

BALRANALD SHIRE COUNCIL



ANNUAL REPORT 2012-2013

CONTENTS

Mayor's Foreword.....	3
Mission Statement.....	4
Overview of Shire.....	5
Statistical Information.....	6
Elected Representatives.....	7
Committees of Council.....	8
Revenue & Expenditure Graph.....	11
Annual Audited Financial Statements.....	12
Balranald Shire 2022 Community Strategic Plan Outcomes.....	A1
Result of Capital Works.....	B1
State of the Environment Report.....	C1
Statutory Requirements.....	D1
GIPAA Information Guide.....	E1
Councillors Expense Payment Policy.....	F1

Mayors Foreword 2012/13

It is my pleasure to present the Balranald Shire Council 2012/13 Annual Report.

You will notice a new format for the 2012/13 report, which incorporates the recently adopted Integrated Reporting and Planning (IPR) Framework. The report is now more closely aligned with the Community Strategic Plan (CSP), known as *Balranald Shire 2022*.

While the community has been consulted over many issues in the past, this is the first time that the aspirations of the community have been comprehensively sought out and reported on. This will allow Council to plan for the things that the community want, advocate for the things that are beyond Council's control and together with our community build a better future.

The redevelopment of Heritage Park, which includes the new Visitor Information Centre, Cafe and Interpretive building, has gone to tender and is currently under construction, with completion of the buildings anticipated by February 2014.



Balranald Shire Council Mayor, Steve O'Halloran

Council have completed numerous capital projects which have included:

- The Swing Bridge and River Walk.
- RTA Heavy vehicle inspection station at the Balranald Depot
- Construction and sealing of part of the Meilman Road
- Construction and sealing of part of the Tapalin Road
- Drainage improvements to the Corner of River and O'Connor Streets.

Finally thank you to our Councillors and staff of Council for your commitment to serving the residents and community of the Balranald Shire.

I trust the 2012/13 Annual Report will provide you valuable information on the operations and management of your community.

- Steve O'Halloran

MISSION STATEMENT

***"COMMITTED TO BALRANALD SHIRE,
PROVIDING FOR OUR PEOPLE
PROTECTING OUR HERITAGE, AND
PLANNING FOR OUR FUTURE"***

Shire overview

The Shire of Balranald is home for nearly 2400 people living in 21,346 square kilometres of south-western NSW, approximately 900km from Sydney.

It is the fifth largest Shire in NSW. The major townships are Balranald and Euston, on the banks of the Murrumbidgee and Murray Rivers respectively.

The name Balranald originates from Scotland and dates back to 1837. Balranald developed as a thriving inland port and was proclaimed a municipality in 1882, becoming the Shire of Balranald in 1956.

Balranald Shire shares boundaries with Central Darling (north), Wakool (south), Hay (east) and Wentworth (west). The Murray River forms the southern boundary.

The town of Balranald is predominantly a service centre for the surrounding irrigation and dry land-farming district.

The economy is diversifying from conventional grains, wool and sheep to viticulture, horticulture, organic production and tourism.

Some 43.1 per cent of the people are employed in agriculture, forestry and fishing compared with a total of 3.6 per cent in NSW. Balranald Shire Council is the largest employer with approximately 72 staff.

Approximately 7 per cent of the Shire's population is indigenous.

Balranald and Euston are both situated on the Sturt Highway, providing easy access to nearby centres such as Swan Hill and Mildura.

Balranald has a sealed airstrip, a new hospital, dentist, two schools and a pre-school.

The town has well-maintained parks and gardens, good sporting facilities and is a busy retail and commercial centre.

Euston is a vibrant community, which is in a growth area of the Shire. Expansion of viticulture has occurred predominately in this area. The township boasts one of the finest clubs in the region.

Statistical Information

Population:	2,361
Area:	21,346 km ²
Staff:	72
No of assessments:	1,613

WATER & SEWERAGE

Number of water supply systems -	4
Length of Water pipe -	56.9 kilometres
Number of Sewerage systems -	2
Length of sewer Pipe -	29.88 kilometres

ROADS

<u>Local Roads</u>	
Urban	33.83 kilometres
Non-urban Sealed	109.98 kilometres
Non-urban Unsealed	1183.86 kilometres
<u>Regional roads</u>	
Urban	0.81 kilometres
Non-urban Sealed	207.33 kilometres
Non-urban Unsealed	47.67 kilometres
<u>State Highway</u>	
Urban	2.73 kilometres
Non-urban Sealed	33.70 kilometres

Number of Bridges- 2

BALRANALD SHIRE COUNCIL

ELECTED REPRESENTATIVES as at 30th June 2013

TERM OF OFFICE

Council members are elected for a term of four years. The next election will be held in September 2013.

The Council elects a Mayor each September.

COUNCIL MEETINGS

Council meets on the third Tuesday of every month in the Council Chambers, 70 Market Street, Balranald at 6.00pm, or at other locations across the Shire as advertised.

Mayor Steve O'Halloran
"Waldaira"
Balranald NSW 2715

Dep. Mayor Leigh Byron
148 Brett Road
Euston NSW 2737

Cr Lynda Cooke
165 Market Street
Balranald 2715

Cr Jeff Mannix
10 Cally Street
Balranald NSW 2715

Cr Alan Purtill
84 Dowling Street
Balranald 2715

Cr Trevor Jolliffe
"Bella Vista"
PO Box 177 NSW 2715

Cr Ken Barnes
Kyalite Hotel
Kyalite NSW 2734

Cr Elaine Campbell
146 Church Street
Balranald NSW 2715

BALRANALD SHIRE COUNCIL

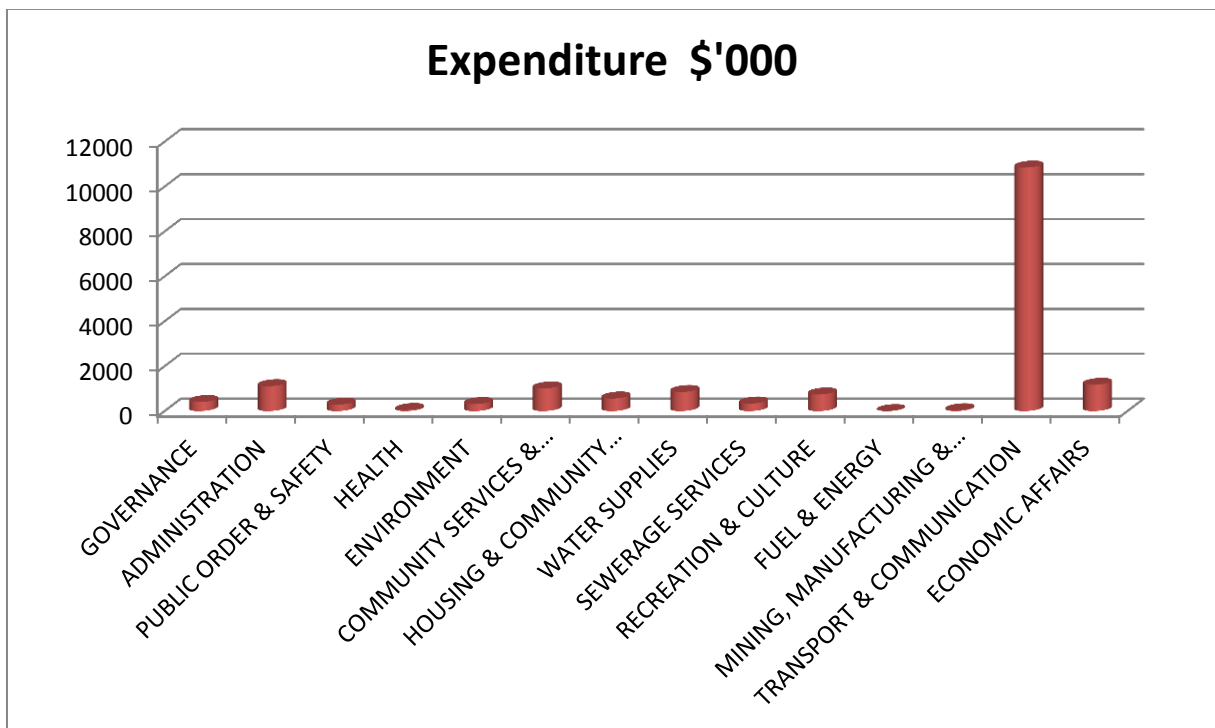
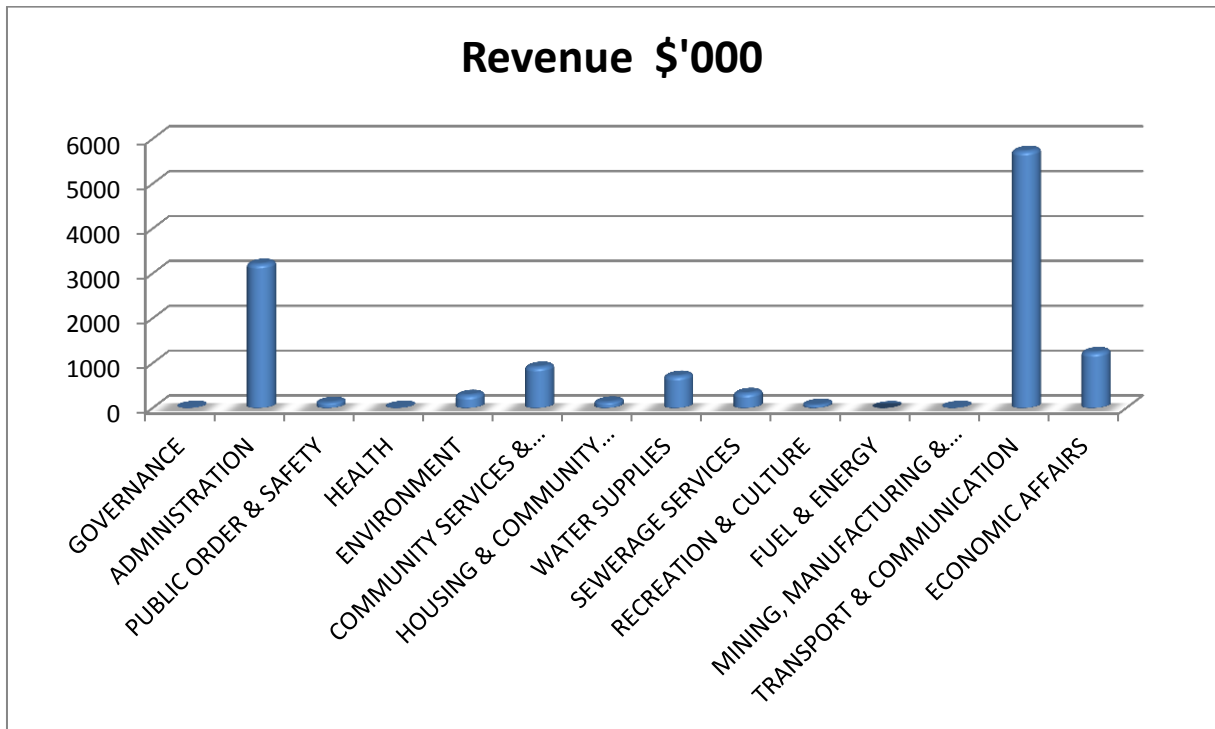
COMMITTEES



COMMITTEES 2012-2013

RETIREMENT HOSTEL Cr Elaine Campbell Cr Steve O'Halloran Cr Alan Purtill Mrs Joan Dalton Mrs Helen Edmunds Mrs Helen Ellis Mrs Gen McConnell (Residents Representative) Ms Katherine Ferguson	TOURISM & DEVELOPMENT Cr Allan Purtill Cr Jeff Mannix Cr Ken Barnes Cr Leigh Byron Cr Steve O'Halloran Ms Connie Mallett Mrs Sue O'Halloran Ms Robyn Ryan Mrs Linda Nelson Mrs Shirley Matarazzo Ms Silvana Keating Mr Paul Connellan Mr Ken Spinks Ms Myrtle Matarazzo Ms Jo Gorman Ms Dinitee Haskard	LOCAL EMERGENCY MANAGEMENT COMMITTEE Cr Steve O'Halloran Cr Leigh Byron Local Emergency Management Officer (Director Infrastructure & Development)
AUSTRALIA DAY Cr Jeff Mannix Cr Trevor Jolliffe Cr Leigh Byron Mr Hutch Lawrie Mr Robert Rayner (Chair) 2 Australia Day Festival Committee Representatives	CARAVAN PARK Cr Jeff Mannix Cr Steve O'Halloran Cr Elaine Campbell Cr Trevor Jolliffe Ms Robyn Ryan	TRAFFIC Cr Steve O'Halloran RMS Representative Police Representative Local Member Rep - Mrs Margie Vanzanten
CORPORATE SERVICES COMMITTEE Mayor Cr Steve O'Halloran Deputy Mayor Cr Leigh Byron Cr Alan Purtill Cr Ken Barnes Cr Jeff Mannix Cr Lynda Cooke	INFRASTRUCTURE & DEVELOPMENT COMMITTEE Mayor Cr Steve O'Halloran Deputy Mayor Cr Leigh Byron Cr Trevor Jolliffe Cr Ken Barnes Cr Alan Purtill Cr Elaine Campbell	

<i>BALRANALD BEAUTIFICATION</i> Cr Elaine Campbell Cr Alan Purtill Cr Steve O'Halloran Cr Jeff Mannix Mrs Margie Vanzanten Mr Greg Camin Ms Mary Grisdale Mrs Jill Bath Mrs Vicki Burke Mrs Gaye Renfrey Ms Karen Norfolk	<i>EUSTON BEAUTIFICATION</i> Cr Leigh Byron Cr Lynda Cooke Cr Ken Barnes Ms Paula Rodgers Mrs Maureen Pupillo Mrs Bev Harbinson Mrs Anne Gill Mrs Vicki Barnes Mrs Helen Robertson Mrs Edna Price Mr Barry & Mrs Faye Watts Mr Jim & Mrs Vivienne McMahon Mr John Stevenson
<i>OCCUPATIONAL HEALTH & SAFETY</i> Cr Steve O'Halloran Cr Jeff Mannix General Manager, Director of Corporate Services and Director Infrastructure & Development as employer representatives	<i>YOUTH COUNCIL</i> Cr Jeff Mannix Cr Trevor Jolliffe Cr Elaine Campbell
<i>CONSULTATIVE COMMITTEE</i> Cr Alan Purtill Cr Jeff Mannix General Manager Director Corporate Services Director Infrastructure & Development as employer Reps.	<i>CODE OF CONDUCT COMMITTEE</i> Mr Gerry Holmes Mr David Clark Mr Garry Byrne
<i>CULTURAL COMMITTEE</i> Cr Steve O'Halloran Cr Lynda Cooke Cr Alan Purtill Cr Elaine Campbell Ms Sue Balshaw Ms Marg Butler Ms Ros Eason Doreen Greenham Mrs Jan Lawler Ms Michelle Mannix Director of Economic & Community Development	<i>COMMUNITY SAFETY PRECINT</i> Cr Alan Purtill Cr Lynda Cooke Cr Steve O'Halloran Director of Economic & Community Development



Balranald Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2013

*COMMITTED TO BALRANALD SHIRE,
PROVIDING FOR OUR PEOPLE
PROTECTING OUR HERITAGE, AND
PLANNING FOR OUR FUTURE*



Balranald Shire Council

General Purpose Financial Statements

for the financial year ended 30 June 2013

Contents	Page
1. Understanding Council's Financial Statements	2
2. Statement by Councillors & Management	3
3. Primary Financial Statements:	
- Income Statement	4
- Statement of Comprehensive Income	5
- Statement of Financial Position	6
- Statement of Changes in Equity	7
- Statement of Cash Flows	8
4. Notes to the Financial Statements	9
5. Independent Auditor's Reports:	
- On the Financial Statements (Sect 417 [2])	75
- On the Conduct of the Audit (Sect 417 [3])	77

Overview

- (i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Balranald Shire Council.
- (ii) Balranald 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 dd/mm/yy.
Council has the power to amend and reissue these financial statements.
-

Balranald 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.

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.

More information...

A review of Council's key financial figures over the past 5 years can be found at Note 27 of the financial statements.

Balranald 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 dd/mm/yy.



Steve O'Halloran
MAYOR



Alan Pürtill
COUNCILLOR



Robert Rayner
ACTING GENERAL MANAGER



Ang Rai
ACTING RESPONSIBLE ACCOUNTING OFFICER

Balranald Shire Council

Income Statement

for the financial year ended 30 June 2013

Budget ⁽¹⁾ 2013	\$ '000	Notes	Actual 2013	Actual 2012
Income from Continuing Operations				
Revenue:				
1,965	Rates & Annual Charges	3a	1,853	1,759
1,275	User Charges & Fees	3b	1,506	1,198
207	Interest & Investment Revenue	3c	210	293
423	Other Revenues	3d	306	244
6,306	Grants & Contributions provided for Operating Purposes	3e,f	7,168	9,153
1,759	Grants & Contributions provided for Capital Purposes	3e,f	1,709	2,108
Other Income:				
-	Net gains from the disposal of assets	5	35	32
-	Net Share of interests in Joint Ventures & Associated Entities using the equity method	19	-	-
11,935	Total Income from Continuing Operations		12,787	14,787
Expenses from Continuing Operations				
4,386	Employee Benefits & On-Costs	4a	4,256	3,786
309	Borrowing Costs	4b	231	240
2,983	Materials & Contracts	4c	3,916	5,490
8,287	Depreciation & Amortisation	4d	8,293	8,399
-	Impairment	4d	-	-
912	Other Expenses	4e	1,019	1,635
16,877	Total Expenses from Continuing Operations		17,715	19,550
(4,942)	Operating Result from Continuing Operations		(4,928)	(4,763)
Discontinued Operations				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
(4,942)	Net Operating Result for the Year		(4,928)	(4,763)
(4,942)	Net Operating Result attributable to Council		(4,928)	(4,763)
-	Net Operating Result attributable to Non-controlling Interests		-	-
(6,701)	Net Operating Result for the year before Grants and Contributions provided for Capital Purposes		(6,637)	(6,871)

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

Balranald Shire Council

Statement of Comprehensive Income

for the financial year ended 30 June 2013

\$ '000	Notes	Actual 2013	Actual 2012
Net Operating Result for the year (as per Income statement)		(4,928)	(4,763)
Other Comprehensive Income:			
Amounts which will not be reclassified subsequently to the Operating Result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	1,416	(2,605)
Total Items which will not be reclassified subsequently to the Operating Result		1,416	(2,605)
Amounts which will be reclassified subsequently to the Operating Result when specific conditions are met			
Nil			
Total Other Comprehensive Income for the year		1,416	(2,605)
Total Comprehensive Income for the Year		(3,512)	(7,368)
Total Comprehensive Income attributable to Council		(3,512)	(7,368)
Total Comprehensive Income attributable to Non-controlling Interests		-	-

Balranald Shire Council

Statement of Financial Position
as at 30 June 2013

\$ '000	Notes	Actual 2013	Actual 2012
ASSETS			
Current Assets			
Cash & Cash Equivalents	6a	6,695	5,691
Investments	6b	-	-
Receivables	7	490	345
Inventories	8	68	88
Other	8	-	-
Non-current assets classified as "held for sale"	22	-	-
Total Current Assets		7,253	6,124
Non-Current Assets			
Investments	6b	-	-
Receivables	7	195	116
Inventories	8	-	-
Infrastructure, Property, Plant & Equipment	9	155,891	160,394
Investments accounted for using the equity method	19	-	-
Investment Property	14	-	-
Intangible Assets	25	260	260
Other	8	903	374
Total Non-Current Assets		157,249	161,144
TOTAL ASSETS		164,502	167,268
LIABILITIES			
Current Liabilities			
Payables	10	1,010	1,143
Borrowings	10	267	212
Provisions	10	918	870
Total Current Liabilities		2,195	2,225
Non-Current Liabilities			
Payables	10	14	13
Borrowings	10	3,807	3,069
Provisions	10	188	151
Total Non-Current Liabilities		4,009	3,233
TOTAL LIABILITIES		6,204	5,458
Net Assets		158,298	161,810
EQUITY			
Retained Earnings	20	54,796	59,724
Revaluation Reserves	20	103,502	102,086
Council Equity Interest		158,298	161,810
Non-controlling Interests		-	-
Total Equity		158,298	161,810

Balranald 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
2013						
Opening Balance (as per Last Year's Audited Accounts)		59,724	102,086	161,810	-	161,810
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/12)		59,724	102,086	161,810	-	161,810
c. Net Operating Result for the Year		(4,928)	-	(4,928)	-	(4,928)
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	1,416	1,416	-	1,416
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
Other Comprehensive Income		-	1,416	1,416	-	1,416
Total Comprehensive Income (c&d)		(4,928)	1,416	(3,512)	-	(3,512)
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		54,796	103,502	158,298	-	158,298

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non-controlling Interest	Total Equity
2012						
Opening Balance (as per Last Year's Audited Accounts)		64,474	104,691	169,165	-	169,165
a. Correction of Prior Period Errors	20 (c)	13	-	13	-	13
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/11)		64,487	104,691	169,178	-	169,178
c. Net Operating Result for the Year		(4,763)	-	(4,763)	-	(4,763)
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	(2,605)	(2,605)	-	(2,605)
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
Other Comprehensive Income		-	(2,605)	(2,605)	-	(2,605)
Total Comprehensive Income (c&d)		(4,763)	(2,605)	(7,368)	-	(7,368)
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		59,724	102,086	161,810	-	161,810

Balranald Shire Council

Statement of Cash Flows

for the financial year ended 30 June 2013

Budget 2013	\$ '000	Notes	Actual 2013	Actual 2012
Cash Flows from Operating Activities				
Receipts:				
1,936	Rates & Annual Charges		1,767	1,723
1,263	User Charges & Fees		1,606	1,296
217	Investment & Interest Revenue Received		219	295
8,065	Grants & Contributions		9,079	11,668
377	Other		636	391
Payments:				
(4,381)	Employee Benefits & On-Costs		(4,180)	(3,676)
(3,251)	Materials & Contracts		(4,849)	(6,124)
(304)	Borrowing Costs		(232)	(236)
(912)	Other		(1,498)	(904)
3,010	Net Cash provided (or used in) Operating Activities	11b	2,548	4,433
Cash Flows from Investing Activities				
Receipts:				
291	Sale of Infrastructure, Property, Plant & Equipment		103	258
Payments:				
(4,729)	Purchase of Infrastructure, Property, Plant & Equipment		(2,440)	(3,748)
(4,438)	Net Cash provided (or used in) Investing Activities		(2,337)	(3,490)
Cash Flows from Financing Activities				
Receipts:				
1,000	Proceeds from Borrowings & Advances		1,000	-
Payments:				
(276)	Repayment of Borrowings & Advances		(207)	(189)
-	Repayment of Retirement Home Contributions		-	(102)
724	Net Cash Flow provided (used in) Financing Activities		793	(291)
(704)	Net Increase/(Decrease) in Cash & Cash Equivalents		1,004	652
5,691	plus: Cash & Cash Equivalents - beginning of year	11a	5,691	5,039
4,987	Cash & Cash Equivalents - end of the year	11a	6,695	5,691
Additional Information:				
	plus: Investments on hand - end of year	6b	-	-
	Total Cash, Cash Equivalents & Investments		6,695	5,691

Please refer to Note 11 for information on the following:

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

Balranald 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	36
5	Gains or Losses from the Disposal of Assets	38
6(a)	Cash & Cash Equivalent Assets	39
6(b)	Investments	39
6(c)	Restricted Cash, Cash Equivalents & Investments - Details	40
7	Receivables	42
8	Inventories & Other Assets	43
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)	51
	13a (ii) Local Government Industry Graphs (Consolidated)	53
	13b Local Government Industry Indicators (by Fund)	56
14	Investment Properties	58 n/a
15	Financial Risk Management	58
16	Material Budget Variations	62
17	Statement of Developer Contributions	64 n/a
18	Contingencies and Other Liabilities/Assets not recognised	64
19	Controlled Entities, Associated Entities & Interests in Joint Ventures	66 n/a
20	Equity - Retained Earnings and Revaluation Reserves	66
21	Financial Result & Financial Position by Fund	68
22	"Held for Sale" Non Current Assets & Disposal Groups	70 n/a
23	Events occurring after the Reporting Period	70
24	Discontinued Operations	71 n/a
25	Intangible Assets	71
26	Reinstatement, Rehabilitation & Restoration Liabilities	72
Additional Council Disclosures		
27	Financial Review	73
28	Council Information & Contact Details	74

n/a - not applicable

Balranald 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.

Balranald 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 unless otherwise stated [refer Note 20(d)].

(vii) Critical Accounting Estimates

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

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on 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

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g).

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

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

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

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

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

User Charges, Fees and Other Income

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

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

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

Sale of Infrastructure, Property, Plant and Equipment

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

Interest and Rents

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
- Balranald Water Supply
- Euston Water Supply
- Balranald Sewerage Service
- Euston Sewerage Service
- Domestic Waste Management

Balranald 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

Council has no interest in any Joint Venture Entities, Assets or Operations.

