Completed	Survey conducted with low response rate. Next survey to be facilitated in 2015.
L1.4.4. Develop I.T. Resources Plan	IT Resources Plan monitored and reviewed annually.	Completed	Plan monitored and review completed.

CSP Action	DP Action	Status	Comment
L1.4.5. Governance is open and transparent	Conduct all business in compliance with Local Government Act & Regulations.	Completed	No issues of non-compliance identified.
L1.4.6. Review Council policies	Develop and implement annual Policy Review Schedule.	Completed	Policy Review Schedule completed and reviewed.
L1.4.7. Maintain consultation process with workforce	Facilitate Consultative Committee and WH&S Committee meetings. Develop staff communication strategy.	Progressing	Consultative Committee and WH & S Committee meetings held with high rates of employee participation. Communication strategy to be completed in 2014/15
L1.4.8. Ensure compliance with legislation for WH&S	Conduct all business in compliance with WHS Act 2011 & Regulations. Adhere to WHS Management Plan.	Completed	Continued monitoring of current work practices to ensure they adhere to Legislative requirements and re responsive to changes in Regulations. WHS Management Plan draft completed.
L1.4.9. Review recruitment & retention strategies	Review recruitment and retention strategies.	Completed	Recruitment and retention strategies reviewed and updated.
L1.4.10. Ensure compliance with legislation for Equal Employment Opportunity (EEO)	Continue to monitor compliance.	Completed	Training completed. EEO Management Plan implementation continued. Monitoring for compliance ongoing.
L1.4.11. Maintain long term financial viability	Develop annual sustainable budget. Incorporate into Long Term Financial Plan	Completed	Council assessed as sound by TCorp review. Internal audit review supports Council's financial management. Long Term Financial Plan reflects sound asset management principles.
L1.4.12. Continue to progress workforce planning	Continue to develop succession planning.	Completed	Workforce Plan to be reviewed annually.
L1.4.13. Progressively address training needs and upgrade Training Plans	Develop staff training plans.	Progressing	Training plans for 2014 to be finalised with training undertaken on a needs basis. Training plans will be reviewed annually.
L1.4.14. Formalise exit interviews process.	Develop exit interview process.	Completed	Exit interview processes finalised and implemented.

CSP Action	DP Action	Status	Comment
L1.4.15. Conduct 2 yearly, Shire wide community survey	Conduct, collate and report on survey.	Completed	2013 survey conducted. Next survey due for 2015.

L2 A community that supports active, respected leaders

L2.1. Increase Aboriginal representation on Council

CSP Action	DP Action	Status	Comment
L2.1.1. Promote awareness of the role and function of Council to Aboriginal people	Attend and present relevant information to Community Working Party. Utilise relevant functions/activities as opportunity to relate the role and function of council.	Completed	Information presented and tabled at Community Working Party meetings. Feedback actively sought on a regular basis.

L2.2. Increase representation to community leader roles

CSP Action	DP Action	Status	Comment
L2.2.1. Continue to develop the leadership capacity of staff	Implement staff coaching, mentoring and leadership training program.	Progressing	Training undertaken to increase leadership skills and targeted at professional management skills. Coaching and mentoring program to be formally implemented during 2014/15

L2.3. Acknowledge the importance of community leader roles

CSP Action	DP Action	Status	Comment
L2.3.1. Continue to facilitate Australia Day celebrations	Facilitate annual Australia Day event	Completed	Australia Day event facilitated at Coonamble Showground. Gulargambone and Quambone communities supported to facilitate additional events in their communities.
L2.3.2. Council staff acknowledge Aboriginal Country at official Council meetings	Acknowledgment of Country made by Council staff at official Council meetings.	Completed	Acknowledgement of Country made by staff where appropriate.

Section 4: Statutory Disclosures

The following matters are required to be reported by Council under Section 428(4), Section 406 (3) of the Local Government Act 1993 and Local Government (General) Regulation 2005 and are listed with the corresponding clause number. Figures given are for 2013/2014:

LOCAL GOVERNMENT ACT 1993

Section 428(4) (a) – Council’s Audited Financial Reports - See **SECTION 6**.

Section 428 A - Report on the State of the Environment

This report is available on Council’s website: www.coonambleshire.nsw.gov.au

LOCAL GOVERNMENT (GENERAL) REGULATION 2005

Clause 132 Rates and charges written off

Rates and charges totalling \$116,857.15 were written off during the 2013/2014 financial year.

Pensioner Rebates	\$116,857.15
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Write off Interest under Hardship Policy	\$ NIL
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Council received a Government subsidy of 55% of Pensioner Write-offs during the year. The 2013/2014 subsidy amounted to \$64,271.43 (includes some from previous year).

Clause 217(1) (a) Overseas Visits

No overseas trips were undertaken by Council representatives during the 2012/2013 year.

Clause 217(1) (a1) - Councillor Expenses

Fees for Councillors of the Coonamble Shire have been determined by Council within the limits approved by the Local Government Remuneration Tribunal as:

Councillor	\$ 9,205 per annum
Mayor	\$15,650 per annum (additional)

The total expenditure during the year was:

Councillors' Fees	\$ 64,434.00
Mayoral Fees	\$ 15,650.00
Delegates' Expenses	\$ 15,742.00
Travel/Sustenance	\$ 8,376.00
Insurance – Members Accident	\$ 1,889.00
Training	\$ 682.00
Total	\$ 106,773.00

A review of Council's payment of expenses and the provision of facilities to the Mayor and Councillors Policy was adopted on 14 August 2013. A copy of this Policy is provided at **SECTION 5.**

Clause 217 (1) (a1)

- (i) There is no dedicated office equipment made available to the Mayor or any individual councillor. Council does provide office facilities and access to Council communications equipment that may be used by councillors in carrying out their civic functions.
- (ii) No facilities were provided to Councillors of either a mobile telephone or land lines installed at Councillor homes.
- (iii) During the year councillors attended several conferences and workshops, these included
 - Local Government NSW Annual Conference
 - Orana Regional Organisation of Councils (OROC)
- (iv) Training undertaken by Councillors during 2013/2014.
 - Effective Chair in Local Government

- (v) No interstate visit was undertaken by Councillors during the 2013/2014 year.
- (vi) No overseas trips were undertaken by Council representatives during the 2012/2013 year.
- (vii) There was no expense paid to any person who accompanied any councillor in the performance of their civic function.
- (viii) No expenses were paid to any person for the provision of care for a child of, or an immediate family member of, a councillor, to allow the councillor to perform their civic function.

Clause 217 (1) (a2) - Contracts Awarded by Council

Council awarded the following contracts in excess of \$150,000 during the 2013/2014 financial year:

Awarded to	Goods/Services Provided	Actual Excl GST
BT Equipment P/L T/as Tutt Bryant Equipment	Multi Tyred Rollers	\$432,000.00
Conplant Australia	Roller	\$151,346.82
Hartwigs Trucks	Semi Tipping Trailers/Converter Dolly	\$218,666.36
Westrac Equipment Pty Ltd	3 Graders	\$691,400.00

Clause 217 (1) (a3) - Summary of Legal Proceedings

Council costs in regard to legal proceedings for 2013/2014 amounted to \$24,210.00

Clause 217 (1) (a4) - Subsidised Private Works

Council did not undertake any subsidised private works during the year.

Clause 217 (1) (a5) -Donations and Contributions under Section 356

A total of \$40,627 was donated or contributed by Council during the year.

Clause 217 (1) (a6) -Delegations to External Bodies

Council has delegated the following functions to the organisations listed below:

- (i) **Castlereagh-Macquarie County Council** undertakes noxious weed control across the Shire
- (ii) **Coonamble Streets Ahead Committee** promotes events and fosters economic activity in Coonamble township

- (iii) **Quambone Resources Committee** promotes usage and manages facilities of Quambone community facilities, including Quambone Hall, Swimming Pool and Racecourse/ Showground
- (iv) **Coonamble Senior Citizens Association** promotes usage and manages the Coonamble Senior Citizens Hall
- (v) **Gulargambone Memorial Hall Committee** promotes usage and ensures care, control and management of the Gulargambone Memorial Hall
- (vi) **Coonamble Heritage & Museum under the Bridge Committee** preserves the cultural identity of the Shire, promotes active retention of the Coonamble CBD precinct and usage and exposure of the Coonamble Museum
- (vii) **Conn Family Trust** administers funds held on behalf of the Mayor's Appeal in 2005 to ensure all necessary support is made available to the Conn children
- (viii) **Combara Hall Committee** promotes usage of the Combara hall and manages the facility
- (ix) **Coonamble Shire Youth Council** provides direction on youth affairs and co-ordinates/ promotes events

Clause 217 (1) (a7) - Companies in which Council held a Controlling Interest.

Council held no controlling interest in any Company.

Clause 217 (1) (a8) - Partnerships, Cooperatives, Joint Ventures to which Council was a party:

- Coonamble Shire Council is a member of the *North Western Library Service*, a cooperative providing library services to the Shires of Bogan, Coonamble, Gilgandra and Warren. The quality of service is significantly enhanced by participation in the Joint Library Service.
- Council is a member of the *Orana Regional Organisation of Councils (OROC)* looking at various resource sharing activities.
- The Audit & Risk Management Committee is a joint venture between the six OROC Councils. The independent advisory committee provides resource sharing to assist Council to fulfil its governance and oversight responsibilities.

Clause 217 (1) (a9) - Equal Employment Opportunity (EEO)

The purpose of Council's policy is to eliminate discrimination in employment and to promote opportunities for identified under-represented groups. Council's EEO Management Plan comprises four key strategies for an effective approach to EEO. Activities undertaken during 2013/14 are as follows:

1. Policies and procedures – *All policies and procedures conform with EEO principles:*
 - Review of Council's policies and procedures
 - Review of position descriptions, recruitment advertising, performance appraisals and training procedure
 - Provision of equal access to opportunities for training and development
2. Communication and awareness - *All staff understand EEO principles and their responsibilities and rights in relation to EEO:*
 - Updated information posted on staff notice boards
 - All aspects of EEO are covered in Coonamble Shire's new staff induction program
 - Responsibilities are conveyed to new Managers/Supervisors
3. Training and development –*All staff have equal access to training and development opportunities relevant to their needs:*
 - Training and development policy and procedures reviewed
 - Staff responsible for approving training are made aware of EEO principles
4. Implementation, evaluation and review – *EEO Management Plan is successfully implemented, effectively evaluated and periodically reviewed:*
 - Staff with specific responsibilities in relation to the implementation of the EEO management Plan are identified and their responsibilities communicated to them
 - Implementation of EEO management Plan monitored bi-annually. A review was undertaken during May 2014.

Clause 217 (1) (b) - General Manager - remuneration

Total remuneration of the general manager during the 2013/14 year:

Component	Amount (\$)
Salary	200,494
Superannuation	17,575
Vehicle R/C	3,000
Vehicle FBT	2,087
Housing	6,240
TOTAL	229,396

Clause 217 (1) (c) – Senior staff – remuneration

Council's only designated "Senior Staff" position is that of the General Manager (as reported in 217 (1) (b)).

Clause 217(1) (e) Stormwater Management Services

Council did not levy any charge for stormwater management services during 2013/2014.

Clause 217(1) (f) - Companion Animals Act and Regulation

- a) Council has lodged pound data with the Department of Local Government as required at the end of the financial year.
- b) Council has lodged data with the Department of Local Government relating to the seven (7) dog attacks during the year. Approximately one hundred and thirty one (131) infringement notices issued for animals in 2013/2014.
- c) A total of three hundred and sixteen (316) animals were impounded during 2013/2014. Council endeavours to rehouse animals where possible as an alternative to destroying the animal. The incidence of rehousing is dependent upon suitable animals being available and the demand at the time.
- d) Over the 2013/2014 year Council has incurred \$142,285 in companion animal management activities.
- e) Council has adopted a companion animal management plan. A dedicated "off leash" area is contained within the plan and is located off Macdonald Park in Aberford Street, Coonamble.
- f) Council has implemented a policy for the keeping of domestic animals.

- g) Council received \$24,639 registration and sundry fees for companion animals during 2013/2014 year.
- h) Council's net cost relating to the management of companion animals was \$117,646.

GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009

Annual reporting requirements under Section 125 of the *Government Information (Public Access) Act 2009* (GIPA Act) require agencies to prepare and submit an annual report within 4 months of the end of the annual reporting period. Under paragraph 7 of the Government Information (Public Access) Regulation 2009 the annual report must include the following:

(a) details of the review carried out by the agency under section 7 (3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review:

A review was undertaken by the Principle Officer during 2013/14, no additional information was made available as a result of this review.

(b) the total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications):

The total number of access applications received by Coonamble Shire Council during 2013/14 amounted to 3.

(c) the total number of access applications received by the agency during the reporting year that the agency refused, either wholly or partly, because the application was, for the disclosure of information referred to in Schedule 1 to the Act (Information for which there is conclusive presumption of overriding public interest against disclosure):

One (1) application received by Coonamble Shire Council during 2013/14 was refused wholly or partly.

(d) information, as set out in the form required by the tables in Schedule 2, relating to the access applications (if any) made to the agency during the reporting year:

RICK WARREN
General Manager

STATISTICAL INFORMATION ABOUT ACCESS APPLICATIONS (SCHEDULE 2)

Table A: Number of applications by type of applicant and outcome*								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	1	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	2	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome*								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (Other than personal information applications)	2	1	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

* **A personal information application** is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications	
Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	2
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	2
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act	
	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to Section 14 of Act	
	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information Legislation	0

Table F: Timeliness	
	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	3
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	3

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)			
	Decision varied	Decision upheld	Total
Internal review	0	2	0
Review by Information Commissioner*	0	1	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
Total	0	3	0

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)	
	Number of applications for review
Applications by access applicants	2
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

PRIVACY AND PERSONAL INFORMATION PROTECTION ACT 1998

Part 5 Section 53 -Internal Review by Public Sector Agencies

Council staff is governed by the principles of this Act and guidance notes developed by Council relating to issues of privacy.

No review was requested or conducted during the 2013/2014 year.

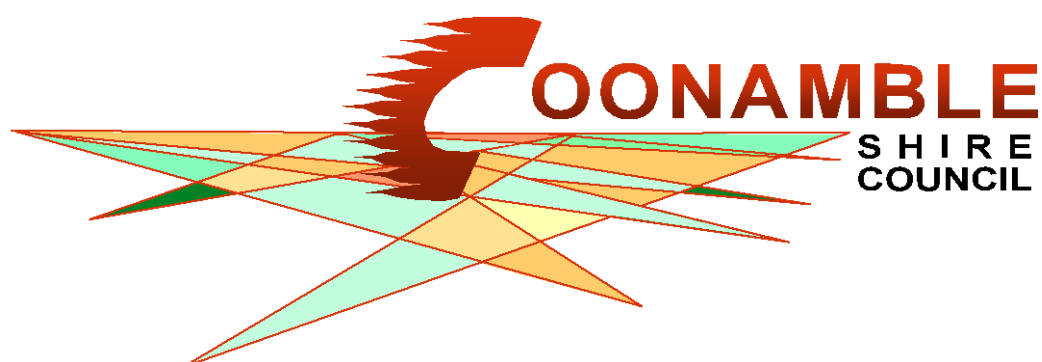
ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

Section 93F - Planning Agreements.

Council has not entered into any planning agreements.

Section 5:

COONAMBLE SHIRE COUNCIL



POLICY FOR THE PAYMENT OF EXPENSES & THE PROVISION OF FACILITIES FOR MAYOR & COUNCILLORS

Part 1 – INTRODUCTION

1.1 Title of Policy and Commencement Date:

This policy will be known as the “Policy for the Payment of Expenses and the Provision of Facilities for Mayor and Councillors” and will commence on and from 1 July 2013.

1.2 Purpose of the Policy:

The purpose of the policy is to ensure that there is accountability and transparency in the reimbursement of expenses incurred or to be incurred by councillors. The policy also ensures that the facilities provided to assist councillors to carry out their civic duties are reasonable.

1.3 Objectives and Coverage of the Policy:

This policy is to ensure that elected members are reimbursed for legitimate expenses incurred whilst conducting Council business and applies to the Mayor, Deputy Mayor and all other Councillors.

1.4 Making and Adoption of the Policy:

This draft policy, whilst approved by Council at the June 2013 meeting, is subsequently displayed for a period of 28 days following which Council will consider submissions and formally adopt the policy at the August 2013 meeting.

1.5 Reporting Requirements:

Section 428 of the Local Government Act 1993 requires Council to include in its annual report:

- The council’s policy on the provision of facilities for, and the payment of expenses to, the mayor and councillors
- The total amount of money expended during the year on providing those facilities and paying those expenses
- Additional information as required by the Local Government (General) Regulation 2005.

Additionally, Council will report separately on:

- Total cost of expenses and facilities for the Mayor and all Councillors
- Spouse/Partner/Accompanying Person expenses
- Training and Skill Development expenses
- Provision of Facilities expenses.

1.6 Legislative Provisions:

This policy is made under section 252 of the Local Government Act 1993 and in accordance with clause 403 of the Local Government (General) Regulation 2005.

1.7 Other Government Policy Provisions:

The policy has been developed utilising the guidelines provided by the Department of Local Government (September 2006) and enhances provisions of the Council's Code of Conduct and the Independent Commission Against Corruption publication *No Excuse for Misuse*.

1.8 Approval Arrangements:

Approval for attendance at conferences, seminars and other meetings should generally be approved by Council resolution however, should this not be practicable, approval may be given by the Mayor and General Manager. Should attendance be proposed by the Mayor approval may be given by the Deputy Mayor and/or another Councillor.

Part 2 – PAYMENT OF EXPENSES

GENERAL PROVISIONS

2.1 Process of Reimbursement:

All claims for reimbursement of expenses must be made within two (2) months. Reimbursement will only be made where appropriate receipts and tax invoices are provided and a claim form completed and signed.

2.2 Payment in Advance:

Provision of a payment in advance may be requested by a councillor however such advance must be fully accounted for upon return and any unspent portion returned to Council.

2.3 Monetary Limits:

Monetary limits for “out of pocket” expenses will be paid only to a maximum of \$80 per day whilst in a metropolitan area (Newcastle /Sydney/Wollongong/Melbourne/Brisbane/other capital cities) and \$60 per day elsewhere.

2.4 Taxi, Bus and Rail Fares

Council will reimburse fares for reasonable travel while on council related business. Maximum fee that will be reimbursed is \$50 per trip and \$100 in any one day.

2.5 Duration of Expense Period:

Council will only meet expenses for the duration of the official function duly authorised for attendance. Duration of a function includes travel on the day before and the day following.

2.6 Payment of Expenses – Spouses, Partners, Accompanying Persons:

Council may, by resolution, agree to pay expenses for a spouse/partner or accompanying person where a function is of a formal or ceremonial nature and it is considered that they be reasonably expected to attend. Alternatively, approval may be given by the Mayor and General Manager. Should attendance be proposed by the Mayor's or General Manager's partner, approval may be given by the Deputy Mayor and/or another Councillor.

Council may, by resolution, agree to cover the cost of registration/ partners program and the official conference dinner of the Shires Association Annual Conference. Additional accommodation, meals and travel expenses will be the responsibility of the individual councillors.

SPECIFIC EXPENSES FOR MAYOR AND COUNCILLORS

2.7 General Travel Arrangements:

Councillors should arrange a Council motor vehicle for travel wherever possible. Payment for private motor vehicle will only be considered where a Council vehicle is not available.

The most direct route is to be taken and the most practicable and economical mode of transport utilised, subject to any personal and/or medical considerations.

2.8 Intrastate/Interstate Travel Arrangements:

Where a motor vehicle is utilised Council will pay the costs associated with parking and road tolls (it is noted that the latter may not render receipts). The driver is personally responsible for all traffic or parking fines incurred whilst utilising a motor vehicle on Council business.

Where air travel is considered necessary, Councillors are expected to utilise economy class. Council may, however, resolve that business class be utilised in circumstances that require business associates to be accompanied.

2.9 Overseas Travel:

Overseas travel will only be permitted following approval by Council and fourteen days public notification being given in the local press. Council will not pay any costs associated with spouse/partner or other accompanying persons.

2.10 Attendance at Seminars and Conferences:

Following any conference or seminar a written report must be provided by at least one of the persons attending and cover all aspects that are relevant to Council business and/or the local community.

Attendance at the Shires Association Annual Conference will be limited to the Mayor, General Manager and two Councillors.

Council shall pay all conference registration fees, including the costs related to official lunches and dinners and associated tours where they are relevant to the business and interest of Council. Additionally Council will meet reasonable cost of transportation and accommodation.

2.11 Accommodation Costs:

Council will pay for an appropriate standard of accommodation and acknowledges the economic and practical benefits of being accommodated at the conference/seminar venue.

2.12 Attendance at Dinners and Other Non-Council Functions:

Council will meet the cost of councillors' attendance at dinners and other non-council functions which is an integral part of a councillor's duty. Council will not meet any additional cost of refreshments or donations and the like.

2.13 Training and Educational Expenses:

Council will meet reasonable costs associated with training and educational courses, provided they are relevant to the functions directly associated with the role of councillor. Expenses similar to those of conferences and seminars apply with a limit of \$3,000 total cost per councillor in any one year.

2.14 Telephone Call Costs and Related Expenses:

Council will pay up to \$20 per councillor per month for telephone and internet costs for Council business subject to evidence being provided of such use.

2.15 Care and Other Related Expenses:

In accordance with the principles of participation, access and equity Council will pay up to \$40 per councillor per month for carer arrangements which includes payment for childcare, elderly, disabled and/or sick immediate family members of councillors when necessary for a councillor to attend official duties. Reimbursement will be made in accordance with the Process of Reimbursement clause above.

2.16 Legal Assistance Provisions & Expenses:

Council will indemnify or reimburse the reasonable legal expenses of:

- (a) a councillor defending an action arising from the performance in good faith of a function under the Local Government act (section 731 refers);

or

- (b) a councillor defending an action in defamation provided the statements complained of were made in good faith in the course of exercising a function under the Act;

or

- (c) a councillor for proceedings before the Local Government Pecuniary Interest and Disciplinary Tribunal or an investigative body provided the subject of the proceedings arises from the performance in good faith of a function under the Act and the Tribunal or investigative body makes a finding substantially favourable to the councillor.

2.17 Insurance Provisions & Expenses:

Council will provide insurance cover for councillors as follows:

- (a) public liability (for matters arising out of councillors' performance of their civic duties and/or exercise of their council functions)
- (b) Professional indemnity (for matters arising out of councillors' performance of their civic duties and/or exercise of their council functions)
- (c) Personal injury while on council business
- (d) Insurance against legal costs incurred as detailed in the above clause.

Part 3 – PROVISION OF FACILITIES

GENERAL PROVISIONS

3.1 Provision of Facilities Generally:

Council will not provide equipment such as mobile phone, facsimile and the like directly to individual councillors however, such facilities as required by way of secretarial services, telephone, email and facsimile may be utilised, by prior arrangement and the General Manager's consent, at Council's Administration Centre for Council business only. Such use will be limited to an average of one service per month.

