

# WALGETT SHIRE COUNCIL ANNUAL REPORT

2010-2011



# 2011 Statutory Annual Report

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## Financial Reports for the Year Ended 30 June 2011

Attached to this report is a copy of Council's audited General Purpose Financial Reports and Special Purpose Financial Reports for the year ended 30 June 2011.

## Rates and Charges written off during the year

Council continues its intensive rates recovery processes. A percentage greater than 10% is an indicator of concern. The Rates & Charges Outstanding percentage has increased from 7.87% in 2010 to 12.5% in 2011 due to staff shortages which have now been filled.

There were no legal fees written off for the period 1/7/2010 – 30/6/2011. The total interest written off for this period was \$171 and \$8,852 being rates and charges written off.

## External Bodies Exercising Council Functions

Castlereagh Macquarie County Council has been delegated the responsibility for the management of noxious weeds within the Walgett Shire Local Government area. Walgett Shire Council gave \$85,642 to the County Council for its services.

## Controlling Interests in Companies

Council held no controlling interest in any company during 2010 – 2011.

## Partnerships, Co-operatives and Joint Ventures

**Northern Regional Library** – The Northern Regional Library and Information Service is based in Moree and is administered by Moree Plains Shire Council. It exists to provide an information and recreational resource to the residents of the Shires of Brewarrina, Moree Plains, Walgett and Gwydir. The annual contribution paid by Walgett Shire Council in 2010 – 2011 was \$122,065. As this Contract is ready for renewal, Council and other member Councils are re-negotiating the terms of the Contract.

**Statewide Mutual Insurance Group** – Members of this scheme join together to form a self insurance mutual. Members include Councils, the Local Government Association and the Shires Association. Its objective is to ensure protection of its members through stable premiums, cost containment and spread of risk.

**Northwest Weight of Loads Group** – Moree Plains Shire Council administers this RTA and Council joint venture. The key challenges of this group include the prevention of overloaded vehicles, concentrated high volume harvest periods, seasonality, 24 hour 7 days per week operations, recovery of fine revenue and negative regulatory image.

**Rural Fire Service NSW** – Walgett, Coonamble and Warren Shire Councils operate and manage the Rural Fire Districts as the North West Zone under the terms of a Service Level Agreement (SLA). In accordance with this SLA the councils have agreed to delegate certain functions, powers and duties to the Fire Control Officer. Walgett Shire Council contributed \$143,479 in 10/11, a slight decrease on the previous year.

**Orana Regional Organisation of Councils (OROC)** – This partnership between a number of north west councils collaborates on matters of common interest including research, regional strategies, resource sharing, advocacy and brokering.

**Namoi Local Government Group (NLGG)** – The area of operation is within the Namoi Hydrological Catchment and its mission is to facilitate effective management of natural resources using a collaborative approach between local government and the Namoi CMA within the hydrological catchment of the Namoi River.

## State of Environment Report

Council's State of the Environment Report was compiled by Council staff for 2010/2011. This report is included in this Annual Report will be presented with the Annual Report to the Division of Local Government.

## Report on the Condition of Public Works

Included in this report is the Condition of Public Works as at 30 June 2011.

### Mayoral and Councillor Fees

Councillor Expenses for the year were:

<b>Councillor</b>	<b>Costs</b>
Ian Woodcock (Mayor)	\$49,883
Geoffrey (Dick) Colless (Deputy Mayor)	\$11,919
Robert Greenaway	\$11,427
Jane Keir	\$11,141
Manuel Martinez	\$10,652
Gustavus (Bill) Murray	\$16,696
David Lane	\$10,560
Kelly Smith	\$11,798
Lawrence Walford	\$10,652

Costs included are: travel, accommodation, conference registrations, office expenses and Councillor allowances. The Mayor and Deputy Mayor also receive allowances related to those positions and additional duties undertaken. The Mayor also receives a car and petrol costs for official business use which incurred management costs of \$6,553 in addition to the value of car and petrol.

### Council's Policy on Provision of Facilities – Councillor Expenses

The Payment of Expenses and Provision of Facilities for Council Policy was re-adopted at the June 2010 meeting and submitted to the Department of Local Government.

### Overseas Travel

No overseas travel was undertaken by the Councillors, General Manager, Council staff or other persons representing Council.

## Senior Staff

In accordance with Section 332 of the Local Government Act 1993, the position of General Manager is the only position at Council determined as a senior staff position.

Council's General Manager was Mr Don Ramsland. Expenses incurred related to his appointment were:

- 9% Super - \$11,629
- FBT - \$4,736
- Salary Component - \$129,216 including untaken leave paid out at the time of his retirement.
- A subsidised house and car were also provided to the General Manager for his use for the year.

## Summary of Legal Proceedings

Council incurred \$67,607 in legal costs in 2010-11, consisting of \$41,225 for rates collection, and \$26,382 for other legal expenditure such as Contract preparation, advice and pursuit of outstanding amounts owed to Council for reasons other than unpaid rates.

## Private Works

Council received \$82,194 for private works carried out in 2010 – 2011, with an expenditure of \$89,021.

## Business Activities

Council does not have any *Category 1* business activities. Council has two (2) business activities declared as *Category 2* business activities with total annual operating revenue less than \$2 million. These business units are Walgett Shire Water Supplies and Walgett Shire Sewerage Services as contained in Special Purpose Financial Reports attached to this report.

## Competitive Neutrality

The disclosure requirements are reflected in Council's pricing and financial reporting systems and include taxation equivalents, council subsidies, rate of return on investments in business units and dividends paid.

Council handles competitive neutrality complaints by way of complaints received. No complaints have been received for the 2010 – 2011 period.

## Statement of Contracts Awarded in Excess of \$150,000

A total of 9 major contracts valued in excess of \$150,000 were awarded by Council during 2010 – 2011

<b>Contractor</b>	<b>Activity</b>	<b>Amount</b>
Conplant Ammann Australia Pty Ltd	Supply Ammann Padfoot Roller	\$154,107
Writgen Australia Pty Ltd	Supply Hamm GRW280 20 Rubber Tyre Roller	\$726,311
Maas Constructions (Dubbo) Pty Ltd	Construction of Dementia Day Care – Lightning Ridge	\$495,003
RA & ES Yeoman Engineering	Operation of Walgett Waste Management Centre	\$281,467
D & G Lane Earthmoving Pty Ltd	Operating of Lightning Ridge Waste Management Centre	\$170,909
Komatsu Australia Pty Ltd	Supply GR555-5 Grader	\$660,519
Peece Pty Ltd	Coonabarabran – Pilliga – Mungindi Road Project	\$660,000
SRS Roads Pty Ltd	Sealing RR333 Carinda Road	\$158,932
Lightning Ridge Olympic Pool	S356 Donation Subsidy Payment	\$229,157

## Access and Equity Needs

Council has an obligation to all residents to ensure that access and equity activities meet residents' needs. Council meets these needs by:

- Consulting and communicating decisions effectively through Council's website, media releases and information flow to Precinct Committees and Community Working Parties
- Providing opportunities to the public to address agenda items at every meeting
- Strengthening and maintaining the community's involvement in the delivery of services through a transparent process of networking and partnerships

- Consultation with shire residents and other local organisations when adopting formal policies
- Ongoing audit and assessment of Council facilities
- Providing a newsletter to all residents three times per year.

## Services and Programs for Young People – Awards nominated and received!

Council offers equal opportunity to all young people within our shire, striving to achieve positive outcomes for the benefit of all youth in the Shire.

Council was also nominated as top 3 finalist in the Best Ongoing Commitment to Youth Week Programs 2011 and went on to win the award over much larger Council from across NSW.

Council's Youth Development Officer, Mr George McCormick was one of the top 3 finalist in Regional Achievements and Community Awards NSW/ACT 2011. Council's youth service development and participation continues to grow and the numbers of young people participating in activities, either in Council's Youth Centers or Libraries is reward in itself.

The Youth Development Team is regarded by many as the peak agency for young people in the Walgett Shire. This can be demonstrated by the outstanding outcomes of the Walgett Shire Youth Council in which Council participates.

The Walgett Shire Youth Council were successful with several funding submissions throughout the year and hosted a range of initiatives and opportunities relating to health, entertainment and well being of our young people, by the young people... for the young people.

### Achievements this year include:

- Significant attendances at all Shire Youth Centres and Vacation Care Programs;
- Further development and employment of Youth Centre staff across the Shire, including the appointment of youth team leader positions in Walgett, Lightning Ridge and Collarenebri
- Youth specific training of youth development staff undertaken



- Anti graffiti mural project completed on the Department of Human Service building, work shopped, designed and painted by the young people of Walgett Community College.
- Continuing implementation of Youth Strategy, conducted community events in Collarenebri and strengthened partnerships with other service organisations
- 44 young people forming the Youth Council representing young people of our Shire
- Obtained “Hep C Council “ funding to host Youth Info and awareness sessions regarding youth and adolescent health
- Equipment and resources at Youth Centers were updated and upgraded.
- Council currently implementing several youth focused initiatives (externally funded)
- *Youth Options Walgett*: Street walk program engaging young people in place and offering support during the hours of 7pm – 11pm
- increased participation by young people over the year
- Successful delivery of the “Connecting our Communities “ initiative promoting inter town relationships
- Youth Council continues to develop and grow, achieving high attendance numbers not just from elected representatives but also from interested services and other participants, currently there is
- *Strong Collie Project*: (externally funded) connecting young people to their culture and assisting and guiding young people in making positive choices and encouraging belief in their development.
- *School to Work Program*: has seen several young people across the Shire engage in this initiative offering them experience in the workplace, developing new skills, and building self esteem and tools to confidently join the work force following completion of their schooling.

## Grants and Contributions

Council contributed a total of \$551,107, an increase of \$3,882 on the previous year's expenditure to 12 organizations, 25 fewer organizations, under **Section 356** of the Local Government Act 1993. The expenditure is listed in the table below.

<b>Organisation</b>	<b>Amount \$'s</b>
Lightning Ridge Visitor Information Centre	139,048
Australian Opal Centre	20,000
Lightning Ridge Medn's Shed Project	10,000
Lightning Ridge Jewellery Design Awards	3,570
Barwon CWA Medical Scholarship	3,000
Lightning Ridge Transcultural Centre	2,909
Donations to Lightning Ridge Swimming Pool	299,157
Lightning Ridge Neighbourhood Centre	10,000
Glengarry Grawin Sheeppark Miners Association	25,500
Lightning Ridge Neighbourhood Centre Operational Support	10,000
Burren Junction Pool	18,182
Rebate for Rates (Churches)	19,141
<b>Total</b>	<b>\$551,107</b>

Council also contributed a further \$15,636 of grants under its Community Assistance Scheme to another 19 organisations and made an additional \$89,000 contribution and/or subsidy to 9 organisations or programs as listed below.

<b>Organisation</b>	<b>Amount \$'s</b>
Walgett District Pony Club	500
Anglican Counselling Service	1,500
Rowena CWA	100
Lana's Warriors	500
Goodooga/Lightning Ridge CWA	500
Collarenebri Jockey Club	500
Yawarra Meanei Women's Group	400
Carinda and District Race Club	500
Lightning Ridge & Regional Transcultural Community Council	600
Lightning Ridge Gymnastics Club	500
Walgett District Historical Society	1,000
Carinda Diggers Memorial Hall	500
Lightning Ridge Opal & Fossil Centre	500

Lightning Ridge Arts & Crafts Council Inc	500
St Peter's Anglican Church	1,000
Lightning Ridge Community Radio	1,000
Nancy Ghobrial & Darryl Mill Wildlife Carers	500
Rowena Preschool	500
Lightning Ridge Miners Association	100
<b>Total</b>	<b>15,636</b>
<b><i>Other Contributions and Subsidies</i></b>	<b><i>Amount \$'s</i></b>
RSPCA	10,000
Heritage Projects	15,950
Bulldust to Bitumen Sponsorship	3,000
Outback Art – Regional Arts	7,991
Collarenebri Central School Elders Program	8,000
Art & Community Projects	2,691
Lightning Ridge Transcultural Centre Migrant Program	7,273
Housing Subsidy Medical Practitioners	27,096
Housing Subsidy Coolibah Kids	8,008
<b>Total</b>	<b>89,100</b>

## Services and access for people with diverse cultural and linguistic backgrounds

Council recognises that people from culturally diverse backgrounds may face issues in relation to access to services and participating in the wider community. Council is committed to providing equitable and accessible services, facilities and activities for the whole community. The Local Ethnic Affairs Priorities Statement (LEAPS) and Action Plan will be reviewed as part of the Integrated Planning development in 2011/2012.

In 2010 - 11, 6 people became Australian citizens at Council ceremonies.

Council staff underwent Cultural Awareness Training throughout 2010/11. The training package was

developed by Council's Aboriginal Liaison Officer, in conjunction with members of the Gamilaroi community and other interested Aboriginal people. The training has also been provided to staff of other organisations at a reasonable cost to them.

## Statement of Human Resources Activities

### Recruitment

During the 2010/2011 financial year Council's Human Resources Manager has recruited to fill Council's vacant positions.

Recruitment activity for the 2010-2011 period involved 38 new staff commencing employment with Walgett Shire Council which included 4 Civil Engineering trainees completing 8 to 12 weeks on site as a university placement scheme in conjunction with the University of Sydney. Council also engaged 7 school to work participants from Walgett, Lightning Ridge and Collarenebri with positive results for the students, Council and community.

The turnover rate for the period 2010-2011 was 27.3%. Council continues to implement flexible working conditions, training and development opportunities, corporate uniform, salary packaging and subsidised housing rental in an attempt to attract, retain and develop suitable staff.

Formal exit interview procedures have also been developed to assist in identifying issues which may lead to an increased turnover, dissatisfaction or low morale.

Staff appraisal procedures and competency documents continue to be developed to ensure that staff are remunerated according to their skill levels and broadening the range of tasks that an employee may be required to perform. This provides a more flexible workforce and assists in achieving operational objectives in an efficient manner. It also assists management with succession planning and staff with more opportunities for self development and job satisfaction.

Council's organisational structure has been reviewed regularly and the Councillors advised of changes within the workforce, reporting lines, the transfer of functions and the addition of new positions such as the Design/Project Engineer and the Executive Engineer to enable Council to meet legislative requirements and improve productivity in areas.

### School to Work Program

Walgett Shire Council continues to operate a School to Work program in partnership with Walgett Community, College, Collarenebri and Lightning Ridge High Schools. This program was introduced to assist students in choosing a career path within Local Government. Students are assigned to a 'buddy' to assist them whilst at work and are offered training and development to improve their skills. The program continues to grow with 7 school to work participants within the 2010/11 financial year. This program is delivering pleasing results for the students, Council and the community with a number of participants gaining employment within the town on completion of the program and completing their education. It is anticipated to grow the program and commence school based apprenticeships/traineeships.

### Council's Workforce Profile

<b>Group Identifier</b>	<b>Number of staff</b>	<b>% of staff</b>
Male	82	64.1%
Female	46	35.9%
Indigenous	28	21.9%
Culturally/linguistically diverse	6	4.7%

### Training and Development

Council continues to encourage employees to participate in training and development. During the period 2010/2011 Council expended \$156,255, including wages costs on training, accommodation, travel and registration expenses. An additional amount of \$20,339 was expended on conference attendance and travel to ensure that all staff are continually improving their skills and to remain up to date with legislative requirements.

*Training included but was not limited to*

- Induction
- First Aid
- TRIM training (electronic records system)
- Records
- Traffic Control Tickets (blue, yellow & red)
- Local Government Finance Conference
- Fair Value Asset Accounting workshop
- Certificate III – Accounts Administration
- Certificate IV – Business Administration
- Spatial Information Services

- Water Utilities Course
- Chemical Training
- Recruitment & Selection Training
- Mercer CED Job Evaluation Training
- Environment & Planning Legislation Amendments
- Risk Management
- AVIC Volunteer Training
- Civica Authority
- Rates Conference
- Diploma of Community Services Coordination
- Community Practitioner Course
- Business Continuity Training
- Chemical Dosing Course
- AIBS Conference
- Community Services Networking Conference
- Water Management Conference
- Ranger Conference
- Local Government Manager Conference
- Automotive Mechanical Apprenticeship Training
- Diploma of Spatial Information
- Advanced Accounting Diploma

### EEO Management Plan

Activities undertaken during the period July 2010 to June 2011 to ensure Council continues to apply the principles of Equal Employment Opportunity legislation:

- Continual review of Job Descriptions, Policies and Induction programs
- Monitoring of advertisements and selection criteria by the General Manager to ensure advertising is non-discriminatory
- Continued development of School to Work Programs and Work for the Dole Projects to allow unemployed persons to enter into the workforce
- Provision of assistance to employees and supervisors regarding EEO issues and grievances through Council's Human Resources Manager
- Engagement of professionals to provide counseling, support and/or mediation to staff if required

### Regional Infrastructure Projects and Partnerships

Walgett Shire Council has undertaken a number of Regional Infrastructure projects, using Federal Government grants, to assist local unemployed Indigenous people to develop their skills, gain qualifications and to develop good work ethics.

## Bushfire Hazard Reduction Activities

Bush Fire Hazard Reduction activities for 2010/2011 are as follows:-

Grading:	Regional Roads 200km x 10m Shire Roads 800km x 10m
Slashing:	(Roadside) 400km x 6m
Slashing of Parks:	Not Included

Total cost of works undertaken at:

Walgett Airport Fence Line	\$2,400
Walgett Landfill Perimeter	\$1,200
Lightning Ridge Airport Fence Line	\$2,400
Cumborah Village	\$4,500
Lightning Ridge	\$1,600
Collarenebri Town Area	\$4,200
Burren Junction Village	\$1,237
Rowena Airport/Village Area	\$6,500
Carinda Village Area and Waste Depot	\$4,160

The NSW RFS funded the amount of \$35,000 and was used in running the Shire fire services.

## Stormwater Management Services

Specific stormwater management activities were undertaken in 2010/11 and expenditure on routine maintenance was approximately \$30,970. Small lengths of failed kerb and gutter were replaced where adjacent road shoulder reconstruction was being carried out. Council has not, as yet, moved to introduce a stormwater management charge as is provided for in the Local Government Act.

## Privacy and Personal Information

The Privacy and Personal Information Protection Act 1998 was introduced to provide central safeguards to an individual's privacy in relation to a wide variety of personal information held by the public sector agencies such as Council.

The procedures in complying with these requirements are contained in Council's Code of Conduct. No review was conducted by or on behalf of the Council under Part 5 of the Act.

## Government Information (Public Access) Act

During the period Council received 1 application for information under the GIPA Act 2009.

## Companion Animals Act and Regulation

Council lodges an annual return with the Department of Local Government which shows the numbers of impounded companion animals.

Key aspects of this years return include:

- 77 dogs and 36 cats were seized.
- 98 dogs and 45 cats were surrendered.
- No dogs were released to their owners because no dogs were claimed.
- 157 dogs and 81 cats were euthanized

Council spent \$47,666 on companion animal management related activities in 2010 - 2011.

Council employs a full time Ranger to conduct these activities, for \$63,198 bringing the total cost of Companion Animal activities to \$110,864.

Council participated in the RSPCA Companion Animal Welfare Scheme (CAWS) again, which was very well received and attended. The scheme included education sessions for school children, desexing and microchipping programs for dogs.

The vast majority of companion animals that are surrendered to, or seized by, Council are euthanased. Council's regulatory staff seek new homes for any animal that is trained and/or in good physical condition but it is unfortunate that very few animals meet such criteria.

Council did not access any Companion Animals Fund money during the period

. Planning agreements under the environmental planning and assessment act

No planning agreements were entered into by Council during the year.