(iv) Associated Entities

Where Council has the power to participate in the financial and operating decisions (of another entity), i.e. 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 not a member of any County Councils.

(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.

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.

Council has no finance leases.

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.

Balranald Shire Council

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

Note 1. Summary of Significant Accounting Policies

(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.

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.

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.

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

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.

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.

If there is evidence of impairment for any of Council's financial assets carried at amortised cost (eg. loans and receivables), the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have

Balranald Shire Council

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

Note 1. Summary of Significant Accounting Policies

not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

(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.

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

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

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**
(External Valuation)
- **Plant and Equipment**
(as approximated by depreciated historical cost)
- **Roads Assets incl. roads, bridges & footpaths**
(External Valuation)
- **Drainage Assets** (External Valuation)
- **Bulk Earthworks** (External Valuation)
- **Community Land** (External Valuation)
- **Land Improvements** (External Valuation)

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

- **Other Structures** (External Valuation)
- **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;

Land	
- council land	100% Capitalised
- open space	100% Capitalised
- land under roads (purchases after 30/6/08)	100% Capitalised

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

Buildings & Land Improvements	
Park Furniture & Equipment	> \$2,000

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

Other Structures	> \$2,000
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Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

Water & Sewer Assets

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

- Bridge : Other	50 years
- Road Pavements	60 years
- Kerb, Gutter & Paths	40 years

Stormwater Assets

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

Water & Sewer Assets

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

Transport Assets

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

Bridge construction & reconstruction	> \$10,000
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Other Infrastructure Assets

- Bulk earthworks	Infinite
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Depreciation

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

Land is not depreciated.

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

Plant & Equipment

- Office Equipment	5 to 10 years
- Office furniture	10 to 20 years
- Computer Equipment	4 years
- Vehicles	5 to 8 years
- Heavy Plant/Road Making equip.	5 to 8 years
- Other plant and equipment	5 to 15 years

Other Equipment

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

Buildings

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

Stormwater Drainage

- Drains	80 to 100 years
- Culverts	50 to 75 years

Transportation Assets

- Sealed Roads : Surface	15 to 25 years
- Sealed Roads : Structure	20 to 50 years
- Unsealed roads	10 to 20 years
- Bridge : Concrete	80 to 100 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 Government Act (1993) classified as either Operational or Community.

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

Balranald Shire Council

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

Note 1. Summary of Significant Accounting Policies

(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

Hostel Bed Licences

Council has 13 bed licences at the Bidjee Haven Hostel valued at \$20,000 per licence. Hostel bed licences have an indefinite life and therefore not subject to amortisation. Bed Licences have been valued as at 30-06-2008 by Wallace MacKinnon & Associates Pty Ltd of 208 Belmore Road Riverwood, NSW 2210, and are consistent with current values within the industry.

(n) Crown Reserves

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

While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

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

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

(o) Rural Fire Service assets

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

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

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

(p) Investment property

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

Council has no investment property.

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

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

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

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

Costs are estimated on the basis of a closure plan.

Balranald Shire Council

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

Note 1. Summary of Significant Accounting Policies

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.

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.

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

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, / except to the extent that they are incurred during the construction of qualifying assets.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

(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;

Balranald 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

Balranald 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 20/02/13 and covers the period ended 30/06/13.

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 \$75,665.

The amount of additional contributions included in the total employer contribution advised above is \$42,446.

The share of this deficit that can be broadly attributed to Council is estimated to be in the order of \$197,347 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.

(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

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

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 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

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

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)

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.

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

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 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.

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

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 paragraph (x) (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.

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Actual	Actual	Actual	Actual
	2013	2013	2012	2013	2013	2012	2013	2013	2012	2013	2012	2013	2012
Governance	11	14	14	405	404	390	(394)	(390)	(376)	-	-	1,416	192
Administration	493	375	311	772	1,111	1,072	(279)	(736)	(761)	108	6	8,644	7,572
Public Order & Safety	87	126	205	281	286	978	(194)	(160)	(773)	135	194	410	392
Health	5	14	7	30	50	39	(25)	(36)	(32)	-	-	126	140
Environment	333	286	287	321	313	268	12	(27)	19	33	25	212	260
Community Services & Education	916	914	998	853	1,009	936	63	(95)	62	656	759	2,092	2,110
Housing & Community Amenities	115	133	515	357	560	466	(242)	(427)	49	44	25	4,764	4,180
Water Supplies	768	711	588	632	851	821	136	(140)	(233)	7	8	7,179	7,348
Sewerage Services	342	329	336	167	335	311	175	(6)	25	7	7	8,385	8,408
Recreation & Culture	58	75	61	460	740	724	(402)	(665)	(663)	41	27	5,923	6,747
Mining, Manufacturing & Construction	14	12	13	47	38	35	(33)	(26)	(22)	-	-	-	-
Transport & Communication	3,351	4,568	5,722	4,620	10,847	12,675	(1,269)	(6,279)	(6,953)	679	723	124,639	129,175
Economic Affairs	1,427	1,240	1,007	1,671	1,171	835	(244)	69	172	519	501	712	744
Total Functions & Activities	7,920	8,797	10,064	10,616	17,715	19,550	(2,696)	(8,918)	(9,486)	2,229	2,275	164,502	167,268
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	-	-	-	-	-	-	-	-	-	-	-
General Purpose Income ¹	4,015	3,990	4,723	-	-	-	4,015	3,990	4,723	2,717	3,450	-	-
Operating Result from Continuing Operations	11,935	12,787	14,787	10,616	17,715	19,550	1,319	(4,928)	(4,763)	4,946	5,725	164,502	167,268

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

Balranald 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, 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.

MINING, MANUFACTURING & CONSTRUCTION

Building control, quarries & pits, other.

TRANSPORT & COMMUNICATION

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

ECONOMIC AFFAIRS

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

Balranald 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
(a) Rates & Annual Charges			
Ordinary Rates			
Residential		198	165
Farmland		790	754
Mining		4	3
Business		128	139
Total Ordinary Rates		1,120	1,061
Special Rates			
Nil			
Annual Charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		181	175
Water Supply Services		320	291
Sewerage Services		232	232
Total Annual Charges		733	698
<u>TOTAL RATES & ANNUAL CHARGES</u>		<u>1,853</u>	<u>1,759</u>

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

Balranald 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) User Charges & Fees			
Specific User Charges (per s.502 - Specific "actual use" charges)			
Water Supply Services		329	235
Sewerage Services		5	5
Waste Management Services (non-domestic)		72	76
Water Service Contract Aboriginal Mission		56	54
Sewerage Services Contract Aboriginal Mission		28	27
Total User Charges		490	397
Other User Charges & Fees			
(i) Fees & Charges - Statutory & Regulatory Functions (per s.608)			
Building Services		13	13
Private Works - Section 67		277	131
Registration Fees		2	1
Town Planning		20	15
Total Fees & Charges - Statutory/Regulatory		312	160
(ii) Fees & Charges - Other (incl. General User Charges) (per s.608)			
Aged Care		237	220
Caravan Park		362	317
Cemeteries		20	18
Rent & Hire of non-investment property		74	77
Swimming Centres		11	9
Total Fees & Charges - Other		704	641
TOTAL USER CHARGES & FEES		1,506	1,198

Balranald 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
(c) Interest & Investment Revenue (incl. losses)			
Interest & Dividends			
- Interest on Overdue Rates & Annual Charges (incl. Special Purpose Rates)		16	17
- Interest earned on Investments (interest & coupon payment income)		194	276
<u>TOTAL INTEREST & INVESTMENT REVENUE</u>		<u>210</u>	<u>293</u>
Interest Revenue is attributable to:			
Unrestricted Investments/Financial Assets:			
Overdue Rates & Annual Charges (General Fund)		16	17
General Council Cash & Investments		137	185
Restricted Investments/Funds - External:			
Sewerage Fund Operations		57	64
Restricted Investments/Funds - Internal:			
Internally Restricted Assets		-	27
<u>Total Interest & Investment Revenue Recognised</u>		<u>210</u>	<u>293</u>
(d) Other Revenues			
Rental Income - Other Council Properties		32	12
Advertising		3	8
Commissions & Agency Fees		47	44
Insurance Claim Recoveries		92	61
Motor Vehicle Contributions		38	31
Rebates		50	27
Sales - Miscellaneous		30	47
Other		14	14
<u>TOTAL OTHER REVENUE</u>		<u>306</u>	<u>244</u>

Balranald 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
(e) Grants				
General Purpose (Untied)				
Financial Assistance	1,285	2,038	-	-
Financial Assistance - Next year in advance receipt	1,422	1,401	-	-
Pensioners' Rates Subsidies - General Component	10	11	-	-
Total General Purpose	2,717	3,450	-	-
Specific Purpose				
Pensioners' Rates Subsidies:				
- Water	7	8	-	-
- Sewerage	7	7	-	-
- Domestic Waste Management	9	11	-	-
Bushfire & Emergency Services	135	194	-	-
Community Care	646	621	-	130
Community Centres	2	2	5	-
Employment & Training Programs	13	12	-	-
Heritage & Cultural	36	20	-	-
Levee Bank	-	-	103	78
Noxious Weeds	24	25	-	-
Recreation & Culture	-	-	-	7
Roads & Bridges	-	-	679	645
Street Lighting	14	14	-	-
Red Gum Project - Motorhome & Caravan Parking	-	50	10	250
Red Gum Project - Tourism Capacity & Developmer	10	90	-	-
Red Gum Project - Marketing & E-Tourism	198	80	-	-
Red Gum Project - Upgrade of Market Street	-	-	100	-
Red Gum Project - Swing Bridge	-	-	200	-
Other	31	31	-	-
Total Specific Purpose	1,132	1,165	1,097	1,110
Total Grants	3,849	4,615	1,097	1,110
Grant Revenue is attributable to:				
- Commonwealth Funding	3,606	883	1,040	419
- State Funding	243	3,732	57	691
	3,849	4,615	1,097	1,110

Balranald 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
(f) Contributions				
Developer Contributions:				
(s93 & s94 - EP&A Act, s64 of the LGA):				
Nil				
Other Contributions:				
Heritage/Cultural	-	-	-	410
Recreation & Culture	-	-	-	3
RMS Contributions (Regional Roads, Block Grant)	3,264	4,501	610	585
Water Supplies (excl. Section 64 contributions)	55	-	-	-
Other	-	37	2	-
Total Other Contributions	3,319	4,538	612	998
Total Contributions	3,319	4,538	612	998
TOTAL GRANTS & CONTRIBUTIONS	7,168	9,153	1,709	2,108

\$ '000	Actual 2013	Actual 2012
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(g) Restrictions relating to Grants and Contributions

Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:

Unexpended at the Close of the Previous Reporting Period	760	424
add: Grants & contributions recognised in the current period but not yet spent:	119	527
less: Grants & contributions recognised in a previous reporting period now spent:	(526)	(191)
Net Increase (Decrease) in Restricted Assets during the Period	(407)	336
Unexpended and held as Restricted Assets	353	760
Comprising:		
- Specific Purpose Unexpended Grants	235	683
- Other Contributions	118	77
	353	760

Balranald Shire Council

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

Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2013	Actual 2012
(a) Employee Benefits & On-Costs			
Salaries and Wages		3,128	2,900
Travelling		71	45
Employee Leave Entitlements (ELE)		654	487
Superannuation - Defined Contribution Plans		205	181
Superannuation - Defined Benefit Plans		81	101
Workers' Compensation Insurance		113	113
Fringe Benefit Tax (FBT)		11	12
Training Costs (other than Salaries & Wages)		48	29
Other		24	28
Total Employee Costs		4,335	3,896
less: Capitalised Costs		(79)	(110)
TOTAL EMPLOYEE COSTS EXPENSED		4,256	3,786
Number of "Equivalent Full Time" Employees at year end		62	56
(b) Borrowing Costs			
(i) Interest Bearing Liability Costs			
Interest on Overdraft		8	7
Interest on Loans		223	233
Total Interest Bearing Liability Costs Expensed		231	240
(ii) Other Borrowing Costs			
Nil			
TOTAL BORROWING COSTS EXPENSED		231	240

Balranald 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
(c) Materials & Contracts			
Raw Materials & Consumables		3,784	5,342
Auditors Remuneration ⁽¹⁾		33	30
Legal Expenses:			
- Legal Expenses: Other		18	17
Operating Leases:			
- Operating Lease Rentals: Minimum Lease Payments ⁽²⁾		81	101
<u>TOTAL MATERIALS & CONTRACTS</u>		<u>3,916</u>	<u>5,490</u>
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		33	30
Remuneration for audit and other assurance services		33	30
Total Auditor Remuneration		33	30
2. Operating Lease Payments are attributable to:			
Computers		4	4
Motor Vehicles		77	97
		81	101

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2013	Actual 2012	Actual 2013	Actual 2012
(d) Depreciation, Amortisation & Impairment					
Plant and Equipment		-	-	347	368
Office Equipment		-	-	28	30
Furniture & Fittings		-	-	13	18
Buildings - Non Specialised		-	-	565	543
Buildings - Specialised		-	-	6	7
Other Structures		-	-	248	224
Infrastructure:					
- Roads, Bridges & Footpaths		-	-	6,516	6,689
- Stormwater Drainage		-	-	144	136
- Water Supply Network		-	-	251	234
- Sewerage Network		-	-	175	148
Other Assets					
- Library Books		-	-	-	2
TOTAL DEPRECIATION & IMPAIRMENT COSTS EXPENSED		-	-	8,293	8,399

Balranald 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
(e) Other Expenses			
Other Expenses for the year include the following:			
Advertising		23	24
Bad & Doubtful Debts		1	2
Contributions/Levies to Other Levels of Government		187	879
Councillor Expenses - Mayoral Fee		23	22
Councillor Expenses - Councillors' Fees		82	91
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		78	63
Donations, Contributions & Assistance to other organisations (Section 356)		29	33
Electricity & Heating		218	165
Insurance		206	199
Postage		12	12
Printing & Stationery		36	34
Subscriptions & Publications		65	56
Telephone & Communications		43	40
Other		16	15
<u>TOTAL OTHER EXPENSES</u>		<u>1,019</u>	<u>1,635</u>

Note 5. Gains or Losses from the Disposal of Assets

\$ '000	Notes	Actual 2013	Actual 2012
Property (excl. Investment Property)			
Proceeds from Disposal - Property		-	16
less: Carrying Amount of Property Assets Sold / Written Off		-	(15)
Net Gain/(Loss) on Disposal		-	1
Plant & Equipment			
Proceeds from Disposal - Plant & Equipment		103	242
less: Carrying Amount of P&E Assets Sold / Written Off		(68)	(211)
Net Gain/(Loss) on Disposal		35	31
<u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u>		<u>35</u>	<u>32</u>

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

		2013	2013	2012	2012
\$ '000	Notes	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Cash & Cash Equivalents (Note 6a)					
Cash on Hand and at Bank		695	-	191	-
Cash-Equivalent Assets ¹					
- Short Term Deposits		6,000	-	5,500	-
Total Cash & Cash Equivalents		6,695	-	5,691	-
Investments (Note 6b)					
Nil					
TOTAL CASH ASSETS, CASH EQUIVALENTS & INVESTMENTS		6,695	-	5,691	-

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

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

Cash & Cash Equivalents					
a. "At Fair Value through the Profit & Loss"		6,695	-	5,691	-

Investments

Nil

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

	2013 Actual Current	2013 Actual Non Current	2012 Actual Current	2012 Actual Non Current
\$ '000				
Total Cash, Cash Equivalents and Investments	6,695	-	5,691	-
attributable to:				
External Restrictions (refer below)	1,975	-	2,294	-
Internal Restrictions (refer below)	1,253	-	1,187	-
Unrestricted	3,467	-	2,210	-
	6,695	-	5,691	-

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)	77	41	-	118
Specific Purpose Unexpended Grants (F)	683	-	(448)	235
Water Supplies (G)	85	-	(62)	23
Sewerage Services (G)	1,421	150	-	1,571
Domestic Waste Management (G)	28	-	-	28
External Restrictions - Other	2,294	191	(510)	1,975
Total External Restrictions	2,294	191	(510)	1,975

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

2013 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
Internal Restrictions				
Employees Leave Entitlement	118	13	-	131
Carry Over Works	87	-	-	87
Caravan Park Reserve	23	-	(17)	6
Hostel Bonds	247	125	-	372
Hostel Reserve	122	-	(75)	47
Main St Revitalisation	584	-	-	584
Town Clock	3	-	-	3
Health Reserve	3	-	-	3
Bird Hide	-	5	-	5
Riverbend Park	-	3	-	3
Balranald Entry Signs	-	3	-	3
Heritage Study	-	7	-	7
Heritage Trail	-	2	-	2
Total Internal Restrictions	1,187	158	(92)	1,253
TOTAL RESTRICTIONS	3,481	349	(602)	3,228

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.

Balranald 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
Purpose					
Rates & Annual Charges		187	195	180	116
User Charges & Fees		83	-	53	-
Accrued Revenues					
- Interest on Investments		17	-	26	-
Government Grants & Subsidies		195	-	37	-
Amounts due from Other Councils		-	-	1	-
Net GST Receivable		10	-	50	-
Total		492	195	347	116
less: Provision for Impairment					
Rates & Annual Charges		(1)	-	(1)	-
User Charges & Fees		(1)	-	(1)	-
Total Provision for Impairment - Receivables		(2)	-	(2)	-
<u>TOTAL NET RECEIVABLES</u>		490	195	345	116
Externally Restricted Receivables					
Water Supply					
- Rates & Availability Charges		156	-	70	-
- Other		27	-	46	-
Sewerage Services					
- Rates & Availability Charges		66	-	55	-
- Other		-	-	1	-
Total External Restrictions		249	-	172	-
Internally Restricted Receivables					
Nil					
Unrestricted Receivables		241	195	173	116
TOTAL NET RECEIVABLES		490	195	345	116

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.

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 8. Inventories & Other Assets

\$ '000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
Inventories					
Stores & Materials		56	-	76	-
Trading Stock		12	-	12	-
Total Inventories		68	-	88	-
Other Assets					
Work In Progress		-	903	-	374
Total Other Assets		-	903	-	374
<u>TOTAL INVENTORIES / OTHER ASSETS</u>		<u>68</u>	<u>903</u>	<u>88</u>	<u>374</u>
Externally Restricted Assets					
Water					
Stores & Materials		-	-	-	1
Other		-	12	-	26
Prepayments		-	12	-	-
Total Water		-	24	-	27
Sewerage					
Nil					
Domestic Waste Management					
Nil					
Other					
Nil					
Total Externally Restricted Assets		-	24	-	27
Total Unrestricted Assets		68	879	88	347
TOTAL INVENTORIES & OTHER ASSETS		68	903	88	374

(i) Other Disclosures

(d) Inventory Write Downs

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

Balranald 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 Cost	At Fair Value	Accumulated		Carrying Value	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Adjustments & Transfers	Revaluation Increments to Equity (ARR)	At Cost	At Fair Value	Accumulated		Carrying Value
			Dep'n	Impairment									Dep'n	Impairment	
Plant & Equipment	-	5,342	2,812	-	2,530	295	(65)	(347)	-	-	-	5,120	2,707	-	2,413
Office Equipment	-	561	501	-	60	15	(2)	(28)	-	-	-	411	366	-	45
Furniture & Fittings	-	219	130	-	89	8	(1)	(13)	-	-	-	218	135	-	83
Land:															
- Operational Land	-	836	-	-	836	35	-	-	(30)	76	-	917	-	-	917
- Community Land	-	1,539	-	-	1,539	7	-	-	44	-	-	1,590	-	-	1,590
Buildings - Non Specialised	-	22,131	12,119	-	10,012	144	-	(565)	-	1,293	-	24,302	13,418	-	10,884
Buildings - Specialised	-	268	39	-	229	-	-	(6)	-	-	-	268	45	-	223
Other Structures	-	9,253	2,316	-	6,937	702	-	(248)	-	47	-	10,140	2,702	-	7,438
Infrastructure:															
- Roads, Bridges, Footpaths	-	143,832	26,281	-	117,551	989	-	(6,516)	-	-	-	144,821	32,797	-	112,024
- Stormwater Drainage	-	7,952	1,149	-	6,803	138	-	(144)	-	-	-	8,089	1,292	-	6,797
- Water Supply Network	-	14,124	7,058	-	7,066	79	-	(251)	-	-	-	14,202	7,308	-	6,894
- Sewerage Network	-	11,828	5,086	-	6,742	16	-	(175)	-	-	-	11,845	5,262	-	6,583
Other Assets:															
- Library Books	-	153	153	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIP.	-	218,038	57,644	-	160,394	2,428	(68)	(8,293)	14	1,416	-	221,923	66,032	-	155,891

Additions to Depreciable Land Improvements, Buildings, Other Structures & Infrastructure Assets are made up of Asset Renewals (\$781) and New Assets (\$1647).

Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000 Class of Asset	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
Water Supply								
Plant & Equipment	-	46	34	12	-	47	33	14
Land								
- Operational Land	-	-	-	-	-	43	-	43
- Community Land	-	32	-	32	-	-	-	-
Other Structures	-	51	28	23	-	51	27	24
Infrastructure	-	14,202	7,308	6,894	-	14,124	7,058	7,066
Total Water Supply	-	14,331	7,370	6,961	-	14,265	7,118	7,147
Sewerage Services								
Plant & Equipment	-	119	54	65	-	130	58	72
Land								
- Operational Land	-	84	-	84	-	94	-	94
Other Structures	-	8	3	5	-	8	3	5
Infrastructure	-	11,845	5,262	6,583	-	11,828	5,086	6,742
Total Sewerage Services	-	12,056	5,319	6,737	-	12,060	5,147	6,913
Domestic Waste Management								
Land								
- Operational Land'	-	40	-	40	-	139	-	139
- Community Land	-	93	-	93	-	-	-	-
Other Structures	-	-	-	-	-	151	94	57
Total DWM	-	133	-	133	-	290	94	196
TOTAL RESTRICTED I,PP&E	-	26,520	12,689	13,831	-	26,615	12,359	14,256

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

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

Balranald Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - operating expenditure		349	-	602	-
Payments Received In Advance		2	-	2	-
Accrued Expenses:					
- Borrowings		13	-	14	-
- Salaries & Wages		49	-	47	-
- Other Expenditure Accruals		18	14	6	13
Retirement Home Contributions		579	-	472	-
Total Payables		1,010	14	1,143	13
Borrowings					
Loans - Secured ¹		267	3,807	212	3,069
Total Borrowings		267	3,807	212	3,069
Provisions					
Employee Benefits;					
Annual Leave		400	-	352	-
Long Service Leave		518	65	518	28
Sub Total - Aggregate Employee Benefits		918	65	870	28
Asset Remediation/Restoration (Future Works)	26	-	123	-	123
Total Provisions		918	188	870	151
Total Payables, Borrowings & Provisions					
		2,195	4,009	2,225	3,233
(i) Liabilities relating to Restricted Assets					
		2013		2012	
		Current	Non Current	Current	Non Current
Externally Restricted Assets					
Water		65	1,190	51	1,248
Liabilities relating to externally restricted assets		65	1,190	51	1,248
Internally Restricted Assets					
Nil					
Total Liabilities relating to restricted assets		65	1,190	51	1,248
Total Liabilities relating to Unrestricted Assets		2,130	2,819	2,174	1,985
TOTAL PAYABLES, BORROWINGS & PROVISIONS		2,195	4,009	2,225	3,233

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

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

Balranald Shire Council

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

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

\$ '000

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

Nil

Note 10b. Description of and movements in Provisions

Class of Provision	2012	2013				
	Opening Balance as at 1/7/12	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	Closing Balance as at 30/6/13
Annual Leave	352	200	(152)	-	-	400
Long Service Leave	546	98	(61)	-	-	583
Asset Remediation	123	-	-	-	-	123
TOTAL	1,021	298	(213)	-	-	1,106

- 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.
- b. Asset Remediation, Reinstatement & Restoration Provisions represent the Present Value estimate of future costs Council will incur in order to remove, restore & remediate assets &/or activities as a result of past operations.

Balranald 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
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	6a	6,695	5,691
Less Bank Overdraft	10	-	-
BALANCE as per the STATEMENT of CASH FLOWS		6,695	5,691
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities			
Net Operating Result from Income Statement		(4,928)	(4,763)
Adjust for non cash items:			
Depreciation & Amortisation		8,293	8,399
Net Losses/(Gains) on Disposal of Assets		(35)	(32)
Non Cash Capital Grants and Contributions		(2)	(410)
+/- Movement in Operating Assets and Liabilities & Other Cash Items:			
Decrease/(Increase) in Receivables		(224)	158
Decrease/(Increase) in Inventories		20	8
Decrease/(Increase) in Other Assets		(529)	903
Increase/(Decrease) in Payables		(253)	42
Increase/(Decrease) in accrued Interest Payable		(1)	4
Increase/(Decrease) in other accrued Expenses Payable		15	(2)
Increase/(Decrease) in Other Liabilities		107	-
Increase/(Decrease) in Employee Leave Entitlements		85	126
NET CASH PROVIDED FROM/(USED IN)			
OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS		2,548	4,433

Balranald Shire Council

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

Note 11. Statement of Cash Flows - Additional Information (continued)

\$ '000	Notes	Actual 2013	Actual 2012
(c) Non-Cash Investing & Financing Activities			
Other Dedications		2	410
Total Non-Cash Investing & Financing Activities		2	410
(d) Financing Arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdraft Facilities ⁽¹⁾		-	200
Credit Cards / Purchase Cards		-	19
Total Financing Arrangements		-	219

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.

