



Clare & Gilbert Valleys Council

Annual Report

2010-2011



## Questions?

If you have questions regarding the Annual Report, or would like further information regarding the finances of Council you are encouraged to contact the Finance Manager at the Principal Office during business hours

Principal Office:

Phone: 08 8842 6400

4 Gleeson Street, Clare

Email: [admin@cgvc.sa.gov.au](mailto:admin@cgvc.sa.gov.au)

Artwork on cover: "Annemarie's Window", Marie Parsons - winner of Rotary Club of Clare Acquisitive Art Prize for 2010

# Contents

Mayor's Overview	4
Our Council	
- History	7
- Profile	8
Elected Members	10
Department Responsibilities	13
Business Objectives	
- Corporate Governance	15
- Recreation Facilities	16
- Planning & Development	17
- Works	18
- Library & Information	19
- Finance	20
Leadership and Communication	21
Asset and Enterprise Management	31
Economic Development	35
Community Culture and Recreation	39
Environment	45
Finance	49
Financial Reports	57
Appendix	103

# Mayor's Overview



Welcome to the 2010/2011 Annual Report for the Clare & Gilbert Valleys Council.

Despite the setback of the 7 December 2010 storm and floods which devastated much of the district this year has been one of significant accomplishments for the Council. I will report further on the fallout from this major disaster but first I want to talk about the finalisation of several long awaited projects that will deliver enduring benefits to our community.

The successful completion of the upgrades to the Clare, Riverton and Saddleworth Community Waste Water Management Systems has been a major milestone for the Council.

With funding from the Australian Government and funds held by the Council from service charges the projects have been accomplished without any new debt.

The upgrades have resolved a number of environmental issues in the management of waste water and provided excellent outcomes for reuse of treated "B" Class water.

In Clare, the Town Oval, the Clare Golf Club and a third party vineyard operation will benefit from the supply of approximately 180ML per annum for irrigation purposes.

In Riverton, the Town Oval and the Riverton High School Agricultural Unit will utilize 60ML per annum for irrigation purposes.

At Saddleworth, the Town Oval and the Showgrounds Park will have access to 20ML per annum for irrigation.

Largely replacing a combination of SA Water mains and bore supplies these water reuse programs are an excellent value adding benefit from an otherwise waste project.

The environmental benefits to the River Murray through reduced demand pressure and our own local river environments through new waste water management practice and reuse will provide enduring improvements for the district.

Work on the establishment of the Clare Waste Transfer Station is advancing well and 2011/2012 will see the opening of this state of the art facility. In conjunction with this the closure of the Clare Refuse Depot is well advanced. Working with strict Environmental Protection Agency rules governing the operation of waste management facilities, Council is implementing a progressive closure plan which will see the reinstatement of the Clare Rubbish Dump and environs.

Trevor Ackland was replaced by Janet Kench at the November 2010 general Council election. The participation rate in the election was 46.3% which compares favourably with turnouts in other Council areas around the state.

Trevor Ackland first joined the antecedent District Council of Saddleworth and Auburn and served continuously in the role of Councillor through amalgamation to 2010.

On behalf of Council and the community I acknowledge Trevor's service to the district in his capacity as a Councillor over fifteen years.

I also welcome the return of Janet Kench and look forward to her experience and knowledge benefitting the work of Council. Janet previously served as Councillor with the antecedent District Council of Saddleworth and Auburn between May, 1995 to June, 1997.

Council's Long Term Financial Plan (adopted in 2010) sets 7 indicators and targets which are used to measure Council's financial sustainability. In this reporting year all 7 indicators fell within the targets set, however Council's aim is for continual improvement and particular emphasis is being given to the management of Council assets. Further detail is provided in the Financial Services section and in Note 15 of the General Purpose Financial Reports.

Despite a revaluation of road assets identifying an increase in depreciation of \$1.6m, a small operating surplus of \$37k was achieved in the 2010/2011 financial year.

Expenditure on Capital works was \$5.204m with projects worth \$10.178m, including the Community Wastewater Management Schemes in Clare, Riverton and Saddleworth, reaching completion in the year.

General reserves totalled \$4.7m at 30 June 2011 including \$2.023m developer's contributions to roadworks specific to the Waterloo Wind Farm development, \$1.5m of unspent grants and works carried over to the 2011/2012 year, \$0.383m waste collection funds, and \$0.389m net surplus of the CWMS schemes.



The day of the storm – 7 December 2010

The 7 December storm events affected many people with homes lost and possessions damaged beyond recovery. With Stockport, Tarlee, Riverton and Rhynie areas worst affected the damage to public assets and infrastructure was substantial with an estimated damage bill exceeding \$10 million. Four Major bridge structures were destroyed and hundreds of kilometres of roads sustained significant water damage.

Fortunately the Council had recently taken out insurance on the bridge structures across the district. It is expected that the cost of rebuilding these bridges will be fully recovered through insurance. In respect of the public road assets the Local Government Disaster Fund administered by the State Government has provided ongoing support. From a \$250,000 payment in the days following the flood to assist with the clean up to the \$3,000,000 reconstruction pledge in the State 2011/12 budget the State Governments steadfast support for the Council and especially the communities affected has been excellent.



Damage on Bowden's Bridge – Rhynie-Balaklava Rd

Following a detailed engineering assessment of the uncovered risks and assets by Tonkin Consulting Engineers, Council has agreed to present a claim for \$5.376 million to the Local Government Disaster Fund.

Reconstruction works to restore the affected assets has commenced. It is Council's intention to run the rebuilding program alongside the planned schedule of works to ensure that the Council's asset base is not compromised.

Volunteers across the district continue to make an enormous contribution to the quality of life, services and facilities enjoyed by our citizens and visitors alike. Whether this be through our Service Clubs, Oval Management, Town Hall Committees, Churches, History Groups, Emergency and Fire Services, Health and Allied Services, Bush Care, Community Passenger Transport Network, Libraries, Trails and Sporting Clubs (to name a few), their unstinting efforts to create community cohesion and provide the facilities and services for a stronger, healthier community are to be commended.



The work of volunteers is an important complement to Council's role in helping communities work together. To support the work of volunteers, the Clare & Gilbert Valleys library service has created a network that provides a volunteer resource capability. With start up funding provided through the State Government the scope of this resource centre will be an important opening for budding volunteers seeking to engage with the Community in a meaningful and productive way.

The work of Council has been greatly aided by the work of the Peak Bodies and Section 41 Committees established across the Council area. These organisations are an effective conduit for communication with Council and I thank the members of these various committees for their ongoing efforts to improve the facilities, services and amenity of their local areas.

I would like to thank Deputy Mayor Councillor Nedd Golding and Councillors Calvert, Kench, Molineux, Perry, Rye, Schwarz, Thomas and Wurst for their service to the district and their decision making to improve the outcomes achieved by Council.

The Council staff under the leadership of Chief Executive Officer, Roy Blight continues to work hard on maximising the return to the community through improvements to infrastructure, assets and services.



# History

Clare and Gilbert Valleys is well known for its high quality fine wines and productive agricultural lands, natural environment and interesting towns and villages creating a wonderful place to live, work and visit.

Clare received its name in 1846 from Edward Gleeson who settled in the area as a sheep farmer and named it after his native county in Ireland. Settlers from England, Wales, Austria and Poland moved in to the region, creating its rich heritage and assorted architectural styles. In 1845 copper was discovered in nearby Burra, hence a transport corridor was built to convey the ore to the Gulf of St Vincent. Around this passageway, towns sprang up: Mintaro, Watervale, Auburn and Leasingham, which all still stand today. Mintaro has world class slate deposits with an operating quarry and superbly maintained heritage buildings, many available as tourist accommodation.

Riverton is situated in the heart of the fertile Gilbert Valley. Farmers in the Gilbert Valley mainly produce cereal, legume and hay crops, sheep, cattle, pigs and poultry with recent diversification into small seed crops, vines, olives, and intensive animal keeping.

The Clare Valley, renowned for its Riesling has another landmark named after the wine: the Clare Valley Riesling Trail. The trail utilises a disused railway line for cycling and walking and incorporates many of the wineries and vineyards during its 24km path from Barinia to Auburn. The trail has been extended from Auburn through to Riverton and is called the Rattlers Trail. Almost 30 wineries in this region are supported by the Clare Valley Visitor Information Centre which assists tourists in discovering the excellent services, food and wines of the area.

With our close proximity to Adelaide, the Clare and Gilbert Valleys offer an escape for the city dweller. With an array of accommodation, bed and breakfast, hotels, motels and camping facilities, tourists can be satisfied with the range available. The natural beauty of the Clare and Gilbert Valleys also attracts gifted artists to the region for inspiration.

The residents of the Clare and Gilbert Valleys welcome visitors to the district and have worked together to enhance tourist numbers with careful management of their natural resources. Award winning wines from the region help attract international tourists as well as winemakers who wish to experience the wine producing qualities of this region.



# Profile

The Clare & Gilbert Valleys Council was proclaimed on 1st July, 1997, having been formed through the amalgamation of the District Council of Clare, the District Council of Riverton and the District Council of Saddleworth & Auburn.

Distance of Principal Office to Adelaide 143km

Area of Council 1,840 km<sup>2</sup>

Distance of Council's sealed roads 209km

Distance of Council's unsealed roads 1,615km

Number of Rateable Assessments 6,509

Number of Non-Rateable Assessments 616

Number of Electors

State Roll 6,309

Council Roll 100

Total 6,409

Principal Office:

4 Gleeson Street, Clare

Postal Address:

4 Gleeson Street, Clare SA 5453

Branch Offices:

21 Torrens Road, Riverton

19 Belvidere Road, Saddleworth

Libraries:

33 Old North Road, Clare

19 Belvidere Road, Saddleworth

6 St Vincent Street, Auburn

Manoora (Manoora Institute Building)

Website: [claregilbertvalleys.sa.gov.au](http://claregilbertvalleys.sa.gov.au)

Email: [admin@cgvc.sa.gov.au](mailto:admin@cgvc.sa.gov.au)

## Council Composition

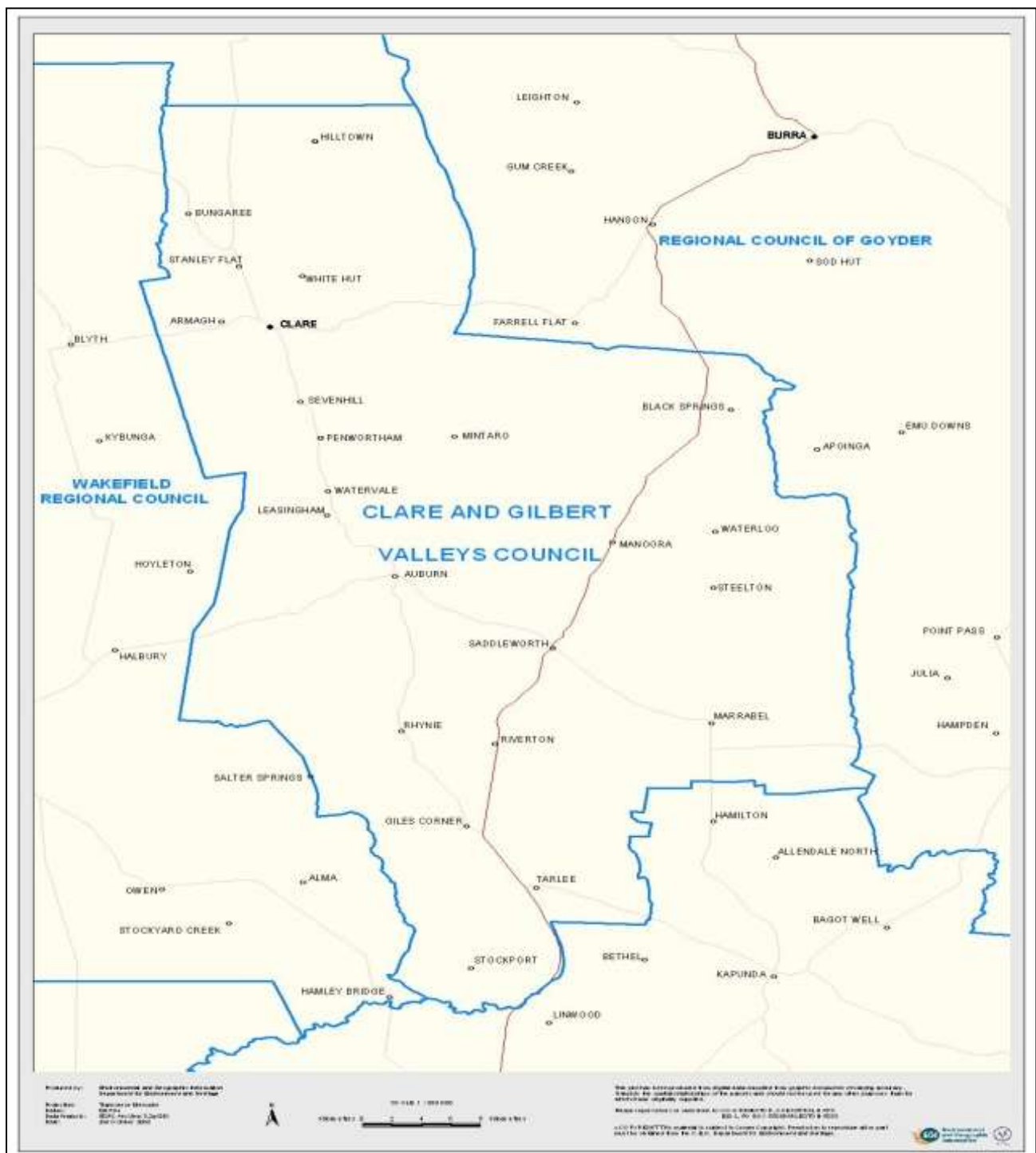
The Council comprises of a total area of 185,142 hectares. There are 9 Councillors, plus the position of Mayor. The current representation quota for the Council is 712 electors per Elected Member.

Council's next Elector Representation Review is due in 2017.

As required under Schedule 4 of the Local Government Act 1999, a comparison with councils of similar size/type reveals the following:

Council	Councillors	Electors	Representation Quota
Berri Barmera	10	8,049	805
<b>Clare &amp; Gilbert Valleys</b>	<b>9</b>	<b>6,409</b>	<b>712</b>
Grant	9	7,047	783
Light	10	10,412	1041
Mallala	10	6,795	680
Naracoorte Lucindale	10	6,020	602
Renmark Paringa	8	7,003	875
Tatiara	9	5,536	615
Wakefield	11	6,109	555





### Localities within the Clare & Gilbert Valleys Council area

Alma, Anama, Armagh, Auburn, Barinia, Benbournie, Black Springs, Boconnoc Park, Bungaree, Clare, Emu Flat, Farrell Flat, Giles Corner, Gillentown, Halbury, Hill River, Hilltown, Hoyleton, Leasingham, Manoora, Marrabel, Mintaro, Penwortham, Polish Hill River, Rhynie, Riverton, Saddleworth, Salter Springs, Sevenhill, Spring Farm, Spring Gully, Stanley, Stanley Flat, Steelton, Stockport, Tarlee, Tarnma, Tothill Belt, Tothill Creek, Undalya, Waterloo, Watervale and Woolshed Flat,

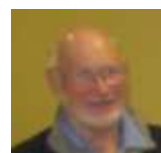
## Elected Members



Standing: Cr Elizabeth Calvert, Cr Alan Rye, Cr Wayne Thomas, Cr Dianne Schwarz,  
Cr Janet Kench, Cr Sue Wurst, Cr Nedd Golding (Deputy Mayor)

Seated: Cr Helen Perry, Mayor Allan Aughey, Cr Wayne Molineux

Cr Ackland retired at the November 2010 elections



The *Local Government (Elections) Act 1999* requires that elections will be held at intervals of four years, with the last election occurring in November 2010. The next scheduled election will be in November 2014.

Ordinary meetings of Council are held every third Monday of the month, commencing at 7pm. Members of the public are welcome to attend all regular Council meetings. Public question time is held during an adjournment of the meeting and anyone wishing to ask a question of Council is encouraged to attend. Further information about public question time and Council meetings is available from the Council offices.

## Meeting Attendance

A total of 12 Ordinary Council meetings and 9 Special Council meetings were held during the year.