# **WHAT COUNCIL ACHIEVED IN 2010/2011**

# **WHAT COUNCIL IS PLANNING FOR THE FUTURE**

# Corporate Services

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## What Council achieved in 2010 – 2011

- ✓ Electronic records system (TRIM) training
- ✓ Appraisals conducted using new salary system
- ✓ Further efficiencies introduced into IT systems, upgrade of one third of Council's equipment as part of a three year upgrade process
- ✓ Quarterly reviews and revision of the budget continued in a timely manner
- ✓ Council's ongoing commitment to staff training and development resulted in the implementation of a corporate training program which includes Code of Conduct training, increased computer program training, cultural awareness training as well as external training resulting in accredited vocational training being completed by significant numbers of staff
- ✓ Procedures Manual developed
- ✓ Further Policy development undertaken
- ✓ Council meetings continued to be held at each of the villages in the Shire

## What Council is planning for the future

- Undertake Integrated Planning resulting in 10 year Community Strategic Plan, 10 year Financial Plan and Asset Management Plan and 4 year Workforce Plan
- Updating and continuous improvement of financial processes and procedures to enhance Council's financial management
- Continued Human Resources management improvements
- Introduction of improved Information Management systems and Records Management implementation
- Further development of web site and intranet
- Continued production of newsletters to residents three times per year
- Continue to conduct Council meetings at each of the villages in the Shire



# Community Services

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## What Council achieved in 2010 – 2011

- ✓ Youth programs and services are recording high numbers of participants
- ✓ Outstanding outcomes regarding Youth Week and Local Government Awards 2011
- ✓ Youth and Community Services Conference presentations: 2010- National Asset Based Community Development Conference- Together we are strong: *Local Government and Youth Councils- making it work*
- ✓ Youth Council conducted regular monthly meetings and held consultations with young people across the Shire to identify youth needs
- ✓ Ongoing programs such as Youth Week, Children's Week and vacation care programs were provided
- ✓ Introduced new youth programs focused on Healthy Lifestyles and education
- ✓ Strengthening of relationships with local service providers
- ✓ Increased opening hours of youth centres in Walgett, Lightning Ridge and Collarenebri
- ✓ Developed a calendar of events
- ✓ Conducted Harmony Day Celebrations
- ✓ Held a Seniors Morning Tea with Elders
- ✓ Conducted Reconciliation week celebration
- ✓ Conducted NAIODOC Celebrations in conjunction with other organisations
- ✓ Literacy project continues to be offered to young mothers from local Aboriginal reserves

## What Council is planning for the future

- Continue the replacement of playground equipment program in Burren Junction and Apex Park, Walgett
- Consult with communities and develop Aboriginal Community Development Plan 2011-2014
- Continue to implement and deliver programs and initiatives in direct line with *Walgett Shire Youth Strategy 2009- 2014 – A five Year Plan*.
- Development of Youth Enterprise strategy for Walgett Shire Council ( on going )
- Development of Walgett Shire Council Graffiti management policy ( on going )
- Increase Youth exchange opportunities with Sister City Youth Council ( on going )
- Building of meaningful partnerships with bordering local government areas through our young people
- Develop a Positive Ageing Strategy
- Continue Signage Project for Collarenebri, Lightning Ridge and Walgett
- Conduct another Open Day - Promotion of Shire Council to schools and Aboriginal Communities
- Undertake Aboriginal Cultural Awareness Training – for new Shire staff
- Co - ordinate and promote 10 Day Indigenous Cricket Camps in Walgett, Collarenebri and Lightning Ridge in conjunction with Cricket Australia
- Continue to promote and support Gamilaroi Language project
- Undertake support and development of Family Violence Project
- Develop an Indigenous Arts project in Walgett Shire
- Develop expression of interest for a PCYC at Walgett

# Tourism

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## What Council achieved in 2010 – 2011

- ✓ Design, and Distribution of New Lightning Ridge and Walgett Region Brochure, 50,000 copies produced and being distributed by Murray Media.
- ✓ Continued relationships with Kamilaroi Highway, Darling River Run, Regional Development Australia, Outback Arts and Inland NSW Tourism
- ✓ Interpretive Welcome Sign installed at Lions Park Collarenebri
- ✓ Design of Information & Interpretive Sign at Carinda Memorial Park
- ✓ Design of town brochures for Collarenebri, Walgett, Carinda and Burren Junction
- ✓ Design of “Gone Fishing” Brochure and Walgett Shire Bore Baths Brochure
- ✓ Installation of Book Easy - Online Booking System in conjunction with the Kamilaroi Highway Committee
- ✓ Design and production of new souvenirs for Walgett Visitor Information Centre including miniature wool bales and wheat packs and Wolseley Shearing hand piece Key Rings
- ✓ Redesign of Shire Boundary Signage
- ✓ Participation at Country Week 2011
- ✓ Design and Upgrade of new Walgett Shire Council website
- ✓ Development of several Coach specific Day Tours
- ✓ Marked increase in communication of local community events & opportunities through email stream
- ✓ Primitive Camping Ground Numbers since January total to end of September:1134
- ✓ Successful TQUAL Application - The grant for \$16,500 will be used to secure a consultant to explore all Indigenous product along the Kamialroi Highway.
- ✓ Updated Walgett Shire Community Directory
- ✓ Updated Image Library for Walgett Shire
- ✓ Development of Historical Town Tour of Carinda
- ✓ Development of Aboriginal Culture Tour of Collarenebri
- ✓ Development of QR Codes
- ✓ Billboard Campaign in conjunction with Lightning Ridge Billboard Committee
- ✓ Currently applying for Regional Tourism Product Development Funding for Development of Indigenous Product along the Kamilaroi Highway (to compliment TQUAL funding)
- ✓ Currently Applying for Regional Tourism Product Development Funding for Development of an IPHONE Application in conjunction with the Kamilaroi Highway (this development will progress with or without funding)
- ✓ Currently Applying for Regional Tourism Product Development Funding for Development of Bore Baths Touring Route including Walgett, Moree Plains and Narrabri Shire Councils
- ✓ Continued development of the Australian Opal Centre concept
- ✓ Undertake an Electoral Strategy/ Local Government Awareness campaign in preparation for local government elections in 2012
- ✓ Primitive camping grounds in Collarenebri and Walgett developed
- ✓ Lightning Ridge hosted Outback Tourism symposium

## **What Council is planning for the future**

- Further marketing of the Darling River Run tourist route
- Development of an IPHONE Application for Kamilaroi Highway
- Developing & Embracing Geo-caching in Walgett Shire
- Small Business September
- CMCA Rally Lightning Ridge
- Ongoing Billboard Campaign in conjunction with Lightning Ridge Billboard Committee
- RV Friendly Town status for Walgett, Collarenebri, Burren Junction
- RV Friendly Location status for Rowena and Carinda
- Chamber of Commerce for Walgett
- Welcome to Walgett Meet & Greet 2012
- Continued development of the Australian Opal Centre concept

# Transport

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## What Council achieved in 2010/11

- ✓ Continued routine maintenance on 2,521 km of regional and local roads including 40 bridges with an aggregate deck length of 1,335m.
- ✓ Continued routine maintenance on 427km of State Highways within Walgett Shire under contract to the RTA.
- ✓ Council completed 35km upgrade and sealing project on MR329 Merrywinebone Road and MR333 Cumberland Way as part of the Australian Government's Strategic Regional Program
- ✓ Completed the upgrade of pedestrian facilities at Fox and Arthur Street intersection Walgett
- ✓ Completed the construction of 6 replacement bridges on regional and local roads funded under the NSW RTA Regional Roads timber bridge partnership and Australian Government Roads to Recovery Programs
- ✓ Completed over \$1.3M in flood damage restoration works on Regional and Local roads.
- ✓ Completed approximately \$4.23M of ordered rehabilitation and periodic maintenance works on State Highways under contract to NSW RTA

## What Council is planning for the future

- Continue contracting to the NSW RTA for works on State Highways under the Road Maintenance Council Contract
- Complete flood damage restoration from March and December 2010/February 2011 events
- Reconstruction and sealing work of Come By Chance Road (RR7716) starting from a chainage of 21km to 26km (5kms) using funding under Roads to Recovery
- Replacement of timber deck by precast concrete deck in Pagan Creek bridge on Pagan Creek road (SR79) using funding under Roads to Recovery
- Reconstruction and sealing work of Cryon Road (SR5) starting from a chainage of 0.400km to 3.40km (3km) measured from the intersection of Kamilaroi Highway and Cryon Road using funding under Roads to Recovery
- Reconstruction and seal of existing pavement approximately 370 metres x 8 metres wide on both sides of the existing central section using funding under Roads to Recovery
- School bus stop in Come By Chance situated at 4km from Fox Street using funding under RTA Local Traffic Committee
- Burren Junction Pre-School bus stop
- Replacement of Grawen box culvert damaged from 2010 flood using funding from RTA flood damage programs
- Replacement of Wagan Creek bridge
- Prepare funding application for the upgrade of various key roads under the Barwon Strategic Road Group
- Planning and documentation for the upgrade or replacement of Walgett Shire works depot to meet current and future needs
- Reconstruction of Wilby Road (SR101) and Borehead Road (SR45) damaged by 2010 flood events using funding from RTA flood programs
- Construction of footpaths within the Walgett Shire area
- Construction of drainage systems in the intersection of Fox Street and Warrena St

# Parks, Reserves and Gardens Management (including Urban Roads)

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## What Council achieved in 2010/11

### Aerodromes

- ✓ Walgett Airport Hanger – retaining or bond wall constructed including drainage works along the apron and hanger areas.

### Footpaths

- ✓ Euroka Street (between Fox and Pitt Sts) – completed
- ✓ Pitt Street (between Euroka and Wee Waa Sts) – completed
- ✓ Intersection of Fox and Arthur Streets Walgett – completed
- ✓ Intersection of Trafalgar and Alma Streets Burren Junction (Refuge) – completed

### Campsites, Showgrounds, Racecourses and Sport Ovals

- ✓ Collarenebri Alex Travellion Park – new dump point for caravans installed – completed
- ✓ Collarenebri Sports Oval – new dump point for caravans installed – completed
- ✓ Collarenebri Alex Travellion Park – construction and integration of new disabled toilet to existing toilet – completed
- ✓ Installed new grandstand at Rowena Oval – completed
- ✓ Collarenebri Racecourse – installation of new amenities block – completed
- ✓ Walgett showground – upgrade of pavilion - completed

### Swimming Pools

- ✓ Management of Walgett Swimming Pool – approved and under contract until 2013
- ✓ Management of Collarenebri Swimming Pool – approved and under contract until 2013

### Playgrounds and Skate Parks:

- ✓ Construction of Burren Junction playground – completed
- ✓ Construction of Cumborah playground and shelter – completed
- ✓ Walgett Skate Park – skate park and shelter construction – completed
- ✓ Walgett Gray Park – shelter and seating – completed
- ✓ Collarenebri Skate Park – shelter and seating – completed
- ✓ Playground at Walgett Apex park - completed

### Other:

- ✓ Construction of a new toilet block at Carinda – completed
- ✓ Construction of new amenities block at Lightning Ridge - completed

## What Council is planning for the future

### Strategies and Policies.

- Develop the Levels of Service for Parks and Reserves Management, to be the basis of future implementation of operational and contracting works program in 2012.
- Development of 10-year Parks and Reserves Asset Management Plan to set direction for providing optimum service level requirements to the community by 2012.
- Continue conducting Reserve Trust Manager Training exercises for Asset Officers currently in-charge of managing this activity over the next 3 years.
- Introduce the Parks and Reserves Servicing Manual and Procedure by 2012.
- Develop a 'global' response strategy where all urban staff can practice their expertise anywhere within the shire if so required over the next 2 years.
- Finalise and prepare a 10-year renewal schedule of all 'fleet equipment' needs for urban staff in performing tasks anywhere within the shire by 2012.
- Complete Parks and Reserves Asset Register in Conquest by 2012.

### Design, Construction and Maintenance

- Initiate a comprehensive 'tree planting and replacement' program of all parks and reserves around the shire within 5 years.
- Extension development of Walgett Cemetery Memorial Park by 2012.
- Install 'automatic sprinkler systems' to all parks and gardens around the shire within 5 years.
- Installation of solar lighting and a warning system at Collarenebri Aerodrome by 2012.
- Progressive installation of 300 metres of kerb and footpaths annually in towns and villages in conjunction with urban roads improvement program over the next 5 years.
- Continue improvement of Walgett Cemetery Memorial Park.
- Provision of increasing the health and safety program at the Lightning Ridge borebath by providing a perimeter fence around the facility in 2012.
- Progressive development of Walgett, Lightning Ridge and Collarenebri CBD gardens over the next 5 years.



## Public Buildings and Amenities

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### What Council achieved in 2010/11

- ✓ Asset Valuation for Other Assets – completed.
- ✓ Annual pest control program of all public buildings and dwellings – completed.
- ✓ Fire service inspections of all public buildings only - completed.
- ✓ Painting works of 3 dwellings – completed.
- ✓ Opal and Fossil Shed in Lightning Ridge – completed.
- ✓ Bus Shelters at Lightning Ridge and Walgett – completed.

### What Council is planning for the future

#### Strategies and Policies.

- Development of Building and Asset Management Plan to set direction for providing optimum service level requirements to the community by 2012
- Conduct a Reserve Trust Manager Training exercise for Asset Officers currently in-charge of managing this activity within a year
- Introduce the Buildings and Amenities Manual and Procedure by 2012
- Develop a 'global' response strategy where all urban staff can practice their expertise anywhere within the shire if so required over the next 2 years
- Complete Public Buildings and Amenities Asset Register in Conquest by 2012
- Complete the Asset Register by 2013

#### Design, Construction and Maintenance:

- Implement Painting works of 5 dwellings each year over the next 5 years
- Roof repairs and improvement of Walgett Shire Chambers by 2011
- Interior repairs (electrical, kitchen and plumbing) of 5 dwellings each year over the next 5 years

# Waste Services

---

## What Council achieved in 2010/11

### Landfill Management:

- ✓ Walgett and Lightning Ridge Landfill contracts extended until 2013 based on 'partnership - value' program
- ✓ Formal geotechnical testing at Walgett Landfill started quarterly to comply with EPA license conditions. First report has been forwarded to EPA - 2008-09 Annual Licence Return
- ✓ Completed cleaning programs and established new cells around Come-By- Chance and Carinda Landfills
- ✓ Sound progress with site cleaning at Lightning Ridge to minimize proliferation of unwanted flying trash inside and around the landfill. Introduction of more new cells are in progress
- ✓ Good liaison protocol with locals' - establishment of a new disposal area at Grawin
- ✓ Cleaned, re-defined and improved Cumborah site for better disposal of rubbish

### Refuse Collection and Litter Control:

- ✓ Increased 'litter' awareness along Fox Street at Walgett CBD improving street cleanliness.

### Recycling and Waste Minimization Initiatives:

- ✓ Contractor's recycling business initiative at Lightning Ridge is growing where cardboard and other potential recycled materials are being identified. Council will continue to develop this with the contractor.

### Green Waste Initiatives:

- ✓ Contractor at Lightning Ridge is progressively accepting green waste as part of their 'greening' business. Some of the processed green waste is now being used as rubbish cover.

## What Council is planning for the future

- Develop a regional landfill (located between Walgett and Lightning Ridge) over the next 5 years. Council to determine the right site location, initiate public discussion, procurement of the site and complete the design in 2012.
- Develop the Levels of Service for solid waste management to be the basis of future implementation of operational and contracting works program in 2011.

Develop a **Solid Waste Management Plan** which will address long-term strategies and outcomes on the following:

- **Regional landfill.** Development and construction between Lightning Ridge and Walgett within 2 years. Council to hold discussions with the whole community to develop an understanding of the goals and objectives of a Solid Waste Management Plan prior to full implementation within the next few years.
- **Licensing and Data Generation:** Increase efforts in meeting licensing requirements at Walgett Landfill as well as obtaining quality solid data generated from all existing landfills.
- **Transfer Stations:** Development of strategic stations around the shire housing recycling and waste reduction sheds within 3 years.
- **Refuse Collections:** Introduce an improved 'user pays' system by having collection trucks fitted with monitoring and registering devices for fast monitoring and effective collection charges. These devices are to be designed to fully integrate and complement with existing Council's waste, customer and accounting services within the next 2 years.
- **Refuse Collection Trucks:** Improving services by opening to public tenders or obtaining new and software equipped Council owned trucks

Develop a **Waste Minimization Strategy** to support the expected outcomes of a Solid Waste Management Plan:

- Waste Advisory Group: Formation of a community-driven group within a year. This is a 'think tank' group who will assist Council in increasing efforts to educate the community on matters relative to waste minimization, recycling and zero waste to landfills.
- Develop a comprehensive **Landfill Operational Management Program** before the current contract ends in 2013. This program will compliment the Solid Waste Management Plan as well as the Waste Minimization Strategy in which both are still to be developed.
- Develop **Landfill Post-Closure Program** for Walgett, Lightning Ridge and other small landfills around the shire over the next 2 years.
- **Community Discussions**. Council will hold discussions with the whole community to develop an understanding of the goals and objectives of a Solid Waste Management Plan and Waste Minimization Strategy prior to full implementation within the next 2 years.

# Water Supply Services

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## What Council achieved in 2010/11

- ✓ 1.2km 100mm water mains replacement at Carinda

## What Council is planning for the future

### Strategies and Policies

- Construction and installation of a new bore at Lightning Ridge in 2011
- Develop the water 'user-pay' charging system to take effect from 1 July 2012
- Development and integration of appropriate IT equipment systems for water billing, customer service centre, and action plan for customer complaints, maintenance of water supply systems and asset registers in 2011
- Finalise and prepare renewal schedule of all 'fleet equipment' needs for urban staff in performing tasks anywhere within the Shire in the next 2 years
- Valuation for Water Supply System to complete by 2012
- Initiate 'succession' planning and employment of new water staff in 2011 to succeed out-going or retiring staff in the near future
- Develop the Levels of Service for the water supply management to be the basis of future implementation of operational and contracting works program in 2011
- Develop the Water Meter Installation Policy to be approved by Council
- Development of a Water Asset Management Plan (WAMP) to set direction for providing optimum water service level requirements to the community in 2011
- Prepare a 10-year Water Renewal Management Program in 2011
- Continue discussions with neighboring local councils (Moree and Gwydir) regarding the future of Water Alliance
- Continue developing the Walgett Integrated Water Cycle Management Strategy (WIWCMS) to comply with IPART subsequently meeting the Best Management Practice (BMP) within 2 years
- Improvement of Drought Management Plan to focus on Water Integrated Water Cycle Management Strategy (WIWCMS) increasing efforts to educate the community on matters relative to long-term water conservation in 2012
- Re-visit and amend the Water Restriction Policy to meet the Best Management Practice (BMP) in water usage in 2011
- Re-introduce the Water Operators Manual and Procedure for all water supply plants by 2011
- Develop a 'global' response strategy where all water staff can practice their expertise anywhere within the shire if so required over the next 2 years
- Collection of data from water meters will be conducted in early 2012 and loaded to Council's financial system

## **Design, Construction and Maintenance**

- Completion of design for Walgett Water Treatment Plant and new water meter mains incorporating Namoi Village by 2012
- Construction of new Walgett Treatment Plant and new water meter mains incorporating Namoi Village by 2013
- De-commissioning of existing chlorination tank system at Collarenebri in 2011 and improve the chlorine flow systems inside the water treatment plant
- Install 2 water pressure pumps at Carinda to boost the supply of water to the community in 2011
- Decommission the existing water tank tower at Carinda by 2012 and construct a new one around the center of the village to improve the water pressure supply
- Renew 2km 100mm water mains at Carinda by 2013
- Conduct study to change the water treatment system from liquid to gas chlorine system at Collarenebri in 2011
- Apply for Lightning Ridge fluoridation grant in 2012
- Construction of 2 fluoridation plants at Walgett and Collarenebri in 2011
- Replace aging water pipe mains in Carinda as well as installation of a new booster pump to improve the water pressure and reduce the annual maintenance costs of providing water service to the community
- Conduct a feasibility study and design of water supply systems in Lightning Ridge, Collarenebri, Cumborah and Burren Junction by 2011. The design will focus on renewal of existing pumps and installation of new bores
- Council to continue holding discussions with the Burren Junction community to ascertain if the community wishes to pursue a water scheme within the next 5 years
- Improve implementation of Water Sampling Collection Management and Reporting within the next 2 years.

# Sewerage Services

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## What Council achieved in 2010/11

- ✓ No significant accomplishments this year

## What Council is planning for the future

### Strategies and Policies.

- Development of **Sewerage Asset Management Plan (SAMP)** to set direction for providing optimum water service level requirements to the community by 2011.
- Prepare a 10-year Sewerage Renewal Management Program
- Conduct a feasibility study of pumping treated wastewater to all parks and reserves as part of Sewerage Asset Management Strategy by 2012
- Continue discussions with neighboring local councils (Moore and Gwydir) regarding the future of **Water Alliance**. The Mayor of Moore Plains Shire Council became the first Chairman of the 2009 – 20010 Alliance.
- Re-introduce the **Sewerage Operators Manual and Procedure** for all water supply plants by 2012.
- Develop the **sewerage ‘user-pay’ charging system** to take effect in Jul 2010. This includes development and integration of appropriate IT equipment systems for billing, customer complaints action plan and maintenance monitoring practice within 2 years.
- Develop a **‘global’ response strategy** where all water staff can practice their expertise anywhere within the shire if so required over the next 2 years.
- Finalise and prepare renewal schedule of all **‘fleet equipment’** needs for urban staff in performing tasks anywhere within the shire next year.
- Valuation for Sewerage Supply System to complete by 2012.
- Initiate ‘succession’ planning and employment of new water staff in 2011 to succeed the out-going or retiring staff in the near future.
- Develop the trade waste charges and implement in 2011.
- Develop the Trade Waste Policy in 2012.
- Develop the Levels of Service for the sewerage management based on the future implementation of the operational and contracting works program in 2011.

### Design, Construction and Maintenance

- Conduct feasibility study and design of sewerage supply systems in Walgett, Collarenebri, Cumborah and Burren Junction by 2012. The design will focus in rehabilitation of existing pumping systems, evaporation ponds, sludge ponds, amenity improvements and access roads.
- Start rehabilitation and construction of Walgett Sewerage Systems by 2011.
- Conduct full CCTV study of all lines to determine the extent of renewal works to be done in the future by 2012.
- Rehabilitation of identified old and dilapidated main sewer main pipes in Lightning Ridge and Walgett.
- Replace aging Collarenebri sewerage pumps over the next 3 years.
- Prepare a global stormwater modeling study and design of sewerage supply and distribution systems by 2011. The design will focus on rehabilitation of existing distribution pipelines, pumping systems, evaporation ponds, sludge ponds, amenity improvements and access roads.
- Commence an initiative to acquire the site where the Collarenebri effluent ponds are located.
- Implement in stages the global construction, rehabilitation and renewal of sewerage systems in 2012.



# Stormwater Management

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## What Council achieved in 2010/11

- ✓ No significant accomplishments this year

## What Council is planning for the future

### Strategies and Policies.

- Introduce a stormwater management charge as is provided for in the Local Government Act in 2012.
- Develop the Levels of Service for the stormwater management to be the basis of future implementation of operational and contracting works program in 2011.
- Development of a Stormwater Asset Management Plan to set direction for providing optimum stormwater and urban roads service level requirements to the community by 2011.
- Prepare a comprehensive 10-year Stormwater Renewal Management Program.
- Develop a stormwater management charge to cover this activity by 2011.
- Conduct a feasibility study of harvesting stormwater to use in watering parks and reserves as part of the Sewerage Asset Management Strategy and Stormwater Asset Management Strategy by 2012
- Re-introduce the Stormwater Servicing Manual and Procedure for stormwater systems by 2012
- Develop a 'global' response strategy where all urban staff can practice their expertise anywhere within the shire if so required over the next 2 years.
- Finalise and prepare a renewal schedule of all 'fleet equipment' needs for urban staff in performing tasks anywhere within the shire next over the next 2 years

### Design, Construction and Maintenance

- Prepare a global stormwater study and design of stormwater disposal and harvesting systems by 2011. The design will focus on rehabilitation of kerbs and gutters, sealing of affected roads and shoulders, installation and re-modelling of stormwater pipes and cesspits, construction of new lines to convey stormwater directly into the streams
- Conduct full CCTV study of all lines to determine the extent of renewal works to be done in the future by 2011.
- Implement in stages the global construction, rehabilitation and renewal of stormwater systems in 2012.
- Progressive installation of 1000 meters of kerb and gutters annually in towns and villages in conjunction with urban roads improvement program over the next 5 years.

