

# Coonamble Shire Council Annual Report 2012-13



## CONTENTS

<b>Section 1: Introduction</b>	
<b>Mayor and General Manager's message.....</b>	<b>3</b>
<b>Council offices and facilities .....</b>	<b>4</b>
<b>Councillors .....</b>	<b>5</b>
<b>Council meetings .....</b>	<b>6</b>
<b>Council delegates .....</b>	<b>6</b>
<b>Senior &amp; executive staff.....</b>	<b>6</b>
<b>Community vision .....</b>	<b>7</b>
<b>Coonamble Shire.....</b>	<b>7</b>
<b>Organisation structure .....</b>	<b>8</b>
<b>Corporate governance.....</b>	<b>9</b>
<b>Section 2: Key achievements / highlights.....</b>	<b>11</b>
<b>Section 3: Reporting on Delivery Program.....</b>	<b>16</b>
<b>Our People .....</b>	<b>16</b>
<b>Our Infrastructure.....</b>	<b>22</b>
<b>Our Economy.....</b>	<b>29</b>
<b>Our Environment.....</b>	<b>34</b>
<b>Our Leadership .....</b>	<b>36</b>
<b>Section 4: Statutory disclosures .....</b>	<b>38</b>
<b>Section 5: Financial reporting .....</b>	<b>49</b>

## MAYOR'S MESSAGE



I am proud to present the first Annual Report of the new Council and congratulate my fellow Councillors, management team and staff for progress during 2012-13.

Key achievements over the past year have included upgrades of roads, relining of sewer mains, re-roofing of Quambone water reservoir, completion of the water treatment and filtration plant. Improvements to infrastructure such as CCTV camera system upgrade have been achieved. A number of grants have also been received to assist in the area of community services. Community safety, youth development and library service projects attracted funding to provide opportunities for residents to connect and enjoy living in our wonderful Shire.

Despite escalating demands on Local Councils, together with increasing cost shifting by state government, I am confident Coonamble Council will continue to provide sustainable services to our residents and I look forward to the coming year.

Tom Cullen, Mayor 2012/13

## GENERAL MANAGER'S MESSAGE

The last twelve months has seen a significant change for Council in terms of planning and reporting requirements required by state legislation. The Community Strategic Plan, Delivery Program and Operational Plan were developed with significant community consultation and have been rolled out over the past next twelve months. This Annual Report represents the first full report to the community, tracking Council's progress.

Financially, Council continues to be in a solid position, particularly as relative to other councils in the State. We continue to work towards strengthening the Shire's capacity to meet its financial commitments and have the reserves in place for unexpected impacts.

I am pleased with progress during 2012/13 and, together with Council staff, look forward to continuing to work positively with the community in delivering a high quality of customer service.

General Manager

Rick Warren



## 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](mailto:council@coonambleshire.nsw.gov.au)  
Website: [www.coonambleshire.nsw.gov.au](http://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, President of the Coonamble Show Society.



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. Operates his own mechanical workshop.



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. A 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
Director of Engineering Services:	Mr Kelvin Brodbeck
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

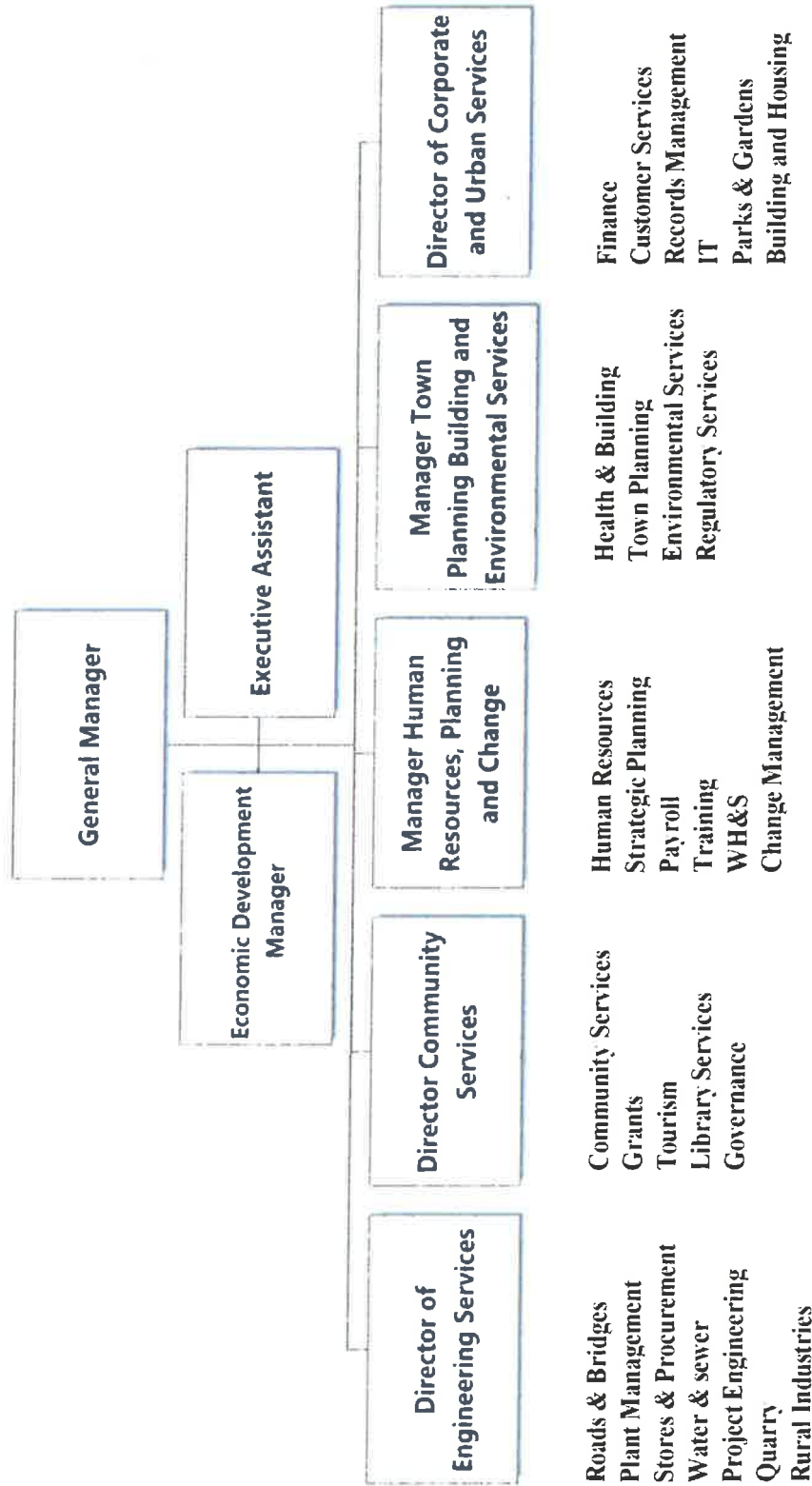
Coonamble Shire has an area of 9,955 square kilometres and is located on the traditional Indigenous land of the Gamilaroi and Wailwan people. Coonamble Shire is part of the Orana Region of Central Northern NSW and is bounded by the Shires of Walgett to the north, Warrumbungle in the east, Gilgandra to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

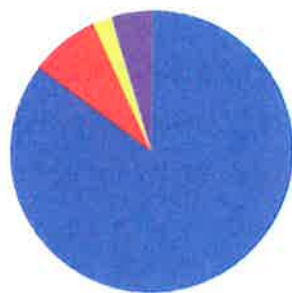


# Section 2:

## KEY HIGHLIGHTS/ ACHIEVEMENTS

In summary, the 2012/13 Operational Plan identified 188 actions across the five themes; Our People, Our Infrastructure, Our Environment, Our Economy and Our Leadership. At the end of the 2012/13 year 161 (or 89.9%) of the 179 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	36	48	43	9	25	161
Continuing to progress	0	11	1	2	0	14
Not progressing	0	3	1	0	0	4
<b>Sub total</b>	<b>36</b>	<b>62</b>	<b>45</b>	<b>11</b>	<b>25</b>	<b>179</b>
Not due to commence	6	1	0	0	2	9
<b>Total</b>	<b>42</b>	<b>63</b>	<b>45</b>	<b>11</b>	<b>27</b>	<b>188</b>



- Completed to target
- Continuing to progress
- Not progressing
- Not due to commence

14 actions are continuing to progress. Reasons for not meeting original timeframes include weather delays, staff being diverted to other priority projects and extended review processes (eg: Local Environmental Plan). These actions will continue to be monitored during 2013/14.

4 actions did not progress as a result of decisions made by external bodies (eg: funding not received or event/activity did not take place). 9 actions were not due to progress as they are contained in the Delivery Program but were not scheduled for the 2012/13 year.

## TOURISM DEVELOPMENT

Monthly visitation for the Visitor Information Centre (VIC) has significantly increased since 2012. During June/July 2012, 146 visitors were recorded, and during June/July, 2013 this increased to 280 visitors. 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 is currently hosting a local high school student in the VIC. The VIC registered the first community volunteer early in the year and has welcomed their contribution to the ongoing success of the service.

Council has continued tourism industry partnerships with Inland NSW Tourism, Great Inland Way committee and the Warrumbungle Tourism Cluster (Narrabri, Gilgandra and Warrumbungle Shire Councils). The Cluster will attend the Penrith Caravan and Camping Show to promote the Warrumbungle Region in September 2013.

In 2013 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. Council lobbied Inland NSW Tourism for a subsidised online marketing and web development workshop, which took place in December 2012 and was well attended by local stakeholders.

In late 2012 Council secured a three year, \$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. The 2013 event attracted over 4000 people and included wine tasting, the XXXX Gold rooftop bar, and additional children's activities, as new experiences.

Council continued to sponsor the 'Promoting Coonamble Shire' photography section at the Annual Coonamble Show. Crown Lands grant funding has also been sought 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, Macquarie Marshes Environmental Landholders Association and Quambone Resources to apply for several

### **ENVIRONMENT**

- *Partnered with Central West Catchment Management Authority to rejuvenate local Landcare user groups*
- *Implementation of swimming pool and companion animal community awareness raising campaigns*
- *Management of Heritage Fund Program*
- *Negotiations commenced for the extension of Coonamble Landfill site*

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 service delivery
- Strategic development in response to community identified need

During 2012 – 2013 Council addressed the focus areas of community safety and youth anti-social behaviour. Council's community development approach to these areas included ground level service delivery work with communities, as well as joint planning and whole of government approaches.

Council received external funding for the Burglar Beware project which involved staff working with community groups and individuals to target harden residential properties. This project involved coordinating safety audits for residents, together with the subsidised provision of small scale infrastructure. The project was re-funded and will continue to operate into December 2013. The Coonamble Shire Youth Council continued to operate throughout the year in partnership with Coonamble High School. The group attracted funding to facilitate the FARE project which engaged young people in producing a number of resources focussed on alcohol related harms and their effect on young people. The resources were distributed throughout the community and to key regional organisations. The Youth Council also successfully drove the Youth Week program for Coonamble Shire with a number of activities hosted throughout April 2013.

Additional funding, of \$50,000 was granted for a project that will result in the development of a program of youth activities, together with the facilitation of a youth forum. The Bang the Table project commenced with the employment of a youth trainee, enabling Council to further contribute to youth employment outcomes, and will continue into 2014.

Coonamble Vacation Care Service continued to operate, providing an important service to working parents and their children. The service is open to all primary school aged children and is an approved service under the new Children's Services Quality Framework

Council staff facilitated the Australia Day and Heritage Day events and assisted with progression of Moorambilla Festival and other collaborative community events.

In response to community requests, the Coonamble Library expanded services with the Story Walk and Story Time in Language programs. Both of these early literacy programs were rolled out as pilot projects during the year and, due to their success, will continue to operate during 2013/14.

The Library also hosted a number of events facilitated by external organisations, introduced a Wi-Fi hotspot and facilitated the Waste to Art Competition. Funding was granted, through the State Library, for two projects which will see a re-vamp of the Library space as well as an increase in activities during the coming year.

It has been particularly pleasing to receive external funding to facilitate community services projects. In total, an amount of \$215,000 has been granted to Council from the NSW Office of Communities, NSW Attorney General's Department, the Foundation for Alcohol Research & Education and the NSW State Library. These funds have significantly contributed to community safety, youth diversionary and community development projects during the year.

#### **LEADERSHIP**

- *Broader opportunities for community consultation*
- *Development of School based Trainees*
- *Facilitation of School to Work program*
- *Youth development and mentoring through the Youth Council*
- *Assisting local organisations with governance, leadership and skills development*
- *Strengthening of Long Term Financial Plan resulting in improved financial sustainability ratio*
- *Amongst the top 21% of NSW Councils achieving sound Performance for financial sustainability*

The 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 2013 Coonamble Sire 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.

## ECONOMIC DEVELOPMENT

The *Eco Spa and Caravan Park* project finalised with the project now “investment ready” for promotion to potential developers. The development concept includes:

- Eco-Spa incorporating hot artesian pools and a cold plunge pool plus amenities
- Caravan Park providing a range of new and additional accommodation
- Amenities for the caravan park – bathrooms, laundry, camp kitchen and storage facilities
- Central complex with onsite parking for cars and long rigs

It is envisaged that the development will be operated as one complex, with the Eco Spa open to the public. Council will be looking for a commercial operator to develop and operate the complex, with the site made available on a long term lease.

In order to strengthen and support local business, Council assists the Coonamble Chamber of Commerce to undertake business training and joint promotional activities including the 2012 *Keep Coonamble Kicking* campaign.

As a key partner in the *Coonamble Employment Circle*, Council facilitates improved communication and service delivery by agencies supporting employers and job-seekers.

Council promotes the Shire as a business and lifestyle destination at every opportunity. With contributions from local businesses and community groups, ‘welcome bags’ are compiled and distributed to new residents throughout the year.

### **BUSHFIRE HAZARD REDUCTION**

*There are 23 Rural Fire Brigades in the Shire under the control of the NSW Rural Fire Service.*

*The township of Coonamble is covered by the Headquarters Brigade and there are village brigades in Quambone and Gulargambone. Council conducted hazard reduction activities in and around the towns and villages and along the transport network corridors. Hazard reduction activities amounted to \$26,000 for the 2012/13 year.*

### **INFRASTRUCTURE**

- *Roads to Recovery Program*
- *Local Unsealed Roads M&R*
- *Urban Streets Construction, Effie Durham Drive & Hickey St, Coonamble. Wilga & Coonamble Sts, Gulargambone*
- *Upgraded CCTV Camera System (CBD)*
- *Relining of sewer mains*
- *Re-roofing of water reservoir - Quambone*
- *Water Treatment Filtration Plant - Coonamble & new rising mains*
- *Secured funding for safety upgrade at Saleyards*
- *Development of Quambone Primitive Camping area*
- *Gulargambone Pool upgrade*
- *Upgrade Showground watering system*

## Section 3: Reporting on Delivery Program

### Theme: Our People

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

CSP Action	DP Action	Status	Comment
Leverage online technologies to improve virtual connections	Improve the quality of Coonamble Shire Website and include opportunities for community groups to share information.	Completed	Redesign of templates, consolidation of literature, overall review of content and webpages for streamlined access.
	Utilise internet technology to provide community information to specific demographic & interest groups	Completed	Youth Council FaceBook page established. WiFi Hotspot created at Coonamble Library.
Increase the representation of Aboriginal people in community roles including local Council	Utilise Local Government Week to raise awareness of the role and function of Council	Not Due To Start	
	Provide appropriate opportunities for Aboriginal people to participate in Council's community planning	Completed	Community Working Party engaged in development of community services projects. "In place" consultation conducted with individual projects eg: Burglar Beware
Leverage the skills and knowledge in our community to promote social interaction and facilitate knowledge sharing	Support activities/projects that increase community participation and connection	Completed	Community activities supported -White Ribbon Day, International Day of People with a Disability, workshops/exhibitions, NAIDOC. Knowledge sharing activities facilitated eg: Skircle group.
	Maintain local business database Distribute relevant information to local businesses	Completed	Shire Business Database updated regularly and listed on Council website. Business Bulletins are issued on a bi-monthly basis.
	Source, collate & distribute residents packs and Welcome to Coonamble bags	Completed	Welcome to Coonamble Dinner held. Gulargambone Welcome BBQ held.
	Provide Community Development Workers to facilitate community building	Completed	Community Development Workers appointed.