### Meetings attended from July 2010 to June 2011

Elected Members	Ordinary Meetings	Special Meetings
Mayor Allan Aughey	12	9
Deputy Mayor Cr Alan Rye (to November 10)	12	6
Deputy Mayor Cr Nedd Golding (from November 10)	11	9
Cr Trevor Ackland (to November 10)	4	2
Cr Elizabeth Calvert	11	7
Cr Janet Kench (from November 10)	8	5
Cr Wayne Molineux	11	6
Cr Helen Perry	12	7
Cr Dianne Schwarz	11	8
Cr Wayne Thomas	8	4
Cr Sue Wurst	12	7

### Information on allowances paid to Elected Members of the Council

Elected Members allowance prior to Election November 2010	
	Per Annum
Mayoral	\$22,800
Deputy Mayor	\$7,110
Councillors	\$5,700

Elected Members allowance after Election November 2010	
	Per Annum
Mayoral	\$32,000
Deputy Mayor	\$10,000
Councillors	\$8,000

The allowances after the November 2010 Election were determined by the South Australian Remuneration Tribunal in accordance with the Local Government Act, 1999.

In addition, Elected Members are provided a notebook computer and fax machine to receive information from Council. A travel allowance for "eligible journeys" (as defined in Regulation 3 of the Local Government (Members Allowances and Benefits) Regulations 1999) at the rate per kilometre prescribed in Section 82KX(1)(a) of the Income Tax Assessment Act 1936 is available.

## Elected Members Training

Council maintains a register of training and development activities attended by Elected Members. Over the last 12 months activities have included:-

- Local Government Association - New Council Members Residential Seminar
- Council and Committee Meetings
- Australian Local Government Association – National General Assembly of Local Government.
- Local Government Association - Post Election Training
- Local Government Association - Annual General Meeting
- Local Government Association - Online Training Modules

This year Elected Members were provided with a Local Government Association sponsored Online Self Assessment Tool which will enable them to have an appreciation of their own training and development needs and will assist Council to prepare future training and development plans.

## Council Committees

### Audit Committee

Council has three independent members one being the Presiding Member on the Council Audit Committee. The Presiding Member receives an allowance of \$1,200 per meeting and the independent members are paid an allowance of \$100 per meeting plus travelling. The Audit Committee Annual Report 2010-2011 is included on page 47.

### Development Assessment Panel

The Council Development Assessment Panel consists of four independent members and three Council members. The Presiding Member is also one of the independent members of the Panel. The Presiding Member receives an allowance of \$400 per meeting plus overnight accommodation and the independent Members receive an allowance of \$200 per meeting.



Sunset south of Saddleworth

# CLARE & GILBERT VALLEYS COUNCIL

## Community

Residents, Advisory Groups, Committees, Boards, Peak Bodies, Stakeholders

## Council

Mayor & Nine Councillors

### Chief Executive Officer

The role of the Chief Executive Officer is to provide leadership to the Council on issues of importance to its Communities and the Region, as well as managing the assets and affairs of the Council, effectively and efficiently coordinating its corporate resources, managing the legislative and strategic financial framework and the provision of strategic intervention as required. The Chief Executive Officer is Responsible for implementing Council decisions and policies, day to day operations and affairs of the Council, proper management and maintenance of Council assets and resources, coordination of proposals, providing advice to the Council, application of proper management practices and assisting

### Corporate Governance

Responsible for the statutory requirements and corporate governance policies and procedures of Council, ensuring that Council is effectively and efficiently coordinating its resources. Responsible for risk mitigation, OHSW, insurance, customer service, regulatory compliance and community liaison.

### Recreation Facilities

Responsible for performance, management and operations of the Valleys Lifestyle Centre, Riverton Swimming Pool, the Domain and recreation facilities and services.

### Planning & Development

Responsible for management and delivery of planning, building and health, policy development and services

### Works

Responsible for transport infrastructure planning, design, construction, maintenance and parks and reserves. Responsible for asset and property management, community wastewater management schemes and stormwater drainage.

### Library & Information

Responsible for management and delivery of the public library & visitor information centre.

### Finance

Responsible for the provision of sound financial management including budget preparation, rates collection, electoral roll, payroll and creditors.



## Performance against Annual Business Plan for the financial year by Department

A summary of functions and core services of each of Council's six departments is provided. In addition, the achievements against the objectives listed in the Annual Business Plan, for each department for the financial year is listed.

The core services for each department are funded from the Council operating budget and the key actions for each department for the 2011/2012 financial year, which are derived from the Strategic Plan, are funded from a combination of the operating budget and the capital budget.





## Corporate Governance

2010/2011 KEY ACTIONS	2010/2011 OUTCOMES
Hold regular Council meetings and Council workshops.	All meetings and workshops conducted with one Council meeting held in Manoora. Council adopted an Annual Corporate Calendar which details all Council meetings and workshops.
Hold community forums including Peak Body and Section 41 Recognition evenings.	Section 41 & Peak Body recognition evenings held in March and April 2011.
Promote the roles and responsibilities of Elected Members.	New Council elected and sworn into office in November 2010. Elected Members are currently undertaking an Online self assessment and LGA provided online training modules
Identify all appropriate and relevant legislation standards and codes pertaining to local government business.	All relevant legislation standards and codes pertaining to the local government identified and adhered to.
Design policy, procedures, systems and processes to reflect legislation.	New policies adopted by Council as required.
Amend Councils delegations register to reflect changes to legislation.	Delegations register reviewed as required by legislation.
Continue to work towards the development an "OHSW Local Government One System" in compliance with Workcover requirements.	Continuing with the development of "One System" for OHSW compliance for local government.
Continue to support Council employees in training, including the employees currently undertaking nationally recognised training, ranging from certificate to diploma level. While this reflects in the budget it should also be noted that funding has been obtained for much of this training through a range of government and federal funded programs.	Training has or is being undertaken by 18 employees in nationally recognised training with 9 completing training in 2010/2011. Funding through State and Federal Government is sourced to support training with Council. Council staff continues to undertake a range of in house training in accordance with Council's training program.
Continue to maintain an asbestos register, in accordance with legislation, to identify the type, condition and location of asbestos of all Council buildings and structures. Council has contracted Carter Corporation, Asbestos Consultants to conduct this inspection annually.	Council has continued to engage Carter Corporation to assess and maintain the Asbestos Register for all Council properties. Council continues to remove asbestos according to Hazard Risk Priority.
Continue to support peak body projects which range in diversity and complexity and insurance reimbursement with an annual allocation of \$30,000 in the budget.	Peak Body projects supported and insurance reimbursed as per Peak Body Agreements.
Promote the Mid North Community Passenger Network which is hosted by Council to continue the improvement trend of the services to the community.	Mid North Community Passenger Network continues to grow in usage in all 4 partner Council areas.
Develop an annual compliance register and program to ensure Council is meeting all statutory requirements.	Council meets all statutory requirements with regards to compliance.
Continue to support, develop and increase Council's Information Technology Infrastructure	Council's information technology infrastructure maintained and upgraded to meet demands
Develop and implement a forward plan for the management of the Clare Caravan Park	Tender process completed for sale of lease of the Clare Caravan Park. Expression of interest completed for long term lease of Clare Caravan Park Public consultation undertaken around the proposed lease of the Clare Caravan Park
Continue to promote and risk manage community events	Council continues to support the community in managing their community events including Christmas festivities, ANZAC day celebrations, Australia Day celebrations, markets etc

## Recreation Facilities

2010/2011 KEY ACTIONS	2010/2011 OUTCOMES
<p>A Business Plan has been developed and implemented giving The Valleys Lifestyle Centre direction over the next 5 years to meet goals of the Clare and Gilbert Valleys Council Strategic Plan 2008 - 2012. The Business Plan will be used for development of individual business cases for future projects as well as a guiding framework for a marketing plan for The Valleys Lifestyle Centre</p>	<p>The Business Plan is a living document with ongoing reviews.</p>
<p>Future projects for The Valleys Lifestyle Centre include:</p> <ul style="list-style-type: none"> <li>• Initiate and coordinate new user groups such as Gymnastics, Indoor Soccer, Volleyball and Netball, and help to build the current users groups of The Clare Sports Club, Squash, Basketball, Kindergym and Swim Club.</li> <li>• Continue to grow and build bootcamp, the group fitness program, boxing and Zumba classes.</li> <li>• Works will include installation of new trophy cabinet, recycling bins and rubbish collection units and the purchase of un-even bars for the gymnastics club.</li> <li>• Increase social marketing through facebook, twitter and a website specific to The Valleys Lifestyle Centre.</li> <li>• Purchase new futsal goals with padding to enhance player satisfaction and safety.</li> <li>• Health Expo to be coordinated and held at the Centre</li> </ul>	<p>Gymnastics is now held all year round with over 100 children attending on a weekly basis. A \$6,000 Grant was successfully received by the Clare Gymnastics Club Inc to purchase new equipment which has been donated to council to facilitate the program.</p> <p>Indoor Soccer (Futsal) is also all year round with 12 Summer Teams and 8 Winter teams, increasing centre attendance by an average of 300 people per month. The new sport will generate an annual return of \$10,000 - \$12,000 with an initial set up cost of only \$500 (including advertising) with minimal ongoing running costs to Council.</p> <p>Ladies Netball is also being held during winter with 6 winter teams. This will generate \$2,000 - \$3,000 per annum income with minimal running costs.</p> <p>Volleyball is currently gaining expressions of interest to begin a new competition.</p> <p>Badminton did not receive sufficient expressions of interest to begin a competition.</p> <p>The Clare Sports Club has appointed a new manager Karlee Hayes. The Valleys management will look to work closely with her to help generate increase patronage and bookings.</p> <p>Squash, Basketball and Swim Club have all increased members numbers during their seasons.</p> <p>Kindergym is now owned and operated by Council with a successful handover in early 2010 and continues to go from strength to strength.</p> <p>Unfortunately Table Tennis has moved to an alternative venue due to a clash of bookings and the inflexibility to be able to move to another night.</p> <p>The First Health Expo was held with great success and will be an annual event to promote healthy lifestyles, associated businesses and local sporting groups.</p> <p>Boxing classes are now a steady performer on the group fitness timetable with 3 timeslots per week and boxing classes are frequently booked by school groups and sporting clubs. All works have been completed, with the security cameras being very successful having recorded 2 illegal entries over the summer period. All offenders were prosecuted by local police using vision from the footage. The cameras also helped in prosecuting the youths that damaged local toilet blocks. The cameras have been beneficial to show staff footage of 2 separate incidences where children had to be rescued by lifeguards during the summer pool season.</p> <p>The heating in the changerooms has been successful with a small reduction in swim school drop offs during the winter period.</p>
<p>Council continues to operate the Riverton Pool. An upgrade to the changerooms and removal of asbestos is planned along with new concouring to 75% of the main pool and the entirety of the toddler pool. The centre has completed an upgrade of the plant and reinstatement of the diving board. Council will continue to review the needs of this facility on a year to year basis and maintenance program will be ongoing.</p>	<p>Changeroom upgrades and maintenance were completed and asbestos removed. Concoursing also completed with painting of new 'no running' and 'no diving, shallow water' around all pools</p>

## Planning & Development

2010/2011 KEY ACTIONS	2010/2011 OUTCOMES
To facilitate sustainable development and the protection of the environment that reflects the desired character outcomes for the Clare & Gilbert Valleys.	All development applications are assessed against relevant objectives and principles of development control; this ensures that development approvals are consistent with the Development Plan.
Progress the Clare South West Developer Funded Development Plan Amendment Report (DPA) through to Agency and public consultation and compile a report for submittal to the Minister.	The Clare South West Developer Funded Development Plan Amendment has been progressed through Agency Consultation. Assessment has concluded the need for an infrastructure agreement to be signed between the landowner and Council to ensure adequate access and egress from the land, to cater for future development potential.
Continue to detail and develop infrastructure requirements for the Clare North East DPA (Square Mile Road), to ensure that development may occur in an economic, orderly and efficient manner.	Infrastructure requirements for the Clare North East DPA (Square Mile Road), have been determined. An infrastructure agreement has been developed and is currently being considered to ensure that it makes adequate provision to service the future development.
Undertake the Strategic Direction Review of the Development Plan for the Clare & Gilbert Valleys Council area.	The Mid North Regional Land Use Framework was put to public consultation in November 2008. The final document awaits endorsement and publication by the Minister. Preliminary work has commenced on identifying potential issues that require review. A Workshop with Council Members was conducted in August 2010. When the Regional Plan is authorised and published, Council will commence the Strategic Direction Review process.
Communicate to applicants and developers the intent and vision of the Development Plan.	Development assessment is conducted against relevant provisions within the Development Act and the Building Code of Australia, to ensure necessary requirements are met. Local context is assessed so that development best practice is able to meet local circumstances and conditions.
Encourage where appropriate the retention of native vegetation and prominent exotic trees.	Liaison regularly occurs between Council and Native Vegetation Council to determine appropriate native vegetation management. Landscaping plans are assessed and conditions placed on development approvals to achieve desired character outcomes for the various zones and policy areas with the Development Plan.
Promote the preservation of heritage buildings.	Extensive consultation and assessment occurs in relation to State and Local Heritage places within the Council area. Council provides annual funding to the Department of Environment & Heritage to enable Heritage advice and assessment to be delivered in relation to State Heritage Places. Local heritage places are listed within the Development Plan and applications are assessed to ensure that proposals for development are compatible with the heritage characteristics of the listed place.



Works	
2010/2011 KEY ACTIONS	2010/2011 OUTCOMES
Renewal of the Harvey Highway bridge at a cost of \$160,000, plus the repair or replacement of various pipes, culverts and floodways valued at \$98,000.	Pioneer Avenue bridge completed. Harvey Highway bridge work deferred.
New or upgraded footpath and kerbing work valued at \$110,000, and renewal work totalling \$90,000.	Complete
Approximately \$300,000 will be spent on new sealing work, with a further \$333,000 to be spent on resealing.	Complete
Approximately 28 km of unsealed roads have been listed for resheeting, as identified in Council's Asset Management Plan, at a total of \$697,000.	Complete
Council has allocated \$80k to install new signs and \$50,000 to replace defective signs.	Signs purchased
Repair or renewal work valued at \$494,000 has been listed to be carried out on various Council buildings throughout the district.	Complete





## Library & Information

2010/2011 KEY ACTIONS	2010/2011 OUTCOMES
Consolidate the Library and Information NetworkK (LINK) after the merger with Adelaide Hills Council Library service and integration of the Riverton School Community Library into the LINK network.	Riverton School Community Library successfully joined the LINK network in Aug 2011, when the merged system "went live". All training was conducted in-house by staff at the Clare Library, with a total cost saving of \$5000.
Explore new options for current SMS, system generated Library notices. Convert more customers to this form of notice to increase savings of postage and labour costs, and take advantage of new technology previously unavailable.	All students at the Riverton high school converted to email or SMS notice delivery. Promotion conducted for adult members across the service to convert to electronic notice delivery. 80% increase in electronic notice delivery in 2010/2011
Enhance the use of the library service to provide increased opportunities for cultural, recreational, informational and lifelong learning experiences - \$3,000	School Holiday program and Children's Book week successfully executed. Outreach to community via home library service visits, Kindy, schools and other community group visits.
Library materials purchases (\$45,100 offset by grant of \$30,280). Total Council expenditure - \$14,820 plus local purchase library material \$14,000. Riverton - Contribution \$13,400.	Materials purchased. Grant received
Construct a new entrance at the Riverton School Community Library for community users. - \$18,900	Community entrance constructed.
Continue to facilitate successful cultural programs including meet the author and display programs.	Monica McInerney, meet the author event held and regular display program maintained.
Enhance early literacy development programs \$3,000	Toddler Tales program at Clare and Saddleworth branches executed. Little Big Book Club, Learning for life, and newborn welcome to the Library packs continue to be distributed
Continue to develop the Clare Library to include, a Volunteers resource centre and a Seniors Online centre, utilizing grant funding of \$15,000 and \$5,000, respectively.	Volunteers' resource centre and Seniors Online centre established. Official opening for VRC to be held when Minister is available.
Youth programs including partnering in Bobfest and other youth festivals - \$4,000	Youth Services and VAC facilitated by Lower North Health in 2010/2011
Improve display of merchandise at the Clare Visitor Centre- \$250	Order for glass shelves placed



Finance	
2010/2011 KEY ACTIONS	2010/2011 OUTCOMES
Steer the annual budget setting processes.	Annual Business Plan and Budget 2010/2011 was adopted by Council on 5 July 2010 following a period of public consultation.
Provide financial reports as required by departments to allow for effective monitoring.	Monthly reports provided with budget reviews quarterly.
Prepare external reports including Annual Financial Statements and Australian Bureau of Statistics Returns.	Annual Financial Statements for the year ended 30 June 2010 were adopted on 22 November 2010 following a successful audit by Council's independent external auditors.
Prepare Long Term Financial Plan incorporating details from the Infrastructure and Asset Management Plan.	The Long Term Financial Plan was adopted and will be revised annually
Continue to assist the audit committee as required by the Local Government Act.	An Independent Chair has been appointed by the Audit Committee. Committee now comprises 3 Independent and 2 Elected Members.