(e) Net Cash Flows Attributable to Discontinued Operations

Please refer to Note 24 for details of Cash Flows that relate to Discontinued Operations

Note 12. Commitments for Expenditure

(a) Capital Commitments (exclusive of GST)

Nil

(b) Finance Lease Commitments

Nil

Balranald 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
(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		72	86
Later than one year and not later than 5 years		76	12
Later than 5 years		-	-
Total Non Cancellable Operating Lease Commitments		148	98

b. Non Cancellable Operating Leases include the following assets:

Office Equipment and Plant

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

(e) Investment in Associates / Joint Ventures - Commitments

For Capital Commitments and Other Commitments relating to Investments in Associates & Joint Ventures, refer to Note 19 (b)

Balranald 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 2013	Indicator 2013	Prior Periods 20122011	
Local Government Industry Indicators - Consolidated				
1. Unrestricted Current Ratio				
Current Assets less all External Restrictions ⁽¹⁾	5,029	2.36 : 1	1.68	1.73
Current Liabilities less Specific Purpose Liabilities ^(2,3)	2,130			
2. Debt Service Ratio				
Debt Service Cost	438	6.61%	6.15%	6.00%
Income from Continuing Operations (excl. Capital Items & Specific Purpose Grants/Contributions)	6,627			
3. Rates & Annual Charges Coverage Ratio				
Rates & Annual Charges	1,853	14.49%	11.90%	18.00%
Income from Continuing Operations	12,787			
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual & Extra Charges Outstanding	381	17.61%	14.50%	12.56%
Rates, Annual & Extra Charges Collectible	2,164			
5. Building & Infrastructure Renewals Ratio				
Asset Renewals ⁽⁴⁾	781	10.20%	25.81%	81.00%
Depreciation, Amortisation & Impairment	7,657			

Notes

⁽¹⁾ Refer Notes 6-8 inclusive.

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

⁽²⁾ Refer to Note 10(a).

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

⁽⁴⁾ 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.

Balranald 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 2013	Indicator 2013	Prior Periods 2012 2011	
TCorp Performance Measures - Consolidated				
a. Operating Performance				
Operating Revenue (excl. Capital Grants & Contributions)				
- Operating Expenses	(6,637)	-59.91%	-54.60%	-12.70%
Operating Revenue (excl. Capital Grants & Contributions)	11,078			
b. Own Source Operating Revenue				
Rates & Annual Charges + User Charges & Fees	3,359	26.27%	20.00%	28.60%
Total Operating Revenue (incl. Capital Grants & Contributions)	12,787			
c. Unrestricted Current Ratio				
Current Assets less all External Restrictions	5,029	2.36	1.68	1.73
Current Liabilities less Specific Purpose Liabilities	2,130			
d. Debt Service Cover Ratio				
Operating Result before Interest & Depreciation (EBITDA)	1,887	4.31	3.27	3.77
Principal Repayments (from the Statement of Cash Flows)	438			
+ Borrowing Interest Costs (from the Income Statement)				
e. Capital Expenditure Ratio				
Annual Capital Expenditure	2,360	0.28	0.47	1.18
Annual Depreciation	8,293			
f. Infrastructure Backlog Ratio				
Estimated Cost to bring Assets to a Satisfactory Condition	-	0.00	0.00	0.00
Total value of Infrastructure, Building, Other Structures & Depreciable Land Improvement Assets	150,843			
g. Asset Maintenance Ratio				
Actual Asset Maintenance	4,746	1.09	1.50	1.31
Required Asset Maintenance	4,344			
h. Building & Infrastructure Renewals Ratio				
Asset Renewals	781	0.10	0.26	0.81
Depreciation of Building and Infrastructure Assets	7,657			
i. Cash Expense Cover Ratio				
Current Year's Cash & Cash Equivalents	6,695	8.74	6.30	8.30
(Total Expenses - Depreciation - Interest Costs) x12	766			
j. Interest Cover Ratio				
Operating Results before Interest & Depreciation (EBITDA)	1,887	8.17	7.23	6.86
Borrowing Interest Costs (from the income statement)	231			

Balranald Shire Council

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

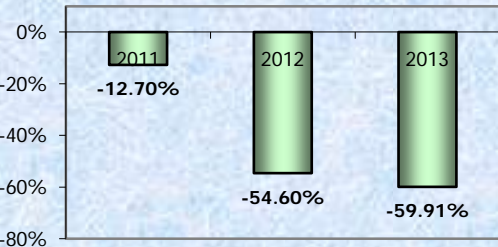
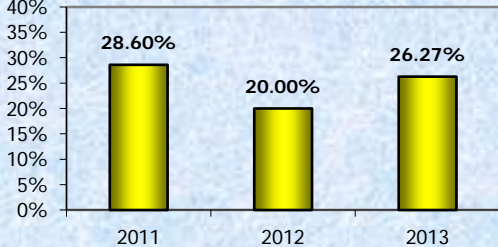
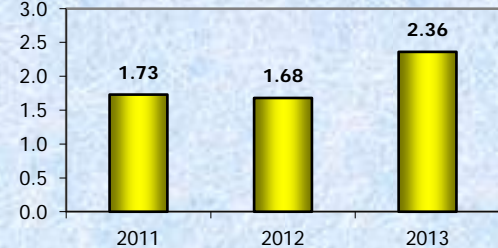
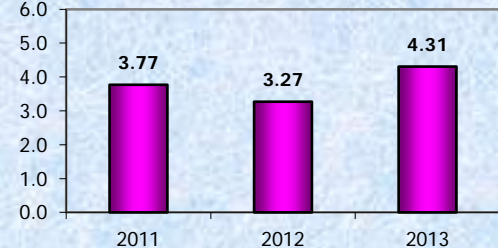
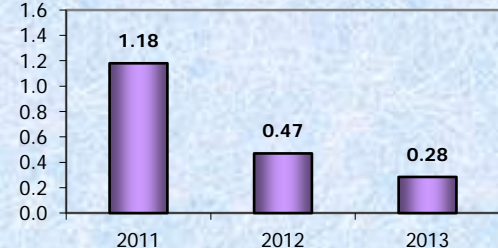
Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)

<p>1. Unrestricted Current Ratio</p> <table><tr><th>Year</th><th>Ratio : 1</th></tr><tr><td>2010</td><td>2.32</td></tr><tr><td>2011</td><td>1.73</td></tr><tr><td>2012</td><td>1.68</td></tr><tr><td>2013</td><td>2.36</td></tr></table>	Year	Ratio : 1	2010	2.32	2011	1.73	2012	1.68	2013	2.36	<p>Purpose of Unrestricted Current Ratio</p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 2.36 : 1</p> <p>This ratio has improved on the prior year and is within the industry benchmark.</p>
Year	Ratio : 1											
2010	2.32											
2011	1.73											
2012	1.68											
2013	2.36											
<p>2. Debt Service Ratio</p> <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2010</td><td>6.00%</td></tr><tr><td>2011</td><td>6.00%</td></tr><tr><td>2012</td><td>6.15%</td></tr><tr><td>2013</td><td>6.61%</td></tr></table>	Year	Ratio %	2010	6.00%	2011	6.00%	2012	6.15%	2013	6.61%	<p>Purpose of Debt Service Ratio</p> <p>To assess the impact of loan principal & interest repayments on the discretionary revenue of council.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 6.61%</p> <p>This ratio has increased slightly due to increased borrowings for the Heritage Park Complex, but still well within the industry benchmark.</p>
Year	Ratio %											
2010	6.00%											
2011	6.00%											
2012	6.15%											
2013	6.61%											
<p>3. Rates & Annual Charges Coverage Ratio</p> <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2010</td><td>17.00%</td></tr><tr><td>2011</td><td>18.00%</td></tr><tr><td>2012</td><td>11.90%</td></tr><tr><td>2013</td><td>14.49%</td></tr></table>	Year	Ratio %	2010	17.00%	2011	18.00%	2012	11.90%	2013	14.49%	<p>Purpose of Rates & Annual Charges Coverage Ratio</p> <p>To assess the degree of Council's dependence upon revenue from rates and annual charges and to assess the security of Council's income.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 14.49%</p> <p>Council is heavily dependent on outside grant funding to meet Council's service levels.</p>
Year	Ratio %											
2010	17.00%											
2011	18.00%											
2012	11.90%											
2013	14.49%											
<p>4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage</p> <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2010</td><td>10.97%</td></tr><tr><td>2011</td><td>12.56%</td></tr><tr><td>2012</td><td>14.50%</td></tr><tr><td>2013</td><td>17.61%</td></tr></table>	Year	Ratio %	2010	10.97%	2011	12.56%	2012	14.50%	2013	17.61%	<p>Purpose of Rates & Annual Charges Outstanding Ratio</p> <p>To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 17.61%</p> <p>This ratio has increased due to large rate arrears from one rate payer. Council has approved write off of \$96 in rate arrears. This will reduce the ratio to 13.17% a reduction of over 1% on last year's ratio.</p>
Year	Ratio %											
2010	10.97%											
2011	12.56%											
2012	14.50%											
2013	17.61%											
<p>5. Building & Infrastructure Renewals Ratio</p> <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2010</td><td>68.00%</td></tr><tr><td>2011</td><td>81.00%</td></tr><tr><td>2012</td><td>25.81%</td></tr><tr><td>2013</td><td>10.20%</td></tr></table>	Year	Ratio %	2010	68.00%	2011	81.00%	2012	25.81%	2013	10.20%	<p>Purpose of Asset Renewals Ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 10.20%</p> <p>Due to the high levels of depreciation generated from asset revaluations, Council is unable to fund the level of asset renewal required to increase this ratio.</p>
Year	Ratio %											
2010	68.00%											
2011	81.00%											
2012	25.81%											
2013	10.20%											

Balranald Shire Council

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

Note 13a(ii). TCorp Performance Measures - Graphs (Consolidated)

<p>a. Operating Performance</p>  <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2011</td><td>-12.70%</td></tr><tr><td>2012</td><td>-54.60%</td></tr><tr><td>2013</td><td>-59.91%</td></tr></table>	Year	Ratio %	2011	-12.70%	2012	-54.60%	2013	-59.91%	<p>Purpose of Operating Performance Ratio</p> <p>This ratio measures Council's achievement of containing operating expenditure within operating revenue.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio -59.91%</p> <p>No comment.</p>
Year	Ratio %									
2011	-12.70%									
2012	-54.60%									
2013	-59.91%									
<p>b. Own Source Operating Revenue</p>  <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2011</td><td>28.60%</td></tr><tr><td>2012</td><td>20.00%</td></tr><tr><td>2013</td><td>26.27%</td></tr></table>	Year	Ratio %	2011	28.60%	2012	20.00%	2013	26.27%	<p>Purpose of Own Source Operating Revenue Ratio</p> <p>This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants & contributions.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 26.27%</p> <p>Council is heavily dependent on outside grant funding to meet Council's service levels.</p>
Year	Ratio %									
2011	28.60%									
2012	20.00%									
2013	26.27%									
<p>c. Unrestricted Current Ratio</p>  <table><tr><th>Year</th><th>Ratio (x)</th></tr><tr><td>2011</td><td>1.73</td></tr><tr><td>2012</td><td>1.68</td></tr><tr><td>2013</td><td>2.36</td></tr></table>	Year	Ratio (x)	2011	1.73	2012	1.68	2013	2.36	<p>Purpose of Unrestricted Current Ratio</p> <p>To assess the adequacy of unrestricted working capital and Council's ability to meet short term obligations as they fall due.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 2.36</p> <p>This ratio has improved on the prior year and is within the industry benchmark.</p>
Year	Ratio (x)									
2011	1.73									
2012	1.68									
2013	2.36									
<p>d. Debt Service Cover Ratio</p>  <table><tr><th>Year</th><th>Ratio (x)</th></tr><tr><td>2011</td><td>3.77</td></tr><tr><td>2012</td><td>3.27</td></tr><tr><td>2013</td><td>4.31</td></tr></table>	Year	Ratio (x)	2011	3.77	2012	3.27	2013	4.31	<p>Purpose of Debt Service Cover Ratio</p> <p>This ratio measures the availability of operating cash to service debt including interest, principal and lease payments</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 4.31 x</p> <p>This ratio has increased slightly due to increased borrowings for the Heritage Park Complex, but still well within the industry benchmark.</p>
Year	Ratio (x)									
2011	3.77									
2012	3.27									
2013	4.31									
<p>e. Capital Expenditure Ratio</p>  <table><tr><th>Year</th><th>Ratio (x)</th></tr><tr><td>2011</td><td>1.18</td></tr><tr><td>2012</td><td>0.47</td></tr><tr><td>2013</td><td>0.28</td></tr></table>	Year	Ratio (x)	2011	1.18	2012	0.47	2013	0.28	<p>Purpose of Capital Expenditure Ratio</p> <p>This ratio assesses the extent to which a Council is expanding its asset base with capital expenditure (on new assets, replacement & renewal of existing assets).</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 0.28 x</p> <p>Due to the high levels of depreciation generated from asset revaluations, Council is unable to fund the level of asset renewal required to increase this ratio.</p>
Year	Ratio (x)									
2011	1.18									
2012	0.47									
2013	0.28									

Balranald Shire Council

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

Note 13a(ii). TCorp Performance Measures - Graphs (Consolidated) continued

<p>f. Infrastructure Backlog Ratio</p> <table><tr><th>Year</th><th>Ratio (x)</th></tr><tr><td>2011</td><td>0.00</td></tr><tr><td>2012</td><td>0.00</td></tr><tr><td>2013</td><td>0.00</td></tr></table>	Year	Ratio (x)	2011	0.00	2012	0.00	2013	0.00	<p>Purpose of Infrastructure Backlog Ratio</p> <p>This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 0.00 x</p> <p>Council has no infrastructure backlog at this time.</p>
Year	Ratio (x)									
2011	0.00									
2012	0.00									
2013	0.00									
<p>g. Asset Maintenance Ratio</p> <table><tr><th>Year</th><th>Ratio (x)</th></tr><tr><td>2011</td><td>1.31</td></tr><tr><td>2012</td><td>1.50</td></tr><tr><td>2013</td><td>1.09</td></tr></table>	Year	Ratio (x)	2011	1.31	2012	1.50	2013	1.09	<p>Purpose of Asset Maintenance Ratio</p> <p>Compares actual vs. required annual asset maintenance. A ratio of > 1.0x indicates enough has been spent to stop the Infrastructure Backlog from growing.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 1.09 x</p> <p>Maintenance levels maintained at an acceptable level.</p>
Year	Ratio (x)									
2011	1.31									
2012	1.50									
2013	1.09									
<p>h. Building & Infrastructure Renewals Ratio</p> <table><tr><th>Year</th><th>Ratio (x)</th></tr><tr><td>2011</td><td>0.81</td></tr><tr><td>2012</td><td>0.26</td></tr><tr><td>2013</td><td>0.10</td></tr></table>	Year	Ratio (x)	2011	0.81	2012	0.26	2013	0.10	<p>Purpose of Asset Renewals Ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 0.10 x</p> <p>Due to the high levels of depreciation generated from asset revaluations, Council is unable to fund the level of asset renewal required to increase this ratio.</p>
Year	Ratio (x)									
2011	0.81									
2012	0.26									
2013	0.10									
<p>i. Cash Expense Cover Ratio</p> <table><tr><th>Year</th><th>Ratio (mths)</th></tr><tr><td>2011</td><td>8.30</td></tr><tr><td>2012</td><td>6.30</td></tr><tr><td>2013</td><td>8.74</td></tr></table>	Year	Ratio (mths)	2011	8.30	2012	6.30	2013	8.74	<p>Purpose of Cash Expense Cover Ratio</p> <p>This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 8.74 mths</p> <p>Ratio is at an acceptable level.</p>
Year	Ratio (mths)									
2011	8.30									
2012	6.30									
2013	8.74									
<p>j. Interest Cover Ratio</p> <table><tr><th>Year</th><th>Ratio (x)</th></tr><tr><td>2011</td><td>6.86</td></tr><tr><td>2012</td><td>7.23</td></tr><tr><td>2013</td><td>8.17</td></tr></table>	Year	Ratio (x)	2011	6.86	2012	7.23	2013	8.17	<p>Purpose of Interest Cover Ratio</p> <p>This ratio indicates the extent to which a Council can service (thru operating cash) its interest bearing debt & take on additional borrowings.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 0.00 x</p> <p>Council's borrowing levels are adequate.</p>
Year	Ratio (x)									
2011	6.86									
2012	7.23									
2013	8.17									

Balranald 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 ¹ 2013
Local Government Industry Indicators - by Fund			
1. Unrestricted Current Ratio			
Current Assets less all External Restrictions ⁽¹⁾	3.17 : 1	No Liabilities	2.36 : 1
Current Liabilities less Specific Purpose Liabilities ^(2,3)			
prior period:	3.94 : 1	No Liabilities	1.68 : 1
2. Debt Service Ratio			
Debt Service Cost	17.58%	0.00%	5.60%
Income from Continuing Operations (excl. Capital Items & Specific Purpose Grants/Contributions)			
prior period:	19.90%	0.00%	5.16%
3. Rates & Annual Charges Coverage Ratio			
Rates & Annual Charges	45.01%	70.52%	11.08%
Income from Continuing Operations			
prior period:	49.49%	69.05%	8.92%
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage			
Rates, Annual & Extra Charges Outstanding	48.75%	28.45%	9.86%
Rates, Annual & Extra Charges Collectible			
prior period:	24.05%	23.71%	11.24%
5. Building & Infrastructure Renewals Ratio			
Asset Renewals (Building & Infrastructure assets)	0.00%	0.00%	10.80%
Depreciation, Amortisation & Impairment			
prior period:	0.00%	0.00%	27.15%

Notes

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

Balranald 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 ¹ 2013
TCorp Performance Measures - by Fund			
a. Operating Performance			
Operating Revenue (excl. Capital Grants & Contributions) - Operating Expenses			
Operating Revenue (excl. Capital Grants & Contributions)	-19.83%	-1.82%	-64.65%
prior period:	not required	not required	not required
b. Own Source Operating Revenue			
Rates & Annual Charges + User Charges & Fees			
Total Operating Revenue (incl. Capital Grants & Contributions)	100.00%	72.34%	20.52%
prior period:	not required	not required	not required
c. Unrestricted Current Ratio			
Current Assets less all External Restrictions			
Current Liabilities less Specific Purpose Liabilities	3.17	0.00	2.36
prior period:	not required	not required	not required
d. Debt Service Cover Ratio			
Operating Result before Interest & Depreciation (EBITDA)			
Principal Repayments (from the Statement of Cash Flows) + Borrowing Interest Costs (from the Income Statement)	8.38	0.00	1.05
prior period:	not required	not required	not required
e. Capital Expenditure Ratio			
Annual Capital Expenditure			
Annual Depreciation	0.31	0.09	0.29
prior period:	not required	not required	not required
f. Infrastructure Backlog Ratio			
Estimated Cost to bring Assets to a Satisfactory Condition (from Special Schedule 7)			
Total value of Infrastructure, Building, Other Structures & Depreciable Land Improvement Assets	0.00	0.00	0.00
prior period:	not required	not required	not required
g. Asset Maintenance Ratio			
Actual Asset Maintenance			
Required Asset Maintenance	0.94	0.75	1.11
prior period:	not required	not required	not required
h. Building and Infrastructure Renewals Ratio			
Asset Renewals			
Depreciation of Building and Infrastructure Assets	0.00	0.00	0.00
prior period:	not required	not required	not required
i. Cash Expense Cover Ratio			
Current Year's Cash & Cash Equivalents			
(Total Expenses - Depreciation - Interest Costs) x12	0.53	124.03	9.43
prior period:	not required	not required	not required
j. Interest Cover Ratio			
Operating Results before Interest & Depreciation (EBITDA)			
Borrowing Interest Costs (from the income statement)	2.38	0.00	10.17
prior period:	not required	not required	not required

Notes

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

Balranald 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
Financial Assets				
Cash and Cash Equivalents	6,695	5,691	6,695	5,691
Receivables	685	461	685	461
Total Financial Assets	7,380	6,152	7,380	6,152
Financial Liabilities				
Payables	1,022	1,154	1,022	1,154
Loans / Advances	4,074	3,281	4,074	3,281
Total Financial Liabilities	5,096	4,435	5,096	4,435

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.

Balranald 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's Finance area manages the Cash & Investments portfolio with the assistance of independent advisors.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and it's staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The 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.

Council also seeks advice from independent advisers before placing any funds in Cash Equivalents & Investments.

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
2013				
Possible impact of a 1% movement in Interest Rates	37	37	(37)	(37)
2012				
Possible impact of a 1% movement in Interest Rates	49	49	(49)	(49)

Balranald 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 Rates & Annual Charges	2013 Other Receivables	2012 Rates & Annual Charges	2012 Other Receivables
(i) Ageing of Receivables				
Current (not yet overdue)	-	17	-	-
Past due by up to 30 days	-	219	-	33
Past due between 31 and 180 days	-	23	-	28
Past due between 181 and 365 days	-	29	-	32
Past due by more than 1 year	382	17	296	74
	382	305	296	167
(ii) Movement in Provision for Impairment of Receivables			2013	2012
Balance at the beginning of the year			2	2
Balance at the end of the year			2	2

Balranald Shire Council

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

Note 15. Financial Risk Management (continued)

\$ '000

(c) Payables & Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended & overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the 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		
2013									
Trade/Other Payables	-	1,008	14	-	-	-	-	1,022	1,022
Loans & Advances	-	267	325	383	336	345	2,418	4,074	4,074
Total Financial Liabilities	-	1,275	339	383	336	345	2,418	5,096	5,096
2012									
Trade/Other Payables	-	1,141	13	-	-	-	-	1,154	1,154
Loans & Advances	-	212	237	563	666	672	931	3,281	3,281
Total Financial Liabilities	-	1,353	250	563	666	672	931	4,435	4,435

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	1,022	0.0%	1,154	0.0%
Loans & Advances - Fixed Interest Rate	4,074	6.5%	3,281	6.9%
	<u>5,096</u>		<u>4,435</u>	

Balranald 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 26 June 2012.

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* -----	
REVENUES				
Rates & Annual Charges	1,965	1,853	(112)	(6%) U
User Charges & Fees	1,275	1,506	231	18% F
(F) Caravan Park Fees under budgeted \$71 new managers				
(F) Private Works income under budgeted \$190.				
Interest & Investment Revenue	207	210	3	1% F
Other Revenues	423	306	(117)	(28%) U
(U) Budget overstated by approximately \$100.				
(U) Tourism revenue down by \$25				
Operating Grants & Contributions	6,306	7,168	862	14% F
(F) Disaster Recovery Funding under budgeted \$410				
(F) RMCC Funding under budgeted \$560				
Capital Grants & Contributions	1,759	1,709	(50)	(3%) U
Net Gains from Disposal of Assets	-	35	35	0% F

Balranald 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* -----	
EXPENSES				
Employee Benefits & On-Costs	4,386	4,256	130	3% F
Borrowing Costs	309	231	78	25% F
(F) Heritage Park Complex loan drawn down at the end of the year \$70				
Materials & Contracts	2,983	3,916	(933)	(31%) U
(U) RMCC works under budgeted \$280 (U) Overhead Expenses under budgeted \$200				
(U) Disaster Recovery works under budgeted \$215 (U) Caravan Park management fees under budgeted \$60				
(U) Private Work expenses under budgeted \$101				
Depreciation & Amortisation	8,287	8,293	(6)	(0%) U
Other Expenses	912	1,019	(107)	(12%) U
(U) Electricity cost under estimated \$23				

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

Cash Flows from Operating Activities	3,010	2,548	(462)	(15.3%) U
(F) Caravan Park Fees under budgeted \$71 new managers				
(F) Private Works income under budgeted \$190.				
(U) Budget overstated by approximately \$100.				
(U) Tourism revenue down by \$25				
(F) Disaster Recovery Funding under budgeted \$410				
(F) RMCC Funding under budgeted \$560				
(F) Heritage Park Complex loan drawn down at the end of the year \$70				
(U) RMCC works under budgeted \$280				
(U) Disaster Recovery works under budgeted \$215				
(U) Private Work expenses under budgeted \$101				
(U) Overhead Expenses under budgeted \$200				
(U) Caravan Park management fees under budgeted \$60				
(U) Red Gum grants over budgeted \$460				
Cash Flows from Investing Activities	(4,438)	(2,337)	2,101	(47.3%) F
(F) Heritage Park complex not started \$1,351				
(F) Balranald Court House development not started \$100				
(F) Grader not purchased \$380				
(F) 10m3 bogie axle pig trailer not purchased \$80				
(F) Skate Park not started \$45				
(F) Airport repairs to pavement not started \$73				
Cash Flows from Financing Activities	724	793	69	9.5% F

Balranald Shire Council

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

Note 17. Statement of Developer Contributions

\$ '000

Council currently has no S94 Developer Contribution Plans or S94 Funds on hand from prior years.