CSP Action	DP Action	Status	Comment
Leverage the skills and knowledge in our community to promote social interaction and facilitate knowledge sharing	Continue to consult residents with a focus on quality of life experience rather than sole satisfaction with Council services	Not Due To Start	

## Our community is a place where people feel safe

CSP Action	DP Action	Status	Comment
Encourage an inclusive, active community where people look out for each other	Utilise Safer by Design principles in public space planning	Completed	Safety principles considered in all public space planning.
	Work with Police and communities to target crime "hot spots"	Completed	Crime prevention projects conducted in consultation with Police and Coonamble Community Safety Committee.
	Support activities that promote community involvement in neighbourhood safety (eg: Neighbourhood Watch).	Completed	Burglar Beware I project completed with phase II underway and progressing to project plan.
	Encourage safety audits for elderly residents	Completed	57 Safety audits completed.
Develop and grow the community's sense of shared responsibility	Work with partners to develop programs that assist women and children to escape from family violence and men to address family violence	Completed	Re-establishment of Domestic Violence Prevention Committee.
	Work with community groups to lobby for the development of a domestic violence safe house	Completed	Women's Refuge Business Case completed.
	Work with community groups to develop local solutions to drug and alcohol related issues	Completed	Youth related drug and alcohol project completed in conjunction with Youth Council.
	Work with partners to develop strategies to minimise crime and anti-social behaviour in the community	Completed	Stakeholders engaged in development of the Burglar Beware projects.
	Control straying animals	Completed	Continued control of straying animals.

CSP Action	DP Action	Status	Comment
	Provide Crime Prevention information	Completed	Crime prevention information provided on website and direct to residential and business premises.
	Liaise with local Police and State Government to increase Police presence	Completed	Police numbers reflect allocated strength. Detective now stationed at Coonamble.

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

CSP Action	DP Action	Status	Comment
Support and promote healthy lifestyles	Advocate, support and raise awareness of programs that promote the physical and mental health and well-being of community members	Completed	Awareness raising through Library, vacation care, community safety and youth projects.
	Inspection of Food premises	Completed	Inspection schedule implemented.
	Investigate and develop further age appropriate play areas that meet the needs of ages 0-5 and 6-12 years.	Not Due To Start	
Improve access to medical and specialist services	Maintain existing level of assistance to medical and dental facilities within the Shire	Completed	Existing level of support maintained.
Support the production of local produce, including home-grown and domestic produce	Ensure ongoing program of noxious weed and insect control through membership of Castlereagh – Macquarie County Council	Completed	Effective control of noxious weeds continued through membership of Castlereagh-Macquarie County Council.
	Provide quality assistance and advice to industry and community	Completed	High level of customer service provided to industry and community.
Improve access to services for disengaged community members	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	Completed	Support provided to Interagency Network, Cafe 2828, NSW Health Services, MacKillop Rural Services, Primary & High School initiatives, Coonamble Aboriginal Health Service.

CSP Action	DP Action	Status	Comment
Increase the community's involvement in sporting activities	Ensure parks and gardens and sportsgrounds are maintained to an acceptable standard	Completed	Regular planned maintenance of parks and gardens continued.

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

CSP Action	DP Action	Status	Comment
Increase opportunities for our community to celebrate together	Support activities that promote cultural awareness and diversity in ability and age	Completed	Participation in Youth Week, Children's Week, Harmony Day, Senior's Week, International Day of People with a Disability & NAIDOC.
	Continue to facilitate Australia Day activities	Completed	Annual Australia Day event facilitated.
Improve interaction across social cultural and age groups	Provide strategic early intervention community development programs for children and young people.	Completed	Early literacy Library projects, Story Walk and Story Time in Language. Coonamble Shire Youth Council programs including Yarn Up, Bang The Table and Youth Week projects.
	Support strategies that focus on active ageing and ageing in place	Completed	Senior Citizen events supported during Senior's Week. Burglar Beware community development project supporting aged people to increase safety in their home.
	Develop an Ageing Population Strategy for the Shire.	Not Due To Start	
	Work in collaboration with agencies and community groups to address existing and emerging issues specific to the Aboriginal community	Completed	Active participation in Community Working Party meetings. Projects developed in response to community issues raised eg: Library Connections, Walking Together.
Improve interaction across social cultural and age groups	Develop a Multicultural Services Program Plan and review annually	Not Due To Start	
	Develop a Disability Action Plan	Not Due To Start	
	Ensure Council consultation provides opportunities for participation for people from diverse backgrounds	Completed	Community consultation included "in place" strategies to reach culturally diverse residents with a focus on partnering with local service providers.

CSP Action	DP Action	Status	Comment
	Provide appropriate support to organisations that provide services to people with a disability and culturally and linguistically diverse (CALD) community members	Completed	Facilitated awareness raising activity for International day of People with a Disability and Harmony Day, in conjunction with local service providers.
Improve interaction across social cultural and age groups	Appropriate support to the development of an Aboriginal Cultural Centre	Completed	No community approach to progress this activity.
Promote role models who demonstrate community respect	Provide Aboriginal Cultural Awareness training to all staff and Councillors.	Not Due To Start	
Promote more cultural events in the shire	Assist with Moorambilla event	Completed	Assistance provided with marketing, coordination and infrastructure, in accordance with Memorandum of Understanding.
	Assist Coonamble Shire events with marketing and promotion.	Completed	Administration of Regional flagship Rodeo grant. Other events such as the Melbourne Comedy Roadshow, picnic races and Moorambilla receive promotion on the Council website, Facebook page and eNewsletter.

# Theme: Our Infrastructure

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

CSP Action	DP Action	Status	Comment
Maintain local road maintenance and construction	Continue to implement rolling plant replacement program	Completed	Required plant replaced.
	Depot maintained and upgraded	Completed	Depot maintained to meet legislative requirements.
	Plant operated efficiently and economically	Completed	Profit as budgeted.
	RMS RMCC Contract continued on Castlereagh Highway (HW 18)	Completed	Contract signed and works undertaken in partnership with RMS.
	Routine maintenance, heavy patching and reseals continued under Regional Roads Block Grant contract	Completed	Obligations under funding arrangements met.
	Reconstruction of sealed regional roads under Regional Roads Repair Program continued	Completed	Nil funding received for 2012/2013 year for construction. Maintenance program completed.
	Continue local roads reconstruction under Roads to Recovery Program	Progressing	Obligations under funding arrangements met. Weather delays to works.
	Continue local sealed roads routine maintenance, heavy patching & resealing	Completed	Obligations under funding arrangements met.
	Continue local unsealed roads routine maintenance, grading, reforming, re-laying, causeway re-sheeting	Completed	Limited works completed.
	Implement asset management inspection regime and maintenance defect register	Progressing	Reflect program being implemented.
Implement 3 yearly pavement investigation based on technically sound practices	Completed	3 yearly pavement investigation implemented. ARRB Sealed Road Inspection complete.	

CSP Action	DP Action	Status	Comment
Minimise the effects of flooding on our infrastructure	Continue to invest in Levee management	Completed	Continued Levee management.
	Provide flood levee for East Coonamble	Progressing	Contract documents prepared.
	Investigate flood levels West Coonamble	Progressing	Consultants engaged.
Public transport that facilitates access to services and communities for remote residents	Support projects that aim to reduce transport disadvantage	Completed	<i>Transport for NSW</i> funding secured for youth and community safety projects.
	Maintain Certification of Aerodrome to CASA Regulations	Completed	Certification maintained.
	Rail upgrade – work with local industry to maintain pressure to ensure upgrade is completed as planned	Completed	Re-railing work completed. Increased train speeds and increased axle load weights all in place.
	Rail loading – assist interested parties to build a loading site to further develop local industry	Completed	Potential loading sites explored in response to inquiries earlier in the year. Transport NSW advise insufficient funding to complete planned siding works at Coonamble terminus. Dialogue will continue.
	Inland rail – pursue Coonamble sub-corridor in government planning and investment	Completed	Submission made to NSW Transport Plan, and NSW Infrastructure Plan.

## Cultural expression and enjoyment: Our community benefits from access to appropriate facilities

CSP Action	DP Action	Status	Comment
Increase the exhibition and production of more cultural events in the Shire	Ensure Showground & Pavilion are well managed	Completed	Regular inspections of Pavilion and other facilities at the Showground.
	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	Completed	Rodeo Arena- Development Application completed for Western Education & Events Centre, grant application made to Regional Development Australia Fund, EOI submitted to Murray Darling Basin Economic Diversification Fund.
	Support development of diverse cultural and recreational opportunities for children and young people eg: Skate Park at Gulargambone	Completed	Quambone Park community consultation completed. Age appropriate waterplay development of Coonamble pool. Gulargambone Skate Park funding sought. Youth Council awarded funding to develop 7 youth focussed community events.
	Develop a Coonamble Shire Public Art Policy and Procedure	Not Due To Start	
	Continue to support regional arts development	Completed	Ongoing support provided through provision of subsidies.
	Maintain/Improve parks to acceptable standards	Completed	Parks maintained to acceptable standard through implementation of maintenance program.
	Upgrade Showground to ensure reasonable standard of facility is provided	Completed	Infrastructure upgrades undertaken include re-establishment of lawn irrigation, maintenance of stables. Procedures improved to minimise motor vehicle damage at facility.
	Ensure pools are well maintained	Completed	Major works completed at the Gulargambone Pool.
Maintain and improve the role of our community libraries	Expand the role of Council libraries to support early language/literacy skills and life skills programs	Completed	Story Time in Language and Story Walk early literacy programs developed and initiated. "Skircle" skill sharing group commenced. Library used by a variety of external groups.
	Provide high quality library services that are responsive to community need	Completed	Coonamble Library programs increased. Quambone Library resources updated.

CSP Action	DP Action	Status	Comment
Maintain and improve the role of our community libraries	Continue to develop the libraries as multi-purpose community spaces	Completed	Libraries are used by diverse groups. Expanded services include life skill and recreational uses.
Share access to local facilities to fully realise the potential of local infrastructure	Continue to upgrade and maintain infrastructure that supports cultural recreational and leisure activities	Completed	Infrastructure maintained to an acceptable level.
	Investigate and maximise opportunities for Council buildings to be used for multipurpose community activity	Completed	Vacation Care building utilised by Moorambilla and during Youth Week for community events.
	Manage Council's Local Heritage Fund. Oversee provision of Heritage Advisory Services provided to owners of properties across the Shire.	Progressing	Applications to LHF processed. Fund administered in collaboration with Heritage adviser.
	Continue to provide museum advisory support	Completed	Museum continues to operate. Neville Owen Photographic collection significance assessment completed.

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

CSP Action	DP Action	Status	Comment
Deliver safe drinking water and sewerage services	Implement a mains replacement program based on Water Management Plan	Not Progressing	To be programmed.
	Install a new water treatment plant	Progressing	Construction progressing.
	Investigate viability of iron removal from Gulargambone water supply	Completed	Funding not available.
	Ensure water assets are well maintained	Completed	Water assets maintained on an ongoing basis.



CSP Action	DP Action	Status	Comment
Deliver safe drinking water and sewerage services	Implement a mains relining program based on Sewerage Management Plan	Completed	Planned relining completed.
	Maintain sewer assets	Progressing	Ongoing.
	Treatment Plants maintained to Legislative requirements	Completed	Sampling ongoing.
Improve community access to services	Liaise with RFS to provide operational and strategic fire protection in Coonamble	Completed	Effective input provided into RFS estimates process. Bush Fire Management Committee meetings attended.
	Continue sponsorship of SES to respond to disasters	Completed	Ongoing support provided to SES.
	Manage town common	Completed	Town Common operations reviewed and revised.
Minimise our hard waste production and promote recycling	Develop a separate Waste Management Plan	Not Progressing	No action.
Maintain all recreational facilities to ensure safety and promote use	Maintain/Improve Parks to acceptable standards	Completed	Works progressed to maintenance program.
	Complete buildings maintenance & Improvement program	Completed	Buildings maintained to an acceptable standard in accordance with the Building Management Plan.

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

CSP Action	DP Action	Status	Comment
Attract investment in alternative energy production	Seek private and government investment in green power generation within the Shire.	Completed	Perusing solar energy opportunities through OROC.
Ensure long term management and protection of our community assets	Completion of Stormwater Management Plan	Not Progressing	No action.
	Prepare Asset Management Plans for major asset classes	Progressing	Roads complete. Water & Sewer complete. Ponds 80% complete.
	Refine existing Asset Management Plans	Progressing	Ongoing refinement of existing Asset Management Plans.
	Review Asset Management Plans for the major asset groups including risk management plans	Progressing	Review of major asset groups continuing.
	Identify infrastructure expenditure by both: <ul style="list-style-type: none"> <li>• Expenditure Category - asset group; for example, road pavement</li> <li>• Expenditure Type - operating, maintenance, capital renewal, upgrade</li> </ul>	Completed	Considerations included in the preparation of the Quarterly Budget Review and estimates process.
	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	Completed	Asset management plans reviewed for areas of Council operation.
	Periodically collect data for all major infrastructure classes	Completed	Data collected and information correlated for the year.
	Integrate Council's corporate asset register meeting both technical and financial reporting requirements	Completed	Considerations included in the preparation of the Quarterly Budget Review and estimates process.

CSP Action	DP Action	Status	Comment
Ensure long term management and protection of our community assets	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.	Completed	Information has been provided to the interested parties.
	Prepare long term cash flow predictions for asset maintenance, rehabilitation and replacement.	Completed	Long Term Financial Plan updated with new information as it becomes available.
	Prepare long term cash flow predictions for asset maintenance, rehabilitation and replacement.	Completed	Completed as part of the review of Councils Long Term Financial Plan.
	Revalue assets at intervals in accordance with Australian Accounting Standards	Completed	Land and Building Infrastructure Assets have been revalued as part of the 2013 EOFY.
	Review Council's Asset Management Policy	Completed	Annual review complete.
	Develop a funding model which addresses the need for sustainable renewal of infrastructure and which identifies all asset life cycle costs.	Progressing	Long Term Financial Plan reviewed to incorporate life cycle costs.
	Improve staff capacity in the usage of asset management systems	Completed	Audit of staff training commenced including identification of future training and current skills gaps. Key staff identified and training resources made available.

# Theme: Our Economy

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

CSP Action	DP Action	Status	Comment
Re-establish and maintain a robust, well patronised Coonamble main street	Continue to plan and implement Coonamble main street beautification and revitalisation projects	Completed	Stage 1 Main Street project implemented and completed.
	Maintain main street and business area public spaces to a high standard	Completed	Regular maintenance and cleaning carried out. Garden beds re-vamped, installation of street/ cigarette butt bins.
	Identify opportunities for new tourism product	Completed	Continued to work with regional bodies towards the release of the Dubbo Region Destination Management Plan.
	Provide training and support to tourism related businesses in the Shire	Completed	Facilitated and supported training involving tourism planning and online marketing and web development.
	Develop existing visitor markets	Completed	Contribution to existing visitor markets through participation in the regional Destination Management Plan.
	Develop new visitor markets in line with Inland Regional Tourism Organisation (RTO)	Completed	Participation in Inland Regional Tourism Organisation's Regional Destination Management Planning.
	Participate in Inland Tourism and Great Inland Way initiatives	Completed	Participated in all Destination Management workshops facilitated by Inland NSW Tourism and hosted the final workshop for the Dubbo region.
	Tourism Information on Coonamble Shire be displayed at regional and interstate visitor centres (a	Completed	Shire brochure and information distributed to all regional Visitor Information Centres and selected interstate venues.
Reinvigorate the main street precinct in Gulargambone	Lobby for funding for main street beautification	Completed	No suitable funding opportunities available
	Maintain main street and business area public spaces to a high standard	Completed	Regular maintenance and cleaning carried out. Dedicated staff resources to focus on sustaining this action outcome.
	Identify opportunities for new tourism product	Completed	Continued to work with regional bodies towards the release of the Dubbo Region Destination Management Plan.
	Provide training and support to tourism related businesses in the Shire	Completed	Facilitated and supported training involving tourism planning and online marketing and web development.