Clare Valley Aerodrome

Courtesy – Clare Valley Flying Group Inc









Artwork "Early Autumn, Clare" by John Lacy- winner of Rotary Club of Clare Acquisitive Art Prize for 2009




## Leadership and Communication

"Provide sound leadership, clear direction and effective communication"

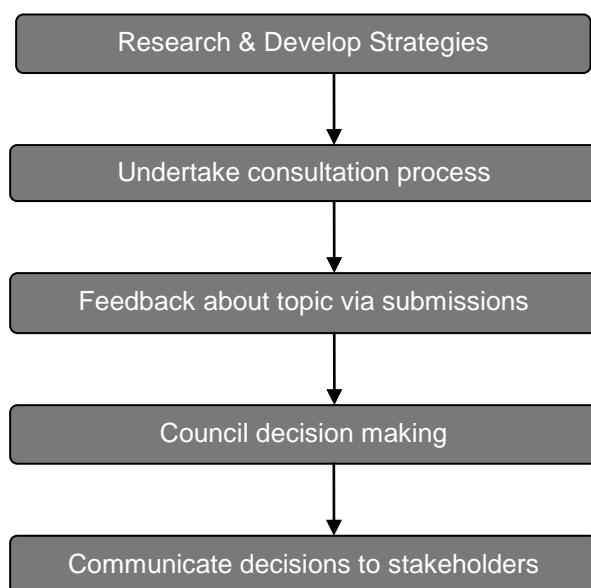
### Strategic Directions

Goals from the Strategic Plan 2008 to 2012 related to the Leadership & Communication are:

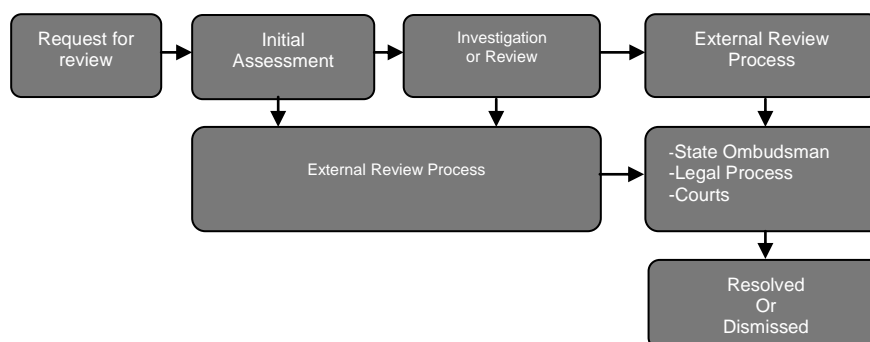
-  Provide progressive leadership with open and accountable governance.
-  Ensure effective communication, representation and advocacy.
-  Develop, attract and retain an appropriately skilled Council workforce.
-  Provide sound planning and policy development for sustainable growth.

Legend: Complete  Incomplete  Ongoing 

## Decision Making Process



## Internal Review of Council Decisions



## Confidentiality

In accordance with Council's adopted Code of Practice for use of Confidentiality Provisions in the Local Government Act, the following report confirms the use or otherwise of all of the confidentiality provisions during 2010/2011.

- Number of occasions each of the provision of Section 90(3) and 91(7) were utilised:
  - 13 occasions
- Number of occasions each of the provisions of Section 90(3) and 91(7) were utilised, expressed as a percentage of total agenda items considered:
  - 2.7% (being of 11 minute items)
- An indication of any particular issues that contributed to the use of confidentiality provision on more than one occasion:
  - 2 issues were dealt with on more than one occasion
- An indication of the categories of Section 90(3) that were used:
  - 1 occasion – disclosure which would involve the unreasonable disclosure of information concerning personal affairs of any person.
  - 10 occasions – disclosure which could reasonably be expected to confer a commercial advantage on a person with whom Council is conducting or proposing to conduct business or to prejudice the commercial position of Council.
  - Nil occasion – tender for supply of goods, provision of services or carrying out of works.
  - Nil occasion – would divulge information provided on a confidential basis by public authority or official.
- Number of occasions that information originally declared confidential has subsequently been made publicly available:
  - 5 occasions
- Number of occasions that information declared has still not subsequently been made publicly available and the reasons for this in each case:
  - 3 occasions

## Equal Employment Opportunity

Council maintains its commitment to equal employment opportunities. Council has staff which cover a wide range of age groups, and Council maintains a relatively balanced gender representation. The Chief Executive Officer is appointed as the Equal Employment Officer.

The Chief Executive Officer is responsible for:

- developing and implementing an equal employment opportunity program relating to employment with the Council;
- developing and implementing other initiatives to ensure that employees have equal employment opportunities in relation to that employment.

Human Resources and Personnel Practices, Policies and Procedures are reviewed annually.

## Freedom of Information

The Freedom of Information Act 1991 provides legislation and guidelines for access and provision of information to the public. Clare & Gilbert Valleys Council recognises its responsibility for public accountability and therefore makes a range of information available.

The following documents are available for public inspection at the Clare & Gilbert Valleys Council offices free of charge (or copies may be purchased at a set fee):

- Annual Business Plan
- Annual Report
- Annual Budget
- Policy Manual
- Agendas and Minutes of all meetings
- Audited Financial Statements

Clare & Gilbert Valleys Council has a Freedom of Information Statement on their website. Council is pleased to comply with the Freedom of Information Act and welcomes all enquiries.

In the financial year ending 30 June 2011, no applications (for access to Council documents under the Freedom of Information Act 1991) were processed.

## Public Consultation

The Clare & Gilbert Valleys Council maintains a Public Consultation Policy. This was developed and adopted in accordance with Section 50 of the Local Government Act 1999. Section 50 requires the policy to identify steps Council intends to take where the Act requires consultation and provides for the steps to vary according to the class of decisions to be made by Council.

The purpose of this Policy is to outline the principles and procedures that the Council will follow to involve the community in planning and decision making in the local area, and to ensure accountability of the Council to the community through effective communication and consultation strategies.

To fulfill the requirements of this Policy, Council will, or has, identified a range of options available to it to communicate information to interested persons and invite submissions.

As a minimum, Council will publish a notice in a newspaper circulating in the area describing the matter for which public consultation is required, and inviting persons to make submissions to the Council within a period, being at least twenty one days from the date of the notice. Council will consider any submission received as part of its decision making process and will have regard to any relevant legislation.

The Clare & Gilbert Valleys Council is committed to transparent decision making processes and to providing access to a fair and objective procedure for the internal review of decisions.

## Access to Council Documents

The following documents are also available for public inspection at the Clare & Gilbert Valleys Council offices free of charge or may be purchased for a set fee:

### Documents (general, codes, policies and registers)

- Additional Connections to CWMS
- Application to Lay Underground Services
- Art Collection Policy
- Audit Committee Policy
- Australia Day Awards Policy
- Banner Policy
- Building Fire Safety Committee
- Car Parking Contribution Policy
- Caretaker Policy
- CDAP Complaint Handling Policy
- Clare Town Hall Hire Policy
- Code of Conduct for Council Members
- Code of Conduct for Employees
- Code of Practice for Access to Council Meetings & Documents
- Community Owned Property Rate Rebate & Service Charge Donation Policy
- Competitive Tendering, Contracting, Purchasing etc Policy
- Concession Pricing Policy
- Corporate Card Usage Policy
- Council Meeting Rotations
- Customer Service Protocol
- Deferral of Rates Due to Hardship Policy
- Development Assessment Procedures Policy
- Elected Member Vacancy Policy
- Elected Members Appointment to External Boards
- Ennis Park Policy
- Environmental Sustainability Policy
- Entranceways Policy
- European Wasp Policy
- Fines on Rates of Estate Properties
- Inspection of Building Work Policy
- Internal Review of Council Decisions Policy
- Media Contact Policy
- Mobile Food Vehicles Policy
- Nomenclature Policy
- Occupational Health Safety & Welfare & Injury Management Policy
- Official Purchase Orders Policy
- Opening Prayer Policy
- Order Making Policy
- Outdoor Dining Policy
- Planting of Vines – Town Centre Policy
- Public Consultation Policy
- Rate Rebate Policy 2010
- Risk Management Policy
- Riverton Parklands Policy
- Scholz Park – August Scholz Travelling Trunk Policy
- Secondhand Transportable Dwellings Policy
- Section 41 Committees Financial Support
- Tree Planting on Roadsides Policy
- Visitor Information Centre Accommodation Membership Policy
- Visitor Information Centre Brochure Display Policy
- Volunteer Policy
- Waiving of Development Fees for Not for Profit Organisations Policy
- Waste Management Charge Rebate
- Water Connection to Council Property Policy
- Elected Member Register of Interest
- Schedule of Fees and Charges
- Record of Delegations
- Register of Salaries

## Application of Competition Principles – National Competition Policy

The Clare & Gilbert Valleys Council is committed to the application of national competition principles, the process for which is set out in the “Statement on the Application of Competition Principles for Local Government” known as the Clause 7 Statement.

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

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

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

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

In accordance with the above the Clare & Gilbert Valleys Council has not identified any category one significant business activities.

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

The Clare & Gilbert Valleys Council has not identified any category two business activities.

## Subsidiaries

**The Central Local Government Region** was incorporated under provisions of the Local Government Act 1999. A regional subsidiary of its member Councils: Barossa, Barunga West, Clare & Gilbert Valleys, Copper Coast, Flinders Ranges, Light, Mallala, Mount Remarkable, Northern Areas, Orroro/Carrieton, Peterborough, Port Pirie, Wakefield and Yorke Peninsula. The Central Region is established to undertake co-ordinating, advocacy and representation roles on behalf of its Constituent Councils at a regional level. A copy of the 2011 Annual report is available from Council’s website [www.claregilbertvalleys.sa.gov.au](http://www.claregilbertvalleys.sa.gov.au).

## Local Government Land – Chapter 11 Local Government Act 1999

All Local Government land became classified as Community Land when the Local Government Act came into effect from 2000.

The Clare & Gilbert Valleys Council progressively determined which land should be excluded pursuant to Section 193 of the Local Government Act, with community consultation occurring throughout this process. Following consideration of submissions Council made its decision on the land to be excluded.

A Community Lands Register for Council was completed by 2002.

Where community land is being used for a specific purpose (eg being leased or a permit issued) management plans were prepared detailing the use of the land.

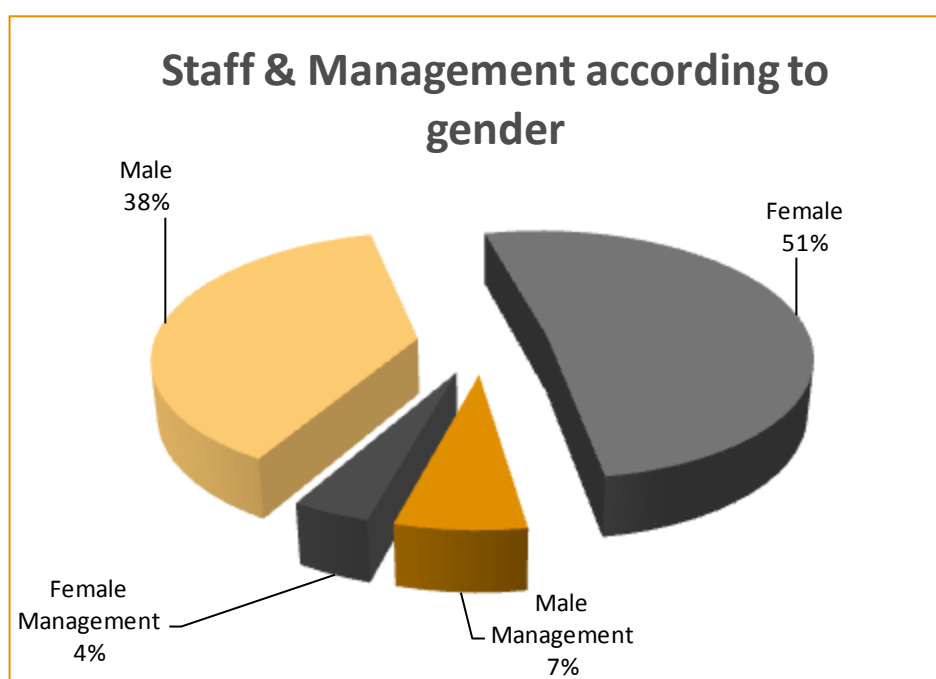
## Information on remuneration of Senior Officers

As at 30 June 2011 seven members of the Leadership Team are paid a salary package which varies from individual to individual. These packages are summarised below:-

- All packages include the 9% compulsory superannuation
- Packages include the provision of a motor vehicle for private use. One includes provision of a motor vehicle for commuter use only.

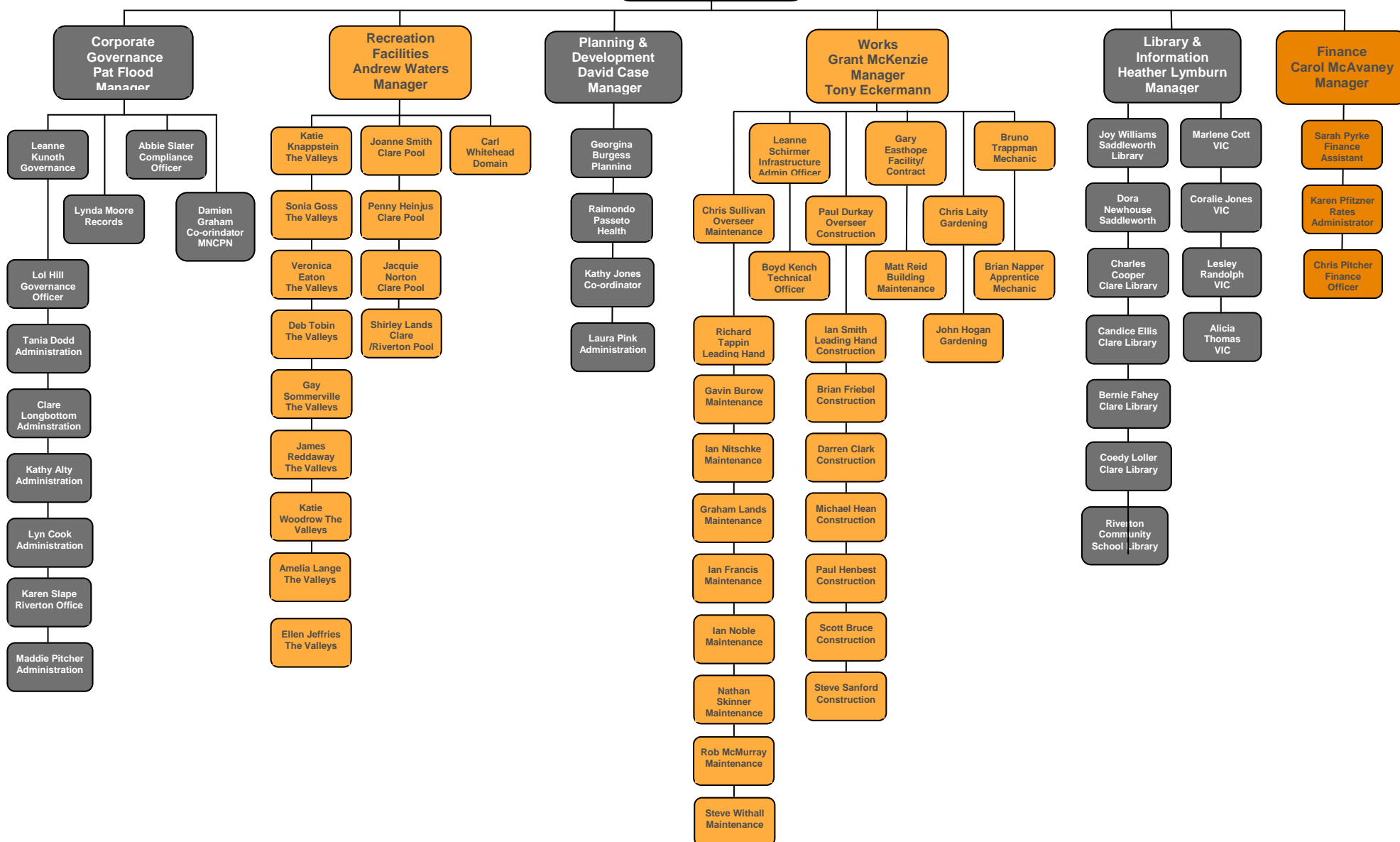
### Human Resources – Council Staff

Council employed a total workforce of 74 people as at 30 June 2011.