# Planning and Regulation

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## What Council achieved in 2010/11

- ✓ Council approved 34 Development Applications with a combined construction value of \$4,736,367. The average determination time was 42 days and the median 34 days.
- ✓ Council approved 16 Complying Development Certificate applications with a combined construction value of \$7,066,830. The average determination time was 7 days.
- ✓ The Walgett Shire Growth Management Study and Strategy (GMSS) was conditionally endorsed by the Director General Department of Planning on 18 May 2011. The GMSS includes various strategies that Council will be implementing via a Local Environmental Plan to facilitate future land use and development within the Shire.
- ✓ Council provided street numbers for all urban dwellings and premises in Burren Junction, Carinda, Collarenebri, Cumborah and Rowena. Volunteers from the respective communities installed the numbers, which will facilitate correct building identification by the public, service providers and emergency services. Maps showing the street numbers have been provided to emergency service organisations and are available to the public via Council's web site.
- ✓ An aboriginal heritage study was completed with the assistance of a grant from the Heritage Office of the NSW Department of Planning. The study provides a thematic aboriginal history of the Walgett Shire and provides Council with guidance on improving the assessment and management of aboriginal heritage items that may be affected by development proposals.
- ✓ Council sponsored the RSPCA's Community Animal Welfare Scheme which provides subsidised de-sexing and micro-chipping of dogs to low income earners. The scheme has operated each year in Walgett Shire since 2006. Since the commencement of the scheme, there has been a substantial decline in the number of unwanted and seized dogs passing through the Walgett Pound.
- ✓ Trials were undertaken using lime to remediate contaminated soil at the Walgett airport. The contaminated soil is associated with a site which was formerly used for the washing down of crop dusters to remove pesticide residues. The results of the trials are inconclusive at this stage.
- ✓ In conjunction with the Heritage Branch of the Department of Planning, Council provided 4 grants totaling \$14,132.25 for the maintenance of buildings proposed for local heritage listing through its Local Heritage Fund program. These grants were match on a dollar for dollar basis by the respective building owners.
- ✓ Council commenced hosting a differential Global Positioning System (GPS) reference station as part of an agreement with the Land and Property Management Authority. Council has established hardware and software systems to enable it to undertake differential GPS surveying of its assets.

## **What Council is planning for the future**

- Council expects to publicly exhibit a draft Local Environmental Plan based on the strategies contained in Walgett Shire Growth Management Study and Strategy. The Local Environmental Plan will provide greater certainty for developers and the community about permissible land uses within a given location.
- A review of street numbering in Lightning Ridge and Walgett will be completed during 2011-2012. Numbering already exists within these towns, but a significant number of premises are not clearly or correctly identified and there are inconsistencies in numbering sequences which may need to be addressed.
- Developing concept plans for the creation of additional urban residential lots in the vicinity of Fantasia and Lappkalle Streets, Lightning Ridge.
- Work will continue on the project to identify viable methods of remediating contaminated soil associated with the pesticide residue pit at the Walgett airport.
- A project to accurately re-survey the location of all Council water and sewer mains in the Shire using differential Global Positioning System (GPS) will be commenced.
- Audits will be commenced of all public buildings for compliance with relevant fire safety standards.
- Continuing to work with the RSPCA to sponsor and facilitate the Community Animal Welfare Scheme.

# Walgett Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2011

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*“Rivers, Plains and Opals”*



# Walgett Shire Council

## General Purpose Financial Statements

for the financial year ended 30 June 2011

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<b>2. Statement by Councillors &amp; Management</b>	<b>3</b>
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<b>5. Independent Auditor's Reports:</b>	
- On the Financial Statements (Sect 417 [2])	
- On the Conduct of the Audit (Sect 417 [3])	

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### Overview

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

(ii) Walgett 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 specified in Paragraph 8 of the LGA and includes;

- carrying out activities and providing goods, services & facilities appropriate to the current & future needs of the Local community and of the wider public
- responsibility for administering regulatory requirements under the LGA and other applicable legislation, &
- a role in the management, improvement and development of the resources of the local government 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 25/10/11. Council has the power to amend and reissue the financial statements.

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# Walgett Shire Council

## General Purpose Financial Statements for the financial year ended 30 June 2011

### 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:

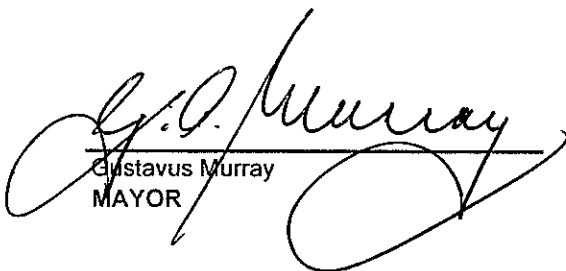
- The Local Government Act 1993 (as amended) and the Regulations made thereunder,
- The Australian Accounting Standards and professional pronouncements, and
- The Local Government Code of Accounting Practice and Financial Reporting.

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

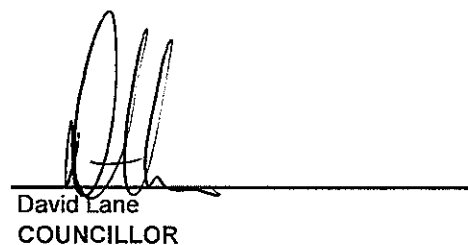
- present fairly the Council's operating result and financial position for the year, and
- accords with Council's accounting and other records.

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

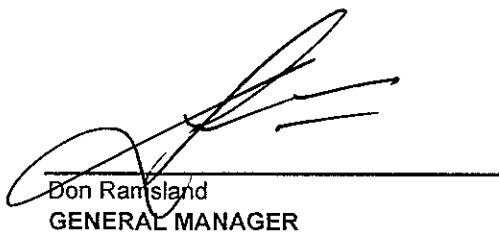
Signed in accordance with a resolution of Council made on 25 October 2011.



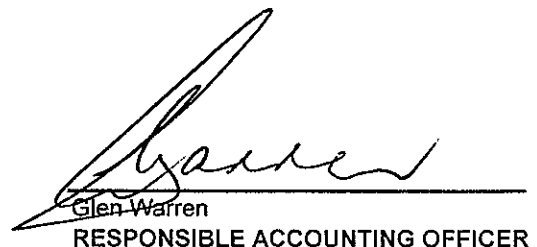
Gustavus Murray  
MAYOR



David Lane  
COUNCILLOR



Don Ramsland  
GENERAL MANAGER



Glen Warren  
RESPONSIBLE ACCOUNTING OFFICER



## Walgett Shire Council

## Income Statement

for the financial year ended 30 June 2011

Budget <sup>(1)</sup>				Actual	Actual
2011	\$ '000		Notes	2011	2010
<b>Income from Continuing Operations</b>					
<b>Revenue:</b>					
6,805	Rates & Annual Charges	3a		6,948	6,751
3,500	User Charges & Fees	3b		5,135	5,750
274	Interest & Investment Revenue	3c		494	446
650	Other Revenues	3d		393	426
15,967	Grants & Contributions provided for Operating Purposes	3e,f		9,145	8,631
990	Grants & Contributions provided for Capital Purposes	3e,f		3,776	2,297
<b>Other Income:</b>					
400	Net gains from the disposal of assets	5		295	157
	Net Share of interests in Joint Ventures & Associated Entities using the equity method	19		-	-
<u>28,586</u>	<b>Total Income from Continuing Operations</b>			<u>26,186</u>	<u>24,458</u>
<b>Expenses from Continuing Operations</b>					
6,252	Employee Benefits & On-Costs	4a		6,358	6,187
60	Borrowing Costs	4b		60	9
18,977	Materials & Contracts	4c		11,131	8,721
2,158	Depreciation & Amortisation	4d		6,273	3,034
	Impairment	4d		-	-
2,500	Other Expenses	4e		2,412	3,305
<u>29,947</u>	<b>Total Expenses from Continuing Operations</b>			<u>26,234</u>	<u>21,256</u>
<u>(1,361)</u>	<b>Operating Result from Continuing Operations</b>			<u>(48)</u>	<u>3,202</u>
<b>Discontinued Operations</b>					
-	Net Profit/(Loss) from Discontinued Operations	24		-	-
<u>(1,361)</u>	<b>Net Operating Result for the Year</b>			<u>(48)</u>	<u>3,202</u>
(1,361)	Net Operating Result attributable to Council			(48)	3,202
-	Net Operating Result attributable to Minority Interests			-	-
<u>(2,351)</u>	<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>			<u>(3,824)</u>	<u>905</u>

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

## Walgett Shire Council

Statement of Comprehensive Income  
for the financial year ended 30 June 2011

\$ '000	Notes	Actual 2011	Actual 2010
Net Operating Result for the year (as per Income statement)		<b>(48)</b>	<b>3,202</b>
<b>Other Comprehensive Income</b>			
Gain (loss) on revaluation of I,PP&E	20b (ii)	2,657	15,707
Gain (loss) on revaluation of available-for-sale investments	20b (ii)	-	-
Gain (loss) on revaluation of other reserves	20b (ii)	-	-
Realised (gain) loss on available-for-sale investments recognised in P&L	20b (ii)	-	-
Realised (gain) loss from other reserves recognised in P&L	20b (ii)	-	-
Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-
Other Movements in Reserves	20b (ii)	-	-
<b>Total Other Comprehensive Income for the year</b>		<b>2,657</b>	<b>15,707</b>
<b>Total Comprehensive Income for the Year</b>		<b>2,609</b>	<b>18,909</b>
<b>Total Comprehensive Income attributable to Council</b>		<b>2,609</b>	<b>18,909</b>
<b>Total Comprehensive Income attributable to Minority Interests</b>		<b>-</b>	<b>-</b>

## Walgett Shire Council

## Balance Sheet

as at 30 June 2011

\$ '000	Notes	Actual 2011	Actual 2010
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	6a	5,436	4,467
Investments	6b	1,774	4,049
Receivables	7	3,137	2,855
Inventories	8	1,437	1,229
Other	8	-	205
Non-current assets classified as "held for sale"	22	-	-
<b>Total Current Assets</b>		<b>11,784</b>	<b>12,805</b>
<b>Non-Current Assets</b>			
Investments	6b	-	-
Receivables	7	391	233
Inventories	8	-	-
Infrastructure, Property, Plant & Equipment	9	312,161	306,950
Investments accounted for using the equity method	19	-	-
Investment Property	14	-	-
Intangible Assets	25	-	-
<b>Total Non-Current Assets</b>		<b>312,552</b>	<b>307,183</b>
<b>TOTAL ASSETS</b>		<b>324,336</b>	<b>319,988</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	10	1,785	2,699
Borrowings	10	199	20
Provisions	10	1,717	1,619
<b>Total Current Liabilities</b>		<b>3,701</b>	<b>4,338</b>
<b>Non-Current Liabilities</b>			
Payables	10	-	-
Borrowings	10	2,481	123
Provisions	10	131	113
<b>Total Non-Current Liabilities</b>		<b>2,612</b>	<b>236</b>
<b>TOTAL LIABILITIES</b>		<b>6,313</b>	<b>4,574</b>
<b>Net Assets</b>		<b>318,023</b>	<b>315,414</b>
<b>EQUITY</b>			
Retained Earnings	20	282,342	282,390
Revaluation Reserves	20	35,681	33,024
Council Equity Interest		318,023	315,414
Minority Equity Interest		-	-
<b>Total Equity</b>		<b>318,023</b>	<b>315,414</b>

## Walgett Shire Council

## Statement of Changes in Equity

for the financial year ended 30 June 2011

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Equity Interest	Minority Interest	Total Equity
<b>2011</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		282,390	33,024	315,414	-	315,414
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance</b> (as at 1/7/10)		<b>282,390</b>	<b>33,024</b>	<b>315,414</b>	<b>-</b>	<b>315,414</b>
<b>c. Net Operating Result for the Year</b>		<b>(48)</b>	<b>-</b>	<b>(48)</b>	<b>-</b>	<b>(48)</b>
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	2,657	2,657	-	2,657
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
- Other Movements	20b (ii)	-	-	-	-	-
<b>Other Comprehensive Income</b>		<b>-</b>	<b>2,657</b>	<b>2,657</b>	<b>-</b>	<b>2,657</b>
<b>Total Comprehensive Income</b> (c&d)		<b>(48)</b>	<b>2,657</b>	<b>2,609</b>	<b>-</b>	<b>2,609</b>
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>282,342</b>	<b>35,681</b>	<b>318,023</b>	<b>-</b>	<b>318,023</b>

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Equity Interest	Minority Interest	Total Equity
<b>2010</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		88,348	17,317	105,665	-	105,665
a. Correction of Prior Period Errors	20 (c)	(12,850)	-	(12,850)	-	(12,850)
b. Changes in Accounting Policies (prior year effects)	20 (d)	203,690	-	203,690	-	203,690
<b>Revised Opening Balance</b> (as at 1/7/09)		<b>279,188</b>	<b>17,317</b>	<b>296,505</b>	<b>-</b>	<b>296,505</b>
<b>c. Net Operating Result for the Year</b>		<b>3,202</b>	<b>-</b>	<b>3,202</b>	<b>-</b>	<b>3,202</b>
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	15,707	15,707	-	15,707
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
- Other Movements	20b (ii)	-	-	-	-	-
<b>Other Comprehensive Income</b>		<b>-</b>	<b>15,707</b>	<b>15,707</b>	<b>-</b>	<b>15,707</b>
<b>Total Comprehensive Income</b> (c&d)		<b>3,202</b>	<b>15,707</b>	<b>18,909</b>	<b>-</b>	<b>18,909</b>
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>282,390</b>	<b>33,024</b>	<b>315,414</b>	<b>-</b>	<b>315,414</b>

## Walgett Shire Council

## Statement of Cash Flows

for the financial year ended 30 June 2011

Budget 2011	\$ '000	Notes	Actual 2011	Actual 2010
<b>Cash Flows from Operating Activities</b>				
<b>Receipts:</b>				
7,500	Rates & Annual Charges		6,664	6,529
3,500	User Charges & Fees		5,613	5,917
224	Investment & Interest Revenue Received		356	463
15,900	Grants & Contributions		12,122	11,491
1,462	Other		2,891	79
<b>Payments:</b>				
(6,000)	Employee Benefits & On-Costs		(6,214)	(6,240)
(15,000)	Materials & Contracts		(13,471)	(10,506)
(60)	Borrowing Costs		(60)	(9)
-	Bonds & Deposits Refunded		-	-
(4,000)	Other		(3,751)	(2,121)
<u>3,526</u>	<b>Net Cash provided (or used in) Operating Activities</b>	11b	<u>4,150</u>	<u>5,603</u>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts:</b>				
7,500	Sale of Investment Securities		6,285	5,850
50	Sale of Real Estate Assets		26	177
500	Sale of Infrastructure, Property, Plant & Equipment		425	229
<b>Payments:</b>				
(5,000)	Purchase of Investment Securities		(4,000)	-
(10,000)	Purchase of Infrastructure, Property, Plant & Equipment		(8,454)	(10,823)
-	Purchase of Real Estate Assets		-	-
-	Deferred Debtors & Advances Made		-	-
<u>(6,950)</u>	<b>Net Cash provided (or used in) Investing Activities</b>		<u>(5,718)</u>	<u>(4,567)</u>
<b>Cash Flows from Financing Activities</b>				
<b>Receipts:</b>				
2,600	Proceeds from Borrowings & Advances		2,600	14
<b>Payments:</b>				
(60)	Repayment of Borrowings & Advances		(63)	(22)
<u>2,540</u>	<b>Net Cash Flow provided (used in) Financing Activities</b>		<u>2,537</u>	<u>(8)</u>
(884)	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		969	1,028
4,467	plus: <b>Cash &amp; Cash Equivalents - beginning of year</b>	11a	4,467	3,439
<u>3,583</u>	<b>Cash &amp; Cash Equivalents - end of the year</b>	11a	<u>5,436</u>	<u>4,467</u>
Additional Information:				
	plus: <b>Investments on hand - end of year</b>	6b	1,774	4,049
	<b>Total Cash, Cash Equivalents &amp; Investments</b>		<u>7,210</u>	<u>8,516</u>

Please refer to Note 11 for additional cash flow information.



## Walgett Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2011

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n/a - not applicable

## Walgett Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2011

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

**Refer Word File.**



# Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

### 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 2011	Actual 2011	Actual 2010	Original Budget 2011	Actual 2011	Actual 2010	Original Budget 2011	Actual 2011	Actual 2010	Actual 2011	Actual 2010	Actual 2011	Actual 2010
Governance		-	-	831	799	848	(831)	(799)	(848)	64	145	200,530	206,214
Administration	2,251	2,717	1,138	5,642	3,449	4,377	(3,391)	(732)	(3,239)	-	43	6,374	9,790
Public Order & Safety	16	44	20	390	329	383	(374)	(285)	(363)	35	-		34
Health	2	1	39	195	99	863	(193)	(98)	(824)		20		1,330
Environment		-	-		-	-	-	-	-	98	-	1,329	-
Community Services & Education	50	100	153	432	440	898	(382)	(340)	(745)	304	146		83
Housing & Community Amenities	1,272	101	1,273	3,019	845	2,095	(1,747)	(744)	(822)		281	11,966	15,676
Water Supplies	1,235	1,519	1,392	1,103	2,123	1,515	132	(604)	(123)	12	12	14,999	15,583
Sewerage Services	725	727	652	444	758	594	281	(31)	58	9	11	12,301	12,052
Recreation & Culture	79	63	71	1,301	1,298	1,210	(1,222)	(1,235)	(1,139)	65	22	5,830	2,172
Fuel & Energy		-	-		-	-	-	-	-		-	5,830	-
Agriculture		-	-		-	-	-	-	-		-		-
Mining, Manufacturing & Construction	51	110	81		-	-	51	110	81		-		-
Transport & Communication	11,555	11,064	10,538	16,019	15,588	8,246	(4,464)	(4,524)	2,292	5,508	3,643	62,490	57,054
Economic Affairs	112	147	45	571	506	227	(459)	(359)	(182)	13	-	2,687	-
<b>Total Functions &amp; Activities</b>	<b>17,348</b>	<b>16,593</b>	<b>15,402</b>	<b>29,947</b>	<b>26,234</b>	<b>21,256</b>	<b>(12,599)</b>	<b>(9,641)</b>	<b>(5,854)</b>	<b>6,108</b>	<b>4,323</b>	<b>324,336</b>	<b>319,988</b>
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	-	-	-	-	-	-	-	-	-	-	-
General Purpose Income <sup>1</sup>	11,238	9,593	9,056	-	-	-	11,238	9,593	9,056	4,958	4,592	-	-
<b>Operating Result from Continuing Operations</b>	<b>28,586</b>	<b>26,186</b>	<b>24,458</b>	<b>29,947</b>	<b>26,234</b>	<b>21,256</b>	<b>(1,361)</b>	<b>(48)</b>	<b>3,202</b>	<b>11,066</b>	<b>8,915</b>	<b>324,336</b>	<b>319,988</b>

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

## Walgett Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2011

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

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

#### **GOVERNANCE**

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

#### **ADMINISTRATION**

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

#### **PUBLIC ORDER & SAFETY**

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

#### **HEALTH**

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

#### **ENVIRONMENT**

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

#### **COMMUNITY SERVICES & EDUCATION**

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

#### **HOUSING & COMMUNITY AMENITIES**

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

#### **WATER SUPPLIES**

#### **SEWERAGE SERVICES**

#### **RECREATION & CULTURE**

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

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

#### **MINING, MANUFACTURING & CONSTRUCTION**

Building control, abattoirs, quarries & pits, other.

#### **TRANSPORT & COMMUNICATION**

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

#### **ECONOMIC AFFAIRS**

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

## Walgett Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2011

## Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2011	Actual 2010
<b>(a). Rates &amp; Annual Charges</b>			
<b>Ordinary Rates</b>			
Residential		1,073	1,004
Farmland		2,957	2,863
Business		206	223
<b>Total Ordinary Rates</b>		<b>4,236</b>	<b>4,090</b>
<b>Special Rates</b>			
Nil			
<b>Annual Charges</b> (pursuant to s.496, s.501 & s.611)			
Domestic Waste Management Services		908	789
Water Supply Services		1,148	1,247
Sewerage Services		656	625
<b>Total Annual Charges</b>		<b>2,712</b>	<b>2,661</b>
<b>TOTAL RATES &amp; ANNUAL CHARGES</b>		<b>6,948</b>	<b>6,751</b>

Council has used 2007 year valuations provided by the NSW Valuer General in calculating its rates.