Note 18. Contingencies & Other Assets/Liabilities Not Recognised

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

Member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category with member Councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from it's Defined Benefit Scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable - similar to the accounting for Defined Contributions Plans.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to Local Government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the Net Assets or Liabilities reflects Councils contributions to the pool and the result of insurance claims within each of the Fund Years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW Local Government Industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the Company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of Net Assets in accordance with its Licence Requirements.

(iv) Other Guarantees

Council has provided no other Guarantees other than those listed above.

Balranald 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) S94 Plans

Council levies Section 94/94A Contributions upon various development across the Council area through the required Contributions Plans.

As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Councils intention to spend funds in the manner and timing set out in those Plans.

(iii) Potential Land Acquisitions due to Planning Restrictions imposed by Council

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.

(iii) Potential Land Acquisitions due to Planning Restrictions imposed by Council (continued)

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

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.

(iii) Rural Fire Fighting Assets

Council has title to, and is the registered owner of, 18 rural fire appliances and associated rural fire fighting equipment. These assets are under the control of the Rural Fire Service to enable that Department to provide the bushfire protection defences set out in their Service Level Agreement with Council, and accordingly have not been recognised in these reports

In accordance with normal Rural Fire Service funding arrangements, Council continues to contribute to the costs of maintenance of this equipment.

Balranald 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 has no interest in any Controlled Entities, Associated Entities or Joint Ventures.

Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2013	Actual 2012
(a) Retained Earnings			
Movements in Retained Earnings were as follows:			
Balance at beginning of Year (from previous years audited accounts)		59,724	64,474
a. Correction of Prior Period Errors	20 (c)	-	13
d. Net Operating Result for the Year		(4,928)	(4,763)
Balance at End of the Reporting Period		54,796	59,724
(b) Reserves			
(i) Reserves are represented by:			
- Infrastructure, Property, Plant & Equipment Revaluation Reserve		103,502	102,086
Total		103,502	102,086
(ii) Reconciliation of movements in Reserves:			
Infrastructure, Property, Plant & Equipment Revaluation Reserve			
- Opening Balance		102,086	104,691
- Revaluations for the year	9(a)	1,416	(2,605)
- Balance at End of Year		103,502	102,086
TOTAL VALUE OF RESERVES		103,502	102,086

(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.

Balranald 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
(c) Correction of Error/s relating to a Previous Reporting Period			
Correction of errors as disclosed in last year's financial statements:			
Asset Revaluation Error			
Error in 2011 related to Accumulated Depreciation			3,534
Balance Sheet Non Current Assets Infrastructure, Property, Plant & Equipment & Equity Revaluation Reserves			
The amount of the correction taken to the prior period opening balance of equity			(3,534)
			169,165
In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above Prior Period Errors have been recognised retrospectively.			
These amounted to the following Equity Adjustments:			
- Adjustments to Opening Equity - 1/7/11		-	-
(relating to adjustments for the 30/6/11 reporting year end and prior periods)			
- Adjustments to Closing Equity - 30/6/12		-	13
(relating to adjustments for the 30/6/12 year end)			
Total Prior Period Adjustments - Prior Period Errors		-	13

(d) Voluntary Changes in Accounting Policies

Council made no voluntary changes in any accounting policies during the year.

Balranald Shire Council

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

Note 21. Financial Result & Financial Position by Fund

Income Statement by Fund \$ '000	Actual 2013	Actual 2013	Actual 2013
<u>Continuing Operations</u>	Water	Sewer	General¹
Income from Continuing Operations			
Rates & Annual Charges	320	232	1,301
User Charges & Fees	391	6	1,109
Interest & Investment Revenue	-	57	153
Other Revenues	-	34	272
Total Income from Continuing Operations	711	329	11,747
Expenses from Continuing Operations			
Employee Benefits & on-costs	123	27	4,106
Borrowing Costs	82	-	149
Materials & Contracts	380	126	3,410
Depreciation & Amortisation	254	182	7,857
Other Expenses	13	-	1,006
Total Expenses from Continuing Operations	852	335	16,528
Operating Result from Continuing Operations	(141)	(6)	(4,781)
<u>Discontinued Operations</u>			
Net Profit/(Loss) from Discontinued Operations	-	-	-
Net Operating Result for the Year	(141)	(6)	(4,781)
Net Operating Result attributable to each Council Fund	(141)	(6)	(4,781)
Net Operating Result attributable to Non-controlling Interests	-	-	-
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	-	(6)	(6,490)

¹ General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal charges & recoveries made between the Funds.

Balranald Shire Council

Notes to the Financial Statements
as at 30 June 2013

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

Statement of Financial Position by Fund \$ '000	Actual 2013	Actual 2013	Actual ¹ 2013
ASSETS	Water	Sewer	General¹
Current Assets			
Cash & Cash Equivalents	23	1,571	5,101
Receivables	183	66	241
Total Current Assets	206	1,637	5,410
Non-Current Assets			
Infrastructure, Property, Plant & Equipment	6,961	6,737	142,193
Other	12	-	891
Total Non-Current Assets	6,973	6,737	143,539
TOTAL ASSETS	7,179	8,374	148,949
LIABILITIES			
Current Liabilities			
Payables	4	-	1,006
Borrowings	61	-	206
Total Current Liabilities	65	-	2,130
Non-Current Liabilities			
Borrowings	1,190	-	2,617
Total Non-Current Liabilities	1,190	-	2,819
TOTAL LIABILITIES	1,255	-	4,949
Net Assets	5,924	8,374	144,000
EQUITY			
Retained Earnings	2,130	3,276	49,390
Revaluation Reserves	3,794	5,098	94,610
Council Equity Interest	5,924	8,374	144,000
Non-controlling Interests	-	-	-
Total Equity	5,924	8,374	144,000

¹ General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal receivables & payables between the Funds.

Balranald 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

\$ '000

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

Note 23. Events occurring after the Reporting Period

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 dd/mm/yy.

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.

Balranald Shire Council

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

Note 24. Discontinued Operations

\$ '000

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

Note 25. Intangible Assets

Intangible Assets represent identifiable non-monetary asset without physical substance.

	Actual 2013 Carrying Amount	Actual 2012 Carrying Amount
Intangible Assets are as follows;		
Opening Values:		
Gross Book Value (1/7/12)	260	260
Accumulated Amortisation (1/7/12)	-	-
Accumulated Impairment (1/7/12)	-	-
Net Book Value - Opening Balance	260	260
Closing Values:		
Gross Book Value (30/6/13)	260	260
Accumulated Amortisation (30/6/13)	-	-
Accumulated Impairment (30/6/13)	-	-
<u>TOTAL INTANGIBLE ASSETS - NET BOOK VALUE</u>¹	<u>260</u>	<u>260</u>

¹. The Net Book Value of Intangible Assets represent:

- Bidgee Haven Hostel (Bed Licences)	260	260
	260	260

Balranald Shire Council

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

Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

\$ '000

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

Asset/Operation	Estimated year of restoration	NPV of Provision	
		2013	2012
Gravel Pits (x82)		123	123
Balance at End of the Reporting Period	10(a)	123	123

Under AASB 116 - Property, Plant & Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 - Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Reconciliation of movement in Provision for year:

Balance at beginning of year	123	123
Total - Reinstatement, rehabilitation and restoration provision	123	123

Amount of Expected Reimbursements

Of the above Provisions for Reinstatement, Rehabilitation and Restoration works, those applicable to Garbage Services & Waste Management are able to be funded through future charges incorporated within Council's Annual Domestic Waste Management Charge.

Balranald Shire Council

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

Note 27. Financial Commentary & Review (continued)

\$ '000

Key Financial Figures of Council over the past 5 years (consolidated)

Financial Performance Figures	2013	2012	2011	2010	2009
Inflows:					
Rates & Annual Charges Revenue	1,853	1,759	1,846	1,660	1,602
User Charges Revenue	1,506	1,198	1,025	1,140	882
Interest & Investment Revenue (Losses)	210	293	279	253	302
Grants Income - Operating & Capital	4,946	5,725	300	6,213	6,538
Total Income from Continuing Operations	12,787	14,787	10,049	9,491	9,594
Sale Proceeds from I,PP&E	103	258	18	-	93
New Loan Borrowings & Advances	1,000	-	-	-	-
Outflows:					
Employee Benefits & On-cost Expenses	4,256	3,786	3,620	3,608	3,161
Borrowing Costs	231	240	214	205	210
Materials & Contracts Expenses	3,916	5,490	2,683	2,272	1,501
Total Expenses from Continuing Operations	17,715	19,550	9,881	9,213	8,051
Total Cash purchases of I,PP&E	2,440	3,748	2,878	2,429	3,377
Total Loan Repayments (incl. Finance Leases)	207	189	149	129	121
Operating Surplus/(Deficit) (excl. Capital Income)	(6,637)	(6,871)	(1,075)	(790)	194
Financial Position Figures	2013	2012	2011	2010	2009
Current Assets	7,253	6,124	5,676	5,877	5,866
Current Liabilities	2,195	2,225	2,143	1,728	1,420
Net Current Assets	5,058	3,899	3,533	4,149	4,446
Available Working Capital (Unrestricted Net Current Assets)	2,831	1,379	2,466	3,099	3,473
Cash & Investments - Unrestricted	3,467	2,210	1,954	2,098	1,913
Cash & Investments - Internal Restrictions	1,253	1,187	1,375	1,410	1,892
Cash & Investments - Total	6,695	5,691	5,039	5,290	5,460
Total Borrowings Outstanding (Loans, Advances & Finance Leases)	4,074	3,281	3,470	2,919	3,048
Total Value of I,PP&E (excl. Land & Earthworks)	217,315	215,663	214,631	130,590	127,799
Total Accumulated Depreciation	66,032	57,644	45,931	47,077	44,961
Indicative Remaining Useful Life (as a % of GBV)	70%	73%	79%	64%	65%

Source: Published audited financial statements of Council (current year & prior year)

Balranald Shire Council

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

Note 28. Council Information & Contact Details

Principal Place of Business:

70 Market Street
Balranald, NSW 2715

Contact Details

Mailing Address:

PO Box 120
Balranald, NSW 2715

Opening Hours:

08:30 - 17:00 Hrs
Monday - Friday
Detail Opening Hours here

Telephone: 03 5020 1300

Facsimile: 03 5020 1620

Internet: www.balranald.nsw.gov.au

Email: council@balranald.nsw.gov.au

Officers

ACTING GENERAL MANAGER

Robert Rayner

ACTING RESPONSIBLE ACCOUNTING OFFICER

Ang Rai

PUBLIC OFFICER

Robert Rayner

AUDITORS

Pitcher Partners
Level 22, MLC Centre
19 Martin Place
Sydney, NSW 2000

Elected Members

MAYOR

Steve O'Halloran

COUNCILLORS

Leigh Byron
Alan Purtill
Jeff Mannix
Trevor Joliffe
Ken Barnes
Lynda Cooke
Elaine Campbell

Other Information

ABN: 74 678 751 581



PITCHER PARTNERS

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BALRANALD SHIRE COUNCIL COUNCIL **Independent Audit Report to the Council** **General Purpose Financial Statements for the Year ended 30 June 2013**

Report on the Financial Report

We have audited the general purpose financial statements of Balranald Shire Council, which comprises the Balance Sheet as at 30 June 2013, Statement by Councillors and Management, and the Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, a summary of significant accounting policies and other explanatory notes.

Council's Responsibilities for the Financial Statements

Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the statutory requirements under the Local Government Act, 1993, and for such internal control that Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on the financial statements based on our audit. Our audit responsibility does not extend to the Original Budget figures disclosed in the Income Statement and Cash Flow Statement, Notes 2(a), and 16 to the financial statements, estimated expenditure in Note 17, additional Council disclosure notes, nor the attached Special Schedules.

We conducted our audit in accordance with Australian Auditing Standards. Those 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.

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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Balranald Shire Council as of 30 June 2013, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

Report on Other Legal and Regulatory Requirements

Council's Responsibilities for compliance with other legal and regulatory requirements

Council is responsible for ensuring compliance with the accounting and reporting requirements of Division 2 of Part 3, Chapter 12 of the Local Government Act, 1993. This responsibility includes maintaining such accounting records as are necessary to correctly record and explain its financial transactions and its financial position, and to facilitate convenient and proper auditing of its financial statements.

Auditor's Responsibilities under Section 417(2) of the Local Government Act, 1993

Our responsibility is to report on Council's compliance with the accounting and reporting requirements of the Local Government Act, 1993 and Local Government (General) Regulation 2005.

Auditors' Opinion on other legal and regulatory requirements

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 the Local Government (General) Regulation 2005; and
- (b) the Council's general purpose financial statements
 - i) have been prepared in accordance with the requirements of this Division and Regulation;
 - ii) are consistent with the Council's accounting records;
 - iii) present fairly the Council's financial position and the results of its operations;
- (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 in the course of the audit.


PITCHER PARTNERS


CARL MILLINGTON
Partner

Sydney, 6 November 2013



PITCHER PARTNERS

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BALRANALD SHIRE COUNCIL INDEPENDENT AUDITORS' REPORT ON THE CONDUCT OF THE AUDIT (Local Government Act, 1993 - Section 417(3)) YEAR ENDED 30 JUNE 2013

Balranald Shire Council has prepared general and special purpose financial reports for the year ended 30 June 2013 on which we issued separate audit reports to the Council dated 6 November 2013. This report has been prepared in accordance with the requirements of the Division of Local Government, and the provisions of Section 417(3) of the Local Government Act, 1993.

We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Council or the New South Wales Division of Local Government, or for any purpose other than that for which it was prepared.

Audit Conclusion

Our audit of the financial reports for the year ended 30 June 2013 resulted in unqualified independent audit reports for Council's General Purpose and Special Purpose Financial Statements.

Additional Audit Considerations and Comment

Income Statement

Summarised Income Statement

	2013 Actual	2013 Budget	* Budget	2012 Actual
	\$'000	\$'000	Variance %	\$'000
Operating result	(4,928)	(4,942)	0.28%F	(4,763)
Operating result before capital revenue	(6,637)	(6,701)	0.96%F	(6,871)
Rates & annual charges	1,853	1,965	5.70%U	1,759
Operating grants & contributions	7,168	6,306	13.19%F	9,153
Capital grants & contributions	1,709	1,759	2.84%U	2,108
Depreciation & amortisation	8,293	8,287	0.07%U	8,399

* Detailed explanations for material favourable (F) and unfavourable (U) budget variations are provided in Note 16 to the financial statements

Operating Result. Council's operating result decreased from a deficit of \$4.763M in 2012 to \$4.928M in 2013. This compared with a budgeted deficit of \$4.942M for the year. The most significant variations impacting the operating result were the decrease in grants and contributions provided for operating and capital purposes.

Operating Result before Capital. The operating result before Capital grants and contributions was a deficit of \$6.637M compared with the prior year deficit of \$6.871M. This compared with the original budget deficit of \$6.701M.

Rates and Annual Charges. Revenue from rates and annual charges increased to \$1.853M from \$1.759M in the prior year, and was within 6% of budget for the 2013 year.

Grants and Contributions. Operating grants and contributions for the year totalled \$7.168M and represented 56.06% of total income from continuing operations. This compares with budget of \$6.306M.

Capital grants and contributions amounted to \$1.709M for the 2013 year and represented 13.37% of total income from continuing operations. This compares with budget of \$1.759M.

Depreciation. Included in the operating result was \$8.293M for the depreciation and amortisation of infrastructure, property, plant and equipment which decreased from \$8.399M in the prior year and compared with the original budget of \$8.287M. Depreciation and amortisation represents 46.81% (2012: 42.96%) of total expenses and 64.85% (2012: 56.80%) of total income for the year.

Statement of Financial Position

Council's equity at 30 June 2013 amounted to \$158.298M comprised of retained earnings, and reserves arising from revaluation of infrastructure assets in prior years.

The most significant impact on retained earnings during 2013 was the operating deficit of \$4.928M.

At balance date Council had not utilised any of its bank overdraft facility of \$200K.

Movements in Cash and Cash Equivalents

Summarised Statement of Cash Flows

Activities	2013 Actual \$'000	2013 Budget \$'000	* Budget Variance %	2012 Actual \$'000
Net cash flows from operations	2,548	3,010	15.35%U	4,433
Net cash flows from investing	(2,337)	(4,438)	47.34%F	(3,490)
Net cash flows from financing	793	724	9.53%F	(291)
Net movement in cash	1,004	(704)		652

* Detailed explanations for material budget variations are provided in Note 16 to the financial statements

Council's cash and cash equivalent balances increased to a total of \$6.695M during the year, with \$2.548M being provided from operations, \$2.337M utilised in net investing activities for the acquisition and sale of non-current assets, and \$793K being provided in net movements of borrowings and advances.

Total Investments and Cash Balances

Council's total cash balance at 30 June 2013 was comprised of the following:

	2013 \$'000	2012 \$'000
Externally restricted cash	1,975	2,294
Internally restricted cash	1,253	1,187
Unrestricted cash	3,467	2,210
Total Cash, Cash Equivalents and Investments	6,695	5,691

Movements in externally restricted cash balances included the reduction of \$448K in specific purpose unexpended grants and the net increase of \$150K in sewerage services.

Working Capital (Net Current Assets)

	2013 \$'000	2012 \$'000	2011 \$'000	2010 \$'000
Current assets	7,253	6,124	5,676	5,877
Current liabilities	2,195	2,225	2,143	1,728
Net current assets	5,058	3,899	3,533	4,149
<i>Less: Working Capital Commitments</i>				
Net external restrictions	2,224	2,415	2,009	1,931
Unrestricted Working Capital	2,834	1,484	1,524	2,218

Council's balance of unrestricted working capital has increased from \$1.484M in 2012 to \$2.834M at the end of the 2013 financial year.

After taking into consideration Council's internal reserves, other liabilities that are anticipated to be funded from the 2013/14 operating budget and anticipated timing of rate revenues, Council's unrestricted working capital balance appears to provide a reasonable basis for funding the coming year's operations and is a continuation of the improvements experienced in the last three years.

Performance Indicators and Trends

Prescribed performance indicators are included in Note 13 to the financial report and provide a comparison of the 2013 year results with prior years.

	2013	2012	2011	2010
Unrestricted current ratio	2.36:1	1.68:1	1.73:1	2.32:1
Debt service ratio	6.61%	6.15%	6.00%	6.00%
Rate coverage ratio	14.49%	11.90%	18.00%	17.00%
Rates & annual charges outstanding ratio	17.61%	14.50%	12.56%	10.97%
Asset renewals ratio	10.20%	25.81%	81.00%	68.00%

Unrestricted Current Ratio. The ratio has improved on the prior year and is now within the industry benchmark of 2:1.

Debt Service Ratio. The debt service ratio is indicative of Council's current low debt levels and remains well below the industry benchmark of 10%.

Rates and Annual Charges Coverage Ratio. Council's rates and annual charges revenue represented 14.49% of 2013 total revenue having increased from 11.90% in the prior year when greater grants and contributions were received. This is a low proportion of revenue and demonstrates how dependent the council is on outside grant funding to meet the council's service levels.

Rates and Annual Charges Outstanding Percentage. The amount of rates uncollected at year end expressed as a percentage of the total rates and annual charges collectible was 17.61%. This has increased from the prior year of 14.50% and continues above the industry benchmark of 5%.

Asset Renewals Ratio. The ratio decreased from 25.81% in 2012 to 10.20% in the current year. This is below the industry guidelines of 100%. Council would have needed to spend an additional \$6.876M on infrastructure renewals to meet the current industry benchmark.

Legislative Compliance

As a result of our audit we advise that no material deficiencies in the accounting records or financial reports have come to our attention during the conduct of the audit, and that Council's accounting records have been kept accurately and conscientiously and in accordance with requirements of the Local Government Act, 1993, and Regulations.

Council has complied with all statutory reporting requirements relating to Division 2 of Chapter 12 of the Local Government Act, 1993, the Code of Accounting Practice and Financial Reporting (Update 21), and other legislatively prescribed standards.

Conduct of the audit

During the conduct of our audit, a number of issues arose that required additional explanation and investigation, however we are able to report that all such issues have been appropriately attended to and there are no matters of audit significance, other than those already referred to in this report, that require mention in this or our statutory audit report.

We would like to commend the courteous and professional manner in which Council's staff has acted throughout the conduct of our audit, and their willingness to consider issues that we raised and assist us with our audit.


PITCHER PARTNERS


CARL MILLINGTON

Partner

Sydney, 6 November 2013

Balranald Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2013

*COMMITTED TO BALRANALD SHIRE,
PROVIDING FOR OUR PEOPLE
PROTECTING OUR HERITAGE, AND
PLANNING FOR OUR FUTURE*



Balranald Shire Council

Special Purpose Financial Statements

for the financial year ended 30 June 2013

Contents	Page
1. Statement by Councillors & Management	2
2. Special Purpose Financial Statements:	
Income Statement - Water Supply Business Activity	3
Income Statement - Sewerage Business Activity	4
Income Statement - Other Business Activities	n/a
Statement of Financial Position - Water Supply Business Activity	5
Statement of Financial Position - Sewerage Business Activity	6
Statement of Financial Position - Other Business Activities	n/a
3. Notes to the Special Purpose Financial Statements	7
4. Auditor's Report	16

Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.

- (ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- (iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and **(b)** those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

- (iv) In preparing these financial statements for Council's self classified Category 1 businesses and ABS defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).
-

Balranald Shire Council

Special Purpose Financial Statements

for the financial year ended 30 June 2013

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government".
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality".
- The Local Government Code of Accounting Practice and Financial Reporting.
- The NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

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

- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records.

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

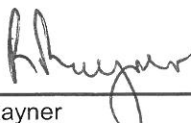
Signed in accordance with a resolution of Council made on dd/mm/yy.



Steve O'Halloran
MAYOR



Alan Purtill
COUNCILLOR



Robert Rayner
ACTING GENERAL MANAGER



Ang Rai
ACTING RESPONSIBLE ACCOUNTING OFFICER

Balranald Shire Council

Income Statement of Council's Water Supply Business Activity

for the financial year ended 30 June 2013

\$ '000	Actual 2013	Actual 2012
Income from continuing operations		
Access charges	320	291
User charges	329	235
Fees	62	62
Interest	-	-
Grants and contributions provided for non capital purposes	-	-
Profit from the sale of assets	-	-
Other income	-	-
Total income from continuing operations	711	588
Expenses from continuing operations		
Employee benefits and on-costs	123	201
Borrowing costs	82	81
Materials and contracts	380	290
Depreciation and impairment	254	237
Water purchase charges	13	11
Loss on sale of assets	-	-
Calculated taxation equivalents	-	-
Debt guarantee fee (if applicable)	-	-
Other expenses	-	-
Total expenses from continuing operations	852	820
Surplus (deficit) from Continuing Operations before capital amounts	(141)	(232)
Grants and contributions provided for capital purposes	-	-
Surplus (deficit) from Continuing Operations after capital amounts	(141)	(232)
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	(141)	(232)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-
SURPLUS (DEFICIT) AFTER TAX	(141)	(232)
plus Opening Retained Profits	2,271	2,503
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	-	-
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	-
less:		
- Tax Equivalent Dividend paid	-	-
- Surplus dividend paid	-	-
Closing Retained Profits	2,130	2,271
Return on Capital %	-0.8%	-2.1%
Subsidy from Council	321	368
Calculation of dividend payable:		
Surplus (deficit) after tax	(141)	(232)
less: Capital grants and contributions (excluding developer contributions)	-	-
Surplus for dividend calculation purposes	-	-
Potential Dividend calculated from surplus	-	-

Balranald Shire Council

Income Statement of Council's Sewerage Business Activity

for the financial year ended 30 June 2013

\$ '000	Actual 2013	Actual 2012
Income from continuing operations		
Access charges	232	232
User charges	6	5
Liquid Trade Waste charges	-	-
Fees	-	-
Interest	57	64
Grants and contributions provided for non capital purposes	-	-
Profit from the sale of assets	-	-
Other income	34	35
Total income from continuing operations	329	336
Expenses from continuing operations		
Employee benefits and on-costs	27	60
Borrowing costs	-	-
Materials and contracts	126	95
Depreciation and impairment	182	156
Loss on sale of assets	-	-
Calculated taxation equivalents	-	-
Debt guarantee fee (if applicable)	-	-
Other expenses	-	-
Total expenses from continuing operations	335	311
Surplus (deficit) from Continuing Operations before capital amounts	(6)	25
Grants and contributions provided for capital purposes	-	-
Surplus (deficit) from Continuing Operations after capital amounts	(6)	25
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	(6)	25
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	(8)
SURPLUS (DEFICIT) AFTER TAX	(6)	18
plus Opening Retained Profits	3,282	3,257
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	-	-
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	8
less:		
- Tax Equivalent Dividend paid	-	-
- Surplus dividend paid	-	-
Closing Retained Profits	3,276	3,282
Return on Capital %	-0.1%	0.4%
Subsidy from Council	260	185
Calculation of dividend payable:		
Surplus (deficit) after tax	(6)	18
less: Capital grants and contributions (excluding developer contributions)	-	-
Surplus for dividend calculation purposes	-	18
Potential Dividend calculated from surplus	-	9

Balranald Shire Council

Statement of Financial Position - Council's Water Supply Business Activity
as at 30 June 2013

\$ '000	Actual 2013	Actual 2012
ASSETS		
Current Assets		
Cash and cash equivalents	23	85
Investments	-	-
Receivables	183	116
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	206	201
Non-Current Assets		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	6,961	7,147
Investments accounted for using equity method	-	-
Investment property	-	-
Other	12	27
Total non-Current Assets	6,973	7,174
TOTAL ASSETS	7,179	7,375
LIABILITIES		
Current Liabilities		
Bank Overdraft	-	-
Payables	4	4
Interest bearing liabilities	61	47
Provisions	-	-
Total Current Liabilities	65	51
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	1,190	1,248
Provisions	-	-
Total Non-Current Liabilities	1,190	1,248
TOTAL LIABILITIES	1,255	1,299
NET ASSETS	5,924	6,076
EQUITY		
Retained earnings	2,130	2,271
Revaluation reserves	3,794	3,805
Council equity interest	5,924	6,076
Non-controlling interest	-	-
TOTAL EQUITY	5,924	6,076

Balranald Shire Council

Statement of Financial Position - Council's Sewerage Business Activity

as at 30 June 2013

\$ '000	Actual 2013	Actual 2012
ASSETS		
Current Assets		
Cash and cash equivalents	1,571	1,421
Investments	-	-
Receivables	66	56
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	1,637	1,477
Non-Current Assets		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	6,737	6,931
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
Total non-Current Assets	6,737	6,931
TOTAL ASSETS	8,374	8,408
LIABILITIES		
Current Liabilities		
Bank Overdraft	-	-
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
Total Current Liabilities	-	-
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	-	-
NET ASSETS	8,374	8,408
EQUITY		
Retained earnings	3,276	3,282
Revaluation reserves	5,098	5,126
Council equity interest	8,374	8,408
Non-controlling equity interest	-	-
TOTAL EQUITY	8,374	8,408

Balranald Shire Council

Special Purpose 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	8
2	Water Supply Business Best Practice Management disclosure requirements	11
3	Sewerage Business Best Practice Management disclosure requirements	13

Balranald Shire Council

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

Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Division of Local Government.