# Chief Executive Officer Roy Blight



## Council Committees

Council has the following Advisory Council Committees established under Section 41 of the Local Government Act:

### Facilities Management

Auburn Institute  
Auburn Recreation Park  
Clare Town Hall  
Manoora Hall  
Riverton Community Hall  
Riverton Recreation Ground  
Saddleworth Institute  
Saddleworth Recreation Ground  
Winkler Park  
Scholz Park

### Working Parties

Youth Advisory Committee  
Clare Valley Regional Arts Group  
SANTOS Tour Down Under Steering Committee 2011/2012  
Fire Prevention Committee

### External Committees

Council also has Partnership Agreements with Community Peak Bodies from each of its townships to assist Council liaise with ratepayers.

These Peak Bodies are:

- Auburn Community Development Committee Inc
- Clare Positive Futures Inc
- Manoora Community Committee Inc
- Marrabel Districts Community Association Inc
- Mintaro Progress Association Inc
- Rhynie Improvement Scheme Inc
- Riverton Community Management Committee Inc
- Saddleworth District Community Association Inc
- Stanley Flat Soldiers Memorial Hall Inc
- Stockport Community Association Inc
- Tarlee Hall and Community Services Inc
- Waterloo Soldiers Memorial Hall Committee Inc
- Watervale Community Association Inc

## Occupational Health Safety & Welfare

The Clare & Gilbert Valleys Council continues its endeavour to maintain a high standard of Occupational Health Safety & Welfare Management. Pursuant to the WorkCover Exempt Employer Standards, Council is required as an exempt employer, to set its own Occupational Health Safety & Welfare (OHS&W) objectives based on the organisations own gap analysis and to integrate Occupational Health Safety & Welfare into the Councils Strategic Plan.

Council's Occupational Health Safety and Welfare Committee, which comprises management and employee representatives, continues to update its program, policies and procedures in line with LGAWCS One System, for the use of employees. Council, the committee, (which meets quarterly to address occupational health safety and welfare issues), and all employees have a continuing commitment to Occupational Health Safety & Welfare. This includes achieving the best possible policies, practices and procedures for the Occupational Health Safety & Welfare of all employees. The Committee currently consists of: five workplace OHSW Representatives: Charles Cooper; Lynda Moore, Bruno Trappmann Robert McMurray and Joanne Smith, three management Representatives: Roy Blight; Grant McKenzie, Pat Flood with Leanne Kunoth, providing secretarial services.

All Member Councils of Local Government Association Workers Compensation Scheme (LGAWCS) have participated in the Bonus/Penalty System at contribution time, since 1991. Each year Council receives a rebate or penalty in relation to their Workers Compensation premium from LGAWCS on our overall Safety, Rehabilitation and Claims performance in line with a Rebate Penalty formula. This is calculated over a 4 year period with the current Rebate/Penalty trading window being from 1 April 2006 to 31 March 2010. The maximum rebate is 50% of premium and the maximum penalty is 100% of premium.

50% of the Rebate Entitlement is allocated to calculate the OHSW performance rebate. This is calculated by an annual self audit set against Key Performance Indicators set by LGAWCS. This rebate amount is available to Council in full should our audit score be above 90. If Council achieves less than 90 the Maximum Rebate Entitlement is reduced proportionately.

The bonus results in 2010/11 compared to 2009/10, show an increase in percentage from 23.1% to 31.9% overall. 50% (\$28,864) was applicable to the OHS Self Audit completed by Council and LGAWCS in late 2010, in which Council scored 92. This equates to a Rebate cheque of \$57,728.

These results can be attributed to the continued support of Council, Management and Employees and to the dedicated work put in by Council's OHSW Representatives and OHSW Committee.

## Risk Management

Once again during 2010/11 a Risk Management Review was undertaken by the Local Government Association Mutual Liability Scheme (LGAMLS) to assess the level of application of risk management strategies in Council. Risk Management has widely been recognised as the key to good corporate governance and compliance and there is a growing trend in the area of legislation and certification to require that risk management principles be in place.

This annual review of LGAMLS Members, of which Clare & Gilbert Valleys Council is one, forms the Risk Management component to the Performance Bonus System for the 2011/12 contribution period. The Review gives Council the opportunity to be rewarded by way of a "discount" off its Gross Contribution.

Council's Risk Management review score of 84.6% continues to be above the Local Government Regional average of 80.5% and the Local Government average of 83.5%. This shows a continued commitment by all Council staff to embrace Risk Management systems and practices.

## Training

Many staff attended training in 2010/2011 and some have completed certificates in their chosen field.

Within the Environmental Services Department of Council one employee has completed her Graduate Diploma in Urban and Regional Planning and another employee is now continuing her study in Certificate 4 in Environmental Health.

Council has 1 works employee that has commenced his Certificate 3 in Civil Construction this year with the Team Leader of the Gardening team continuing Certificate 3 in Horticulture. Further to this two works employees are continuing their studies in Certificate 4 in Civil Construction.

Council's Occupational Health, Safety & Welfare Co-ordinator has completed a Certificate 4 in Occupational Health, Safety and Welfare and a Customer Service Officer is continuing a Certificate 4 in Local Government Administration.

Many of Council's employees are completing higher levels of studies with the assistance of Council but primarily in their own time.

Many of these employees were eligible for training incentives with Council receiving up to \$4,000 per eligible employee and lower course fees. All excess funding provides funding for other employees who are not eligible for training incentives to complete certificates in their chosen field.

Certificate 4 In Local Government Administration	Kathy Jones
Certificate 4 in Civil Construction	Ian Smith
Certificate 4 in Occupational Health & Safety Welfare	Leanne Kunoth
Graduate Diploma of Urban & Regional Planning	Georgina Burgess



Artwork, "Johnsburg Motel" by Tony Waters - winner of Rotary Club of Clare Acquisitive Art Prize for 2001

## Asset and Enterprise Management

"Develop, maintain and manage Council assets and enterprises in a sustainable way for current and future generations"

### Strategic Directions

Goals from the Strategic Plan 2008 to 2012 related to the Asset & Enterprise Management are:

- ➡ Research and identify current and future assets and enterprise needs.
- ➡ Develop, implement, monitor and evaluate a sustainable Asset Management Plan.
- ➡ Strengthen the performance of Council owned enterprises.

Legend: Complete    ⬆ Incomplete    ⬇ Ongoing    ➡

## Asset Management Plan

Considerable work has been undertaken to develop and enhance Council's asset management planning for key asset classes. The Asset and Infrastructure Management Plan was adopted by Council in April 2010. This Plan will impact on the allocation of resources for maintenance or renewal work as well as providing for new infrastructure where needed and is subject to ongoing review.

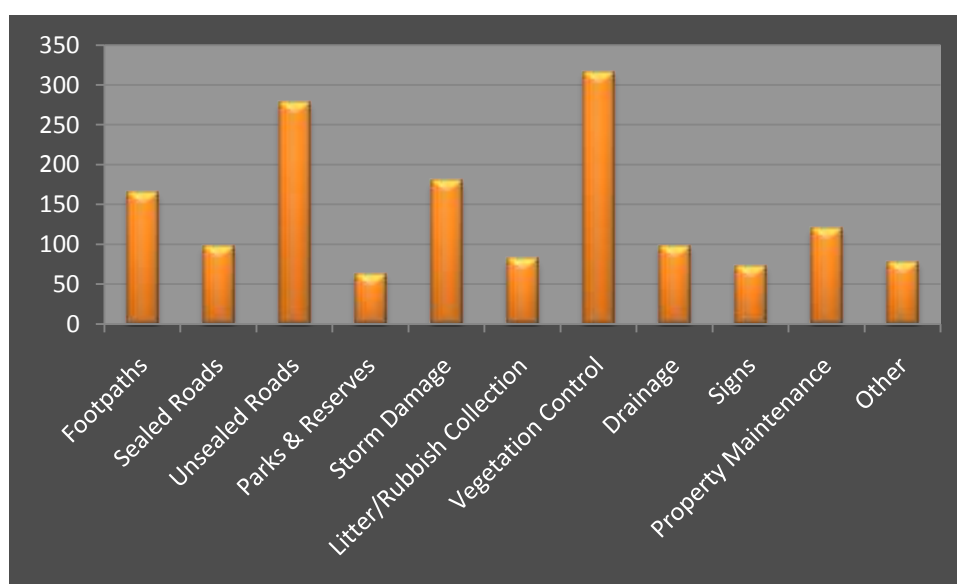


## Building Assets

Work is continuing to gather more information on Council's buildings and structures, including current condition and determining costs of ongoing maintenance and periodic renewal. This information will help determine the future of these assets and improve performance.

## Minor Works Requests

In order to ensure Council infrastructure is kept up to a serviceable standard, Council's Works Staff endeavour to respond to all minor works requests and complaints in a timely and efficient manner. The following graph shows the number and types of requests received in the 2010/2011 financial year.





## Assets and Infrastructure

The Assets and Infrastructure Department is responsible for the management of roads, footpaths, bridges, stormwater drainage, community wastewater management systems, parks and gardens, playground equipment, community buildings and street lighting. The major flood event of December 2010 has resulted in considerable time and resources spent in assessing and remediating damage incurred to Council's infrastructure.

Major capital works programs completed during 2010/11 included:

### BRIDGE CONSTRUCTION

Pioneer Avenue, Clare

### ROAD RESEALING/RESHEETING

Resealed 7 sealed roads

Resheeted 10 unsealed roads

### COMMUNITY WASTEWATER MANAGEMENT SYSTEM

Wastewater Treatment Plant, Clare

Wastewater Treatment Plant, Riverton

Wastewater Treatment Plant, Saddleworth

### BUILDINGS

Clare Town Hall – Foyer carpet, roof & ceiling space access equipment, lighting upgrade

Auburn Institute – Painting, verandah, retaining wall

Manoora Institute – Stairs, handrail

### OTHER PROJECTS

Northern Roundabout, Clare

Flood Damage Remediation

Repair, replacement and new signs



Riverton CWMS Ponds



New Northern Roundabout - Clare



Mintaro Quarry

Courtesy – Clare Valley Flying Group Inc



Artwork "Autumn near Clare" by John Lacey - winner of Rotary Club of Clare Acquisitive Art Prize for 2005




## Economic Development

"Encourage an environment that supports business growth, tourism and employment"

### Strategic Directions

Goals from the Strategic Plan 2008 to 2012 related to the Economic Development are:

- ➡ Develop initiatives to attract people to live, work visit and invest in local business opportunities.
- ➡ Encourage the expansion of State and Federal Government services at the local level.

Legend: Complete  Incomplete  Ongoing 

Council provides a wide range of services, many of which are prescribed by various state Government Acts and Regulations.

This includes:

- The Development Act
- The Heritage Act
- The Building Code of Australia
- The Public and Environmental Health Act
- The Food Act



## The Development Act

Local Government plays a significant role in the development of policies and management of the environment at the local level and also assists at regional and State level. Provision is made under the Development Act, for Council to receive and assess applications for development. These applications range from verandahs, garages and dwellings to relatively large scale commercial development.

## Development Applications - Planning

The majority of planning applications assessed by Council under the Development Act were “*Consent Applications*” which do not involve public notification and are dealt with by Council staff using delegated authority.

Other applications considered as Category 2 or 3 forms of development pursuant to the Development Act required public notification procedures to be followed. Similarly, those forms of development classed as non-complying also followed the public notification procedure.

Under the Development Act, any persons aggrieved by a decision of Council, with respect to their application, or who are third parties who have lodged representations during the public notification period, are able to lodge an appeal against that decision to the Environment, Resources and Development Court. Compromises are usually reached on all matters which are the subject of an appeal to the Court, however this process was only required for several decisions during 2010/2011.

310 development applications were received between 1 July 2010 and 30 June 2011, and as a comparison, 307 development applications were received between 1 July 2009 and 30 June 2010 and 406 received between 1 July 2008 and 30 June 2009.

The value decreased from \$22.1m in 2010/11 to \$19.9m in 2010/11, due to the decreased number of domestic type applications as well as commercial applications. It should be noted that these figures relate to planning assessments only and not ‘as built’ work.





## **The Heritage Act**

Local Government also plays a significant role in the assessment of development proposed in the State Heritage Area of Mintaro, the Historic Conservation Zone in Auburn and numerous State and Local listed buildings and properties – throughout the Council area. These development applications are also assessed in accordance with the Heritage Act 1993, with the assistance of the Department of Environment & Heritage, via a Heritage Adviser.

## **Disability Discrimination Act 1992**

Pursuant to the requirements of the Disability Discrimination Act 1992, Council has developed a Disability Action Plan to assess Council's public buildings and infrastructure in line with the Act. Improvements have been made to improve access and egress for people with disabilities.

## **Health Services**

### **Public and Environmental Health Act**

The Public and Environmental Health Act, 1987 requires Council to ensure appropriate guidelines and standards are enforced to maintain and promote public health and environmental standards as follows:

- Take adequate measures to ensure the Protection of Public Health which includes prevention of insanitary conditions on premises; offences in relation to insanitary conditions on premises; control of offensive activities; discharge of waste in public place, private thoroughfare and provision of adequate sanitation.
- Monitor hairdressing and beauty premises.
- Maintain communicable diseases

### **Immunisation**

Council, in conjunction with the City of Playford continued to provide immunisation services to students at both the Clare High School and Riverton High School in accordance with the Federal Government's Australian Immunisation Program.

### **Septic Applications**

A total of 73 wastewater control system applications were processed in 2010/11. Site inspections were conducted for these systems during the installation process.

### **Insanitary Conditions**

Council's Environmental Health Officer acts on complaints from the public or from general inspections and investigates premises that may be deemed as an insanitary condition. Action is then instigated if the complaint is upheld.

Rat and mice and other vermin infestation complaints are investigated and advice or direction of eradication is given where appropriate.

### **Food Act**

Council's Environmental Health Officer conducts routine inspections of food businesses to ensure food premises are maintained in compliance with the Food Act.

Commercial, industrial and home business premises involved in the manufacturing, handling and transportation of food products are regularly inspected to ensure compliance with food regulations and hygiene. Sanitation and good food handling practices are essential in maintaining a high standard of product to the public.

Any cases of food borne illnesses are acted upon and investigated as soon as practicable in conjunction with the Department of Health.

## Economic Development

The Clare & Gilbert Valleys Council recognises that liveability is an important influence on the regions economic growth and development. Issues such as access to services, infrastructure, amenities, job and career opportunities, health and education facilities, housing and the opportunity for cultural and sporting pursuits are important considerations for both individuals and investors choosing a location to reside or operate a business.

Council actively works with and supports the Community to maintain diverse range of arts and cultural experiences, tourist attraction, lifestyle and public open spaces. Promoting the strengths of the area is an important element in encouraging economic growth and development, particularly in regional areas.

Council is a funding body to the resource agreement that supports the operation of Regional Development Australia Yorke & Mid North.

The Clare & Gilbert Valleys is well positioned for the future, our rich resources include wine, agriculture, tourism and food. Distances are shrinking with the development of technology, the National Broadband Network rollout has brought the Valleys even closer to the world.

Working together with businesses and the community we will strive to continue to build the Clare & Gilbert Valleys economy and secure our economic future, not just for the short term, but for generations to come. Council will continue to work with new investors, including existing businesses that are looking to expand, to navigate the development path.

Council will continue to work closely with other Council's, Government Agencies and Organisations to attract people to live, work, visit and invest in local business opportunities.

## Clare Valley Visitor Information Centre

Located at the southern end of Clare, the facility was completed in 2005. The centre is focused on increasing visitor numbers to the region and providing a gateway destination. The centre had 34,250 visitors throughout the year and answered 9,150 phone enquiries, with the majority of visitors coming from the Adelaide metropolitan area.

An accredited tourism facility the Visitor Information Centre provides a one stop shop for visitors to the region. Accommodation bookings, souvenirs, tours and an extensive range of brochures on activities and attractions are among the many facilities and services available to visitors. The Centre is open 7 days a week.










Artwork "We've Been to Bali too" by Marie Jonsson Harrison - winner of Rotary Club of Clare Acquisitive Art Prize for 2007




## Community Culture and Recreation

"Provide innovative and effective community services"

### Strategic Directions

Goals from the Strategic Plan 2008 to 2012 related to the Community Culture & Recreation are:

-  Build community capacity and participation in community services, culture and recreation
-  Increase the diversity, quality and coverage of arts, culture, libraries, history, youth and aged are programs and facilities.
-  Identify and respond to current and future open space, sport, recreation and playground needs.