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	Notes	Actual 2011	Actual 2010
<b>(b). User Charges &amp; Fees</b>			
<b>Specific User Charges</b> (per s.502 - Specific "actual use" charges)			
Domestic Waste Management Services		4	2
Waste Management Services (non-domestic)		118	66
<b>Total User Charges</b>		<b>122</b>	<b>68</b>
<b>Other User Charges &amp; Fees</b>			
<b>(i) Fees &amp; Charges - Statutory &amp; Regulatory Functions</b> (per s608 & 610A)			
Planning & Building Regulation		146	82
Private Works - Section 67		251	50
Regulatory/ Statutory Fees		19	-
Regulatory Fees		8	-
Section 603 Certificates		8	10
Tapping Fees		-	3
Other		21	-
<b>Total Fees &amp; Charges - Statutory/Regulatory</b>		<b>453</b>	<b>145</b>
<b>(ii) Fees &amp; Charges - Other (incl. General User Charges</b> (per s.610C))			
Caravan Park		-	30
Cemeteries		53	40
Lease Rentals		38	128
Leaseback Fees - Council Vehicles		23	27
RTA Charges (State Roads not controlled by Council)		4,434	5,272
Saleyards		12	20
Other		-	20
<b>Total Fees &amp; Charges - Other</b>		<b>4,560</b>	<b>5,537</b>
<b>TOTAL USER CHARGES &amp; FEES</b>		<b>5,135</b>	<b>5,750</b>

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	Notes	Actual 2011	Actual 2010
<b>(c). Interest &amp; Investment Revenue (incl. losses)</b>			
<b>Interest &amp; Dividends</b>			
- Interest on Overdue Rates & Annual Charges		60	57
- Interest earned on Investments (interest & coupon payment income)		424	389
- Interest & Dividend Income - Other		-	-
<b>Fair Value Adjustments</b>			
- Fair Valuation movements in Investments (at FV or Held for Trading)		10	-
<b><u>TOTAL INTEREST &amp; INVESTMENT REVENUE</u></b>		<b><u>494</u></b>	<b><u>446</u></b>
<b>Interest Revenue is attributable to:</b>			
<b>Unrestricted Investments/Financial Assets:</b>			
Overdue Rates & Annual Charges		60	57
General Council Cash & Investments		399	354
<b>Restricted Investments/Funds - External:</b>			
Water Fund Operations		21	23
Sewerage Fund Operations		14	12
<b><u>Total Interest &amp; Investment Revenue Recognised</u></b>		<b><u>494</u></b>	<b><u>446</u></b>
<b>(d). Other Revenues</b>			
Rental Income - Other Council Properties		122	49
Ex Gratia Rates		-	20
Legal Fees Recovery - Rates & Charges (Extra Charges)		43	131
Commissions & Agency Fees		42	47
Diesel Rebate		30	63
Insurance Claim Recoveries		18	15
Sales - General		73	35
Statecover Incentive		37	27
Other		28	39
<b><u>TOTAL OTHER REVENUE</u></b>		<b><u>393</u></b>	<b><u>426</u></b>

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	2011 Operating	2010 Operating	2011 Capital	2010 Capital
<b>(e). Grants</b>				
<b>General Purpose (Untied)</b>				
Financial Assistance - General Component	3,105	2,864	-	-
Financial Assistance - Local Roads Component	1,808	1,687	-	-
Pensioners' Rates Subsidies - General Component	45	41	-	-
<b>Total General Purpose</b>	<b>4,958</b>	<b>4,592</b>	<b>-</b>	<b>-</b>
<b>Specific Purpose</b>				
Pensioners' Rates Subsidies:				
- Water	12	12	-	-
- Sewerage	9	11	-	-
- Domestic Waste Management	25	21	-	-
Water Supplies	293	71	-	-
Bushfire & Emergency Services	35	-	-	-
Community Care	244	145	994	-
Economic Development	13	-	-	-
Employment & Training Programs	10	43	-	-
Flood Restoration	1,468	1,346	-	-
Heritage & Cultural	24	22	-	-
Library	37	37	-	-
Recreation & Culture	-	127	-	-
Regional & Local Infrastructure	4	-	-	508
Rural Addressing	-	20	-	-
Street Lighting	26	26	-	-
Traffic Route Subsidy	9	-	-	-
Transport (Roads to Recovery)	-	-	1,242	1,389
Transport (Other Roads & Bridges Funding)	-	145	1,540	400
Other Youth Services	50	-	-	-
Levee Rehabilitation	73	-	-	-
Other	-	-	-	-
<b>Total Specific Purpose</b>	<b>2,332</b>	<b>2,026</b>	<b>3,776</b>	<b>2,297</b>
<b>Total Grants</b>	<b>7,290</b>	<b>6,618</b>	<b>3,776</b>	<b>2,297</b>
<b>Grant Revenue is attributable to:</b>				
- Commonwealth Funding	4,914	4,551	2,534	1,389
- State Funding	2,376	1,921	1,242	-
- Other Funding	-	146	-	908
	<b>7,290</b>	<b>6,618</b>	<b>3,776</b>	<b>2,297</b>

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	2011 Operating	2010 Operating	2011 Capital	2010 Capital
<b>(f). Contributions</b>				
<b>Developer Contributions:</b>				
<b>(s93 &amp; s94 - EP&amp;A Act, s64 of the NSW LG Act):</b>				
Nil				
<b>Other Contributions:</b>				
Community Services	-	10	-	-
Roads & Bridges	-	98	-	-
RTA Contributions (Regional/Local, Block Grant)	1,855	1,905	-	-
<b>Total Other Contributions</b>	<b>1,855</b>	<b>2,013</b>	-	-
<b>Total Contributions</b>	<b>1,855</b>	<b>2,013</b>	-	-
<b><u>TOTAL GRANTS &amp; CONTRIBUTIONS</u></b>	<b><u>9,145</u></b>	<b><u>8,631</u></b>	<b><u>3,776</u></b>	<b><u>2,297</u></b>

\$ '000	Actual 2011	Actual 2010
<b>(g). Restrictions relating to Grants and Contributions</b>		
<b>Certain grants &amp; contributions are obtained by Council on condition that they be spent in a specified manner:</b>		
Unexpended at the Close of the Previous Reporting Period	2,340	5,144
add: Grants and contributions recognised in the current period which have not been spent:	994	2,071
less: Grants and contributions recognised in a previous reporting period which have been spent in the current reporting period:	(2,340)	(4,875)
<b>Net Increase (Decrease) in Restricted Assets during the Current Reporting Period</b>	<b>(1,346)</b>	<b>(2,804)</b>
<b>Unexpended at the Close of this Reporting Period and held as Restricted Assets</b>	<b><u>994</u></b>	<b><u>2,340</u></b>
<b>Comprising:</b>		
- Specific Purpose Unexpended Grants	994	2,340
	<b><u>994</u></b>	<b><u>2,340</u></b>

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

## Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2011	Actual 2010
<b>(a) Employee Benefits &amp; On-Costs</b>			
Salaries and Wages		5,659	5,591
Travelling		54	41
Employee Leave Entitlements (ELE)		661	611
Superannuation		570	551
Workers' Compensation Insurance		44	105
Fringe Benefit Tax (FBT)		35	25
Training Costs (other than Salaries & Wages)		108	97
Other		9	35
<b>Total Employee Costs</b>		<b>7,140</b>	<b>7,056</b>
less: Capitalised Costs		(782)	(869)
<b><u>TOTAL EMPLOYEE COSTS EXPENSED</u></b>		<b><u>6,358</u></b>	<b><u>6,187</u></b>
Number of "Equivalent Full Time" Employees at year end		109	117
Number of "Equivalent Full Time" Employees at year end (incl. vacancies)		129	122
<b>(b) Borrowing Costs</b>			
<b>(i) Interest Bearing Liability Costs</b>			
Interest on Loans		60	9
<b>Total Interest Bearing Liability Costs</b>		<b>60</b>	<b>9</b>
less: Capitalised Costs		-	-
<b>Total Interest Bearing Liability Costs Expensed</b>		<b>60</b>	<b>9</b>
<b>(ii) Other Borrowing Costs</b>			
Nil			
<b><u>TOTAL BORROWING COSTS EXPENSED</u></b>		<b><u>60</u></b>	<b><u>9</u></b>



## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	Notes	Actual 2011	Actual 2010
<b>(c) Materials &amp; Contracts</b>			
Raw Materials & Consumables		3,107	4,681
Contractor & Consultancy Costs		15,765	13,093
Auditors Remuneration			
- Audit Services: Council's Auditor		40	48
- Other Services: Council's Auditor ( <a href="#">provide details</a> )		35	-
Legal Expenses:			
- Legal Expenses: Debt Recovery		69	120
Other		14	-
<b>Total Materials &amp; Contracts</b>		<b>19,030</b>	<b>17,942</b>
less: Capitalised Costs		(7,899)	(9,221)
<b>TOTAL MATERIALS &amp; CONTRACTS</b>		<b>11,131</b>	<b>8,721</b>

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2011	Actual 2010	Actual 2011	Actual 2010
<b>(d) Depreciation, Amortisation &amp; Impairment</b>					
Plant and Equipment		-	-	886	564
Office Equipment		-	-	80	73
Buildings - Non Specialised		-	-	114	189
Buildings - Specialised		-	-	382	404
Other Structures		-	-	215	209
Infrastructure:					
- Roads, Bridges & Footpaths		-	-	3,788	813
- Stormwater Drainage		-	-	79	97
- Water Supply Network		-	-	450	450
- Sewerage Network		-	-	183	143
Other Assets					
- Other		-	-	96	92
<b>Total Depreciation &amp; Impairment Costs</b>		<b>-</b>	<b>-</b>	<b>6,273</b>	<b>3,034</b>
less: Capitalised Costs		-	-	-	-
less: Impairments offset in ARR (Equity)	9a	-	-	-	-
<b>TOTAL DEPRECIATION &amp; IMPAIRMENT COSTS EXPENSED</b>		<b>-</b>	<b>-</b>	<b>6,273</b>	<b>3,034</b>

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	Notes	Actual 2011	Actual 2010
<b>(e) Other Expenses</b>			
Other Expenses for the year include the following:			
Advertising		81	59
Bad & Doubtful Debts		(225)	-
Bank Charges		10	9
Cleaning		-	-
Computer Software Charges		-	-
Contributions/Levies to Other Levels of Government		-	-
- CMCC Noxious Weeds		86	121
- NSW Fire Brigade Levy		56	40
- NSW Rural Fire Service Levy		108	143
- Regional Library		-	147
- Waste Levy		-	-
- Bushfire Fighting Fund		-	-
- Department of Planning Levy		-	-
- Emergency Services Levy		-	-
- Other Contributions/Levies ( <a href="#">enter details</a> )		-	-
- Other Contributions/Levies ( <a href="#">enter details</a> )		-	-
- Other Contributions/Levies		-	281
Councillor Expenses - Mayoral Fee		21	20
Councillor Expenses - Councillors' Fees		84	84
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		12	29
- Community & Tourism Programs		188	198
- RSPCA		9	10
- Other		94	383
Election Expenses		-	15
Electricity & Heating		403	398
Insurance		628	418
Office Expenses (including computer expenses)		56	79
Printing & Stationery		41	70
Street Lighting		153	115
Subscriptions & Publications		37	33
Swimming Pools		315	352
Telephone & Communications		163	169
Tourism Expenses (excluding employee costs)		19	65
Valuation Fees		-	29
Other - ( <a href="#">Rate Discount</a> )		54	-
Other		19	38
<b>Total Other Expenses</b>		<b>2,412</b>	<b>3,305</b>
less: Capitalised Costs		-	-
<b>TOTAL OTHER EXPENSES</b>		<b>2,412</b>	<b>3,305</b>

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	Notes	Actual 2011	Actual 2010
<b>Property</b> (excl. Investment Property)			
Proceeds from Disposal		-	178
less: Carrying Amount of Property Assets Sold / Written Off		-	(146)
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>32</b>
<b>Plant &amp; Equipment</b>			
Proceeds from Disposal		425	51
less: Carrying Amount of P&E Assets Sold		(146)	(34)
<b>Net Gain/(Loss) on Disposal</b>		<b>279</b>	<b>17</b>
<b>Real Estate Assets Held For Sale</b>			
Proceeds from Disposal		26	177
less: Carrying Amount of Real Estate Assets Sold		(10)	(69)
<b>Net Gain/(Loss) on Disposal</b>		<b>16</b>	<b>108</b>
<b>Financial Assets*</b>			
Proceeds from Disposal / Redemptions		6,285	5,850
less: Carrying Amount of Financial Assets Sold / Redeemed		(6,285)	(5,850)
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>-</b>
<b>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</b>		<b>295</b>	<b>157</b>

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

## Note 6a. - Cash Assets and Note 6b. - Investment Securities

\$ '000	Notes	2011 Actual Current	2011 Actual Non Current	2010 Actual Current	2010 Actual Non Current
<b>Cash &amp; Cash Equivalents (Note 6a)</b>					
Cash on Hand and at Bank		1,936	-	2,467	-
Cash-Equivalent Assets <sup>1</sup>					
- Short Term Deposits		3,500	-	2,000	-
<b>Total Cash &amp; Cash Equivalents</b>		<b>5,436</b>	<b>-</b>	<b>4,467</b>	<b>-</b>
<b>Investment Securities (Note 6b)</b>					
- Long Term Deposits		1,750	-	4,000	-
- CDO's		24	-	49	-
<b>Total Investment Securities</b>		<b>1,774</b>	<b>-</b>	<b>4,049</b>	<b>-</b>
<b>TOTAL CASH ASSETS, CASH EQUIVALENTS &amp; INVESTMENTS</b>		<b>7,210</b>	<b>-</b>	<b>8,516</b>	<b>-</b>

<sup>1</sup> 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 &amp; Loss"

<b>5,436</b>	<b>-</b>	<b>4,467</b>	<b>-</b>
--------------	----------	--------------	----------

**Investments**

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

- "Held for Trading"

6(b-i)	-	-	-	-
--------	---	---	---	---

- "Designated at Fair Value on Initial Recognition"

6(b-i)	24	-	49	-
--------	----	---	----	---

b. "Held to Maturity"

6(b-ii)	1,750	-	4,000	-
---------	-------	---	-------	---

c. "Loans &amp; Receivables"

6(b-iii)	-	-	-	-
----------	---	---	---	---

d. "Available for Sale"

6(b-iv)	-	-	-	-
---------	---	---	---	---

**Investments**

<b>1,774</b>	<b>-</b>	<b>4,049</b>	<b>-</b>
--------------	----------	--------------	----------

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

## Note 6b. Investments (continued)

\$ '000	2011 Actual Current	2011 Actual Non Current	2010 Actual Current	2010 Actual Non Current
<b>Note 6(b-i)</b>				
<b>Reconciliation of Investments classified as "At Fair Value through the Profit &amp; Loss"</b>				
Balance at the Beginning of the Year	49	-	49	-
Revaluations (through the Income Statement)	10	-	-	-
Additions	-	-	-	-
Disposals (sales & redemptions)	(35)	-	-	-
<b>Balance at End of Year</b>	<b>24</b>	<b>-</b>	<b>49</b>	<b>-</b>
<b>Comprising:</b>				
- CDO's	24	-	49	-
<b>Total</b>	<b>24</b>	<b>-</b>	<b>49</b>	<b>-</b>
<b>Note 6(b-ii)</b>				
<b>Reconciliation of Investments classified as "Held to Maturity"</b>				
Balance at the Beginning of the Year	4,000	-	9,850	-
Additions	4,000	-	-	-
Disposals (sales & redemptions)	(6,250)	-	(5,850)	-
<b>Balance at End of Year</b>	<b>1,750</b>	<b>-</b>	<b>4,000</b>	<b>-</b>
<b>Comprising:</b>				
- Long Term Deposits	1,750	-	4,000	-
<b>Total</b>	<b>1,750</b>	<b>-</b>	<b>4,000</b>	<b>-</b>
<b>Note 6(b-iii)</b>				
<b>Reconciliation of Investments classified as "Loans &amp; Receivables"</b>				
Nil				
<b>Note 6(b-iv)</b>				
<b>Reconciliation of Investments classified as "Available for Sale"</b>				
Nil				

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	2011	2011	2010	2010
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
<b>Total Cash, Cash Equivalents and Investment Securities</b>	<b>7,210</b>	<b>-</b>	<b>8,516</b>	<b>-</b>
<b>attributable to:</b>				
External Restrictions (refer below)	5,274	-	7,352	-
Internal Restrictions (refer below)	1,538	-	1,147	-
Unrestricted	398	-	17	-
	<b>7,210</b>	<b>-</b>	<b>8,516</b>	<b>-</b>

2011	Opening	Transfers to	Transfers from	Closing
\$ '000	Balance	Restrictions	Restrictions	Balance

## Details of Restrictions

## External Restrictions - Included in Liabilities

Nil

## External Restrictions - Other

Specific Purpose Unexpended Grants (F)	2,340	6,284	(7,630)	994
Water Supplies (G)	3,021	-	(834)	2,187
Sewerage Services (G)	1,991	102	-	2,093
<b>External Restrictions - Other</b>	<b>7,352</b>	<b>6,386</b>	<b>(8,464)</b>	<b>5,274</b>
<b>Total External Restrictions</b>	<b>7,352</b>	<b>6,386</b>	<b>(8,464)</b>	<b>5,274</b>

## Internal Restrictions

Infrastructure Replacement	435	386	-	821
Employees Leave Entitlement	500	-	-	500
Rehabilitation	100	-	-	100
Other	112	5	-	117
<b>Total Internal Restrictions</b>	<b>1,147</b>	<b>391</b>	<b>-</b>	<b>1,538</b>
<b>TOTAL RESTRICTIONS</b>	<b>8,499</b>	<b>6,777</b>	<b>(8,464)</b>	<b>6,812</b>

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.

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

## Note 7. Receivables

\$ '000	Notes	2011		2010	
		Current	Non Current	Current	Non Current
<b>Purpose</b>					
Rates & Annual Charges		450	363	374	304
Interest & Extra Charges		209	99	197	88
User Charges & Fees		199	-	170	-
Contributions to Works		780	-	2,180	-
Accrued Revenues					
- Interest on Investments		53	-	21	-
- Other Income Accruals		15	-	18	-
Government Grants & Subsidies		1,545	-	-	-
Deferred Debtors		-	305	-	303
Net GST Receivable		50	-	168	-
Other Debtors		-	64	30	64
<b>Total</b>		<b>3,301</b>	<b>831</b>	<b>3,158</b>	<b>759</b>
<b>less: Provision for Impairment</b>					
Rates & Annual Charges		(69)	(56)	(150)	(124)
Interest & Extra Charges		(32)	(15)	(83)	(35)
User Charges & Fees		(63)	-	(70)	-
Other Debtors		-	(369)	-	(367)
<b>Total Provision for Impairment - Receivables</b>		<b>(164)</b>	<b>(440)</b>	<b>(303)</b>	<b>(526)</b>
<b><u>TOTAL NET RECEIVABLES</u></b>		<b><u>3,137</u></b>	<b><u>391</u></b>	<b><u>2,855</u></b>	<b><u>233</u></b>
<b>Externally Restricted Receivables</b>					
<b>Water Supply</b>					
- Rates & Availability Charges		238	128	273	52
- Other		-	-	-	-
<b>Sewerage Services</b>					
- Rates & Availability Charges		148	80	103	91
<b>Domestic Waste Management</b>		-	-	-	-
<b>Total External Restrictions</b>		<b>386</b>	<b>208</b>	<b>376</b>	<b>143</b>
<b>Internally Restricted Receivables</b>					
Nil					
<b>Unrestricted Receivables</b>		<b>2,751</b>	<b>183</b>	<b>2,479</b>	<b>90</b>
<b>TOTAL NET RECEIVABLES</b>		<b><u>3,137</u></b>	<b><u>391</u></b>	<b><u>2,855</u></b>	<b><u>233</u></b>

**Notes on Debtors above:**

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.  
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates & charges at 9.00% (2010 9.00%).  
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

## Walgett Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2011

## Note 8. Inventories &amp; Other Assets

\$ '000	Notes	2011		2010	
		Current	Non Current	Current	Non Current
<b>Inventories</b>					
Real Estate for resale (refer below)		862	-	885	-
Stores & Materials		575	-	344	-
<b>Total Inventories</b>		<b>1,437</b>	<b>-</b>	<b>1,229</b>	<b>-</b>
<b>Other Assets</b>					
Prepayments		-	-	205	-
<b>Total Other Assets</b>		<b>-</b>	<b>-</b>	<b>205</b>	<b>-</b>
<b>TOTAL INVENTORIES / OTHER ASSETS</b>		<b>1,437</b>	<b>-</b>	<b>1,434</b>	<b>-</b>

## Externally Restricted Assets

There are no restrictions applicable to the above assets.

## (i) Other Disclosures

## (a) Details for Real Estate Development

Residential		777	-	800	-
Industrial/Commercial		85	-	85	-
<b>Total Real Estate for Resale</b>		<b>862</b>	<b>-</b>	<b>885</b>	<b>-</b>

(Valued at the lower of cost and net realisable value)

## Represented by:

Acquisition Costs		32	-	32	-
Development Costs		830	-	853	-
<b>Total Costs</b>		<b>862</b>	<b>-</b>	<b>885</b>	<b>-</b>
less: Provision for Under Recovery		-	-	-	-
<b>Total Real Estate for Resale</b>		<b>862</b>	<b>-</b>	<b>885</b>	<b>-</b>

## Movements:

Real Estate assets at beginning of the year		885	-	494	-
- Purchases and other costs		-	-	-	-
- Transfers in from (out to) Note 9		(13)	-	460	-
- WDV of Sales (exp)	5	(10)	-	(69)	-
<b>Total Real Estate for Resale</b>		<b>862</b>	<b>-</b>	<b>885</b>	<b>-</b>

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

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

	2011	2010
Real Estate for Resale	250	425



Notes to the Financial Statements  
for the financial year ended 30 June 2011

Note 9a. Infrastructure, Property, Plant & Equipment

\$ '000	as at 30/6/2010					Asset Movements during the Reporting Period								as at 30/6/2011				
	At	At	Accumulated		Carrying	Asset Additions	WDV of Asset Disposals	Depreciation Expense	WIP Transfers	Adjustments & Transfers	Tfrs from/(to) Real Estate Assets (Note 8)	Revaluation Decrements to Equity (ARR)	Revaluation Increments to Equity (ARR)	At	At	Accumulated		Carrying
	Cost	Fair Value	Deprec.	Impairment	Value									Cost	Fair Value	Dep'n	Impairment	Value
Capital Work in Progress	371	-	-	-	371	68	-	-	(365)	(5)		-	-	69	-	-	-	69
Plant & Equipment	-	9,625	8,019	-	1,606	3,646	(146)	(886)	-	5		-	-	-	12,109	7,884	-	4,225
Office Equipment	-	1,074	879	-	195	54	-	(80)	-	-		-	-	-	1,128	959	-	169
<b>Land:</b>																		
- Operational Land	-	298	-	-	298	66	-	-	-	241	13	-	76	-	694	-	-	694
Buildings - Non Specialised	-	6,526	2,097	-	4,429	32	-	(114)	-	40		(73)	-	-	6,364	2,050	-	4,314
Buildings - Specialised	-	20,559	12,263	-	8,296	-	-	(382)	-	-		(956)	-	-	18,934	11,976	-	6,958
Other Structures	4,261	-	1,608	-	2,653	258	-	(215)	119	-		-	2,946	-	10,998	5,237	-	5,761
<b>Infrastructure:</b>																		
- Roads, Bridges, Footpaths	-	108,345	48,821	-	59,524	4,135	-	(3,788)	-	(32)		-	-	-	112,528	52,689	-	59,839
- Bulk Earthworks (non-depreciable)	-	203,690	-	-	203,690	-	-	-	-	-		-	-	-	203,690	-	-	203,690
- Stormwater Drainage	-	2,909	1,528	-	1,381	-	-	(79)	45	(18)		-	-	-	2,857	1,528	-	1,329
- Water Supply Network	-	28,266	16,231	-	12,035	292	-	(450)	201	-		-	368	-	29,613	17,167	-	12,446
- Sewerage Network	-	15,938	6,071	-	9,867	-	-	(183)	-	-		-	296	-	16,416	6,436	-	9,980
<b>Other Assets:</b>																		
- Other	2,938	-	333	-	2,605	112	-	(96)	-	66		-	-	-	3,157	470	-	2,687
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIP.</b>	<b>7,570</b>	<b>397,230</b>	<b>97,850</b>	<b>-</b>	<b>306,950</b>	<b>8,663</b>	<b>(146)</b>	<b>(6,273)</b>	<b>-</b>	<b>297</b>	<b>13</b>	<b>(1,029)</b>	<b>3,686</b>	<b>69</b>	<b>418,488</b>	<b>106,396</b>	<b>-</b>	<b>312,161</b>