For the purposes of these statements, the Council is not a reporting not-for-profit entity.

The figures presented in these special purpose financial statements, unless otherwise stated, have been prepared in accordance with:

- the recognition and measurement criteria of relevant Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB) &
- Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with:

- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 Government Policy statement on the "Application of National Competition Policy to Local Government".

The "Pricing & Costing for Council Businesses A Guide to Competitive Neutrality" issued by the Division of Local Government in July 1997 has also been adopted.

The pricing & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

Nil

Category 2

(where gross operating turnover is less than \$2 million)

a. Balranald Shire Council Combined Water Supplies

Comprising the whole of the operations and assets of the raw and filtered water supply systems, that services the towns of Balranald and Euston.

b. Balranald Shire Council Sewerage Service

Comprising the whole of the operations and assets of the sewerage reticulation and treatment systems, that services the towns of Balranald and Euston.

Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars, with the exception of some figures disclosed in Note 2 (Water Supply Best Practice Management Disclosures) and Note 3 (Sewerage Best Practice Management Disclosures).

As required by the NSW Office of Water (Department of Primary Industries) the amounts shown in Notes 2 and Note 3 are disclosed in whole dollars.

Balranald Shire Council

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

Note 1. Significant Accounting Policies

(i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all council nominated business activities (this does not include council's non-business activities):

Notional Rate Applied %

Corporate Income Tax Rate – **30%**

Land Tax – The first **\$406,000** of combined land values attracts **0%**. From \$406,001 to \$2,482,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$2,482,000, a premium marginal rate of **2.0%** applies.

Payroll Tax – **5.45%** on the value of taxable salaries and wages in excess of \$689,000.

Income Tax

An income tax equivalent has been applied on the profits of each reported Business Activity.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved.

Since this taxation equivalent is notional - that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the operations of the council. Accordingly, there is no need for disclosure of internal charges in Council's General Purpose Financial Statements.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

Local Government Rates & Charges

A calculation of the equivalent rates and charges payable on all Category 2 businesses has been applied to all land assets owned or exclusively used by the Business Activity.

Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face "true" commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations.

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

Balranald Shire Council

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

Note 1. Significant Accounting Policies

The overall effect of subsidies is contained within the Income Statement of each reported Business Activities.

(iii) Return on Investments (Rate of Return)

The Policy statement requires that councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field".

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The Rate of Return on Capital is calculated as follows:

Operating Result before Capital Income + Interest Expense

Written Down Value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.77% at 30/6/13.

The actual rate of return achieved by each Business Activity is disclosed at the foot of each respective Income Statement.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Balranald Shire Council

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

Note 2. Water Supply Business Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2013

1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	-
(ii)	No of assessments multiplied by \$3/assessment	2,874
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	-
(iv)	Amounts actually paid for Tax Equivalents	

2. Dividend from Surplus

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	-
(ii)	No. of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	28,740
(iii)	Cumulative surplus before Dividends for the 3 years to 30 June 2013, less the cumulative dividends paid for the 2 years to 30 June 2012 & 30 June 2011	(487,000)

2013 Surplus	(141,000)	2012 Surplus	(232,000)	2011 Surplus	(114,000)
		2012 Dividend	-	2011 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	n/a
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-

3. Required outcomes for 6 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i)	Completion of Strategic Business Plan (including Financial Plan)	NO
(ii)	Full Cost Recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
	- Complying charges [Item 2(b) in Table 1]	NO
	- DSP with Commercial Developer Charges [Item 2(e) in Table 1]	NO
	- If Dual Water Supplies, Complying Charges [Item 2(g) in Table 1]	NO
(iii)	Sound Water Conservation and Demand Management implemented	YES
(iv)	Sound Drought Management implemented	YES
(v)	Complete Performance Reporting Form (by 15 September each year)	NO
(vi)	a. Integrated Water Cycle Management Evaluation	NO
	b. Complete and implement Integrated Water Cycle Management Strategy	NO

Balranald Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2013Note 2. Water Supply Business
Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2013

National Water Initiative (NWI) Financial Performance Indicators

NWI F1	Total Revenue (Water) Total Income (w13) - Grants for the Acquisition of Assets (w11a) - Interest Income (w9) - Aboriginal Communities W&S Program Income (w10a)	\$'000	711
NWI F4	Revenue from Residential Usage Charges (Water) Income from Residential Usage Charges (w6b) x 100 divided by the sum of [Income from Residential Usage Charges (w6a) + Income from Residential Access Charges (w6b)]	%	44.99%
NWI F9	Written Down Replacement Cost of Fixed Assets (Water) Written down current cost of system assets (w47)	\$'000	6,949
NWI F11	Operating Cost (OMA) (Water) Management Expenses (w1) + Operational & Maintenance Expenses (w2)	\$'000	516
NWI F14	Capital Expenditure (Water) Acquisition of fixed assets (w16)	\$'000	79
NWI F17	Economic Real Rate of Return (Water) [Total Income (w13) - Interest Income (w9) - Grants for acquisition of assets (w11a) - Operating Costs (NWI F11) - Current Cost Depreciation (w3)] x 100 divided by [Written Down Current Cost of System Assets (w47) + Plant & Equipment (w33b)]	%	-0.85%
NWI F26	Capital Works Grants (Water) Grants for the Acquisition of Assets (w11a)	\$'000	-

- Notes:
- References to w (eg. w12) refer to item numbers within Special Schedules No. 3 & 4 of Council's Annual Financial Statements.
 - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

Balranald Shire Council

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

Note 3. Sewerage Business Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2013

1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	-
(ii)	No of assessments multiplied by \$3/assessment	2,694
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	-
(iv)	Amounts actually paid for Tax Equivalents	

2. Dividend from Surplus

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	-
(ii)	No. of assessments x (\$30 less tax equivalent charges per assessment)	26,940
(iii)	Cumulative surplus before dividends for the 3 years to 30 June 2013, less the cumulative dividends paid for the 2 years to 30 June 2012 & 30 June 2011	35,300

2013 Surplus	(6,000)	2012 Surplus	17,500	2011 Surplus	23,800
		2012 Dividend	-	2011 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	-
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-

3. Required outcomes for 4 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i)	Completion of Strategic Business Plan (including Financial Plan)	NO
(ii)	Pricing with full cost-recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
	Complying charges	
	(a) Residential [Item 2(c) in Table 1]	YES
	(b) Non Residential [Item 2(c) in Table 1]	YES
	(c) Trade Waste [Item 2(d) in Table 1]	NO
	DSP with Commercial Developer Charges [Item 2(e) in Table 1]	NO
	Liquid Trade Waste Approvals & Policy [Item 2(f) in Table 1]	YES
(iii)	Complete Performance Reporting Form (by 15 September each year)	NO
(iv)	a. Integrated Water Cycle Management Evaluation	NO
	b. Complete and implement Integrated Water Cycle Management Strategy	NO

Balranald Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2013Note 3. Sewerage Business
Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2013

National Water Initiative (NWI) Financial Performance Indicators

NWI F2	Total Revenue (Sewerage) Total Income (s14) - Grants for Acquisition of Assets (s12a) - Interest Income (s10) - Aboriginal Communities W&S Program Income (w10a)	\$'000	244
NWI F10	Written Down Replacement Cost of Fixed Assets (Sewerage) Written down current cost of system assets (s48)	\$'000	6,672
NWI F12	Operating Cost (Sewerage) Management Expenses (s1) + Operational & Maintenance Expenses (s2)	\$'000	152
NWI F15	Capital Expenditure (Sewerage) Acquisition of Fixed Assets (s17)	\$'000	16
NWI F18	Economic Real Rate of Return (Sewerage) [Total Income (s14) - Interest Income (s10) - Grants for acquisition of Assets (s12a) - Operating cost (NWI F12) - Current cost depreciation (s3)] x 100 divided by [Written down current cost (ie. WDCC) of System Assets (s48) + Plant & Equipment (s34b)]	%	-0.94%
NWI F27	Capital Works Grants (Sewerage) Grants for the Acquisition of Assets (12a)	\$'000	-

National Water Initiative (NWI) Financial Performance Indicators
Water & Sewer (combined)

NWI F3	Total Income (Water & Sewerage) Total Income (w13 + s14) + Gain/Loss on disposal of assets (w14 + s15) minus Grants for acquisition of assets (w11a + s12a) - Interest Income (w9 + s10)	\$'000	983
NWI F8	Revenue from Community Service Obligations (Water & Sewerage) Community Service Obligations (NWI F25) x 100 divided by Total Income (NWI F3)	%	0.00%
NWI F16	Capital Expenditure (Water & Sewerage) Acquisition of Fixed Assets (w16 + s17)	\$'000	95
NWI F19	Economic Real Rate of Return (Water & Sewerage) [Total Income (w13 + s14) - Interest Income (w9 + s10) - Grants for acquisition of assets (w11a + s12a) - Operating Cost (NWI F11 + NWI F12) - Current cost depreciation (w3 + s3)] x 100 divided by [Written down replacement cost of fixed assets (NWI F9 + NWI F10) + Plant & equipment (w33b + s34b)]	%	-0.89%
NWI F20	Dividend (Water & Sewerage) Dividend paid from surplus (2(v) of Note 2 + 2(v) of Note 3)	\$'000	-
NWI F21	Dividend Payout Ratio (Water & Sewerage) Dividend (NWI F20) x 100 divided by Net Profit after tax (NWI F24)	%	0.00%

Balranald Shire Council

Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2013

Note 3. Sewerage Business

Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2013

National Water Initiative (NWI) Financial Performance Indicators Water & Sewer (combined)

NWI F22	Net Debt to Equity (Water & Sewerage)	%	-2.40%
	Overdraft (w36 + s37) + Borrowings (w38 + s39) - Cash & Investments (w30 + s31) x 100 divided by [Total Assets (w35 + s36) - Total Liabilities (w40 + s41)]		
NWI F23	Interest Cover (Water & Sewerage)		-
	Earnings before Interest & Tax (EBIT) divided by Net Interest		
	Earnings before Interest & Tax (EBIT):	-	122
	Operating Result (w15a + s16a) + Interest expense (w4a + s4a) - Interest Income (w9 + s10) - Gain/Loss on disposal of assets (w14 + s15) + Miscellaneous Expenses (w4b + w4c + s4b + s4c)		
	Net Interest:		25
	Interest Expense (w4a + s4a) - Interest Income (w9 + s10)		
NWI F24	Net Profit After Tax (Water & Sewerage)	\$'000	(147)
	Surplus before dividends (w15a + s16a) - Tax equivalents paid (Note 2-1(iv) + Note 3-1(iv))		
NWI F25	Community Service Obligations (Water & Sewerage)	\$'000	-
	Grants for Pensioner Rebates (w11b + s12b)		

- Notes:
- References to w (eg. s12) refer to item numbers within Special Schedules No. 5 & 6 of Council's Annual Financial Statements.
 - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.



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BALRANALD SHIRE COUNCIL

Special Purpose Financial Report

Independent Auditors' Report to the Council for the Year ended 30 June 2013

Report on the Financial Statements of Council's Declared Business Activities

We have audited the accompanying financial statements, being special purpose financial statements, of Balranald Shire Council's declared business activities, which comprises the balance sheet as at 30 June 2013 and the income statement for the year then ended, a summary of significant accounting policies, and other explanatory notes and the Statement by Councillors and Management.

Council's Responsibilities for the Financial Statements

Council is responsible for the preparation and fair presentation of the financial statements and has determined that the accounting policies described in Note 1 to the financial statements which form part of the financial statements are appropriate to their needs. Council's responsibility also includes such internal controls as the Council determines are necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

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.

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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

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

Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Balranald Shire Council as of 30 June 2013 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the special purpose financial statements.

Basis of Accounting

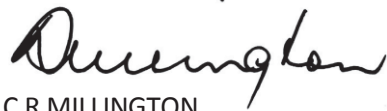
Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The special purpose financial statements have been prepared for distribution to the Council and the New South Wales Division of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. We disclaim any assumption of responsibility for any reliance on this audit report or on the financial statements to which it relates to any person other than the Council or the New South Wales Division of Local Government, or for any purpose other than that for which it was prepared.

Other Matter

Balranald Shire Council has prepared a separate financial report for the year ended 30 June 2013 in accordance with Australian Accounting Standards and the Code of Accounting Practice and Financial Reporting on which we issued a separate auditor's report to the Council dated 6 November 2013.



PITCHER PARTNERS



C R MILLINGTON
Partner

Sydney, 6 November 2013

Balranald Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2013

*COMMITTED TO BALRANALD SHIRE,
PROVIDING FOR OUR PEOPLE
PROTECTING OUR HERITAGE, AND
PLANNING FOR OUR FUTURE*



Balranald Shire Council

Special Schedules

for the financial year ended 30 June 2013

Contents

Page

Special Schedules¹

- Special Schedule No. 1	Net Cost of Services	2
- Special Schedule No. 2(a)	Statement of Long Term Debt (all purposes)	4
- Special Schedule No. 2(b)	Statement of Internal Loans (Sect. 410(3) LGA 1993)	n/a
- Special Schedule No. 3	Water Supply - Income Statement	5
- Special Schedule No. 4	Water Supply - Statement of Financial Position	9
- Special Schedule No. 5	Sewerage Service - Income Statement	10
- Special Schedule No. 6	Sewerage Service - Statement of Financial Position	14
- Notes to Special Schedules No. 3 & 5		15
- Special Schedule No. 7	Condition of Public Works	16
- Special Schedule No. 8	Financial Projections	23

¹ Special Purpose Schedules are not audited.

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
 - the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water,
 - the Department of Environment, Climate Change and Water, and
 - the Division of Local Government (DLG).
- (ii) The financial data is collected for various uses including;
 - the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Balranald Shire Council

Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2013

\$'000

Function or Activity	Expenses from. Continuing. Operations.	Income from continuing operations		Net Cost. of Services.
		Non Capital.	Capital.	
Governance	404	14	-	(390)
Administration	1,111	272	103	(736)
Public Order and Safety				
Fire Service Levy, Fire Protection, Emergency Services	277	124	-	(153)
Beach Control	-	-	-	-
Enforcement of Local Govt. Regulations	-	-	-	-
Animal Control	9	2	-	(7)
Other	-	-	-	-
Total Public Order & Safety	286	126	-	(160)
Health	50	14	-	(36)
Environment				
Noxious Plants and Insect/Vermin Control	59	24	-	(35)
Other Environmental Protection	-	-	-	-
Solid Waste Management	224	262	-	38
Street Cleaning	30	-	-	(30)
Drainage	-	-	-	-
Stormwater Management	-	-	-	-
Total Environment	313	286	-	(27)
Community Services and Education				
Administration & Education	-	-	-	-
Social Protection (Welfare)	2	-	-	(2)
Aged Persons and Disabled	1,006	910	2	(94)
Children's Services	1	2	-	1
Total Community Services & Education	1,009	912	2	(95)
Housing and Community Amenities				
Public Cemeteries	49	19	-	(30)
Public Conveniences	61	-	-	(61)
Street Lighting	83	-	-	(83)
Town Planning	39	25	-	(14)
Other Community Amenities	328	89	-	(239)
Total Housing and Community Amenities	560	133	-	(427)
Water Supplies	851	711	-	(140)
Sewerage Services	335	329	-	(6)

Balranald Shire Council

Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2013

\$'000

Function or Activity	Expenses from. Continuing. Operations.	Income from continuing operations		Net Cost. of Services.
		Non Capital.	Capital.	
Recreation and Culture				
Public Libraries	67	36	-	(31)
Museums	35	-	-	(35)
Art Galleries	-	-	-	-
Community Centres and Halls	27	2	-	(25)
Performing Arts Venues	84	11	-	(73)
Other Performing Arts	-	-	-	-
Other Cultural Services	-	-	-	-
Sporting Grounds and Venues	186	10	5	(171)
Swimming Pools	154	11	-	(143)
Parks & Gardens (Lakes)	187	-	-	(187)
Other Sport and Recreation	-	-	-	-
Total Recreation and Culture	740	70	5	(665)
Fuel & Energy	-	-	-	-
Agriculture	-	-	-	-
Mining, Manufacturing and Construction				
Building Control	38	12	-	(26)
Other Mining, Manufacturing & Construction	-	-	-	-
Total Mining, Manufacturing and Const.	38	12	-	(26)
Transport and Communication				
Urban Roads (UR) - Local	527	89	34	(404)
Urban Roads - Regional	-	-	-	-
Sealed Rural Roads (SRR) - Local	838	25	-	(813)
Sealed Rural Roads (SRR) - Regional	1,954	629	111	(1,214)
Unsealed Rural Roads (URR) - Local	5,802	1,561	645	(3,596)
Unsealed Rural Roads (URR) - Regional	499	-	499	-
Bridges on UR - Local	-	-	-	-
Bridges on SRR - Local	-	-	-	-
Bridges on URR - Local	-	-	-	-
Bridges on Regional Roads	28	-	-	(28)
Parking Areas	-	-	-	-
Footpaths	94	-	-	(94)
Aerodromes	70	-	-	(70)
Other Transport & Communication	1,035	975	-	(60)
Total Transport and Communication	10,847	3,279	1,289	(6,279)
Economic Affairs				
Camping Areas & Caravan Parks	323	362	-	39
Other Economic Affairs	848	568	310	30
Total Economic Affairs	1,171	930	310	69
Totals – Functions	17,715	7,088	1,709	(8,918)
General Purpose Revenues⁽²⁾		3,990		3,990
Share of interests - joint ventures & associates using the equity method	-	-		-
NET OPERATING RESULT⁽¹⁾	17,715	11,078	1,709	(4,928)

(1) As reported in the Income Statement

(2) Includes: Rates & Annual Charges (incl. Ex Gratia, excl. Water & Sewer), Non Capital General Purpose Grants, Interest on Investments (excl. Ext. Restricted Assets) & Interest on overdue Rates & Annual Charges

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)

for the financial year ended 30 June 2013

\$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
Loans (by Source)											
Commonwealth Government	-	-	-	-	-	-	-	-	-	-	-
Treasury Corporation	-	-	-	-	-	-	-	-	-	-	-
Other State Government	-	-	-	-	-	-	-	-	-	-	-
Public Subscription	-	-	-	-	-	-	-	-	-	-	-
Financial Institutions	212	3,069	3,281	1,000	207	-	-	223	267	3,807	4,074
Other	-	-	-	-	-	-	-	-	-	-	-
Total Loans	212	3,069	3,281	1,000	207	-	-	223	267	3,807	4,074
Other Long Term Debt											
Ratepayers Advances	-	-	-	-	-	-	-	-	-	-	-
Government Advances	-	-	-	-	-	-	-	-	-	-	-
Finance Leases	-	-	-	-	-	-	-	-	-	-	-
Deferred Payments	-	-	-	-	-	-	-	-	-	-	-
Total Long Term Debt	-	-	-	-	-	-	-	-	-	-	-
Total Debt	212	3,069	3,281	1,000	207	-	-	223	267	3,807	4,074

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

This Schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

Balranald Shire Council

Special Schedule No. 3 - Water Supply Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
A Expenses and Income Expenses		
1. Management expenses		
a. Administration	87	146
b. Engineering and Supervision	-	-
2. Operation and Maintenance expenses		
- Dams & Weirs		
a. Operation expenses	-	-
b. Maintenance expenses	-	-
- Mains		
c. Operation expenses	-	-
d. Maintenance expenses	59	55
- Reservoirs		
e. Operation expenses	-	-
f. Maintenance expenses	14	12
- Pumping Stations		
g. Operation expenses (excluding energy costs)	-	-
h. Energy costs	90	59
i. Maintenance expenses	128	117
- Treatment		
j. Operation expenses (excluding chemical costs)	-	-
k. Chemical costs	51	41
l. Maintenance expenses	-	-
- Other		
m. Operation expenses	-	-
n. Maintenance expenses	74	61
o. Purchase of water	13	11
3. Depreciation expenses		
a. System assets	254	237
b. Plant and equipment	-	-
4. Miscellaneous expenses		
a. Interest expenses	82	81
b. Revaluation Decrements	-	-
c. Other expenses	-	-
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalents Dividends (actually paid)	-	-
5. Total expenses	852	820

Balranald Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
Income		
6. Residential charges		
a. Access (including rates)	269	234
b. Usage charges	220	182
7. Non-residential charges		
a. Access (including rates)	91	57
b. Usage charges	67	53
8. Extra charges	-	-
9. Interest income	-	-
10. Other income	64	62
10a. Aboriginal Communities Water and Sewerage Program	-	-
11. Grants		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	-	-
c. Other grants	-	-
12. Contributions		
a. Developer charges	-	-
b. Developer provided assets	-	-
c. Other contributions	-	-
13. Total income	711	588
14. Gain (or loss) on disposal of assets	-	-
15. Operating Result	(141)	(232)
15a. Operating Result (less grants for acquisition of assets)	(141)	(232)

Balranald Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
B Capital transactions		
Non-operating expenditures		
16. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	-	26
b. New Assets for Growth	-	-
c. Renewals	79	119
d. Plant and equipment	-	-
17. Repayment of debt		
a. Loans	43	36
b. Advances	-	-
c. Finance leases	-	-
18. Transfer to sinking fund	-	-
19. Totals	122	181
Non-operating funds employed		
20. Proceeds from disposal of assets	-	-
21. Borrowing utilised		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
22. Transfer from sinking fund	-	-
23. Totals	-	-
C Rates and charges		
24. Number of assessments		
a. Residential (occupied)	801	800
b. Residential (unoccupied, ie. vacant lot)	-	-
c. Non-residential (occupied)	-	-
d. Non-residential (unoccupied, ie. vacant lot)	157	154
25. Number of ETs for which developer charges were received	- ET	- ET
26. Total amount of pensioner rebates (actual dollars)	\$ 12,134	\$ 13,640

Balranald Shire Council

Special Schedule No. 3 - Water Supply Cross Subsidies

for the financial year ended 30 June 2013

\$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
27. Annual charges			
a. Does Council have best-practice water supply annual charges and usage charges*?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
If Yes, go to 28a.			
If No, please report if council has removed land value from access charges (ie rates)?			
<input type="checkbox"/>			
NB. Such charges for both residential customers and non-residential customers comply with section 3.2 of Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy from residential customers using less than allowance (page 25 of Guidelines)			<input type="text"/>
c. Cross-subsidy to non-residential customers (page 24 of Guidelines)			<input type="text"/>
d. Cross-subsidy to large connections in unmetered supplies (page 26 of Guidelines)			<input type="text"/>
28. Developer charges			
a. Has council completed a water supply Development Servicing** Plan?	<input type="checkbox"/>	<input type="checkbox"/> No	
b. Total cross-subsidy in water supply developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
29. Disclosure of cross-subsidies			
Total of cross-subsidies (27b + 27c + 27d + 28b)			<input type="text" value="-"/>

* Councils which have not yet implemented best practice water supply pricing should disclose cross-subsidies in items 27b, 27c and 27d above.