Council facilities and equipment are to be used only for Council business purposes.

Council will provide meals and light refreshments before, during or after council, committee or working party meetings.

Council will provide a Corporate tie or scarf, business cards and name tag for each councillor.

3.2 Corporate Hospitality – Business Associates:

Council delegates may provide refreshments to business associates and be reimbursed for any reasonable cost to a maximum of \$60 per function/event whether over one day or two or more days.

Where business associates are provided with a meal, the maximum cost per person will be \$60.

3.3 Provision of Additional Facilities/Equipment and Services for Mayor

Council will provide a dedicated motor vehicle for the Mayor and will permit private use in accordance with Council's Vehicle Leaseback Policy. The standard of motor vehicle will be equivalent to a Holden Berlina.

Council will provide a furnished and equipped Mayoral Office for conducting of council business only.

Secretarial services will be provided for the Mayor for Council related business.

Part 4 – OTHER MATTERS

4.1 Acquisition & Returning of Facilities/Equipment by Councillors:

Councillors must return any property of the Council to the Administration Centre within seven (7) days of cessation of their role as councillor.

Adopted by Council: 14 August 2013– Min #0640

Section 6: Financial Reporting

COONAMBLE SHIRE
COUNCIL

Financial Statements

for the year ended 30 June 2014



Coonamble Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2014

“Coonamble on the Castlereagh”



Coonamble Shire Council

General Purpose Financial Statements

for the financial year ended 30 June 2014

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Overview

(i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Coonamble Shire Council.

(ii) Coonamble Shire Council is a body politic of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.

Council's Statutory Charter is detailed in Paragraph 8 of the LGA and includes giving Council;

- the ability to provide goods, services & facilities, and to carry out activities appropriate to the current & future needs of the local community and of the wider public,
- the responsibility for administering regulatory requirements under the LGA and
- a role in the management, improvement and development of the resources in the area.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

(iii) All figures presented in these financial statements are presented in Australian Currency.

(iv) These financial statements were authorised for issue by the Council on 01 October 2014. Council has the power to amend and reissue these financial statements.

Coonamble Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across NSW are required to present a set of audited financial statements to their Council & Community.

What you will find in the Statements

The financial statements set out the financial performance, financial position & cash flows of Council for the financial year ended 30 June 2014.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting & reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by Senior staff as "presenting fairly" the Council's financial results for the year, and are required to be adopted by Council - ensuring both responsibility for & ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate 5 "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income & expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair values of Council's Infrastructure, Property, Plant & Equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its Assets, Liabilities & "Net Wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "Net Wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

This Statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

Currently the statement is prepared utilising the practice of recognising income when it is received. Given this practice the timing of the receipt of grant funds has the ability to dramatically alter the Financial Position of a council from one year to the next.

In the 2013/14 Financial Year council recognised \$1,636,468 of expenditure that relates directly to the component of the Financial Assistance Grant that was prepaid in the 2012/2013 financial year and as such the expenditure will not match the period in which the income was received.

About the Notes to the Financial Statements

The Notes to the financial statements provide greater detail and additional information on the 5 primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by external accountants (that generally specialize in Local Government).

In NSW, the Auditor provides 2 audit reports:

1. An opinion on whether the financial statements present fairly the Council's financial performance & position, &
2. Their observations on the conduct of the Audit including commentary on the Council's financial performance & financial position.

Who uses the Financial Statements ?

The financial statements are publicly available documents & must be presented at a Council meeting between 7 days & 5 weeks after the date of the Audit Report.

Submissions from the public can be made to Council up to 7 days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Coonamble Shire Council

General Purpose Financial Statements for the financial year ended 30 June 2014

Statement by Councillors and Management made pursuant to Section 413(2)(c) of the Local Government Act 1993 (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

- The Local Government Act 1993 (as amended) and the Regulations made thereunder,
- The Australian Accounting Standards and professional pronouncements, and
- The Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these Financial Statements:

- present fairly the Council's operating result and financial position for the year, and
- accords with Council's accounting and other records.

We are not aware of any matter that would render the Reports false or misleading in any way.

Signed in accordance with a resolution of Council made on 09 July 2014.



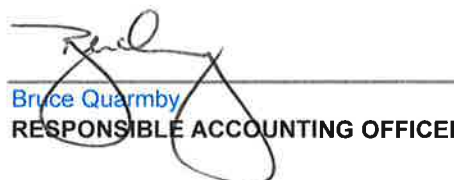
Alan Karanouh
MAYOR



Michael Webb
COUNCILLOR



Rick Warren
GENERAL MANAGER



Bruce Quarmby
RESPONSIBLE ACCOUNTING OFFICER

Coonamble Shire Council

Income Statement

for the financial year ended 30 June 2014

Budget 2014	¹ \$ '000	Notes	Actual 2014	Actual 2013
Income from Continuing Operations				
Revenue:				
5,447	Rates & Annual Charges	3a	5,461	5,212
3,530	User Charges & Fees	3b	5,130	5,597
679	Interest & Investment Revenue	3c	651	795
643	Other Revenues	3d	667	525
4,529	Grants & Contributions provided for Operating Purposes	3e,f	4,508 ²	5,436
6,717	Grants & Contributions provided for Capital Purposes	3e,f	270	1,900
Other Income:				
-	Net gains from the disposal of assets	5	45	-
-	Net Share of interests in Joint Ventures & Associated Entities using the equity method	19	-	3
21,545	Total Income from Continuing Operations		16,732	19,468
Expenses from Continuing Operations				
6,246	Employee Benefits & On-Costs	4a	6,756	6,976
11	Borrowing Costs	4b	3	6
7,050	Materials & Contracts	4c	4,914	4,131
4,244	Depreciation & Amortisation	4d	4,940	4,606
1,442	Other Expenses	4e	1,707	2,237
-	Net Losses from the Disposal of Assets	5	-	55
-	Net Share of interests in Joint Ventures & Associated Entities using the equity method	19	4	-
18,993	Total Expenses from Continuing Operations		18,324	18,011
2,552	Operating Result from Continuing Operations		(1,592)	1,457
Discontinued Operations				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
2,552	Net Operating Result for the Year		(1,592)	1,457
2,552	Net Operating Result attributable to Council		(1,592)	1,457
-	Net Operating Result attributable to Non-controlling Interests		-	-
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes				
(4,165)			(1,862)	(443)

¹ Original Budget as approved by Council - refer Note 16

² Financial Assistance Grants for 13/14 are lower, reflecting a timing difference due to a change in how the grant is paid - refer Note 3 (e)

Coonamble Shire Council

Statement of Comprehensive Income

for the financial year ended 30 June 2014

\$ '000	Notes	Actual 2014	Actual 2013
Net Operating Result for the year (as per Income statement)		(1,592)	1,457
Other Comprehensive Income:			
Amounts which will not be reclassified subsequently to the Operating Result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	720	5,754
Total Items which will not be reclassified subsequently to the Operating Result		720	5,754
Amounts which will be reclassified subsequently to the Operating Result when specific conditions are met			
Nil			
Total Other Comprehensive Income for the year		720	5,754
Total Comprehensive Income for the Year		(872)	7,211
Total Comprehensive Income attributable to Council		(872)	7,211
Total Comprehensive Income attributable to Non-controlling Interests		-	-

Coonamble Shire Council

Statement of Financial Position
as at 30 June 2014

\$ '000	Notes	Actual 2014	Actual 2013
ASSETS			
Current Assets			
Cash & Cash Equivalents	6a	17,344	18,260
Investments	6b	-	-
Receivables	7	1,589	1,539
Inventories	8	1,136	1,245
Other	8	24	161
Non-current assets classified as "held for sale"	22	-	-
Total Current Assets		20,093	21,205
Non-Current Assets			
Investments	6b	-	-
Receivables	7	624	263
Inventories	8	-	-
Infrastructure, Property, Plant & Equipment	9	196,587	196,235
Investments accounted for using the equity method	19	66	70
Investment Property	14	-	-
Intangible Assets	25	-	-
Total Non-Current Assets		197,277	196,568
TOTAL ASSETS		217,370	217,773
LIABILITIES			
Current Liabilities			
Payables	10	1,730	1,634
Borrowings	10	45	7
Provisions	10	1,894	1,793
Total Current Liabilities		3,669	3,434
Non-Current Liabilities			
Payables	10	-	-
Borrowings	10	282	38
Provisions	10	78	88
Total Non-Current Liabilities		360	126
TOTAL LIABILITIES		4,029	3,560
Net Assets		213,341	214,213
EQUITY			
Retained Earnings	20	158,253	159,845
Revaluation Reserves	20	55,088	54,368
Council Equity Interest		213,341	214,213
Non-controlling Interests		-	-
Total Equity		213,341	214,213

Coonamble Shire Council

Statement of Changes in Equity
for the financial year ended 30 June 2014

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non-controlling Interest	Total Equity
2014						
Opening Balance (as per Last Year's Audited Accounts)		159,845	54,368	214,213	-	214,213
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/13)		159,845	54,368	214,213	-	214,213
c. Net Operating Result for the Year		(1,592)	-	(1,592)	-	(1,592)
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	720	720	-	720
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
Other Comprehensive Income		-	720	720	-	720
Total Comprehensive Income (c&d)		(1,592)	720	(872)	-	(872)
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		158,253	55,088	213,341	-	213,341

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non-controlling Interest	Total Equity
2013						
Opening Balance (as per Last Year's Audited Accounts)		158,388	48,614	207,002	-	207,002
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/12)		158,388	48,614	207,002	-	207,002
c. Net Operating Result for the Year		1,457	-	1,457	-	1,457
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	5,754	5,754	-	5,754
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
Other Comprehensive Income		-	5,754	5,754	-	5,754
Total Comprehensive Income (c&d)		1,457	5,754	7,211	-	7,211
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		159,845	54,368	214,213	-	214,213

Coonamble Shire Council

Statement of Cash Flows

for the financial year ended 30 June 2014

Budget 2014	\$ '000	Notes	Actual 2014	Actual 2013
Cash Flows from Operating Activities				
Receipts:				
5,425	Rates & Annual Charges		5,490	5,292
3,650	User Charges & Fees		5,455	6,754
673	Investment & Interest Revenue Received		570	844
10,924	Grants & Contributions		4,787	8,363
-	Bonds, Deposits & Retention amounts received		-	111
5,252	Other		1,128	1,146
Payments:				
(6,246)	Employee Benefits & On-Costs		(6,478)	(7,104)
(10,207)	Materials & Contracts		(5,960)	(5,478)
(11)	Borrowing Costs		(3)	(6)
-	Bonds, Deposits & Retention amounts refunded		(4)	(130)
(946)	Other		(1,680)	(2,083)
8,515	Net Cash provided (or used in) Operating Activities	11b	3,305	7,709
Cash Flows from Investing Activities				
Receipts:				
-	Sale of Real Estate Assets		92	-
40	Sale of Infrastructure, Property, Plant & Equipment		938	483
Payments:				
(11,698)	Purchase of Infrastructure, Property, Plant & Equipment		(5,483)	(8,926)
	Deferred Debtors & Advances Made		(50)	-
(11,658)	Net Cash provided (or used in) Investing Activities		(4,503)	(8,443)
Cash Flows from Financing Activities				
Receipts:				
1,539	Proceeds from Borrowings & Advances		289	-
Payments:				
(25)	Repayment of Borrowings & Advances		(7)	(37)
1,515	Net Cash Flow provided (used in) Financing Activities		282	(37)
(1,628)	Net Increase/(Decrease) in Cash & Cash Equivalents		(916)	(771)
13,324	plus: Cash & Cash Equivalents - beginning of year	11a	18,260	19,031
11,697	Cash & Cash Equivalents - end of the year	11a	17,344	18,260
Additional Information:				
	plus: Investments on hand - end of year	6b	-	-
	Total Cash, Cash Equivalents & Investments		17,344	18,260

Please refer to Note 11 for information on the following:

- Non Cash Financing & Investing Activities.
- Financing Arrangements.
- Net cash flow disclosures relating to any Discontinued Operations

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

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n/a - not applicable

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards (AASBs), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

(a) Basis of preparation

(i) Background

These financial statements are general purpose financial statements which have been prepared in accordance with;

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board,
- the Local Government Act (1993) & Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

For the purpose of preparing these financial statements, Council has been deemed to be a not-for-profit entity.

(ii) Compliance with International Financial Reporting Standards (IFRSs)

Because AASBs are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the Not-For-Profit sector (including Local Government) which are not in compliance with IFRS's, or
- (b) specifically exclude application by Not for Profit entities.

Accordingly in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the Local Government Act (LGA), Regulations and Local Government Code of Accounting Practice & Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with AASBs.

(iii) New and amended standards adopted by Council

During the current year, the following relevant standards became mandatory for Council and have been adopted:

- AASB 13 Fair Value Measurement
- AASB 119 Employee Benefits

AASB 13 Fair Value Measurement has not affected the assets or liabilities which are to be measured at fair value, however it provides detailed guidance on how to measure fair value in accordance with the accounting standards.

It introduces the concept of highest and best use for non-financial assets and has caused the Council to review their valuation methodology.

The level of disclosures regarding fair value have increased significantly and have been included in the financial statements at Note 27.

AASB 119 Employee Benefits introduced revised definitions for short-term employee benefits.

Whilst the Council has reviewed the annual leave liability to determine the level of annual leave which is expected to be paid more than 12 months after the end of the reporting period, there has been no effect on the amounts disclosed as leave liabilities since Council's existing valuation policy was to discount annual leave payable more than 12 months after the end of the reporting period to present values.

(iv) Early adoption of Accounting Standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2013.

Refer further to paragraph (ab) relating to a summary of the effects of Standards with future operative dates.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(v) Basis of Accounting

These financial statements have been prepared under the **historical cost convention** except for:

- (i) financial assets and liabilities at fair value through profit or loss and available-for-sale financial assets which are all valued at fair value,
- (ii) the write down of any Asset on the basis of Impairment (if warranted) and
- (iii) certain classes of Infrastructure, Property, Plant & Equipment that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

(vi) Changes in Accounting Policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

There have also been no changes in accounting policies when compared with previous financial statements unless otherwise stated [refer Note 20(d)].

(vii) Critical Accounting Estimates

The preparation of financial statements requires the use of certain critical accounting estimates (in conformity with AASBs).

Accordingly this requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below:

- (i) Estimated fair values of investment properties
- (ii) Estimated fair values of infrastructure, property, plant and equipment.
- (iii) Estimated remediation provisions.

Critical judgements in applying the entity's accounting policies

- (i) Impairment of Receivables - Council has made a significant judgement about the impairment of a number of its receivables in Note 7.
- (ii) Projected Section 94 Commitments - Council has used significant judgement in determining future Section 94 income and expenditure in Note 17.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to it and specific criteria have been met for each of the Council's activities as described below.

Council bases any estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

Rates, Annual Charges, Grants and Contributions

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

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

rateable property or, where earlier, upon receipt of the rates.

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

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

Revenue from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, **(i)** it is probable that the economic benefits comprising the contribution will flow to the Council and **(ii)** the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g).

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of S94 of the EPA Act 1979.

Whilst Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon their physical receipt by Council, due to the possibility that individual Development Consents may not be acted upon by the applicant and accordingly would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required but the Council may apply contributions according to the priorities established in work schedules.

A detailed Note relating to developer contributions can be found at Note 17.

User Charges, Fees and Other Income

User charges, fees and other income (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

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

Sale of Infrastructure, Property, Plant and Equipment

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

Interest and Rents

Rental income is accounted for on a straight-line basis over the lease term.

Interest Income from Cash & Investments is accounted for using the effective interest rate at the date that interest is earned.

(c) Principles of Consolidation

These financial statements incorporate **(i)** the assets and liabilities of Council and any entities (or operations) that it **controls** (as at 30 June 2014) and **(ii)** all the related operating results (for the financial year ended the 30th June 2014).

The financial statements also include Council's share of the assets, liabilities, income and expenses of any **Jointly Controlled Operations** under the appropriate headings.

In the process of reporting on Council's activities as a single unit, all inter-entity year end balances and reporting period transactions have been eliminated in full between Council and its controlled entities.

(i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the LGA 1993, all money and property received by

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

The Consolidated Fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the Consolidated Fund:

- General Purpose Operations
- Water Supply
- Sewerage Service

(ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of or in accordance with the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these statements.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these statements.

A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

(iii) Joint Ventures

Jointly Controlled Assets & Operations

The proportionate interests in the assets, liabilities and expenses of a Joint Venture Activity have been incorporated throughout the financial statements under the appropriate headings.

Jointly Controlled Entities

Any interests in Joint Venture Entities & Partnerships are accounted for using the equity method and is carried at cost.

Under the equity method, the share of the profits or losses of the partnership is recognised in the income

statement, and the share of movements in retained earnings & reserves is recognised in the balance sheet.

(iv) Associated Entities

Where Council has the power to participate in the financial and operating decisions (of another entity), ie. where Council is deemed to have "significant influence" over the other entities operations but neither controls nor jointly controls the entity, then Council accounts for such interests using the equity method of accounting – in a similar fashion to Joint Venture Entities & Partnerships.

Such entities are usually termed Associates.

(v) County Councils

Council is a member of the following County Councils (which are bodies corporate under the Local Government Act);

▪ Castlereagh Macquarie County Council

Destruction and suppression of noxious weeds. The County Council comprises the Councils of Coonamble, Gilgandra, Warren, Walgett & Warrumbungle.

The governing body of each County Council is responsible for managing its own affairs.

Council is of the opinion that it neither controls nor significantly influences the above County Councils and accordingly these entities have not been consolidated or otherwise included within these financial statements.

(vi) Additional Information

Note 19 provides more information in relation to Joint Venture Entities, Associated Entities and Joint Venture Operations where applicable.

(d) Leases

All Leases entered into by Council are reviewed and classified on inception date as either a Finance Lease or an Operating Lease.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

Finance Leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of each leased asset's useful life and the lease term.

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

(e) Cash and Cash Equivalents

For Statement of Cash Flows (and Statement of Financial Position) presentation purposes, cash and cash equivalents includes;

- cash on hand,
- deposits held at call with financial institutions,
- other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash

and which are subject to an insignificant risk of changes in value, and

- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are incorporated into Cash & Cash Equivalents for presentation of the Cash Flow Statement.

(f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- financial assets at fair value through profit or loss,
- loans and receivables,
- held-to-maturity investments, and
- available-for-sale financial assets.

Each classification depends on the purpose/intention for which the investment was acquired & at the time it was acquired.

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are "held for trading".

A financial asset is classified in the "held for trading" category if it is acquired principally for the purpose of selling in the short term.

Assets in this category are primarily classified as current assets as they are primarily held for trading &/or are expected to be realised within 12 months of the balance sheet date.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

In contrast to the "Loans & Receivables" classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Investments must be designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Accordingly, this classification principally comprises marketable equity securities, but can include all types of financial assets that could otherwise be classified in one of the other investment categories.

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

Financial Assets – Reclassification

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term.

Council may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made.

Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

General Accounting & Measurement of Financial Instruments:

(i) Initial Recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at "fair value through profit or loss", directly attributable transactions costs

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(ii) Subsequent Measurement

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value.

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as **"fair value through profit or loss"** category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as **"available-for-sale"** are recognised in equity in the available-for-sale investments revaluation reserve.

When securities classified as **"available-for-sale"** are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

(iii) Types of Investments

Council has an approved Investment Policy in order to undertake its investment of money in accordance with (and to comply with) Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Council maintains its investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments that Council holds are no longer prescribed (eg. managed funds, CDOs, and equity linked notes), however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

(g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in accordance with Council's policy.

A provision for impairment (ie. an allowance account) relating to receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

(i) Inventories

Raw Materials and Stores, Work in Progress and Finished Goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings

are all stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

Land Held for Resale/Capitalisation of Borrowing Costs

Land held for resale is stated at the lower of cost and net realisable value.

Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made.

Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(j) Infrastructure, Property, Plant and Equipment (I,PP&E)

Acquisition of assets

Council's non current assets are continually revalued (over a 5 year period) in accordance with the fair valuation policy as mandated by the Office of Local Government.

Coonamble Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

At balance date, the following classes of I,PP&E were stated at their Fair Value;

- **Investment Properties** – refer Note 1(p),
- **Water and Sewerage Networks**
(External Valuation)
- **Operational Land** (External Valuation)
- **Buildings – Specialised/Non Specialised**
(Internal Valuation)
- **Plant and Equipment**
(as approximated by depreciated historical cost)
- **Roads Assets incl. roads, bridges & footpaths**
(Internal Valuation)
- **Drainage Assets** (Internal Valuation)
- **Bulk Earthworks** (Internal Valuation)
- **Community Land** (Internal Valuation)
- **Land Improvements**
(as approximated by depreciated historical cost)
- **Other Structures**
(as approximated by depreciated historical cost)
- **Other Assets**
(as approximated by depreciated historical cost)

Initial Recognition

On initial recognition, an assets cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (ie. date of exchange) of the asset to arrive at fair value.

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date - being the amount that the asset could have

been exchanged between knowledgeable willing parties in an arm's length transaction.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Asset Revaluations (including Indexation)

In accounting for Asset Revaluations relating to Infrastructure, Property, Plant & Equipment:

- Increases in the combined carrying amounts of asset classes arising on revaluation are credited to the asset revaluation reserve.
- To the extent that a net asset class increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss.
- Net decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water - Rates Reference Manual.

For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for all assets on a 5 year cycle.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

Capitalisation Thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

Land

- council land	100% Capitalised
- open space	100% Capitalised
- land under roads	100% Capitalised

Plant & Equipment

Office Furniture	> \$5,000
Office Equipment	> \$5,000
Other Plant & Equipment	> \$5,000

Buildings & Land Improvements

Park Furniture & Equipment	> \$5,000
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Building

- construction/extensions	100% Capitalised
- renovations	> \$10,000

Other Structures	> \$5,000
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Water & Sewer Assets

Reticulation extensions	> \$5,000
Other	> \$5,000

Stormwater Assets

Drains & Culverts	> \$5,000
Other	> \$5,000

Transport Assets

Road construction & reconstruction	> \$10,000
Reseal/Re-sheet & major repairs:	> \$10,000

Bridge construction & reconstruction	> \$10,000
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Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight line method in order to allocate an assets cost (net of residual values) over its estimated useful life.

Land is not depreciated.

Estimated useful lives for Council's I,PP&E include:

Plant & Equipment

- Office Equipment	5 to 10 years
- Office furniture	10 to 20 years
- Computer Equipment	3 years
- Vehicles	5 to 8 years
- Heavy Plant/Road Making equip.	5 to 8 years
- Other plant and equipment	5 to 15 years

Other Equipment

- Playground equipment	5 to 15 years
- Benches, seats etc	10 to 20 years

Buildings

- Buildings – Masonry	50 to 100 years
- Other	20 to 40 years

Stormwater Drainage

- Drains	80 to 100 years
- Culverts	50 to 80 years

Transportation Assets

- Sealed Roads : Surface	20 year
- Sealed Roads : Structure	50 years
- Unsealed roads	20 years
- Bridge : Concrete	100 years
- Bridge : Other	50 years

- Road Pavements	60 years
- Kerb, Gutter & Paths	40 years

Water & Sewer Assets

- Dams and reservoirs	80 to 100 years
- Bores	20 to 40 years
- Reticulation pipes : PVC	80 years
- Reticulation pipes : Other	25 to 75 years
- Pumps and telemetry	15 to 20 years

Other Infrastructure Assets

- Bulk earthworks	Infinite
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All asset residual values and useful lives are reviewed and adjusted (where appropriate), at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount – refer Note 1(s) on Asset Impairment.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

Disposal and De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

(k) Land

Land (other than Land under Roads) is in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) classified as either Operational or Community.