Legend: Complete  Incomplete  Ongoing 

## Community Services

### Citizenship Ceremonies

Australian Citizenship is an important common bond for all Australians (whether Australians by birth or by choice) and lies at the heart of a unified, cohesive and inclusive Australia. Citizenship celebrates Australian values including democracy, equality under the law and respect for each others' beliefs. It is a unique symbol of formal identification with Australia, acknowledging responsibilities and conferring substantive privileges which allow people to participate fully in the community.

Citizenship ceremonies are public ceremonial occasions which provide an important opportunity to formally welcome new citizens as full members of the Australian Community. Representatives of all three levels of government (Federal, State or Territory, and Local), community leaders, friends and relatives of the candidates are invited to attend.

Local Governments conduct most citizenship ceremonies. Mayor Allan Aughey has been authorised as a person who may receive the pledge as a citizen of the Commonwealth of Australia. During the last year, six Citizenship Ceremonies were conducted by Mayor Aughey.

### Australia Day

Every year Council hosts an Australia Day Breakfast at four venues, being Clare, Riverton, Saddleworth and Auburn. These functions are open to all residents of the Council area and attract around 1,000 people. Council presents awards to acknowledge outstanding efforts made by local people and groups to community development. Citizen of the Year and Young Citizen of the Year Awards, are presented to individuals and a Community Event of the Year Award is presented to an outstanding group.

#### Australia Day Awards for 2011

##### Citizen of the Year

Northern	Jenny Denton and John Haynes
Central	David Smart
Southern	Brian Stevens and Mark Hill

##### Young Citizen of the Year

Northern	Tegan Pollard
Central	Simone Miller
Southern	Hannah Clark

##### Community Event of the Year

Northern	Tour Down Under Street Party
Central	CJ Dennis Festival
Southern	Tour Down Under Wheelie Fun Fair

### Mid North Community Passenger Network Scheme

The Mid North Community Passenger Network Scheme provides support services to support the needs of the transport disadvantaged to our region. These services are provided with the professional assistance of a group of highly dedicated and skilled volunteer drivers and carers.

The transport team ensures the smooth operation of this program utilising six sedans and a ten seater wheelchair access bus contracted by Yorke Peninsula Coaches together with a team of 49 volunteers.

The Clare & Gilbert Valleys Library Service endeavours to engage, inspire and inform community members and help build community capacity. The role of the library service includes supporting reading, research and providing social connections.

Contemporary libraries provide opportunities for people to equip themselves with the life skills that are essential for participation in the information age. They help ensure that all families have the opportunity to reach their potential through promoting lifelong learning and literacy development.

Above all, the Clare & Gilbert Valleys Council Library Service is a community hub, which seeks to provide a quality service which meets the communities ongoing information, education, recreation and cultural needs through the free communication of ideas to develop and enhance all members of the community regardless of age, race, ability or economic situation.

The Clare & Gilbert Valleys Library Service consist of 2 branches and 2 depots. The central branch is at Clare, and the Saddleworth Library and Community Centre offers a library, Council and a range of other community services. Library depots are located at Auburn and Manoora.

History Collections are located at Clare, Saddleworth and Riverton. Council also contributes to the Riverton School Community Library, located at Riverton High School.

### **FACTS:**

- The library service has approximately 6,230 borrowers
- The library service contains 42,480 items
- 122,727 loans were processed in 2010/2011
- 103,096 people visited the library in 2010/2011

Performance measures indicate that there has been a 39% increase in the number of memberships, 5% decrease in the number of loans and 1% increase in the number of visits per year since the year ending 30 June 10.

Items available for loan include books, DVDs, magazines, materials in languages other than English, and materials in formats for the visually impaired, such as audio books and large print books. Library members also have access to a range of electronic resources, through the web catalogue, including Your Tutor, which provides live homework help, interactive picture books and readers, and databases including encyclopaedias and health resources.

The LINK network is a partnership with the Barossa, Light, Gawler and Adelaide Hills Library Services and allows resources to be shared over the regions. The library also provides access to materials held in public libraries across South Australia, through the PLAIN inter-library loan network.

During 2001/11 the Riverton School Community Library joined the Clare and Gilbert Valleys Library Service electronic library management system, within the LINK network. The LINK partnership utilizes Spydus software, which allows access to the library catalogue online 24/7 at <http://cgvc.spydus.com>. Materials from all Library branches are now able to be shared across the Council area and Riverton Library users have access to the 24/7 online catalogue.

Programs for children were conducted and a home library service was provided to individuals, organisations and institutions. All branches have free access to the internet and word processing and publishing tools, with assistance provided either formally with training sessions or informally as required. Wireless internet access is available at the Clare Library.

To actively reduce the carbon footprint the Library actively encourages customers to select electronic forms of notice delivery either SMS or email.

A Youth Week event was held in Clare in conjunction with the Regional Council of Goyder. Young people from the Clare and Gilbert Valleys Council Region attended as well as those from both Burra and Eudunda.

A photographic competition was launch in youth week with the winning entries to be compiled into a calendar for 2012.

The Clare and Gilbert Valleys Council Youth Advisory Committee (YAC) continued to be active and to work on projects such as youth week and the funding for a shelter at the Clare Skate Park. The YAC were working towards a “twisted” music event in Riverton and a youth forum also to be held in Riverton. The YAC continues to enjoy representation of young people from both the Riverton and Clare High Schools as well as young people who have left senior school.



## Recreation

The Valleys Lifestyle Centre is in the business of building a healthy and active community through a range of professional services, facilities and activities to cater for the wider community in an accessible and affordable manner. The business plan provides direction and guidance for the recreation staff outlining strategic marketing, areas in need of development, programs to maintain and areas to be capitalised.



Business goals that have been achieved that were identified in the business plan include:

- Creating new user groups such as The Valleys Volleyball Competition and to build on the successful programs implemented such as Valleys Futsal and Valleys Netball.
- Continued growth of the Clare Gymnastics Club Inc. to over 100 participants with plans put in place to compete in judged events.
- Build on the successful transition and handover of the Kindergym program and implement new initiatives such as Twilight Kindergym
- Development of a birthday party package offering multiple options for children and their families to hold a party at the centre. Staff can deliver a party, arrange food, conduct games and use any facet of the facility.
- Strive to increase and build the group fitness program such as Boxing, TTB, Aerobics, Circuits and create new and exciting programs that follow the fitness trends such as Zumba and Bootcamp.
- Continue the success of the indoor pool and the swim school program. A target of 500 swim school participants was identified and in December 2010 a total of 520 participants were active users. More classes and options are available including the initiation of a Junior Squad to develop swimming technique as children grow older.
- Maintain strong relationships with the user groups of the centre including The Clare Sports Club, Clare Basketball Association, Clare Squash Club, Clare Amateur Swimming Club and local



Physiotherapists. Building a strong network with community schools and childcare centres was also identified and achieved.

- Continual promotion of the centre through The Clare & Gilbert Valleys Council website and the use of social network sources as a point of marketing such as Facebook and Twitter. Also ongoing emails and use of the centre database have been well received and utilised.
- Grow the successful Strength For Life program that focuses on the over 50 years of age group and helping to get them active through affordable and social gym sessions.
- A new DL brochure was completed and distributed through information centres, local accommodation services, car dealer ships and real estate agents.
- Update policy and procedures to increase customer satisfaction especially in the area of swim school make-up lessons and credits. New membership forms were also completed to make memberships sign ups / renewals more efficient.
- The success and continued growth of recreation and The Valleys Lifestyle Centre can be attributed to the guidance of the Business Plan to develop passionate, multi-skilled and dedicated staff to provide professional services to the community.
- The Riverton Pool also contributed to the community healthy and provided the Riverton Community with affordable and professional aquatic services. New concourse and painting of safety messages on the cement were completed for both main pool and toddler pools. Ladders and steps were installed to replace to non-compliant existing arrangement making for a safer entry and exits points to the main pool. A new acid bund and larger acid containers were implemented making it safer for pool operators and a more efficient and user friendly system. Work was undertaken to the balance tank to rectify ball-cock issues and regular maintenance completed on the popular diving board. The perimeter fence was upgraded to make the facility more secure and new shower curtains were installed. The facility in a cooler summer achieved stable growth and excellent patronage.





New signage at Clare Library



Australian Citizenship Ceremony










Artwork “Golden Vineyards” by Lisa Temple - winner of Rotary Club of Clare Acquisitive Art Prize for 2011




## Environment

“Increase environmentally sustainability practices”

### Strategic Directions

Goals from the Strategic Plan 2008 to 2012 related to the Environment are:

-  Develop an environmental sustainability policy
-  Commit to a 10 % reduction in Council’s carbon footprint.
-  Implement sustainable water use principles for public infrastructure.
-  Implement effective and sustainable waste management systems.
-  Develop partnerships to promote environment advisory services.

Legend: Complete  Incomplete  Ongoing 

## Environmental Sustainability Policy

Council's Environmental Sustainability Policy demonstrates the organisation's commitment to improvement in environmental performance. It also provides the overall sense of direction and sets guiding principles for the setting of environmental objectives and targets. Council is committed to establishing, promoting and maintaining a culture of sustainability and environmental responsibility.

Clare & Gilbert Valleys Council aims for environmental best practice and the integration of environmental responsibility in all aspects of the Council's work. The policy statement provides a framework for establishing environmental objectives, ecological targets, action plans, procedures and review and evaluation mechanisms.

Council has been actively working towards reducing its Carbon Footprint by 10%. This is being achieved by:

- reducing waste through waste minimisation practices, and effective resource recovery practices
- the reduction of the amount of waste being taken to landfill, through recycling systems and green waste disposal
- Council's Planning and Development Department have been working to improve the energy efficiency of buildings – commercial, industrial and residential
- Council promotes sustainable water use and foster innovative options for supplies of water, including stormwater reuse and recycled water
- Core business activities and the provision of services are being undertaken in an ecologically sustainable manner

## Wastewater Treatment Plant

During 2010-2011 the construction of Community Wastewater Treatment Systems (CWMS) at Clare, Saddleworth and Riverton was completed and became operational. The construction phase of these projects began in 2009 and has resulted in the implementation of state of the art facilities that produce reclaimed treated water from the three townships' systems. This water is being utilised on town parks and recreational facilities and, in the case of Clare excess "B" Class water is on-sold to third parties, helping to spread the environmental efficiency benefits through private enterprise.



## drumMUSTER

Established in late 1998, the *drumMUSTER* program is run in conjunction with local councils to host collection sites for empty and pre-cleaned agricultural and veterinary chemical containers. The program is funded via a levy on the purchase price of crop protection and animal health chemical products sold in eligible non-returnable, rigid plastic and steel containers.

Residents in the Clare and Gilbert Valleys Council region have supported the *drumMUSTER* program since it began in the area and in 2010/11 a total of 9,122 containers were collected at the Rhynie site and processed for recycling.

## Compliance

### Animal Management

Council's Animal Management Plan adopted pursuant to the Dog and Cat Management Act, aims to generate an environment that encourages responsible pet ownership, where people and pets integrate safely and harmoniously within the community, whilst ensuring that the needs of animals and their owners are accommodated and the differing needs of all members of the community, such as non pet owners, are recognised.

Council received 2,207 dog registrations /renewals during the 2010-2011 year.



Abbie Lilliecrapp – Compliance Officer

Whilst Council has resolved not to introduce cat management legislation, residents are afforded advice and use of a cat trap free of charge to assist in the removal of stray or feral cats to lessen their impact on the environment and society.

During 2010-2011, 111 dogs were found wandering at large; 90 of these were successfully returned to their owners, often within a day or two of going missing.

Council's newly constructed dog holding facilities allow Council to temporarily hold a lost dog in a safe, clean and dry environment until the dog owner is located, usually within 3 days. Dogs that are not claimed are transferred to the animal welfare league for possible rehoming.

Council actively promotes responsible pet ownership including vaccination, desexing and microchipping. We offer support to the local dog obedience clubs and advise the general public.

### Fire Prevention

The Clare and Gilbert Valleys Council encourage all ratepayers and residents to undertake necessary and timely fire prevention measures on their properties.

Inspections of township properties were undertaken and 419 hazard reduction notices were issued (up from 342 for the previous year), an indication of the increased growth due to high seasonal rainfall. Very few of these proceeded to the next level of non-compliance.

Council in conjunction with the CFS Education Unit conducted two community meetings, one in Sevenhill and one in Tarlee, which were both very well attended. Our aim being to assist in the communities' preparedness.

The annual newsletter was published and distributed to all occupiers and ratepayers (including absentee land owners), and was very well received.

We are confident that Council's involvement in fire prevention has created a safer environment for the members of our community



Courtesy – Clare Valley Flying Group Inc






Artwork "Semaphore Holiday" by Mike Barr- winner of Rotary Club of Clare Acquisitive Art Prize for 2008




## Finance

"Ensure long-term financial viability"

### Strategic Directions

Goals from the Strategic Plan 2008 to 2012 related to the Finance are:

-  Develop and implement sound financial policies and plans.
-  Ensure effective monitoring and reporting of Council's financial performance.
-  Recruitment of external funding.

Legend: Complete  Incomplete  Ongoing 



## Financial Services

### Long Term Financial Plan and Annual Business Plan and Budget

Council's Long Term Financial Plan (LTFP) was adopted in 2010 with a focus on service provision, asset renewal and long term financial sustainability. As Council cares for significant amounts of infrastructure and other assets on behalf of the community the LTFP includes expenditure on assets as identified in its Infrastructure and Asset Management Plan (IAMP). The LTFP also includes financial indicators used by Council to monitor and assess its performance against its objectives. In the 2010/2011 financial year the financial indicators all fell within the targets set.

### Financial Indicators

		2011	2010	2009	2008	2007
Operating Surplus	\$'000	37	3,021	(38)	171	(550)
Operating Surplus Ratio	%	0%	34%	0%	2%	(8%)
Net Financial Liabilities	\$'000	7,973	8,178	8,208	7,473	7,203
Net Financial Liabilities Ratio	%	51%	54%	65%	65%	69%
Interest Cover Ratio	%	3.5%	4.1%	4.6%	3.1%	2.7%
Asset Sustainability Ratio	%	79%	148%	81%	68%	74%
Asset Consumption Ratio	%	63%	62%	58%	59%	60%

### Comparisons of Budget to Actual 2010/2011

#### Operating Result and Cash Flow

Summary of Statement of Comprehensive Income		
	2011 Actual \$'000	2011 Original Budget \$'000
Income	15,806	13,497
Expenses	15,769	13,342
Operating Surplus / (Deficit)	37	156
Capital Revenues	136	57
Net Surplus / (Deficit)	173	213

### Variations to the Net Surplus from the original budget include:

#### Income

Increased grants and contributions of \$1.5m for projects including:

Renewal of Community Wastewater Management Systems (CWMS) in Clare, Riverton and Saddleworth

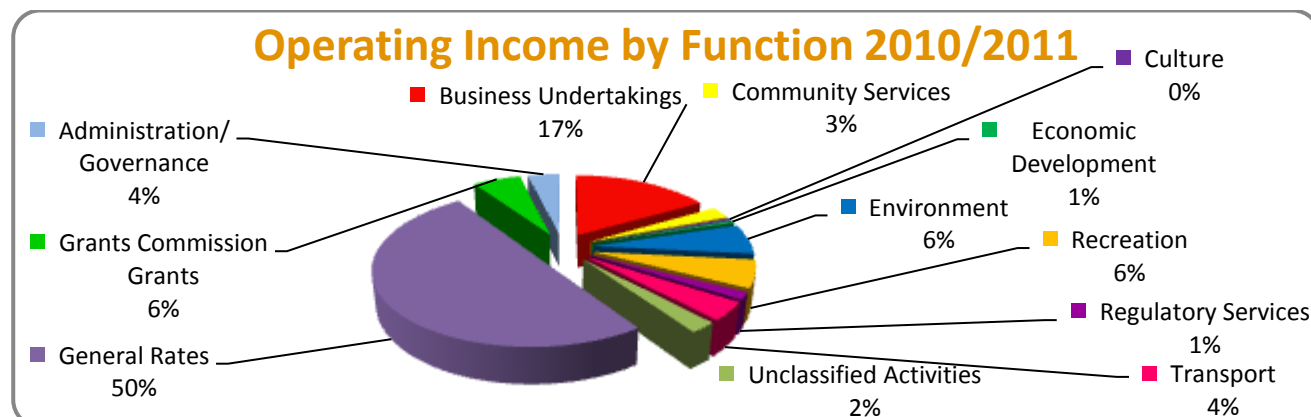
Water re-use at Mintaro and Manoora ovals

An additional developer contribution for roadwork reinstatement

Disaster fund allocation and insurance reimbursement for flood reinstatement works \$500k

Additional Investment income of \$200k

### Operating Income by Function 2010/2011





### Capital Revenues

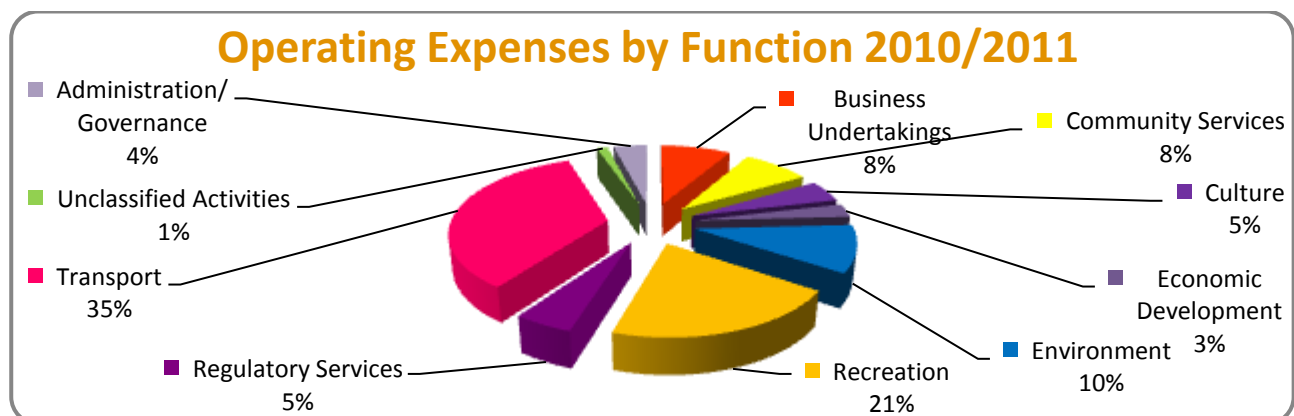
Additional grant for upgrade component of CWMS schemes.