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice pricing and is phasing in such pricing over a period of 3 years.

Balranald Shire Council

Special Schedule No. 4 - Water Supply Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2013

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
30. Cash and investments			
a. Developer charges	-	-	-
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	23	-	23
31. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	156	-	156
c. User Charges	-	-	-
d. Other	27	-	27
32. Inventories	-	-	-
33. Property, plant and equipment			
a. System assets	-	6,949	6,949
b. Plant and equipment	-	12	12
34. Other assets	-	12	12
35. Total assets	206	6,973	7,179
LIABILITIES			
36. Bank overdraft	-	-	-
37. Creditors	4	-	4
38. Borrowings			
a. Loans	61	1,190	1,251
b. Advances	-	-	-
c. Finance leases	-	-	-
39. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
40. Total liabilities	65	1,190	1,255
41. NET ASSETS COMMITTED	141	5,783	5,924
EQUITY			
42. Accumulated surplus			2,130
43. Asset revaluation reserve			3,794
44. TOTAL EQUITY			5,924
Note to system assets:			
45. Current replacement cost of system assets			14,285
46. Accumulated current cost depreciation of system assets			(7,336)
47. Written down current cost of system assets			6,949

Balranald Shire Council

Special Schedule No. 5 - Sewerage Service Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
A Expenses and Income Expenses		
1. Management expenses		
a. Administration	44	42
b. Engineering and Supervision	-	-
2. Operation and Maintenance expenses		
- Mains		
a. Operation expenses	41	50
b. Maintenance expenses	-	-
- Pumping Stations		
c. Operation expenses (excluding energy costs)	-	-
d. Energy costs	20	15
e. Maintenance expenses	44	46
- Treatment		
f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	-	-
g. Chemical costs	3	2
h. Energy costs	-	-
i. Effluent Management	-	-
j. Biosolids Management	-	-
k. Maintenance expenses	-	-
- Other		
l. Operation expenses	-	-
m. Maintenance expenses	-	-
3. Depreciation expenses		
a. System assets	183	156
b. Plant and equipment	-	-
4. Miscellaneous expenses		
a. Interest expenses	-	-
b. Revaluation Decrements	-	-
c. Other expenses	-	-
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalents Dividends (actually paid)	-	-
5. Total expenses	335	311

Balranald Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
Income		
6. Residential charges (including rates)	200	200
7. Non-residential charges		
a. Access (including rates)	32	32
b. Usage charges	6	5
8. Trade Waste Charges		
a. Annual Fees	-	-
b. Usage charges	-	-
c. Excess mass charges	-	-
d. Re-inspection fees	-	-
9. Extra charges	-	-
10. Interest income	57	64
11. Other income	6	35
11a. Aboriginal Communities Water & Sewerage Program	28	-
12. Grants		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	-	-
c. Other grants	-	-
13. Contributions		
a. Developer charges	-	-
b. Developer provided assets	-	-
c. Other contributions	-	-
14. Total income	329	336
15. Gain (or loss) on disposal of assets	-	-
16. Operating Result	(6)	25
16a. Operating Result (less grants for acquisition of assets)	(6)	25

Balranald Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
B Capital transactions		
Non-operating expenditures		
17. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	-	-
b. New Assets for Growth	-	-
c. Renewals	16	16
d. Plant and equipment	-	-
18. Repayment of debt		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
19. Transfer to sinking fund	-	-
20. Totals	16	16
Non-operating funds employed		
21. Proceeds from disposal of assets	-	-
22. Borrowing utilised		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
23. Transfer from sinking fund	-	-
24. Totals	-	-
C Rates and charges		
25. Number of assessments		
a. Residential (occupied)	774	773
b. Residential (unoccupied, ie. vacant lot)	-	-
c. Non-residential (occupied)	124	122
d. Non-residential (unoccupied, ie. vacant lot)	-	-
26. Number of ETs for which developer charges were received	- ET	- ET
27. Total amount of pensioner rebates (actual dollars)	\$ 11,977	\$ 13,497

Balranald Shire Council

Special Schedule No. 5 - Sewerage Cross Subsidies

for the financial year ended 30 June 2013

\$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
28. Annual charges			
a. Does Council have best-practice sewerage annual charges, usage charges and trade waste fees & charges*?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
If Yes, go to 29a.			
If No, please report if council has removed land value from access charges (ie rates)?			
<input type="checkbox"/>			
<input type="checkbox"/>			
NB. Such charges for both residential customers and non-residential customers comply with section 4.2 & 4.3 of the Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy to non-residential customers (page 45 of Guidelines)			<input type="text"/>
c. Cross-subsidy to trade waste discharges (page 46 of Guidelines)			<input type="text"/>
29. Developer charges			
a. Has council completed a sewerage Development Servicing** Plan?	<input type="checkbox"/>	<input type="checkbox"/> No	
b. Total cross-subsidy in sewerage developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
30. Disclosure of cross-subsidies			
Total of cross-subsidies (28b + 28c + 29b)			<input type="text" value="-"/>
<p>* Councils which have not yet implemented best practice sewer pricing & liquid waste pricing should disclose cross-subsidies in items 28b and 28c above.</p> <p>However, disclosure of cross-subsidies is not required where a Council has implemented best practice sewerage and liquid waste pricing and is phasing in such pricing over a period of 3 years.</p>			

Balranald Shire Council

Special Schedule No. 6 - Sewerage Service Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2013

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
31. Cash and investments			
a. Developer charges	-	-	-
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	1,571	-	1,571
32. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	66	-	66
c. User Charges	-	-	-
d. Other	-	-	-
33. Inventories	-	-	-
34. Property, plant and equipment			
a. System assets	-	6,672	6,672
b. Plant and equipment	-	65	65
35. Other assets	-	-	-
36. Total Assets	1,637	6,737	8,374
LIABILITIES			
37. Bank overdraft	-	-	-
38. Creditors	-	-	-
39. Borrowings			
a. Loans	-	-	-
b. Advances	-	-	-
c. Finance leases	-	-	-
40. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
41. Total Liabilities	-	-	-
42. NET ASSETS COMMITTED	1,637	6,737	8,374
EQUITY			
42. Accumulated surplus			3,276
44. Asset revaluation reserve			5,098
45. TOTAL EQUITY			8,374
Note to system assets:			
46. Current replacement cost of system assets			11,937
47. Accumulated current cost depreciation of system assets			(5,265)
48. Written down current cost of system assets			6,672

Balranald Shire Council

Notes to Special Schedule No.'s 3 & 5 for the financial year ended 30 June 2013

Administration ⁽¹⁾

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Meter reading.
- Bad and doubtful debts.
- Other administrative/corporate support services.

Engineering and supervision ⁽¹⁾

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Other technical and supervision staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.

Operational expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

Maintenance expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

Other expenses (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

Impairment Losses (item 4d & 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

Aboriginal Communities Water and Sewerage Program (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and sewerage revenue.

Residential charges ⁽²⁾ (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a Access Charges (including rates if applicable) and 6b Usage Charges.

Non-residential charges ⁽²⁾ (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a Access Charges (including rates if applicable) and 7b Usage Charges.

Trade waste charges (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a Annual Fees, 8b Usage Charges and 8c Excess Mass Charges and 8d Re-inspection Fees.

Other income (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

Other contributions (items 12c and 13c of Special Schedules 3 and 5 respectively) incl. capital contributions for water supply or sewerage services received by Council under Section 565 of the Local Government Act.

Notes:

⁽¹⁾ Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

⁽²⁾ To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

		Dep'n. Rate (%)	Dep'n Expense (\$)			Accum. Depreciation Amortisation & Impairment	Carrying Amount (WDV)	Asset Condition ^{#.}	Estimated cost to bring up to a satisfactory condition / standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Current ⁽³⁾ Annual Maintenance
ASSET CLASS	Asset Category			Cost	Valuation						
Buildings		per Note 1	per Note 4	<<<<<<<<<< per Note 9 >>>>>>>>>>							
	Council Offices	2.00%	48		1,347	767	580	1		19	20
	Council Works Depot	2.00%	29		1,154	635	519	3		6	8
	Council Halls	2.00%	15		606	455	151	3		7	5
	Council Houses	2.00%	63		1,876	988	888	2		25	57
	Museum	2.00%	4		175	127	48	2		1	1
	Retirement Hostel	2.00%	52		2,168	702	1,466	1		36	51
	RF Self Care Units	2.00%	9		430	-	430	1		8	5
	Court St. Units	2.00%	14		784	184	600	1		-	-
	Pre-School	2.00%	26		1,181	597	584	1		3	1
	Senior Citizens	2.00%	12		342	256	86	2		5	7
	Health Buildings	2.00%	15		353	216	137	2		4	9
	Women's Rest Centre	2.00%	14		360	270	90	2		3	4
	Theatre Royal	2.00%	52		2,425	1,657	768	3		15	14
	RFS Station	2.00%	2		14	10	4	1		1	1
	SES	2.00%	1		49	33	16	2		1	2
	Golf Club	2.00%	19		911	683	228	2		3	2
	Heritage Park Building	2.00%	16		838	629	209	2		5	5
	Euston Court	2.00%	12		491	352	139	3		5	4
	Library	2.00%	4		228	132	96	2		16	11
	Art Gallery	2.00%	8		425	215	210	2		-	-
	Euston Rec Res	2.00%	20		1,009	317	692	2		2	1
	Aerodrome	2.00%	46		165	124	41	3		4	4
	Caravan Park	2.00%	25		1,194	567	627	2		15	14
	Amenities/Toilets	2.00%	59		5,775	3,500	2,275	3		33	32
	RFS Sheds	2.00%	6		268	45	223	2		6	6
	sub total			571	-	24,568	13,461	11,107		-	223

		Dep'n. Rate (%)	Dep'n Expense (\$)	Cost	Valuation	Accum. Depreciation Amortisation & Impairment	Carrying Amount (WDV)	Asset Condition ^{#.}	Estimated cost to bring up to a satisfactory condition / standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Current ⁽³⁾ Annual Maintenance
ASSET CLASS	Asset Category										
Other Structures		per Note 1	per Note 4	<<<<<<<<< per Note 9 >>>>>>>>							
	Assets not included in Buildings		-				-			-	-
	4 Picnic tables & area - Kyalite		-	3	1	2	1		-	-	
	Aerodrome		1	45	12	33	3		-	-	
	Aerodrome Fencing		-	7	1	6	3		-	-	
	Anderson Street Shade Structure		1	16	6	10	2		-	-	
	Back Car Park - Heritage Park		14	247	14	233	1		-	-	
	Balranald Art Gallery		-	10	2	8	3		-	-	
	Balranald Boat Ramp		5	174	18	156	2		15	15	
	Balranald Caravan Park		3	154	71	83	2		10	10	
	Balranald Cemetry Fencing		3	38	11	27	3		-	-	
	Balranald Golf Club		2	110	72	38	3		-	-	
	Balranald Levee		-	1	-	1	2		-	-	
	Balranald Levee Bank Stage 1		31	2,323	305	2,018	2		-	-	
	Balranald Levee Bank Stage 2		5	464	24	440	2		-	-	
	Balranald Main Pool		56	1,041	545	496	3		38	18	
	Balranald Market St Demonstration Site		3	105	8	97	2		-	-	
	Balranald Pool Fencing		1	17	5	12	2		-	-	
	Balranald Pool Shade Sails		3	48	11	37	2		-	-	
	Balranald Pre-School		-	65	17	48	2		-	-	
	Balranald Waste Disposal Unit		1	50	23	27	3		4	2	
	Balranald Works Depot		1	60	27	33	3		5	5	
	BBQ etc - Kyalite		-	2	-	2	3		-	-	
	BBQ/FurnFence		-	23	12	11	3		-	-	
	Bidgee Haven Hostel		1	44	16	28	2		12	18	
	Birdcage Fencing		-	17	7	10	3		-	-	
	Bores at Langley Dale		2	47	19	28	2		-	-	

Special Schedules 2013

ASSET CLASS	Asset Category	Dep'n. Rate (%)	Dep'n Expense (\$)	Cost	Valuation	Accum. Depreciation Amortisation & Impairment	Carrying Amount (WDV)	Asset Condition [#] .	Estimated cost to bring up to a satisfactory condition / standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Current ⁽³⁾ Annual Maintenance
Other Structures <i>(continued)</i>		per Note 1	per Note 4	<<<<<<<<< per Note 9 >>>>>>>>>							
	Bores at Melton		2		47	19	28	2		-	-
	Business plan for Water&Sewer		-		16	3	13	2		-	-
	Campdraft Yards		-		25	23	2	4		1	1
	Caravan Park BBQ		-		4	3	1	2		-	-
	Caravan Park Internal Road		-		2	-	2	2		-	-
	Caravan Park Pool		2		50	16	34	2		-	-
	Clare Public School Multi Purpose Court		-		13	1	12	2		-	-
	Concrete Pavement For Cabin		1		35	1	34	2		-	-
	Connect Bird Trail with Raw Water		3		173	23	150	3		-	-
	Council Chambers & Offices		-		16	11	5	2		-	-
	E.Cem Fencing		-		3	3	-	2		-	-
	Euston Boat Ramp		6		165	50	115	2		2	4
	Euston Cemetery Path		-		13	-	13	2		-	-
	Euston Cenotaph Park		1		14	1	13	2		1	2
	Euston Court House		-		10	5	5	3		-	-
	Euston Levee Bank		19		1,162	33	1,129	1		5	5
	Euston Main Street Beautification		-		18	3	15	2		-	-
	Euston Netball Court		-		23	2	21	2		-	-
	Euston Pre-School 27-29 Perry St		-		16	4	12	2		1	1
	Euston Public Wharf		6		109	57	52	3		1	1
	Euston Rec Reserve Lightin & Watering S		-		31	7	24	2		-	-
	Euston Recreational Ground		1		60	28	32	2		10	16
	Euston Tip Fence		1		16	1	15	2		-	-
	Euston wharf - point 12, drive 6		-		7	7	-	3		-	-
	Euston Works Depot		-		10	5	5	3		-	-
	Fence - 38 Court Street		-		3	-	3	1		-	-

Special Schedules 2013

ASSET CLASS	Asset Category	Dep'n. Rate (%)	Dep'n Expense (\$)	Cost	Valuation	Accum. Depreciation Amortisation & Impairment	Carrying Amount (WDV)	Asset Condition [#] .	Estimated cost to bring up to a satisfactory condition / standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Current ⁽³⁾ Annual Maintenance
Other Structures <i>(continued)</i>		per Note 1	per Note 4	<<<<<<<<< per Note 9 >>>>>>>>>							
	Fence/Furn etc		-		10	3	7	2		-	-
	Fence/Furn/PGround		-		12	10	2	3		-	-
	Fence/PGrnd		-				-	2		-	-
	Fencing		-		2	1	1	3		-	-
	Fencing T/Works @ valuation		-		8	3	5	3		-	-
	Fencing/Light/Lscap		-		17	9	8	3		-	-
	Flood Mitigation Works		1		59	6	53	3		-	-
	Front Car Park - Heritage Park		1		49	1	48	1		-	-
	Furn/Fencing		-		14	10	4	2		-	-
	Glimmer Garden		1		30	1	29	1		-	-
	Gravel Pits		-		119	119	-	3		-	-
	Greenham Park Entrance Improvement		-		3	3	-	2		-	-
	Greenham Park Sporting Complex		2		110	28	82	3		51	46
	Hatfield Tower		3		125	33	92	3		-	-
	Heritage Park		-		15	4	11	3		-	-
	Improvements Lake Benanee		1		22	3	19	3		-	-
	Information Shelter (Rotunda)		-		16	1	15	2		-	-
	Kyalite Boat Ramp		8		212	64	148	3		1	1
	Library & CWA Buildings		1		27	10	17	3		-	-
	Library Books		-		153	153	-	2		-	-
	Mandoola Independent Living Units		-		30	6	24	2		-	-
	Medium Strip Sprinklers Euston		-		13	2	11	2		-	-
	Netball Courts		4		120	31	89	3		7	7
	Old Balranald Boat Ramp		7		129	67	62	3		-	-
	Oxley High Tower		8		207	63	144	3		3	3
	Oxley Tip Litter Fence		-		2	-	2	3		-	-

Special Schedules 2013

Special Schedule No. 7 - Condition of Public Works (continued)
as at 30 June 2013

		Dep'n. Rate (%)	Dep'n Expense (\$)			Accum. Depreciation Amortisation & Impairment	Carrying Amount (WDV)	Asset Condition ^{#.}	Estimated cost to bring up to a satisfactory condition / standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Current ⁽³⁾ Annual Maintenance
ASSET CLASS	Asset Category			Cost	Valuation						
Other Structures (continued)		per Note 1	per Note 4	<<<<<<<<< per Note 9 >>>>>>>>>							
	Paika Creek Culvert		2		165	2	163	2		-	-
	Parts for suction pipe-upgrade		2		34	25	9	3		-	-
	Penarie High Tower		9		221	67	154	2		4	4
	Penarie Low Tower		4		94	28	66	2		3	3
	Platform and Stairs - Greenham Park		-		6	1	5	2		-	-
	Playground Anderson Park Selwyn St		2		44	13	31	2		2	3
	Playground Bal. Library We St Park		1		20	8	12	3		2	3
	Playground Greenham Park Church St		1		28	4	24	3		2	2
	Playground Lions Park Market St		1		30	7	23	2		6	8
	Playground O'Connor Street Park		1		13	4	9	3		1	2
	Playground Tennis Courts We St GPK		3		84	19	65	3		2	2
	Playground Visitor Information Centre		1		14	4	10	3		2	3
	Pony Club Improvement		-		6	1	5	3		-	-
	Reserve on River at end of Mayall St.		1		39	10	29	3		-	-
	Running Stalls		-		45	29	16	2		-	-
	Seats/Fencing etc		-		15	9	6	3		-	-
	Senior Citizens Centre		-		25	6	19	2		-	-
	Shed on Car Park		-		16	12	4	3		-	-
	Sprinkler Sys Balranald Lawn Cemetery		1		44	12	32	3		-	-
	Stables		3		172	146	26	3		5	5
	Swing Bridge		-		212	-	212	1		-	-
	Tennis Courts		3		132	112	20	3		3	2
	Tip Fencing-Eus @ valuation		-		5	5	-	3		-	-
	Turlee Bore		-		10	10	-	2		-	-
	Underground Pillar - Electricity Supply		-		6	1	5	2		-	-
	Washdown Bay		1		4	3	1	3		-	-
	sub total			248	-	10,140	2,702	7,438		-	199

		Dep'n. Rate (%)	Dep'n Expense (\$)	Cost	Valuation	Accum. Depreciation Amortisation & Impairment	Carrying Amount (WDV)	Asset Condition [#] .	Estimated cost to bring up to a satisfactory condition / standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Current ⁽³⁾ Annual Maintenance
ASSET CLASS	Asset Category										
Public Roads		per Note 1	per Note 4	<<<<<<<<<< per Note 9 >>>>>>>>>							
	Sealed Roads	3.56%	2,177		68,952	8,179	60,773	3		1,532	1,752
	Unsealed Roads	2.93%	4,236		72,423	23,958	48,465	3		1,908	2,120
	Bridges	1.25%	28		2,054	341	1,713	2		20	18
	Footpaths	2.50%	75		1,392	319	1,073	3		22	20
	sub total		6,516	-	144,821	32,797	112,024		-	3,482	3,910
Water											
	Treatment Plants	1.05%	124		5,277	2,733	2,544	2		14	14
	Reservoirs	1.37%	31		2,514	1,288	1,226	3		8	4
	Pipeline	2.04%	25		743	379	364	3		128	132
	Pump Station	2.04%	71		5,669	2,909	2,760	3		145	128
	sub total		251	-	14,203	7,309	6,894		-	295	278
Sewerage											
	Pump Stations	2.10%	46		3,237	1,656	1,581	3		47	44
	Pipeline	1.29%	108		7,540	3,050	4,490	3		66	41
	Treatment Works	2.23%	21		1,067	555	512	3		4	3
	sub total		175	-	11,844	5,261	6,583		-	117	88

		Dep'n. Rate (%)	Dep'n Expense (\$)	Cost	Valuation	Accum. Depreciation Amortisation & Impairment	Carrying Amount (WDV)	Asset Condition [#] .	Estimated cost to bring up to a satisfactory condition / standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Current ⁽³⁾ Annual Maintenance
ASSET CLASS	Asset Category										
Drainage Works		per Note 1	per Note 4	<<<<<<<<< per Note 9 >>>>>>>>>							
	Outfalls	1.00%	16		459	174	285	2		-	-
	Stormwater Conduits	1.11%	33		2,175	344	1,831	2		-	-
	Head Walls	1.00%	1		18	8	10	2		-	-
	Outfall Structures	1.00%	11		828	90	738	2		10	4
	Kerb & Gutter	1.00%	66		3,684	524	3,160	2		18	10
	Open Earth Drains	1.00%	6		425	20	405	2		-	-
	Stormwater Culverts	1.00%	9		468	123	345	2		-	-
	Converters	1.00%	2		32	9	23	2		-	-
	sub total		144	-	8,089	1,292	6,797		-	28	14
	TOTAL - ALL ASSETS		7,905	-	213,665	62,822	150,843		-	4,344	4,746

- (1). Satisfactory refers to estimated cost to bring the asset to a satisfactory condition as deemed by Council. It does not include any planned enhancements to the existing asset.
- (2). Required Annual Maintenance is what should be spent to maintain assets in a satisfactory standard.
- (3). Current Annual Maintenance is what has been spent in the current year to maintain assets.

1	Excellent - No work required (normal maintenance)
2	Good - Only minor maintenance work required
3	Average - Maintenance work required
4	Poor - Renewal required
5	Very Poor - Urgent renewal/upgrading required

Balranald Shire Council

Special Schedule No. 8 - Financial Projections

as at 30 June 2013

\$'000	Actual ⁽¹⁾ 12/13	Forecast ⁽³⁾ 13/14	Forecast ⁽³⁾ 14/15	Forecast ⁽³⁾ 15/16	Forecast ⁽³⁾ 16/17	Forecast ⁽³⁾ 17/18	Forecast ⁽³⁾ 18/19	Forecast ⁽³⁾ 19/20	Forecast ⁽³⁾ 20/21	Forecast ⁽³⁾ 21/22	Forecast ⁽³⁾ 22/23
(i) OPERATING BUDGET											
Income from continuing operations	12,787	10,911	11,319	11,772	12,131	12,484	12,852	13,236	13,633	14,042	-
Expenses from continuing operations	17,715	17,066	17,105	17,184	17,207	17,243	17,375	17,529	17,733	17,903	-
Operating Result from Continuing Operations	(4,928)	(6,155)	(5,786)	(5,412)	(5,076)	(4,759)	(4,523)	(4,293)	(4,100)	(3,861)	-
(ii) CAPITAL BUDGET											
New Capital Works ⁽²⁾	1,647	5	4	136	-	-	-	-	-	-	-
Replacement/Refurbishment of Existing Assets	781	2,014	1,632	1,721	1,570	1,231	760	1,453	874	558	-
Total Capital Budget	2,428	2,019	1,636	1,857	1,570	1,231	760	1,453	874	558	-
Funded by:											
– Loans	-	-	-	-	-	-	-	-	-	-	-
– Asset sales	68	350	250	300	-	-	-	-	-	-	-
– Reserves	-	-	-	-	-	-	-	-	-	-	-
– Grants/Contributions	2,360	1,669	1,386	1,557	1,570	1,231	760	1,453	874	558	-
– Recurrent revenue	-	-	-	-	-	-	-	-	-	-	-
– Other	-	-	-	-	-	-	-	-	-	-	-
	2,428	2,019	1,636	1,857	1,570	1,231	760	1,453	874	558	-

Notes:

(1) From 12/13 Income Statement.

(2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.

(3) Financial projections should be in accordance with Council's Integrated Planning and Reporting framework.

Balranald Shire 2022 Community Strategic Plan Outcomes

Pillar One: OUR PEOPLE

A community that is proactive, engaged, inclusive and connected

Council has measured the performance of the following actions from the Community Strategic Plan

Balranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
1.1.1	Community Development	d) Utilise Theatre for More social events	Theatre utilisation increased by 25% on previous year	In 12 months the Theatre usage has increased by 28%.
1.2.1	Community Development	a) Create welcome teams in each township b) Assemble welcome kits with information	Teams in place by June 2013 Kit prepared by March 2013	These items have been deferred to the 2013/14 Operational Plan.
1.2.2	Community Development	a) Create opportunities to share and celebrate cultural diversity and achievements c) Create welcome to country information signage	Host joint events to celebrate NAIDOC Week and Reconciliation Week Signage to be created and installed by June 2013	The Aboriginal flag raising was held at the Shire Council Office during Reconciliation Week. Councillors and Staff attended the flag raising at the Aboriginal Lands Council and the event at Greenham Park. This signage is to be developed with the completion of the new visitor complex at heritage park in early 2014.