This classification of Land is disclosed in Note 9(a).

(l) Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment.

(m) Intangible Assets

Council has not classified any assets as Intangible.

(n) Crown Reserves

Crown Reserves under Council's care and control are recognised as assets of the Council.

While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance

and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating the reserves are recognised within Council's Income Statement.

Representations are currently being sought across State and Local Government to develop a consistent accounting treatment for Crown Reserves across both tiers of government.

(o) Rural Fire Service assets

Under section 119 of the Rural Fires Act 1997, *"all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed"*.

At present, the accounting for such fire fighting equipment is not treated in a consistent manner across all Councils.

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to exclude the assets, their values and depreciation charges from these financial statements.

(p) Investment property

Investment property comprises land &/or buildings that are principally held for long-term rental yields, capital gains or both that is not occupied by Council.

Investment property is carried at fair value, representing an in-house valuation based on a discounted cash flow analysis

Annual changes in the fair value of Investment Properties are recorded in the Income Statement as part of "Other Income".

Full revaluations are carried out every three years with an appropriate index utilised each year in between the full revaluations.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(q) Provisions for close down, restoration and for environmental clean up costs – including Tips and Quarries

Close down, Restoration and Remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.

Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance.

Costs are estimated on the basis of a closure plan.

The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, Restoration and Remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period.

This amortisation of the discount is disclosed as a borrowing cost in Note 4(b).

Other movements in the provisions for Close down, Restoration and Remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment.

These costs are then depreciated over the lives of the assets to which they relate.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each balance sheet date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the balance sheet date.

These costs are charged to the income statement.

Movements in the environmental clean up provisions are presented as an operating cost, except for the unwind of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Specific Information relating to Council's provisions relating to Close down, Restoration and Remediation costs can be found at Note 26.

(r) Non-Current Assets (or Disposal Groups) "Held for Sale" & Discontinued Operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and motor vehicles are retained in Non Current Assets under the classification of Infrastructure, Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets "held for sale", an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets "held for sale" are not depreciated or amortised while they are classified as "held for sale".

Non-current assets classified as "held for sale" are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of Council that has been disposed of or is classified as "held for sale" and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

(s) Impairment of assets

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation 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.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where an asset is not held principally for cash generating purposes (for example Infrastructure Assets) and would be replaced if the Council was deprived of it then depreciated replacement cost is used as value in use, otherwise value in use is estimated by using a discounted cash flow model.

Non-financial assets (other than goodwill) that suffered a prior period impairment are reviewed for possible reversal of the impairment at each reporting date.

Goodwill & other Intangible Assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

(t) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

(u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(v) Borrowing costs

Borrowing costs are expensed.

(w) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the provision due to the passage of time is recognised as interest expense.

(x) Employee benefits

(i) Short Term Obligations

Short term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick

leave expected to be settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for non vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages & salaries, annual leave and vesting sick leave are all classified as Current Liabilities.

(ii) Other Long Term Obligations

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be settled within the 12 months after the reporting period) are recognised in the provision for employee benefits.

These liabilities are measured at the present value of the expected future payments to be made using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 4 or more years of service has been classified as Current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death.

Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the "Local Government Superannuation Scheme – Pool B"

This Scheme has been deemed to be a "multi employer fund" for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

The last valuation of the Scheme was performed by MR Richard Boyfield of Mercer Consulting (Australia) Pty Ltd during 2013/2014 and covers the period ended 30/06/2014.

However the position is monitored annually and the Actuary has estimated that as at 30 June 2014 the prior period deficit still exists.

Effective from 1 July 2009, employers are required to contribute additional contributions to assist in extinguishing this deficit.

The amount of employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense and disclosed as part of Superannuation Expenses at Note 4(a) for the year ending 30 June 2014 was \$ 263,680.

The amount of additional contributions included in the total employer contribution advised above is \$116,568.

The share of this deficit that can be broadly attributed to Council is estimated to be in the order of \$466,272 as at 30 June 2014.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in these financial statements.

Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

Defined Contribution Plans

Contributions to Defined Contribution Plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30/6/14.

(y) Self insurance

Council does not self insure.

(z) Allocation between current and non-current assets & liabilities

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

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if not expected to be settled within the next 12 months.

In the case of inventories that are "held for trading", these are also classified as current even if not expected to be realised in the next 12 months.

(aa) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

Goods & Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Cash Flow Statement are on a gross basis, ie. they are inclusive of GST where applicable.

Investing and Financing cash flows are treated on a net basis (where recoverable from the ATO), ie. they are exclusive of GST. Instead, the GST component of investing and financing activity cash flows which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable to) the ATO.

(ab) New accounting standards and interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2014.

Council has not adopted any of these standards early.

Council's assessment of the impact of these new standards and interpretations is set out below.

Applicable to Local Government with implications:

AASB 9 Financial Instruments, associated standards, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and transitional disclosures and AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

Framework, Materiality and Financial Instruments (effective from 1 January 2017)

AASB 9 Financial Instruments addresses the classification, measurement and de-recognition of financial assets and financial liabilities.

The standard is not applicable until 1 January 2015 but is available for early adoption.

When adopted, the standard will affect in particular Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading.

Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss although there is currently a proposal by the IASB to introduce a Fair value through Other Comprehensive Income category for debt instruments.

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such liabilities.

The de-recognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed.

The Council has not yet fully assessed the impact on the reporting financial position and performance on adoption of AASB 9.

Applicable to Local Government but no implications for Council;

AASB 2013-3 Amendments to AASB 136 Recoverable Amount Disclosures for Non-Financial Assets (effective for 30 June 2015 Financial Statements)

There are no changes to reported financial position or performance from AASB 2013 – 3, however additional disclosures may be required.

Applicable to Local Government but not relevant to Council at this stage;

AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective for 30 June 2015 Financial Statements for not-for-profit entities)

This suite of five new and amended standards address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities.

The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities.

It focuses on the need to have both power and rights or exposure to variable returns.

Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both.

Control exists when the investor can use its power to affect the amount of its returns.

There is also new guidance on participating and protective rights and on agent/principal relationships. Council does not expect the new standard to have a significant impact on its composition.

AASB 11 introduces a principles based approach to accounting for joint arrangements.

The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture.

Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted.

Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard.

AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules.

As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128.

Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa.

The amendments also introduce a "partial disposal" concept.

Council is still assessing the impact of these amendments.

Council does not expect to adopt the new standards before their operative date.

They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2015.

Not applicable to Local Government per se;

There are no other standards that are "not yet effective" and expected to have a material impact on Council in the current or future reporting periods and on foreseeable future transactions.

(ac) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(ad) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(ae) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 2(a). Council Functions / Activities - Financial Information

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Actual	Actual	Actual	Actual
	2014	2014	2013	2014	2014	2013	2014	2014	2013	2014	2013	2014	2013
Governance	-	-	-	152	165	165	(152)	(165)	(165)	271	805	13,949	11,333
Administration	320	327	330	4,829	4,588	3,639	(4,509)	(4,261)	(3,309)	-	-	3,511	4,778
Public Order & Safety	340	370	46	274	609	565	66	(239)	(519)	26	-	948	767
Health	3	3	2	284	191	250	(281)	(188)	(248)	-	-	21	77
Environment	3,237	567	493	925	829	833	2,312	(262)	(340)	91	59	-	-
Community Services & Education	52	62	117	94	151	237	(42)	(89)	(120)	74	113	1,369	1,055
Housing & Community Amenities	169	148	190	214	273	315	(45)	(125)	(125)	-	-	5,226	4,694
Water Supplies	1,492	1,088	2,884	869	1,062	693	623	26	2,191	186	14	17,997	15,395
Sewerage Services	943	758	838	1,123	715	790	(180)	43	48	11	14	16,209	16,515
Recreation & Culture	2,872	237	179	1,390	1,332	1,758	1,482	(1,095)	(1,579)	91	164	12,964	9,970
Agriculture	50	72	7	20	8	10	30	64	(3)	-	-	-	-
Mining, Manufacturing & Construction	1,541	1,361	1,970	1,517	1,614	746	24	(253)	1,224	-	-	2,434	5,093
Transport & Communication	3,473	4,867	4,467	6,570	6,173	7,224	(3,097)	(1,306)	(2,757)	1,005	1,797	141,172	146,137
Economic Affairs	397	497	269	732	610	786	(335)	(113)	(517)	14	28	1,503	1,889
Total Functions & Activities	14,889	10,357	11,792	18,993	18,320	18,011	(4,104)	(7,963)	(6,219)	1,769	2,994	217,304	217,703
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	3	-	4	-	-	(4)	3	-	-	66	70
General Purpose Income ¹	6,656	6,375	7,673	-	-	-	6,656	6,375	7,673	1,783	3,143	-	-
Operating Result from Continuing Operations	21,545	16,732	19,468	18,993	18,324	18,011	2,552	(1,592)	1,457	3,552	6,137	217,370	217,773

1. Includes: Rates & Annual Charges (incl. Ex-Gratia), Untied General Purpose Grants & Unrestricted Interest & Investment Income.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 2(b). Council Functions / Activities - Component Descriptions

Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:

GOVERNANCE

Costs relating to the Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance.

ADMINISTRATION

Corporate Support and Other Support Services (not otherwise attributed to the listed functions / activities).

PUBLIC ORDER & SAFETY

Fire protection, animal control, beach control, enforcement of local government regulations, emergency services, other.

HEALTH

Inspection, immunisations, food control, health centres, other, administration.

ENVIRONMENT

Noxious plants and insect/vermin control, other environmental protection, solid waste management, street cleaning, drainage, stormwater management.

COMMUNITY SERVICES & EDUCATION

Administration, family day care, child care, youth services, other family and children, aged and disabled, migrant services, Aboriginal services, other community services, education.

HOUSING & COMMUNITY AMENITIES

Housing, town planning, street lighting, other sanitation and garbage, public cemeteries, public conveniences,

WATER SUPPLIES

SEWERAGE SERVICES

RECREATION & CULTURE

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens (lakes), other sport and recreation.

MINING, MANUFACTURING & CONSTRUCTION

Building control, abattoirs, quarries & pits, other.

TRANSPORT & COMMUNICATION

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RMS works, other.

ECONOMIC AFFAIRS

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, saleyards and markets, real estate development, commercial nurseries, other business undertakings.

Coonamble Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2014	Actual 2013
(a) Rates & Annual Charges			
Ordinary Rates			
Residential		459	437
Farmland		3,612	3,496
Business		128	123
Total Ordinary Rates		4,199	4,056
Special Rates			
Nil			
Annual Charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		440	436
Water Supply Services		278	197
Sewerage Services		544	523
Total Annual Charges		1,262	1,156
TOTAL RATES & ANNUAL CHARGES		5,461	5,212

Council has used 2013 year valuations provided by the NSW Valuer General in calculating its rates.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(b) User Charges & Fees			
Specific User Charges (per s.502 - Specific "actual use" charges)			
Water Supply Services		451	497
Sewerage Services		101	102
Total User Charges		552	599
Other User Charges & Fees			
(i) Fees & Charges - Statutory & Regulatory Functions (per s.608)			
Regulatory/ Statutory Fees		91	110
Total Fees & Charges - Statutory/Regulatory		91	110
(ii) Fees & Charges - Other (incl. General User Charges) (per s.608)			
Aerodrome		6	11
Caravan Park		5	9
Cemeteries		50	54
Lease Rentals		16	16
Library & Art Gallery		2	3
Private Works		175	125
Quarry Revenues		1,345	1,970
Recreational Grounds Fees		12	18
RMS (formerly RTA) Charges (State Roads not controlled by Council)		2,657	2,458
Saleyards		115	100
Sundry Sales		-	24
Swimming Centres		42	42
Water Connection Fees		5	6
Other		57	52
Total Fees & Charges - Other		4,487	4,888
TOTAL USER CHARGES & FEES		5,130	5,597

Coonamble Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(c) Interest & Investment Revenue (incl. losses)			
Interest & Dividends			
- Interest on Overdue Rates & Annual Charges (incl. Special Purpose Rates)		54	63
- Interest earned on Investments (interest & coupon payment income)		597	732
<u>TOTAL INTEREST & INVESTMENT REVENUE</u>		<u>651</u>	<u>795</u>
Interest Revenue is attributable to:			
Unrestricted Investments/Financial Assets:			
Overdue Rates & Annual Charges (General Fund)		46	63
General Council Cash & Investments		347	411
Restricted Investments/Funds - External:			
Water Fund Operations		157	197
Sewerage Fund Operations		101	124
<u>Total Interest & Investment Revenue Recognised</u>		<u>651</u>	<u>795</u>
(d) Other Revenues			
Commissions & Agency Fees		89	87
Energy Rebate		98	55
Farming Income		72	8
Insurance Rebate		38	57
Recycling Income (non domestic)		12	16
Reimbursement - Bushfire		319	278
Sales - General		25	19
Other		14	5
<u>TOTAL OTHER REVENUE</u>		<u>667</u>	<u>525</u>

Coonamble Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	2014 Operating	2013 Operating	2014 Capital	2013 Capital
(e) Grants				
General Purpose (Untied)				
Financial Assistance	1,759	3,115	-	-
Pensioners' Rates Subsidies - General Component	24	28	-	-
Total General Purpose	1,783	3,143	-	-

¹ The Financial Assistance Grant for 13/14 reflects a one off reduction due to the fact that this grant is no longer being paid in advance by up to 50% as has occurred in previous years - it does not represent a loss of income but is instead a timing difference.

Specific Purpose

Pensioners' Rates Subsidies:

- Water	14	14	-	-
- Sewerage	11	14	-	-
- Domestic Waste Management	16	19	-	-
Water Supplies	172	-	-	1,900
Child Care	20	20	-	-
Community Care	38	93	-	-
Economic Development	-	-	164	-
Environmental Protection	91	13	-	-
Library	40	115	-	-
NSW Rural Fire Services	26	26	-	-
Recreation & Culture	51	21	106	-
Street Lighting	31	31	-	-
Tourist Area Promotion	14	29	-	-
Transport (Roads to Recovery)	975	699	-	-
Total Specific Purpose	1,499	1,094	270	1,900
Total Grants	3,282	4,237	270	1,900

Grant Revenue is attributable to:

- Commonwealth Funding	2,709	3,163	-	1,900
- State Funding	295	942	270	-
- Other Funding	278	132	-	-
	3,282	4,237	270	1,900

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	2014 Operating	2013 Operating	2014 Capital	2013 Capital
(f) Contributions				
Developer Contributions:				
(s93 & s94 - EP&A Act, s64 of the LGA):				
Nil				
Other Contributions:				
RMS Contributions (Regional Roads, Block Grant)	1,226	1,199	-	-
Total Other Contributions	1,226	1,199	-	-
Total Contributions	1,226	1,199	-	-
<u>TOTAL GRANTS & CONTRIBUTIONS</u>	<u>4,508</u>	<u>5,436</u>	<u>270</u>	<u>1,900</u>

\$ '000	Actual 2014	Actual 2013
(g) Restrictions relating to Grants and Contributions		
Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:		
Unexpended at the Close of the Previous Reporting Period	445	272
add: Grants & contributions recognised in the current period but not yet spent:	258	373
less: Grants & contributions recognised in a previous reporting period now spent:	(256)	(200)
Net Increase (Decrease) in Restricted Assets during the Period	2	173
Unexpended and held as Restricted Assets	<u>447</u>	<u>445</u>
Comprising:		
- Specific Purpose Unexpended Grants	<u>447</u>	<u>445</u>
	<u>447</u>	<u>445</u>

Coonamble Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2014	Actual 2013
(a) Employee Benefits & On-Costs			
Salaries and Wages		5,244	5,297
Travelling		151	154
Employee Leave Entitlements (ELE)		592	648
Superannuation		640	637
Workers' Compensation Insurance		185	170
Fringe Benefit Tax (FBT)		31	14
Training Costs (other than Salaries & Wages)		89	87
Other		19	52
Total Employee Costs		6,951	7,059
less: Capitalised Costs		(195)	(83)
TOTAL EMPLOYEE COSTS EXPENSED		6,756	6,976
Number of "Equivalent Full Time" Employees at year end		101	106
(b) Borrowing Costs			
(i) Interest Bearing Liability Costs			
Interest on Loans		3	6
Total Interest Bearing Liability Costs Expensed		3	6
(ii) Other Borrowing Costs			
Nil			
TOTAL BORROWING COSTS EXPENSED		3	6
(c) Materials & Contracts			
Raw Materials & Consumables		2,408	2,990
Contractor & Consultancy Costs			
- Administration		106	129
- Building, electrical, plumbing		174	21
- Bridge Repairs		49	-
- External Plant Hire		43	83
- Roadmarking Services		1,431	161
- Planning		119	57
- Rangers		21	-
- Quarry		89	-
- Waste Management		315	238
- Other		94	396
Auditors Remuneration ⁽¹⁾		41	29
Legal Expenses:			
- Legal Expenses: Other		24	27
TOTAL MATERIALS & CONTRACTS		4,914	4,131

Coonamble Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
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(c) Materials & Contracts (continued)

1. Auditor Remuneration

During the year, the following fees were incurred for services provided by the Council's Auditor (& the Auditors of other Consolidated Entities):

(i) Audit and Other Assurance Services

- Audit & review of financial statements: Council's Auditor

Remuneration for audit and other assurance services

Total Auditor Remuneration

41	29
41	29
41	29

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2014	Actual 2013	Actual 2014	Actual 2013

(d) Depreciation, Amortisation & Impairment

Plant and Equipment	-	-	1,030	1,019
Office Equipment	-	-	95	97
Buildings - Non Specialised	-	-	125	69
Buildings - Specialised	-	-	226	332
Other Structures	-	-	170	188
Infrastructure:				
- Roads	-	-	2,322	2,312
- Stormwater Drainage	-	-	20	20
- Water Supply Network	-	-	502	235
- Sewerage Network	-	-	450	334
TOTAL DEPRECIATION & IMPAIRMENT COSTS EXPENSED	-	-	4,940	4,606

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(e) Other Expenses			
Advertising		41	30
Bad & Doubtful Debts		-	20
Bank Charges		11	10
Commission		17	22
Contributions/Levies to Other Levels of Government		582	528
Councillor Expenses - Mayoral Fee		16	16
Councillor Expenses - Councillors' Fees		64	61
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		24	7
Donations, Contributions & Assistance to other organisations (Section 356)		80	56
Election Expenses		-	26
Electricity & Heating		241	281
Farming Costs		4	5
Fuels and Oils		-	452
Insurance		316	269
Postage		-	15
Printing & Stationery		72	96
Royalties		-	82
Street Lighting		80	107
Subscriptions & Publications		53	61
Sundry		51	41
Telephone & Communications		55	52
<u>TOTAL OTHER EXPENSES</u>		<u>1,707</u>	<u>2,237</u>

Note 5. Gains or Losses from the Disposal of Assets

Property (excl. Investment Property)			
Proceeds from Disposal - Property		26	25
less: Carrying Amount of Property Assets Sold / Written Off		(23)	(8)
Net Gain/(Loss) on Disposal		3	17
Plant & Equipment			
Proceeds from Disposal - Plant & Equipment		912	458
less: Carrying Amount of P&E Assets Sold / Written Off		(860)	(530)
Net Gain/(Loss) on Disposal		52	(72)
Real Estate Assets Held For Sale			
Proceeds from Disposal - Real Estate Assets		92	-
less: Carrying Amount of Real Estate Assets Sold / Written Off		(102)	-
Net Gain/(Loss) on Disposal		(10)	-
<u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u>		<u>45</u>	<u>(55)</u>

Coonamble Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 6a. - Cash Assets and Note 6b. - Investments

		2014	2014	2013	2013
		Actual	Actual	Actual	Actual
\$ '000	Notes	Current	Non Current	Current	Non Current
Cash & Cash Equivalents (Note 6a)					
Cash on Hand and at Bank		844	-	2,260	-
Cash-Equivalent Assets ¹					
- Deposits at Call		1,500	-	2,500	-
- Short Term Deposits		15,000	-	13,500	-
Total Cash & Cash Equivalents		17,344	-	18,260	-
Investments (Note 6b)					
Nil					
TOTAL CASH ASSETS, CASH EQUIVALENTS & INVESTMENTS		17,344	-	18,260	-

¹ Those Investments where time to maturity (from date of purchase) is < 3 mths.

**Cash, Cash Equivalents & Investments were
classified at year end in accordance with
AASB 139 as follows:**

Cash & Cash Equivalents

a. "At Fair Value through the Profit & Loss"

17,344	-	18,260	-
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Investments

Nil

Coonamble Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 6c. Restricted Cash, Cash Equivalents & Investments - Details

	2014 Actual Current	2014 Actual Non Current	2013 Actual Current	2013 Actual Non Current
\$ '000				
Total Cash, Cash Equivalents and Investments	17,344	-	18,260	-
attributable to:				
External Restrictions (refer below)	8,080	-	7,330	-
Internal Restrictions (refer below)	8,093	-	10,232	-
Unrestricted	1,171	-	698	-
	17,344	-	18,260	-

2014 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
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Details of Restrictions

External Restrictions - Included in Liabilities

RMS (formerly RTA) Advances (B)	137	-	(98)	39
Unspent Loan Funds	-	289	-	289
External Restrictions - Included in Liabilities	137	289	(98)	328

External Restrictions - Other

Specific Purpose Unexpended Grants (F)	445	2	-	447
Water Supplies (G)	2,257	127	-	2,384
Sewerage Services (G)	4,110	316	-	4,426
Domestic Waste Management (G)	381	463	(349)	495
External Restrictions - Other	7,193	908	(349)	7,752
Total External Restrictions	7,330	1,197	(447)	8,080

B Advances by Roads and Maritime Services for (RMS) works on the State's classified roads.

F Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)

G Water, Sewerage, Domestic Waste Management (DWM) & other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 6c. Restricted Cash, Cash Equivalents & Investments - Details (continued)

2014 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
Internal Restrictions				
Plant & Vehicle Replacement	2,457	1,073	(1,429)	2,101
Employees Leave Entitlement	755	-	-	755
Carry Over Works	154	70	(132)	92
Caravan Park	140	-	-	140
Cemetery	20	-	-	20
Common	-	11	(9)	2
Depot Improvements	64	3	(59)	8
Development	316	-	(30)	286
Election Expenses	14	-	-	14
Farming	39	47	-	86
Financial Assistance Grant (in advance)	1,636	-	(1,636)	-
Indoor Arena Reserve	328	-	(5)	323
Industrial Land	50	-	(50)	-
Levee Reserve	1,426	-	(142)	1,284
Local Environmental Plan	70	-	(41)	29
Museum	6	-	-	6
Office Equipment	127	5	-	132
Premises Refurbishment	141	-	-	141
Quarry	518	87	(344)	261
Quarry Rehabilitation	80	10	-	90
Riverwalk	2	-	-	2
Road Reloaming	400	175	-	575
Road Reserve Sealed	400	250	-	650
Rural Fire Service	36	-	-	36
Showground	99	-	-	99
Single Invitation Contract	200	-	-	200
Street Lighting	15	-	-	15
Urban Streets	562	-	(94)	468
Aerodrome	50	-	-	50
Land Acquisition	85	-	-	85
Security Camera Reserve	7	3	(7)	3
Showground - Gulargambone	10	-	-	10
Stormwater Drainage	25	-	-	25
Street Numbering contribution	-	5	-	5
Emergency Services Building maintenance	-	100	-	100
Total Internal Restrictions	10,232	1,839	(3,978)	8,093
TOTAL RESTRICTIONS	17,562	3,036	(4,425)	16,173

Coonamble Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 7. Receivables

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
Purpose					
Rates & Annual Charges		187	347	200	369
Interest & Extra Charges		45	95	14	44
User Charges & Fees		1,020	270	1,161	-
- Interest on Investments		83	-	84	-
Government Grants & Subsidies		288	-	2	-
Deferred Debtors		-	50	-	-
Net GST Receivable		64	-	121	-
Other Debtors		10	-	53	-
Total		1,697	762	1,635	413
less: Provision for Impairment					
Rates & Annual Charges		(55)	(138)	(49)	(150)
User Charges & Fees		(53)	-	(47)	-
Total Provision for Impairment - Receivables		(108)	(138)	(96)	(150)
<u>TOTAL NET RECEIVABLES</u>		<u>1,589</u>	<u>624</u>	<u>1,539</u>	<u>263</u>
Externally Restricted Receivables					
Water Supply					
- Specific Purpose Grants		2	-	2	-
- Rates & Availability Charges		245	-	133	-
- Other		-	-	195	-
Sewerage Services					
- Rates & Availability Charges		41	43	17	-
- Other		36	-	104	-
Total External Restrictions		324	43	451	-
Internally Restricted Receivables					
Nil					
Unrestricted Receivables		1,265	581	1,088	263
TOTAL NET RECEIVABLES		1,589	624	1,539	263

Notes on Debtors above:

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates & charges at 9.00% (2013 10.00%).
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

Coonamble Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 8. Inventories & Other Assets

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
Inventories					
Real Estate for resale (refer below)		661	-	763	-
Stores & Materials		190	-	198	-
Trading Stock		285	-	284	-
Total Inventories		1,136	-	1,245	-
Other Assets					
Prepayments		24	-	161	-
Total Other Assets		24	-	161	-
TOTAL INVENTORIES / OTHER ASSETS		1,160	-	1,406	-
Externally Restricted Assets					
Water					
Stores & Materials		-	-	11	-
Total Water		-	-	11	-
Sewerage					
Nil					
Domestic Waste Management					
Nil					
Other					
Nil					
Total Externally Restricted Assets		-	-	11	-
Total Internally Restricted Assets		-	-	-	-
Total Unrestricted Assets		1,160	-	1,395	-
TOTAL INVENTORIES & OTHER ASSETS		1,160	-	1,406	-

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 8. Inventories & Other Assets (continued)

\$ '000	2014		2013	
	Current	Non Current	Current	Non Current
Other Disclosures				
(a) Details for Real Estate Development				
Industrial/Commercial	661	-	763	-
Total Real Estate for Resale	661	-	763	-
(Valued at the lower of cost and net realisable value)				
Represented by:				
Acquisition Costs	661	-	763	-
Total Costs	661	-	763	-
less: Provision for Under Recovery	-	-	-	-
Total Real Estate for Resale	661	-	763	-
Movements:				
Real Estate assets at beginning of the year	763	-	763	-
- WDV of Sales (exp)	(102)	-	-	-
Total Real Estate for Resale	661	-	763	-

(b) Current Assets not anticipated to be settled within the next 12 months

The following Inventories & Other Assets, even though classified as current are not expected to be recovered in the next 12 months;

	2014	2013
Real Estate for Resale	621	697
	621	697

(c) Inventory Write Downs

There were an amount of \$3,109.90 recognised as an expense relating to the write down of Inventory balances held during the year.

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of other assets held.

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 9a. Infrastructure, Property, Plant & Equipment

\$ '000	as at 30/6/2013					Asset Movements during the Reporting Period				as at 30/6/2014				
	At Cost	At Fair Value	Accumulated		Carrying Value	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Revaluation Increments to Equity (ARR)	At Cost	At Fair Value	Accumulated		Carrying Value
			Dep'n	Impairment								Dep'n	Impairment	
Plant & Equipment	-	12,820	7,091	-	5,729	2,519	(860)	(1,030)	-	-	13,203	6,845	-	6,358
Office Equipment	-	892	599	-	293	43	-	(95)	-	-	933	692	-	241
Land:														
- Operational Land	-	2,155	-	-	2,155	-	(23)	-	-	-	2,132	-	-	2,132
- Community Land	-	1,426	-	-	1,426	-	-	-	-	-	1,426	-	-	1,426
Buildings - Non Specialised	-	4,999	2,461	-	2,538	41	-	(125)	-	-	5,049	2,595	-	2,454
Buildings - Specialised	-	28,794	13,871	-	14,923	18	-	(226)	-	-	28,771	14,056	-	14,715
Other Structures	-	13,493	5,262	-	8,231	594	-	(170)	-	-	14,118	5,463	-	8,655
Infrastructure:														
- Roads	-	177,851	43,998	-	133,853	1,680	-	(2,322)	-	-	179,531	46,320	-	133,211
- Stormwater Drainage	-	1,982	603	-	1,379	-	-	(20)	-	-	1,982	623	-	1,359
- Water Supply Network	-	19,405	6,288	-	13,117	506	-	(502)	367	-	20,454	6,966	-	13,488
- Sewerage Network	-	26,258	13,667	-	12,591	54	-	(450)	353	-	27,047	14,499	-	12,548
<u>TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIP.</u>	-	290,075	93,840	-	196,235	5,455	(883)	(4,940)	720	-	294,646	98,059	-	196,587

Additions to Depeciable Land Improvements, Buildings, Other Structures & Infrastructure Assets are made up of Asset Renewals (\$1,868) and New Assets (\$1,024).
Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of other Infrastructure, Property, Plant & Equipment.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 9b. Externally Restricted Infrastructure, Property, Plant & Equipment

Class of Asset	Actual 2014				Actual 2013			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
Water Supply								
Infrastructure	-	20,454	6,966	13,488	-	19,405	6,288	13,117
Total Water Supply	-	20,454	6,966	13,488	-	19,405	6,288	13,117
Sewerage Services								
Infrastructure	-	27,047	14,499	12,548	-	26,258	13,667	12,591
Total Sewerage Services	-	27,047	14,499	12,548	-	26,258	13,667	12,591
Domestic Waste Management								
Other Structures	-	171	31	140	-	171	27	144
Total DWM	-	171	31	140	-	171	27	144
TOTAL RESTRICTED I,PP&E	-	47,672	21,496	26,176	-	45,834	19,982	25,852

Note 9c. Infrastructure, Property, Plant & Equipment - Current Year Impairments

Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

Coonamble Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - operating expenditure		738	-	693	-
Goods & Services - capital expenditure		160	-	188	-
Payments Received In Advance		114	-	126	-
Accrued Expenses:					
- Borrowings		1	-	1	-
- Salaries & Wages		205	-	-	-
- Other Expenditure Accruals		425	-	554	-
Security Bonds, Deposits & Retentions		68	-	72	-
Common Balance		19	-	-	-
Total Payables		1,730	-	1,634	-
Borrowings					
Loans - Secured ¹		45	282	7	38
Total Borrowings		45	282	7	38
Provisions					
Employee Benefits;					
Annual Leave		808	-	749	-
Long Service Leave		1,086	78	1,044	88
Total Provisions		1,894	78	1,793	88
Total Payables, Borrowings & Provisions		3,669	360	3,434	126
(i) Liabilities relating to Restricted Assets					
		2014		2013	
		Current	Non Current	Current	Non Current
Externally Restricted Assets					
Water		68	-	46	-
Sewer		33	31	44	39
Other		76	252	-	-
Liabilities relating to externally restricted assets		177	283	90	39
Internally Restricted Assets					
Nil					
Total Liabilities relating to restricted assets		177	283	90	39
Total Liabilities relating to Unrestricted Assets		3,492	77	3,344	87
TOTAL PAYABLES, BORROWINGS & PROVISIONS		3,669	360	3,434	126

¹. Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 15.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 10a. Payables, Borrowings & Provisions (continued)

	Actual 2014	Actual 2013
\$ '000		

(ii) Current Liabilities not anticipated to be settled within the next 12 months

The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.

Provisions - Employees Benefits	948	992
Payables - Security Bonds, Deposits & Retentions	11	12
	959	1,004

Note 10b. Description of and movements in Provisions

Class of Provision	2013	2014				Closing Balance as at 30/6/14
	Opening Balance as at 1/7/13	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	
Annual Leave	749	333	(390)	116	-	808
Long Service Leave	1,132	83	(100)	49	-	1,164
TOTAL	1,881	416	(490)	165	-	1,972

- a. Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2014	Actual 2013
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	6a	17,344	18,260
Less Bank Overdraft	10	-	-
BALANCE as per the STATEMENT of CASH FLOWS		17,344	18,260

**(b) Reconciliation of Net Operating Result
to Cash provided from Operating Activities**

Net Operating Result from Income Statement		(1,592)	1,457
Adjust for non cash items:			
Depreciation & Amortisation		4,940	4,606
Net Losses/(Gains) on Disposal of Assets		(45)	55
Share of Net (Profits) or Losses of Associates/Joint Ventures		4	(3)
+/- Movement in Operating Assets and Liabilities & Other Cash Items:			
Decrease/(Increase) in Receivables		(361)	1,368
Increase/(Decrease) in Provision for Doubtful Debts		-	19
Decrease/(Increase) in Inventories		7	(150)
Decrease/(Increase) in Other Assets		137	(152)
Increase/(Decrease) in Payables		45	319
Increase/(Decrease) in other accrued Expenses Payable		76	306
Increase/(Decrease) in Other Liabilities		3	(6)
Increase/(Decrease) in Employee Leave Entitlements		91	(110)
NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS		3,305	7,709

(c) Non-Cash Investing & Financing Activities

Nil

(d) Financing Arrangements**(i) Unrestricted access was available at balance date to the
following lines of credit:**

Bank Overdraft Facilities ⁽¹⁾	250	250
Credit Cards / Purchase Cards	25	20
Total Financing Arrangements	275	270

1. The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.
Interest rates on overdrafts are Interest Rates on Loans & Other Payables are disclosed in Note 15.

(ii) Secured Loan Liabilities

Loans are secured by a mortgage over future years Rate Revenue only.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2014	Actual 2013
(a) Capital Commitments (exclusive of GST)			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Property, Plant & Equipment			
Buildings		362	345
Rehabilitation of Sewer Mains		-	100
Other Structures		158	-
Land Acquisition		85	-
Total Commitments		605	445
These expenditures are payable as follows:			
Within the next year		605	445
Total Payable		605	445
Sources for Funding of Capital Commitments:			
Unrestricted General Funds		-	30
Externally Restricted Reserves		164	-
Internally Restricted Reserves		152	415
Unexpended Loans		289	-
Total Sources of Funding		605	445

(b) Finance Lease Commitments

Nil

(c) Operating Lease Commitments (Non Cancellable)**a. Commitments under Non Cancellable Operating Leases at the Reporting date, but not recognised as Liabilities are payable:**

Within the next year	35	28
Later than one year and not later than 5 years	40	38
Total Non Cancellable Operating Lease Commitments	75	66

b. Non Cancellable Operating Leases include the following assets:

Office Rentals, Accounting Software Package Lease

Contingent Rentals may be payable depending on the condition of items or usage during the lease term.

Conditions relating to Operating Leases:

- All Operating Lease Agreements are secured only against the Leased Asset.
- No Lease Agreements impose any financial restrictions on Council regarding future debt etc.

(d) Investment Property Commitments

Nil

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 13a(i). Statement of Performance Measurement - Indicators (Consolidated)

\$ '000	Amounts 2014	Indicator 2014	Prior Periods 2013 2012	
Local Government Industry Indicators - Consolidated				
1. Operating Performance Ratio				
Total continuing operating revenue ⁽¹⁾				
(excl. Capital Grants & Contributions) - Operating Expenses	(1,903)	-11.59%	-2.23%	2.21%
Total continuing operating revenue ⁽¹⁾	16,417			
(excl. Capital Grants & Contributions)				
2. Own Source Operating Revenue Ratio				
Total continuing operating revenue ⁽¹⁾				
(less ALL Grants & Contributions)	11,909	71.37%	62.31%	56.69%
Total continuing operating revenue ⁽¹⁾	16,687			
3. Unrestricted Current Ratio				
Current Assets less all External Restrictions ⁽²⁾	11,068	4.37 : 1	5.43	7.12
Current Liabilities less Specific Purpose Liabilities ^(3, 4)	2,533			
4. Debt Service Cover Ratio				
Operating Result ⁽¹⁾ before capital excluding interest and depreciation / impairment / amortisation (EBITDA)	3,040	304 : 1	98:1	107:1
Principal Repayments (from the Statement of Cash Flows)	10			
+ Borrowing Interest Costs (from the Income Statement)				
5. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual and Extra Charges Outstanding	481	8.10%	7.39%	9.40%
Rates, Annual and Extra Charges Collectible	5,935			
6. Cash Expense Cover Ratio				
Current Year's Cash and Cash Equivalents including All Term Deposits	17,344	14.73	14.77	14.90
Payments from cash flow of operating and financing activities	1,178			

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and net share of interests in joint ventures.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any Real Estate & Land for resale not expected to be sold in the next 12 months

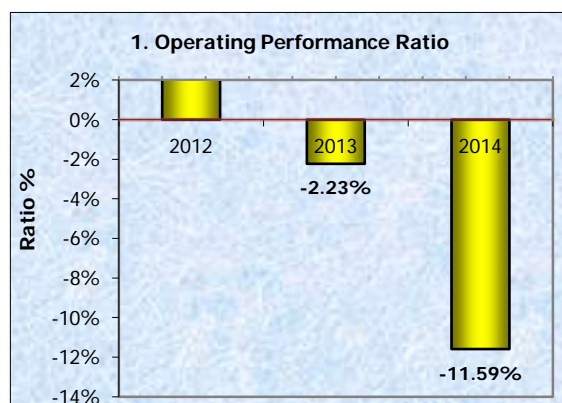
⁽³⁾ Refer to Note 10(a).

⁽⁴⁾ Refer to Note 10(a)(ii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).

Coonamble Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)

**Purpose of Operating Performance Ratio**

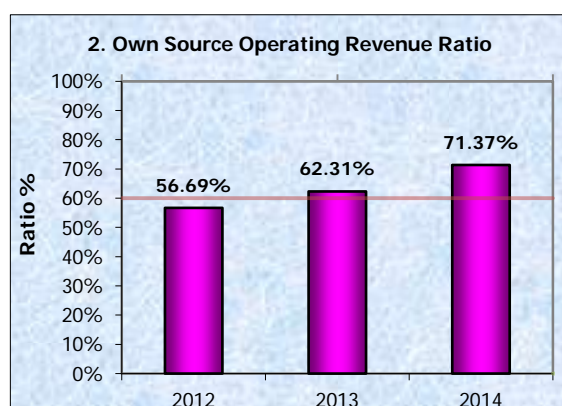
This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2013/14 Result

2013/14 Ratio -11.59%

The decrease in this result is due primarily to the financial assistance grant being prepaid in 2012/13 (Council only received 3 of the 4 cash payments in 2013/14)

Source for Benchmark: Code of Accounting Practice and Financial Reporting

**Purpose of Own Source Operating Revenue Ratio**

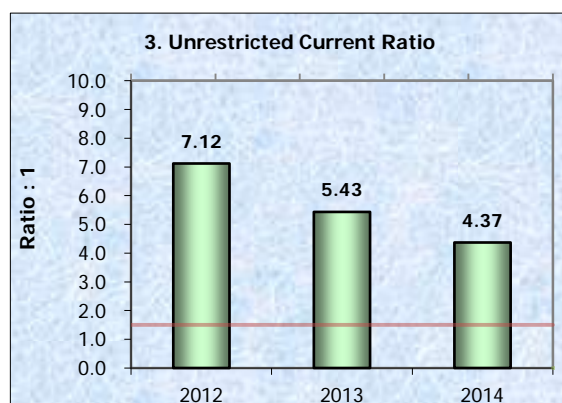
This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants & contributions.

Commentary on 2013/14 Result

2013/14 Ratio 71.37%

This ratio exceeds the industry benchmark of 60% indicating Council possesses the ability to generate its own source revenue. This ability is attributed mainly to income generated from Rates and Annual Charges as well as user fees and charges.

Source for Benchmark: Code of Accounting Practice and Financial Reporting

**Purpose of Unrestricted Current Ratio**

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2013/14 Result

2013/14 Ratio 4.37 : 1

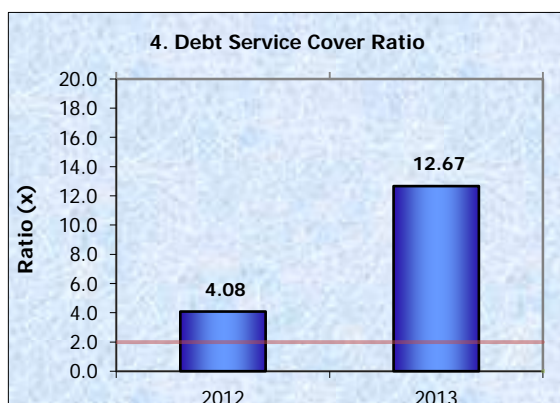
Council's unrestricted current ratio exceeds the industry benchmark of 1.5 which indicates that Council is more than capable to satisfy its debts as and when they fall due

Source for Benchmark: Code of Accounting Practice and Financial Reporting

Coonamble Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)



— Minimum 2.00

Source for Benchmark: NSW Treasury Corporation

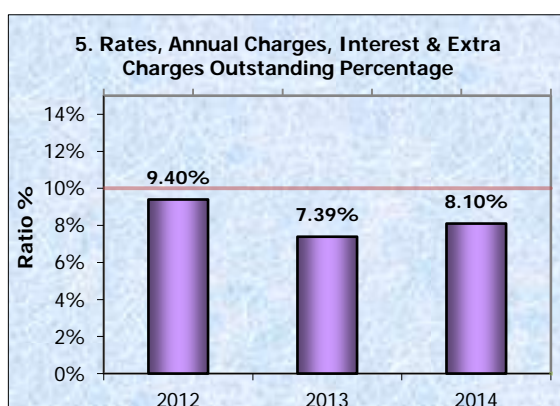
Purpose of Debt Service Cover Ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2013/14 Result

2013/14 Ratio 12.67

The Debt service ratio indicates that Council has sufficient operating cash to service its debts.



— Maximum 10.00%

Source for Benchmark: Office of Local Govt - Comparative Information (10/11)

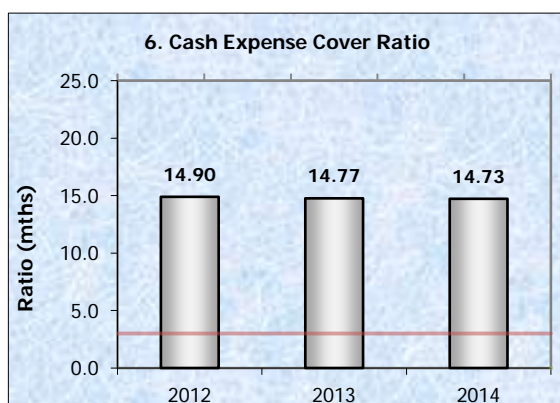
Purpose of Rates & Annual Charges Outstanding Ratio

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2013/14 Result

2013/14 Ratio 8.10%

The 2013/14 result is an improvement on the previous year. Council staff will continue to maintain its recovery efforts throughout the 2014/15 year in line with Council policy. Council's ratio is also better than the industry benchmark of 10%



— Minimum 3.00

Source for Benchmark: Code of Accounting Practice and Financial Reporting

Purpose of Cash Expense Cover Ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on Result

2013/14 Ratio 14.73

This ratio is well above the industry benchmark of 3 months which indicates that Council has sufficient liquidity to mitigate any unforeseen future events

Coonamble Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 13b. Statement of Performance Measurement - Indicators (by Fund)

\$ '000	Water 2014	Sewer 2014	General ⁵ 2014
Local Government Industry Indicators - by Fund			
1. Operating Performance Ratio			
Total continuing operating revenue ⁽¹⁾			
(excl. Capital Grants & Contributions) - Operating Expenses	-15.94%	5.68%	-12.21%
Total continuing operating revenue ⁽¹⁾			
(excl. Capital Grants & Contributions)	prior period: 35.97%	3.41%	-4.75%
2. Own Source Operating Revenue Ratio			
Total continuing operating revenue ⁽¹⁾	82.90%	98.55%	69.13%
(less ALL Grants & Contributions)			
Total continuing operating revenue ⁽¹⁾	prior period: 32.46%	98.16%	65.92%
3. Unrestricted Current Ratio			
Current Assets less all External Restrictions ⁽²⁾	39.41 : 1	139.82 : 1	4.37 : 1
Current Liabilities less Specific Purpose Liabilities ^(3, 4)			
	prior period: 56.48	95.61	5.43
4. Debt Service Cover Ratio			
Operating Result ⁽¹⁾ before capital excluding interest and depreciation / impairment / amortisation (EBITDA)	0.00	70.07	736.06
Principal Repayments (from the Statement of Cash Flows) + Borrowing Interest Costs (from the Income Statement)	prior period: 0.00	0.00	76.51
5. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage			
Rates, Annual and Extra Charges Outstanding	85.66%	15.44%	2.97%
Rates, Annual and Extra Charges Collectible			
	prior period: 66.23%	3.26%	5.49%
6. Cash Expense Cover Ratio			
Current Year's Cash and Cash Equivalents including All Term Deposits	0.00	0.00	8.94
Payments from cash flow of operating and financing activities	prior period: 0.00	0.00	9.71

Notes

(1) - (4) Refer to Notes at Note 13a(i) above.