CSP Action	DP Action	Status	Comment
Reinvigorate the main street precinct in Gulargambone	Develop existing visitor markets	Completed	Contribution to existing visitor markets through participation in the regional Destination Management Plan.
	Develop new visitor markets in line with Inland RTO	Completed	Participation in Inland Regional Tourism Organisation's Regional Destination Management Planning.
	Participate in Inland Tourism and Great Inland Way initiatives	Completed	Participated in all Destination Management workshops facilitated by Inland NSW Tourism and hosted the final workshop for the Dubbo region.
	Tourism Information on Coonamble Shire be displayed at regional and interstate visitor centres	Completed	Shire brochure and information distributed to all regional Visitor Information Centres and selected interstate venues.

## Growth & diversity: Our growing regional economy is diverse

CSP Action	DP Action	Status	Comment
Identify and attract industry programs that will draw new industry to the Shire	Promote the Shire as a location for business development and investment	Completed	Maintenance of Business & Investment Information on Council website; support for initiatives of Coonamble Chamber of Commerce. Liaison with agencies regarding rail line upgrade; promotion of opportunities of business investment, diversification and expansion.
	Support business initiatives that develop economic growth	Completed	Responses and referrals provided to individual businesses on an ongoing basis throughout the year.
	Market Industrial subdivision lots	Completed	Advertising campaigns undertaken. Real Estate agents have listings of lots available for sale.
	Encourage skills attraction and development activities. Support Coonamble Employment Circle to improve local skills base	Completed	Jobs & Skills Expo held March 2013. Skill survey undertaken.
	Pursue improvements to physical infrastructure that supports business and enterprise development	Completed	Rail upgrade completed. Funding applications submitted as appropriate.

CSP Action	DP Action	Status	Comment
Identify and attract industry programs that will draw new industry to the Shire	Support and assist proponents of new agricultural, horticultural and aquaculture enterprises.	Completed	Support is provided on the basis of direct inquiries on an ongoing basis throughout the year.
	Support projects that enhance and promote local natural resources to encourage business and tourism	Completed	Assisted with funding submissions in support of business and tourism projects (eg: Macquarie Marshes Education Station Quambone, Museum development).
	Develop Business Plan and Development Application in support of the establishment of an Artesian Baths facility in Coonamble	Completed	Caravan Park & Eco Spa facility project stage 2 - Investment Ready - completed.
Promote rural entrepreneurial ventures	Ensure Quarry operation is financially viable	Completed	Surplus achieved.
	Maintain Quarry quality certification	Completed	Certification maintained.
	Ensure Quarry is maintained to Department of Mines' standard	Completed	Maintained to standards.
	Ensure proper pricing of product	Completed	Ongoing review to ensure proper pricing of product.
	Provide information and referrals to business start-ups and expansions	Completed	Information and referrals provided as appropriate.
	Promote and process applications to the Business Assistance Fund	Completed	No formal assistance requests received.
	Prepare a business prospectus for potential investors	Not Progressing	No action.
	Maintain Sale Yard QA Certification	Completed	Saleyard Certification maintained.
	Ensure saleyard operation is sustainable	Progressing	Reduced usage of facility poses a barrier to operational sustainability.
	Coonamble Saleyards – support physical improvements and better marketing	Completed	Yards promoted in several features during the year. Physical improvements include construction of a double decker ramp and slam shut safety gates in the delivery yards.

## Local education: Our educational opportunities include support for our local economy

CSP Action	DP Action	Status	Comment
Leading organisations provide cadetships and graduate employment opportunities	Continue to provide the School to Work program, offering options for work experience and Traineeship/ Apprenticeship employment with Council	Completed	Recruited four school based trainees. One standard traineeship position created and filled. Numerous students from both school and TVET courses completed work experience with Council.
Provide broad opportunities for social education and personal wellbeing	Support social enterprise opportunities that allow young people to transition from school/TAFE to employment	Completed	Appropriate School to Work Traineeships supported throughout the organisation
Provide education that addresses the needs of the local population	Facilitate partnerships and linkages with government, business and community to develop and improve the education and skill base of young people	Completed	TAFE relationships sustained through School based traineeships. Government partnerships developed with funded traineeship (Bang the Table project).
Provide education that addresses the needs of the local population	Assist with Education Fund Scholarship	Completed	Scholarship funds provided.
	Support appropriate alternative education programs	Completed	Connected Communities strategies supported. Coonamble Youth Centre "links to learning" and alternative education programs supported.
	Promote Shire libraries as venues for innovative educational support	Completed	Library support of external tutoring programs, University exams and local organisations offering educational programs.
	Encourage and support initiatives to build the local skill base and increase employment participation	Completed	Council organisation structure includes school based traineeship positions. Work experience undertaken by school students and the wider population. HR involvement with employment circle activities.

**Local employment: Our community members are gainfully employed in appropriate and satisfying jobs**

CSP Action	DP Action	Status	Comment
Provide appropriate and accessible education for our community	Facilitate partnerships that support and develop life long learning opportunities	Completed	Skill sharing group commenced and operating in Coonamble Library.
Identify local employment opportunities and promote these across the community	Continue to facilitate School to Work program	Completed	Both school based and mainstream traineeships provided. Accommodated requests for work experience from school students. Commenced project with Coonamble High School students involving work crews of students.
	Continue to recruit using EEO best practice principles	Completed	EEO best practice implemented in recruitment and selection procedures.
	Promote job opportunities on line and through local agencies.	Completed	Links created with local JSAs and all Council employment opportunities provided for promotion. All vacancies added to Council website.



# Theme: Our Environment

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

CSP Action	DP Action	Status	Comment
Promote local food production through appropriate policies	Provide quality planning and customer services to potential developers / residents	Completed	Consistent provision of quality planning and customer services to potential developers / residents.
	Promote and support opportunities for value-adding of local produce	Completed	Responses provided to inquiries from businesses as they arise.

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

CSP Action	DP Action	Status	Comment
Plan land use strategically and sensitively	Develop a strategy to attract new investment/industry, review annually.	Progressing	Development Control Plan adopted. LEP to be reviewed.
	Develop Land Use Strategy	Completed	Defined within LEP.
	Continue to review Local Environmental Plan	Progressing	LEP review is continuing.
	Ensure compliance with NSW Building Certification	Completed	Compliance with NSW Building Certification maintained.
	Provide quality over the counter, telephone and email advice to customers	Completed	Quality customer service provided to internal and external customers.
	Approvals completed within time frame required	Completed	Approval turnaround maintained at a high level.
Promote ecologically and environmentally sustainable development	Enforcement of environmental regulations	Completed	Environmental regulations enforced.

## Good environmental management: Our community values knowledge sharing and promotion of best practice environmental management

CSP Action	DP Action	Status	Comment
Share knowledge and facilitate knowledge sharing amongst those working on the land	Ensure appropriate opportunities for those working on the land to participate in Council consultation regarding decisions that affect them	Completed	Consultation opportunities through development of the Operational Plan, Central West Catchment Management Authority Landcare project.
Ensure the health of our river system	Enforcement of environmental regulations	Completed	Environmental regulations enforced.

# Theme: Our Leadership

## A community that is supported by active, respected leaders

CSP Action	DP Action	Status	Comment
Encourage broader involvement in community activities	Continue to support Coonamble Shire Youth Council as a link between young people and their Council	Completed	Youth Council operational, facilitated Youth Week 2012, attracted two funding grants totalling \$70,000.
	Promote genuine opportunities for people to participate in decisions that affect them	Completed	Consultation occurred eg: Quambone school and community for Quambone Park development, relevant groups regarding Domestic Violence Plan, CWP on Library Cultural project.
	Co-ordinate local involvement in regional business awards	Completed	RDA Orana elected not to undertake regional awards for 2012/2013
	Encourage children and young people to be involved in the planning and design of community spaces	Completed	Children and young people involved in development of community space eg: Quambone Park development, Library refurbishment.
Promote opportunities for leaders to learn the features of good leadership	Utilise Local Government Week to raise awareness of the role and function of Council	Not Due To Start	
	Encourage staff to develop leadership skills	Completed	Leadership opportunities identified, training identified to address leadership aspects and has been included in the 2013-14 training program.
Support leadership succession planning	Continue to work in partnership with key services in the Shire, assisting with governance and leadership development	Completed	Information and assistance provided to community organisations (eg: Dubbo Domestic Violence Service - Inspiration House, recruitment and staff development).
	Take measures to publicize the positive contribution young people make to the Shire	Completed	Media produced in conjunction with Youth Week, Youth Council, Children's Week and after Library project activities.
Encourage and promote a high level of leadership in the community	Lobby against forced Local Government amalgamations	Completed	Submission made to the Independent Review Panel. Council's submission is consistent with neighbouring councils and OROC adopted position on amalgamations.

CSP Action	DP Action	Status	Comment
Encourage and promote a high level of leadership in the community	Develop a Business Continuity Plan	Completed	Business continuity plan produced and reviewed.
	Provide high quality customer service to the community	Completed	Customer Service training completed.
	Develop I.T. Resources Plan	Completed	Information Technology Resources Plan produced.
	Governance is open and transparent	Completed	Governance complies with Local Government Act & Regulation. GIPA webpage upgraded, Records Management Plan developed and continues to be implemented.
	Review Council policies	Completed	Policy Review Schedule completed and commenced.
	Maintain consultation process with workforce	Completed	Consultation conducted re: development of staff salary performance system, WHS policies/procedures and development of staff retention strategies and currently being incorporated into strategic plans. Both WHS and Consultative Committee meet on a regular basis.
	Ensure compliance with legislation for WH&S	Completed	All current practices undertaken within legislative requirements. Draft WHS management plan is being reviewed for release to senior staff.
	Review recruitment & retention strategies	Completed	Workforce plan reviewed for the development of strategies to be incorporated into all recruitment, retention and succession planning.
	Ensure compliance with legislation for Equal Employment Opportunity	Completed	Policies reviewed and training to be undertaken by key staff in 2013-14.
	Maintain long term financial viability	Completed	Council financial position rated by TCorp as sound.
	Continue to progress workforce planning	Completed	Key staff completed Workforce planning training and reviewed current workforce plan.
	Progressively address training needs and upgrade Training Plans	Completed	Individual training plans developed and used to form 2013-14 training program.
Formalise exit interviews process	Completed	Procedure developed and implemented with exiting staff on voluntary basis.	

CSP Action	DP Action	Status	Comment
Encourage and promote a high level of leadership in the community	Conduct 2 yearly, Shire wide community survey	Not Due To Start	

### A community that supports active, respected leaders

CSP Action	DP Action	Status	Comment
Increase Aboriginal representation on Council	Promote awareness of the role and function of Council to Aboriginal people	Completed	Community development staff regularly attend Community Working Party meetings and associated relevant events.
Increase representation to community leader roles	Continue to develop the leadership capacity of staff	Completed	Skill gaps identified and training to address leadership qualities will be offered to staff in a supervisory capacity training will be included in the 2013-14 training program.
Acknowledge the importance of community leader roles	Continue to facilitate Australia Day celebrations	Completed	Successful event facilitated.
	Council staff acknowledge Aboriginal Country at official Council meetings	Completed	Acknowledgement of Country made by Community Development staff at official Council meetings

## Section 4: Statutory Disclosures

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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 2012/2013:

### LOCAL GOVERNMENT ACT 1993

**Section 428(4) (a)** – Council’s Audited Financial Reports - See **SECTION 5**.

**Section 428 A** - Report on the State of the Environment

This report is available on Council’s website: [www.coonambleshire.nsw.gov.au](http://www.coonambleshire.nsw.gov.au)

### LOCAL GOVERNMENT (GENERAL) REGULATION 2005

**Clause 132** Rates and charges written off

Rates and charges totalling \$126,218.37 were written off during the 2012/2013 financial year.

Pensioner Rebates	\$126,218.37
Write off Interest under Hardship Policy	\$ NIL

Council received a Government subsidy of 55% of Pensioner Write-offs during the year. The 2012/2013 subsidy amounted to \$69,420.

**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	\$ 8,979 per annum
Mayor	\$15,765 per annum (additional)

The total expenditure during the year was:

Councillors' Fees	\$62,853.00
Mayoral Fees	\$15,765.00
Delegates Expenses	\$ 4,770.00
Travel/Sustenance	\$ 7,479.00
Insurance – Members Accident	\$ 1,889.00
Training	\$ 4,804.00
<b>Total</b>	<b>\$97,560.00</b>

A review of Council's payment of expenses and the provision of facilities to the Mayor and Councillors Policy was adopted on 08 August 2012. A copy of this Policy is provided at **APPENDIX A**.

### 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:
  - Shires Association Conference
  - Orana Regional Organisation of Councils (OROC)
- (iv) Training undertaken by Councillors during 2012/2013.
  - Code of Conduct training.
- (v) No interstate visit was undertaken by Councillors during the 2012/2013 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 2012/2013 financial year:

<b>Contract</b>	<b>Contractor</b>	<b>Value (\$) (ex. GST)</b>
Yatton Estate House Construction	Malmanda Pty Ltd	280,243.85
Sewer Relining Coonamble	Kembla Watertech	556,137.40
Water Treatment Plant – design and construction	Aquatech-Maxcon	3,832,033.00
Installation of rising and reticulation mains	Milband Constructions	1,043,381.51

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

Council costs in regard to legal proceedings for 2012/2013 amounted to \$27,209.00.

**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 \$23,022 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 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 coordinates/ 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. OROC during the year investigated joint purchasing arrangements and has joined Hunter Councils Joint Purchasing Group to effect savings on specific tendered materials and services.
- 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 2012/13 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 completed
  - 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 revised EEO Policy & Management Plan was adopted on 13 March 2013

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

Total remuneration of the general manager during the 2012/13 year:

<i>Component</i>	<i>Amount (\$)</i>
Salary	\$186,086
Superannuation	\$16,747
Vehicle R/C	3,000
Vehicle FBT	2,340
Housing	6,240
<b>TOTAL</b>	<b>\$214,413</b>

**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 2012/2013.

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

- (i) Council has lodged pound data with the Department of Local Government as required at the end of the financial year.
- (ii) Council has lodged data with the Department of Local Government relating to the seven dog attacks during the year. Approximately 75 infringement notices issued for animals in 12/2013.
- (iii) Over the 2012/2013 year Council has incurred \$119,563 in companion animal management activities.
- (iv) A total of 352 animals were impounded during 2012/2013. 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.
- (v) 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.
- (vi) Council has implemented a policy for the keeping of domestic animals.
- (vii) Council received \$16,867 registration and sundry fees for companion animals during the 2012/2013 year.

Council's net cost relating to the management of companion animals was \$102,697.

## 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 2012/13, 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 2012/13 amounted to 0.

*(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):*

No applications received by Coonamble Shire Council during 2012/13 were 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	0	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)	0	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)	0	0	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).

<b>Table C: Invalid applications</b>	
<b>Reason for invalidity</b>	<b>No of applications</b>
Application does not comply with formal requirements (section 41 of the Act)	0
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	0
Invalid applications that subsequently became valid applications	0

<b>Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act</b>	
	<b>Number of times consideration used*</b>
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)	0
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
<b>Total</b>	<b>0</b>

**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	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* 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.