Pillar One: OUR PEOPLE Continued

Balaranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
1.2.3	Community Development	a) Develop a skill and passion survey b) Create database and website c) Create connection between shared skills and passions	Completed by March 2013 Completed by March 2013 Completed by June 2013	These items have been deferred to the 2013/14 Operational Plan
1.2.4	Community Development	b) Develop community directory c) Develop quality community website d) Develop central and attractive noticeboards in all townships e) Investigate initiatives, increase Euston content in the Robinvale Sentinel	Completed by September 2012 Website completed by December 2012. User survey by March 2013 Completed by December 2012 Ongoing relationship developed. Monitor Sentinel for additional Euston content	The Community Directory is in progress with likely completion in 2014. Quotes have been obtained and development is progressing with the Tourism Website to be completed first by the end of August 2013. The Council website to be completed by the end of December 2013. Balaranald signs completed and a Euston sign under investigation. Balaranald Information Bay, Bakery wall Swan Hill Road signs, Billboards and Lake Benanee signs completed. Regular media releases are sent to the Sentinel

Pillar One: OUR PEOPLE Continued

Balranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
1.2.5	Community Development	b)Use of community conversations and focus groups	Improved liaison with community. Increased community participation in conversations and focus groups	Council has been using community consultation on an increased basis. E.g. the Interpretative Centre
1.3.1	Community Development	c)Investigate the appointment of a youth worker e)Facilitate school holiday program	Investigations complete with options identified Increased number of school holiday activities	Applied for funding in Round 1 which was unsuccessful. Other funding opportunities are being investigated Council partially funded the Outback Theatre For Young People Program.

Pillar Two: OUR PLACE

A liveable and thriving community that maintains lifestyle opportunities and addresses its disadvantages

Council has measured the performance of the following actions from the Community Strategic Plan

Balaranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
2.1.1	Community Development	a) Develop, implement and promote a population retention and attraction strategy	Strategy developed by April 2013. Implementation and promotion by June 2013.	This item was deferred to the 2013/14 Operational Plan
2.1.2	Economic Development	a) Instigate regular dialogue with mining companies b) Research other towns experiencing new mining activities	Meetings held on a quarterly basis Research completed by March 2013	DECD in regular communication with the mining companies. Regular briefings are given to Council and the community. This item was deferred to the 2013/14 Operational Plan
2.2.3	Aged Care	a) Examine needs and options for an ageing population	Surveys and focus groups completed by March 2013	This item was deferred to the 2013/14 Operational Plan
2.3.1	Community Development	a) Identify funding sources and project partners b) Promote community engagement	Project funding and partners identified by April 2013 Focus Groups completed by May 2013	Both items were deferred to the 2014/15 Operational Plan

Pillar Two: OUR PLACE Continued

Balranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
2.3.2	Infrastructure	c) Construct hydrotherapy pool	Pool construction completed by August 2012.	Pool constructed with heating added. Internal finishes are required
2.3.3	Community Development	a) Encourage partnerships in all cultural and movie events at the Theatre Royal	Increased number of joint events held	A number of events held, including the Murray River International Music Festival, the Jinglisits and the Davidson Bros.
2.3.4	Infrastructure	a) Undertake an audit of current facilities in Euston and Balranald c) Consultation with the community	Audit undertaken by December 2012 Community consultation completed by March 2013	Survey and Audit completed This item was deferred to the 2013/14 Operational Plan

Pillar Three: OUR ECONOMY

A community that ensures a strong and resilient economy

Council has measured the performance of the following actions from the Community Strategic Plan

Balranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
3.1.1	Economic Development	a) Develop a Balranald Business Association b) Investigate a regular Business After Hours Networking event c) Instigate regular training initiatives responding to expressed needs for local businesses d) Promote a strong customer service ethos	Business Association established by December 2013 Bi – Annual event created by June 2013 Training Plan developed by Balranald Inc. Customer service workshops held in October 2012	Balranald Retail Group revitalised. Council assisted with the marketing of the Christmas Promotion. Completed by Balranald Inc. Hospitality courses have been run by Balranald Inc. and Balranald Inc. advised the training plan has been completed. BEC have conducted customer service workshops and had the small business bus visit Balranald.
3.1.2	Economic Development	a) Source funding for BEAR b) Design survey c) Recruit volunteer interviewers d) Implement the program over a two month period e) Prepare BEAR report	Funding secured by November 12 Completed by January 2013 Recruitment completed by Feb 2013 Surveys completed by April 2013 Report prepared by June 2013	Funding options are to be investigated for the project. All items deferred to the 2013/14 Operational Plan

Pillar Three: OUR ECONOMY Continued

Balranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
3.1.3	Economic Development	a) Promote and illustrate the availability of schemes like NEIS, IFP, ICAS and RRGRECDF	Ongoing referrals	Ongoing regular service provider visits and referrals by DECD
3.2.1	Economic Development	a) Audit existing tourism assets b) Identify and clarify key tourism changes c) Instigate stakeholder dialogue d) Explore collaborative approaches to marketing and promotions e) Support new tourism services and product and build tourism operator capacity	Completed by September 2012 Completed by October 2012 Monthly Tourism and Economic Development Meetings held Increased number of local and regional promotions and marketing activities Increased number of workshops held to support and grow the local tourism industry	Audit completed Tourism Strategy developed and adopted March 2012 Regular meetings held Caravan and Camping Shows, Billboards, National Parks Campaign, Murray Now, Murray RTO and new visitors guide Ongoing

Pillar Three: OUR ECONOMY Continued

Balranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
3.2.2	Economic Development	a) Continue community consultation b) Award tenders for design and construction	Regular public meetings held Tenders completed	Regular public meetings held Tenders completed June 2013
3.2.4	Economic Development	a) Improve resident appreciation of the parks as economic and cultural assets b) Collaborate on marketing initiatives	Increase in resident visitation to/ and awareness of National Parks Increase in joint marketing activities	Promotion through the Council newsletter and National Parks Campaign. NP communications on Regatta Point upgrades at Yanga Lake and Postcards in mail. Joint funding for National Parks Advertising Campaign including as partner Inland NSW Tourism
3.2.6	Infrastructure	a) Undertake signage audit and develop a signage plan	Town entrance signage completed by June 2013	This item was deferred to the 2013/14 Operational Plan

Pillar Three: OUR ECONOMY Continued

Balranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
3.3.1	Economic and Community Development	<p>a) Build a strong working relationship with Balranald Central School</p> <p>b) Audit local industry and business training needs</p> <p>c) Identify relevant training funding sources</p> <p>d) Develop a calendar of training programs</p> <p>e) Establish collaborative training arrangements with accredited trainers (MADEC, Riverina TAFE and MMT)</p> <p>f) Instigate small business training courses</p>	<p>Regular meetings with senior staff</p> <p>Audit undertaken by Balranald Inc. by June 2013</p> <p>Funding sources identified by Balranald Inc. by June 2013</p> <p>Calendar of training programs completed by Balranald Inc. by June 2013</p> <p>Quarterly meetings held with training providers by Balranald Inc.</p> <p>Small business training courses implemented by Balranald Inc.</p>	<p>Ongoing communication maintained by DECD. Hospitality courses ran by Balranald Inc.</p> <p>Completed by Balranald Inc.</p> <p>Completed by Balranald Inc.</p> <p>Completed by Balranald Inc.</p> <p>Balranald Inc. has been working with the training providers.</p> <p>Hospitality courses and BEC workshops provided by Balranald Inc. and Council</p>

Pillar Four: OUR CULTURE

A community that respects and celebrates its diverse cultures, heritage and arts

Council has measured the performance of the following actions from the Community Strategic Plan

Balranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
4.1.1	Community Development	a) Undertake a Shire Heritage assessment e) Extend the Heritage Trail in Balranald	Shire Heritage assessment by March 2013 Extension of Heritage Trail completed by May 2013	Both items were deferred to the 2013/14 Operational Plan

Pillar Five: OUR INFRASTRUCTURE

A community that maintains and strengthens its natural and built environment

Council has measured the performance of the following actions from the Community Strategic Plan

Balaranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
5.2.1	Infrastructure	a) Lobby for extension of mobile phone coverage and utilisation of unused mobile phone towers	Submissions completed to relevant stakeholders by September 2012	Council has sent letters to J Williams and S Ley and provided a submission to the mini Western Division Conference at Bourke. S Ley addressed the Council meeting in Dec. 2012.
5.2.2	Infrastructure	a) Lobby for inclusion in the next roll out of the NBB	Submissions completed to relevant stakeholders by September 2012	GM has lobbied via RAMROC.
5.3.2	Infrastructure	a) Review the pedestrian access management policy	Policy reviewed by February 2013	This item was deferred to the 2013/14 Operational Plan

Pillar Six: OUR LEADERSHIP

A community that values and fosters leadership, lifelong learning, innovation and good governance

Council has measured the performance of the following actions from the Community Strategic Plan

Balranald Shire 2022 Objectives	Council Services	Annual Operation Plan Actions 2012-2013	Action Performance Measurement	Outcomes
6.1.1	Community Development	a) Audit current leadership development opportunities at local, regional and State levels.	Audit completed by April 2012	This item was deferred to the 2013/14 Operational Plan
6.3.1	Civic Services	a) Organise regular forums that enable community participation in decision making b) Continue to encourage community involvement in Council Committees	Regular Committee meetings held Additional advertising through Council newsletter to attract new members to Committees	Regular committee meetings held. Additional advertising completed.
6.3.2	Organisational Management	a) Provide good governance, prudent financial management and effective support services for all its activities	Less than 15 customer complaints. No audit qualifications	Minimal customer complaints. No audit qualifications received.

Results of Capital Works for 2012-13

Description	Budgeted Amount	Status of Works
IT Equipment	\$20,000.00	Completed
Hostel Plant & Equipment	\$15,000.00	Completed
Hostel Office	\$35,000.00	Completed
Balranald Court House	\$100,000.00	Still awaiting Attorney General Departments approval
Euston Court House	\$10,000.00	Completed
Caravan Park Improvements	\$20,000.00	Partially completed
Caravan Park Shelter Shed	\$19,379.00	Completed
Board Walk & Bird Hide Upgrade	\$10,000.00	Deferred to 2013/14 Operational Plan
Balranald Entry Signs	\$30,000.00	Deferred to 2013/14 Operational Plan, awaiting completion of the Heritage Park Complex
Interpretative Centre I C A C P Contingency	\$1,351,000.00 \$233,000.00	Consultants engaged, planning complete, building scheduled for August 2013.
Motor Home & Caravan Car parking	\$305,000.00	Completed
Swing Bridge River Walk	\$200,000.00	Completed
Upgrade of Market Street	\$100,000.00	Completed
Airport Major Repairs to Sealed Pavement	\$73,000.00	Minor repairs made
Drainage Cnr River and O'Connor	\$20,000.00	Completed
Drainage Repair & pavement NRMA frontage	\$12,300.00	Completed
MR67 Seal Construction	\$415,756.00	Completed
MR67 Gravel Resheet (2 km)	\$55,110.00	Completed
MR514 Gravel Resheet (1 km)	\$54,790.00	Completed
Meilamn Rd Constn & Seal	\$277,280.00	Completed
Tapalin Mail Rd Constn & Seal	\$207,030.00	Completed
Oxley Clare Road Grid Replacement	\$77,740.00	Completed

Results of Capital Works for 2012-13

Purtill Court (Legals)	\$2,000.00	Completed
Balranald Footpaths (4 Ramps)	\$1,300.00	Completed
Disabled Parking Zone (Market St)	\$1,270.00	Completed
Euston Footpaths (3 Ramps)	\$2,600.00	Completed
Cat 12H Grader	\$380,000.00	Deferred to 2013/14 Operational Plan
Combination Roller	\$11,000.00	Deferred to 2013/14 Operational Plan
Mitsubishi Triton 4WD Utility	\$42,000.00	Completed
Ford Utility	\$28,000.00	Completed
Falcon Utility	\$28,000.00	Completed
Nissan Maxima	\$40,000.00	Completed
Nissan X-Trail	\$28,000.00	Completed
Ford Utility (HBO)	\$28,000.00	Completed
Vacuum Unit Culvert & Ramp Cleaning	\$25,000.00	Deferred to 2013/14 Operational Plan
Purchase 10m3 bogie axle pig trailer	\$80,000.00	Deferred to 2013/14 Operational Plan
Minor Plant	\$15,000.00	Completed
RTA - HVIS	\$125,000.00	Completed
Balranald Football Oval Lights R & M	\$30,000.00	Completed
Yanga Way Information Bay Improvements	\$3,000.00	Deferred to 2013/14 Operational Plan
Skate Park	\$45,000.00	Deferred to 2013/14 Operational Plan
Lake Benanee - Tourist Facilities	\$10,000.00	Completed
Balranald Tennis Club - Re-surface	\$10,000.00	Deferred to 2013/14 Operational Plan
Balranald River Bend Reserve NDR Funds	\$23,723.00	Completed
Pound Upgrade	\$3,500.00	Deferred to 2013/14 Operational Plan

Results of Capital Works for 2012-13

Euston Tip - Fencing Upgrade	\$10,600.00	Completed
Euston Tip - Signage Upgrade	\$2,000.00	Completed
Euston Tip - surveillance cameras	\$2,000.00	Completed
Oxley Tip litter fence	\$2,000.00	Completed
Balranald Filtered/raw water pump	\$30,000.00	Completed
Balranald Services Replacement	\$10,000.00	Completed
Fluoride Pump	\$6,000.00	Deferred to 2013/14 Operational Plan
Balranald AC Mains Replacement	\$20,000.00	Partially Completed
Balranald Alum Pump	\$7,000.00	Completed
Balranald Soda Ash Pump	\$3,000.00	Completed
Euston Dosing Pumps	\$7,000.00	Completed
Cover for Dosing pumps & Hyo Tank	\$3,000.00	Completed
Euston Telemetry Pump Station (Bates Subdivision)	\$15,000.00	Deferred to 2013/14 Operational Plan
Balranald Sewerage Pump	\$20,000.00	Completed
Paika Creek Culverts	\$165,000.00	Completed

Balranald State of the Environment Report

November 2013

This report has been prepared to report on the environment objectives identified in the Balranald Shire Community Strategic Plan – Balranald Shire 2030, dated 1st July 2012.

Strategic Objective 5.1: To preserve and enhance our natural environments ensuring they remain sustainable, healthy and clean.

Strategies	Priorities & Actions	Responsibility	Council's Role
5.1.1 Continual focus on reducing our environmental footprint and being environmentally sustainable.	a. Encourage environmentally friendly practices including recycling, composting etc.	BSC	Facilitator
	b. Encourage community awareness of natural environments.	BSC	Facilitator
5.1.2 Maintain healthy and clean river systems.	a. Support community projects to protect river systems and enhance positive river interactions.	Community	Advocate

Strategic Objective 5.3: Undertake key transport and energy infrastructure improvements.

Strategies	Priorities & Actions	Responsibility	Council's Role
5.3.1 Identify and lobby for key transport and road infrastructure improvements.	a. Lobby for the sealing of the Mungo access and loop roads.	BSC	Leader
	b. Investigate traffic calming mechanisms for Market Street	BSC, RMS	Leader
	c. Pursue opportunities to improve public transport options.	BSC, DT	Leader
5.3.2 Provide for more and improved footpaths, bike paths and mobility scooter paved concrete paths.	a. Review the Pedestrian Access Management Policy.	BSC	Leader
	b. Identify funding sources.	BSC	Leader
5.3.3 Identify potential access to new energy technologies and infrastructure.	a. Lobby for high speed internet access.	BSC, BI	Leader
	b. Investigate natural gas and solar technology opportunities.	BSC	Leader

Statutory Requirements

Elected Members

LGGR cl 217 (1) (a) (a1)

There were no overseas visits undertaken during the year by Councillors, Council Staff or other persons while representing the Council.

Council reimburses all reasonable travel costs on Council business. Costs involved with attendance at local government conferences and seminars are fully reimbursed. Refreshment and/or a meal are provided where appropriate in the course of meetings.

The mayoral allowance paid was \$23,162 and the councillor allowances paid were \$80,909.

The total cost of Councillor Expenses for 2012/13 was \$160,345. This includes allowances, insurance, sustenance, telephone, motor vehicle expenses, travelling and registration expenses for local government conferences and seminars. Those amounts required to be detailed separately but included in the above total cost are as follows:

- Provision of mobile phone to the mayor was at a cost of \$398.
- The attendance of councillors at conferences and seminars was at a cost of \$21,204.

A review of Council's payment of expenses and the provision of facilities to the mayor and councillors policy was adopted on the 20th November 2012. A copy of this policy has been provided.

Major Contracts Awarded

LGGR cl 217 (a2)

During the year ended 30/06/13 Council made the following payments on contracts valued above \$150,000:

Company	Service	Cost
STATEWIDE MUTUAL	Property & Public Liability Insurance	190,626.06
COUNTRY ENERGY	Electricity	153,580.53
L.V. BODINNAR PTY LTD	Fuel & Hardware	235,902.99
PRIMAL SURFACING	Bitumen Sealing Works	1,003,432.30
LGSS PTY LIMITED	Employee Superannuation	260,099.35
J. F. MURPHY	Building Construction Works	154,491.63
FITZGERALD EARTHMOVING	Hire of Plant	348,962.05
ROCLA PIPELINE PRODUCTS	Headwalls and Pipes	253,997.42
CAMERON PLANT HIRE	Hire of Plant	708,048.02
R.D. & D.T. POTTER	Hire of Plant	154,539.80
STRZELECKI ENGINEERING PTY LTD	Construction of Swing Bridge	204,721.00
SUNRAYSIA LAND DEVELOPMENT SPECIALISTS	Hire of Plant	652,573.36

Legal Proceedings**LGGR cl 217 (a3)**

No legal proceedings are pending or known.

Private works**LGGR cl 217 (a4)**

During the year Council did not undertake any work on private land on a subsidised basis.

Financial Assistance**LGGR cl 217 (a5)**

The following financial assistance was granted under Section 356 during the period.

Recipient	Description	Amount
Balranald Shire Seniors	Seniors Week	\$4,015.05
Zachary Jolliffe	Sports Representation	\$150.00
Canteen	Donation	\$50.00
Horizon Committee Charitable Fund	Three Rivers Run Donation	\$2,000.00
St Joseph's P & F	Presentation Night	\$50.00
Robinvale Ski Race Committee	Ski Race Sponsorship	\$636.36
New Year's Eve Committee	Fireworks Donation	\$1,500.00
Joseph Gervasi	Sports Representation	\$300.00
Kilfera Field Day RFD Appeal	Donation Royal Flying Doctors	\$250.00
Euston Public School	2 Literacy Awards	\$50.00
Daniel Woolhouse	Sports Representation	\$150.00
Cores Balranald	Community Course	\$150.00
Balranald Masonic Lodge	Rates Donation	\$900.00
Balranald CWA Inc.	Annual Donation	\$700.00
Balranald Central School	State Netball Championships	\$1,000.00
Balranald Central School	Aerobics Teams	\$1,000.00
Adam Simpson	Sports Representation	\$150.00
Total Grants		\$13,051.41

Rural Fire Activities**LGGR cl 217 (a6)**

Management of Bush Fire Brigades and hazard reduction activities has been delegated to the Commissioner, NSW Rural Fire Service.

Controlling Interest or Participation**LGGR cl 217 (a7) & (a8)**

Council did not hold a controlling interest or participated in any corporations, partnerships, trusts, joint ventures, syndicates or other bodies for the 2012/13 financial year.

Equal Opportunity Management Plan**LGGR cl 217 (a9)**

Council has adopted an Equal Employment Opportunity (EEO) management plan. The General Manager is the EEO Officer.

Due to the success of Council's EEO processes, Council has not considered it necessary to implement any additional training or activities.

Remuneration of the General Manager**LGGR cl 217 (b)**

The only member of staff classified as senior staff in terms of the Local Government Act 1993, is the General Manager who is employed on a remuneration package of \$164,465. This includes superannuation. The General Manager makes a payment to Council in respect of the provision of a motor vehicle. FBT of \$1,616 was paid in respect of the General Manager.

Stormwater Services**LGGR cl 217 (1) (e)**

Council has no stormwater levies in place.

Companion Animals**LGGR cl 217 (1) (f)**

Pound data has been lodged with the DLG

During the period \$9,346 was spent on animal management

Council encourages people to de-sex their animals at the time of registration

Council encourages adoption rather than euthanasia for unclaimed animals

Council does not have any of its reserves as leash free areas.

Government Information (Public Access) Act 2009 (GIPA)**Section 125****Publicly available information**

Council encourages the public to make informal applications where appropriate in order to meet the intent of the Government Information (Public Access) Act by allowing more information to become more easily available.

A range of information is available for public access on Council's website, at Council's offices or by contacting the Right to Information Officer by telephone or email.

Access applications received

Three requests were received as at 30 June 2013 and none are outstanding. Tables below provide details for the statistical information required under the act for the annual report.

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	2	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	1	0	0	0	0	0

Table B: 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
Personal information applications	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	3	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

Table C: Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	3
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	3
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act.

	Number of times consideration used
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of the 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 extension)	3
Decided after 25 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	3

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and the 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 the Act	0	0	0
Review by ADT	0	0	0
Total	0	0	0

Table H: Applications for review under Part 5 of the act (by type of applicant)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Compliance with PPIP Act

PPIP Act s 33

Council complies with the PPIP Act and no reviews were required to be undertaken.

Compliance Particulars - Environmental Plan' & Assess' Act s 93G(5)

Council has not entered into any planning agreements.

Details of Rates and Charges written off

LGGR cl 132

Rates and charges totalling \$152.90 were written off during 2012/2013, in accordance with the provisions of the Local Government Act 1993.

BALRANALD SHIRE COUNCIL

GIPAA Information Guide

30 June 2013

Government Information (Public Access) Act 2009 No 52
Part 3 Division 2 Section 20

Table of Contents

Foreword	2
Structure & Functions of Council	2
How Council's Functions affect the members of the Public	7
How the Public can participate in Council's Policy Development and the Exercise of Functions	8
Various kinds of Council Information held	9
Accessing Council Information	14
Copyright	15

1 Foreword

Council's Publication Guide, which sets out key information about Council and how this information can be accessed, is available below.

Our publication guide may help you to find information which is routinely published by Council.

In most cases, this information is available online and can be accessed directly by document links below however some information is only available at Council's Office at Market Street, Balranald. Where copies are requested, they will be made available at a reasonable cost.

Note that Council has limited resources and while every effort is made to ensure that website information is up to date, it may not be.

2 Structures and Functions of Council - (Section 20 (1) (a))

2.1 Description

Balranald Shire is located in the Western Riverina, 800km west of Sydney and 70 metres above sea level. Grazing land, horticultural activities, native mallee bushland are characteristic of the Shire of Balranald that includes the towns of Euston and Balranald. The Shire has a rich heritage including exploration, timber, and agriculture. The Shire has a strong community sentiment, everyday facilities and services, and thriving industries.