(5) General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 14. Investment Properties

\$ '000

Council has not classified any Land or Buildings as "Investment Properties"

Note 15. Financial Risk Management

Risk Management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2014	2013	2014	2013
Financial Assets				
Cash and Cash Equivalents	17,344	18,260	17,344	18,260
Receivables	2,213	1,802		1,802
Total Financial Assets	19,557	20,062	17,344	20,062
Financial Liabilities				
Payables	1,616	1,508	1,112	1,508
Loans / Advances	327	45	38	45
Total Financial Liabilities	1,943	1,553	1,150	1,553

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates mkt value.
- **Borrowings & Held to Maturity Investments** - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) **"at fair value through profit & loss"** or (ii) **Available for Sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of financial assets & liabilities

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 15. Financial Risk Management (continued)

\$ '000

(a) Cash & Cash Equivalents, Financial assets 'at fair value through the profit & Loss' "Available-for-sale" financial assets & "Held-to-maturity" Investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and it's staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

- **Price Risk** - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest Rate Risk** - the risk that movements in interest rates could affect returns and income.
- **Credit Risk** - the risk that the investment counterparty) will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
2014				
Possible impact of a 1% movement in Interest Rates	156	156	156	156
2013				
Possible impact of a 1% movement in Interest Rates	158	158	158	158

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 15. Financial Risk Management (continued)

\$ '000

(b) Receivables

Council's major receivables comprise (i) Rates & Annual charges and (ii) User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates & annual charges at higher than market rates which further encourages the payment of debt.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	2014 Rates & Annual Charges	2014 Other Receivables	2013 Rates & Annual Charges	2013 Other Receivables
(i) Ageing of Receivables - %				
Current (not yet overdue)	0%	88%	0%	77%
Overdue	100%	12%	100%	23%
	100%	100%	100%	100%
(ii) Ageing of Receivables - value				
Current (not yet overdue)	534	1,697	569	1,142
Past due between 31 and 60 days	-	52		105
Past due by more than 90 days	-	176		232
	534	1,925	569	1,479
(iii) Movement in Provision for Impairment of Receivables			2014	2013
Balance at the beginning of the year			246	227
+ new provisions recognised during the year			-	19
Balance at the end of the year			246	246

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 15. Financial Risk Management (continued)

\$ '000

(c) Payables & Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended & overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the maturity table below:

\$ '000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
2014									
Trade/Other Payables	68	1,111	-	-	-	-	-	1,179	1,616
Loans & Advances	-	57	57	57	57	52	47	327	327
Total Financial Liabilities	68	1,168	57	57	57	52	47	1,506	1,943
2013									
Trade/Other Payables	72	1,085	-	-	-	-	-	1,157	1,508
Loans & Advances	-	7	8	8	9	9	5	46	45
Total Financial Liabilities	72	1,092	8	8	9	9	5	1,203	1,553

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

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

	2014		2013	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	1,616	0.0%	1,508	0.0%
Loans & Advances - Fixed Interest Rate	327	5.4%	45	7.3%
	<u>1,943</u>		<u>1,553</u>	

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 13/14 was adopted by the Council on 12 June 2013.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

Note that for Variations* of Budget to Actual :

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable Budget Variation, **U** = Unfavourable Budget Variation

\$ '000	2014 Budget	2014 Actual	2014 Variance*	
REVENUES				
Rates & Annual Charges	5,447	5,461	14	0% F
User Charges & Fees	3,530	5,130	1,600	45% F
Increased in unbudgeted revenue due to additional revenue being generated through Council Quarry operations and income generated from additional unplanned State Highway Works orders.				
Interest & Investment Revenue	679	651	(28)	(4%) U
Other Revenues	643	667	24	4% F
Operating Grants & Contributions	4,529	4,508	(21)	(0%) U
Capital Grants & Contributions	6,717	270	(6,447)	(96%) U
Council was unsuccessful in obtaining grant funds in particular for the following projects, Levee Bank construction and construction of the Indoor Area (WEEC).				
Net Gains from Disposal of Assets	-	45	45	0% F

Coonamble Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 16. Material Budget Variations (continued)

\$ '000	2014 Budget	2014 Actual	2014 ----- Variance* -----	
EXPENSES				
Employee Benefits & On-Costs	6,246	6,756	(510)	(8%) U
Borrowing Costs	11	3	8	73% F
Council was not required to draw Loan funds for Capital Works as it was unsuccessful in its grant funding application.				
Materials & Contracts	7,050	4,914	2,136	30% F
Council was unsuccessful in obtaining several grant funded works included in the original budget.				
Depreciation & Amortisation	4,244	4,940	(696)	(16%) U
Council revalued several of its major assets classes through the year and this affected the level of depreciation expense incurred through the year.				
Other Expenses	1,442	1,707	(265)	(18%) U
Increases in operational costs such as insurance, contributions to other levels of government and donations exceeded planned budgeted increases.				
Budget Variations relating to Council's Cash Flow Statement include:				
Cash Flows from Operating Activities	8,515	3,305	(5,210)	(61.2%) U
Council was unsuccessful in obtaining budgeted capital grant funds applications for major projects.				
Cash Flows from Investing Activities	(11,658)	(4,503)	7,155	(61.4%) F
Council was unsuccessful in obtaining budgeted capital grant funds applications for major projects, as such these works have been postponed until Grant funding becomes available.				
Cash Flows from Financing Activities	1,515	282	(1,233)	(81.4%) U
Council budgeted to partially fund the construction of the Levee Bank stage 1 by loan funds, as the grant application was unsuccessful the loan was not required to be drawn down.				

Note 17. Statement of Developer Contributions

Council currently has no S94 Developer Contribution Plans or S94 Funds on hand from prior years.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

Member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category with member Councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from it's Defined Benefit Scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable - similar to the accounting for Defined Contributions Plans.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to Local Government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the Net Assets or Liabilities reflects Councils contributions to the pool and the result of insurance claims within each of the Fund Years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW Local Government Industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the Company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of Net Assets in accordance with its Licence Requirements.

(iv) Other Guarantees

Council has provided no other Guarantees other than those listed above.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

\$ '000

LIABILITIES NOT RECOGNISED (continued):**2. Other Liabilities****(i) Third Party Claims**

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its Insurance Coverage and does not expect any material liabilities to eventuate.

(ii) Potential Land Acquisitions due to Planning

Council has classified a number of privately owned land parcels as Local Open Space or Bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (& subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED:**(i) Land Under Roads Restrictions imposed by Council**

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

(ii) Infringement Notices/Fines

Fines & Penalty Income, the result of Council issuing Infringement Notices is followed up and collected by the Infringement Processing Bureau.

Councils Revenue Recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at Year End, there is a potential asset due to Council representing issued but unpaid Infringement Notices.

Due to the limited information available on the status, value and duration of outstanding Notices, Council is unable to determine the value of outstanding income.

Coonamble Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

Council's objectives can and in some cases are best met through the use of separate entities & operations.

These operations and entities range from 100% ownership and control through to lower levels of ownership and control via co-operative arrangements with other Councils, Bodies and other Outside Organisations.

The accounting and reporting for these various entities, operations and arrangements varies in accordance with accounting standards, depending on the level of Councils (i) interest and (ii) control and the type (form) of entity/operation, as follows;

Joint Venture Entities

Note 19(a)

Arrangements in the form of a Separate Entity that deploys the resources of the operation itself.

Under Joint Venture Entities, Council Jointly Controls the Operations with other parties.

Accounting Recognition:

- (i) Joint Venture Entities as per Note 19(a) are accounted for using the Equity Accounting Method - and are disclosed as a 1 line entry in both the Income Statement and Statement of Financial Position.

	Council's Share of Net Income		Council's Share of Net Assets	
	Actual 2014	Actual 2013	Actual 2014	Actual 2013
Joint Venture Entities	(4)	3	66	70
Total	(4)	3	66	70

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

(a) Joint Venture Entities

(a) Carrying Amounts

Name of Entity	Principal Activity	2014	2013
Northern Western Library Service	Provision of Library Services	66	70
Total Carrying Amounts - Joint Venture Entities		66	70

(b) Relevant Interests

Name of Entity	Interest in Outputs		Interest in Ownership		Proportion of Voting Power	
	2014	2013	2014	2013	2014	2013
Northern Western Library Service	25%	25%	25%	25%	25%	25%

(c) Movement in Carrying Amounts

		Northern Western Library Service	
		2014	2013
Opening Balance		70	67
Share in Operating Result		(4)	3
Council's Equity Share in the Joint Venture Entity		66	70

(d) Share of Joint Ventures Assets & Liabilities

	Assets		Liabilities		Net Assets
	Current	Non Current	Current	Non Current	
2014					
Northern Western Library Service	6	60	-	-	66
Totals	6	60	-	-	66
2013					
Northern Western Library Service	19	51	-	-	70
Totals	19	51	-	-	70

(e) Share of Joint Ventures Revenues, Expenses & Results

	2014			2013		
	Revenues	Expenses	Result	Revenues	Expenses	Result
Northern Western Library Service	49	53	(4)	60	57	3
Totals	49	53	(4)	60	57	3

(f) Contingent Liabilities of Joint Venture Entities

	2014	2013
Share of Contingent Liabilities incurred jointly with other Participants	25	25%
Share of Contingent Liabilities for which Council is severally liable	25	25%

No material losses are anticipated in respect of any of the above contingent liabilities

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2014	Actual 2013
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(a) Retained Earnings

Movements in Retained Earnings were as follows:

Balance at beginning of Year (from previous years audited accounts)		159,845	158,388
a. Net Operating Result for the Year		(1,592)	1,457
Balance at End of the Reporting Period		158,253	159,845

(b) Reserves

(i) Reserves are represented by:

- Infrastructure, Property, Plant & Equipment Revaluation Reserve		55,088	54,368
Total		55,088	54,368

(ii) Reconciliation of movements in Reserves:**Infrastructure, Property, Plant & Equipment Revaluation Reserve**

- Opening Balance		54,368	48,614
- Revaluations for the year	9(a)	720	5,754
- Balance at End of Year		55,088	54,368

TOTAL VALUE OF RESERVES

55,088	54,368
---------------	---------------

(iii) Nature & Purpose of Reserves**Infrastructure, Property, Plant & Equipment Revaluation Reserve**

- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.

(c) Correction of Error/s relating to a Previous Reporting Period

Council made no correction of errors during the current reporting period.

(d) Voluntary Changes in Accounting Policies

Council made no voluntary changes in any accounting policies during the year.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 21. Financial Result & Financial Position by Fund

Income Statement by Fund \$ '000	Actual 2014	Actual 2014	Actual 2014
Continuing Operations	Water	Sewer	General¹
Income from Continuing Operations			
Rates & Annual Charges	278	544	4,639
User Charges & Fees	451	101	4,578
Interest & Investment Revenue	157	101	393
Other Revenues	16	-	651
Grants & Contributions provided for Operating Purposes	14	11	4,483
Grants & Contributions provided for Capital Purposes	172	-	98
Other Income			
Net Gains from Disposal of Assets	-	-	45
Total Income from Continuing Operations	1,088	757	14,887
Expenses from Continuing Operations			
Employee Benefits & on-costs	122	112	6,522
Borrowing Costs	-	3	-
Materials & Contracts	438	149	4,327
Depreciation & Amortisation	502	450	3,988
Other Expenses	-	-	1,707
Share of interests in Joint Ventures & Associates using the Equity Method	-	-	4
Total Expenses from Continuing Operations	1,062	714	16,548
Operating Result from Continuing Operations	26	43	(1,661)
Discontinued Operations			
Net Profit/(Loss) from Discontinued Operations	-	-	-
Net Operating Result for the Year	26	43	(1,661)
Net Operating Result attributable to each Council Fund	26	43	(1,661)
Net Operating Result attributable to Non-controlling Interests	-	-	-
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	(146)	43	(1,759)

¹ General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal charges & recoveries made between the Funds.

Coonamble Shire Council

Notes to the Financial Statements

as at 30 June 2014

Note 21. Financial Result & Financial Position by Fund (continued)

Statement of Financial Position by Fund \$ '000	Actual 2014	Actual 2014	Actual 2014
ASSETS	Water	Sewer	General¹
Current Assets			
Cash & Cash Equivalents	2,384	4,426	10,534
Investments	-	-	-
Receivables	247	120	1,222
Inventories	-	-	1,136
Other	-	-	24
Non-current assets classified as 'held for sale'	-	-	-
Total Current Assets	2,631	4,546	12,916
Non-Current Assets			
Investments	-	-	-
Receivables	-	-	624
Inventories	-	-	-
Infrastructure, Property, Plant & Equipment	13,488	12,548	170,551
Investments Accounted for using the equity method	-	-	66
Investment Property	-	-	-
Intangible Assets	-	-	-
Total Non-Current Assets	13,488	12,548	171,241
TOTAL ASSETS	16,119	17,094	184,157
LIABILITIES			
Current Liabilities			
Payables	68	26	1,636
Borrowings	-	7	38
Provisions	-	-	1,894
Total Current Liabilities	68	33	3,568
Non-Current Liabilities			
Payables	-	-	-
Borrowings	-	31	251
Provisions	-	-	78
Total Non-Current Liabilities	-	31	329
TOTAL LIABILITIES	68	64	3,897
Net Assets	16,051	17,030	180,260
EQUITY			
Retained Earnings	13,863	12,140	132,250
Revaluation Reserves	2,188	4,890	48,010
Total Equity	16,051	17,030	180,260

¹ General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal receivables & payables between the Funds.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 22. "Held for Sale" Non Current Assets & Disposal Groups

\$ '000

Council did not classify any Non Current Assets or Disposal Groups as "Held for Sale".

Note 23. Events occurring after the Reporting Date

Events that occur between the end of the reporting period (ending 30 June 2014) and the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 01/10/14.

Events that occur after the Reporting Period represent one of two types:

(i) Events that provide evidence of conditions that existed at the Reporting Period

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2014.

(ii) Events that provide evidence of conditions that arose after the Reporting Period

These financial statements (& figures therein) do not incorporate any "non-adjusting events" that have occurred after 30 June 2014 and which are only indicative of conditions that arose after 30 June 2014.

Council is unaware of any material or significant "non-adjusting events" that should be disclosed.

Note 24. Discontinued Operations

Council has not classified any of its Operations as "Discontinued".

Note 25. Intangible Assets

Intangible Assets represent identifiable non-monetary asset without physical substance.

Council is unaware of any control over Intangible Assets that warrant recognition in the Financial Statements, including either internally generated and developed assets or purchased assets.

Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

Council has no outstanding obligations to make, restore, rehabilitate or reinstate any of its assets/operations.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

\$ '000

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, Property, Plant and Equipment
- Investment Property
- Financial Assets & Liabilities

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured & recognised at fair values:

Fair Value Measurements		Fair Value Measurement Hierarchy			Total
2014	Date of latest Valuation	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring Fair Value Measurements					
Financial Assets					
Other Financial Assets	30/06/14	-	-	-	-
Total Financial Assets		-	-	-	-
Financial Liabilities					
Payables	30/06/14	-	-	-	-
Loans / Advances	30/06/14	-	-	-	-
Total Financial Liabilities		-	-	-	-
Infrastructure, Property, Plant & Equipment					
Buildings Non Specialised	30/06/13	-	-	2,454	2,454
Buildings Specialised	30/06/13	-	-	14,715	14,715
Other Structures	30/06/13	-	-	5,489	5,489
Roads	30/06/11	-	-	120,458	120,458
Bridges	30/06/11	-	-	11,464	11,464
Footpaths	30/06/11	-	-	1,288	1,288
Stormwater Drainage	30/06/12	-	-	1,359	1,359
Water Supply network	30/06/12	-	-	13,488	13,488
Sewerage network	30/06/12	-	-	12,548	12,548
Swimming Pools	30/06/13	-	-	3,166	3,166
Other Open Space/Recreation	30/06/13	-	-	425	425
Plant & Equipment	30/06/14	-	-	6,598	6,598
Operational land	30/06/13	-	-	2,132	2,132
Community land	30/06/13	-	-	1,003	1,003
Total Infrastructure, Property, Plant & Equipment		-	-	196,587	196,587

(2) Transfers between Level 1 & Level 2 Fair Value Hierarchies

During the year, there were no transfers between Level 1 and Level 2 Fair Value hierarchies for recurring fair value measurements.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values

Where Council is unable to derive Fair Valuations using quoted market prices of identical assets (ie. Level 1 inputs), Council instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

The Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

Infrastructure, Property, Plant & Equipment

Plant & Equipment, Office Equipment and Furniture & Fittings

Plant & Equipment, Office Equipment and Furniture & Fittings are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. Examples of assets within these classes are as follows:

- Plant and Equipment - Graders, trucks, rollers, tractors and motor vehicles.
- Office Equipment - Computers, photocopiers, printers etc.
- Furniture & Fittings - Chairs, desks and display boards.

There has been no change to the valuation process during the reporting period.

Operational & Community Land

Operational & Community Land are based on either the Land Value provided by the Valuer-General or average unit rate based on the Land Value for similar properties where the Valuer-General did not provide a Land Value having regard to the highest and best use for the land. Operational Land is based on the Valuer-General's land value as these are representative of the actual market values in the Coonamble Shire LGA. As these rates were not considered to be observable market evidence they have been classified a level 3.

There has been no change to the valuation process during the reporting period.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

Buildings - Non-Specialised & Specialised

Non-Specialised & Specialised Buildings are valued internally using the Rawlinson's Construction Guide in June 2013 using the cost approach. The approach estimated the replacement cost for each building by componentising the building into significant parts. While all buildings were physically inspected and the unit rates based on square metres from Rawlinson's Construction Guide no market based evidence (Level 2) could not be established. As such these assets were classified as having been valued as Level 3 valuation inputs.

While the costs were current and the impact of depreciation negligible, the building has been classified as Level 3 as they are immaterial in relation to the overall value of the asset type.

There has been no change to the valuation process during the reporting period.

Other Structures

Other Structures comprise of Aerodrome runway, lighting, irrigation systems and fencing etc. The cost approach has been utilised whereby replacement cost was estimated for each asset by taking into account a range of factors. No market based evidence (Level 2) could be supported as such these assets were all classified as having been valued using Level 3 valuation inputs.

There has been no change to the valuation process during the reporting period

Roads

Roads comprise road carriageway, roadside shoulders & kerb & gutter. The Cost Approach using Level 3 inputs was used to value this asset class. Valuations for this asset class were undertaken in-house based on actual costs and assumptions from Council's Engineering Department. No market based evidence (Level 2) inputs are available therefore Level 3 valuation inputs were used for this asset class.

There has been no change to the valuation process during the reporting period.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

Bridges

Bridges were valued in-house after advice received from a qualified bridge builder who has undertaken bridge construction work for Coonamble Shire Council, actual costs for the replacement of the Merri Merri bridge in 2008 and Council's Engineering Department assumptions in June 2010. While all bridges were physically inspected and unit rates based on square metres were used there was no reliable market evidence (Level 2) as other inputs (such as estimates of residual value and pattern of consumption) require extensive professional judgement that impacts significantly on the final determination of fair value.

There has been no change to the valuation process during the reporting period.

Footpaths

Footpaths were valued in-house by Council's Engineering Department in June 2010 and were based on actual cost per square metre of works carried out during the year. Footpaths are inspected annually and condition assessed.

There has been no change to the valuation process during the reporting period.

Drainage Infrastructure

Assets within this class comprise pits and pipes.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit or similar could be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there is uncertainty regarding the actual design, specifications and dimensions of some assets.

There has been no change to the valuation process during the reporting period.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

Water Supply Network

Assets within this class comprise reservoirs, pumping stations and, water pipelines.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit or similar may be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there is uncertainty regarding the actual design, specifications and dimensions of some assets. These assets are indexed each year in line with the NSW Reference Rates Manual as published by the Office of Water.

There has been no change to the valuation process during the reporting period.

Sewerage Network

Assets within this class comprise treatment works, pumping stations and, sewerage mains.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit or similar may be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there is uncertainty regarding the actual design, specifications and dimensions of some assets. These assets are indexed each year in line with the NSW Reference Rates Manual as published by the Office of Water.

There has been no change to the valuation process during the reporting period.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

Swimming Pools

Assets within this class comprise Council's outdoor swimming pool. The swimming pool was valued in-house by experienced staff in Council's Health & Development Department using the cost approach. The approach estimated the replacement cost for each pool by componentising its significant parts.

While some elements of gross replacement values may be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value.

There has been no change to the valuation process during the reporting period.

Other Open Space/Recreational Assets

Assets within this class comprise synthetic & turf surfaces, lighting, playground equipment etc. All assets in Other Structures were valued in-house by experienced engineering staff.

While some elements of gross replacement values may be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value.

There has been no change to the valuation process during the reporting period.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3)

a. The following tables present the changes in Level 3 Fair Value Asset Classes.

	I,PP & E
Adoption of AASB 13	196,587
Closing Balance - 30/6/14	196,587

b. Significant unobservable valuation inputs used (for Level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various Level 3 Asset Class fair values.

I,PP&E

Class	Fair Value (30/06/2014))\$'000	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Plant & Equipment	6,358	<ul style="list-style-type: none"> Gross Replacement Cost Remaining useful life Residual value 	<ul style="list-style-type: none"> Varies significantly from asset to asset 1 to 15 years 0% to 40% 	<p>Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.</p>

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3)

b. Significant unobservable valuation inputs used (for Level 3 asset classes) and their relationship to fair value (continued).

Office Equipment	241	<ul style="list-style-type: none"> • Gross Replacement Cost • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • 1 to 20 years • 0% to 5% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Furniture & Fittings	0	<ul style="list-style-type: none"> • Gross Replacement Cost • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • 5 to 20 years • 0% to 10% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Operational Land	2,132	<ul style="list-style-type: none"> • Land Value • (price per square meter) 	<ul style="list-style-type: none"> • \$0.50 - \$25 (per square meter) 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3)

b. Significant unobservable valuation inputs used (for Level 3 asset classes) and their relationship to fair value (continued).

Community Land	1,003	<ul style="list-style-type: none"> • Land Value • (price per square meter) 	<ul style="list-style-type: none"> • \$0.50 - \$25 (per square meter) 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Building - Non-Specialised	2,454	<ul style="list-style-type: none"> • Gross Replacement Cost • Asset Condition • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • Poor to excellent • 2 to 100 years • 0% to 70% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Building - Specialised	14,715	<ul style="list-style-type: none"> • Gross Replacement Cost • Asset Condition • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • Poor to excellent • 5 to 100 years • 0% to 70% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3)

b. Significant unobservable valuation inputs used (for Level 3 asset classes) and their relationship to fair value (continued).

Other Structures	5,489	<ul style="list-style-type: none"> • Gross Replacement Cost <ul style="list-style-type: none"> • Asset Condition • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • Poor to excellent • 5 to 80 years • 0% to 60% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Roads	121,746	<ul style="list-style-type: none"> • Gross Replacement Cost <ul style="list-style-type: none"> • Asset Condition • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • Poor to excellent • 2 to 100 years • 0% to 100% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Bridges	11,464	<ul style="list-style-type: none"> • Gross Replacement Cost <ul style="list-style-type: none"> • Asset Condition • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • Poor to excellent • 10 to 60 years • 10% to 40% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3)

b. Significant unobservable valuation inputs used (for Level 3 asset classes) and their relationship to fair value (continued).