### Expenses

Increased depreciation resulting from a revaluation of transport infrastructure assets. This revaluation was undertaken to establish the impairment of road and bridge assets as a result of the December 2010 flood event.

Increased materials, contract and other expenses used for roadworks

As a result of these variations the net surplus was reduced to \$173k.



### Capital Expenditure

Expenditure on new and replacement of assets was \$5.204 million compared to the budgeted figure of \$3.504 million. This variation resulted due to projects which were incomplete at the end of the previous reporting period and completed in the 2011 reporting year.

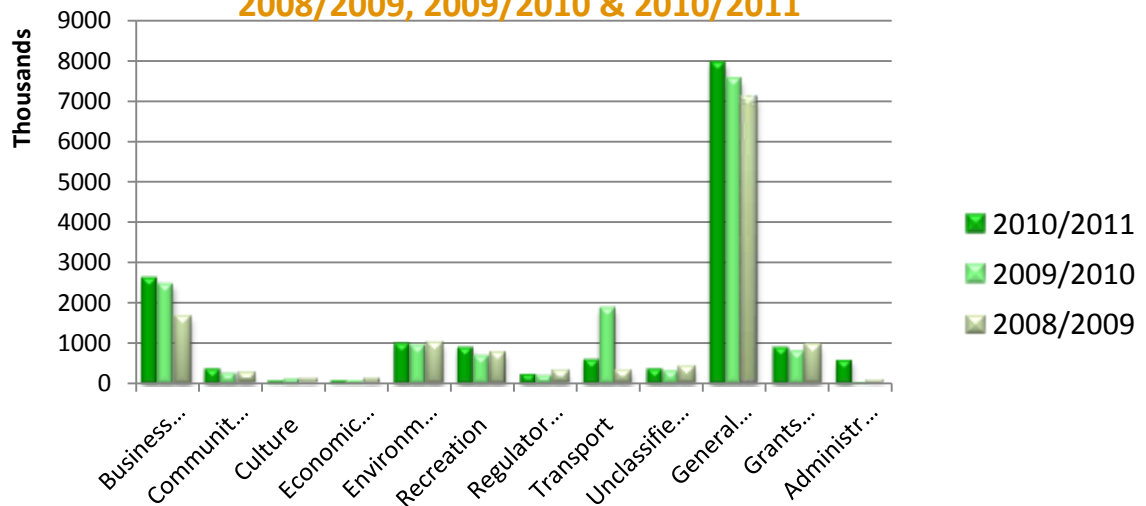
### Loans

Council's loan liability at 30 June 2011 was \$661k less than at the end of the previous year.

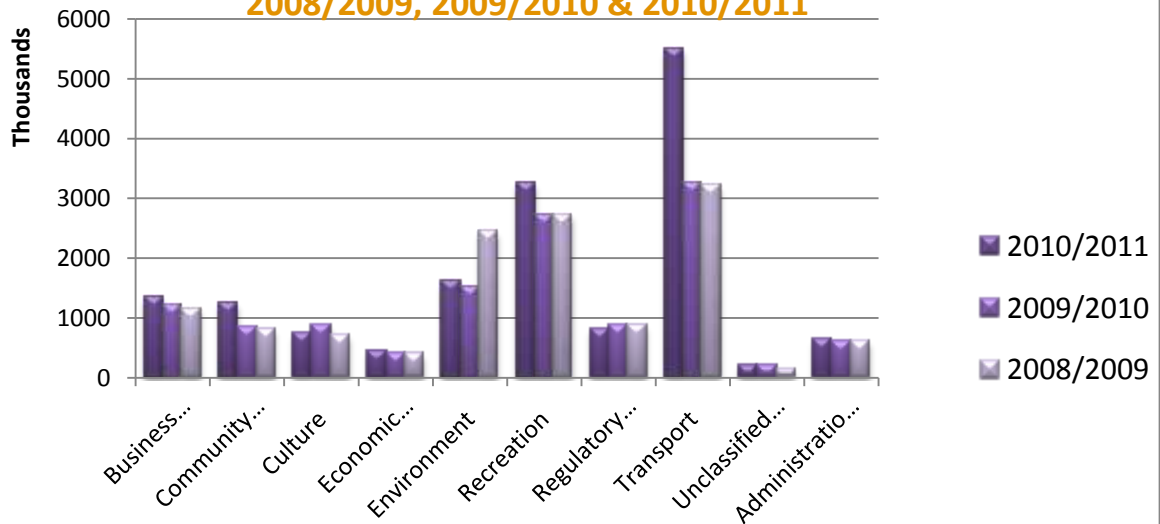
Loans budgeted to be drawn to fund the renewal and upgrade of the Clare, Riverton and Saddleworth Community Wastewater Management Systems (CWMS) were not drawn but were sourced from existing cash reserves by internal lending and borrowing between the three schemes.

This resulted in a decrease in cash, as shown in the Cash Flow Statement, compared to the budgeted increase.

### COMPARISON OPERATING INCOME 2008/2009, 2009/2010 & 2010/2011



### COMPARISON OPERATING EXPENSES 2008/2009, 2009/2010 & 2010/2011



### Audit Committee

In compliance with Section 126 of the Local Government Act, Council has an Audit Committee which provides an oversight and advisory function for Council's financial management and risk management frameworks.

This Committee provides reports to Council regarding the effectiveness of these frameworks. The Audit Committee Annual Report 2010/2011 follows.

## Audit Committee Annual Report 2010/2011

This report presents as a summary of the Clare & Gilbert Valleys Council Audit Committee's activities undertaken and recommendations made during the 2010-2011 financial year.

The Committee comprises of five members, with three Independent Members appointed to the Committee. Mr John Comrie was appointed Presiding Member in May 2010. Mr Grant Norman and Trevor Peek held office as Independent Members until Mr Peek's resignation which was accepted at the June 2011 meeting. Mr Peek was replaced by Mrs Jillian Wood in July 2011. Mayor Allan Aughey and Councillor Wayne Thomas are the Elected Members on the Committee

### Conduct of Meeting

The Committee met on four occasions during the 2010-2011 with the following attendance:

Date	No of Members attending
18 October 2010	5
9 November 2011	4
8 March 2011	5
8 June 2011	3

Committee Members	No of Meetings attend
Mr John Comrie	4
Mr Grant Norman	4
Mr Trevor Peek	3
Mayor Allan Aughey	3
Cr Wayne Thomas	2

Various meeting of the committee have also been attended by the following officers:

- Chief Executive Officer
- Manager of Finance
- Manager of Corporate Governance

### Committee Activities

The following table sets out the main issues addressed by the committee during 2010-2011

Principal Issues	Comments	Recommendations from meeting
<b>18 October 2010</b>		
Appointment of Council Auditor	Presentations were made to the Committee from three parties.	Committee recommended to council that Ian McDonald be appointed as Council's Auditor for the next 5 years
2009/2010 Financial Statements		Subject to some minor adjustments suggested by the Committee and any further changes identified by staff or auditors that they be presented to council.
<b>9 November 2010</b>		
Terms of Reference	The Terms of Reference was reviewed by the Committee.	The current terms of reference be amended to include the details of the role of the Committee.
Draft Annual Report 2009/2010	Was presented to the committee for feedback prior to being presented to Council.	That the Committee recommends the adoption of the Annual Report after the following variations. <ul style="list-style-type: none"> <li>• Include performance against strategic plans as required in LG Act 4,2(a).</li> <li>• Include Audit Report and Audit Certificate of Audit Independence.</li> <li>• Include the Annual Report of the Central Local Government Region, in regional subsidiary of Council.</li> </ul>

Principal Issues	Comments	Recommendations from meeting
LGAMLS Risk Management Review Report	Council had a high standard of performance in this review.	The report was noted.
Draft Audit Committee Annual Report	A report summarising the activities of the committee.	That the Draft Annual Report, with minor amendments as discussed, be adopted.
Draft Audit Committee Work Program 2010/2011	Draft work plan presented for approval.	That the Committee supports the current format and asks that staff update and include in each meeting.
<b>8 March 2011</b>		
Flood Report	A report was provided, summarising the current situation from the December Flood, the expected rebuilding / replacements costs, insurance status and Natural Disaster Funding.	<ol style="list-style-type: none"> <li>1. That the update relating to the December flood as presented by the Mayor and Chief Executive Officer be noted.</li> <li>2. That the Audit Committee supports the initiatives that have been taken to date supports the proposal to use loans, if necessary, to fund urgent remediation works using the 'letter of comfort' as a guarantee.</li> <li>3. That the Committee be kept informed on the management of the flood impacts and that further information be provided regarding insurance of Council assets and ways to manage risks associated with traditionally uninsured assets.</li> </ol>
Asset Register Report	An update was provided to the Committee on Council's current Asset Register. Investigations are underway for the acquisition of an IT program to meet the requirements of the Auditor.	The report was noted.
Policy for Community Loans	Seeking comments from the Committee regarding the policy.	That the issue be taken to Council Workshop for discussion.
Issue of Official Orders Policy	A draft policy was presented to the Committee for comments.	Support the draft policy, with inclusion of a cross reference to the Tender Policy.
Dean Newbery & Partners 2010 Balance Day Audit	A copy of the Balance Day Audit letter from Dean Newbery & Partners was presented to the Committee.	That the letter be noted.
Ian G McDonald FCA - Appointment as Council Auditor	The committee was advised the Ian G McDonald was appointed as Council's Auditor on the 6 December.	Noted that the letter has been received by the Committee and signed by the Chairperson.
Financial Sustainability Audit	A copy of Council's audit results were provided to the Committee.	A brief report be compiled on the key issues and priorities of the audit. The report is to be included in the next agenda.

Principal Issues	Comments	Recommendations from meeting
<b>8 June 2011</b>		
Draft Annual Business Plan and Budget 2011/2012	A copy of the draft plans were provided to the Committee for comments	That the Audit Committee 1. Advises that loan funds of \$1.2m would be required if Council wishes to maintain the cash value of reserves as a result of the 2011/12 budget year 2. Advises that Council may wish to consider a reduction in Capital Works to achieve a lower debt level 3. Recommends that, subject to a decision on the matter of the funding of reserves, the Annual Business Plan 2011/12 be adopted by Council for public consultation purposes.
Resignation of Independent Member Trevor Peek		Noted as received.

### Work Program for 2011-2012

As outlined in the Committee's Work Program the following key items will be included as items for discussion in the coming year;

- Updates on the December 2010 flood construction program
- Results from the Good Governance Assessment Program and Financial Sustainability Audit and the development of a list of priorities from the results
- Adoption of a Treasury Management Policy
- Financial Internal Controls
- Risk Management Plan update
- Review of the Long Term Financial Plan
- Complete the Annual Self Assessment
- Review 2010-2011 Annual Report & Financial Statements
- Draft Annual Business Plan and Budget 2012/13
- Review Terms of Reference



Sevenhill Church & Monastery

Courtesy – Clare Valley Flying Group Inc



## **Financial Reports**

# **GENERAL PURPOSE FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2011**



# CLARE & GILBERT VALLEYS COUNCIL

## General Purpose Financial Reports for the year ended 30 June 2011

### TABLE OF CONTENTS

	<u>Page</u>
<b>Council Certificate</b>	1
<b>Principal Financial Statements</b>	
Statement of Comprehensive Income	2
Balance Sheet	3
Statement of Changes in Equity	4
Cash Flow Statement	5
<b>Notes to, and forming part of, the Principal Financial Statements</b>	
Note 1 - Significant Accounting Policies	N1
Note 2 - Income	N7
Note 3 - Expenses	N10
Note 4 - Asset Disposal	N12
Note 5 - Current Assets	N13
Note 6 - Non-Current Assets	N14
Note 7 - Infrastructure, Property, Plant & Equipment	N15
Note 8 - Liabilities	N18
Note 9 - Reserves	N19
Note 10 - Assets Subject to Restrictions	N21
Note 11 - Reconciliation to Cash Flow Statement	N22
Note 12 - Functions	N23
Note 13 - Financial Instruments	N25
Note 14 - Commitments for Expenditure	N27
Note 15 - Financial Indicators	N28
Note 16 - Uniform Presentation of Finances	N29
Note 17 - Operating Leases	N30
Note 18 - Superannuation	N31
Note 19 - Joint Ventures & Associated Entities	N32
Note 20 - Non-Current Assets held for sale and Discontinued Operations	N33
Note 21 - Assets & Liabilities not Recognised in the Balance Sheet	N34
Note 22 - Events Occurring After the Balance Sheet Date	N35
<b>Audit Report</b>	
<b>Council Certificate of Audit Independence</b>	
<b>Audit Certificate of Audit Independence</b>	

# CLARE & GILBERT VALLEYS COUNCIL

## ANNUAL FINANCIAL STATEMENTS for the year ended 30 June 2011

### CERTIFICATION OF FINANCIAL STATEMENTS

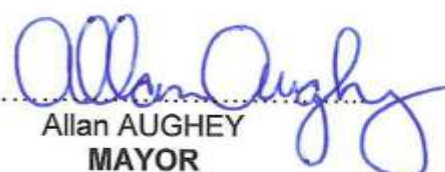
We have been authorised by the Council to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Council's financial position at 30 June 2011 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council's accounting and other records.



.....  
Roy D BLIGHT  
CHIEF EXECUTIVE OFFICER

Date: 21 November 2011



.....  
Allan AUGHEY  
MAYOR

# CLARE & GILBERT VALLEYS COUNCIL

## STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
<b>INCOME</b>			
Rates	2	9,674	9,081
Statutory charges	2	304	343
User charges	2	2,100	1,955
Grants, subsidies and contributions	2	2,782	3,608
Investment income	2	323	283
Reimbursements	2	93	50
Other income	2	530	165
<b>Total Income</b>		<b>15,806</b>	<b>15,485</b>
<b>EXPENSES</b>			
Employee costs	3	3,875	3,752
Materials, contracts & other expenses	3	5,895	4,621
Depreciation, amortisation & impairment	3	5,085	3,155
Finance costs	3	914	936
<b>Total Expenses</b>		<b>15,769</b>	<b>12,464</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>37</b>	<b>3,021</b>
Asset disposal & fair value adjustments	4	(10)	1
Amounts received specifically for new or upgraded assets	2	146	901
<b>NET SURPLUS / (DEFICIT)</b>		<b>173</b>	<b>3,923</b>
transferred to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	44,342	23,683
Impairment (expense) / recoupments offset to asset revaluation reserve	9	(1,683)	-
<b>Total Other Comprehensive Income</b>		<b>42,659</b>	<b>23,683</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>42,832</b>	<b>27,606</b>

This statement is to be read in conjunction with the attached notes.