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000 Class of Asset	Actual 2011				Actual 2010			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
<b>Water Supply</b>								
Infrastructure	-	29,127	16,681	12,446	-	28,468	16,231	12,237
<b>Total Water Supply</b>	-	29,127	16,681	12,446	-	28,468	16,231	12,237
<b>Sewerage Services</b>								
Infrastructure	-	16,416	6,436	9,980	-	15,938	6,071	9,867
<b>Total Sewerage Services</b>	-	16,416	6,436	9,980	-	15,938	6,071	9,867
<b>TOTAL RESTRICTED I,PP&amp;E</b>	-	45,543	23,117	22,426	-	44,406	22,302	22,104

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

\$ '000

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

**NB.** Impairment Adjustments relating to I,PP&E assets may have been recognised direct to Equity - refer Note 20 (ii).

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	Notes	2011		2010	
		Current	Non Current	Current	Non Current
<b>Payables</b>					
Goods & Services - operating expenditure		741	-	567	-
Goods & Services - capital expenditure		420	-	211	-
Payments Received In Advance		-	-	-	-
Accrued Expenses:					
- Borrowings		3	-	3	-
- Interest on Bonds & Deposits		-	-	-	-
- Salaries & Wages		126	-	82	-
- Other Expenditure Accruals		445	-	1,783	-
Security Bonds, Deposits & Retentions		28	-	25	-
Other		22	-	28	-
<b>Total Payables</b>		<b>1,785</b>	<b>-</b>	<b>2,699</b>	<b>-</b>
<b>Borrowings</b>					
Loans - Secured <sup>1</sup>		199	2,481	20	123
<b>Total Borrowings</b>		<b>199</b>	<b>2,481</b>	<b>20</b>	<b>123</b>
<b>Provisions</b>					
<b>Employee Benefits;</b>					
Annual Leave		758	-	765	-
Sick Leave		154	-	164	-
Long Service Leave		805	131	690	113
<b>Sub Total - Aggregate Employee Benefits</b>		<b>1,717</b>	<b>131</b>	<b>1,619</b>	<b>113</b>
<b>Total Provisions</b>		<b>1,717</b>	<b>131</b>	<b>1,619</b>	<b>113</b>
<b>Total Payables, Borrowings &amp; Provisions</b>		<b>3,701</b>	<b>2,612</b>	<b>4,338</b>	<b>236</b>
<b>(i) Liabilities relating to Restricted Assets</b>					
		2011		2010	
		Current	Non Current	Current	Non Current
<b>Externally Restricted Assets</b>					
Water		18	70	11	91
Sewer		8	18	7	18
<b>Liabilities relating to externally restricted assets</b>		<b>26</b>	<b>88</b>	<b>18</b>	<b>109</b>
<b>Internally Restricted Assets</b>					
Nil					
<b>Total Liabilities relating to restricted assets</b>		<b>26</b>	<b>88</b>	<b>18</b>	<b>109</b>

<sup>1</sup> Loans are secured over the General Rating Income of Council

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

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	2011	2010
<b>(ii) Current Liabilities not anticipated to be settled within the next 12 months</b>		
The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions - Employees Benefits	915	781
	<b>915</b>	<b>781</b>

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

Class of Provision	2010		2011			Closing Balance as at 30/6/11
	Opening Balance as at 1/7/10	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	
Annual Leave	765	57	(64)			758
Sick Leave	164	101	(111)			154
Long Service Leave	803	330	(197)			936
<b>TOTAL</b>	<b>1,732</b>	<b>488</b>	<b>(372)</b>	-	-	<b>1,848</b>

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

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	Notes	Actual 2011	Actual 2010
<b>(a) Reconciliation of Cash Assets</b>			
Total Cash & Cash Equivalent Assets	6a	5,436	4,467
Less Bank Overdraft	10	-	-
<b>BALANCE as per the STATEMENT of CASH FLOWS</b>		<b>5,436</b>	<b>4,467</b>
<b>(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities</b>			
<b>Net Operating Result from Income Statement</b>		<b>(48)</b>	<b>3,202</b>
<b>Adjust for non cash items:</b>			
Depreciation & Amortisation		6,273	3,034
Net Losses/(Gains) on Disposal of Assets		(295)	(157)
Losses/(Gains) recognised on Fair Value Re-measurements through the P&L:			
- Investments classified as "@ Fair Value" or "Held for Trading"		(10)	-
Adjustments to fixed assets		(299)	18
Amortisation of Premiums, Discounts & Prior Period Fair Valuations			
<b>+/- Movement in Operating Assets and Liabilities &amp; Other Cash Items:</b>			
Decrease/(Increase) in Receivables		(213)	(1,170)
Increase/(Decrease) in Provision for Doubtful Debts		(225)	(12)
Decrease/(Increase) in Inventories		(231)	56
Decrease/(Increase) in Other Assets		205	18
Increase/(Decrease) in Payables		174	(671)
Increase/(Decrease) in accrued Interest Payable		-	-
Increase/(Decrease) in other accrued Expenses Payable		(1,294)	1,361
Increase/(Decrease) in Other Liabilities		(3)	(42)
Increase/(Decrease) in Employee Leave Entitlements		116	(34)
Increase/(Decrease) in Other Provisions		-	-
<b>NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS</b>		<b>4,150</b>	<b>5,603</b>

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	Notes	Actual 2011	Actual 2010
<b>(c) Non-Cash Investing &amp; Financing Activities</b>			
Nil			
<b>(d) Financing Arrangements</b>			
<b>(i) Unrestricted access was available at balance date to the following lines of credit:</b>			
Bank Overdraft Facilities <sup>(1)</sup>		-	-
Credit Cards / Purchase Cards		20	20
<b>Total Financing Arrangements</b>		<b>20</b>	<b>20</b>
<b>Amounts utilised as at Balance Date:</b>			
- Bank Overdraft Facilities		-	-
- Credit Cards / Purchase Cards		4	4
<b>Total Financing Arrangements Utilised</b>		<b>4</b>	<b>4</b>

1. The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Interest rates on overdrafts are Interest Rates on Loans & Other Payables are disclosed in Note 15.

**(ii) Secured Loan Liabilities**

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

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

## Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2011	Actual 2010
<b>(a) Capital Commitments (exclusive of GST)</b>			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
<b>Property, Plant &amp; Equipment</b>			
Buildings		1,037	-
Plant & Equipment		-	2,013
Bridge Construction Program		-	2,923
Aerodromes		10	-
Footpaths & Drainage		138	-
Other		288	813
<b>Total Commitments</b>		<b>1,473</b>	<b>5,749</b>
<b>These expenditures are payable as follows:</b>			
Within the next year		493	5,749
Later than one year and not later than 5 years		980	-
Later than 5 years		-	-
<b>Total Payable</b>		<b>1,473</b>	<b>5,749</b>
<b>Sources for Funding of Capital Commitments:</b>			
Unrestricted General Funds		268	431
Future Grants & Contributions		1,133	5,318
Internally Restricted Reserves		72	-
<b>Total Sources of Funding</b>		<b>1,473</b>	<b>5,749</b>
<b>(b) Other Expenditure Commitments (exclusive of GST)</b>			
Other Non Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Audit Services		80	133
<b>Total Commitments</b>		<b>80</b>	<b>133</b>
<b>These expenditures are payable as follows:</b>			
Within the next year		40	37
Later than one year and not later than 5 years		40	96
Later than 5 years		-	-
<b>Total Payable</b>		<b>80</b>	<b>133</b>

## Walgett Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2011

## Note 12. Commitments for Expenditure (continued)

\$ '000	Notes	Actual 2011	Actual 2010
<b>(c) Finance Lease Commitments</b>			
Nil			
<b>(d) Operating Lease Commitments (Non Cancellable)</b>			
Nil			
<b>(e) Remuneration Commitments</b>			
Commitments for the payment of salaries & other remuneration under long-term employment contracts in existence at reporting date but not recognised as liabilities are payable:			
Within the next year		340	156
Later than one year and not later than 5 years		1,175	680
Later than 5 years		-	14
<b>Total Payable</b>		<b>1,515</b>	<b>850</b>



## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	Amounts 2011	Indicator 2011	Prior Periods	
			2010	2009
<b>Local Government Industry Indicators</b>				
<b>1. Unrestricted Current Ratio</b>				
Current Assets less all External Restrictions <sup>(1)</sup>	5,874	2.13 : 1	1.31	1.88
Current Liabilities less Specific Purpose Liabilities <sup>(2,3)</sup>	2,760			
<b>2. Debt Service Ratio</b>				
Debt Service Cost	124	0.68%	0.17%	0.55%
Income from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	18,223			
<b>3. Rates &amp; Annual Charges Coverage Ratio</b>				
Rates & Annual Charges	6,948	26.53%	27.60%	24.46%
Income from Continuing Operations	26,186			
<b>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>				
Rates, Annual & Extra Charges Outstanding	949	12.45%	7.87%	7.18%
Rates, Annual & Extra Charges Collectible	7,622			
<b>5. Building &amp; Infrastructure Renewals Ratio</b>				
Asset Renewals <sup>(4)</sup> [Buildings & Infrastructure]	4,459	89.25%	372.71%	212.32%
Depreciation, Amortisation & Impairment (Building & Infrastructure Assets)	4,996			

## Notes

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

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

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

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

<sup>(4)</sup> Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity or performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

# Walgett Shire Council

## Notes to the Financial Statements for the financial year ended 30 June 2011

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

<p><b>1. Unrestricted Current Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio : 1</th> </tr> </thead> <tbody> <tr> <td>2008</td> <td>3.16</td> </tr> <tr> <td>2009</td> <td>1.88</td> </tr> <tr> <td>2010</td> <td>1.31</td> </tr> <tr> <td>2011</td> <td>2.13</td> </tr> </tbody> </table>	Year	Ratio : 1	2008	3.16	2009	1.88	2010	1.31	2011	2.13	<p><b>Purpose of Unrestricted Current Ratio</b></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><b>Commentary on 2010/11 Result</b></p> <p><b>2010/11 Ratio 2.13 : 1</b></p> <p>The overall ratio still remains low. It is hoped to increase the unrestricted ratio over a number of years.</p>
Year	Ratio : 1											
2008	3.16											
2009	1.88											
2010	1.31											
2011	2.13											
<p><b>2. Debt Service Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2008</td> <td>1.84%</td> </tr> <tr> <td>2009</td> <td>0.55%</td> </tr> <tr> <td>2010</td> <td>0.17%</td> </tr> <tr> <td>2011</td> <td>0.68%</td> </tr> </tbody> </table>	Year	Ratio %	2008	1.84%	2009	0.55%	2010	0.17%	2011	0.68%	<p><b>Purpose of Debt Service Ratio</b></p> <p>To assess the impact of loan principal &amp; interest repayments on the discretionary revenue of council.</p>	<p><b>Commentary on 2010/11 Result</b></p> <p><b>2010/11 Ratio 0.68%</b></p> <p>The Debt Ratio is still very low. Council raised additional loans during the year.</p>
Year	Ratio %											
2008	1.84%											
2009	0.55%											
2010	0.17%											
2011	0.68%											
<p><b>3. Rates &amp; Annual Charges Coverage Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2008</td> <td>28.58%</td> </tr> <tr> <td>2009</td> <td>24.46%</td> </tr> <tr> <td>2010</td> <td>27.60%</td> </tr> <tr> <td>2011</td> <td>26.53%</td> </tr> </tbody> </table>	Year	Ratio %	2008	28.58%	2009	24.46%	2010	27.60%	2011	26.53%	<p><b>Purpose of Rates &amp; Annual Charges Coverage Ratio</b></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><b>Commentary on 2010/11 Result</b></p> <p><b>2010/11 Ratio 26.53%</b></p> <p>Councils dependence on revenue from rates and charges remain similar to prior years.</p>
Year	Ratio %											
2008	28.58%											
2009	24.46%											
2010	27.60%											
2011	26.53%											
<p><b>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2008</td> <td>7.89%</td> </tr> <tr> <td>2009</td> <td>7.18%</td> </tr> <tr> <td>2010</td> <td>7.87%</td> </tr> <tr> <td>2011</td> <td>12%</td> </tr> </tbody> </table>	Year	Ratio %	2008	7.89%	2009	7.18%	2010	7.87%	2011	12%	<p><b>Purpose of Rates &amp; Annual Charges Outstanding Ratio</b></p> <p>To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.</p>	<p><b>Commentary on 2010/11 Result</b></p> <p><b>2010/11 Ratio 12.45%</b></p> <p>Council has a increase the amount outstanding and this will decrease with the sale of land of unpaid rate.</p>
Year	Ratio %											
2008	7.89%											
2009	7.18%											
2010	7.87%											
2011	12%											
<p><b>5. Building &amp; Infrastructure Renewals Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2008</td> <td>118.13%</td> </tr> <tr> <td>2009</td> <td>212.32%</td> </tr> <tr> <td>2010</td> <td>372.71%</td> </tr> <tr> <td>2011</td> <td>89.25%</td> </tr> </tbody> </table>	Year	Ratio %	2008	118.13%	2009	212.32%	2010	372.71%	2011	89.25%	<p><b>Purpose of Bldg &amp; Infrastructure Renewals Ratio</b></p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p><b>Commentary on Result</b></p> <p><b>2010/11 Ratio 89.25%</b></p> <p>The additional depreciation expense for 10/11 decreased the ratio by 200%</p>
Year	Ratio %											
2008	118.13%											
2009	212.32%											
2010	372.71%											
2011	89.25%											

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

\$ '000	Water 2011	Sewer 2011	General <sup>1</sup> 2011
<b>Local Government Industry Indicators</b>			
<b>1. Unrestricted Current Ratio</b>			
Current Assets less all External Restrictions <sup>(1)</sup>			
Current Liabilities less Specific Purpose Liabilities <sup>(2,3)</sup>	<b>134.72 : 1</b>	<b>1527.63 : 1</b>	<b>2.13 : 1</b>
<b>2. Debt Service Ratio</b>			
Debt Service Cost			
Income from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	<b>3.56%</b>	<b>1.10%</b>	<b>0.44%</b>
<b>3. Rates &amp; Annual Charges Coverage Ratio</b>			
Rates & Annual Charges			
Income from Continuing Operations	<b>80.93%</b>	<b>96.56%</b>	<b>20.95%</b>
<b>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>			
Rates, Annual & Extra Charges Outstanding			
Rates, Annual & Extra Charges Collectible	<b>29.23%</b>	<b>32.48%</b>	<b>6.26%</b>
<b>5. Building &amp; Infrastructure Renewals Ratio</b>			
Asset Renewals <sup>(4)</sup> [Buildings & Infrastructure]			
Depreciation, Amortisation & Impairment (Building & Infrastructure Assets)	<b>0.00%</b>	<b>0.00%</b>	<b>102.20%</b>

## Notes

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

## Walgett Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2011

#### 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	
	2011	2010	2011	2010
<b>Financial Assets</b>				
Cash and Cash Equivalents	5,436	4,467	5,436	4,467
Investments				
- "Designated At Fair Value on Initial Recognition"	24	49	24	49
- "Held to Maturity"	1,750	4,000	1,750	4,000
Receivables	3,528	3,088	3,528	3,088
<b>Total Financial Assets</b>	<b>10,738</b>	<b>11,604</b>	<b>10,738</b>	<b>11,604</b>
<b>Financial Liabilities</b>				
Payables	1,785	2,699	1,785	2,699
Loans / Advances	2,680	143	2,680	143
<b>Total Financial Liabilities</b>	<b>4,465</b>	<b>2,842</b>	<b>4,465</b>	<b>2,842</b>

Fair Value is determined as follows:

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

## Walgett Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2011

#### 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.

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
<b>2011</b>				
Possible impact of a 10% movement in Market Values	2	2	(2)	(2)
Possible impact of a 1% movement in Interest Rates	72	72	(72)	(72)
<b>2010</b>				
Possible impact of a 10% movement in Market Values	5	5	(5)	(5)
Possible impact of a 1% movement in Interest Rates	85	85	(85)	(85)

## Walgett Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2011

#### 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.

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:

	2011	2011	2010	2010
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
<b>(i) Ageing of Receivables</b>				
Current (not yet overdue)	132	679	15	2,802
Past due by up to 30 days	20	27	20	-
Past due between 31 and 180 days	69	1,096	68	-
Past due between 181 and 365 days	93	1,208	92	-
Past due by more than 1 year	499	309	483	437
	<b>813</b>	<b>3,319</b>	<b>678</b>	<b>3,239</b>

##### (ii) Movement in Provision for Impairment of Receivables

	2011	2010
Balance at the beginning of the year	829	878
+ new provisions recognised during the year	80	85
- amounts already provided for & written off this year	(305)	(134)
<b>Balance at the end of the year</b>	<b>604</b>	<b>829</b>

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

## Note 15. Financial Risk Management (continued)

\$ '000

## (c) Payables &amp; Borrowings

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

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

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

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the Liquidity Table below:

\$ '000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
<b>2011</b>									
Trade/Other Payables	28	1,757	-	-	-	-	-	1,785	1,785
Loans & Advances	-	111	126	110	36	105	2,192	2,680	2,680
<b>Total Financial Liabilities</b>	<b>28</b>	<b>1,868</b>	<b>126</b>	<b>110</b>	<b>36</b>	<b>105</b>	<b>2,192</b>	<b>4,465</b>	<b>4,465</b>
<b>2010</b>									
Trade/Other Payables	25	1,170	-	-	-	-	-	1,195	2,699
Loans & Advances	-	28	27	27	26	25	25	158	143
<b>Total Financial Liabilities</b>	<b>25</b>	<b>1,198</b>	<b>27</b>	<b>27</b>	<b>26</b>	<b>25</b>	<b>25</b>	<b>1,353</b>	<b>2,842</b>

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

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

	2011		2010	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	1,785	0.0%	2,699	0.0%
Loans & Advances - Fixed Interest Rate	2,680	6.7%	143	6.3%
	<u>4,465</u>		<u>2,842</u>	

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

## Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 10/11 was incorporated as part of its Management Plan and was adopted by the Council on 20 December 2011.

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	2011 Budget	2011 Actual	2011 Variance*		
<b>REVENUES</b>					
Rates & Annual Charges	6,805	6,948	143	2%	<b>F</b>
No Budget Variation Details Are Required - Variance is < 10%					
User Charges & Fees	3,500	5,135	1,635	47%	<b>F</b>
Budget Variation Details Are Required - Variance is > 10% !!! Enter details here.					
Interest & Investment Revenue	274	494	220	80%	<b>F</b>
Better Cash Flow than expected. Higher interest then budgeted for.					
Other Revenues	650	393	(257)	(40%)	<b>U</b>
Expected additional Rental income, Commission & Agency Fees and Additional sales.					
Operating Grants & Contributions	15,967	9,145	(6,822)	(43%)	<b>U</b>



Budget Variation Details Are Required - Variance is > 10% !!! Enter details here.

---

<b>Capital Grants &amp; Contributions</b>	<b>990</b>	<b>3,776</b>	<b>2,786</b>	<b>281%</b>	<b>F</b>
---	------------	--------------	--------------	-------------	----------

Budget Variation Details Are Required - Variance is > 10% !!! Enter details here.

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<b>Net Gains from Disposal of Assets</b>	<b>400</b>	<b>295</b>	<b>(105)</b>	<b>(26%)</b>	<b>U</b>
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Council budgeted for the sales of Council properties which will accure early in the next financial year.

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## Walgett Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2011

## Note 16. Material Budget Variations (continued)

\$ '000	2011 Budget	2011 Actual	2011 ----- Variance* -----		
<b>EXPENSES</b>					
<b>Employee Benefits &amp; On-Costs</b>	<b>6,252</b>	<b>6,358</b>	<b>(106)</b>	<b>(2%)</b>	<b>U</b>
No Budget Variation Details Are Required - Variance is < 10%					
<b>Borrowing Costs</b>	<b>60</b>	<b>60</b>	<b>-</b>	<b>0%</b>	<b>F</b>
No Budget Variation Details Are Required - Variance is < 10%					
<b>Materials &amp; Contracts</b>	<b>18,977</b>	<b>11,131</b>	<b>7,846</b>	<b>41%</b>	<b>F</b>
Large increase in Materials & Contracts, mainly due to Flood damage works this financial year and carried over from last year. Additional R2R works and additional Capital works. Total Flood damage and R2R \$7,274,000					
<b>Depreciation &amp; Amortisation</b>	<b>2,158</b>	<b>6,273</b>	<b>(4,115)</b>	<b>(191%)</b>	<b>U</b>
This was due to the variation of % depreciation to Roads. Sealed Roads from 100 years to 8 to 10 Years.					
<b>Other Expenses</b>	<b>2,500</b>	<b>2,412</b>	<b>88</b>	<b>4%</b>	<b>F</b>
No Budget Variation Details Are Required - Variance is < 10%					

## Walgett Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2011

## Note 16. Material Budget Variations (continued)

\$ '000	2011 Budget	2011 Actual	2011 ----- Variance* -----		
<b>Budget Variations relating to Council's Cash Flow Statement include:</b>					
<b>Cash Flows from Operating Activities</b>	<b>3,526</b>	<b>4,150</b>	<b>624</b>	17.7%	<b>F</b>
Budget Variation Details Are Required - Variance is > 10% !!! Enter details here.					
<b>Cash Flows from Investing Activities</b>	<b>(6,950)</b>	<b>(5,718)</b>	<b>1,232</b>	(17.7%)	<b>F</b>
Budget Variation Details Are Required - Variance is > 10% !!! Enter details here.					
<b>Cash Flows from Financing Activities</b>	<b>2,540</b>	<b>2,537</b>	<b>(3)</b>	(0.1%)	<b>U</b>
No Budget Variation Details Are Required - Variance is < 10%					

## Walgett Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2011

#### Note 17. Statement of Developer Contributions

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**\$ '000**

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

## Walgett Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2011

#### Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Balance Sheet, 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 from 2009/10 & beyond.

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

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

##### (ii) Statewide Limited

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

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the Net Assets or Liabilities reflects Council's 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.

## Walgett Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2011

#### 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.

#### 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) S94 Plans

Council currently has no S94 Developer Contribution Plans.