Stormwater Drainage	1,359	<ul style="list-style-type: none"> • Gross Replacement Cost <ul style="list-style-type: none"> • Asset Condition • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • Poor to excellent • 0 to 80 years • 0% to 70% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Water Supply Network	13,488	<ul style="list-style-type: none"> • Gross Replacement Cost <ul style="list-style-type: none"> • Asset Condition • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • Poor to excellent • 5 to 100 years • 0% to 70% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Sewerage Network	12,548	<ul style="list-style-type: none"> • Gross Replacement Cost <ul style="list-style-type: none"> • Asset Condition • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • Poor to excellent • 3 to 100 years • 0% to 70% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3)

b. Significant unobservable valuation inputs used (for Level 3 asset classes) and their relationship to fair value (continued).

Swimming Pools	3,166	<ul style="list-style-type: none"> • Gross Replacement Cost <ul style="list-style-type: none"> • Asset Condition • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • Poor to excellent • 5 to 60 years • 0% to 50% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.
Other Open Spaces / Recreational	425	<ul style="list-style-type: none"> • Gross Replacement Cost <ul style="list-style-type: none"> • Asset Condition • Remaining useful life • Residual value 	<ul style="list-style-type: none"> • Varies significantly from asset to asset • Poor to excellent • 5 to 100 years • 0% to 50% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life or residual value would result in significant changes to the fair value measurement.

(5). Highest and best use

All of Council's non financial assets are considered to being utilised for their highest and best use.

Coonamble Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 28. Council Information & Contact Details

Principal Place of Business:

80 Castlereagh Street
Coonamble NSW 2829

Contact Details
Mailing Address:

PO Box 249
Coonamble NSW 2829

Opening Hours:

8:30am to 5:00pm Monday to Friday

Telephone: 02 6827 1911

Facsimile: 02 6822 1626

Internet: <http://www.coonambleshire.nsw.gov.au>

Email: council@coonambleshire.nsw.gov.au

Officers
GENERAL MANAGER

Rick Warren

RESPONSIBLE ACCOUNTING OFFICER

Bruce Quarmby

AUDITORS

Hill Rogers Spencer Steer
Level 5
1 Chiffley Square ,
Sydney, NSW 2000

Other Information

ABN: 19 499 848 443

Elected Members
MAYOR

Alan Karanouh

COUNCILLORS

Danny Keady
Tom Cullen
Bill Burnheim
Donald Schieb
John Walker
Michael Webb

COONAMBLE SHIRE COUNCIL
GENERAL PURPOSE FINANCIAL STATEMENTS
INDEPENDENT AUDITORS' REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying general purpose financial statements of Coonamble Shire Council, which comprises the Statement of Financial Position as at 30 June 2014, Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management. The financial statements include the consolidated financial statements of the economic entity and the entities it controlled at year end or from time to time during the year.

Responsibility of Council for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1993. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements 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 statements are free from material misstatement. Our audit responsibility does not extend to the original budget information disclosed in the Income Statement, Statement of Cash Flows, and Note 2(a) or the budget variation explanations disclosed in Note 16. Accordingly, no opinion is expressed on these matters.

Assurance Partners

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Practising as Hill Rogers Spencer
Steer Assurance Partners

ABN 56 435 338 966

Hill Rogers
Spencer Steer

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

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion,

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13 part 3 Division 2; and
- (b) the financial statements:
 - (i) have been presented in accordance with the requirements of this Division;
 - (ii) are consistent with the Council's accounting records;
 - (iii) present fairly the Council's financial position, the results of its operations and its cash flows; and
 - (iv) are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia.
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that we have become aware of during the course of the audit.

HILL ROGERS SPENCER STEER



GARY MOTTAU
Partner

Dated at Sydney this 1st day of October 2014

Hill Rogers
Spencer Steer

1 October 2014

The Mayor
Coonamble Shire Council
PO Box 249
COONAMBLE NSW 2829

Mayor,

Audit Report - Year Ended 30 June 2014

We are pleased to advise completion of the audit of Council's books and records for the year ended 30 June 2014 and that all information required by us was readily available. We have signed our reports as required under Section 417(1) of the Local Government Act, 1993 and the Local Government Code of Accounting Practice and Financial Reporting to the General and Special Purpose Financial Statements.

Our audit has been conducted in accordance with Australian Auditing Standards so as to express an opinion on both the General and Special Purpose Financial Statements of the Council. We have ensured that the financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Local Government Code of Accounting Practice and Financial Reporting.

This report on the conduct of the audit is also issued under Section 417(1) and we now offer the following comments on the financial statements and the audit;

I. RESULTS FOR THE YEAR

1.1 Operating Result

The operating result for the year was a deficit of \$1.592 million as compared with a surplus of \$1.457 million in the previous year.

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The following table sets out the results for the year and the extent (%) that each category of revenue and expenses contributed to the total.

Coonamble Shire Council

	2014 \$000	% of Total	2013 \$000	% of Total	Increase (Decrease) \$000
Revenues before capital items					
Rates & annual charges	5,461	33%	5,212	30%	249
User charges, fees & other revenues	5,842	35%	6,125	35%	(283)
Grants & contributions provided for operating purposes	4,508	27%	5,436	31%	(928)
Interest & investment revenue	651	4%	795	5%	(144)
	16,462	100%	17,568	100%	(1,106)
Expenses					
Employee benefits & costs	6,756	37%	6,976	39%	(220)
Materials, contracts & other expenses	6,625	36%	6,423	36%	202
Depreciation, amortisation & impairment	4,940	27%	4,606	26%	334
Borrowing costs	3	0%	6	0%	(3)
	18,324	100%	18,011	100%	313
Surplus (Deficit) before capital items	(1,862)		(443)		(1,419)
Grants & contributions provided for capital purposes	270		1,900		(1,630)
Net Surplus (Deficit) for the year	(1,592)		1,457		(3,049)
Performance Measures	2014		2013		
Operating Performance	-11.59%		-2.23%		
Own Source Operating Revenue	71.37%		62.31%		

The above table shows an overall decrease of \$3.049 million from the previous year and is mainly attributable to reduced untied financial assistance grants (\$1.356 million) and capital grants for water supplies received in 2013 (\$1.9 million).

Operating Performance measures the ability to contain operating expenditure within operating revenue excluding capital amounts. For 2014, this indicator was -11.59% and was below the benchmark of 0%.

Own Source Operating Revenue measures the degree of reliance on external funding sources such as grants and contributions. For 2014, this indicator was 71.37% and exceeded the benchmark of 60%.

1.2 Funding Result

As the operating result only accounts for operating income and expenditure, in reviewing the overall financial performance of Council, it is useful to consider the total source of revenues and how they were applied during the year which is illustrated in the table below.

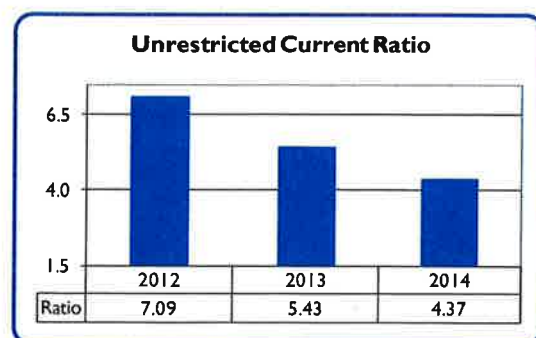
	2014	2013
	\$'000	\$'000
Funds were provided by:-		
Operating Result (as above)	(1,592)	1,457
Add back non funding items:-		
- Depreciation, amortisation & impairment	4,940	4,606
- Book value of non-current assets sold	883	538
- (Surplus)/Deficit in joint ventures	4	(3)
	<u>4,235</u>	<u>6,598</u>
New loan borrowings	289	0
Transfers from externally restricted assets (net)	0	2,187
Transfers from internal reserves (net)	2,139	0
	<u>6,663</u>	<u>8,785</u>
Funds were applied to:-		
Purchase and construction of assets	(5,455)	(8,914)
Principal repaid on loans	(7)	(37)
Transfers to externally restricted assets (net)	(525)	0
Transfers to internal reserves (net)	0	(832)
Advances to deferred debtors	(50)	0
Net Changes in current/non current assets & liabilities	(148)	(5)
	<u>(6,185)</u>	<u>(9,788)</u>
Increase/(Decrease) in Available Working Capital	478	(1,003)

2. FINANCIAL POSITION

2.1 Unrestricted Current Ratio

The Unrestricted Current Ratio is a financial indicator specific to local government and represents Council's ability to meet its debts and obligations as they fall due.

After eliminating externally restricted assets and current liabilities not expected to be paid within the next 12 months net current assets amounted to \$8.535 million representing a factor of 4.37 to 1.



2.2 Available Working Capital – (Working Funds)

At the close of the year the Available Working Capital of Council stood at \$1.490 million as detailed below;

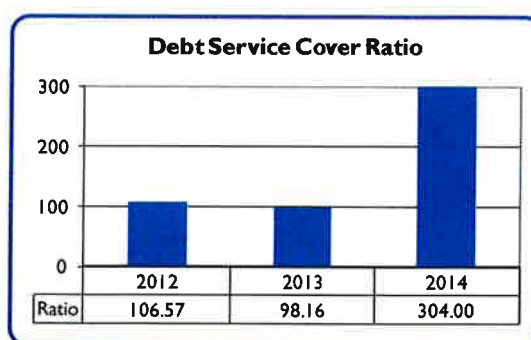
	2014 \$'000	2013 \$'000	Change \$'000
Net Current Assets (Working Capital) as per Accounts	16,424	17,771	(1,347)
Add: Payables & provisions not expected to be realised in the next 12 months included above	338	307	31
Adjusted Net Current Assets	16,762	18,078	(1,316)
Add: Budgeted & expected to pay in the next 12 months			
- Borrowings	45	7	38
- Employees leave entitlements	946	801	145
- Deposits & retention moneys	57	60	(3)
Less: Externally restricted assets	(8,227)	(7,702)	(525)
Less: Internally restricted assets	(8,093)	(10,232)	2,139
Available Working Capital as at 30 June	1,490	1,012	478

The balance of Available Working Capital should be at a level to manage Council's day to day operations including the financing of hard core debtors, stores and to provide a buffer against unforeseen and unbudgeted expenditures. Taking into consideration the nature and level of the internally restricted assets (Reserves) set aside to fund future works and services and liabilities, Council's Available Working Capital at year end was satisfactory.

2.3 Debt

After repaying principal and interest of \$10,000 and taking up new borrowings of \$289,000, total debt as at 30 June 2014 stood at \$328,000 (2013 - \$45,000).

The debt service cover ratio measures the availability of operating cash to service debt repayments. For 2014, the ratio indicated that operating results before capital, interest and depreciation covered payments required to service debt by a factor of 304 to 1.



2.4 Summary

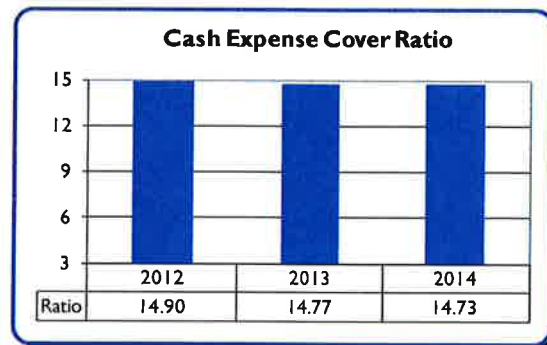
Council's overall financial position, when taking into account the above financial indicators was, in our opinion, satisfactory.

3. CASH ASSETS

3.1 Cash Expense Cover Ratio

This liquidity ratio indicates the number of months of expenditure requirements that can be met with available cash and term deposit balances without the need for additional cash inflow.

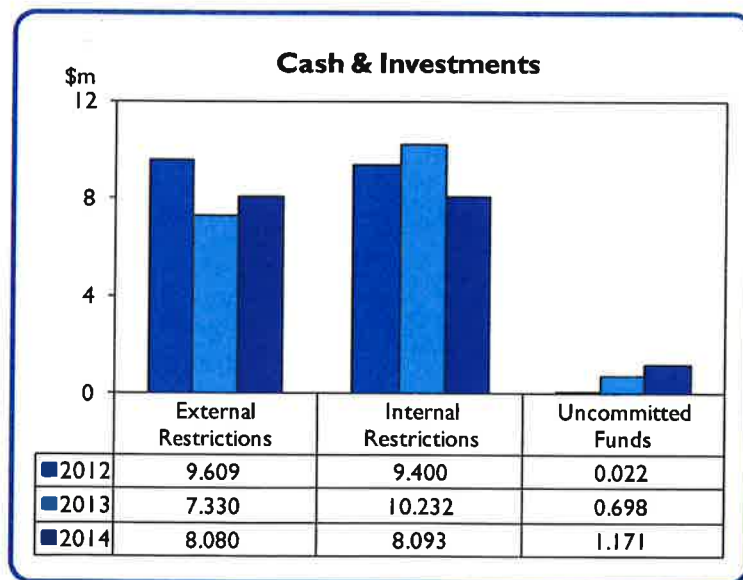
For 2014, this ratio stood at 14.73 months compared to the benchmark of 3.



3.2 Cash & Investment Securities

Cash and investments amounted \$17.344 million at 30 June 2014 as compared with \$18.260 million in 2013 and \$19.031 million in 2012.

The chart alongside summarises the purposes for which cash and investments securities were held.



Externally restricted cash and investments are restricted in their use by externally imposed requirements and consisted of unexpended loans, advances and grants (\$775,000), domestic waste management charges (\$495,000) and water and sewerage funds (\$6.810 million).

Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect forward plans, identified programs of works, and are, in fact, Council's "**Reserves**". These Reserves totalled \$8.093 million and their purposes are more fully disclosed in Notes 6 of the financial statements.

Unrestricted cash and investments amounted to \$1.171 million, which is available to provide liquidity for day to day operations.

3.3 Cash Flows

The Statement of Cash Flows illustrates the flow of cash (highly liquid cash and investments) moving in and out of Council during the year and reveals that cash decreased by \$916,000 to \$17.344 million at the close of the year.

In addition to operating activities which contributed net cash of \$3.305 million were the proceeds from the sale of assets (\$1.03 million) and a new loan (\$289,000). Cash outflows other than operating activities were used to repay borrowings (\$7,000) and to purchase and construct assets (\$5.483 million).

4. RECEIVABLES

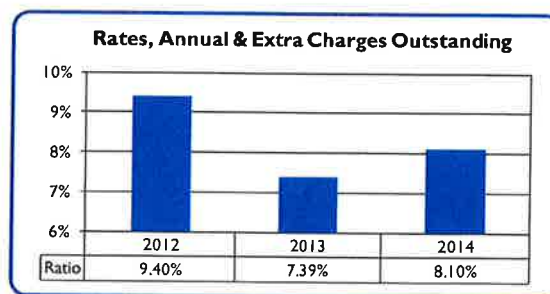
4.1 Rates & Annual Charges (excluding interest & extra charges)

Net rates and annual charges levied during the year totalled \$5.461 million and represented 32.64% of Council's total revenues.

Including arrears, the total rates and annual charges collectible was \$5.831 million of which \$5.490 million (94.15%) was collected.

4.2 Rates, Annual & Extra Charges

Arrears of rates, annual and extra charges stood at \$481,000 at the end of the year and represented 8.1% of those receivables.



4.3 Other Receivables

Receivables (other than rates & annual charges) totalled \$1.785 million. Those considered to be uncertain of collection have been provided for as doubtful debts and this provision amounted to \$53,000

5. PAYABLES

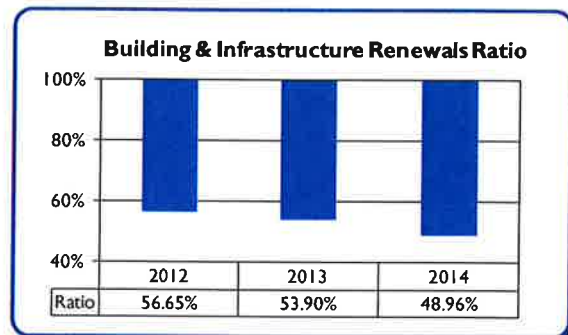
5.1 Employees Leave Entitlements

Council's provision for its liability toward employees leave entitlements and associated on costs amounted to \$1.972 million. Internally restricted cash and investments of \$755,000 was held representing 38.29% of this liability and was, in our opinion, sufficient to meet unbudgeted and unanticipated retirements.

6. BUILDING AND INFRASTRUCTURE RENEWALS

The Building and Infrastructure Renewals ratio measures the rate at which these assets are renewed against the rate at which they are depreciating.

Special Schedule No. 7 discloses that asset renewals for 2014 represented 49% of the depreciation charges for these assets. An industry benchmark is considered to be 100%, measured annually over the long term.



7. MANAGEMENT LETTER

An audit management letter addressing the findings from our interim audit was issued on 14 April 2014. This included our suggestions on possible ways to strengthen and/or improve procedures and management's comments and proposed actions.

8. CONCLUSION

We wish to record our appreciation to your General Manager and his staff for their ready co-operation and the courtesies extended to us during the conduct of the audit.

Yours faithfully,

HILL ROGERS SPENCER STEER

GARY MOTTAU

Partner

Coonamble Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2014

“Coonamble on the Castlereagh”



Coonamble Shire Council

Special Purpose Financial Statements

for the financial year ended 30 June 2014

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Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.
- (ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- (iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and **(b)** those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

- (iv) In preparing these financial statements for Council's self classified Category 1 businesses and ABS defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).
-

Coonamble Shire Council

Special Purpose Financial Statements for the financial year ended 30 June 2014

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government".
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality".
- The Local Government Code of Accounting Practice and Financial Reporting.
- The NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

To the best of our knowledge and belief, these Financial Statements:

- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records.

We are not aware of any matter that would render these Statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 09 July 2014.



Alan Karanouh
MAYOR



Michael Webb
COUNCILLOR



Rick Warren
GENERAL MANAGER



Bruce Quarmby
RESPONSIBLE ACCOUNTING OFFICER

Coonamble Shire Council

Income Statement of Council's Water Supply Business Activity

for the financial year ended 30 June 2014

\$ '000	Actual 2014	Actual 2013
Income from continuing operations		
Access charges	278	197
User charges	451	497
Fees	-	6
Interest	157	197
Grants and contributions provided for non capital purposes	14	14
Other income	16	23
Total income from continuing operations	916	934
Expenses from continuing operations		
Employee benefits and on-costs	122	117
Materials and contracts	438	246
Depreciation and impairment	502	235
Total expenses from continuing operations	1,062	598
Surplus (deficit) from Continuing Operations before capital amounts	(146)	336
Grants and contributions provided for capital purposes	172	1,900
Surplus (deficit) from Continuing Operations after capital amounts	26	2,236
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	26	2,236
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	(101)
SURPLUS (DEFICIT) AFTER TAX	26	2,135
plus Opening Retained Profits	13,837	11,601
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	-	-
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	101
less:		
- Tax Equivalent Dividend paid	-	-
- Surplus dividend paid	-	-
Closing Retained Profits	13,863	13,837
Return on Capital %	-1.1%	2.6%
Subsidy from Council	626	159
Calculation of dividend payable:		
Surplus (deficit) after tax	26	2,135
less: Capital grants and contributions (excluding developer contributions)	(172)	(1,900)
Surplus for dividend calculation purposes	-	235
Potential Dividend calculated from surplus	-	118

Coonamble Shire Council

Income Statement of Council's Sewerage Business Activity

for the financial year ended 30 June 2014

\$ '000	Actual 2014	Actual 2013
Income from continuing operations		
Access charges	544	522
User charges	101	102
Interest	101	124
Grants and contributions provided for non capital purposes	11	14
Total income from continuing operations	757	762
Expenses from continuing operations		
Employee benefits and on-costs	112	133
Borrowing costs	3	3
Materials and contracts	149	266
Depreciation and impairment	450	334
Total expenses from continuing operations	714	736
Surplus (deficit) from Continuing Operations before capital amounts	43	26
Grants and contributions provided for capital purposes	-	-
Surplus (deficit) from Continuing Operations after capital amounts	43	26
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	43	26
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(13)	(8)
SURPLUS (DEFICIT) AFTER TAX	30	18
plus Opening Retained Profits	12,097	12,071
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	-	-
- Debt guarantee fees	-	-
- Corporate taxation equivalent	13	8
less:		
- Tax Equivalent Dividend paid	-	-
- Surplus dividend paid	-	-
Closing Retained Profits	12,140	12,097
Return on Capital %	0.4%	0.2%
Subsidy from Council	401	446
Calculation of dividend payable:		
Surplus (deficit) after tax	30	18
less: Capital grants and contributions (excluding developer contributions)	-	-
Surplus for dividend calculation purposes	30	18
Potential Dividend calculated from surplus	15	9

Coonamble Shire Council

Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2014

Quarry

Category 2

\$ '000	Category 2	
	Actual 2014	Actual 2013
Income from continuing operations		
User charges	1,345	1,970
Total income from continuing operations	1,345	1,970
Expenses from continuing operations		
Employee benefits and on-costs	337	332
Materials and contracts	1,168	855
Depreciation and impairment	104	112
Total expenses from continuing operations	1,609	1,299
Surplus (deficit) from Continuing Operations before capital amounts	(264)	671
Grants and contributions provided for capital purposes	-	-
Surplus (deficit) from Continuing Operations after capital amounts	(264)	671
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	(264)	671
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	(201)
SURPLUS (DEFICIT) AFTER TAX	(264)	470
plus Opening Retained Profits	3,915	3,244
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	-	-
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	201
add:		
- Subsidy Paid/Contribution To Operations	-	-
less:		
- TER dividend paid	-	-
- Dividend paid	-	-
Closing Retained Profits	3,651	3,915
Return on Capital %	-10.8%	30.6%
Subsidy from Council	351	-

Coonamble Shire Council

Statement of Financial Position - Council's Water Supply Business Activity
as at 30 June 2014

\$ '000	Actual 2014	Actual 2013
ASSETS		
Current Assets		
Cash and cash equivalents	2,384	2,246
Receivables	247	330
Inventories	-	11
Total Current Assets	2,631	2,587
Non-Current Assets		
Infrastructure, property, plant and equipment	13,488	13,117
Total non-Current Assets	13,488	13,117
TOTAL ASSETS	16,119	15,704
LIABILITIES		
Current Liabilities		
Payables	68	46
Total Current Liabilities	68	46
Non-Current Liabilities		
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	68	46
NET ASSETS	16,051	15,658
EQUITY		
Retained earnings	13,863	13,837
Revaluation reserves	2,188	1,821
Council equity interest	16,051	15,658
Non-controlling equity interest	-	-
TOTAL EQUITY	16,051	15,658

Coonamble Shire Council

Statement of Financial Position - Council's Sewerage Business Activity

as at 30 June 2014

\$ '000	Actual 2014	Actual 2013
ASSETS		
Current Assets		
Cash and cash equivalents	4,426	4,006
Receivables	120	120
Total Current Assets	4,546	4,126
Non-Current Assets		
Infrastructure, property, plant and equipment	12,548	12,591
Total non-Current Assets	12,548	12,591
TOTAL ASSETS	17,094	16,717
LIABILITIES		
Current Liabilities		
Payables	26	37
Interest bearing liabilities	7	7
Provisions	-	-
Total Current Liabilities	33	44
Non-Current Liabilities		
Interest bearing liabilities	31	38
Total Non-Current Liabilities	31	38
TOTAL LIABILITIES	64	82
NET ASSETS	17,030	16,635
EQUITY		
Retained earnings	12,140	12,097
Revaluation reserves	4,890	4,538
Council equity interest	17,030	16,635
Non-controlling equity interest	-	-
TOTAL EQUITY	17,030	16,635

Coonamble Shire Council

Statement of Financial Position - Council's Other Business Activities

as at 30 June 2014

	Quarry	
	Category 2	
\$ '000	Actual 2014	Actual 2013
ASSETS		
Current Assets		
Cash and cash equivalents	1,892	2,455
Receivables	136	158
Inventories	273	284
Total Current Assets	2,301	2,897
Non-Current Assets		
Infrastructure, property, plant and equipment	2,436	2,196
Total Non-Current Assets	2,436	2,196
TOTAL ASSETS	4,737	5,093
LIABILITIES		
Current Liabilities		
Payables	8	100
Total Current Liabilities	8	100
Non-Current Liabilities		
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	8	100
NET ASSETS	4,729	4,993
EQUITY		
Retained earnings	3,651	3,915
Revaluation reserves	1,078	1,078
Council equity interest	4,729	4,993
Non-controlling equity interest	-	-
TOTAL EQUITY	4,729	4,993

Coonamble Shire Council

Special Purpose Financial Statements

for the financial year ended 30 June 2014

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
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2	Water Supply Business Best Practice Management disclosure requirements	13
3	Sewerage Business Best Practice Management disclosure requirements	15

Coonamble Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2014

Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Office of Local Government.