# CLARE & GILBERT VALLEYS COUNCIL

## BALANCE SHEET as at 30 June 2011

	Notes	2011 \$'000	2010 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	5	5,122	5,793
Trade & Other Receivables	5	1,095	1,592
Other Financial Assets	5	377	345
Inventories	5	319	289
<b>Total Current Assets</b>		<b>6,913</b>	<b>8,019</b>
<b>Non-current Assets</b>			
Financial Assets	6	497	479
Infrastructure, Property, Plant & Equipment	7	152,583	105,056
Other Non-current Assets	6	1,188	6,162
<b>Total Non-current Assets</b>		<b>154,268</b>	<b>111,697</b>
<b>Total Assets</b>		<b>161,181</b>	<b>119,716</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8	1,331	2,054
Borrowings	8	749	711
Provisions	8	1,287	1,107
<b>Total Current Liabilities</b>		<b>3,367</b>	<b>3,872</b>
<b>Non-current Liabilities</b>			
Borrowings	8	11,582	12,281
Provisions	8	115	234
<b>Total Non-current Liabilities</b>		<b>11,697</b>	<b>12,515</b>
<b>Total Liabilities</b>		<b>15,064</b>	<b>16,387</b>
<b>NET ASSETS</b>		<b>146,117</b>	<b>103,329</b>
<b>EQUITY</b>			
Accumulated Surplus		8,894	8,127
Asset Revaluation Reserve	9	132,443	89,784
Other Reserves	9	4,780	5,418
<b>TOTAL EQUITY</b>		<b>146,117</b>	<b>103,329</b>

This statement is to be read in conjunction with the attached notes.

# CLARE & GILBERT VALLEYS COUNCIL

## STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2011

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Notes	\$'000	\$'000	\$'000	\$'000
<b>2011</b>				
Balance at end of previous reporting period	8,127	89,784	5,418	103,329
<b>Net Surplus / (Deficit) for Year</b>	173	-	-	173
<b>Other Comprehensive Income</b>				
Gain on revaluation of infrastructure, property, plant & equipment	-	44,298	-	44,298
Impairment (expense) / recoupments offset to asset revaluation reserves	-	(1,683)	-	(1,683)
Transfer to accumulated surplus on sale of infrastructure, property, plant & equipment	(44)	44	-	-
Transfers between reserves	638		(638)	-
<b>Balance at end of period</b>	<b>8,894</b>	<b>132,443</b>	<b>4,780</b>	<b>146,117</b>
<b>2010</b>				
Balance at end of previous reporting period	3,562	66,101	6,060	75,723
<b>Net Surplus / (Deficit) for Year</b>	3,923	-	-	3,923
<b>Other Comprehensive Income</b>				
Changes in revaluation surplus - infrastructure, property, plant & equipment	-	23,683	-	23,683
Transfers between reserves	642		(642)	-
<b>Balance at end of period</b>	<b>8,127</b>	<b>89,784</b>	<b>5,418</b>	<b>103,329</b>

This statement is to be read in conjunction with the attached notes.

# CLARE & GILBERT VALLEYS COUNCIL

## CASH FLOW STATEMENT for the year ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<u>Receipts</u>			
Operating receipts		16,922	15,450
Investment receipts		332	274
<u>Payments</u>			
Operating payments to suppliers & employees		(10,724)	(9,293)
Finance payments		(923)	(945)
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>5,607</b>	<b>5,486</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		198	848
Sale of replaced assets		74	85
Sale of surplus assets		12	252
Repayments of loans by community groups		28	49
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(4,097)	(4,743)
Expenditure on new/upgraded assets		(1,747)	(1,911)
Net purchase of investment securities		(32)	(24)
Loans made to community groups		(50)	-
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(5,614)</b>	<b>(5,444)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Receipts</u>			
Proceeds from Borrowings		50	-
Proceeds from Trust Funds		2	1
<u>Payments</u>			
Repayments of Borrowings		(702)	(659)
Repayment of Finance Lease Liabilities		(9)	(14)
Repayment of Aged Care Facility deposits		(5)	(20)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(664)</b>	<b>(692)</b>
<b>Net Increase (Decrease) in cash held</b>		<b>(671)</b>	<b>(650)</b>
Cash & cash equivalents at beginning of period	11	5,793	6,443
<b>Cash &amp; cash equivalents at end of period</b>	11	<b>5,122</b>	<b>5,793</b>

This statement is to be read in conjunction with the attached notes.

## **CLARE & GILBERT VALLEYS COUNCIL**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011**

#### **Note 1 - SIGNIFICANT ACCOUNTING POLICIES**

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

#### **1 Basis of Preparation**

##### **1.1 Compliance with Australian Accounting Standards**

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

The financial report was authorised for issue by certificate under regulation 14 of the Local Government (Financial Management) Regulations 2011.

##### **1.2 Historical Cost Convention**

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

##### **1.3 Critical Accounting Estimates**

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

##### **1.4 Rounding**

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

#### **2 The Local Government Reporting Entity**

The Clare & Gilbert Valleys Council is incorporated under the SA Local Government Act 1999 and has its principal place of business at 4 Gleeson Street, Clare. These financial statements include the consolidated fund and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

#### **3 Income recognition**

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

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

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition. Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

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

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

##### 5 Inventories

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

##### 6 Infrastructure, Property, Plant & Equipment

###### 6.1 Initial Recognition

All assets are initially recognised at cost.

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

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

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

###### 6.2 Materiality

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

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



## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 6.3 Subsequent Recognition

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

##### 6.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised, are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

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

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
Infrastructure	
Sealed Roads – Surface	15 to 25 years
Sealed Roads – Structure	20 to 50 years
Unsealed Roads	10 to 20 years
Bridges – Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Drains	80 to 100 years
Culverts	50 to 75 years
Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes – PVC	70 to 80 years
Reticulation Pipes – other	25 to 75 years
Pumps & Telemetry	15 to 25 years
Other Assets	
Library Books	10 to 15 years
Artworks	indefinite

##### 6.5 Impairment

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

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### **Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

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

#### **6.6 Borrowing Costs**

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

#### **7 Payables**

##### **7.1 Goods & Services**

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

##### **7.2 Payments Received in Advance & Deposits**

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

#### **8 Borrowings**

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables". Interest free loans are carried at their nominal amounts; interest revenues foregone by the lender effectively being a reduction of interest expense in the period to which it relates.

#### **9 Employee Benefits**

##### **9.1 Salaries, Wages & Compensated Absences**

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

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

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

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 9.2 Superannuation

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

##### 10 Construction Contracts

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

##### 11 Joint Ventures and Associated Entities

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 and set out in detail in Note 19.

##### 12 Leases

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

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

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

##### 13 GST Implications

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

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

##### Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2011 reporting period and have not been used in preparing these reports.

##### AASB 1 First-time Adoption of Australian Accounting Standards

- AASB 3 Business Combinations
- AASB 5 Non-current Assets Held for Sale and Discontinued Operations
- AASB 7 Financial Instruments: Disclosures

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

- AASB 8 Operating Segments
- AASB 9 Financial Instruments
- AASB 101 Presentation of Financial Statements
- AASB 107 Statement of Cash Flows
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 110 Events after the Reporting Period
- AASB 118 Revenue
- AASB 119 Employee Benefits
- AASB 132 Financial Instruments: Presentation
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets
- AASB 139 Financial Instruments: Recognition and Measurement
- AASB 140 Investment Property
- AASB 1031 Materiality
- AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]
- AASB 2009-12 Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 1023 & 1032 and Interpretations 2, 4, 16, 1039 & 1052]
- AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASBs 3, 7, 121, 128, 131, 132 & 139]
- AASB 2010-5 Amendments to Australian Accounting Standards [AASBs 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]
- AASB 2010-6 Amendments to Australian Accounting Standards [AASBs 1 & 7]
- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 [AASBs 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023, & 1038 and Interpretations 2, 5, 10, 12, 19, & 127]
- Interpretation 14 AASB 119 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*  
(Standards not affecting local government have been excluded from the above list.)

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

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

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 2 - INCOME

	Notes	2011 \$'000	2010 \$'000
<b>RATES REVENUES</b>			
<u>General Rates</u>		<b>8,005</b>	7,596
Less: Mandatory rebates		<b>(82)</b>	(79)
Less: Discretionary rebates, remissions & write offs		<b>(23)</b>	(22)
		<b>7,900</b>	7,495
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		<b>294</b>	305
Waste collection		<b>558</b>	533
Community wastewater management systems		<b>868</b>	695
		<b>1,720</b>	1,533
<u>Other Charges</u>			
Penalties for late payment		<b>54</b>	53
		<b>54</b>	53
		<b>9,674</b>	9,081
<b>STATUTORY CHARGES</b>			
Development Act fees		<b>49</b>	45
Town planning fees		<b>102</b>	84
Animal registration fees & fines		<b>49</b>	52
Parking fines / expiation fees		<b>2</b>	-
Health inspection fees		<b>25</b>	26
CWMS connection fees		<b>65</b>	129
Other fines, penalties & expiations		<b>12</b>	7
		<b>304</b>	343
<b>USER CHARGES</b>			
Cemetery/crematoria fees		<b>38</b>	31
Caravan Park fees		<b>1,154</b>	1,069
Library services		<b>10</b>	12
Elderly citizens facilities		<b>18</b>	22
Tourism		<b>85</b>	82
Recreation fees		<b>622</b>	565
Waste management fees		<b>102</b>	91
Sundry		<b>71</b>	83
		<b>2,100</b>	1,955
<b>INVESTMENT INCOME</b>			
Interest on investments			
Local Government Finance Authority		<b>251</b>	223
Banks & other		<b>35</b>	21
Loans to community groups		<b>37</b>	39
		<b>323</b>	283



# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 2 - INCOME (continued)

	Notes	2011 \$'000	2010 \$'000
<b>REIMBURSEMENTS</b>			
- for private works		21	3
- other		72	47
		<u>93</u>	<u>50</u>
<b>OTHER INCOME</b>			
Insurance & other recoupments - infrastructure, property, plant & equipment		250	-
Donations		206	93
Sundry		74	73
		<u>530</u>	<u>166</u>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Amounts received specifically for new or upgraded assets		146	901
Other grants, subsidies and contributions		468	338
Individually significant items	refer to comments below	2,314	3,270
		<u>2,928</u>	<u>4,509</u>
<i>The functions to which these grants relate are shown in Note 2.</i>			
<b>Sources of grants</b>			
<b>Specifically for new or upgraded assets</b>			
Commonwealth government		51	-
State government		95	901
		<u>146</u>	<u>901</u>
<b>Other grants, subsidies and contributions</b>			
Commonwealth government		-	50
State government		2,448	1,953
Other		334	1,605
		<u>2,782</u>	<u>3,608</u>
		<u>2,928</u>	<u>4,509</u>
<b>Individually Significant Items</b>			
On 28 June 2010, Council received payment of the first instalment of the 2010/11 Grant Commission (FAG) grant. Similarly, on 28 June 2011 Council received payment of the first instalment of the 2011/12 grant. It is not known when the timing of these grant payments will be restored to the normal schedule, but this will materially adversely affect Council's operating results as these amounts are recognised as income upon receipt.		207	190
Grants Commission Grants		706	633
Infrastructure Grant Community Wastewater Management Systems		539	584
Roads to Recovery Grant		278	278
Local Government Disaster Fund		250	-
Developer's contribution for future roadworks		334	1,585
		<u>2,314</u>	<u>3,270</u>

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

#### Note 2 - INCOME (continued)

	2011	2010
Notes	\$'000	\$'000
<b>Conditions over grants &amp; contributions</b>		
<i>Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:</i>		
<i>Unexpended at the close of the previous reporting period</i>	<u>2,180</u>	<u>492</u>
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>		
<i>Roads Infrastructure</i>	(179 )	(68 )
<i>Grants Commission</i>	(190 )	(175 )
<i>Other</i>	(141 )	(60 )
<i>Subtotal</i>	<u>(510 )</u>	<u>(303 )</u>
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
<i>Roads Infrastructure</i>	334	1,763
<i>Grants Commission</i>	207	190
<i>Other</i>	73	38
<i>Subtotal</i>	<u>614</u>	<u>1,991</u>
<i>Unexpended at the close of this reporting period</i>	<u>2,284</u>	<u>2,180</u>
<i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>	<u>104</u>	<u>1,688</u>

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 3 - EXPENSES

	Notes	2011 \$'000	2010 \$'000
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		3,414	3,464
Employee leave expense		388	416
Superannuation - defined contribution plan contributions	18	179	198
Superannuation - defined benefit plan contributions	18	152	124
Workers' Compensation Insurance		146	147
Other		34	32
Less: Capitalised and distributed costs		(438)	(629)
<b>Total Operating Employee Costs</b>		<b>3,875</b>	<b>3,752</b>
<b>Total Number of Employees</b>		<b>60</b>	<b>64</b>
<i>(Full time equivalent at end of reporting period)</i>			
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		6	6
Elected members' expenses		153	121
Election expenses		28	8
Operating Lease Rentals - non-cancellable leases	17		
- minimum lease payments		4	4
Subtotal - Prescribed Expenses		<b>191</b>	<b>139</b>
<u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		2,744	2,119
Energy		603	550
Insurance		368	317
Levies paid to government - NRM levy		293	303
- Other Levies		70	60
Parts, accessories & consumables		940	639
Professional services		106	56
Sundry		580	438
Subtotal - Other Materials, Contracts & Expenses		<b>5,704</b>	<b>4,482</b>
		<b>5,895</b>	<b>4,621</b>

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 3 - EXPENSES (continued)

	Notes	2011 \$'000	2010 \$'000
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Land Improvements		36	36
Buildings & Other Structures		1,103	833
Infrastructure			
- Roads, footways and kerbing		3,194	1,548
- Bridges		108	101
- Other road infrastructure		25	19
- CWMS schemes		139	139
- Stormwater drainage		33	33
Plant & Equipment		464	492
Furniture & Fittings		30	34
Other Assets		37	34
<b>Impairment</b>			
Infrastructure - Roads	22	1,201	-
Infrastructure - Bridges	22	482	-
		<u>6,852</u>	<u>3,269</u>
Less: Capitalised and distributed costs		(84)	(114)
Less: Impairment expense offset to asset revaluation reserve	9	(1,683)	-
		<u>5,085</u>	<u>3,155</u>
<b>FINANCE COSTS</b>			
Interest on Loans		847	890
Charges on Finance Leases		1	2
Unwinding of present value discounts		66	44
		<u>914</u>	<u>936</u>

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 4 - ASSET DISPOSAL

	Notes	2011 \$'000	2010 \$'000
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>			
<i><b>Assets renewed or directly replaced</b></i>			
Proceeds from disposal		74	252
Less: Carrying amount of assets sold		<u>93</u>	<u>241</u>
<b>Gain (Loss) on disposal</b>		<u>(19)</u>	<u>11</u>
<i><b>Assets surplus to requirements</b></i>			
Proceeds from disposal		13	2
Less: Carrying amount of assets sold		<u>4</u>	<u>12</u>
<b>Gain (Loss) on disposal</b>		<u>9</u>	<u>-</u>
 <b>NET GAIN (LOSS) ON DISPOSAL OF ASSETS</b>		 <u>(10)</u>	 <u>1</u>



## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 5 - CURRENT ASSETS

	2011 Notes \$'000	2010 \$'000
<b>CASH &amp; EQUIVALENT ASSETS</b>		
Cash on Hand and at Bank	329	178
Deposits at Call	4,793	5,615
	<u>5,122</u>	<u>5,793</u>
<b>TRADE &amp; OTHER RECEIVABLES</b>		
Rates - General & Other	558	526
Accrued Revenues	61	71
Debtors - general	288	768
GST Recoupment	156	199
Loans to community organisations	32	28
	<u>1,095</u>	<u>1,592</u>
<b>OTHER FINANCIAL ASSETS</b>		
Investment	377	345
	<u>377</u>	<u>345</u>
<b>INVENTORIES</b>		
Stores & Materials	319	289
	<u>319</u>	<u>289</u>

*Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year. All such reversals occurred principally as a result of clerical inaccuracies during stores operations.*

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 6 - NON-CURRENT ASSETS

	Notes	2011 \$'000	2010 \$'000
<b>FINANCIAL ASSETS</b>			
<b>Receivables</b>			
Loans to community organisations		<u>497</u>	<u>479</u>
		<u>497</u>	<u>479</u>
<b>OTHER NON-CURRENT ASSETS</b>			
Capital works-in-progress		<u>1,188</u>	<u>6,162</u>
		<u>1,188</u>	<u>6,162</u>