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

**PRIVACY AND PERSONAL INFORMATION PROTECTION ACT 1998**

**Part 5** Review of Conduct

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

No review was conducted or considered necessary under Part 5 of the Act during the 2012/2013 year.

**ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979**

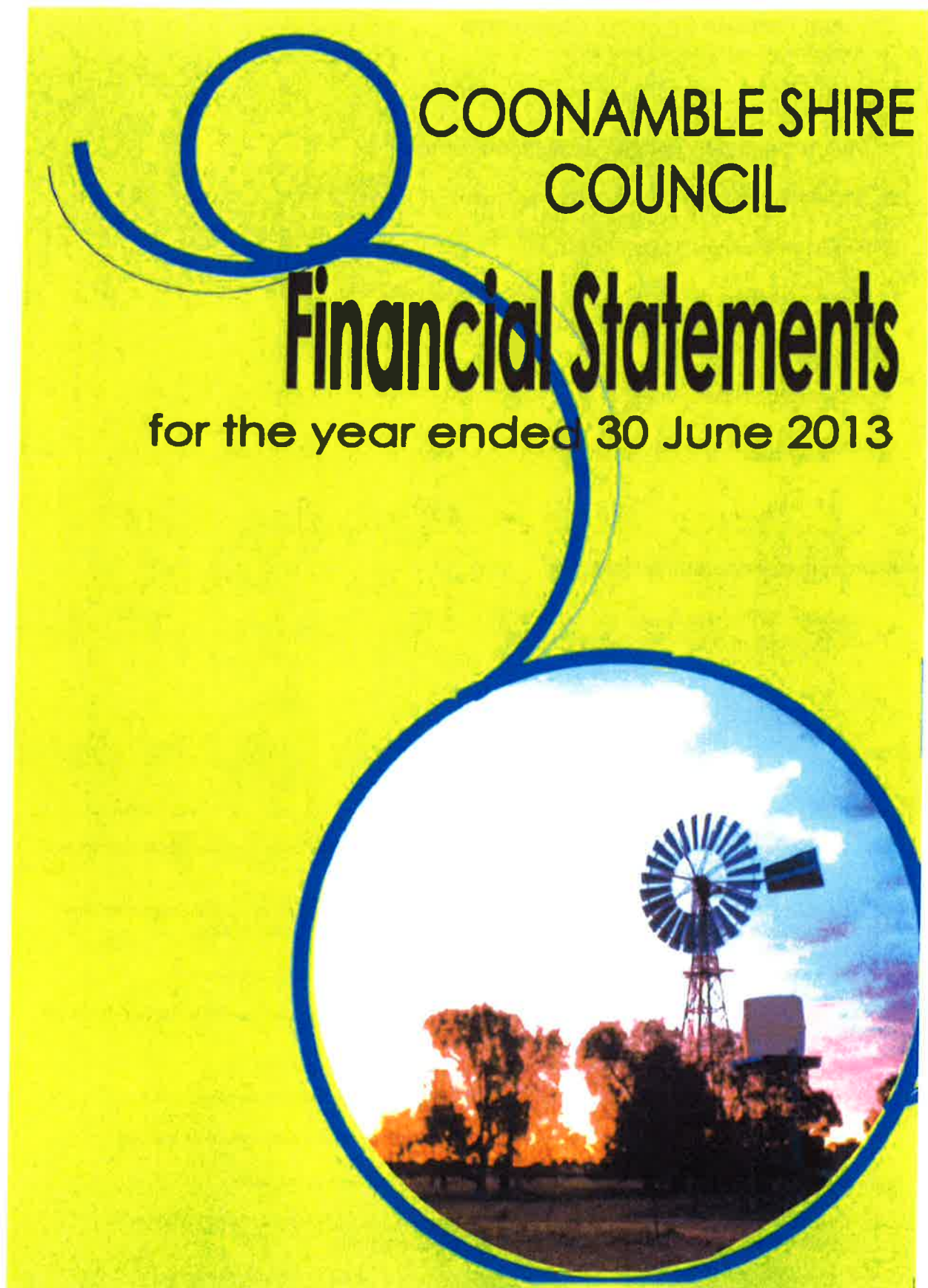
**Section 93F** - Planning Agreements.

Council has not entered into any planning agreements.



## Section 5: Financial Reporting

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## Coonamble Shire Council

### General Purpose Financial Statements

for the financial year ended 30 June 2013

Contents	Page
<b>1. Understanding Council's Financial Statements</b>	2
<b>2. Statement by Councillors &amp; Management</b>	3
<b>3. Primary Financial Statements:</b>	
- Income Statement	4
- Statement of Comprehensive Income	5
- Statement of Financial Position	6
- Statement of Changes in Equity	7
- Statement of Cash Flows	8
<b>4. Notes to the Financial Statements</b>	9
<b>5. Independent Auditor's Reports:</b>	
- On the Financial Statements (Sect 417 [2])	68
- On the Conduct of the Audit (Sect 417 [3])	70

#### 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 31 October 2013. 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 2013

## 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 2013.

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 NSW Division 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 practise 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 2012/13 Financial Year council recognised \$1,636,468 of the Financial Assistance Grant for 2013/14 that was received in advance. The expenditure of this grant will be taken to account in the 2013/14 Financial Year and 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 Division of Local Government.

## Coonamble Shire Council

### General Purpose Financial Statements for the financial year ended 30 June 2013

### 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 14 August 2013.**



Tom Cullen  
**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 2013

Budget <sup>(1)</sup>				Actual	Actual
2013	\$ '000		Notes	2013	2012
<b>Income from Continuing Operations</b>					
<i>Revenue:</i>					
5,258		Rates & Annual Charges	3a	5,212	4,988
4,572		User Charges & Fees	3b	5,597	4,577
938		Interest & Investment Revenue	3c	795	942
509		Other Revenues	3d	525	756
4,637		Grants & Contributions provided for Operating Purposes	3e,f	5,436	7,835
2,885		Grants & Contributions provided for Capital Purposes	3e,f	1,900	771
<i>Other Income:</i>					
-		Net Share of interests in Joint Ventures & Associated Entities using the equity method	19	3	6
<b>18,799</b>		<b>Total Income from Continuing Operations</b>		<b>19,468</b>	<b>19,875</b>
<b>Expenses from Continuing Operations</b>					
6,794		Employee Benefits & On-Costs	4a	6,976	6,694
7		Borrowing Costs	4b	6	7
4,604		Materials & Contracts	4c	4,131	5,846
5,173		Depreciation & Amortisation	4d	4,606	4,046
-		Impairment	4d	-	-
2,000		Other Expenses	4e	2,237	2,082
-		Net Losses from the Disposal of Assets	5	55	228
<b>18,578</b>		<b>Total Expenses from Continuing Operations</b>		<b>18,011</b>	<b>18,903</b>
<b>221</b>		<b>Operating Result from Continuing Operations</b>		<b>1,457</b>	<b>972</b>
<b>Discontinued Operations</b>					
-		Net Profit/(Loss) from Discontinued Operations	24	-	-
<b>221</b>		<b>Net Operating Result for the Year</b>		<b>1,457</b>	<b>972</b>
221		Net Operating Result attributable to Council		1,457	972
-		Net Operating Result attributable to Non-controlling Interests		-	-
<b>(2,664)</b>		<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>		<b>(443)</b>	<b>201</b>

(1) Original Budget as approved by Council - refer Note 16

## Coonamble Shire Council

Statement of Comprehensive Income  
for the financial year ended 30 June 2013

\$ '000	Notes	Actual 2013	Actual 2012
<b>Net Operating Result for the year (as per Income statement)</b>		<b>1,457</b>	<b>972</b>
<b>Other Comprehensive Income:</b>			
<i>Amounts which will not be reclassified subsequently to the Operating Result</i>			
Gain (loss) on revaluation of I,PP&E	20b (ii)	5,754	2,122
<b><i>Total Items which will not be reclassified subsequently to the Operating Result</i></b>		<b>5,754</b>	<b>2,122</b>
<i>Amounts which will be reclassified subsequently to the Operating Result when specific conditions are met</i>			
Nil			
<b>Total Other Comprehensive Income for the year</b>		<b>5,754</b>	<b>2,122</b>
<b>Total Comprehensive Income for the Year</b>		<b>7,211</b>	<b>3,094</b>
<b>Total Comprehensive Income attributable to Council</b>		<b>7,211</b>	<b>3,094</b>
<b>Total Comprehensive Income attributable to Non-controlling Interests</b>		<b>-</b>	<b>-</b>

## Coonamble Shire Council

Statement of Financial Position  
as at 30 June 2013

\$ '000	Notes	Actual 2013	Actual 2012	Actual 2011
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash & Cash Equivalents	6a	18,260	19,031	15,528
Investments	6b	-	-	-
Receivables	7	1,539	2,868	3,171
Inventories	8	1,245	1,095	1,230
Other	8	161	9	11
Non-current assets classified as 'held for sale'	22	-	-	-
<b>Total Current Assets</b>		<b>21,205</b>	<b>23,003</b>	<b>19,940</b>
<b>Non-Current Assets</b>				
Investments	6b	-	-	-
Receivables	7	263	321	249
Inventories	8	-	-	-
Infrastructure, Property, Plant & Equipment	9	196,235	186,711	186,201
Investments accounted for using the equity method	19	70	67	61
Investment Property	14	-	-	-
Intangible Assets	25	-	-	-
<b>Total Non-Current Assets</b>		<b>196,568</b>	<b>187,099</b>	<b>186,511</b>
<b>TOTAL ASSETS</b>		<b>217,773</b>	<b>210,102</b>	<b>206,451</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	10	1,634	1,027	766
Borrowings	10	7	37	35
Provisions	10	1,793	1,883	1,619
<b>Total Current Liabilities</b>		<b>3,434</b>	<b>2,947</b>	<b>2,420</b>
<b>Non-Current Liabilities</b>				
Payables	10	-	-	-
Borrowings	10	38	45	82
Provisions	10	88	108	41
<b>Total Non-Current Liabilities</b>		<b>126</b>	<b>153</b>	<b>123</b>
<b>TOTAL LIABILITIES</b>		<b>3,560</b>	<b>3,100</b>	<b>2,543</b>
<b>Net Assets</b>		<b>214,213</b>	<b>207,002</b>	<b>203,908</b>
<b>EQUITY</b>				
Retained Earnings	20	159,845	158,388	157,416
Revaluation Reserves	20	54,368	48,614	46,492
Council Equity Interest		214,213	207,002	203,908
Non-controlling Interest		-	-	-
<b>Total Equity</b>		<b>214,213</b>	<b>207,002</b>	<b>203,908</b>

This Statement should be read in conjunction with the accompanying Notes.

## Coonamble Shire Council

Statement of Changes in Equity  
for the financial year ended 30 June 2013

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
<b>2013</b>						
<b>Opening Balance</b> (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)	-	-	-	-	-
<b>Revised Opening Balance</b> (as at 1/7/12)		<b>158,388</b>	<b>48,614</b>	<b>207,002</b>	<b>-</b>	<b>207,002</b>
<b>c. Net Operating Result for the Year</b>		<b>1,457</b>	<b>-</b>	<b>1,457</b>	<b>-</b>	<b>1,457</b>
<b>d. Other Comprehensive Income</b>						
- Revaluations : IPP&E Asset Revaluation Rsv	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 Movements	20b (ii)	-	-	-	-	-
<b>Other Comprehensive Income</b>		<b>-</b>	<b>5,754</b>	<b>5,754</b>	<b>-</b>	<b>5,754</b>
<b>Total Comprehensive Income</b> (c&d)		<b>1,457</b>	<b>5,754</b>	<b>7,211</b>	<b>-</b>	<b>7,211</b>
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>159,845</b>	<b>54,368</b>	<b>214,213</b>	<b>-</b>	<b>214,213</b>
<b>2012</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		148,479	46,492	194,971	-	194,971
a. Correction of Prior Period Errors	20 (c)	8,937	-	8,937	-	8,937
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance</b> (as at 1/7/11)		<b>157,416</b>	<b>46,492</b>	<b>203,908</b>	<b>-</b>	<b>203,908</b>
<b>c. Net Operating Result for the Year</b>		<b>972</b>	<b>-</b>	<b>972</b>	<b>-</b>	<b>972</b>
<b>d. Other Comprehensive Income</b>						
- Revaluations : IPP&E Asset Revaluation Rsv	20b (ii)	-	2,122	2,122	-	2,122
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
- Other Movements	20b (ii)	-	-	-	-	-
<b>Other Comprehensive Income</b>		<b>-</b>	<b>2,122</b>	<b>2,122</b>	<b>-</b>	<b>2,122</b>
<b>Total Comprehensive Income</b> (c&d)		<b>972</b>	<b>2,122</b>	<b>3,094</b>	<b>-</b>	<b>3,094</b>
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>158,388</b>	<b>48,614</b>	<b>207,002</b>	<b>-</b>	<b>207,002</b>

This Statement should be read in conjunction with the accompanying Notes.

page 7



## Coonamble Shire Council

## Statement of Cash Flows

for the financial year ended 30 June 2013

Budget 2013	\$ '000	Notes	Actual 2013	Actual 2012
<b>Cash Flows from Operating Activities</b>				
<b>Receipts:</b>				
5,237	Rates & Annual Charges		5,292	4,835
3,439	User Charges & Fees		6,754	5,805
927	Investment & Interest Revenue Received		844	952
7,552	Grants & Contributions		8,363	8,494
-	Bonds, Deposits & Retention amounts received		111	119
5,028	Other		1,146	1,126
<b>Payments:</b>				
(5,690)	Employee Benefits & On-Costs		(7,104)	(6,381)
(9,615)	Materials & Contracts		(5,478)	(6,929)
(110)	Borrowing Costs		(6)	(8)
-	Bonds, Deposits & Retention amounts refunded		(130)	(48)
(980)	Other		(2,083)	(1,923)
<b>5,788</b>	<b>Net Cash provided (or used in) Operating Activities</b>	11b	<b>7,709</b>	<b>6,042</b>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts:</b>				
131	Sale of Infrastructure, Property, Plant & Equipment		483	579
276	Deferred Debtors Receipts		-	-
<b>Payments:</b>				
(8,957)	Purchase of Infrastructure, Property, Plant & Equipment		(8,926)	(3,041)
-	Purchase of Real Estate Assets		-	(42)
<b>(8,550)</b>	<b>Net Cash provided (or used in) Investing Activities</b>		<b>(8,443)</b>	<b>(2,504)</b>
<b>Cash Flows from Financing Activities</b>				
<b>Receipts:</b>				
Nil				
<b>Payments:</b>				
(37)	Repayment of Borrowings & Advances		(37)	(35)
<b>(37)</b>	<b>Net Cash Flow provided (used in) Financing Activities</b>		<b>(37)</b>	<b>(35)</b>
<b>(2,798)</b>	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>(771)</b>	<b>3,503</b>
14,549	plus: Cash & Cash Equivalents - beginning of year	11a	19,031	15,528
<b>11,750</b>	<b>Cash &amp; Cash Equivalents - end of the year</b>	11a	<b>18,260</b>	<b>19,031</b>
Additional Information:				
	plus: Investments on hand - end of year	6b	-	-
<b>Total Cash, Cash Equivalents &amp; Investments</b>			<b>18,260</b>	<b>19,031</b>

Please refer to Note 11 for additional cash flow information

This Statement should be read in conjunction with the accompanying Notes.