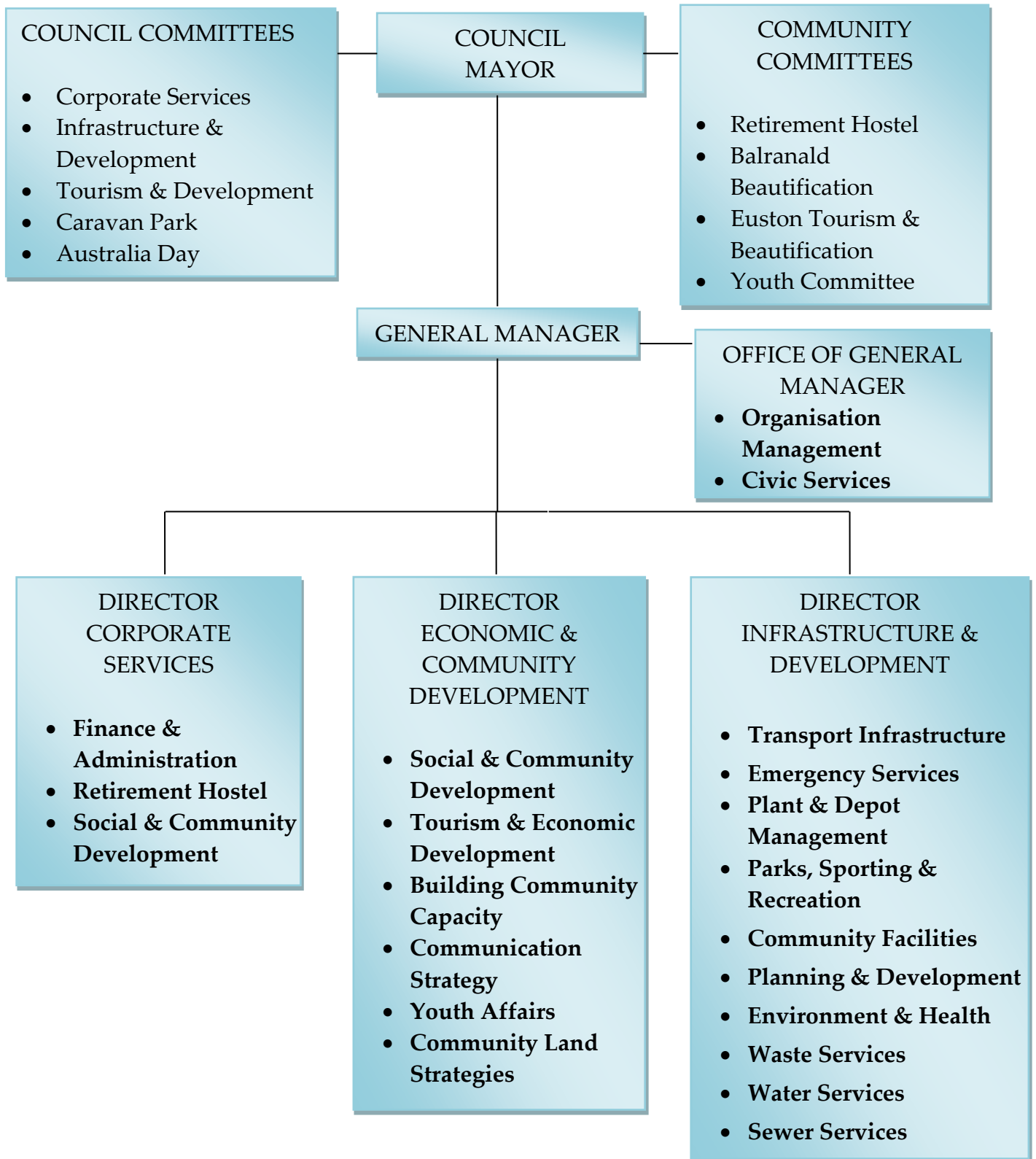
Balranald Shire Council provides goods, services and facilities appropriate to the current and future needs of local communities and of the wider public. As a major primary production region with national parks within its boundaries, the Council and its officers are concerned with principles of ecologically sustainable development in carrying out its responsibilities. The Council maintains a close association with the National Parks and Wildlife Service, Roads and Traffic Authority as well as many other Government Agencies.

2.2 Basis of Constitution

The Council of the Shire of Balranald is a statutory body under the Local Government Act (LGA), 1993.

2.3 Organisational Structure and Resources

Council's Structure and Functions



2.3 Organisational Structure and Resources (cont.)

The Balranald Shire Council is led by a publicly elected Council that is responsible for providing leadership and vision.

The Balranald Shire Council is governed by the body of eight Councillors who are elected by the residents and ratepayers every four years to represent the community. The eight Councillors are elected to carry out duties under the provisions of the Local Government Act, 1993, as amended and associated Regulations.

Each year a Mayor and Deputy Mayor are elected from the group of eight, as well as Councillor Representatives to sit as Delegates on committees of Council. The Councillors are responsible for making the major decisions and policies which guide Council's operations.

Section 232 of the Local Government Act states:

1. The role of a councillor is, as a member of the governing body of the council:

- to provide a civic leadership role in guiding the development of the community strategic plan for the area and to be responsible for monitoring the implementation of the council's delivery program
- to direct and control the affairs of the council in accordance with this Act
- to participate in the optimum allocation of the council's resources for the benefit of the area
- to play a key role in the creation and review of the council's policies and objectives and criteria relating to the exercise of the council's regulatory functions
- to review the performance of the council and its delivery of services, and the delivery program and revenue policies of the council.

2. The role of a councillor is, as an elected person:

- to represent the interests of the residents and ratepayers
- to provide leadership and guidance to the community
- to facilitate communication between the community and the council.

The Principal Officer of the Council is the General Manager. The General Manager is responsible for the efficient operation of Council's organisation and for ensuring the implementation of Council decisions. The General Manager is also responsible for the day to day management of the Council, the exercise of any functions delegated by Council, the appointment, direction and where necessary, the dismissal of staff.

To assist the General Manager to carry out the provisions are three other Departments, each headed by a Director. The Department roles are:

The Corporate Services Department

Administration, Risk Management/Insurance, O H & Safety, Human Resources, Finance, Rates, Payroll, Creditors, IT & Records, Management Govt./RMS Services, Library Services, and Aged Services.

The Engineering Services Department

Design, Asset Management Administration, Urban Services Maintenance, Water & Waste Water Services, Non-Urban trees, Maintenance Services, Construction, Depot/Workshop, Purchase and Supply, Roads, Drainage, Airstrip, Plant & Fleet, Quarries, GIS, Footpaths/Kerb & Guttering and Traffic Management. Food Shop Inspections, Building Control Maintenance of Council Buildings, Development Applications, Town Planning, State of Environment Report, Water Sampling, Public Health & Food Control, Parks and Gardens, Street Trees, Swimming Pools, Waste Collection/Disposal, Recycling, Animal & Stock Control, Weed Control, Cemeteries, Regulatory/Ranger Services, Natural Resources Management, Public Conveniences.

The Economic and Community Development Department

Economic development, community facilities, youth affairs, tourism development, visitor information centre, website, Council newsletter, Caravan Park, heritage, social planning, community engagement and community capacity development.

2.4 Council Functions

The set of principles that guides Council in carrying out of its functions are detailed in the Local Government Act, 1993:

Service functions

- Providing community health, development, recreation, education and information services
- Environmental Protection
- Waste Removal and Disposal
- Land & Property, Industry & Tourism Development & Assistance
- Civil Infrastructure Planning
- Civil Infrastructure Maintenance & Construction

Regulatory functions

- Approvals
- Orders
- Building certificates

Ancillary functions

- Resumption of land
- Powers of entry and inspection

Revenue functions

- Rates
- Fees
- Charges
- Investments
- Borrowings

Administrative functions

- Employment of staff
- Management Plans
- Financial reporting
- Annual reports

Enforcement functions

- Proceedings for breaches of the Local Government Act & Regulations
- Prosecution of offences
- Recovery of rates and charges

As well as the Local Government Act, Council has functions under a number of other related Acts including:

- Anti-Discrimination Act, 1977
- Clean Air Act, 1949
- Community Land Development Act, 1989
- Companion Animals Act, 1998
- Conveyancing Act, 1919
- Crown Lands Act, 1989
- Disorderly House Amendment Act, 1995
- Dividing Fences Act, 1991

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- Environmental Planning & Assessment Act, 1979
 - Environmental Protection Act, 1979
 - Financial Institutions (NSW) Act, 1992
 - Fire Brigades Act, 1989
 - Food Act, 2003
 - Government Information (Public Access) Act, 2009
 - Heritage Act, 1977 Interpretation Act, 1987
 - Land Acquisitions Just Terms Compensation Act, 1992
 - Library Act, 1939
 - Local Government Consequential Provisions Act, 1993
 - Noise Control Act, 1975
 - Noxious Weeds Act, 1993
 - Privacy & Personal Information Protection Act, 1998
 - Protection of the Environment Operations Act, 1997
 - Public Health Act, 1991
 - Real Property Act, 1993
 - Roads Act, 1993
 - State Emergency Services and Rescues Act, 1989
 - Strata Titles Act, 1973
 - Swimming Pools Act, 1992
 - Threatened Species and Conservation Act, 1995
 - Traffic Act, 1909
 - Unhealthy Building Act, 1990
 - Valuation of Land Act, 1916
 - Waste Minimisation and Management Act, 1995

3 How Council Functions Affect Members of the Public (Section 20 (1) (b))

The majority of the activities and functions of Council have an impact on the public, either directly or indirectly. These include: maintaining and building local infrastructure, overseeing and supporting local services, working with State and Federal Governments, organisations, businesses and community groups, raising funds for local purposes by the fair imposition of rates, charges and fees, managing, developing and protecting the environment of the area for which it is responsible.

The following is an outline of how the broad functions of Council affect the public.

Service functions affect members of the public as Council provides services and facilities to the public. These include provision of human services such as child care and libraries, infrastructure and waste removal, halls and recreation facilities.

Regulatory functions place restrictions on developments and buildings to ensure that they meet certain requirements affecting the amenity of the community and not endanger

the lives and safety of any person. Members of the public must be aware of, and comply with, such regulations.

Ancillary functions affect only some members of the public. These functions include, for example, the resumption of land or the power for Council to enter onto a person's land. In these circumstances, only the owner of the property would be affected.

Revenue functions affect the public directly in that revenue from rates and other charges paid by the public that is used to fund services and facilities provided to the community.

Administrative functions do not necessarily affect the public directly but have an indirect impact on the community through the efficiency and effectiveness of the services provided.

Enforcement functions only affect those members of the public who are in breach of certain legislation. This includes matters such as the non-payment of rates and charges, and unregistered dogs.

Community planning and development functions affect areas such as cultural development, social planning and community profile and involves advocating and planning for the needs of our community and providing support to community and organisations through provision of grants, training and information.

4 How the Public can participate in Council's Policy Development and the Exercise of Functions. (Section 20 (1) (c))

There are ways in which members of the public may participate in the policy development and, indeed, the general activities of the Council. These are through representation and personal participation.

4.1 Representation

The people elect representatives to their local Council to make decisions on their behalf. In New South Wales, local government elections are held every four years. The next elections are to be held in September, 2012.

Residents are able to raise issues with, and make representations to the elected members of Council. The Councillors may pursue the matter on the resident's behalf accordingly allowing members of the public to influence the development of policy.

Council meetings are held on the third Tuesday of each month at the Council Chambers, 70 Market Street, Balranald, commencing at 6pm.

4.2 Personal Participation

Council meetings are open to the public. These issues raised by members of the public may lead to influence the development of policy. Members of the public may be involved in Council Committees which can also have influence on the development of policy and decision making.

With Integrated Reporting and Planning Framework a large part of this process is the Community Strategic Plan (CSP), known as *Balranald Shire 2022*. This new planning framework encourages significant community consultation.

In processing development applications Council will notify adjoining owners and others where it is considered that others may be affected, seeking comments on the proposals.

Public information for development applications is accessible by contacting Council's Infrastructure & Development Department.

5 Various kinds of Council Information held (Section 20 (1) (d) (e))

5.1 Documents Held by Council

Council holds a wide range of information that information is contained in:

- Files - either Hardcopy or electronic
- Policy Documents
- General Documents

5.2 Files – Hardcopy and Electronic

Most of Council's information is kept and maintained in paper format.

5.3 Policy Documents

Council's policies are listed in the Policy Register that can be accessed on this website. www.balranald.nsw.gov.au

5.4 General Documents

The following list of general documents is prescribed - in accordance with GIPA Regulation 2009 - as open access information, and may be accessed at the document link or can be viewed at Council's office at 70 Market Street, Balranald.

Information about Council:

The Model Code of Conduct prescribed under section 440 (1) of the LGA (this document is available at the Department of Local Government website)

Council's adopted Code of Conduct

Annual Reports

Annual Financial Reports (this information is included with the Annual Report)

Auditor's Report (this document is included in the Financial Reports)

Integrated Reporting and Planning Documents

EEO Management Plan

Policy concerning the Payment of Expenses and the Provision of Facilities to Councillors

Annual Reports of Bodies Exercising Functions Delegated by Council

Any Codes referred to in the LGA

Returns of the Interests of Councillors, Designated Persons and Delegates and disclosure register (this document is only available to view at Council's office)

Agendas and Business Papers for any meeting of Council or any Committee of Council (only the most recent agenda available for download)

Minutes of any meeting of Council or any Committee of Council

Departmental Representative Reports presented at a meeting of Council

Community Land Register

Register of Investments (this register is included with the Council Business papers)

Register of Delegations

Register of Graffiti removal works

Register of current Declarations of Disclosures of Political donations (this information is available from the Election Funding Authority)

Register of Voting on Planning Matters (this information is contained in the Minutes of Council meetings where a planning matter has been considered)

Councillors meeting /training/conference attendance register (this information is included with the Annual Report)

Legal Documents (this document is only available to view at Council's office)

Contracts Register

Risk Management Plan

Gifts and Benefits Register (this document is only available to view at Council's office)

Human Resources Strategy

OHS Management Plan

Long Term Financial Plans

Privacy Management Plan

Plans & Policies

Policies adopted by Council concerning approvals and orders

Environmental Planning Instruments

Local Environmental Plan

Development Control Plans

Information about Development Applications & any associated documents received in relation to a proposed development:

(the following documents are only available to view at Council's office)

Development Applications and associated documents e.g.:

- Home Warranty Insurance documents
- Construction Certificates
- Occupation Certificates
- Structural Certification Documents

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- Town Planner Reports
 - Submissions received on Development Applications
 - Heritage Consultant Reports
 - Tree inspection reports
 - Land Contamination Consultant Reports
 - Records of Decisions on DA including decisions on appeal
 - Records describing the general nature of documents that Council decides to exclude from public view after application of public interest test considerations
 - Tree Inspections Consultant Reports
 - Construction Certificate Guide & checklist

Approvals, Orders & Other Documents

(the following documents are only available to view at Council's office)

Applications for approvals under part 1 of Chapter 7 of the LGA.

Applications for approvals under any other Act and any associated documents received

Records of approvals granted or refused, any variation from Council Policies with reasons for the variation, and decisions made on appeals concerning approvals

Orders given under Part 2 of Chapter 7 of the LGA, and any reasons given under section 136 of the LGA

Orders given under the Authority of any other Act

Records of Building Certificates under the Environmental Planning and Assessment Act 1979

Plans of land proposed to be compulsorily acquired by Council

Compulsory Acquisition Notices

Leases and Licenses for use of Public Land classified as Community land
Community Services & Relations

Social Plan

Events Guide – RTA Special events application

Council Newsletters

Community Survey Results

Tourism Strategy

Plans of Management for Community Land

Economic Development strategy and plan

Statement of Business Ethics

Emergencies

Displan

Local Emergency Management Plan (included in Displan)

Flood Plan (included in Displan)

Environmental:

State of the Environment Plan

Noxious Weeds Management Plan

Environmental Management system plans for water and sewer treatment plants

Road Management and Inspection Strategy

Pedestrian Access and Mobility plan

Asset Management Plan

Footpath strategy

Waste & Stormwater

Stormwater management plan

All current Council records and documents are held on files in the Council Chambers.
Archived records are held at Council's Depot.

6. How Members of the Public may Access Council Information

Any information that is not published on the website can be inspected at and obtained from Council's Office located at the 70 Market Street, Balranald, during working hours of 8.30 am and 5.00 pm, Monday to Friday (except public holidays). Subject to the legal requirements of the PPIPA, GIPA Act, Council's Privacy Management Plan and any relevant Privacy Codes of Practice.

Personal information, as defined by the PPIPA, contained in any documents specifically mentioned above, or otherwise held by Council, will only be supplied in accordance with the provisions of the PPIPA, Council's Privacy Management and/or any relevant Privacy Code of Practice.

For access to documents under the Government Information (Public Access) Act 2009 No 52, applications must be made in writing supplying all the details required under the Act. Before applications are considered, the appropriate fee must be paid.

Access to government information in response to an access application may be provided in any of the following ways:

- (a) by providing a reasonable opportunity to inspect a record containing the information,
- (b) by providing a copy of a record containing the information,
- (c) by providing access to a record containing the information, together with such facilities as may be necessary to enable the information to be read, viewed or listened to (as appropriate to the kind of record concerned),
- (d) by providing a written transcript of the information in the case of information recorded in an audio record or recorded in shorthand or other encoded format.

For further information, please contact the Access Information Officer:

Mail: PO Box 120, Balranald NSW 2715

Mr Robert Rayner
Director Corporate Services
Balranald Shire Council
Ph: (03) 5020 1300
Fax: (03) 5020 1620
Email: council@balranald.nsw.gov.au
Website: www.balranald.nsw.gov.au

If you require any other advice or assistance about access to information you may contact the Office of the Information Commissioner by telephone on 1800 463 626 (free call) or by email at: oiinfo@oic.nsw.gov.au snail mail GPO Box 7011, Sydney NSW 2001 or visit their website - www.oic.nsw.gov.au

7 Copyright

A large quantity of information is available for public access on this website which belongs to third parties and is the subject of copyright, such as plans and reports submitted with development applications and other Council related business. Access to this information is provided to members of the public in accordance with the GIPA Act and other relevant legislation, such as the Environment Planning and Assessment Act 1979. Copyright laws apply to this information and applicants are advised to seek the consent of the copyright owners before reproducing the information in any way.

POLICY TITLE: PAYMENT OF EXPENSES AND PROVISION OF FACILITIES FOR MAYOR AND COUNCILLORS

PART 1 INTRODUCTION
COMMENCEMENT OF THE POLICY

This policy will take effect from 21 November 2012

PURPOSE OF THE POLICY

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

OBJECTIVES AND COVERAGE OF THE POLICY

To define, in conformity with the requirements of Section 252 of the Local Government Act 1993, the Council's policy on the payment of expenses and provision of facilities for Mayor and Councillors in discharging the functions of civic office and when attending on Council business.

MAKING, ADOPTION AND REVIEW OF THE POLICY

The policy was considered by Council at its Meeting held in October 09, when it was endorsed for public exhibition. The policy which was advertised and placed on exhibition for 28 days was developed taking into account legislative and other government policy provisions and guidelines. No submissions were received and the policy was adopted by Council in November 2009.

Council is required each year prior to 30 November to review and submit its policy to the Director-General of the Department of Local Government within 28 days of adoption by Council, even if the policy is unchanged.

REPORTING REQUIREMENTS

In accordance with Section 428 of the *Local Government Act 1993* and Clause 217 of the *Local Government (General) Regulation 2005*, Council is required to include in its Annual Report the following information regarding the payment of expenses and provision of facilities to the Mayor and Councillors:

Expenses

- the cost of phone calls including mobiles, home located landlines, facsimile and internet services
- spouse/ partner/ accompanying person expenses
- conference and seminar expenses
- training and skill development expenses

- interstate travel expenses overseas travel expenses
- care and other related expenses

Provision of facilities

- the cost of the provision, including rental, of dedicated office equipment allocated to councillors on a personal basis such as laptop computers, mobile phones, telephones and facsimile machines and internet installed in the councillors' homes. This item does not include the costs of using this equipment, such as calls.

LEGISLATIVE AND OTHER GOVERNMENT POLICY PROVISIONS

The policy was developed and will operate in accordance with Sections 252, 253, 254 & 428 of the *Local Government Act 1993*, Clause 217 of the *Local Government (General) Regulation 2005*, Model Code of Conduct, relevant Department of Local Government Circulars, Guidelines and ICAC publications.

APPROVAL ARRANGEMENTS FOR COUNCIL BUSINESS

Council will only meet travel, accommodation and other expenses for approved Council business as follows:

Council Business	Required Approval
Council Meetings	Attendance at meeting
Council Committee Meetings	Attendance by Committee Member
Workshops, briefings or inspections	Authorised by Council, or jointly by Mayor and General Manager
Conferences, seminars or training	Authorised by Council, or jointly by the Mayor and General Manager if it is a matter of urgency or when it may be appropriate to take advantage of early bird registration discounts. Any approval by Mayor and General Manager to be advised to Council at next Meeting.
Meetings of other organisations	Attendance by Council's appointed delegate
Meetings or functions attended by the Mayor, or the Mayor's nominee	Attendance by Mayor or the Mayor's nominee and reported to or endorsed by Council via Mayoral Minute or General Manager's report.

PART 2 PAYMENTS OF EXPENSES

TRAVEL EXPENSES

Within Council's Area

Where Councillors are required to use their own vehicle for travel to and from home on authorised Council business, reimbursement will be in accordance with the kilometre rate as prescribed in the Local Government (State) Award and will be paid monthly in arrears.

Outside Council's Area

The Mayor and General Manager be authorised to determine the appropriate mode of travel having regard to economy, time and safety factors. Travel by air within Australia to be economy class, unless otherwise specified by Council.

When travelling by vehicle, a suitable Council vehicle will be provided. If a Council vehicle is not available or it is not feasible to use a Council vehicle, Councillors will be paid the prescribed kilometre rate for using their own vehicle.

Should a Councillor decide to use their own vehicle, when a Council provided vehicle is available, they will be reimbursed on the basis of fuel and lubricant costs only.

When travelling in private or Council vehicles on Council business, the driver is personally responsible for all traffic or parking fines.

OTHER EXPENSES

Expenses such as conference registration fees, accommodation costs, reasonable meal and out-of-pocket costs incurred in attendance on authorised Council business, shall be paid by Council or reimbursed to Councillors on production of receipts. Receipts will not be required for items less than \$20 such as tolls, parking refreshments, taxi fares, internet fees, laundry, newspapers but the claimant will be required to itemise and certify the expenditure. The following rates have been determined by reference to the Crown Employees Award available at www.dpc.nsw.gov.au/coe2009/.

Limits for expenses shall be as follows

Meal expenses

Breakfast \$23.10

Lunch \$25.90

Dinner \$44.50

Incidentals \$20

Travelling allowances overnight (per night away)

Canberra \$255

Sydney \$294

Melbourne \$284

Adelaide \$268

Brisbane \$312

High cost country centres

\$240

Tier 2 country centres

\$209

SPOUSE AND PARTNER EXPENSES

Council will meet the reasonable costs of spouses and partners for attendance at official Council functions that are of a formal and ceremonial nature, when accompanying Councillors within Council's area.

Council will also meet the reasonable meal costs of spouses or partners when accompanying Councillors at conferences and seminars, not exceeding the one day journey limits. Any registration fees, reception costs, official dinner costs, additional travel, additional accommodation and conference tour costs associated with a spouse or partner attendance at conferences, seminars, etc. will be the personal responsibility of individual councillors.

TELEPHONE COSTS AND EXPENSES

Council will reimburse costs of telephone, fax and mobile phone calls on Council business to a maximum of \$600 per annum. Councillors will need to maintain a record of calls for claim purposes.

LIABILITY INSURANCE

Council shall take out Public Liability and Professional Indemnity insurance cover which shall extend to actions taken against Councillors in relation to the exercise of their duties as Councillors.

PERSONAL ACCIDENT INSURANCE

Council shall take out Personal Accident insurance for Councillors whilst engaged in activities connected with the Council business including travelling directly to and from such business.

LEGAL EXPENSES AND OBLIGATIONS

Council will determine by resolution the reimbursement of reasonable legal expenses of:

- a) A Councillor defending an action arising from the performance, in good faith, of a function under the Local Government Act; or
- b) A Councillor defending an action in defamation provided the statements complained of were made in good faith while exercising a function under the Act; or
- c) A Councillor for proceedings before the Local Government Pecuniary Interest Tribunal, or an investigation body, provided the subject of the proceedings arises from the performance in good faith of a function under the Act, and the Tribunal or investigation body makes a finding favourable to the Councillor.

Legal expenses incurred in relation to proceedings arising out of the performance by a Councillor of his or her function under the Act are distinguished from expenses incurred in relation to proceedings arising merely from something that a Councillor has done during his or her term of office.

REIMBURSEMENT AND RECONCILIATION OF EXPENSES

Reimbursement of costs and expenses to Councillors will only be made upon the production of appropriate receipts and tax invoices, and the completion of the required claim forms. Expenses and costs incurred must be in accordance with the requirements of this policy.

Claims for costs and expenses must be submitted within three (3) months of incurring the cost or expense.

DISPUTE RESOLUTION

In the event of any disputes that arise about the provision of expenses and facilities, the matter shall be resolved by Corporate Service Committee recommendation to Council.

PART 3 PROVISIONS OF FACILITIES

The following facilities will be provided to allow the Mayor and Councillors to discharge the functions of civic office

Councillors

Council will provide Councillors with the following facilities:-

- a) Secretarial and basic photocopy facilities in upon request.
- b) Where appropriate, prior to, during or following Council and Committee meetings, a light meal, supper and refreshments.
- c) Where Council resolves to approve the electronic form of delivery of Council agendas and business papers, Council will provide for the issue of a

laptop/notebook computer with email capacity and other support equipment such as printers.

d) Council will pay for the cost of providing and connecting equipment and the operating costs and costs associated with any of the disposable items related to the use of any of the equipment. Council provided equipment will remain the property of the Council and is to be used for Council purposes only and is to be returned to Council offices at the time the Councillor ceases to hold office.

Mayor

In addition to facilities provided for Councillors, Council will provide the Mayor with the following additional facilities:-

- a) An Executive standard motor vehicle for official and private use. Where the vehicle is used privately the fuel cost will be the personal responsibility of the Mayor. Receipts for such fuel will be submitted with the monthly reimbursement claim.
- b) An office in the Council's administration building.
- c) Secretarial support as required.
- d) A mobile phone including up to \$200 per month call and rental charges. Any Charges in excess of this amount to be reimbursed to the council.

No General Expenses

Council will not meet any general expenses.

RETURN OF FACILITIES AND EQUIPMENT

Any facilities and equipment provided to the Mayor and Councillors will be returned to Council immediately following the completion of their term of office, extended leave of absence or at the cessation of their civic duties.

Adopted by Council – 20th November 2012

Refer Minute No - 11.12.3348