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

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

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

\$ '000	Notes	Actual 2011	Actual 2010
<b>a. Retained Earnings</b>			
<b>Movements in Retained Earnings were as follows:</b>			
Balance at beginning of Year (from previous years audited accounts)		282,390	88,348
a. Correction of Prior Period Errors	20 (c)	-	(12,850)
b. Changes in Accounting Policies (prior period effects)	20 (d)	-	203,690
c. Other Comprehensive Income (excl. direct to Reserves transactions)		-	-
d. Net Operating Result for the Year		(48)	3,202
e. Distributions to/(Contributions from) Minority Interests		-	-
f. Transfers between Equity		-	-
g. Other Changes		-	-
<b>Balance at End of the Reporting Period</b>		<b>282,342</b>	<b>282,390</b>

## b. Reserves

## (i) Reserves are represented by:

- Infrastructure, Property, Plant & Equipment Revaluation Reserve	35,681	33,024
<b>Total</b>	<b>35,681</b>	<b>33,024</b>

## (ii) Reconciliation of movements in Reserves:

<b>Infrastructure, Property, Plant &amp; Equipment Revaluation Reserve</b>		
- Opening Balance	33,024	17,317
- Revaluations for the year	2,657	15,707
<b>- Balance at End of Year</b>	<b>35,681</b>	<b>33,024</b>
<b>TOTAL VALUE OF RESERVES</b>	<b>35,681</b>	<b>33,024</b>

## (iii) Nature &amp; 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.





## Walgett Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2011

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

\$ '000	Notes	Actual 2011	Actual 2010
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## c. Correction of Error/s relating to a Previous Reporting Period

Council made no correction of errors during the current reporting period.

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

Council revalued the following asset classes for the 09/10 Year End:

- Roads and Footpaths
- Drainage

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

Council did not have sufficient and reliable information that would allow the restatement of information prior to 30/6/08 (the closing date for the comparative figures in last year's report).

As a result, Council adjusted the accumulated depreciation for the Asset Classes below as at 30/6/09 to reflect the correct value of accumulated depreciation;

- Roads and Footpaths (increase) to accumulated depreciation	(12,486)
- Drainage (increase) to accumulated depreciation	(364)

This adjustment resulted in a net (decrease) in Council's Accumulated Surplus as at 30/6/09.

**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 - 1/7/09 (relating to adjustments for the 30/6/09 reporting year end and prior periods)	-	(12,850)
- Adjustments to Closing Equity - 30/6/10 (relating to adjustments for the 30/6/10 year end)	-	-
<b>Total Prior Period Adjustments - Prior Period Errors</b>	<b>-</b>	<b>(12,850)</b>

## Walgett Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2011

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

\$ '000	Notes	Actual 2011	Actual 2010
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## d. Voluntary Changes in Accounting Policies

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

**Accounting Policy changes initiated in last year's financial statements:**

Council recognised for the first time Bulk Earthworks (non-depreciable) as part of its revaluation of Roads, Bridges & Footpaths. These Earthworks comprise the formation of Council's Roads.

203,690

203,690

**In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above changes in Accounting Policy have been recognised retrospectively.**

**These amounted to the following Equity Adjustments:**

- Adjustments to Opening Equity - 1/7/09  
(relating to adjustments for the 30/6/09 reporting year end and prior periods)
- Adjustments to Closing Equity - 30/6/10  
(relating to adjustments for the 30/6/10 year end)

203,690

-

**Total Prior Period Adjustments - Accounting Policy Changes**

-

**203,690**

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

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

Income Statement by Fund \$ '000	Actual 2011	Actual 2011	Actual 2011
	Combined Water	Combined Sewer	General <sup>1</sup>
<b>Continuing Operations</b>			
<b>Income from Continuing Operations</b>			
Rates & Annual Charges	1,231	702	5,015
User Charges & Fees	-	-	5,135
Interest & Investment Revenue	21	14	459
Other Revenues	-	-	393
Grants & Contributions provided for Operating Purposes	13	11	9,121
Grants & Contributions provided for Capital Purposes	256	-	3,520
<b>Other Income</b>			
Net Gains from Disposal of Assets	-	-	295
Share of interests in Joint Ventures & Associates using the Equity Method	-	-	-
<b>Total Income from Continuing Operations</b>	<b>1,521</b>	<b>727</b>	<b>23,938</b>
<b>Expenses from Continuing Operations</b>			
Employee Benefits & on-costs	331	153	5,874
Borrowing Costs	30	1	29
Materials & Contracts	1,371	428	9,332
Depreciation & Amortisation	450	181	5,642
Impairment	-	-	-
Other Expenses	-	-	2,412
<b>Total Expenses from Continuing Operations</b>	<b>2,182</b>	<b>763</b>	<b>23,289</b>
<b>Operating Result from Continuing Operations</b>	<b>(661)</b>	<b>(36)</b>	<b>649</b>
<b>Discontinued Operations</b>			
Net Profit/(Loss) from Discontinued Operations	-	-	-
<b>Net Operating Result for the Year</b>	<b>(661)</b>	<b>(36)</b>	<b>649</b>
<b>Net Operating Result attributable to each Council Fund</b>	<b>(661)</b>	<b>(36)</b>	<b>649</b>
<b>Net Operating Result attributable to Minority Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>(917)</b>	<b>(36)</b>	<b>(2,871)</b>

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

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

## Walgett Shire Council

## Notes to the Financial Statements

as at 30 June 2011

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

Balance Sheet by Fund \$ '000	Actual 2011	Actual 2011	Actual 2011
	Combined Water	Combined Sewer	General <sup>1</sup>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	2,187	2,093	1,156
Investments	-	-	1,774
Receivables	238	148	2,751
Inventories	-	-	1,437
Other	-	-	-
Non-current assets classified as 'held for sale'	-	-	-
<b>Total Current Assets</b>	<b>2,425</b>	<b>2,241</b>	<b>7,118</b>
<b>Non-Current Assets</b>			
Investments	-	-	-
Receivables	128	80	183
Inventories	-	-	-
Infrastructure, Property, Plant & Equipment	12,446	9,980	289,735
Investments Accounted for using the equity method	-	-	-
Investment Property	-	-	-
Intangible Assets	-	-	-
<b>Total Non-Current Assets</b>	<b>12,574</b>	<b>10,060</b>	<b>289,918</b>
<b>TOTAL ASSETS</b>	<b>14,999</b>	<b>12,301</b>	<b>297,036</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	2	-	1,783
Borrowings	16	8	175
Provisions	-	-	1,717
<b>Total Current Liabilities</b>	<b>18</b>	<b>8</b>	<b>3,675</b>
<b>Non-Current Liabilities</b>			
Payables	-	-	-
Borrowings	70	10	2,401
Provisions	-	-	131
<b>Total Non-Current Liabilities</b>	<b>70</b>	<b>10</b>	<b>2,532</b>
<b>TOTAL LIABILITIES</b>	<b>88</b>	<b>18</b>	<b>6,207</b>
<b>Net Assets</b>	<b>14,911</b>	<b>12,283</b>	<b>290,829</b>
<b>EQUITY</b>			
Retained Earnings	8,891	9,141	264,310
Revaluation Reserves	6,020	3,142	26,519
<b>Total Equity</b>	<b>14,911</b>	<b>12,283</b>	<b>290,829</b>

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

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

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

## Note 21. Financial Result &amp; Financial Position by Fund - Individual Water Funds

Income Statement by Fund \$ '000	Actual 2011	Actual 2011	Actual 2011
	Walgett	Lightning Ridge	Collarenebri
<b>Continuing Operations</b>			
<b>Income from Continuing Operations</b>			
Rates & Annual Charges	759	263	209
User Charges & Fees			
Interest & Investment Revenue			
Other Revenues	7	3	11
Grants & Contributions provided for Operating Purposes	4	7	2
Grants & Contributions provided for Capital Purposes	256		
<b>Other Income</b>			
Net Gains from Disposal of Assets			
Share of interests in Joint Ventures & Associates using the Equity Method			
<b>Total Income from Continuing Operations</b>	<b>1,026</b>	<b>273</b>	<b>222</b>
<b>Expenses from Continuing Operations</b>			
Employee Benefits & on-costs	197	47	87
Borrowing Costs	3	4	23
Materials & Contracts	592	542	237
Depreciation & Amortisation	182	100	168
Impairment			
Other Expenses			
<b>Total Expenses from Continuing Operations</b>	<b>974</b>	<b>693</b>	<b>515</b>
<b>Operating Result from Continuing Operations</b>	<b>52</b>	<b>(420)</b>	<b>(293)</b>
<b>Discontinued Operations</b>			
Net Profit/(Loss) from Discontinued Operations			
<b>Net Operating Result for the Year</b>	<b>52</b>	<b>(420)</b>	<b>(293)</b>
<b>Net Operating Result attributable to each Council Fund</b>	<b>52</b>	<b>(420)</b>	<b>(293)</b>
<b>Net Operating Result attributable to Minority Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>(204)</b>	<b>(420)</b>	<b>(293)</b>

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

## Walgett Shire Council

## Notes to the Financial Statements

as at 30 June 2011

## Note 21. Financial Result &amp; Financial Position by Fund - Individual Water Funds

Balance Sheet by Fund \$ '000	Actual 2011	Actual 2011	Actual 2011
	Walgett	Lightning Ridge	Collarenebri
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	(145)	3,128	(796)
Investments			
Receivables	138	54	174
Inventories			
Other			
Non-current assets classified as 'held for sale'			
<b>Total Current Assets</b>	<u>(7)</u>	<u>3,182</u>	<u>(622)</u>
<b>Non-Current Assets</b>			
Investments			
Receivables			
Inventories			
Infrastructure, Property, Plant & Equipment	7,420	3,218	1,808
Investments Accounted for using the equity method			
Investment Property			
Intangible Assets			
Non-current assets classified as 'held for sale'			
Other			
<b>Total Non-Current Assets</b>	<u>7,420</u>	<u>3,218</u>	<u>1,808</u>
<b>TOTAL ASSETS</b>	<u><b>7,413</b></u>	<u><b>6,400</b></u>	<u><b>1,186</b></u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	2		
Borrowings	1	15	
Provisions			
<b>Total Current Liabilities</b>	<u>3</u>	<u>15</u>	<u>-</u>
<b>Non-Current Liabilities</b>			
Payables			
Borrowings	40	30	
Provisions			
<b>Total Non-Current Liabilities</b>	<u>40</u>	<u>30</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u><b>43</b></u>	<u><b>45</b></u>	<u><b>-</b></u>
<b>Net Assets</b>	<u><b>7,370</b></u>	<u><b>6,355</b></u>	<u><b>1,186</b></u>
<b>EQUITY</b>			
Retained Earnings	2,768	5,600	614
Revaluation Reserves	4,602	755	572
<b>Total Equity</b>	<u><b>7,370</b></u>	<u><b>6,355</b></u>	<u><b>1,186</b></u>

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

## Walgett Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2011

## Note 21. Financial Result &amp; Financial Position by Fund - Individual Sewer Funds

Income Statement by Fund \$ '000	Actual 2011	Actual 2011	Actual 2011
	Walgett	Lightning Ridge	Collarenebri
<b>Continuing Operations</b>			
<b>Income from Continuing Operations</b>			
Rates & Annual Charges	329	280	93
User Charges & Fees			
Interest & Investment Revenue	5	3	6
Other Revenues			
Grants & Contributions provided for Operating Purposes	3	7	1
Grants & Contributions provided for Capital Purposes			
<b>Other Income</b>			
Net Gains from Disposal of Assets			
Share of interests in Joint Ventures & Associates using the Equity Method			
<b>Total Income from Continuing Operations</b>	<b>337</b>	<b>290</b>	<b>100</b>
<b>Expenses from Continuing Operations</b>			
Employee Benefits & on-costs	107	33	13
Borrowing Costs	1		
Materials & Contracts	202	184	42
Depreciation & Amortisation	135	38	8
Impairment			
Other Expenses			
<b>Total Expenses from Continuing Operations</b>	<b>445</b>	<b>255</b>	<b>63</b>
<b>Operating Result from Continuing Operations</b>	<b>(108)</b>	<b>35</b>	<b>37</b>
<b>Discontinued Operations</b>			
Net Profit/(Loss) from Discontinued Operations			
<b>Net Operating Result for the Year</b>	<b>(108)</b>	<b>35</b>	<b>37</b>
<b>Net Operating Result attributable to each Council Fund</b>	<b>(108)</b>	<b>35</b>	<b>37</b>
<b>Net Operating Result attributable to Minority Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>(108)</b>	<b>35</b>	<b>37</b>

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

## Walgett Shire Council

## Notes to the Financial Statements

as at 30 June 2011

## Note 21. Financial Result &amp; Financial Position by Fund - Individual Sewer Funds

Balance Sheet by Fund \$ '000	Actual 2011	Actual 2011	Actual 2011
	Walgett	Lightning Ridge	Collarenebri
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	1,492	969	(368)
Investments			
Receivables	78	46	104
Inventories			
Other			
Non-current assets classified as 'held for sale'			
<b>Total Current Assets</b>	<u>1,570</u>	<u>1,015</u>	<u>(264)</u>
<b>Non-Current Assets</b>			
Investments			
Receivables			
Inventories			
Infrastructure, Property, Plant & Equipment	4,794	4,390	796
Investments Accounted for using the equity method			
Investment Property			
Intangible Assets			
<b>Total Non-Current Assets</b>	<u>4,794</u>	<u>4,390</u>	<u>796</u>
<b>TOTAL ASSETS</b>	<u><b>6,364</b></u>	<u><b>5,405</b></u>	<u><b>532</b></u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables			
Borrowings	8		
Provisions			
<b>Total Current Liabilities</b>	<u>8</u>	<u>-</u>	<u>-</u>
<b>Non-Current Liabilities</b>			
Payables			
Borrowings	10		
Provisions			
<b>Total Non-Current Liabilities</b>	<u>10</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u><b>18</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Net Assets</b>	<u><b>6,346</b></u>	<u><b>5,405</b></u>	<u><b>532</b></u>
<b>EQUITY</b>			
Retained Earnings	3,808	4,914	415
Revaluation Reserves	2,538	491	117
Council Equity Interest	6,346	5,405	532
Minority Interests			
<b>Total Equity</b>	<u><b>6,346</b></u>	<u><b>5,405</b></u>	<u><b>532</b></u>

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



## Walgett Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2011

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

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\$ '000

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

#### Note 23. Events occurring after Balance Sheet Date

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Events that occur after the reporting date of 30 June 2011, up to and including 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 appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

**Accordingly, the "authorised for issue" date is 25/10/11.**

Events that occur after the Reporting Date represent one of two types:

**(i) Events that have provided evidence of conditions that existed at the Reporting Date**

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2011.

**(ii) Events that have provided evidence of conditions that arose after the Reporting Date**

These financial statements (and figures therein) do not incorporate any "non adjusting events" that have occurred after 30 June 2011 and which are only indicative of conditions that arose after 30 June 2011.

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

#### Note 24. Discontinued Operations

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

## Walgett Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2011

#### Note 25. Intangible Assets

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**\$ '000**

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

Council is unaware of any control over Intangible Assets that warrant recognition in the Financial Statements, including either internally generated and developed assets or purchased assets.

#### Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

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Council has no outstanding obligations to make, restore, rehabilitate or reinstate any of its assets/operations.

## Walgett Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2011

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

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##### Principal Place of Business:

77 Fox Street  
Walgett NSW 2832

##### Contact Details

##### Mailing Address:

PO Box 31  
Walgett NSW 2832

##### Opening Hours:

Office Hours: 8.15am till 5.00pm  
Opening Hours: 9.00am till 4.30pm

**Telephone:** 02 6828 1399

**Facsimile:** 02 6828 1608

**Internet:** [www.walgett.nsw.gov.au](http://www.walgett.nsw.gov.au)

**Email:** [admin@walgett.nsw.gov.au](mailto:admin@walgett.nsw.gov.au)

##### Officers

##### GENERAL MANAGER

Don Ramsland

##### RESPONSIBLE ACCOUNTING OFFICER

Glen Warren

##### PUBLIC OFFICER

Susanna Jones

##### AUDITORS

Hill Rogers Spencer Steer  
Level 5 , Chifley Square.  
Sydney NSW 2000

##### Elected Members

##### MAYOR

Gustavus Murray

##### COUNCILLORS

David Lane (Deputy Mayor)  
Geoffrey Colless  
Jane Keir  
Robert Greenaway  
Manuel Martinez  
Kelly Smith  
Lawrence Walford  
Ian Woodcock

##### Other Information

**ABN:** 88 769 076 385

WALGETT SHIRE COUNCIL

GENERAL PURPOSE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

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**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying *general purpose financial statements* of **Walgett Shire Council**, which comprises the Balance Sheet as at 30 June 2011, Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management. The financial statements include the consolidated financial statements of the economic entity and the entities it controlled at year end or from time to time during the year.

***Responsibility of Council for the Financial Statements***

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1993. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

***Auditors' Responsibility***

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. Our audit responsibility does not extend to the original budget information disclosed in the Income Statement, Statement of Cash Flows, and Note 2(a) or the budget variation explanations disclosed in Note 16. Accordingly, no opinion is expressed on these matters.

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

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Steer Assurance Partners

ABN 56 435 338 966

Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

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

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**Auditor's Opinion**

In our opinion,

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13 part 3 Division 2; and
- (b) the financial statements:
  - (i) have been presented in accordance with the requirements of this Division;
  - (ii) are consistent with the Council's accounting records;
  - (iii) present fairly the Council's financial position, the results of its operations and its cash flows; and
  - (iv) are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia.
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that we have become aware of during the course of the audit.

**Emphasis of Matter**

Without qualification to the opinion expressed above, we draw attention to the mandatory requirement for councils to prepare financial reports and have them audited within four (4) months of the end of the financial year.

**HILL ROGERS SPENCER STEER**



**GARY MOTTAU**

Partner

Dated at Sydney this 12th day of December 2011



Hill Rogers  
Spencer Steer

12 December 2011

The Mayor  
Walgett Shire Council  
PO Box 31  
**WALGETT NSW 2832**

Mayor,

### **Audit Report - Year Ended 30 June 2011**

We are pleased to advise completion of the audit of Council's books and records for the year ended 30 June 2011 and that all information required by us was readily available. We have signed our reports as required under Section 417(1) of the Local Government Act, 1993 and the Local Government Code of Accounting Practice and Financial Reporting to the General and Special Purpose Financial Statements and draw your attention to the emphasis of matter paragraph without qualification to our audit opinion.

Our audit has been conducted in accordance with Australian Auditing Standards so as to express an opinion on both the General and Special Purpose Financial Statements of the Council. We have ensured that the accounts have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) and the Local Government Code of Accounting Practice and Financial Reporting.

This report on the conduct of the audit is also issued under Section 417(1) and we now offer the following comments on the financial statements and the audit;

#### **I. RESULTS FOR THE YEAR**

##### ***1.1 Operating Result***

The operating result for the year was a deficit of \$48,000 as compared with a surplus of \$3.202 million in the previous year.

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

	2011	% of	2010	% of	Increase
	\$'000	Total	\$'000	Total	(Decrease)
					\$'000
<b>Revenues before capital items</b>					
Rates & annual charges	6,948	31%	6,751	30%	197
User charges, fees & other revenues	5,823	26%	6,333	29%	(510)
Grants & contributions provided for operating purposes	9,145	41%	8,631	39%	514
Interest & investment revenue	494	2%	446	2%	48
	<b>22,410</b>	<b>100%</b>	<b>22,161</b>	<b>100%</b>	<b>249</b>
<b>Expenses</b>					
Employee benefits & costs	6,358	24%	6,187	29%	171
Materials, contracts & other expenses	13,543	52%	12,026	57%	1,517
Depreciation, amortisation & impairment	6,273	24%	3,034	14%	3,239
Borrowing costs	60	0%	9	0%	51
	<b>26,234</b>	<b>100%</b>	<b>21,256</b>	<b>100%</b>	<b>4,978</b>
<b>Surplus/ (Deficit) before capital items</b>	<b>(3,824)</b>		<b>905</b>		<b>(4,729)</b>
Grants & contributions provided for capital purposes	3,776		2,297		1,479
<b>Net Surplus/ (Deficit) for the year</b>	<b>(48)</b>		<b>3,202</b>		<b>(3,250)</b>

The table above shows an overall decrease over the previous year of \$3.250 million and can be attributed to increased depreciation charges resulting from the revaluation of infrastructure assets in the previous year.

## 1.2 Funding Result

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

	2011 \$'000	2010 \$'000
<b>Funds were provided by:-</b>		
<b>Operating Result (as above)</b>	<b>(48)</b>	<b>3,202</b>
Add back non funding items:-		
- Depreciation, amortisation & impairment	6,273	3,034
- Book value of non-current assets sold	146	180
	<u>6,371</u>	<u>6,416</u>
New loan borrowings	2,600	14
Transfers from externally restricted assets (net)	2,076	2,924
Transfers from internal reserves (net)	0	1,107
Net Changes in current/non-current assets & liabilities	0	462
	<u>11,047</u>	<u>10,923</u>
<b>Funds were applied to:-</b>		
Purchase and construction of assets	(8,663)	(11,034)
Principal repaid on loans	(63)	(22)
Transfers to internal reserves (net)	(391)	0
Net Changes in current/non-current assets & liabilities	(174)	0
	<u>(9,291)</u>	<u>(11,056)</u>
<b>Increase/(Decrease) in Available Working Capital</b>	<b>1,756</b>	<b>(133)</b>

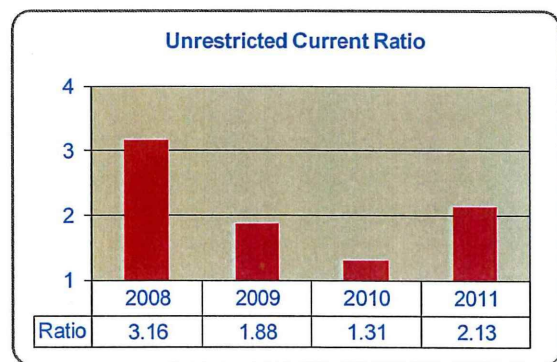
## 2. FINANCIAL POSITION

### 2.1 Current Ratios

#### 2.1 Unrestricted Current Ratio

The Unrestricted Current Ratio is a financial indicator specific to local government and represents Council's ability to meet its debts and obligations as they fall due.

After eliminating externally restricted assets and current liabilities not expected to be paid within the next 12 months net current assets amounted to \$3.114 million representing a factor of 2.13 to 1.