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

### Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	10
2(a)	Council Functions / Activities - Financial Information	29
2(b)	Council Functions / Activities - Component Descriptions	30
3	Income from Continuing Operations	31
4	Expenses from Continuing Operations	35
5	Gains or Losses from the Disposal of Assets	38
6(a)	Cash & Cash Equivalent Assets	38
6(b)	Investments	38 n/a
6(c)	Restricted Cash, Cash Equivalents & Investments - Details	39
7	Receivables	41
8	Inventories & Other Assets	42
9(a)	Infrastructure, Property, Plant & Equipment	44
9(b)	Externally Restricted Infrastructure, Property, Plant & Equipment	45
9(c)	Infrastructure, Property, Plant & Equipment - Current Year Impairments	45 n/a
10(a)	Payables, Borrowings & Provisions	46
10(b)	Description of (and movements in) Provisions	47
11	Statement of Cash Flows - Additional Information	48
12	Commitments for Expenditure	49
13	Statement of Performance Measures:	
	13a (i) Local Government Industry Indicators (Consolidated)	50
	13a (ii) Local Government Industry Graphs (Consolidated)	n/a
	13b Local Government Industry Indicators (by Fund)	51
14	Investment Properties	52 n/a
15	Financial Risk Management	52
16	Material Budget Variations	56
17	Statement of Developer Contributions	57 n/a
18	Contingencies and Other Liabilities/Assets not recognised	58
19	Controlled Entities, Associated Entities & Interests in Joint Ventures	60
20	Equity - Retained Earnings and Revaluation Reserves	62
21	Financial Result & Financial Position by Fund	64
22	"Held for Sale" Non Current Assets & Disposal Groups	66 n/a
23	Events occurring after the Reporting Period	66 n/a
24	Discontinued Operations	66 n/a
25	Intangible Assets	66 n/a
26	Reinstatement, Rehabilitation & Restoration Liabilities	66 n/a
<b>Additional Council Disclosures</b>		
27	Council Information & Contact Details	67

n/a - not applicable

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### 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

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2013 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

###### (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.

###### (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, available-for-sale financial assets and investment properties 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.

## Coonamble Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

There have also been no changes in accounting policies when compared with previous financial statements.

##### **(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 the entity 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 tip 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 the entity 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 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

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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

Rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

Interest Income from Cash & Investments is accounted for using the Effective Interest method in accordance with AASB 139.

#### (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 2013) and (ii) all the related operating results (for the financial year ended the 30th June 2013).

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 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

## Coonamble Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

##### (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.

###### 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.

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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

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.

Derivatives are classified as held for trading unless they are designated as hedges.

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.

##### (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.

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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.

###### (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.



## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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.

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.

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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 Division of Local Government.

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)

## Coonamble Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

- **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.

#### Capitalisation Thresholds

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

<b>Land</b>	
- council land	100% Capitalised
- open space	100% Capitalised
- land under roads	100% Capitalised

<b>Plant &amp; Equipment</b>	
Office Furniture	> \$5,000
Office Equipment	> \$5,000
Other Plant & Equipment	> \$5,000

## Coonamble Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

<b>Buildings &amp; Land Improvements</b>		<b>Stormwater Drainage</b>	
Park Furniture & Equipment	> \$5,000	- Drains	80 to 100 years
Building		- Culverts	50 to 80 years
- construction/extensions	100% Capitalised		
- renovations	> \$10,000	<b>Transportation Assets</b>	
Other Structures	> \$5,000	- Sealed Roads : Surface	20 year
		- Sealed Roads : Structure	50 years
		- Unsealed roads	20 years
		- Bridge : Concrete	100 years
		- Bridge : Other	50 years
<b>Water &amp; Sewer Assets</b>			
Reticulation extensions	> \$5,000	- Road Pavements	60 years
Other	> \$5,000	- Kerb, Gutter & Paths	40 years
<b>Stormwater Assets</b>			
Drains & Culverts	> \$5,000	<b>Water &amp; Sewer Assets</b>	
Other	> \$5,000	- 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
<b>Transport Assets</b>			
Road construction & reconstruction	> \$10,000	<b>Other Infrastructure Assets</b>	
Reseal/Re-sheet & major repairs:	> \$10,000	- Bulk earthworks	Infinite
Bridge construction & reconstruction	> \$10,000		

#### 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:

<b>Plant &amp; Equipment</b>	
- 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
<b>Other Equipment</b>	
- Playground equipment	5 to 15 years
- Benches, seats etc	10 to 20 years
<b>Buildings</b>	
- Buildings – Masonry	50 to 100 years
- Other	20 to 40 years

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.

#### 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

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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 incorporate the assets, their values and depreciation charges within 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.

##### (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.

## Coonamble Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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 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.

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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 the entity 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.

#### (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;

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

- 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.

##### **(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



## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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 Martin Stevenson BSc, FIA, FIAA on 20/02/2013 and covers the period ended 30/06/2013

However the position is monitored annually and the Actuary has estimated that as at 30 June 2013 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 2013 was \$247,342.

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 \$ 541,967 as at 30 June 2013.

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.

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30/6/13.

#### (y) Self insurance

Council does not self insure.

## Coonamble Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

##### **(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 UIG interpretations**

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2013.

**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 (effective from 1 January 2015)***

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

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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.

***AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013)***

AASB 13 explains how to measure fair value and aims to enhance fair value disclosures.

Council has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance.

It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements.

However, application of the new standard will impact the type of information disclosed in the notes to the financial statements.

Council does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

**Applicable to Local Government but no implications for Council;**

***AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting***

***Financial Assets and Financial Liabilities [AASB 132 & AASB 7] (effective 1 January 2013)***

This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard also amends AASB 132 to refer to the additional disclosures added to AASB 7 by this Standard.

The adoption of this standard will not change the reported financial position and performance of the entity, there are no impact on disclosures as there are no offsetting arrangements currently in place.

***AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132] (effective 1 January 2014).***

This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

The adoption of this standard will not change the reported financial position and performance of the entity, there are no impact on disclosures as there are no offsetting arrangements currently in place.

**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 1 January 2013)***

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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.

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 2014.

***Revised AASB 119 Employee Benefits, AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements (effective 1 January 2013)***

This revised standard on accounting for employee benefits requires the recognition of all re-measurements of defined benefit liabilities/assets

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset.

This replaces the expected return on plan assets that is currently included in profit or loss.

The standard also introduces a number of additional disclosures for defined benefit liabilities/assets and could affect the timing of the recognition of termination benefits.

The amendments will have to be implemented retrospectively.

Council does not recognise defined benefit assets and liabilities for the reasons set out in Note 1 (s) (iii) and so these changes will not have an impact on its reported results.

#### **Not applicable to Local Government per se;**

***AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle (effective 1 January 2013)***

AASB 1 - this standard clarifies that an entity can apply AASB 1 more than once. An entity can elect to apply AASB 123 from the transition date or an earlier date.

AASB 101 - clarifies that a third statement of financial position is required when the opening statement of financial position is materially affected by any adjustments.

AASB 116 - clarifies the classification of servicing equipment.

AASB 132 and Interpretation 2 - clarifies that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction shall be accounted for in accordance with AASB 112 Income Taxes

AASB 134 - provides clarification about segment reporting.

The amendments arising from this standard are not expected to change the reported financial position or performance of the Council.

**There are no other standards that are not yet effective and that are expected to have a material impact on the entity 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 2013

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

Income, Expenses and Assets have been directly attributed to the following Functions / Activities.  
Details of these Functions/Activities are provided in Note 2(b).

Functions/Activities	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	Actual
	2013	2013	2012	2013	2012	2013	2013	2012	2013	2012	2013	2012	2013	2012
Governance	-	-	-	194	120	(194)	(165)	(120)	805	1,479	11,333	12,991	11,333	12,991
Administration	463	330	395	2,655	3,560	(2,192)	(3,309)	(3,165)	-	41	4,778	3,559	4,778	3,559
Public Order & Safety	12	46	344	321	579	(309)	(519)	(235)	-	-	767	800	767	800
Health	7	2	7	227	254	(220)	(248)	(247)	-	-	77	87	77	87
Environment	898	493	620	897	857	1	(340)	(237)	59	189	-	-	-	-
Community Services & Education	93	117	53	93	140	-	(120)	(87)	113	50	1,055	1,087	1,055	1,087
Housing & Community Amenities	256	190	132	256	166	-	(125)	(34)	-	-	4,694	4,518	4,694	4,518
Water Supplies	792	2,884	707	660	662	132	2,191	45	14	68	15,395	13,153	15,395	13,153
Sewerage Services	900	838	748	1,278	809	(378)	48	(61)	14	12	16,515	16,441	16,515	16,441
Recreation & Culture	74	179	100	1,322	1,272	(1,248)	(1,579)	(1,172)	164	44	9,970	10,608	9,970	10,608
Agriculture	32	7	163	12	150	20	(3)	13	-	-	-	-	-	-
Mining, Manufacturing & Construction	1,489	1,970	788	1,419	345	70	1,224	443	-	-	5,093	3,371	5,093	3,371
Transport & Communication	5,804	4,467	7,054	8,501	9,221	(2,697)	(2,757)	(2,167)	1,797	929	146,137	141,506	146,137	141,506
Economic Affairs	267	269	359	743	768	(476)	(517)	(409)	28	55	1,889	1,914	1,889	1,914
<b>Total Functions &amp; Activities</b>	<b>11,087</b>	<b>11,792</b>	<b>11,470</b>	<b>18,578</b>	<b>18,903</b>	<b>(7,491)</b>	<b>(6,219)</b>	<b>(7,433)</b>	<b>2,994</b>	<b>2,867</b>	<b>217,703</b>	<b>210,035</b>	<b>217,703</b>	<b>210,035</b>
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	3	6	-	-	-	3	6	-	-	70	67	70	67
General Purpose Income <sup>1</sup>	7,712	7,673	8,399	-	-	7,712	7,673	8,399	3,143	3,988	-	-	-	-
<b>Operating Result from Continuing Operations</b>	<b>18,799</b>	<b>19,468</b>	<b>19,875</b>	<b>18,578</b>	<b>18,903</b>	<b>221</b>	<b>1,457</b>	<b>972</b>	<b>6,137</b>	<b>6,855</b>	<b>217,773</b>	<b>210,102</b>	<b>217,773</b>	<b>210,102</b>

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

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### 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, other community amenities.

##### **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.

##### **FUEL & ENERGY - Gas Supplies**

##### **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, RTA 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 2013

## Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2013	Actual 2012
<b>(a) Rates &amp; Annual Charges</b>			
<b>Ordinary Rates</b>			
Residential		437	459
Farmland		3,496	3,320
Business		123	123
<b>Total Ordinary Rates</b>		<b>4,056</b>	<b>3,902</b>
<b>Special Rates</b>			
Nil			
<b>Annual Charges</b> (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		436	418
Water Supply Services		197	188
Sewerage Services		523	480
<b>Total Annual Charges</b>		<b>1,156</b>	<b>1,086</b>
<b><u>TOTAL RATES &amp; ANNUAL CHARGES</u></b>		<b><u>5,212</u></b>	<b><u>4,988</u></b>

Council has used 2009 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 2013

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
<b>(b) User Charges &amp; Fees</b>			
<b>Specific User Charges</b> (per s.502 - Specific "actual use" charges)			
Water Supply Services		497	215
Sewerage Services		102	126
<b>Total User Charges</b>		<b>599</b>	<b>341</b>
<b>Other User Charges &amp; Fees</b>			
<b>(i) Fees &amp; Charges - Statutory &amp; Regulatory Functions</b> (per s.608)			
Regulatory/ Statutory Fees		110	92
<b>Total Fees &amp; Charges - Statutory/Regulatory</b>		<b>110</b>	<b>92</b>
<b>(ii) Fees &amp; Charges - Other</b> (incl. General User Charges (per s.608)			
Aerodrome		11	11
Caravan Park		9	6
Cemeteries		54	54
Lease Rentals		16	15
Library & Art Gallery		3	3
Private Works		125	153
Quarry Revenues		1,970	763
Recreational Grounds Fees		18	18
RMS (formerly RTA) Charges (State Roads not controlled by Council)		2,458	2,922
Saleyards		100	89
Sundry Sales		24	26
Swimming Centres		42	31
Water Connection Fees		6	-
Other		52	53
<b>Total Fees &amp; Charges - Other</b>		<b>4,888</b>	<b>4,144</b>
<b><u>TOTAL USER CHARGES &amp; FEES</u></b>		<b>5,597</b>	<b>4,577</b>

## Coonamble Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2013

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
<b>(c) Interest &amp; Investment Revenue (incl. losses)</b>			
<b>Interest &amp; Dividends</b>			
- Interest on Overdue Rates & Annual Charges (incl. Special Purpose Rates)		63	70
- Interest earned on Investments (interest & coupon payment income)		732	872
<b><u>TOTAL INTEREST &amp; INVESTMENT REVENUE</u></b>		<b><u>795</u></b>	<b><u>942</u></b>
<b>Interest Revenue is attributable to:</b>			
<b>Unrestricted Investments/Financial Assets:</b>			
Overdue Rates & Annual Charges (General Fund)		55	70
General Council Cash & Investments		419	509
<b>Restricted Investments/Funds - External:</b>			
Water Fund Operations		197	232
Sewerage Fund Operations		124	131
<b>Total Interest &amp; Investment Revenue Recognised</b>		<b><u>795</u></b>	<b><u>942</u></b>
<b>(d) Other Revenues</b>			
Farming Income		8	163
Commissions & Agency Fees		87	79
Energy Rebate		55	72
Insurance Rebate		57	98
Recycling Income (non domestic)		16	12
Reimbursement - Bushfire		278	320
Sales - General		19	12
Other		5	-
<b><u>TOTAL OTHER REVENUE</u></b>		<b><u>525</u></b>	<b><u>756</u></b>

## Coonamble Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 3. Income from Continuing Operations (continued)

\$ '000	2013 Operating	2012 Operating	2013 Capital	2012 Capital
<b>(e) Grants</b>				
<b>General Purpose (Untied)</b>				
Financial Assistance	3,115	3,963	-	-
Pensioners' Rates Subsidies - General Component	28	25	-	-
<b>Total General Purpose</b>	<b>3,143</b>	<b>3,988</b>	-	-
<b>Specific Purpose</b>				
Pensioners' Rates Subsidies:				
- Water	14	10	-	-
- Sewerage	14	12	-	-
- Domestic Waste Management	19	17	-	-
Water Supplies	-	30	1,900	28
Child Care	20	29	-	-
Community Care	93	21	-	-
Employment & Training Programs	-	30	-	-
Environmental Protection	13	172	-	-
Flood Restoration	-	1,628	-	-
Library	115	26	-	-
NSW Rural Fire Services	26	-	-	-
Recreation & Culture	21	18	-	-
Street Lighting	31	31	-	-
Tourist Area Promotion	29	55	-	-
Transport (Roads to Recovery)	699	-	-	743
Other	-	17	-	-
<b>Total Specific Purpose</b>	<b>1,094</b>	<b>2,096</b>	<b>1,900</b>	<b>771</b>
<b>Total Grants</b>	<b>4,237</b>	<b>6,084</b>	<b>1,900</b>	<b>771</b>
<b>Grant Revenue is attributable to:</b>				
- Commonwealth Funding	3,163	3,997	1,900	771
- State Funding	942	2,087	-	-
	<b>4,237</b>	<b>6,084</b>	<b>1,900</b>	<b>771</b>
<b>(f) Contributions</b>				
<b>Developer Contributions:</b>				
(s93 & s94 - EP&A Act, s64 of the LGA):				
Nil				
<b>Other Contributions:</b>				
RMS Contributions (Regional Roads, Block Grant)	1,199	1,751	-	-
<b>Total Other Contributions</b>	<b>1,199</b>	<b>1,751</b>	-	-
<b>Total Contributions</b>	<b>1,199</b>	<b>1,751</b>	-	-
<b>TOTAL GRANTS &amp; CONTRIBUTIONS</b>	<b>5,436</b>	<b>7,835</b>	<b>1,900</b>	<b>771</b>