For the purposes of these statements, the Council is not a reporting not-for-profit entity.

The figures presented in these special purpose financial statements, unless otherwise stated, have been prepared in accordance with:

- the recognition and measurement criteria of relevant Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB) &
- Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with:

- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 Government Policy statement on the "Application of National Competition Policy to Local Government".

The "Pricing & Costing for Council Businesses A Guide to Competitive Neutrality" issued by the Office of Local Government in July 1997 has also been adopted.

The pricing & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

Council does not operate any Category 1 business activities.

Category 2

(where gross operating turnover is less than \$2 million)

a. Water Supply Service

Comprising the whole of the water supply operations and net assets servicing Coonamble Shire.

b. Sewerage Service

Comprising the whole of the sewerage reticulation and treatment operations and net assets system servicing Coonamble Shire.

c. Quarry Operations

Extraction and production of road making materials.

Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars, with the exception of some figures disclosed in Note 2 (Water Supply Best Practice Management Disclosures) and Note 3 (Sewerage Best Practice Management Disclosures).

As required by the NSW Office of Water (Department of Primary Industries) the amounts shown in Notes 2 and Note 3 are disclosed in whole dollars.

Coonamble Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2014

Note 1. Significant Accounting Policies

(i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all council nominated business activities (this does not include council's non-business activities):

Notional Rate Applied %

Corporate Income Tax Rate – 30%

Land Tax – The first **\$412,000** of combined land values attracts **0%**. From \$412,001 to \$2,519,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$2,519,000, a premium marginal rate of **2.0%** applies.

Payroll Tax – **5.45%** on the value of taxable salaries and wages in excess of \$750,000.

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from Water Supply and Sewerage Business activities.

The payment of taxation equivalent charges, referred in the Best Practice Management of Water Supply and Sewerage Guides to as a “Dividend for Taxation equivalent”, may be applied for any purpose allowed under the Local Government Act, 1993.

Achievement of substantial compliance against the guidelines for Best Practice Management of Water Supply and Sewerage is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income Tax

An income tax equivalent has been applied on the profits of each reported Business Activity.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved.

Since this taxation equivalent is notional - that is, it is payable to the “Council” as the owner of business operations, it represents an internal payment and has no effect on the operations of the council. Accordingly, there is no need for disclosure of internal charges in Council's General Purpose Financial Statements.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date.

Local Government Rates & Charges

A calculation of the equivalent rates and charges payable on all Category 1 businesses has been applied to all land assets owned or exclusively used by the Business Activity.

Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face “true” commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council's borrowing rate for its business activities.

Coonamble Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2014

Note 1. Significant Accounting Policies

(ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations.

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported Business Activity.

(iii) Return on Investments (Rate of Return)

The Policy statement requires that councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field".

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The Rate of Return on Capital is calculated as follows:

Operating Result before Capital Income + Interest Expense

Written Down Value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.56% at 30/6/14.

The actual rate of return achieved by each Business Activity is disclosed at the foot of each respective Income Statement.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local Government Water Supply and Sewerage Businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

The dividend, calculated and approved in accordance with the Best Practice Management Guidelines, must not exceed either:

- (i) 50% of this surplus in any one year, or
- (ii) the number of water supply or sewerage assessments at 30 June 2014 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the NSW Office of Water prior to making the dividend and only after it has approved the payment.

Coonamble Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2014

Note 2. Water Supply Business Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2014

1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	-
(ii)	No of assessments multiplied by \$3/assessment	4,893
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	-
(iv)	Amounts actually paid for Tax Equivalents	-

2. Dividend from Surplus

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	-
(ii)	No. of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	48,930
(iii)	Cumulative surplus before Dividends for the 3 years to 30 June 2014, less the cumulative dividends paid for the 2 years to 30 June 2013 & 30 June 2012	100,400

2014 Surplus	(146,000)	2013 Surplus	235,200	2012 Surplus	11,200
		2013 Dividend	-	2012 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	-
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-

3. Required outcomes for 6 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i)	Completion of Strategic Business Plan (including Financial Plan)	NO
(ii)	Full Cost Recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
	- Complying charges [Item 2(b) in Table 1]	YES
	- DSP with Commercial Developer Charges [Item 2(e) in Table 1]	YES
	- If Dual Water Supplies, Complying Charges [Item 2(g) in Table 1]	NO
(iii)	Sound Water Conservation and Demand Management implemented	YES
(iv)	Sound Drought Management implemented	YES
(v)	Complete Performance Reporting Form (by 15 September each year)	YES
(vi)	a. Integrated Water Cycle Management Evaluation	NO
	b. Complete and implement Integrated Water Cycle Management Strategy	NO

Coonamble Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 2. Water Supply Business
Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2014

National Water Initiative (NWI) Financial Performance Indicators

NWI F1	Total Revenue (Water) Total Income (w13) - Grants for the Acquisition of Assets (w11a) - Interest Income (w9) - Aboriginal Communities W&S Program Income (w10a)	\$'000	868
NWI F4	Revenue from Residential Usage Charges (Water) Income from Residential Usage Charges (w6b) x 100 divided by the sum of [Income from Residential Usage Charges (w6a) + Income from Residential Access Charges (w6b)]	%	62.89%
NWI F9	Written Down Replacement Cost of Fixed Assets (Water) Written down current cost of system assets (w47)	\$'000	13,488
NWI F11	Operating Cost (OMA) (Water) Management Expenses (w1) + Operational & Maintenance Expenses (w2)	\$'000	475
NWI F14	Capital Expenditure (Water) Acquisition of fixed assets (w16)	\$'000	506
NWI F17	Economic Real Rate of Return (Water) [Total Income (w13) - Interest Income (w9) - Grants for acquisition of assets (w11a) - Operating Costs (NWI F11) - Current Cost Depreciation (w3)] x 100 divided by [Written Down Current Cost of System Assets (w47) + Plant & Equipment (w33b)]	%	-0.81%
NWI F26	Capital Works Grants (Water) Grants for the Acquisition of Assets (w11a)	\$'000	172

- Notes:
- References to w (eg. w12) refer to item numbers within Special Schedules No. 3 & 4 of Council's Annual Financial Statements.
 - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

Coonamble Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 3. Sewerage Business
Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2014

1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	-
(ii)	No of assessments multiplied by \$3/assessment	3,468
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	-
(iv)	Amounts actually paid for Tax Equivalents	-

2. Dividend from Surplus

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	15,050
(ii)	No. of assessments x (\$30 less tax equivalent charges per assessment)	34,680
(iii)	Cumulative surplus before dividends for the 3 years to 30 June 2014, less the cumulative dividends paid for the 2 years to 30 June 2013 & 30 June 2012	(12,700)

2014 Surplus	30,100	2013 Surplus	18,200	2012 Surplus	(61,000)
		2013 Dividend	-	2012 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	n/a
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-

3. Required outcomes for 4 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i)	Completion of Strategic Business Plan (including Financial Plan)	NO
(ii)	Pricing with full cost-recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
	Complying charges (a) Residential [Item 2(c) in Table 1]	YES
	(b) Non Residential [Item 2(c) in Table 1]	YES
	(c) Trade Waste [Item 2(d) in Table 1]	YES
	DSP with Commercial Developer Charges [Item 2(e) in Table 1]	NO
	Liquid Trade Waste Approvals & Policy [Item 2(f) in Table 1]	YES
(iii)	Complete Performance Reporting Form (by 15 September each year)	YES
(iv)	a. Integrated Water Cycle Management Evaluation	NO
	b. Complete and implement Integrated Water Cycle Management Strategy	NO

Coonamble Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 3. Sewerage Business
Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2014

National Water Initiative (NWI) Financial Performance Indicators

NWI F2	Total Revenue (Sewerage) Total Income (s14) - Grants for Acquisition of Assets (s12a) - Interest Income (s10) - Aboriginal Communities W&S Program Income (w10a)	\$'000	722
NWI F10	Written Down Replacement Cost of Fixed Assets (Sewerage) Written down current cost of system assets (s48)	\$'000	12,548
NWI F12	Operating Cost (Sewerage) Management Expenses (s1) + Operational & Maintenance Expenses (s2)	\$'000	314
NWI F15	Capital Expenditure (Sewerage) Acquisition of Fixed Assets (s17)	\$'000	54
NWI F18	Economic Real Rate of Return (Sewerage) [Total Income (s14) - Interest Income (s10) - Grants for acquisition of Assets (s12a) - Operating cost (NWI F12) - Current cost depreciation (s3)] x 100 divided by [Written down current cost (ie. WDCC) of System Assets (s48) + Plant & Equipment (s34b)]	%	-0.33%
NWI F27	Capital Works Grants (Sewerage) Grants for the Acquisition of Assets (12a)	\$'000	-

National Water Initiative (NWI) Financial Performance Indicators
Water & Sewer (combined)

NWI F3	Total Income (Water & Sewerage) Total Income (w13 + s14) + Gain/Loss on disposal of assets (w14 + s15) minus Grants for acquisition of assets (w11a + s12a) - Interest Income (w9 + s10)	\$'000	1,590
NWI F8	Revenue from Community Service Obligations (Water & Sewerage) Community Service Obligations (NWI F25) x 100 divided by Total Income (NWI F3)	%	1.57%
NWI F16	Capital Expenditure (Water & Sewerage) Acquisition of Fixed Assets (w16 + s17)	\$'000	560
NWI F19	Economic Real Rate of Return (Water & Sewerage) [Total Income (w13 + s14) - Interest Income (w9 + s10) - Grants for acquisition of assets (w11a + s12a) - Operating Cost (NWI F11 + NWI F12) - Current cost depreciation (w3 + s3)] x 100 divided by [Written down replacement cost of fixed assets (NWI F9 + NWI F10) + Plant & equipment (w33b + s34b)]	%	-0.58%
NWI F20	Dividend (Water & Sewerage) Dividend paid from surplus (2(v) of Note 2 + 2(v) of Note 3)	\$'000	-
NWI F21	Dividend Payout Ratio (Water & Sewerage) Dividend (NWI F20) x 100 divided by Net Profit after tax (NWI F24)	%	0.00%

Coonamble Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 3. Sewerage Business
Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2014

National Water Initiative (NWI) Financial Performance Indicators
Water & Sewer (combined)

NWI F22	Net Debt to Equity (Water & Sewerage)	%	-20.85%
	Overdraft (w36 + s37) + Borrowings (w38 + s39) - Cash & Investments (w30 + s31) x 100 divided by [Total Assets (w35 + s36) - Total Liabilities (w40 + s41)]		
NWI F23	Interest Cover (Water & Sewerage)		-
	Earnings before Interest & Tax (EBIT) divided by Net Interest		
	Earnings before Interest & Tax (EBIT):		150
	Operating Result (w15a + s16a) + Interest expense (w4a + s4a) - Interest Income (w9 + s10) - Gain/Loss on disposal of assets (w14 + s15) + Miscellaneous Expenses (w4b + w4c + s4b + s4c)		
	Net Interest:		250
	Interest Expense (w4a + s4a) - Interest Income (w9 + s10)		
NWI F24	Net Profit After Tax (Water & Sewerage)	\$'000	(58)
	Surplus before dividends (w15a + s16a) - Tax equivalents paid (Note 2-1(iv) + Note 3-1(iv))		
NWI F25	Community Service Obligations (Water & Sewerage)	\$'000	25
	Grants for Pensioner Rebates (w11b + s12b)		

- Notes:
- References to w (eg. s12) refer to item numbers within Special Schedules No. 5 & 6 of Council's Annual Financial Statements.
 - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

COONAMBLE SHIRE COUNCIL
SPECIAL PURPOSE FINANCIAL STATEMENTS
INDEPENDENT AUDITORS' REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying special purpose financial statements of Coonamble Shire Council, which comprises the Statement of Financial Position as at 30 June 2014, Income Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management.

Responsibility of Council for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with the Local Government Act 1993 and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements, are appropriate to meet the financial reporting requirements of the Division of Local Government. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements 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 statements are free from material misstatement. Our audit responsibility does not extend to the best practice management disclosures in Notes 2 and 3 and, accordingly, no opinion is expressed on these disclosures.

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

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Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the special purpose financial statements of the Council are presented fairly in accordance with the requirements of those applicable Accounting Standards detailed in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the financial reporting requirements of the Division of Local Government. As a result, the financial statements may not be suitable for another purpose.

HILL ROGERS SPENCER STEER



GARY MOTTAU

Partner

Dated at Sydney this 1st day of October 2014

Coonamble Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2014

“Coonamble on the Castlereagh”



Coonamble Shire Council

Special Schedules

for the financial year ended 30 June 2014

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¹ Special Schedules are not audited (with the exception of Special Schedule 9).

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water (NOW), and
 - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Coonamble Shire Council

Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2014

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Governance	165	-	-	(165)
Administration	4,588	327	-	(4,261)
Public Order and Safety				
Fire Service Levy, Fire Protection, Emergency Services	487	345	-	(142)
Animal Control	114	25	-	(89)
Other	8	-	-	(8)
Total Public Order & Safety	609	370	-	(239)
Health	191	3	-	(188)
Environment				
Noxious Plants and Insect/Vermin Control	98	-	-	(98)
Other Environmental Protection	166	98	-	(68)
Solid Waste Management	339	469	-	130
Street Cleaning	206	-	-	(206)
Drainage	20	-	-	(20)
Total Environment	829	567	-	(262)
Community Services and Education				
Administration & Education	4	1	-	(3)
Social Protection (Welfare)	101	24	-	(77)
Aged Persons and Disabled	9	-	-	(9)
Children's Services	37	37	-	-
Total Community Services & Education	151	62	-	(89)
Housing and Community Amenities				
Public Cemeteries	42	50	-	8
Public Conveniences	18	-	-	(18)
Street Lighting	80	31	-	(49)
Town Planning	11	39	-	28
Other Community Amenities	122	28	-	(94)
Total Housing and Community Amenities	273	148	-	(125)
Water Supplies	1,062	1,088	-	26
Sewerage Services	715	758	-	43

Coonamble Shire Council

Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2014

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Recreation and Culture				
Public Libraries	244	44	-	(200)
Museums	28	8	-	(20)
Other Cultural Services	59	-	-	(59)
Sporting Grounds and Venues	131	31	-	(100)
Swimming Pools	442	42	30	(370)
Parks & Gardens (Lakes)	265	-	-	(265)
Other Sport and Recreation	163	6	76	(81)
Total Recreation and Culture	1,332	131	106	(1,095)
Fuel & Energy	-	-	-	-
Agriculture	8	72	-	64
Mining, Manufacturing and Construction				
Building Control	5	16	-	11
Other Mining, Manufacturing & Construction	1,609	1,345	-	(264)
Total Mining, Manufacturing and Const.	1,614	1,361	-	(253)
Transport and Communication				
Urban Roads (UR) - Local	586	-	-	(586)
Sealed Rural Roads (SRR) - Local	1,535	920	-	(615)
Sealed Rural Roads (SRR) - Regional	1,287	1,280	-	(7)
Unsealed Rural Roads (URR) - Local	510	-	-	(510)
Unsealed Rural Roads (URR) - Regional	69	-	-	(69)
Bridges on UR - Local	96	-	-	(96)
Bridges on SRR - Local	1	-	-	(1)
Bridges on Regional Roads	136	6	-	(130)
Footpaths	190	5	-	(185)
Aerodromes	76	-	-	(76)
Other Transport & Communication	1,687	2,656	-	969
Total Transport and Communication	6,173	4,867	-	(1,306)
Economic Affairs				
Camping Areas & Caravan Parks	8	5	36	33
Other Economic Affairs	602	328	128	(146)
Total Economic Affairs	610	333	164	(113)
Totals – Functions	18,320	10,087	270	(7,963)
General Purpose Revenues ⁽²⁾		6,375		6,375
Share of interests - joint ventures & associates using the equity method	4	-		(4)
NET OPERATING RESULT ⁽¹⁾	18,324	16,462	270	(1,592)

(1) As reported in the Income Statement

(2) Includes: Rates & Annual Charges (incl. Ex Gratia, excl. Water & Sewer), Non Capital General Purpose Grants, Interest on Investments (excl. Ext. Restricted Assets) & Interest on overdue Rates & Annual Charges

Coonamble Shire Council

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)

for the financial year ended 30 June 2014

\$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
Loans (by Source)											
Other State Government	-	-	-	289	-	-	-	-	37	252	289
Financial Institutions	7	38	45	-	7	-	-	3	8	30	38
Other	-	-	-	-	-	-	-	-	-	-	-
Total Loans	7	38	45	289	7	-	-	3	45	282	327
Total Debt	7	38	45	289	7	-	-	3	45	282	327

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

This Schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

Coonamble Shire Council

Special Schedule No. 2(b) - Statement of Internal Loans [Section 410(3) LGA 1993] for the financial year ended 30 June 2014

\$'000

Summary of Internal Loans

Borrower (by purpose)	Amount originally raised	Total repaid during the year (Principal & Interest)	Principal Outstanding at end of year
General	1,600	281	524
Totals	1,600	281	524

Note: The summary of Internal Loans (above) represents the total of Council's Internal Loans categorised according to the borrower.

Details of Individual Internal Loans

Borrower (by purpose)	Lender (by purpose)	Date of Minister's Approval	Date Raised	Term (years)	Dates of Maturity	Rate of Interest	Amount Originally raised	Total repaid during year (Princ. & Int.)	Principal Outstanding at end of year
General	Coonabmle Sewer Fund	05/02/09	30/06/09	7	30/06/16	6.00%	1,600	281	524
Totals							1,600	281	524

Coonamble Shire Council

Special Schedule No. 3 - Water Supply Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
A Expenses and Income Expenses		
1. Management expenses		
a. Administration	-	61
b. Engineering and Supervision	-	43
2. Operation and Maintenance expenses		
- Dams & Weirs		
a. Operation expenses	-	-
b. Maintenance expenses	-	-
- Mains		
c. Operation expenses	-	-
d. Maintenance expenses	100	107
- Reservoirs		
e. Operation expenses	-	-
f. Maintenance expenses	83	37
- Pumping Stations		
g. Operation expenses (excluding energy costs)	-	-
h. Energy costs	74	91
i. Maintenance expenses	107	68
- Treatment		
j. Operation expenses (excluding chemical costs)	-	-
k. Chemical costs	-	-
l. Maintenance expenses	-	-
- Other		
m. Operation expenses	111	23
n. Maintenance expenses	-	13
o. Purchase of water	-	-
3. Depreciation expenses		
a. System assets	502	235
b. Plant and equipment	-	-
4. Miscellaneous expenses		
a. Interest expenses	-	-
b. Revaluation Decrements	-	-
c. Other expenses	148	16
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalents Dividends (actually paid)	-	-
5. Total expenses	1,125	693

Coonamble Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
Income		
6. Residential charges		
a. Access (including rates)	308	205
b. Usage charges	522	543
7. Non-residential charges		
a. Access (including rates)	-	-
b. Usage charges	-	-
8. Extra charges	8	4
9. Interest income	149	193
10. Other income	16	26
10a. Aboriginal Communities Water and Sewerage Program	-	-
11. Grants		
a. Grants for acquisition of assets	172	1,900
b. Grants for pensioner rebates	14	14
c. Other grants	-	-
12. Contributions		
a. Developer charges	-	-
b. Developer provided assets	-	-
c. Other contributions	-	-
13. Total income	1,189	2,884
14. Gain (or loss) on disposal of assets	-	-
15. Operating Result	64	2,191
15a. Operating Result (less grants for acquisition of assets)	(108)	291

Coonamble Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
B Capital transactions		
Non-operating expenditures		
16. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	-	-
b. New Assets for Growth	441	4,805
c. Renewals	65	127
d. Plant and equipment	-	-
17. Repayment of debt		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
18. Transfer to sinking fund	-	-
19. Totals	506	4,932
Non-operating funds employed		
20. Proceeds from disposal of assets	-	-
21. Borrowing utilised		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
22. Transfer from sinking fund	-	-
23. Totals	-	-
C Rates and charges		
24. Number of assessments		
a. Residential (occupied)	1,226	1,291
b. Residential (unoccupied, ie. vacant lot)	119	125
c. Non-residential (occupied)	195	191
d. Non-residential (unoccupied, ie. vacant lot)	91	54
25. Number of ETs for which developer charges were received	- ET	- ET
26. Total amount of pensioner rebates (actual dollars)	\$ 14,044	\$ 14,321

Coonamble Shire Council

Special Schedule No. 3 - Water Supply Cross Subsidies

for the financial year ended 30 June 2014

\$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
27. Annual charges			
a. Does Council have best-practice water supply annual charges and usage charges*?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
If Yes, go to 28a.			
If No, please report if council has removed land value from access charges (ie rates)?			
<input type="checkbox"/> <input type="checkbox"/>			
NB. Such charges for both residential customers and non-residential customers comply with section 3.2 of Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy from residential customers using less than allowance (page 25 of Guidelines)			<input type="text"/>
c. Cross-subsidy to non-residential customers (page 24 of Guidelines)			<input type="text"/>
d. Cross-subsidy to large connections in unmetered supplies (page 26 of Guidelines)			<input type="text"/>
28. Developer charges			
a. Has council completed a water supply Development Servicing** Plan?	<input type="checkbox"/>	<input type="checkbox"/> No	
b. Total cross-subsidy in water supply developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
29. Disclosure of cross-subsidies			
Total of cross-subsidies (27b +27c + 27d + 28b)			<input type="text" value="-"/>

* Councils which have not yet implemented best practice water supply pricing should disclose cross-subsidies in items 27b, 27c and 27d above.