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

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

At the close of the year the Available Working Capital of Council stood at \$2.605 million as detailed below;



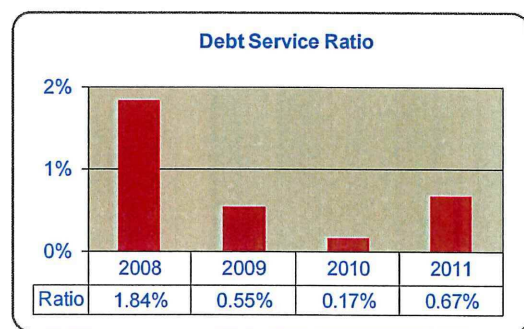
	2011	2010	Change
	\$'000	\$'000	\$'000
<b>Net Current Assets (Working Capital) as per Accounts</b>	<b>8,083</b>	<b>8,467</b>	<b>(384)</b>
<b>Add:</b> Payables & provisions not expected to be realised in the next 12 months included above	665	356	309
Adjusted Net Current Assets	8,748	8,823	(75)
<b>Add:</b> Budgeted & expected to pay in the next 12 months			
- Borrowings	199	20	179
- Employees leave entitlements	802	838	(36)
- Deposits & retention moneys	28	25	3
<b>Less:</b> Externally restricted assets	(5,634)	(7,710)	2,076
<b>Less:</b> Internally restricted assets	(1,538)	(1,147)	(391)
<b>Available Working Capital as at 30 June</b>	<b>2,605</b>	<b>849</b>	<b>1,756</b>

The balance of Available Working Capital should be at a level to manage Council's day to day operations including the financing of hard core debtors, stores and to provide a buffer against unforeseen and unbudgeted expenditures. Taking into consideration the nature and level of the internally restricted assets (Reserves) set aside we are of the opinion that Available Working Capital as at 30 June 2011 was adequate.

### 2.3 Debt

Operating revenue (excluding special purpose grants and contributions) required to service debt (repayment of loans) was 0.67%.

Total loans outstanding after repaying principal & interest of \$123,000 was \$2.68 million.



### 2.4 Summary

Council's overall financial position, when taking into account the above financial indicators is, in our opinion, adequate.

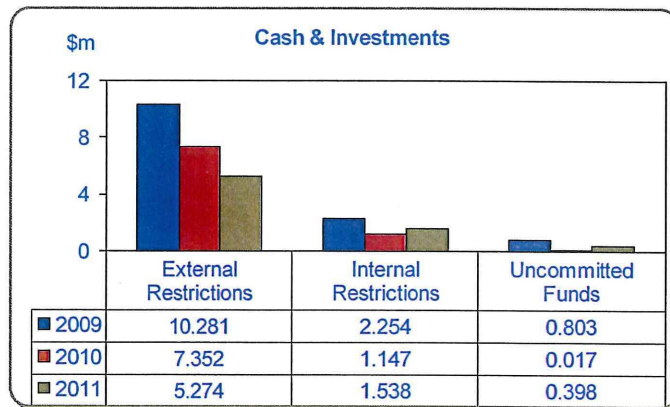
### 3. CASH ASSETS

#### 3.1 Cash & Investments

Cash and investments held at the close of the year amounted to \$7.210 million as compared with \$8.516 million and \$13.338 million at the close of financial years 2010 and 2009 respectively.

Investments included CDO's (Collateralised Debt Obligations) held at fair value of \$24,000. These securities have been significantly affected by the global credit crisis.

The table alongside summarises the purposes for which cash and investments were held.



**Externally restricted cash and investments** are restricted in their use by externally imposed requirements and consisted of unexpended grants (\$994,000) and water and sewerage funds (\$4.280 million).

**Internally restricted cash and investments** have been restricted in their use by resolution or policy of Council to reflect forward plans, identified programs of works, and are, in fact, Council's "**Reserves**". These Reserves totalled \$1.538 million and their purposes are more fully disclosed in Notes 6 of the financial statements.

**Unrestricted cash and investments** amounted to \$398,000.

#### 3.2 Cash Flows

The Statement of Cash Flows illustrates the flow of cash (highly liquid cash and investments) moving in and out of Council during the year and reveals that cash assets increased by \$969,000 to \$5.436 million at the close of the year.

In addition to operating activities which contributed net cash of \$4.150 million were the proceeds from the redemption of investment securities (\$6.285 million), sale of assets (\$451,000) and proceeds from borrowings (\$2.600 million). Cash outflows other than operating activities were used to repay loans (\$63,000), purchase investments (\$4 million) and to acquire assets (\$8.454 million).

**4. RECEIVABLES**

**4.1 Rates & Annual Charges (excluding interest & extra charges)**

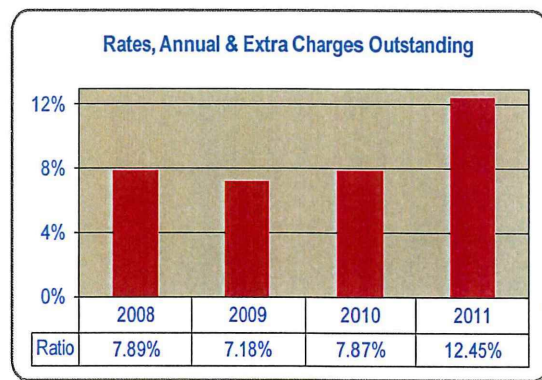
Net rates and annual charges levied during the year totalled \$6.948 million and represented 26.53% of Council's total revenues.

Including arrears, the total rates and annual charges collectible was \$7.352 million of which \$6.664 million (90.64%) was collected.

**4.2 Rates, Annual & Extra Charges**

After providing for doubtful debts of \$172,000 (2010 - \$392,000), arrears of rates, annual & extra charges stood at \$949,000 (2010 - \$571,000) at the end of the year & represented 12.45% of those receivables.

The graph alongside illustrates the impact of a new basis for estimating bad and doubtful debts (see Notes 1a (v) and 1b) and a fall in collections to 87.55%.



**4.3 Other Receivables**

Receivables (other than rates, annual & extra charges) totalled \$3.011 million and consisted mainly of government grants & subsidies (\$1.545 million) and user charges & fees and contribution to works (\$979,000). Those considered to be uncertain of collection have been provided for as doubtful debts amounting to \$432,000 and included deferred debtors of \$305,000.

**5. PAYABLES**

**Employees Leave Entitlements** - Council's provision for its liability toward employees leave entitlements and associated on costs amounted to \$1.848 million.

A cash reserve of \$500,000 was held at year end representing 27.06% of this liability and was, in our opinion, sufficient to enable Council to meet unbudgeted and unanticipated retirements.

## 6. REVALUATION OF ASSETS

The valuation at 'fair value' of Council's infrastructure, property, plant and equipment has been staged over the last four years and is now complete. In previous years, several asset categories, including operational land and buildings, plant and equipment and infrastructure have been revalued.

This year, other structures and other assets were revalued and contributed to a net increase to equity of \$2.657 million. Further details of the revaluation are provided in Notes 1(j), 9 and 20 to the Financial Statements.

## 7. MANAGEMENT LETTER

A letter was issued to management during the year in respect of our examination of certain aspects of Council's accounting systems and internal controls necessary to produce reliable financial reports that we considered warrant attention. A response was received from management.

## 8. CONCLUSION

We wish to record our appreciation to your General Manager and his staff for their ready co-operation and the courtesies extended to us during the conduct of the audit.

Yours faithfully,

**HILL ROGERS SPENCER STEER**



**GARY MOTTAU**  
Partner

# Walgett Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2011

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*“Rivers, Plains and Opals”*





# Walgett Shire Council

## Special Purpose Financial Statements

for the financial year ended 30 June 2011

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

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### Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.
- (ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.
- Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.
- (iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.
- These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and **(b)** those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).
- (iv) In preparing these financial statements for Council's self classified Category 1 businesses and ABS defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).
-

# Walgett Shire Council

## Special Purpose Financial Statements

for the financial year ended 30 June 2011

### 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:**

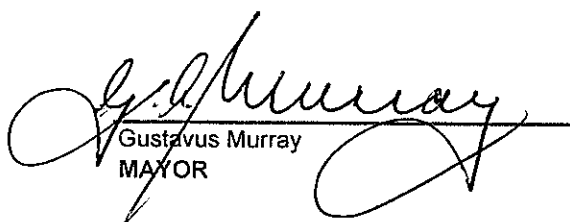
- The NSW Government Policy Statement "Application of National Competition Policy to Local Government"
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality"
- The Local Government Code of Accounting Practice and Financial Reporting.
- 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:**

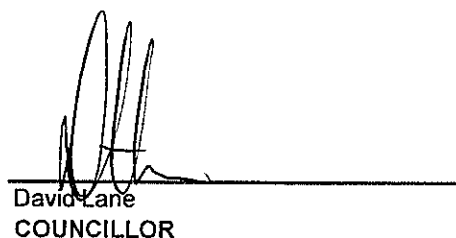
- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records.

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

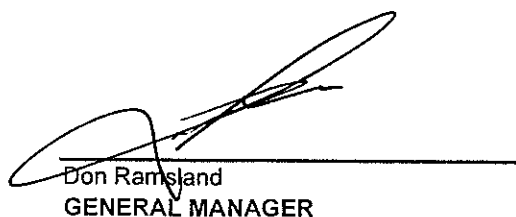
**Signed in accordance with a resolution of Council made on 25 October 2011.**



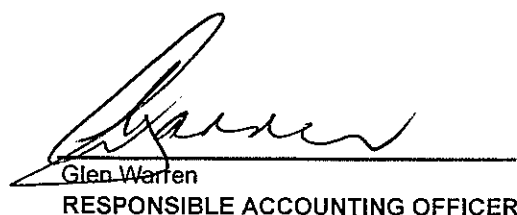
Gustavus Murray  
MAYOR



David Lane  
COUNCILLOR



Don Ramsland  
GENERAL MANAGER



Glen Warren  
RESPONSIBLE ACCOUNTING OFFICER

## Walgett Shire Council

## Income Statement of Council's Water Supply Business Activity

for the financial year ended 30 June 2011

\$ '000	Actual 2011	Actual 2010	Actual 2009
<b>Income from continuing operations</b>			
Access charges	1,231	1,283	1,263
User charges	-	-	-
Fees	-	-	-
Interest	21	23	21
Grants and contributions provided for non capital purposes	13	12	12
Profit from the sale of assets	-	-	-
Other income	-	2	-
<b>Total income from continuing operations</b>	<b>1,265</b>	<b>1,320</b>	<b>1,296</b>
<b>Expenses from continuing operations</b>			
Employee benefits and on-costs	331	219	390
Borrowing costs	30	7	10
Materials and contracts	1,371	838	474
Depreciation and impairment	450	450	443
Water purchase charges	-	-	-
Loss on sale of assets	-	-	-
Calculated taxation equivalents	-	-	-
Debt guarantee fee (if applicable)	-	-	-
Other expenses	-	-	-
<b>Total expenses from continuing operations</b>	<b>2,182</b>	<b>1,514</b>	<b>1,317</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>(917)</b>	<b>(194)</b>	<b>(21)</b>
Grants and contributions provided for capital purposes	256	71	-
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>(661)</b>	<b>(123)</b>	<b>(21)</b>
Surplus (deficit) from discontinued operations	-	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>(661)</b>	<b>(123)</b>	<b>(21)</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-	-
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>(661)</b>	<b>(123)</b>	<b>(21)</b>
plus Opening Retained Profits	9,552	9,675	9,696
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	-	-	-
<b>Closing Retained Profits</b>	<b>8,891</b>	<b>9,552</b>	<b>9,675</b>
<b>Return on Capital %</b>	<b>-7.1%</b>	<b>-1.5%</b>	<b>-0.1%</b>
<b>Subsidy from Council</b>	<b>1,535</b>	<b>811</b>	<b>661</b>
<b>Calculation of dividend payable:</b>			
Surplus (deficit) after tax	(661)	(123)	(21)
less: Capital grants and contributions (excluding developer contributions)	(256)	-	-
<b>Surplus for dividend calculation purposes</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Potential Dividend calculated from surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Walgett Shire Council

## Income Statement of Council's Sewerage Business Activity

for the financial year ended 30 June 2011

\$ '000	Actual 2011	Actual 2010	Actual 2009
<b>Income from continuing operations</b>			
Access charges	702	629	617
User charges	-	-	-
Liquid Trade Waste charges	-	-	-
Fees	-	-	-
Interest	14	12	13
Grants and contributions provided for non capital purposes	11	11	11
Profit from the sale of assets	-	-	-
Other income	-	-	-
<b>Total income from continuing operations</b>	<b>727</b>	<b>652</b>	<b>641</b>
<b>Expenses from continuing operations</b>			
Employee benefits and on-costs	153	355	171
Borrowing costs	1	2	4
Materials and contracts	428	94	163
Depreciation and impairment	181	143	187
Loss on sale of assets	-	-	-
Calculated taxation equivalents	-	-	-
Debt guarantee fee (if applicable)	-	-	-
Other expenses	-	-	-
<b>Total expenses from continuing operations</b>	<b>763</b>	<b>594</b>	<b>525</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>(36)</b>	<b>58</b>	<b>116</b>
Grants and contributions provided for capital purposes	-	-	-
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>(36)</b>	<b>58</b>	<b>116</b>
Surplus (deficit) from discontinued operations	-	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>(36)</b>	<b>58</b>	<b>116</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	(17)	(35)
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>(36)</b>	<b>41</b>	<b>81</b>
plus Opening Retained Profits	9,177	9,119	9,003
plus/less: Prior Period Adjustments	-	-	-
plus Adjustments for amounts unpaid:			
- Taxation equivalent payments	-	-	-
- Debt guarantee fees	-	-	-
- Corporate taxation equivalent	-	17	35
less:			
- Tax Equivalent Dividend paid	-	-	-
- Surplus dividend paid	-	-	-
<b>Closing Retained Profits</b>	<b>9,141</b>	<b>9,177</b>	<b>9,119</b>
<b>Return on Capital %</b>	<b>-0.4%</b>	<b>0.6%</b>	<b>1.2%</b>
<b>Subsidy from Council</b>	<b>555</b>	<b>443</b>	<b>418</b>
<b>Calculation of dividend payable:</b>			
Surplus (deficit) after tax	(36)	41	81
less: Capital grants and contributions (excluding developer contributions)	-	-	-
<b>Surplus for dividend calculation purposes</b>	<b>-</b>	<b>41</b>	<b>81</b>
<b>Potential Dividend calculated from surplus</b>	<b>-</b>	<b>20</b>	<b>41</b>

## Walgett Shire Council

## Balance Sheet of Council's Water Supply Business Activity

as at 30 June 2011

\$ '000	Actual 2011	Actual 2010
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	2,187	2,839
Investments	-	-
Receivables	238	325
Inventories	-	-
Other	-	182
Non-current assets classified as held for sale	-	-
<b>Total Current Assets</b>	<b>2,425</b>	<b>3,346</b>
<b>Non-Current Assets</b>		
Investments	-	-
Receivables	128	-
Inventories	-	-
Infrastructure, property, plant and equipment	12,446	12,237
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
<b>Total non-Current Assets</b>	<b>12,574</b>	<b>12,237</b>
<b>TOTAL ASSETS</b>	<b>14,999</b>	<b>15,583</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank Overdraft	-	-
Payables	2	3
Interest bearing liabilities	16	13
Provisions	-	-
<b>Total Current Liabilities</b>	<b>18</b>	<b>16</b>
<b>Non-Current Liabilities</b>		
Payables	-	-
Interest bearing liabilities	70	86
Provisions	-	-
<b>Total Non-Current Liabilities</b>	<b>70</b>	<b>86</b>
<b>TOTAL LIABILITIES</b>	<b>88</b>	<b>102</b>
<b>NET ASSETS</b>	<b>14,911</b>	<b>15,481</b>
<b>EQUITY</b>		
Retained earnings	8,891	9,552
Revaluation reserves	6,020	5,929
Council equity interest	14,911	15,481
Minority equity interest	-	-
<b>TOTAL EQUITY</b>	<b>14,911</b>	<b>15,481</b>

## Walgett Shire Council

## Balance Sheet of Council's Sewerage Business Activity

as at 30 June 2011

\$ '000	Actual 2011	Actual 2010
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	2,093	1,991
Investments	-	-
Receivables	148	194
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
<b>Total Current Assets</b>	<b>2,241</b>	<b>2,185</b>
<b>Non-Current Assets</b>		
Investments	-	-
Receivables	80	-
Inventories	-	-
Infrastructure, property, plant and equipment	9,980	9,867
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
<b>Total non-Current Assets</b>	<b>10,060</b>	<b>9,867</b>
<b>TOTAL ASSETS</b>	<b>12,301</b>	<b>12,052</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Bank Overdraft	-	-
Payables	-	-
Interest bearing liabilities	8	7
Provisions	-	-
<b>Total Current Liabilities</b>	<b>8</b>	<b>7</b>
<b>Non-Current Liabilities</b>		
Payables	-	-
Interest bearing liabilities	10	18
Provisions	-	-
<b>Total Non-Current Liabilities</b>	<b>10</b>	<b>18</b>
<b>TOTAL LIABILITIES</b>	<b>18</b>	<b>25</b>
<b>NET ASSETS</b>	<b>12,283</b>	<b>12,027</b>
<b>EQUITY</b>		
Retained earnings	9,141	9,177
Revaluation reserves	3,142	2,850
Council equity interest	12,283	12,027
Minority equity interest	-	-
<b>TOTAL EQUITY</b>	<b>12,283</b>	<b>12,027</b>

# Walgett Shire Council

## Special Purpose Financial Statements

for the financial year ended 30 June 2011

### 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

## Walgett Shire Council

### Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2011

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

**see Word File.**

## Walgett Shire Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2011Note 2. Water Supply Business  
Best Practice Management disclosure requirements

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

2011

**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	5,784
(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	57,840
(iii)	Cumulative surplus before Dividends for the 3 years to 30 June 2011, less the cumulative dividends paid for the 2 years to 30 June 2010 & 30 June 2009	(1,061,000)

2011 Surplus	(917,000)	2010 Surplus	(123,000)	2009 Surplus	(21,000)
		2010 Dividend	-	2009 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]	YES
	- DSP with Commercial Developer Charges [Item 2(e) in Table 1]	YES
	- If Dual Water Supplies, Complying Charges [Item 2(g) in Table 1]	NO
(iii)	Sound Water Conservation and Demand Management implemented	YES
(iv)	Sound Drought Management implemented	YES
(v)	Complete Performance Reporting Form (by 15 September each year)	YES
(vi)	a. Integrated Water Cycle Management Evaluation	NO
	b. Complete and implement Integrated Water Cycle Management Strategy	NO

## Walgett Shire Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2011Note 2. Water Supply Business  
Best Practice Management disclosure requirements (continued)

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Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2011


---

**National Water Initiative (NWI) Financial Performance Indicators**

<b>NWI F1</b>	Total Revenue (Water) Total Income (w13) - Grants for the Acquisition of Assets (w11a) - Interest Income (w9)	\$'000	1,265
<b>NWI F4</b>	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)]	%	0.00%
<b>NWI F9</b>	Written Down Replacement Cost of Fixed Assets (Water) Written down current cost of system assets (w47)	\$'000	12,446
<b>NWI F11</b>	Operating Cost (OMA) (Water) Management Expenses (w1) + Operational & Maintenance Expenses (w2)	\$'000	1,382
<b>NWI F14</b>	Capital Expenditure (Water) Acquisition of fixed assets (w16)	\$'000	292
<b>NWI F17</b>	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)]	%	-4.56%
<b>NWI F26</b>	Capital Works Grants (Water) Grants for the Acquisition of Assets (w11a)	\$'000	256

- 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.

## Walgett Shire Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2011Note 3. Sewerage Business  
Best Practice Management disclosure requirements

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

2011

**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	5,337
(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)	53,370
(iii)	Cumulative surplus before dividends for the 3 years to 30 June 2011, less the cumulative dividends paid for the 2 years to 30 June 2010 & 30 June 2009	85,800

2011 Surplus	(36,000)	2010 Surplus	40,600	2009 Surplus	81,200
		2010 Dividend	-	2009 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]	YES
	DSP with Commercial Developer Charges [Item 2(e) in Table 1]	NO
	Liquid Trade Waste Approvals & Policy [Item 2(f) in Table 1]	NO
(iii)	Complete Performance Reporting Form (by 15 September each year)	YES
(iv)	a. Integrated Water Cycle Management Evaluation	NO
	b. Complete and implement Integrated Water Cycle Management Strategy	NO



## Walgett Shire Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2011Note 3. Sewerage Business  
Best Practice Management disclosure requirements (continued)

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Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2011


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**National Water Initiative (NWI) Financial Performance Indicators**

NWI F2	Total Revenue (Sewerage) Total Income (s14) - Grants for Acquisition of Assets (s12a) - Interest Income (s10)	\$'000	713
NWI F10	Written Down Replacement Cost of Fixed Assets (Sewerage) Written down current cost of system assets (s48)	\$'000	9,980
NWI F12	Operating Cost (Sewerage) Management Expenses (s1) + Operational & Maintenance Expenses (s2)	\$'000	509
NWI F15	Capital Expenditure (Sewerage) Acquisition of Fixed Assets (s17)	\$'000	-
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)]	%	0.21%
NWI F27	Capital Works Grants (Sewerage) Grants for the Acquisition of Assets (12a)	\$'000	-

---

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

NWI F3	Total Income (Water & Sewerage) Total Income (w13 + s14) + Gain/Loss on disposal of assets (w14 + s15) minus Grants for acquisition of assets (w11a + s12a) - Interest Income (w9 + s10)	\$'000	1,978
NWI F8	Revenue from Community Service Obligations (Water & Sewerage) Community Service Obligations (NWI F25) x 100 divided by Total Income (NWI F3)	%	1.21%
NWI F16	Capital Expenditure (Water & Sewerage) Acquisition of Fixed Assets (w16 + s17)	\$'000	292
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)]	%	-2.43%
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%

## Walgett Shire Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2011Note 3. Sewerage Business  
Best Practice Management disclosure requirements (continued)

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Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2011


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

NWI F22	Net Debt to Equity (Water & Sewerage) Overdraft (w36 + s37) + Borrowings (w38 + s39) - Cash & Investments (w30 + s31) x 100 divided by [Total Assets (w35 + s36) - Total Liabilities (w40 + s41)]	%	-15.36%
NWI F23	Interest Cover (Water & Sewerage) Earnings before Interest & Tax (EBIT) divided by Net Interest  Earnings before Interest & Tax (EBIT): 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: Interest Expense (w4a + s4a) - Interest Income (w9 + s10)		-  546  17
NWI F24	Net Profit After Tax (Water & Sewerage) Surplus before dividends (w15a + s16a) - Tax equivalents paid (Note 2-1(iv) + Note 3-1(iv))	\$'000	(953)
NWI F25	Community Service Obligations (Water & Sewerage) Grants for Pensioner Rebates (w11b + s12b)	\$'000	24

- 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.