## Coonamble Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 3. Income from Continuing Operations (continued)

\$ '000	Actual 2013	Actual 2012
<b>(g) Restrictions relating to Grants and Contributions</b>		
<b>Certain grants &amp; contributions are obtained by Council on condition that they be spent in a specified manner:</b>		
Unexpended at the Close of the Previous Reporting Period	272	349
add: Grants & contributions recognised in the current period but not yet spent:	373	58
less: Grants & contributions recognised in a previous reporting period now spent:	(200)	(135)
<b>Net Increase (Decrease) in Restricted Assets during the Period</b>	<b>173</b>	<b>(77)</b>
<b>Unexpended and held as Restricted Assets</b>	<b>445</b>	<b>272</b>
Comprising Specific Purpose Unexpended Grants	445	272
	<b>445</b>	<b>272</b>

## Note 4. Expenses from Continuing Operations

## (a) Employee Benefits &amp; On-Costs

Salaries and Wages	5,297	4,962
Travelling	154	127
Employee Leave Entitlements (ELE)	648	832
Superannuation	637	566
Workers' Compensation Insurance	170	177
Fringe Benefit Tax (FBT)	14	22
Training Costs (other than Salaries & Wages)	87	106
Protective Clothing	-	34
Other	52	40
<b>Total Employee Costs</b>	<b>7,058</b>	<b>6,866</b>
less: Capitalised Costs	(83)	(172)
<b>TOTAL EMPLOYEE COSTS EXPENSED</b>	<b>6,976</b>	<b>6,694</b>
Number of "Equivalent Full Time" Employees at year end	<b>106</b>	<b>102</b>

## (b) Borrowing Costs

## (i) Interest Bearing Liability Costs

Interest on Loans	6	7
<b>Total Interest Bearing Liability Costs Expensed</b>	<b>6</b>	<b>7</b>

## (ii) Other Borrowing Costs

Nil

<b>TOTAL BORROWING COSTS EXPENSED</b>	<b>6</b>	<b>7</b>
---------------------------------------	----------	----------

## Coonamble Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
<b>(c) Materials &amp; Contracts</b>			
Raw Materials & Consumables		2,990	3,783
Contractor & Consultancy Costs			
- Roadmarking Services		161	196
- External Plant Hire		83	1,067
- Waste Management		238	181
- Planning		57	89
- Rangers		-	17
- Administration		129	92
- Building		21	23
- Other		396	363
Auditors Remuneration <sup>(1)</sup>		29	27
Legal Expenses:			
- Legal Expenses: Other		27	8
<b><u>TOTAL MATERIALS &amp; CONTRACTS</u></b>		<b>4,131</b>	<b>5,846</b>

**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	29	27
<b>Remuneration for audit and other assurance services</b>	<b>29</b>	<b>27</b>

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2013	Actual 2012	Actual 2013	Actual 2012
<b>(d) Depreciation, Amortisation &amp; Impairment</b>					
Plant and Equipment		-	-	1,019	849
Office Equipment		-	-	97	75
Buildings - Non Specialised		-	-	69	79
Buildings - Specialised		-	-	332	146
Other Structures		-	-	188	220
Infrastructure:					
- Roads, Bridges & Footpaths		-	-	2,312	2,039
- Stormwater Drainage		-	-	20	20
- Water Supply Network		-	-	235	239
- Sewerage Network		-	-	334	379
<b><u>TOTAL DEPRECIATION &amp; IMPAIRMENT COSTS EXPENSED</u></b>		<b>-</b>	<b>-</b>	<b>4,606</b>	<b>4,046</b>

## Coonamble Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

### Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
<b>(e) Other Expenses</b>			
Other Expenses for the year include the following:			
Advertising		30	28
Bad & Doubtful Debts		20	50
Bank Charges		10	10
Commission		22	22
Contributions/Levies to Other Levels of Government		528	506
Councillor Expenses - Mayoral Fee		16	15
Councillor Expenses - Councillors' Fees		61	70
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		7	3
Donations, Contributions & Assistance to other organisations (Section 356)		56	34
Election Expenses		26	-
Electricity & Heating		281	186
Farming Costs		5	52
Fuels and Oils		452	491
Insurance		269	252
Postage		15	15
Printing & Stationery		96	75
Royalties		82	34
Street Lighting		107	85
Subscriptions & Publications		61	50
Sundry		41	29
Telephone & Communications		52	55
Valuation Fees		-	20
<b><u>TOTAL OTHER EXPENSES</u></b>		<b>2,237</b>	<b>2,082</b>

## Coonamble Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 5. Gains or Losses from the Disposal of Assets

\$ '000	Notes	Actual 2013	Actual 2012
<b>Property</b> (excl. Investment Property)			
Proceeds from Disposal - Property		25	441
less: Carrying Amount of Property Assets Sold / Written Off		(8)	(695)
<b>Net Gain/(Loss) on Disposal</b>		<b>17</b>	<b>(254)</b>
<b>Plant &amp; Equipment</b>			
Proceeds from Disposal - Plant & Equipment		458	138
less: Carrying Amount of P&E Assets Sold / Written Off		(530)	(112)
<b>Net Gain/(Loss) on Disposal</b>		<b>(72)</b>	<b>26</b>
<b><u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u></b>		<b>(55)</b>	<b>(228)</b>

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

\$ '000	Notes	2013		2012	
		Actual Current	Actual Non Current	Actual Current	Actual Non Current
<b>Cash &amp; Cash Equivalents (Note 6a)</b>					
Cash on Hand and at Bank		2,260	-	1,781	-
Cash-Equivalent Assets <sup>1</sup>					
- Deposits at Call		2,500	-	2,250	-
- Short Term Deposits		13,500	-	15,000	-
<b>Total Cash &amp; Cash Equivalents</b>		<b>18,260</b>	<b>-</b>	<b>19,031</b>	<b>-</b>
<b>Investments (Note 6b)</b>					
Nil					
<b><u>TOTAL CASH ASSETS, CASH EQUIVALENTS &amp; INVESTMENTS</u></b>		<b>18,260</b>	<b>-</b>	<b>19,031</b>	<b>-</b>

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 &amp; Loss"

18,260

19,031

**Investments**

Nil

## Coonamble Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000	2013	2013	2012	2012
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
<b>Total Cash, Cash Equivalents and Investments</b>	<b>18,260</b>	-	<b>19,031</b>	-
<b>attributable to:</b>				
External Restrictions (refer below)	7,330	-	9,609	-
Internal Restrictions (refer below)	10,232	-	9,400	-
Unrestricted	698	-	22	-
	<b>18,260</b>	-	<b>19,031</b>	-

2013 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
-----------------	--------------------	------------------------------	--------------------------------	--------------------

## Details of Restrictions

## External Restrictions - Included in Liabilities

Nil

## External Restrictions - Other

RMS (formerly RTA) Contributions (E)	39	98	-	137
Specific Purpose Unexpended Grants (F)	233	212	-	445
Water Supplies (G)	4,826	-	(2,569)	2,257
Sewerage Services (G)	4,243	-	(133)	4,110
Domestic Waste Management (G)	268	462	(349)	381
<b>External Restrictions - Other</b>	<b>9,609</b>	<b>772</b>	<b>(3,051)</b>	<b>7,330</b>
<b>Total External Restrictions</b>	<b>9,609</b>	<b>772</b>	<b>(3,051)</b>	<b>7,330</b>

E RMS Contributions which are not yet expended for the provision of services and amenities in accordance with those contributions.

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 2013

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

2013 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
<b>Internal Restrictions</b>				
Plant & Vehicle Replacement	2,805	899	(1,247)	2,457
Employees Leave Entitlement	505	250	-	755
Carry Over Works	36	142	(24)	154
Deposits, Retentions & Bonds	91	-	(91)	-
Bore Baths Study	6	-	(6)	-
Caravan Park	10	130	-	140
Cemetery	20	-	-	20
Common	3	2	(5)	-
Depot Improvements	118	-	(54)	64
Development	300	269	(253)	316
Election Expenses	40	-	(26)	14
Farming	43	-	(4)	39
Financial Assistance Grant (in advance)	1,614	1,636	(1,614)	1,636
Indoor Arena Reserve	500	-	(172)	328
Industrial Land	93	-	(43)	50
Levee Reserve	1,000	500	(74)	1,426
Local Environmental Plan	70	-	-	70
Museum	6	-	-	6
Office Equipment	127	-	-	127
Premises Refurbishment	434	50	(343)	141
Quarry	406	112	-	518
Quarry Rehabilitation	70	10	-	80
Riverwalk	2	-	-	2
Road Reloaming	200	200	-	400
Road Reserve Sealed	200	200	-	400
Rural Fire Service	36	-	-	36
Saleyards	4	-	(4)	-
Showground	89	10	-	99
Single Invitation Contract	200	-	-	200
Street Lighting	10	5	-	15
Urban Streets	362	200	-	562
Aerodrome	-	50	-	50
Land Acquisition	-	85	-	85
Security Camera Reserve	-	7	-	7
Showground - Gulargambone	-	10	-	10
Stormwater Drainage	-	25	-	25
<b>Total Internal Restrictions</b>	<b>9,400</b>	<b>4,792</b>	<b>(3,960)</b>	<b>10,232</b>
<b>TOTAL RESTRICTIONS</b>	<b>19,009</b>	<b>5,564</b>	<b>(7,011)</b>	<b>17,562</b>

## Coonamble Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2013

## Note 7. Receivables

\$ '000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
<b>Purpose</b>					
Rates & Annual Charges		200	369	223	410
Interest & Extra Charges		14	44	16	49
User Charges & Fees		1,161	-	1,794	-
Accrued Revenues					
- Interest on Investments		84	-	126	-
Government Grants & Subsidies		2	-	709	-
Net GST Receivable		121	-	-	-
Other Debtors		53	-	89	-
<b>Total</b>		<b>1,635</b>	<b>413</b>	<b>2,957</b>	<b>459</b>
<b>less: Provision for Impairment</b>					
Rates & Annual Charges		(49)	(150)	(45)	(138)
User Charges & Fees		(47)	-	(44)	-
<b>Total Provision for Impairment - Receivables</b>		<b>(96)</b>	<b>(150)</b>	<b>(89)</b>	<b>(138)</b>
<b>TOTAL NET RECEIVABLES</b>		<b>1,539</b>	<b>263</b>	<b>2,868</b>	<b>321</b>
<b>Externally Restricted Receivables</b>					
<b>Water Supply</b>					
- Specific Purpose Grants		2	-	1	-
- Rates & Availability Charges		133	-	19	-
- Other		195	-	194	-
<b>Sewerage Services</b>					
- Specific Purpose Grants		-	-	1	-
- Rates & Availability Charges		17	-	12	-
- Other		104	-	103	-
<b>Total External Restrictions</b>		<b>451</b>	<b>-</b>	<b>330</b>	<b>-</b>
<b>Internally Restricted Receivables</b>					
Nil					
<b>Unrestricted Receivables</b>		<b>1,088</b>	<b>263</b>	<b>2,538</b>	<b>321</b>
<b>TOTAL NET RECEIVABLES</b>		<b>1,539</b>	<b>263</b>	<b>2,868</b>	<b>321</b>

**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 10.00% (2012 11.00%).  
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 2013

## Note 8. Inventories &amp; Other Assets

\$ '000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
<b>Inventories</b>					
Real Estate for resale (refer below)		763	-	763	-
Stores & Materials		198	-	185	-
Trading Stock		284	-	147	-
<b>Total Inventories</b>		<b>1,245</b>	-	<b>1,095</b>	-
<b>Other Assets</b>					
Prepayments		161	-	9	-
<b>Total Other Assets</b>		<b>161</b>	-	<b>9</b>	-
<b><u>TOTAL INVENTORIES / OTHER ASSETS</u></b>		<b>1,406</b>	-	<b>1,104</b>	-
<b>Externally Restricted Assets</b>					
<b>Water</b>					
Stores & Materials		11	-	13	-
<b>Total Water</b>		<b>11</b>	-	<b>13</b>	-
Total Externally Restricted Assets		11	-	13	-
Total Internally Restricted Assets		-	-	-	-
Total Unrestricted Assets		1,395	-	1,091	-
<b>TOTAL INVENTORIES &amp; OTHER ASSETS</b>		<b>1,406</b>	-	<b>1,104</b>	-

## Coonamble Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2013

## Note 8. Inventories &amp; Other Assets (continued)

\$ '000	2013		2012	
	Current	Non Current	Current	Non Current
<b>(i) Other Disclosures</b>				
<b>(a) Details for Real Estate Development</b>				
Industrial/Commercial	763	-	763	-
<b>Total Real Estate for Resale</b>	<b>763</b>	-	<b>763</b>	-
(Valued at the lower of cost and net realisable value)				
<b>Represented by:</b>				
Acquisition Costs	763	-	763	-
<b>Total Costs</b>	<b>763</b>	-	<b>763</b>	-
<b>Total Real Estate for Resale</b>	<b>763</b>	-	<b>763</b>	-
<b>Movements:</b>				
Real Estate assets at beginning of the year	763	-	763	-
<b>Total Real Estate for Resale</b>	<b>763</b>	-	<b>763</b>	-

**(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;

	2013	2012
Real Estate for Resale	697	697
	<b>697</b>	<b>697</b>

**(c) Inventory Write Downs**

There were no amounts recognised as an expense relating to the write down of Inventory balances held during the year.

Coonamble Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2013

Note 9a. Infrastructure, Property, Plant & Equipment

\$ '000	as at 30/6/2012					Asset Movements during the Reporting Period					as at 30/6/2013					
	At		Accumulated		Carrying Value	Asset Additions	WDV of Asset Disposals	Depreciation Expense & Transfers	Revaluation Decrements to Equity (ARR)	Revaluation Increments to Equity (ARR)	At		Accumulated		Carrying Value	
	Cost	Fair Value	Dep'n	Impairment							Cost	Fair Value	Dep'n	Impairment		
Plant & Equipment	-	12,480	6,933	-	5,547	1,731	(530)	(1,019)	-	-	-	-	12,820	7,091	-	5,729
Office Equipment	-	849	502	-	347	43	-	(97)	-	-	-	-	892	599	-	293
Land:																
- Operational Land	-	2,380	-	-	2,380	-	(8)	-	(217)	-	-	-	2,155	-	-	2,155
- Community Land	-	1,218	-	-	1,218	-	-	-	-	208	-	-	1,426	-	-	1,426
Buildings - Non Specialised	-	3,176	2,119	-	1,057	363	-	(69)	24	1,163	-	-	4,989	2,461	-	2,538
Buildings - Specialised	-	16,351	2,967	-	13,394	72	-	(332)	(445)	2,234	-	-	28,794	13,871	-	14,923
Other Structures	-	8,905	3,074	-	5,831	428	-	(188)	421	1,739	-	-	13,493	5,262	-	8,231
Infrastructure:																
- Roads, Bridges, Footpaths	-	177,124	41,686	-	135,438	727	-	(2,312)	-	-	-	-	177,851	43,998	-	133,853
- Stormwater Drainage	-	1,981	582	-	1,399	-	-	(20)	-	-	-	-	1,982	603	-	1,379
- Water Supply Network	-	14,000	5,900	-	8,100	4,932	-	(235)	-	320	-	-	19,405	6,288	-	13,117
- Sewerage Network	-	25,000	13,000	-	12,000	618	-	(334)	-	307	-	-	26,258	13,667	-	12,591
<b>TOTAL INFRASTRUCTURE</b>	-	-	-	-	-	8,914	(538)	(4,606)	(217)	5,971	-	-	290,075	93,840	-	196,235
<b>PROPERTY, PLANT &amp; EQUIP.</b>	-	263,474	76,763	-	186,711	8,914	(538)	(4,606)	(217)	5,971	-	-	290,075	93,840	-	196,235