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice pricing and is phasing in such pricing over a period of 3 years.

Coonamble Shire Council

Special Schedule No. 4 - Water Supply Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2014

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
30. Cash and investments			
f. Other	2,433	-	2,433
31. Receivables			
a. Specific purpose grants	2	-	2
b. Rates and Availability Charges	245	-	245
32. Inventories	-	-	-
33. Property, plant and equipment			
a. System assets	-	13,488	13,488
b. Plant and equipment	-	-	-
34. Other assets	-	-	-
35. Total assets	2,680	13,488	16,168
LIABILITIES			
36. Bank overdraft	-	-	-
37. Creditors	68	-	68
38. Borrowings			
39. Provisions			
40. Total liabilities	68	-	68
41. NET ASSETS COMMITTED	2,612	13,488	16,100
EQUITY			
42. Accumulated surplus			13,912
43. Asset revaluation reserve			2,188
44. TOTAL EQUITY			16,100
Note to system assets:			
45. Current replacement cost of system assets			20,454
46. Accumulated current cost depreciation of system assets			(6,966)
47. Written down current cost of system assets			13,488

Coonamble Shire Council

Special Schedule No. 5 - Sewerage Service Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
A Expenses and Income Expenses		
1. Management expenses		
a. Administration	-	14
b. Engineering and Supervision	-	16
2. Operation and Maintenance expenses		
- Mains		
a. Operation expenses	-	-
b. Maintenance expenses	77	15
- Pumping Stations		
c. Operation expenses (excluding energy costs)	31	39
d. Energy costs	3	46
e. Maintenance expenses	43	70
- Treatment		
f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	90	76
g. Chemical costs	-	-
h. Energy costs	17	22
i. Effluent Management	-	-
j. Biosolids Management	-	-
k. Maintenance expenses	53	158
- Other		
l. Operation expenses	-	-
m. Maintenance expenses	-	-
3. Depreciation expenses		
a. System assets	449	334
b. Plant and equipment	-	-
4. Miscellaneous expenses		
a. Interest expenses	-	-
b. Revaluation Decrements	-	-
c. Other expenses	10	-
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalents Dividends (actually paid)	-	-
5. Total expenses	773	790

Coonamble Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
Income		
6. Residential charges (including rates)	550	528
7. Non-residential charges		
a. Access (including rates)	-	-
b. Usage charges	120	119
8. Trade Waste Charges		
a. Annual Fees	-	-
b. Usage charges	-	-
c. Excess mass charges	-	-
d. Re-inspection fees	-	-
9. Extra charges	-	-
10. Interest income	101	177
11. Other income	41	-
11a. Aboriginal Communities Water & Sewerage Program	-	-
12. Grants		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	11	14
c. Other grants	-	-
13. Contributions		
a. Developer charges	-	-
b. Developer provided assets	-	-
c. Other contributions	-	-
14. Total income	823	838
15. Gain (or loss) on disposal of assets	-	-
16. Operating Result	50	48
16a. Operating Result (less grants for acquisition of assets)	50	48

Coonamble Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2014

\$'000	Actuals 2014	Actuals 2013
B Capital transactions		
Non-operating expenditures		
17. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	-	-
b. New Assets for Growth	-	-
c. Renewals	54	-
d. Plant and equipment	-	-
18. Repayment of debt		
a. Loans	7	-
b. Advances	-	-
c. Finance leases	-	-
19. Transfer to sinking fund	-	-
20. Totals	61	-
Non-operating funds employed		
21. Proceeds from disposal of assets	-	-
22. Borrowing utilised		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
23. Transfer from sinking fund	-	-
24. Totals	-	-
C Rates and charges		
25. Number of assessments		
a. Residential (occupied)	1,105	1,103
b. Residential (unoccupied, ie. vacant lot)	49	54
c. Non-residential (occupied)	2	185
d. Non-residential (unoccupied, ie. vacant lot)	-	3
26. Number of ETs for which developer charges were received	- ET	- ET
27. Total amount of pensioner rebates (actual dollars)	\$ 11,333	\$ 12,417

Coonamble Shire Council

Special Schedule No. 5 - Sewerage Cross Subsidies

for the financial year ended 30 June 2014

\$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
28. Annual charges			
a. Does Council have best-practice sewerage annual charges, usage charges and trade waste fees & charges*?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
If Yes, go to 29a.			
If No, please report if council has removed land value from access charges (ie rates)?			
<input type="checkbox"/>			
<input type="checkbox"/>			
NB. Such charges for both residential customers and non-residential customers comply with section 4.2 & 4.3 of the Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy to non-residential customers (page 45 of Guidelines)			<input type="text"/>
c. Cross-subsidy to trade waste discharges (page 46 of Guidelines)			<input type="text"/>
29. Developer charges			
a. Has council completed a sewerage Development Servicing** Plan?	<input type="checkbox"/>	<input type="checkbox"/> No	
b. Total cross-subsidy in sewerage developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
30. Disclosure of cross-subsidies			
Total of cross-subsidies (28b + 28c + 29b)			<input type="text" value="-"/>
<p>* Councils which have not yet implemented best practice sewer pricing & liquid waste pricing should disclose cross-subsidies in items 28b and 28c above.</p> <p>However, disclosure of cross-subsidies is not required where a Council has implemented best practice sewerage and liquid waste pricing and is phasing in such pricing over a period of 3 years.</p>			

Coonamble Shire Council

Special Schedule No. 6 - Sewerage Service Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2014

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
31. Cash and investments			
f. Other	4,537	-	4,537
32. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	41	43	84
c. User Charges	36	-	36
33. Inventories	-	-	-
34. Property, plant and equipment			
a. System assets	-	12,548	12,548
35. Other assets	-	-	-
36. Total Assets	4,614	12,591	17,205
LIABILITIES			
37. Bank overdraft	-	-	-
38. Creditors	26	-	26
39. Borrowings			
a. Loans	7	31	38
40. Provisions			
41. Total Liabilities	33	31	64
42. NET ASSETS COMMITTED	4,581	12,560	17,141
EQUITY			
42. Accumulated surplus			12,251
44. Asset revaluation reserve			4,890
45. TOTAL EQUITY			17,141
Note to system assets:			
46. Current replacement cost of system assets			27,047
47. Accumulated current cost depreciation of system assets			(14,499)
48. Written down current cost of system assets			12,548

Coonamble Shire Council

Notes to Special Schedule No.'s 3 & 5

for the financial year ended 30 June 2014

Administration ⁽¹⁾

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Meter reading.
- Bad and doubtful debts.
- Other administrative/corporate support services.

Engineering and supervision ⁽¹⁾

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Other technical and supervision staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.

Operational expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

Maintenance expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

Other expenses (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

Impairment Losses (item 4d & 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

Aboriginal Communities Water and Sewerage Program (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and sewerage revenue.

Residential charges ⁽²⁾ (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a Access Charges (including rates if applicable) and 6b Usage Charges.

Non-residential charges ⁽²⁾ (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a Access Charges (including rates if applicable) and 7b Usage Charges.

Trade waste charges (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a Annual Fees, 8b Usage Charges and 8c Excess Mass Charges and 8d Re-inspection Fees.

Other income (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

Other contributions (items 12c and 13c of Special Schedules 3 and 5 respectively) incl. capital contributions for water supply or sewerage services received by Council under Section 565 of the Local Government Act.

Notes:

⁽¹⁾ Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

⁽²⁾ To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

Special Schedule No. 7 - Report on Infrastructure Assets

as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Actual ⁽³⁾ Maintenance 2013/14	Written Down Value (WDV) ⁽⁴⁾	Assets in Condition as a % of WDV ^{(4), (5)}				
						1	2	3	4	5
Buildings										
	Council Offices / Administration Centres	-	45	44	3,091	100%				0%
	Council Works Depot	20	50	16	982		100%			0%
	Council Public Halls	50	20	28	1,528			100%		0%
	Libraries	30	100	42	1,059	100%				0%
	Cultural Facilities	20	20	18	302			100%		0%
	Other Buildings	-	30	23	994		100%			0%
	Other	120	230	116	9,213		81%	19%		0%
	sub total	240	495	287	17,169	24.2%	55.0%	20.9%	0.0%	0.0%
Other Structures										
	Other Structures	200	300	220	8,655		100%			0%
	sub total	200	300	220	8,655	0.0%	100.0%	0.0%	0.0%	0.0%
Roads										
	Sealed Roads Structure	1,280	575	894	74,795		100%			0%
	Unsealed Roads	530	90	752	42,176		75%	25%		0%
	Bridges	-	5	76	11,464	100%				0%
	Footpaths	60	40	110	1,288		100%			0%
	Kerb and Gutter	-	-	6	3,488		100%			0%
	sub total	1,870	710	1,838	133,211	8.6%	83.5%	7.9%	0.0%	0.0%

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Actual ⁽³⁾ Maintenance 2013/14	Written Down Value (WDV) ⁽⁴⁾	Assets in Condition as a % of WDV ^{(4), (5)}				
						1	2	3	4	5
Water Supply Network										
	Mains	150	100	100	5,861			100%		0%
	Reservoirs	150	100	98	1,900			100%		0%
	Pumping Station/s	50	45	20	118		100%			0%
	Treatment	-	-	10	-	100%				
	Meters	25	20	15	5,609		100%			0%
	sub total	375	265	242	13,488	0.0%	42.5%	57.5%	0.0%	0.0%
Sewerage Network										
	Mains	200	85	77	-			100%		
	Pumping Station/s	50	47	43	-		100%			
	Treatment	250	82	51	-		100%			
	Other	-	-	-	12,548					100%
	sub total	500	214	171	12,548	0.0%	0.0%	0.0%	0.0%	100.0%

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Actual ⁽³⁾ Maintenance 2013/14	Written Down Value (WDV) ⁽⁴⁾	Assets in Condition as a % of WDV ^{(4), (5)}				
						1	2	3	4	5
Stormwater Drainage	Stormwater Conduits	39	30	-	-		100%			
	Other	-	-	-	1,359					100%
	sub total	39	30	-	1,359	0.0%	0.0%	0.0%	0.0%	100.0%
	TOTAL - ALL ASSETS	3,224	2,014	2,758	186,430	8.4%	72.4%	11.7%	0.0%	7.5%

Notes:

- (1). Satisfactory is defined as "satisfying expectations or needs, leaving no room for complaint, causing satisfaction, adequate".
The estimated cost to bring assets to a satisfactory standard is the amount of money that is required to be spent on an asset to ensure that it is in a satisfactory standard.
This estimated cost should not include any planned enhancements (ie.to heighten, intensify or improve the facilities).
- (2). Required Annual Maintenance is "what should be spent to maintain assets in a satisfactory standard.
- (3). Actual Maintenance is what has been spent in the current year to maintain the assets.
Actual Maintenance may be higher or lower than the required annual maintenance due to the timing of when the maintenance actually occurs.
- (4). Written Down Value is in accordance with Note 9 of Council's General Purpose Financial Statements
- (5). **Infrastructure Asset Condition Assessment "Key"**

1	Excellent	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Average	Maintenance work required
4	Poor	Renewal required
5	Very Poor	Urgent renewal/upgrading required

Coonamble Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)

for the financial year ended 30 June 2014

\$ '000	Amounts 2014	Indicator 2014	Prior Periods 20132012	
Infrastructure Asset Performance Indicators Consolidated				
1. Building and Infrastructure Renewals Ratio				
Asset Renewals (Building and Infrastructure) ⁽¹⁾	1,868	48.96%	53.90%	56.65%
Depreciation, Amortisation & Impairment	3,815			
2. Infrastructure Backlog Ratio				
Estimated Cost to bring Assets to a Satisfactory Condition	3,224	0.02	0.02	0.02
Total value ⁽²⁾ of Infrastructure, Building, Other Structures & depreciable Land Improvement Assets	186,430			
3. Asset Maintenance Ratio				
Actual Asset Maintenance	2,758	1.37	0.94	0.93
Required Asset Maintenance	2,014			
4. Capital Expenditure Ratio				
Annual Capital Expenditure	4,572	0.93	1.82	0.53
Annual Depreciation	4,940			

Notes

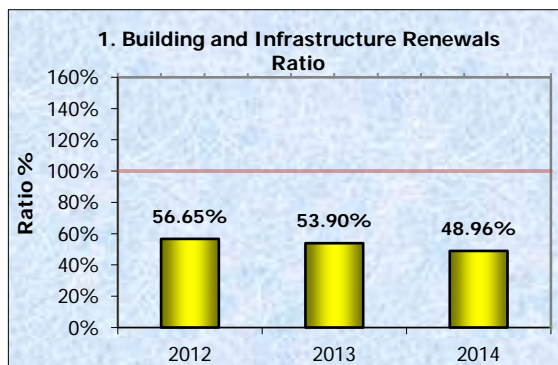
⁽¹⁾ Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance. Asset Renewals include building and infrastructure assets only.

⁽²⁾ Written down value

Coonamble Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)

for the financial year ended 30 June 2014



Purpose of Asset Renewals Ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

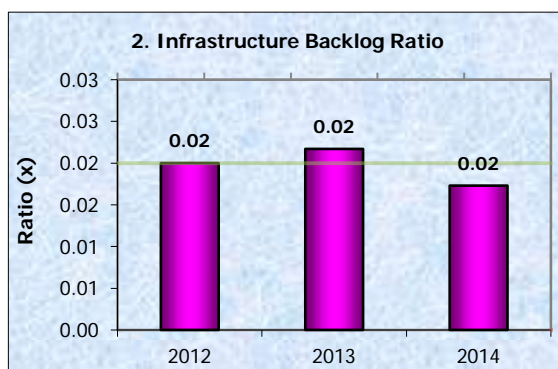
Commentary on 2013/14 Result

2013/14 Ratio 48.96%

Council result of 48.96 is below the industry benchmark of 100%, future planned Asset Renewals will improve this result

Minimum 100.00%

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)



Purpose of Infrastructure Backlog Ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

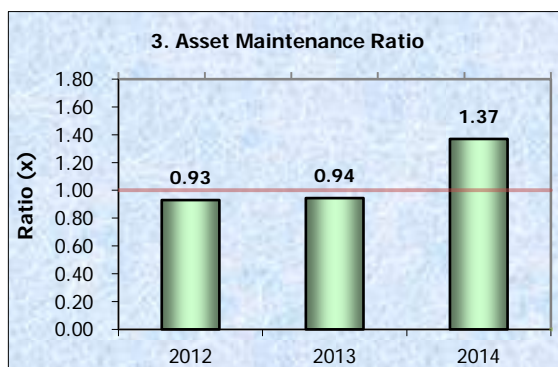
Commentary on 2013/14 Result

2013/14 Ratio 0.02 x

Council ratio of 0.0173 is marginally better than the industry benchmark of 2.00. Works programs in place will continue to focus on improving this result

Maximum 0.02

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)



Purpose of Asset Maintenance Ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the Infrastructure Backlog growing.

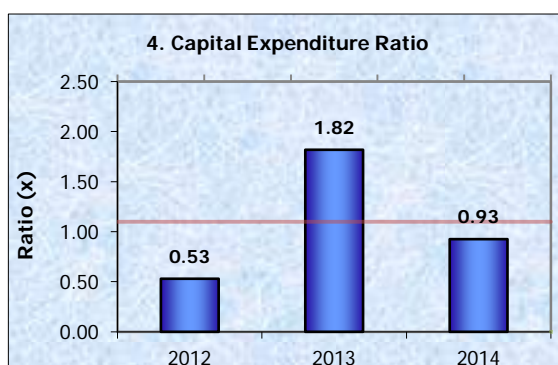
Commentary on 2013/14 Result

2013/14 Ratio 1.37 x

Councils result of 1.37 is above the industry benchmark of 1. Asset maintenance plans in place will continue to address the current infrastructure backlog.

Minimum 1.00

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)



Purpose of Capital Expenditure Ratio

To assess the extent to which a Council is expanding its asset base thru capital expenditure on both new assets and the replacement and renewal of existing assets.

Commentary on 2013/14 Result

2013/14 Ratio 0.93 x

Councils result of 0.93 is slightly under the current industry benchmark. However it is a solid result that will be boosted by future planned capital works

Minimum 1.10

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)

Coonamble Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)

for the financial year ended 30 June 2014

\$ '000	Water 2014	Sewer 2014	General ⁽¹⁾ 2014
Infrastructure Asset Performance Indicators By Fund			
1. Building and Infrastructure Renewals Ratio			
<u>Asset Renewals (Building and Infrastructure) ⁽¹⁾</u>	81.67%	9.78%	52.51%
Depreciation, Amortisation & Impairment			
prior period:	1342.98%	118.26%	-61.11%
2. Infrastructure Backlog Ratio			
<u>Estimated Cost to bring Assets to a Satisfactory Condition</u>	0.03	0.04	0.01
Total value ⁽³⁾ of Infrastructure, Building, Other Structures & Depreciable Land Improvement Assets			
prior period:	0.04	0.04	-0.01
3. Asset Maintenance Ratio			
<u>Actual Asset Maintenance</u>	0.91	0.80	1.53
Required Asset Maintenance			
prior period:	0.66	0.57	1.04
4. Capital Expenditure Ratio			
<u>Annual Capital Expenditure</u>	1.01	0.12	1.01
Annual Depreciation			
prior period:	20.99	0.00	0.99

Notes

⁽¹⁾ General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

⁽²⁾ Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance. Asset Renewals include building and infrastructure assets only.

⁽³⁾ Written down value

Coonamble Shire Council

Special Schedule No. 8 - Financial Projections

as at 30 June 2014

\$'000	Actual ⁽¹⁾ 13/14	Forecast ⁽³⁾ 14/15	Forecast ⁽³⁾ 15/16	Forecast ⁽³⁾ 16/17	Forecast ⁽³⁾ 17/18	Forecast ⁽³⁾ 18/19	Forecast ⁽³⁾ 19/20	Forecast ⁽³⁾ 20/21	Forecast ⁽³⁾ 21/22	Forecast ⁽³⁾ 22/23	Forecast ⁽³⁾ 23/24
(i) OPERATING BUDGET											
Income from continuing operations	16,732	24,742	24,652	25,021	25,868	24,535	25,242	26,077	26,898	27,559	27,903
Expenses from continuing operations	18,324	23,772	24,198	24,722	25,321	25,893	26,501	27,231	27,952	28,604	29,259
Operating Result from Continuing Operations	(1,592)	970	454	300	546	(1,358)	(1,260)	(1,154)	(1,054)	(1,044)	(1,356)
(ii) CAPITAL BUDGET											
New Capital Works ⁽²⁾	1,026	-	-	-	-	-	-	-	-	-	-
Replacement/Refurbishment of Existing Assets	4,429	9,645	5,346	4,960	5,369	2,754	2,883	2,856	2,999	2,991	3,044
Total Capital Budget	5,455	9,645	5,346	4,960	5,369	2,754	2,883	2,856	2,999	2,991	3,044
Funded by:											
– Loans	530	3,000	-	-	-	-	-	-	-	-	-
– Asset sales	-	-	-	-	-	-	-	-	-	-	-
– Reserves	608	-	-	-	-	-	-	-	-	-	-
– Grants/Contributions	295	3,508	2,866	2,495	2,765	672	672	672	672	672	672
– Recurrent revenue	-	-	-	-	-	-	-	-	-	-	-
– Other	4,022	3,138	2,480	2,464	2,605	2,082	2,211	2,184	2,327	2,319	2,372
	5,455	9,645	5,346	4,960	5,369	2,754	2,883	2,856	2,999	2,991	3,044

Notes:

(1) From 13/14 Income Statement.

(2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.

(3) Financial projections should be in accordance with Council's Integrated Planning and Reporting framework.

Coonamble Shire Council

Special Schedule No. 9 - Permissible Income Calculation

for the financial year ended 30 June 2015

\$'000		Calculation 2013/14	Calculation 2014/15
Notional General Income Calculation ⁽¹⁾			
Last Year Notional General Income Yield	a	4,133	4,277
Plus or minus Adjustments ⁽²⁾	b	-	-
Notional General Income	c	4,133	4,277
Permissible Income Calculation			
Special variation percentage ⁽³⁾	d		
or Rate peg percentage	e	3.40%	2.30%
or Crown land adjustment incl. rate peg percentage	f		
less expiring Special variation amount	g	-	-
plus Special variation amount	h = c x d	-	-
or plus Rate peg amount	i = c x e	141	98
or plus Crown land adjustment and rate peg amount	j = c x f	-	-
sub-total	k = (c+g+h+i+j)	4,274	4,375
plus (or minus) last year's Carry Forward Total	l	(4)	(7)
less Valuation Objections claimed in the previous year	m	-	-
sub-total	n = (l + m)	(4)	(7)
Total Permissible income	o = k + n	4,270	4,368
less Notional General Income Yield	p	4,277	4,375
Catch-up or (excess) result	q = o - p	(7)	(7)
plus Income lost due to valuation objections claimed ⁽⁴⁾	r	-	8
less Unused catch-up ⁽⁵⁾	s	-	-
Carry forward to next year	t = q + r - s	(7)	1

Notes

- ¹ The Notional General Income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- ² Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called "supplementary valuations" as defined in the Valuation of Land Act 1916.
- ³ The Special Variation Percentage is inclusive of the Rate Peg percentage and where applicable crown land adjustment.
- ⁴ Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- ⁵ Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.

COONAMBLE SHIRE COUNCIL

SPECIAL SCHEDULE NO. 9

INDEPENDENT AUDITORS' REPORT

REPORT ON SPECIAL SCHEDULE NO. 9

We have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 9) of Coonamble Shire Council for the year ending 30 June 2015.

Responsibility of Council for Special Schedule No. 9

The Council is responsible for the preparation and fair presentation of Special Schedule No. 9 in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update No. 22. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Special Schedule No. 9 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.

Auditors' Responsibility

Our responsibility is to express an opinion on Special Schedule No. 9 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 Special Schedule No. 9 is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in Special Schedule No. 9. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Special Schedule No. 9, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of Special Schedule No. 9.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

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ABN 56 435 338 966

Hill Rogers
Spencer Steer

In making our risk assessments, we consider internal controls relevant to the entity's preparation of Special Schedule No. 9 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.

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, Special Schedule No. 9 of Coonamble Shire Council for 2014/15 is properly drawn up in accordance with the requirements of the Office of Local Government and in accordance with the books and records of the Council.

Basis of Accounting

Without modifying our opinion, we advise that this schedule has been prepared for distribution to the Office of Local Government for the purposes of confirming that Council's reconciliation of Council's total permissible general income is presented fairly. As a result, the schedule may not be suitable for another purpose.

HILL ROGERS SPENCER STEER

G. Mottau

GARY MOTTAU

Partner

Dated at Sydney this 1st day of October 2014

A decorative graphic on the right side of the page. It features a yellow circle at the top, with a thick blue line curving downwards and to the left, and a thinner purple line following a similar path. The thick blue line forms a large circle that encloses the text.

COONAMBLE SHIRE COUNCIL

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