**WALGETT SHIRE COUNCIL**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**INDEPENDENT AUDITORS' REPORT**

---

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying *special purpose financial statements* of **Walgett Shire Council**, which comprises the Balance Sheet as at 30 June 2011, Income Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management.

***Responsibility of Council for the Financial Statements***

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with the Local Government Act 1993 and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements, are appropriate to meet the financial reporting requirements of the Division of Local Government. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

***Auditors' Responsibility***

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. Our audit responsibility does not extend to the best practice management disclosures in Notes 2 and 3 and, accordingly, no opinion is expressed on these disclosures.

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

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Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

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

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**Auditor's Opinion**

In our opinion, the special purpose financial statements of the Council are presented fairly in accordance with the requirements of those applicable Accounting Standards detailed in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting.

**Basis of Accounting**

Without modifying our opinion, we draw attention to the following matters:

- (1) Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the requirements of National Competition Policy reporting. As a result, the financial statements may not be suitable for another purpose;
- (2) It is a mandatory requirement for councils to prepare financial reports and have them audited within four (4) months of the end of the financial year.

**HILL ROGERS SPENCER STEER**



**GARY MOTTAU**  
Partner

Dated at Sydney this 12th day of December 2011

# Walgett Shire Council

SPECIAL SCHEDULES  
for the year ended 30 June 2011

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*“Rivers, Plains and Opals”*



# Walgett Shire Council

## Special Schedules

for the financial year ended 30 June 2011

### Contents

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#### Special Schedules<sup>1</sup>

- 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
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<sup>1</sup> 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.

## Walgett Shire Council

## Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2011

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
<b>Governance</b>	799	-	-	(799)
<b>Administration</b>	3,449	2,717	-	(732)
<b>Public Order and Safety</b>				
Fire Service Levy, Fire Protection, Emergency Services	311	38	-	(273)
Beach Control	-	-	-	-
Enforcement of Local Govt Regs	-	-	-	-
Animal Control	17	6	-	(11)
Other	1	-	-	(1)
<b>Total Public Order &amp; Safety</b>	<b>329</b>	<b>44</b>	<b>-</b>	<b>(285)</b>
<b>Health</b>	<b>99</b>	<b>1</b>	<b>-</b>	<b>(98)</b>
<b>Environment</b>				
Noxious Plants and Insect/Vermin Control	-	-	-	-
Other Environmental Protection	-	-	-	-
Solid Waste Management	-	-	-	-
Street Cleaning	-	-	-	-
Drainage	-	-	-	-
Stormwater Management	-	-	-	-
<b>Total Environment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Community Services and Education</b>				
Administration & Education	95	61	-	(34)
Social Protection (Welfare)	141	30	-	(111)
Aged Persons and Disabled	-	-	-	-
Childrens Services	204	9	-	(195)
<b>Total Community Services &amp; Education</b>	<b>440</b>	<b>100</b>	<b>-</b>	<b>(340)</b>
<b>Housing and Community Amenities</b>				
Public Cemeteries	-	5	-	5
Public Conveniences	-	-	-	-
Street Lighting	-	-	-	-
Town Planning	600	7	-	(593)
Other Community Amenities	245	89	-	(156)
<b>Total Housing and Community Amenities</b>	<b>845</b>	<b>101</b>	<b>-</b>	<b>(744)</b>
<b>Water Supplies</b>	<b>2,123</b>	<b>1,519</b>	<b>-</b>	<b>(604)</b>
<b>Sewerage Services</b>	<b>758</b>	<b>727</b>	<b>-</b>	<b>(31)</b>



## Walgett Shire Council

Special Schedule No. 1 - Net Cost of Services (continued)  
for the financial year ended 30 June 2011

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
<b>Recreation and Culture</b>				
Public Libraries	179	37	-	(142)
Museums	9	-	-	(9)
Art Galleries	79	26	-	(53)
Community Centres and Halls	-	-	-	-
Performing Arts Venues	-	-	-	-
Other Performing Arts	-	-	-	-
Other Cultural Services	-	-	-	-
Sporting Grounds and Venues	-	-	-	-
Swimming Pools	1,031	-	-	(1,031)
Parks & Gardens (Lakes)	-	-	-	-
Other Sport and Recreation	-	-	-	-
<b>Total Recreation and Culture</b>	<b>1,298</b>	<b>63</b>	<b>-</b>	<b>(1,235)</b>
<b>Fuel &amp; Energy</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Agriculture</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Mining, Manufacturing and Construction</b>				
Building Control	-	-	-	-
Other Mining, Manufacturing & Construction	-	110	-	110
<b>Total Mining, Manufacturing and Const.</b>	<b>-</b>	<b>110</b>	<b>-</b>	<b>110</b>
<b>Transport and Communication</b>				
Urban Roads (UR) - Local	958	303	-	(655)
Urban Roads - Regional	430	303	-	(127)
Sealed Rural Roads (SRR) - Local	405	301	-	(104)
Sealed Rural Roads - Regional	1,677	710	-	(967)
Unsealed Rural Roads (URR) - Local	1,956	958	1,324	326
Unsealed Rural Roads (URR) - Regional	1,470	40	1,451	21
Bridges on UR - Local	34	325	-	291
Bridges on SRR - Local	199	-	-	(199)
Bridges on URR - Local	1,782	300	-	(1,482)
Bridges on Regional Roads	680	875	-	195
Parking Areas	-	-	-	-
Footpaths	-	-	-	-
Aerodromes	-	-	-	-
Other Transport & Communication	5,997	3,173	1,001	(1,823)
<b>Total Transport and Communication</b>	<b>15,588</b>	<b>7,288</b>	<b>3,776</b>	<b>(4,524)</b>
<b>Economic Affairs</b>				
Camping Areas & Caravan Parks	-	-	-	-
Other Economic Affairs	506	147	-	(359)
<b>Total Economic Affairs</b>	<b>506</b>	<b>147</b>	<b>-</b>	<b>(359)</b>
<b>Totals – Functions</b>	<b>26,234</b>	<b>12,817</b>	<b>3,776</b>	<b>(9,641)</b>
<b>General Purpose Revenues<sup>(2)</sup></b>		<b>9,593</b>		<b>9,593</b>
<b>Share of interests - joint ventures &amp; associates using the equity method</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>NET OPERATING RESULT<sup>(1)</sup></b>	<b>26,234</b>	<b>22,410</b>	<b>3,776</b>	<b>(48)</b>

(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)



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

for the financial year ended 30 June 2011

\$'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
<b>Loans (by Source)</b>											
Commonwealth Government	-	-	-							-	-
Treasury Corporation	-	-	-							-	-
Other State Government	-	-	-							-	-
Public Subscription	-	-	-							-	-
Financial Institutions	20	123	143	2,600	64	-	-	60	199	2,480	2,679
Other	-	-	-							-	-
<b>Total Loans</b>	<b>20</b>	<b>123</b>	<b>143</b>	<b>2,600</b>	<b>64</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>199</b>	<b>2,480</b>	<b>2,679</b>
<b>Other Long Term Debt</b>											
Ratepayers Advances	-	-	-							-	-
Government Advances	-	-	-							-	-
Finance Leases	-	-	-							-	-
Deferred Payments	-	-	-							-	-
<b>Total Long Term Debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Debt</b>	<b>20</b>	<b>123</b>	<b>143</b>	<b>2,600</b>	<b>64</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>199</b>	<b>2,480</b>	<b>2,679</b>

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).

# Walgett Shire Council

## Special Schedule No. 2(b) - Statement of Internal Loans [Section 410(3) LGA 1993] for the financial year ended 30 June 2011

\$'000

### Summary of Internal Loans

Borrower (by purpose)	Amount originally raised	Total repaid during the year (Principal & Interest)	Principal Outstanding at end of year
General			
Water			
Sewer			
Domestic Waste Management			
Gas			
Other			
<b>Totals</b>	-	-	-

Note: The summary of Internal Loans (above) represents the total of Council's Internal Loans categorised according to the borrower.

### Details of Individual Internal Loans

Borrower (by purpose)	Lender (by purpose)	Date of Minister's Approval	Date Raised	Term (years)	Dates of Maturity	Rate of Interest	Amount Originally raised	Total repaid during year (Princ. & Int.)	Principal Outstanding at end of year
<b>Totals</b>							-	-	-

## Walgett 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 2011

\$'000	Actuals 2011	Actuals 2010
<b>A Expenses and Income Expenses</b>		
<b>1. Management expenses</b>		
a. Administration	150	149
b. Engineering and Supervision	127	72
<b>2. Operation and Maintenance expenses</b>		
<b>- Dams &amp; Weirs</b>		
a. Operation expenses	-	-
b. Maintenance expenses	-	-
<b>- Mains</b>		
c. Operation expenses	108	64
d. Maintenance expenses	328	248
<b>- Reservoirs</b>		
e. Operation expenses	7	7
f. Maintenance expenses	27	20
<b>- Pumping Stations</b>		
g. Operation expenses (excluding energy costs)	58	40
h. Energy costs	112	71
i. Maintenance expenses	66	50
<b>- Treatment</b>		
j. Operation expenses (excluding chemical costs)	92	186
k. Chemical costs	75	66
l. Maintenance expenses	171	77
<b>- Other</b>		
m. Operation expenses	61	7
n. Maintenance expenses	-	-
o. Purchase of water	-	-
<b>3. Depreciation expenses</b>		
a. System assets	450	450
b. Plant and equipment	-	-
<b>4. Miscellaneous expenses</b>		
a. Interest expenses	30	7
b. Revaluation Decrements	-	-
c. Other expenses	320	-
d. Tax Equivalents Dividends (actually paid)	-	-
<b>5. Total expenses</b>	<b>2,182</b>	<b>1,514</b>

## Walgett 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 2011

\$'000	Actuals 2011	Actuals 2010
<b>Income</b>		
<b>6. Residential charges</b>		
a. Access (including rates)	1,231	1,283
b. Usage charges	-	2
<b>7. Non-residential charges</b>		
a. Access (including rates)	-	-
b. Usage charges	-	-
<b>8. Extra charges</b>	21	3
<b>9. Interest income</b>	-	20
<b>10. Other income</b>	-	-
<b>11. Grants</b>		
a. Grants for acquisition of assets	256	71
b. Grants for pensioner rebates	13	12
c. Other grants	-	-
<b>12. Contributions</b>		
a. Developer charges	-	-
b. Developer provided assets	-	-
c. Other contributions	-	-
<b>13. Total income</b>	<u>1,521</u>	<u>1,391</u>
<b>14. Gain or loss on disposal of assets</b>	-	-
<b>15. Operating Result</b>	<u>(661)</u>	<u>(123)</u>
<b>15a. Operating Result (less grants for acquisition of assets)</b>	(917)	(194)

## Walgett 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 2011

\$'000	Actuals 2011	Actuals 2010
<b>B Capital transactions</b>		
<b>Non-operating expenditures</b>		
<b>16. Acquisition of Fixed Assets</b>		
a. New Assets for Improved Standards	-	-
b. New Assets for Growth	292	320
c. Renewals	-	82
d. Plant and equipment	-	-
<b>17. Repayment of debt</b>		
a. Loans	15	18
b. Advances	-	-
c. Finance leases	-	-
<b>18. Transfer to sinking fund</b>	-	-
<b>19. Totals</b>	<b>307</b>	<b>420</b>
<b>Non-operating funds employed</b>		
<b>20. Proceeds from disposal of assets</b>	-	-
<b>21. Borrowing utilised</b>		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
<b>22. Transfer from sinking fund</b>	-	-
<b>23. Totals</b>	<b>-</b>	<b>-</b>
<b>C Rates and charges</b>		
<b>24. Number of assessments</b>		
a. Residential (occupied)	1,928	1,911
b. Residential (unoccupied, ie. vacant lot)		-
c. Non-residential (occupied)		-
d. Non-residential (unoccupied, ie. vacant lot)		-
<b>25. Number of ETs for which developer charges were received</b>	ET	- ET
<b>26. Total amount of pensioner rebates (actual dollars)</b>	\$ 21,962	\$ 11,585

## Walgett Shire Council

Special Schedule No. 3 - Water Supply Cross Subsidies  
for the financial year ended 30 June 2011

\$'000	Yes	No	Amount
<b>D Best practice annual charges and developer charges*</b>			
<b>27. Annual charges</b>			
a. Does Council have best-practice water supply annual charges and usage charges*?	<input type="checkbox"/>	No <input type="checkbox"/>	
If Yes, go to 28a. If No, please report if council has removed <b>land value</b> from access charges (ie rates)?	Yes <input type="checkbox"/>	<input type="checkbox"/>	
<b>NB.</b> 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 <b>from</b> residential customers using less than allowance (page 25 of Guidelines)			<input type="text"/>
c. Cross-subsidy <b>to</b> non-residential customers (page 24 of Guidelines)			<input type="text"/>
d. Cross-subsidy <b>to</b> large connections in unmetered supplies (page 26 of Guidelines)			<input type="text"/>
<b>28. Developer charges</b>			
a. Has council completed a water supply Development Servicing** Plan?	<input type="checkbox"/>	No <input type="checkbox"/>	
b. Total cross-subsidy in water supply developer charges for 2010/11 (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.			
<b>29. Disclosure of cross-subsidies</b>			
<b>Total of cross-subsidies (27b +27c + 27d + 28b)</b>			<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.

## Walgett Shire Council

## Special Schedule No. 4 - Water Supply Balance Sheet

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
as at 30 June 2011

\$'000	Actuals Current	Actuals Non Current	Actuals Total
<b>ASSETS</b>			
<b>30. Cash and investments</b>			
a. Developer charges	-	-	-
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	2,187	-	2,187
<b>31. Receivables</b>			
a. Specific purpose grants	-	-	-
b. Rates and charges	238	128	366
c. Other	-	-	-
<b>32. Inventories</b>	-	-	-
<b>33. Property, plant and equipment</b>			
a. System assets	-	12,446	12,446
b. Plant and equipment	-	-	-
<b>34. Other assets</b>	-	-	-
<b>35. Total assets</b>	<b>2,425</b>	<b>12,574</b>	<b>14,999</b>
<b>LIABILITIES</b>			
<b>36. Bank overdraft</b>	-	-	-
<b>37. Creditors</b>	-	-	-
<b>38. Borrowings</b>			
a. Loans	9	70	79
b. Advances	-	-	-
c. Finance leases	-	-	-
<b>39. Provisions</b>			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	9	-	9
<b>40. Total liabilities</b>	<b>18</b>	<b>70</b>	<b>88</b>
<b>41. NET ASSETS COMMITTED</b>	<b>2,407</b>	<b>12,504</b>	<b>14,911</b>
<b>EQUITY</b>			
<b>42. Accumulated surplus</b>			8,623
<b>43. Asset revaluation reserve</b>			6,288
<b>44. TOTAL EQUITY</b>			<b>14,911</b>
<b>Note to system assets:</b>			
<b>45. Current replacement cost</b> of system assets			29,615
<b>46. Accumulated current cost</b> depreciation of system assets			(17,169)
<b>47. Written down current cost</b> of system assets			12,446

## Walgett Shire Council

## Special Schedule No. 5 - Sewerage Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2011

\$'000	Actuals 2011	Actuals 2010
<b>A Expenses and Income Expenses</b>		
<b>1. Management expenses</b>		
a. Administration	100	101
b. Engineering and Supervision	162	23
<b>2. Operation and Maintenance expenses</b>		
<b>- Mains</b>		
a. Operation expenses	2	-
b. Maintenance expenses	17	113
<b>- Pumping Stations</b>		
c. Operation expenses (excluding energy costs)	34	33
d. Energy costs	48	-
e. Maintenance expenses	29	43
<b>- Treatment</b>		
f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	55	80
g. Chemical costs	2	-
h. Energy costs	6	-
i. Effluent Management	-	-
j. Biosolids Management	-	-
k. Maintenance expenses	37	32
<b>- Other</b>		
l. Operation expenses	17	23
m. Maintenance expenses	-	1
<b>3. Depreciation expenses</b>		
a. System assets	183	143
b. Plant and equipment	-	-
<b>4. Miscellaneous expenses</b>		
a. Interest expenses	1	2
b. Revaluation Decrements	-	-
c. Other expenses	70	-
d. Tax Equivalent Dividends (actually paid)	-	-
<b>5. Total expenses</b>	<b>763</b>	<b>594</b>



## Walgett 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 2011

\$'000	Actuals 2011	Actuals 2010
<b>Income</b>		
<b>6. Residential charges</b> (including rates)	702	629
<b>7. Non-residential charges</b>		
a. Access (including rates)	-	-
b. Usage charges	-	-
<b>8. Trade Waste Charges</b>		
a. Annual Fees	-	-
b. Usage charges	-	-
c. Excess mass charges	-	-
d. Re-inspection fees	-	-
<b>9. Extra charges</b>	-	-
<b>10. Interest income</b>	14	12
<b>11. Other income</b>	-	-
<b>12. Grants</b>		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	11	11
c. Other grants	-	-
<b>13. Contributions</b>		
a. Developer charges	-	-
b. Developer provided assets	-	-
c. Other contributions	-	-
<b>14. Total income</b>	<b>727</b>	<b>652</b>
<b>15. Gain or loss on disposal of assets</b>	-	-
<b>16. Operating Result</b>	<b>(36)</b>	<b>58</b>
<b>16a. Operating Result (less grants for acquisition of assets)</b>	(36)	58

## Walgett 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 2011

\$'000	Actuals 2011	Actuals 2010
<b>B Capital transactions</b>		
<b>Non-operating expenditures</b>		
<b>17. Acquisition of Fixed Assets</b>		
a. New Assets for Improved Standards	-	-
b. New Assets for Growth	-	-
c. Renewals	-	14
d. Plant and equipment	-	-
<b>18. Repayment of debt</b>		
a. Loans	7	6
b. Advances	-	-
c. Finance leases	-	-
<b>19. Transfer to sinking fund</b>	-	-
<b>20. Totals</b>	<b>7</b>	<b>20</b>
<b>Non-operating funds employed</b>		
<b>21. Proceeds from disposal of assets</b>	-	-
<b>22. Borrowing utilised</b>		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
<b>23. Transfer from sinking fund</b>	-	-
<b>24. Totals</b>	<b>-</b>	<b>-</b>
<b>C Rates and charges</b>		
<b>25. Number of assessments</b>		
a. Residential (occupied)	1,779	1,764
b. Residential (unoccupied, ie. vacant lot)		-
c. Non-residential (occupied)		-
d. Non-residential (unoccupied, ie. vacant lot)		-
<b>26. Number of ETs for which developer charges were received</b>	ET	- ET
<b>27. Total amount of pensioner rebates (actual dollars)</b>		\$ -

## Walgett Shire Council

Special Schedule No. 5 - Sewerage Cross Subsidies  
for the financial year ended 30 June 2011

\$'000	Yes	No	Amount
<b>D Best practice annual charges and developer charges*</b>			
<b>28. Annual charges</b>			
<b>a.</b> Does Council have best-practice sewerage annual charges, usage charges and trade waste fees & charges*?	<input type="checkbox"/>	No <input type="checkbox"/>	
If Yes, go to 29a. If No, please report if council has removed <b>land value</b> from access charges (ie rates)?	Yes <input type="checkbox"/>	<input type="checkbox"/>	
<b>NB.</b> 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>b.</b> Cross-subsidy <b>to</b> non-residential customers (page 45 of Guidelines)			<input type="text"/>
<b>c.</b> Cross-subsidy <b>to</b> trade waste discharges (page 46 of Guidelines)			<input type="text"/>
<b>29. Developer charges</b>			
<b>a.</b> Has council completed a sewerage Development Servicing** Plan?	<input type="checkbox"/>	No <input type="checkbox"/>	
<b>b.</b> Total cross-subsidy in sewerage developer charges for 2010/11 (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.			
<b>30. Disclosure of cross-subsidies</b>			
<b>Total of cross-subsidies (28b + 28c + 29b)</b>			<input type="text" value="-"/>

\* Councils which have not yet implemented best practice sewer pricing & liquid waste pricing should disclose cross-subsidies in items 28b and 28c above.

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.

## Walgett Shire Council

## Special Schedule No. 6 - Sewerage Balance Sheet

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
as at 30 June 2011

\$'000	Actuals Current	Actuals Non Current	Actuals Total
<b>ASSETS</b>			
<b>31. Cash and investments</b>			
a. Developer charges	-	-	-
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	2,093	-	2,093
<b>32. Receivables</b>			
a. Specific purpose grants	-	-	-
b. Rates and charges	148	80	228
c. Other	-	-	-
<b>33. Inventories</b>	-	-	-
<b>34. Property, plant and equipment</b>			
a. System assets	9,980	-	9,980
b. Plant and equipment	-	-	-
<b>35. Other assets</b>	-	-	-
<b>36. Total Assets</b>	<b>12,221</b>	<b>80</b>	<b>12,301</b>
<b>LIABILITIES</b>			
<b>37. Bank overdraft</b>	-	-	-
<b>38. Creditors</b>	-	-	-
<b>39. Borrowings</b>			
a. Loans	8	18	26
b. Advances	-	-	-
c. Finance leases	-	-	-
<b>40. Provisions</b>			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
<b>41. Total Liabilities</b>	<b>8</b>	<b>18</b>	<b>26</b>
<b>42. NET ASSETS COMMITTED</b>	<b>12,213</b>	<b>62</b>	<b>12,275</b>
<b>EQUITY</b>			
<b>42. Accumulated surplus</b>			9,154
<b>44. Asset revaluation reserve</b>			3,121
<b>45. TOTAL EQUITY</b>			<b>12,275</b>
<b>Note to system assets:</b>			
<b>46. Current replacement cost</b> of system assets			16,416
<b>47. Accumulated current cost</b> depreciation of system assets			(6,436)
<b>48. Written down current cost</b> of system assets			9,980

## Walgett Shire Council

### Notes to Special Schedule No.'s 3 & 5 for the financial year ended 30 June 2011

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#### Administration <sup>(1)</sup>

(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 <sup>(1)</sup>

(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.

**Residential charges** <sup>(2)</sup> (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** <sup>(2)</sup> (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:

<sup>(1)</sup> 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).

<sup>(2)</sup> 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.