Additions to Depreciable Land Improvements, Buildings, Other Structures & Infrastructure Assets are made up of Asset Renewals (\$1,861) and New Assets (\$5,259). Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

## Coonamble Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000	Actual 2013				Actual 2012			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
<b>Water Supply</b>								
Infrastructure	-	19,405	6,288	<b>13,117</b>	-	14,000	5,900	<b>8,100</b>
<b>Total Water Supply</b>	-	<b>19,405</b>	<b>6,288</b>	<b>13,117</b>	-	<b>14,000</b>	<b>5,900</b>	<b>8,100</b>
<b>Sewerage Services</b>								
Infrastructure	-	26,258	13,667	<b>12,591</b>	-	25,000	13,000	<b>12,000</b>
<b>Total Sewerage Services</b>	-	<b>26,258</b>	<b>13,667</b>	<b>12,591</b>	-	<b>25,000</b>	<b>13,000</b>	<b>12,000</b>
<b>Domestic Waste Management</b>								
Other Structures	-	171	27	<b>144</b>	-	171	34	<b>137</b>
<b>Total DWM</b>	-	<b>171</b>	<b>27</b>	<b>144</b>	-	<b>171</b>	<b>34</b>	<b>137</b>
<b>TOTAL RESTRICTED I,PP&amp;E</b>	-	<b>45,834</b>	<b>19,982</b>	<b>25,852</b>	-	<b>39,171</b>	<b>18,934</b>	<b>20,237</b>

## Note 9c. Infrastructure, Property, Plant &amp; 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 2013

## Note 10a. Payables, Borrowings &amp; Provisions

\$ '000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
<b>Payables</b>					
Goods & Services - operating expenditure		693	-	374	-
Goods & Services - capital expenditure		188	-	200	-
Payments Received In Advance		126	-	113	-
Accrued Expenses:					
- Borrowings		1	-	1	-
- Other Expenditure Accruals		554	-	248	-
Security Bonds, Deposits & Retentions		72	-	91	-
<b>Total Payables</b>		<b>1,634</b>	<b>-</b>	<b>1,027</b>	<b>-</b>
<b>Borrowings</b>					
Loans - Secured <sup>1</sup>		7	38	37	45
<b>Total Borrowings</b>		<b>7</b>	<b>38</b>	<b>37</b>	<b>45</b>
<b>Provisions</b>					
<b>Employee Benefits;</b>					
Annual Leave		749	-	690	-
Long Service Leave		1,044	88	1,193	108
<b>Total Provisions</b>		<b>1,793</b>	<b>88</b>	<b>1,883</b>	<b>108</b>
<b>Total Payables, Borrowings &amp; Provisions</b>		<b>3,434</b>	<b>126</b>	<b>2,947</b>	<b>153</b>

## (i) Liabilities relating to Restricted Assets

	2013		2012	
	Current	Non Current	Current	Non Current
<b>Externally Restricted Assets</b>				
Water	46	-	51	-
Sewer	44	39	12	45
Liabilities relating to externally restricted assets	90	39	63	45
<b>Internally Restricted Assets</b>				
Nil				
<b>Total Liabilities relating to restricted assets</b>	<b>90</b>	<b>39</b>	<b>63</b>	<b>45</b>
<b>Total Liabilities relating to Unrestricted Assets</b>	<b>3,344</b>	<b>87</b>	<b>2,884</b>	<b>108</b>
<b>TOTAL PAYABLES, BORROWINGS &amp; PROVISIONS</b>	<b>3,434</b>	<b>126</b>	<b>2,947</b>	<b>153</b>

<sup>1</sup> 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 2013

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

\$ '000	Actual 2013	Actual 2012
<b>(ii) Current Liabilities not anticipated to be settled within the next 12 months</b>		
The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions - Employees Benefits	992	1,135
Payables - Security Bonds, Deposits & Retentions	12	15
	<b>1,004</b>	<b>1,150</b>

## Note 10b. Description of and movements in Provisions

Class of Provision	2012			2013		Closing Balance as at 30/6/13
	Opening Balance as at 1/7/12	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	
Annual Leave	690	323	(377)	113	-	749
Long Service Leave	1,301	(87)	(167)	85	-	1,132
<b>TOTAL</b>	<b>1,991</b>	<b>236</b>	<b>(544)</b>	<b>198</b>	<b>-</b>	<b>1,881</b>

- 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 2013

## Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2013	Actual 2012
<b>(a) Reconciliation of Cash Assets</b>			
Total Cash & Cash Equivalent Assets	6a	18,260	19,031
Less Bank Overdraft	10	-	-
<b>BALANCE as per the STATEMENT of CASH FLOWS</b>		<b>18,260</b>	<b>19,031</b>
<b>(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities</b>			
<b>Net Operating Result from Income Statement</b>		<b>1,457</b>	<b>972</b>
<b>Adjust for non cash items:</b>			
Depreciation & Amortisation		4,606	4,046
Net Losses/(Gains) on Disposal of Assets		55	228
Share of Net (Profits) or Losses of Associates/Joint Ventures		(3)	(6)
<b>+/- Movement in Operating Assets and Liabilities &amp; Other Cash Items:</b>			
Decrease/(Increase) in Receivables		1,368	181
Increase/(Decrease) in Provision for Doubtful Debts		19	50
Decrease/(Increase) in Inventories		(150)	177
Decrease/(Increase) in Other Assets		(152)	2
Increase/(Decrease) in Payables		319	(247)
Increase/(Decrease) in accrued Interest Payable		-	(1)
Increase/(Decrease) in other accrued Expenses Payable		306	248
Increase/(Decrease) in Other Liabilities		(6)	61
Increase/(Decrease) in Employee Leave Entitlements		(110)	331
<b>NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS</b>		<b>7,709</b>	<b>6,042</b>
<b>(c) Non-Cash Investing &amp; Financing Activities</b>			
Nil			
<b>(d) Financing Arrangements</b>			
<b>(i) Unrestricted access was available at balance date to the following lines of credit:</b>			
Bank Overdraft Facilities <sup>(1)</sup>		250	250
Credit Cards / Purchase Cards		20	20
<b>Total Financing Arrangements</b>		<b>270</b>	<b>270</b>

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 2013

## Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2013	Actual 2012
<b>(a) Capital Commitments (exclusive of GST)</b>			
<b>Property, Plant &amp; Equipment</b>			
Plant & Equipment		345	816
Rehabilitation of Sewer Mains		-	556
Other Structures		100	-
<b>Total Commitments</b>		<b>445</b>	<b>1,372</b>
<b>These expenditures are payable as follows:</b>			
Within the next year		445	1,372
Later than one year and not later than 5 years		-	-
Later than 5 years		-	-
<b>Total Payable</b>		<b>445</b>	<b>1,372</b>
<b>Sources for Funding of Capital Commitments:</b>			
Unexpended Grants		30	-
Externally Restricted Reserves		-	556
Internally Restricted Reserves		415	816
<b>Total Sources of Funding</b>		<b>445</b>	<b>1,372</b>

**(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	28	28
Later than one year and not later than 5 years	38	66
Later than 5 years	-	-
<b>Total Non Cancellable Operating Lease Commitments</b>	<b>66</b>	<b>94</b>

**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 2013

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

\$ '000	Amounts	Indicator	Prior Periods	
	2013	2013	2012	2011
<b>Local Government Industry Indicators - Consolidated</b>				
<b>1. Unrestricted Current Ratio</b>				
Current Assets less all External Restrictions <sup>(1)</sup>	<u>12,716</u>	<b>5.43 : 1</b>	7.09	6.80
Current Liabilities less Specific Purpose Liabilities <sup>(2,3)</sup>	<u>2,340</u>			
<b>2. Debt Service Ratio</b>				
Debt Service Cost	<u>43</u>	<b>0.28%</b>	0.28%	0.30%
Income from Continuing Operations (excl. Capital Items & Specific Purpose Grants/Contributions)	<u>15,275</u>			
<b>3. Rates &amp; Annual Charges Coverage Ratio</b>				
Rates & Annual Charges	<u>5,212</u>	<b>26.77%</b>	25.10%	25.04%
Income from Continuing Operations	<u>19,468</u>			
<b>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>				
Rates, Annual & Extra Charges Outstanding	<u>428</u>	<b>7.39%</b>	9.40%	8.00%
Rates, Annual & Extra Charges Collectible	<u>5,790</u>			
<b>5. Building &amp; Infrastructure Renewals Ratio</b>				
Asset Renewals <sup>(4)</sup>	<u>1,881</u>	<b>53.90%</b>	56.65%	53.93%
Depreciation, Amortisation & Impairment	<u>3,490</u>			

## Notes

<sup>(1)</sup> Refer Notes 6-8 inclusive.

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

<sup>(2)</sup> Refer to Note 10(a).

<sup>(3)</sup> Refer to Note 10(a)(ii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).

<sup>(4)</sup> 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.

## Coonamble Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000	Water 2013	Sewer 2013	General <sup>1</sup> 2013
<b>Local Government Industry Indicators - by Fund</b>			
<b>1. Unrestricted Current Ratio</b>			
<u>Current Assets less all External Restrictions <sup>(1)</sup></u>	<b>56.48 : 1</b>	<b>95.61 : 1</b>	<b>5.43 : 1</b>
Current Liabilities less Specific Purpose Liabilities <sup>(2,3)</sup>			
prior period:	99.08 : 1	363.25 : 1	7.08 : 1
<b>2. Debt Service Ratio</b>			
<u>Debt Service Cost</u>	<b>0.00%</b>	<b>0.00%</b>	<b>0.32%</b>
Income from Continuing Operations (excl. Capital Items & Specific Purpose Grants/Contributions)			
prior period:	0.00%	1.34%	0.23%
<b>3. Rates &amp; Annual Charges Coverage Ratio</b>			
<u>Rates &amp; Annual Charges</u>	<b>6.95%</b>	<b>68.50%</b>	<b>28.31%</b>
Income from Continuing Operations			
prior period:	25.74%	64.04%	23.49%
<b>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>			
<u>Rates, Annual &amp; Extra Charges Outstanding</u>	<b>66.23%</b>	<b>3.26%</b>	<b>5.49%</b>
Rates, Annual & Extra Charges Collectible			
prior period:	10.22%	2.51%	10.05%
<b>5. Building &amp; Infrastructure Renewals Ratio</b>			
<u>Asset Renewals (Building &amp; Infrastructure assets)</u>	<b>30.21%</b>	<b>166.77%</b>	<b>45.85%</b>
Depreciation, Amortisation & Impairment			
prior period:	0.00%	0.00%	71.98%

## Notes

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

## Coonamble Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### 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	
	2013	2012	2013	2012
<b>Financial Assets</b>				
Cash and Cash Equivalents	18,260	19,031	18,260	19,031
Receivables	1,802	3,189	1,802	3,189
<b>Total Financial Assets</b>	<b>20,062</b>	<b>22,220</b>	<b>20,062</b>	<b>22,220</b>
<b>Financial Liabilities</b>				
Payables	1,508	914	1,508	914
Loans / Advances	45	82	45	82
<b>Total Financial Liabilities</b>	<b>1,553</b>	<b>996</b>	<b>1,553</b>	<b>996</b>

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.

## Coonamble Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### 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 its staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these 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.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is 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
<b>2013</b>				
Possible impact of a 1% movement in Interest Rates	158	158	158	158
<b>2012</b>				
Possible impact of a 1% movement in Interest Rates	172	172	172	172

## Coonamble Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2013

## 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:

	2013	2013	2012	2012
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
<b>(i) Ageing of Receivables</b>				
Current (not yet overdue)	569	1,142	633	2,269
Past due between 31 and 180 days	-	105	-	192
Past due between 181 and 365 days	-	120	-	210
Past due by more than 1 year	-	112	-	112
	<b>569</b>	<b>1,479</b>	<b>633</b>	<b>2,783</b>
<b>(ii) Movement in Provision for Impairment of Receivables</b>			<b>2013</b>	<b>2012</b>
Balance at the beginning of the year			227	177
+ new provisions recognised during the year			19	50
<b>Balance at the end of the year</b>			<b>246</b>	<b>227</b>

## Coonamble Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 15. Financial Risk Management (continued)

\$ '000

## (c) Payables &amp; 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 Liquidity 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		
<b>2013</b>									
Trade/Other Payables	72	7	8	8	9	9	5	117	1,508
Loans & Advances	-	-	-	-	-	-	-	-	45
<b>Total Financial Liabilities</b>	<b>72</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>5</b>	<b>117</b>	<b>1,553</b>
<b>2012</b>									
Trade/Other Payables	91	959	-	-	-	-	-	1,050	914
Loans & Advances	-	37	7	8	16	9	5	82	82
<b>Total Financial Liabilities</b>	<b>91</b>	<b>996</b>	<b>7</b>	<b>8</b>	<b>16</b>	<b>9</b>	<b>5</b>	<b>1,132</b>	<b>996</b>

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:

	2013		2012	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	1,508	0.0%	914	0.0%
Loans & Advances - Fixed Interest Rate	45	7.3%	82	7.3%
	<b>1,553</b>		<b>996</b>	



## Coonamble Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2013

## Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 12/13 was adopted by the Council on 13 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	2013 Budget	2013 Actual	2013 ----- Variance* -----		
<b>REVENUES</b>					
<b>Rates &amp; Annual Charges</b>	<b>5,258</b>	<b>5,212</b>	<b>(46)</b>	<b>(1%)</b>	<b>U</b>
<b>User Charges &amp; Fees</b>	<b>4,572</b>	<b>5,597</b>	<b>1,025</b>	<b>22%</b>	<b>F</b>
Increased in unbudgeted revenue due to additional revenue being generated through Council's Quarry operations and Council's user pays charges for Water.					
<b>Interest &amp; Investment Revenue</b>	<b>938</b>	<b>795</b>	<b>(143)</b>	<b>(15%)</b>	<b>U</b>
Continued adverse Market pressures resulted in a lower than anticipated result.					
<b>Other Revenues</b>	<b>509</b>	<b>525</b>	<b>16</b>	<b>3%</b>	<b>F</b>
<b>Operating Grants &amp; Contributions</b>	<b>4,637</b>	<b>5,436</b>	<b>799</b>	<b>17%</b>	<b>F</b>
Council was unscussefull in obtaing Budgeted Grant Funds in particular the Repair Program Grant.					
<b>Capital Grants &amp; Contributions</b>	<b>2,885</b>	<b>1,900</b>	<b>(985)</b>	<b>(34%)</b>	<b>U</b>
<b>Share of Net Profits - Joint Ventures &amp; Associates</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>0%</b>	<b>F</b>

## Coonamble Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2013

## Note 16. Material Budget Variations (continued)

\$ '000	2013 Budget	2013 Actual	2013 Variance*		
<b>EXPENSES</b>					
<b>Employee Benefits &amp; On-Costs</b>	6,794	6,976	(182)	(3%)	U
<b>Borrowing Costs</b>	7	6	1	7%	F
<b>Materials &amp; Contracts</b>	4,604	4,131	473	10%	F
Council was un-successful in obtaining several grant funded works included in its original budget.					
<b>Depreciation &amp; Amortisation</b>	5,173	4,606	567	11%	F
Council re-valued several of its major asset classes through the year and this process affected the level of Depreciation expense incurred through the year.					
<b>Other Expenses</b>	2,000	2,237	(237)	(12%)	U
Increase in operational costs such, as Electricity charges exceeded the planned budgeted increase.					
<b>Net Losses from Disposal of Assets</b>	-	55	(55)	0%	U

## Budget Variations relating to Council's Cash Flow Statement include:

<b>Cash Flows from Operating Activities</b>	5,788	7,709	1,920	33.2%	F
Major Capital Works / Replacement of existing infrastructure was delayed through the 2012-13 Financial Year					
<b>Cash Flows from Investing Activities</b>	(8,550)	(8,443)	107	(1.2%)	F
<b>Cash Flows from Financing Activities</b>	(37)	(37)	0	(0.1%)	F

## 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 2013

#### 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 its 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 2013

#### 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 2013

#### 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 Associated Entities, Council significantly influences the operations (but does not control them, whilst for JV Entities, Council Jointly Controls the Operations with other parties.

##### Accounting Recognition:

(i) **Subsidiaries disclosed under Note 19(a), and Joint Venture Operations disclosed at Note 19(c), are accounted for on a Line by Line Consolidation basis within the Income Statement and Statement of Financial Position.**

(ii) **Associated Entities and Joint Venture Entities as per Notes 19(b)(i) & (ii) 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 2013	Actual 2012	Actual 2013	Actual 2012
Associated Entities	-	-	-	-
Joint Venture Entities	3	6	70	67
<b>Total</b>	<b>3</b>	<b>6</b>	<b>70</b>	<b>67</b>

## Coonamble Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 19. Controlled Entities, Associated Entities &amp; Interests in Joint Ventures

\$ '000

## (a) Joint Venture Entities

## (a) Carrying Amounts

Name of Entity	Principal Activity	2013	2012
Northern Western Library Service	Provision of Library Services	70	67
<b>Total Carrying Amounts - Joint Venture Entities</b>		<b>70</b>	<b>67</b>

## (b) Relevant Interests

Name of Entity	Interest in Outputs		Interest in Ownership		Proportion of Voting Power	
	2013	2012	2013	2012	2013	2012
Northern Western Library Service	25%	25%	25%	25%	25%	25%

## (c) Movement in Carrying Amounts

	Northern Western Library Service	
	2013	2012
Opening Balance	67	61
Share in Operating Result	3	6
<b>Council's Equity Share in the Joint Venture Entity</b>	<b>70</b>	<b>67</b>

## (d) Share of Joint Ventures Assets &amp; Liabilities

	Assets		Liabilities		Net Assets
	Current	Non Current	Current	Non Current	
<b>2013</b>					
Northern Western Library Service	19	51	-	-	70
<b>Totals</b>	<b>19</b>	<b>51</b>	-	-	<b>70</b>
<b>2012</b>					
Northern Western Library Service	13	54	-	-	67
<b>Totals</b>	<b>13</b>	<b>54</b>	-	-	<b>67</b>

## (e) Share of Joint Ventures Revenues, Expenses &amp; Results

	2013			2012		
	Revenues	Expenses	Result	Revenues	Expenses	Result
Northern Western Library Service	60	57	3	55	49	6
<b>Totals</b>	<b>60</b>	<b>57</b>	<b>3</b>	<b>55</b>	<b>49</b>	<b>6</b>

## (f) Contingent Liabilities of Joint Venture Entities

	2013	2012
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 2013

## Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2013	Actual 2012
<b>(a) Retained Earnings</b>			
<b>Movements in Retained Earnings were as follows:</b>			
Balance at beginning of Year (from previous years audited accounts)		158,388	148,479
a. Correction of Prior Period Errors	20 (c)	-	8,937
b. Net Operating Result for the Year		1,457	972
<b>Balance at End of the Reporting Period</b>		<b>159,845</b>	<b>158,388</b>
<b>(b) Reserves</b>			
<b>(i) Reserves are represented by:</b>			
- Infrastructure, Property, Plant & Equipment Revaluation Reserve		54,368	48,614
<b>Total</b>		<b>54,368</b>	<b>48,614</b>
<b>(ii) Reconciliation of movements in Reserves:</b>			
<b>Infrastructure, Property, Plant &amp; Equipment Revaluation Reserve</b>			
- Opening Balance		48,614	46,492
- Revaluations for the year	9(a)	5,754	2,122
- <b>Balance at End of Year</b>		<b>54,368</b>	<b>48,614</b>
<b>TOTAL VALUE OF RESERVES</b>		<b>54,368</b>	<b>48,614</b>

**(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****Correction of errors disclosed in this year's financial statements:**

As part of Council's transition to measuring all it's I,PP&E at Fair Values, Council this year reviewed and brought to account Fair Values.

As part of that evaluation & measurement process, the remaining useful life of each asset has been reassessed to actual.

This reassessment has resulted in a material difference as to where some assets actually sit in relation to their asset life cycle relative to what the value of accumulated depreciation in Council's Financial Reports had previously indicated.

(continued on the next page...)

## Coonamble Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000	Notes	Actual 2013	Actual 2012
<b>(c) Correction of Error/s relating to a Previous Reporting Period (continued)</b>			
Council does not have sufficient and reliable information that will allow the restatement of information prior to 30/6/12 (the closing date for the comparative figures in this report).			
As a result, Council has adjusted the accumulated depreciation for the following asset classes as at 30/6/12 to reflect the correct value of accumulated depreciation;			
Specialised Buildings (increase) to accumulated depreciation			
Non Specialised Buildings decrease to accumulated depreciation			
Other Structures (increase) to accumulated depreciation			
<b>Correction of errors as disclosed in last year's financial statements:</b>			
Council revalued the following asset classes for the 11/12 Year End:			
- Water Asset Class			
- Sewerage Asset Class			
This reassessment resulted in a material difference as to where some assets actually sat in with respect to their asset life cycle relative to what the value of accumulated depreciation in Council's Financial Reports had previously indicated.			
Council did not have sufficient and reliable information that would allow the restatement of information prior to 30/6/11 (the closing date for the comparative figures in last year's report).			
As a result, Council adjusted the accumulated depreciation for the Asset Classes below as at 30/6/11 to reflect the correct value of accumulated depreciation;			
- Water Asset Class (increase)/decrease to accumulated depreciation		3,058	
- Sewerage Asset Class (increase)/decrease to accumulated depreciation		5,879	
This adjustment resulted in a net increase / (decrease) in Council's Accumulated Surplus as at 30/6/11.			
<b>In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above Prior Period Errors have been recognised retrospectively.</b>			
<b>These amounted to the following Equity Adjustments:</b>			
- Adjustments to Closing Equity - 30/6/12 (relating to adjustments for the 30/6/12 year end)		-	8,937
<b>Total Prior Period Adjustments - Prior Period Errors</b>		-	<b>8,937</b>

**(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 2013

## Note 21. Financial Result &amp; Financial Position by Fund

Income Statement by Fund \$ '000	Actual 2013	Actual 2013	Actual 2013
	Water	Sewer	General <sup>1</sup>
<b>Continuing Operations</b>			
<b>Income from Continuing Operations</b>			
Rates & Annual Charges	197	522	4,493
User Charges & Fees	503	102	4,992
Interest & Investment Revenue	197	124	474
Other Revenues	23	-	502
Grants & Contributions provided for Operating Purposes	14	14	5,408
Grants & Contributions provided for Capital Purposes	1,900	-	-
<b>Other Income</b>			
Share of interests in Joint Ventures & Associates using the Equity Method	-	-	3
<b>Total Income from Continuing Operations</b>	<b>2,834</b>	<b>762</b>	<b>15,872</b>
<b>Expenses from Continuing Operations</b>			
Employee Benefits & on-costs	117	133	6,726
Borrowing Costs	-	3	3
Materials & Contracts	246	266	3,619
Depreciation & Amortisation	235	334	4,037
Other Expenses	-	-	2,237
Net Losses from the Disposal of Assets	-	-	55
<b>Total Expenses from Continuing Operations</b>	<b>598</b>	<b>736</b>	<b>16,677</b>
<b>Operating Result from Continuing Operations</b>	<b>2,236</b>	<b>26</b>	<b>(805)</b>
<b>Discontinued Operations</b>			
Net Profit/(Loss) from Discontinued Operations	-	-	-
<b>Net Operating Result for the Year</b>	<b>2,236</b>	<b>26</b>	<b>(805)</b>
<b>Net Operating Result attributable to each Council Fund</b>	<b>2,236</b>	<b>26</b>	<b>(805)</b>
<b>Net Operating Result attributable to Non-controlling Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>336</b>	<b>26</b>	<b>(805)</b>

<sup>1</sup> 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 2013

## Note 21. Financial Result &amp; Financial Position by Fund (continued)

Statement of Financial Position by Fund \$ '000	Actual 2013	Actual 2013	Actual 2013
	Water	Sewer	General <sup>1</sup>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	2,246	4,006	12,008
Investments	-	-	-
Receivables	330	120	1,089
Inventories	11	-	1,234
Other	-	-	161
Non-current assets classified as 'held for sale'	-	-	-
<b>Total Current Assets</b>	<b>2,587</b>	<b>4,126</b>	<b>14,492</b>
<b>Non-Current Assets</b>			
Investments	-	-	-
Receivables	-	-	263
Inventories	-	-	-
Infrastructure, Property, Plant & Equipment	13,117	12,591	170,527
Investments Accounted for using the equity method	-	-	70
Investment Property	-	-	-
Intangible Assets	-	-	-
<b>Total Non-Current Assets</b>	<b>13,117</b>	<b>12,591</b>	<b>170,860</b>
<b>TOTAL ASSETS</b>	<b>15,704</b>	<b>16,717</b>	<b>185,352</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	46	37	1,551
Borrowings	-	7	-
Provisions	-	-	1,793
<b>Total Current Liabilities</b>	<b>46</b>	<b>44</b>	<b>3,344</b>
<b>Non-Current Liabilities</b>			
Payables	-	-	-
Borrowings	-	38	-
Provisions	-	-	88
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>38</b>	<b>88</b>
<b>TOTAL LIABILITIES</b>	<b>46</b>	<b>82</b>	<b>3,432</b>
<b>Net Assets</b>	<b>15,658</b>	<b>16,635</b>	<b>181,920</b>
<b>EQUITY</b>			
Retained Earnings	13,837	12,097	133,911
Revaluation Reserves	1,821	4,538	48,009
<b>Total Equity</b>	<b>15,658</b>	<b>16,635</b>	<b>181,920</b>

<sup>1</sup> 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 &amp; payables between the Funds.

## Coonamble Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 22. "Held for Sale" Non Current Assets & Disposal Groups

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\$ '000

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Council did not classify any Non Current Assets or Disposal Groups as "Held for Sale".

#### Note 23. Events occurring after the Reporting Period

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Events that occur between the end of the reporting period (ending 30 June 2013) 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 31/10/13.

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 2013.

**(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 2013 and which are only indicative of conditions that arose after 30 June 2013.

**Council is unaware of any material or significant "non-adjusting events" that should be disclosed.**

#### Note 24. Discontinued Operations

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Council has not classified any of its Operations as "Discontinued".

#### Note 25. Intangible Assets

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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 2013

#### Note 27. Council Information & Contact Details

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**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:** [coonamble@coonambleshire.nsw.gov.au](mailto:coonamble@coonambleshire.nsw.gov.au)

**Officers**

**GENERAL MANAGER**

Rick Warren

**RESPONSIBLE ACCOUNTING OFFICER**

Bruce Quarmby

**PUBLIC OFFICER**

Bruce Quarmby

**AUDITORS**

Hill Rogers Spencer Steer  
Level 5, 1 Chiffley Square  
Sydney NSW 2000

**Elected Members**

**MAYOR**

Tom Cullen

**COUNCILLORS**

Tim Horan  
Michael Webb  
Allan Karanouh  
Donald Schieb  
Tom Cullen  
Jack Canham  
Barbara O'Brien

**Other Information**

**ABN:** 19 499 848 443

COONAMBLE SHIRE COUNCIL  
GENERAL PURPOSE FINANCIAL STATEMENTS  
INDEPENDENT AUDITORS' REPORT

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**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 2013, 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. Nor does our responsibility extend to the projected future developer contributions and costs disclosed in Note 17. Accordingly, no opinion is expressed on these matters.

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 31st day of October 2013

31 October 2013

The Mayor  
Coonamble Shire Council  
PO Box 249  
**COONAMBLE NSW 2829**

Mayor,

### **Audit Report - Year Ended 30 June 2013**

We are pleased to advise completion of the audit of Council's books and records for the year ended 30 June 2013 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 accounts have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) 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 surplus of \$1.457 million as compared with \$972,000 in the previous year.

#### **Assurance Partners**

T. +61 2 9232 5111  
F. +61 2 9233 7950

Level 5, 1 Chifley Square  
Sydney NSW 2000 Australia

GPO Box 7066  
Sydney NSW 2001

www.hr-ss.com.au  
info@hr-ss.com.au

Practising as Hill Rogers Spencer  
Steer Assurance Partners

ABN 56 435 338 966

The following table sets out the results for the year and the extent (%) that each category of revenue and expenses contributed to the total.

	2013 \$'000	% of Total	2012 \$'000	% of Total	Increase (Decrease) \$'000
<b>Revenues before capital items</b>					
Rates & annual charges	5,212	30%	4,988	26%	224
User charges, fees & other revenues	6,125	35%	5,339	28%	786
Grants & contributions provided for operating purposes	5,436	31%	7,835	41%	(2,399)
Interest & investment revenue	795	5%	942	5%	(147)
	<b>17,568</b>	<b>100%</b>	<b>19,104</b>	<b>100%</b>	<b>(1,536)</b>
<b>Expenses</b>					
Employee benefits & costs	6,976	39%	6,694	35%	282
Materials, contracts & other expenses	6,423	36%	8,156	43%	(1,733)
Depreciation, amortisation & impairment	4,606	26%	4,046	21%	560
Borrowing costs	6	0%	7	0%	(1)
	<b>18,011</b>	<b>100%</b>	<b>18,903</b>	<b>100%</b>	<b>(892)</b>
<b>Surplus/(Deficit) before capital items</b>	<b>(443)</b>		<b>201</b>		<b>(644)</b>
Grants & contributions provided for capital purposes	1,900		771		1,129
<b>Net Surplus/(Deficit) for the year</b>	<b>1,457</b>		<b>972</b>		<b>485</b>

The above table shows an overall increase from the previous year of \$485,000 and is mainly attributable to the receipt of additional capital grants for water supplies.

## 1.2 Funding Result

The operating result does not take into account all revenues and all expenditures and in reviewing the overall financial performance of Council it is useful to take into account the total source of revenues and where they were spent during the year which is illustrated in the table below.



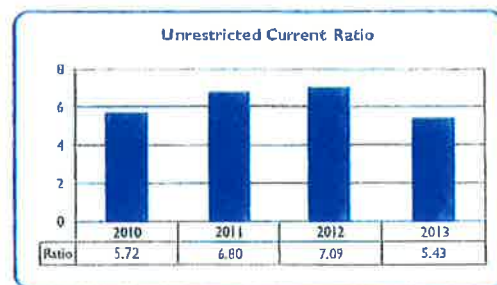
	2013	2012
	\$'000	\$'000
<i>Funds were provided by:-</i>		
<b>Operating Result (as above)</b>	<b>1,457</b>	<b>972</b>
Add back non funding items:-		
- Depreciation, amortisation & impairment	4,606	4,046
- Book value of non current assets sold	538	807
- (Surplus)/Deficit in joint ventures	(3)	(6)
Transfers from externally restricted assets (net)	2,187	0
Net Changes in current/non current assets & liabilities	0	288
	<b>8,785</b>	<b>6,107</b>
<i>Funds were applied to:-</i>		
Purchase and construction of assets	(8,914)	(3,241)
Principal repaid on loans	(37)	(35)
Transfers to externally restricted assets (net)	0	(1,382)
Transfers to internal reserves (net)	(832)	(2,126)
Net Changes in current/non current assets & liabilities	(5)	0
	<b>(9,788)</b>	<b>(6,784)</b>
<b>Increase/(Decrease) in Available Working Capital</b>	<b>(1,003)</b>	<b>(677)</b>

## 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 \$10,376 million representing a factor of 5.43 to 1.



### 2.2 Available Working Capital – (Working Funds)

A more meaningful financial indicator specific to local government is the level of **Available Working Capital**. Net Current Assets are adjusted by eliminating both external and internal reserves held for future purposes.