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2010 \$'000				2011 \$'000			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	12,605	-	-	12,605	12,605	144	-	12,749
Land Improvements	-	108	(36)	72	-	108	(72)	36
Buildings & Other Structures	68,396	-	(23,720)	44,676	68,396	315	(24,823)	43,888
Infrastructure								
- Roads, footways and kerbing	49,211	4,311	(21,365)	32,157	118,887	2,256	(46,442)	74,701
- Bridges	8,047	613	(3,541)	5,119	8,047	1,303	(4,131)	5,219
- Other road infrastructure	-	227	(26)	201	-	268	(51)	217
- CWMS schemes	8,377	-	(4,042)	4,335	8,377	5,713	(4,181)	9,909
- Stormwater drainage	1,795	314	(522)	1,587	1,795	314	(555)	1,554
Plant & Equipment	-	6,464	(2,696)	3,768	-	6,679	(2,931)	3,748
Furniture & Fittings	-	470	(245)	225	-	506	(275)	231
Other assets	-	604	(293)	311	-	661	(330)	331
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	148,431	13,111	(56,486)	105,056	218,107	18,267	(83,791)	152,583
<b>Comparatives</b>	<b>113,465</b>	<b>19,694</b>	<b>(51,096)</b>	<b>82,063</b>	<b>148,431</b>	<b>13,111</b>	<b>(56,486)</b>	<b>105,056</b>

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (continued)

	2010 \$'000	CARRYING AMOUNT MOVEMENTS DURING YEAR \$'000						2011 \$'000
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Net Revaluation	CARRYING AMOUNT
		New /Upgrade	Renewals					
Land	12,605	144	-	-	-	-	-	12,749
Land Improvements	72	-	-	-	(36)	-	-	36
Buildings & Other Structures	44,676	164	151	-	(1,103)	-	-	43,888
Infrastructure								
- Roads, footways and kerbing	32,157	654	1,987	-	(3,194)	(1,201)	44,298	74,701
- Bridges	5,119	690	-	-	(108)	(482)	-	5,219
- Other road infrastructure	201	41	-	-	(25)	-	-	217
- CWMS schemes	4,335	857	4,856	-	(139)	-	-	9,909
- Stormwater drainage	1,587	-	-	-	(33)	-	-	1,554
Plant & Equipment	3,768	171	370	(97)	(464)	-	-	3,748
Furniture & Fittings	225	8	28	-	(30)	-	-	231
Other assets	311	-	57	-	(37)	-	-	331
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>105,056</b>	<b>2,729</b>	<b>7,449</b>	<b>(97)</b>	<b>(5,169)</b>	<b>(1,683)</b>	<b>44,298</b>	<b>152,583</b>
<i>Comparatives</i>	<b>82,063</b>	<b>769</b>	<b>2,063</b>	<b>(253)</b>	<b>(3,269)</b>	<b>-</b>	<b>23,683</b>	<b>105,056</b>

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 7 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (continued)

#### Valuation of Assets

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

#### Land & Land Improvements

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

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

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised at current replacement cost based on a valuation at 30 June 2010 by Maloney Field Services. Additions are recognised at cost.

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

#### Buildings & Other Structures

Buildings and other structures are recognised at fair value based on written down replacement cost deriving from a valuation by Maloney Field Services as at 30 June 2010. Additions are recognised on cost basis. Work will be undertaken in the 2011/2012 financial year to determine whether, in the case of some assets, fair value should be the market value rather than the depreciated replacement cost.

#### Infrastructure

Roads, footways and kerbing infrastructure was valued by Tonkin Engineering as at 1 July 2010 at written down current replacement cost, based on rates current at that time.

Bridges, other road infrastructure, community wastewater management systems infrastructure and stormwater drainage infrastructure were valued at written down current replacement cost based on a valuation by Maloney Field Services as at 30 June 2007.

All acquisitions made after the respective dates of valuation are recorded at cost.

#### Plant, Furniture & Equipment

These assets are recognised on the cost basis.

#### All other assets

These assets are recognised on the cost basis.



# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 8 - LIABILITIES

		2011 \$'000		2010 \$'000	
	Notes	Current	Non-current	Current	Non-current
<b>TRADE &amp; OTHER PAYABLES</b>					
Goods & Services		516	-	1,178	-
Payments received in advance		46	-	54	-
Accrued expenses - employee entitlements		485	-	477	-
Accrued expenses - other		189	-	197	-
Aged Care Facility Deposits		5	-	10	-
Deposits, Retentions & Bonds		59	-	107	-
Other		31	-	31	-
		<b>1,331</b>	<b>-</b>	<b>2,054</b>	<b>-</b>

### BORROWINGS

Loans		749	11,582	702	12,281
Finance Leases	15	-	-	9	-
		<b>749</b>	<b>11,582</b>	<b>711</b>	<b>12,281</b>

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

### PROVISIONS

Employee entitlements (including oncosts)		383	115	394	110
Refuse sites remediation		856	-	713	124
Land remediation		48	-	-	-
		<b>1,287</b>	<b>115</b>	<b>1,107</b>	<b>234</b>

*Amounts included in provisions that are not expected to be settled within 12 months of reporting date.*

**303**

**300**

### Movements in Provisions - 2011 year only (current & non-current)

	Land Remediation	Refuse Sites Remediation	Employee Entitlements
Opening Balance	-	837	504
Add Unwinding of present value discounts	-	38	23
(Less) Payments	-	(19)	(9)
Add (Less) Remeasurement Adjustments	48	-	(20)
Closing Balance	<b>48</b>	<b>856</b>	<b>498</b>

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 9 - RESERVES

	1/7/2010	Net Increments (Decrement s)	Transfers, Impairments	30/6/2011
Notes	\$'000	\$'000	\$'000	\$'000
<b>ASSET REVALUATION RESERVE</b>				
Land	10,215	145	-	<b>10,360</b>
Buildings & Other Structures	33,476	(118 )	-	<b>33,358</b>
Infrastructure				
- Roads, footways and kerbing	35,854	44,298	(1,683 )	78,469
- Bridges	4,672	-	-	<b>4,672</b>
- Stormwater	612	-	-	<b>612</b>
- CWMS	4,955	17	-	<b>4,972</b>
	<b>89,784</b>	<b>44,342</b>	<b>(1,683 )</b>	<b>132,443</b>
<b>Comparatives</b>	<b>66,101</b>	<b>23,683</b>	<b>-</b>	<b>89,784</b>

	1/7/2010	Transfers to Reserve	Transfers from Reserve	30/6/2011
	\$'000	\$'000	\$'000	\$'000
<b>OTHER RESERVES</b>				
Clare CWMS Reserve	1,138	133	(882 )	<b>389</b>
Riverton CWMS Reserve	131	6	(137 )	-
Library Reserve	55	4	(18 )	<b>41</b>
Development Infrastructure Reserve	6	-		<b>6</b>
Fauna Park Reserve	7	-		<b>7</b>
International Relations Reserve	-	8		<b>8</b>
Mistletoe Control Reserve	9	1		<b>10</b>
Riverton RSL Building Reserve	41	2		<b>43</b>
Waste Management Reserve	171	242	(30 )	<b>383</b>
Ngadjuri Lodge Reserve	26	6	(3 )	<b>29</b>
Section 41 Committee Funds Reserve	82	15	(7 )	<b>90</b>
Unspent Grants and Loans Reserve	1,889	937	(1,370 )	<b>1,456</b>
Clare Friends of the Library Reserve	3	9	(2 )	<b>10</b>
Gilbert Friends of the Library Reserve	7	1		<b>8</b>
Riverton Caravan Park and Recreation Grounds Reserve	16	3		<b>19</b>
Clare Open Space Reserve	55	3		<b>58</b>
Riverton Open Space Reserve	52	2	-	<b>54</b>
Mid North Passenger Transport Reserve	107	30	-	<b>137</b>
Windfarm Roads Infrastructure Reserve	1,616	407	-	<b>2,023</b>
Other Reserves	7	2	-	<b>9</b>
	<b>5,418</b>	<b>1,811</b>	<b>(2,449 )</b>	<b>4,780</b>
<b>Comparatives</b>	<b>6,060</b>	<b>3,794</b>	<b>(4,436 )</b>	<b>5,418</b>

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

#### Note 9 - RESERVES (continued)

##### **PURPOSES OF RESERVES**

##### **Asset Revaluation Reserves**

*The asset revaluation reserves are used to record increments and decrements arising from changes in fair value of non-current assets and available-for-sale financial assets.*

##### **Other Reserves**

**Clare CWMS Reserve** - for maintenance and upgrade of the Clare Community Wastewater Management System

**Riverton CWMS Reserve** - for maintenance and upgrade of the Riverton Community Wastewater Management System

**Library Reserve** - for sundry art and literacy programs and future capital renewal

**Development Infrastructure Reserve** - for budgeted projects and unexpected infrastructure requirements

**Fauna Park Reserve** - for maintenance of fauna park located at the Clare Caravan Park

**International Relations Reserve** - to further relationships with 'sister' cities in Ireland, Japan and Spain

**Mistletoe Control Reserve** - for environmental and vegetation issues such as mistletoe control

**Riverton RSL Building Reserve** - for building maintenance

**Waste Management Reserve** - for provision of refuse collection and disposal

**Ngadjuri Lodge Reserve** - for the operation of elderly citizens' facility in Clare

**Section 41 Committee Funds Reserve** - funds set aside for use of various Section 41 committees

**Unspent Grant and Loan Funds Reserve** - unexpended grant and loan funds carried forward

**Clare Friends of the Library Reserve** - funds raised by the Clare Friends of the Library Committee

**Gilbert Friends of the Library Reserve** - funds raised by the Gilbert Friends of the Library Committee

**Riverton Caravan Park and Recreation Grounds Reserve** - for maintenance and upgrade of the Riverton Caravan Park and Recreation Grounds

**Clare Open Space Reserve** - developer contributions towards future acquisition of open space areas

**Riverton Open Space Reserve** - developer contributions towards future acquisition of open space areas

**Mid North Passenger Transport Reserve** - funding for community passenger network scheme

**Windfarm Roads Infrastructure Reserve** - for future works required on access roads to Waterloo

**Other Sundry Reserves** - for various minor works including community projects

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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

	Notes	2011 \$'000	2010 \$'000
<b>CASH &amp; FINANCIAL ASSETS</b>			
Unexpended amounts received from Federal Government		-	13
Community wastewater management systems (CWMS)		389	1,269
Waste management systems		383	172
Other		-	365
<b>TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS</b>		<b>772</b>	<b>1,819</b>

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

#### (a) Reconciliation of Cash

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

	Notes	2011 \$'000	2010 \$'000
Total cash & equivalent assets	5	<u>5,122</u>	<u>5,793</u>
Balances per Cash Flow Statement		<u>5,122</u>	<u>5,793</u>

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

Net Surplus (Deficit)	173	3,923
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	5,085	3,155
Net increase (decrease) in unpaid employee benefits	(27)	168
Premiums & discounts recognised & unwound	67	44
Grants for capital acquisitions treated as Investing Activity	(146)	(901)
Net (Gain) Loss on Disposals	<u>10</u>	-
	5,162	6,389
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	448	(712)
Net (increase) decrease in inventories	(30)	(104)
Net increase (decrease) in trade & other payables	(2)	27
Net increase (decrease) in other provisions	<u>29</u>	<u>(114)</u>
<b>Net Cash provided by (or used in) operations</b>	<u>5,607</u>	<u>5,486</u>

#### (c) Financing Arrangements

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

Corporate Credit Cards	13	13
------------------------	----	----

Council has immediate access to a short-term draw-down facility, and variable interest rate borrowings under a cash advance facility, both from the Local Government Finance Authority of SA.

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 12 - FUNCTIONS

	INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Business Undertakings	2,637	2,476	1,341	1,196	1,296	1,280	539	584	13,650	11,591
Community Services	377	269	1,237	825	(860)	(556)	164	122	5,073	5,117
Culture	76	123	741	869	(665)	(746)	57	53	3,753	3,782
Economic Development	85	92	454	409	(369)	(317)	-	6	532	552
Environment	1,019	970	1,596	1,507	(577)	(537)	50	30	3,023	2,831
Recreation	915	702	3,249	2,724	(2,334)	(2,022)	177	100	39,083	39,768
Regulatory Services	244	213	805	866	(561)	(653)	-	-	63	79
Transport & Communication	614	1,884	5,501	3,268	(4,887)	(1,384)	613	278	80,126	39,065
Plant Hire & Depot/Indirect	-	5	-	-	-	5	-	-	4,066	4,006
Unclassified Activities	378	331	208	209	170	122	17	7	2,422	2,425
Council Administration	9,461	8,420	637	591	8,824	7,829	1,165	823	9,390	10,500
<b>TOTALS</b>	<b>15,806</b>	<b>15,485</b>	<b>15,769</b>	<b>12,464</b>	<b>37</b>	<b>3,021</b>	<b>2,782</b>	<b>2,003</b>	<b>161,181</b>	<b>119,716</b>

Excludes net gain (loss) on disposal or revaluation of assets, net gain (loss) from joint ventures & associated entities, amounts received specifically for new or upgraded assets and physical resources received free of charge.



## **CLARE & GILBERT VALLEYS COUNCIL**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011**

#### **Note 12 – FUNCTIONS (continued)**

##### **COMPONENTS OF FUNCTIONS**

The activities relating to Council functions are as follows:

##### **Business Undertakings**

- Caravan Parks
- Community Wastewater Management Schemes (CWMS)

##### **Community Services**

- Public Order and Safety - Emergency Services, Fire Protection, Other Public Order and Safety
- Health Services
- Community Support - Elderly Citizens Facilities, Other Services for the Aged and Disabled, Children and Youth Services, Community Assistance, Community Transport, Other Community Support
- Community Amenities - Cemeteries, Public Conveniences, Car Parking – non-fee-paying
- Other Community Amenities.

##### **Culture**

- Library Services - Mobile Libraries and Housebound Services, Static Libraries, Other Library Services,
- Cultural Services - Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services.

##### **Economic Development**

- Regional Development, Support to Local Businesses, Tourism, and Other Economic Development.

##### **Environment**

- Natural Resource Management Levy
- Waste Management - Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility, Other Waste Management
- Other Environment - Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping

##### **Recreation**

- Parks and Gardens
- Indoor Sports Facilities, Outdoor Sports Facilities
- Indoor Swimming Centres, Outdoor Swimming Centres
- Halls and Other Recreation.

##### **Regulatory Services**

- Dog and Cat Control, Building Control, Town Planning, Litter Control, Health Inspection, Parking Control, and Other Regulatory Services.

##### **Transport**

- Bridges, Footpaths and Kerbing, Roads, Traffic Management, and Other Transport.

##### **Plant Hire & Depot**

##### **Unclassified Activities**

- Interest

##### **Council Administration**

- Governance - Elected Members, Organisational
- Support Services - Accounting/Finance, Payroll, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services
- Revenues – General Rates, Local Government Grants Commission Grants

**CLARE & GILBERT VALLEYS COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2011

**Note 13 - FINANCIAL INSTRUMENTS**

**Recognised Financial Instruments**

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates of 4.75% (2010: 4.5%). Short term deposits have an average maturity of 180 days and an average interest rate of 6.25% (2010: 180 days, 6%).</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<p><b>Receivables</b> - Rates &amp; Associated Charges (including legals &amp; penalties for late payment)</p> <p>Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.</p>	<p><b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p><b>Terms &amp; conditions:</b> Secured over the subject land, arrears attract interest of 0.75% (2010: 0.5833%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables</b> - Fees & other charges	<p><b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables</b> - other levels of government	<p><b>Accounting Policy:</b> Carried at nominal value.</p> <p><b>Terms &amp; conditions:</b> Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth &amp; State.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Receivables</b> - Retirement Home Contributions	<p><b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p><b>Terms &amp; conditions:</b> Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Liabilities</b> - Creditors and Accruals	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities</b> - Retirement Home Contributions	<p><b>Accounting Policy:</b> To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p><b>Terms &amp; conditions:</b> Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.</p> <p><b>Carrying amount:</b> approximates fair value for short tenancies; may be non-materially over-stated for longer tenancies.</p>
<b>Liabilities</b> - Interest Bearing Borrowings	<p><b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p><b>Terms &amp; conditions:</b> secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 6.12% and 7.9% (2010: 6.12% and 7.77%)</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities</b> - Finance Leases	<p><b>Accounting Policy:</b> accounted for in accordance with AASB 117.</p>

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

### Note 13 - FINANCIAL INSTRUMENTS (continued)

#### Liquidity Analysis

2011	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>					
Cash & Equivalents	5,122	-	-	5,122	5,122
Receivables	1,034	-	-	1,034	1,034
Other Financial Assets	447	281	466	1,194	874
<b>Total</b>	<b>6,603</b>	<b>281</b>	<b>466</b>	<b>7,350</b>	<b>7,030</b>
<b>Financial Liabilities</b>					
Payables	657	-	-	657	657
Current Borrowings	1,563	-	-	1,563	749
Non-Current Borrowings	-	6,254	10,438	16,692	11,582
<b>Total</b>	<b>2,220</b>	<b>6,254</b>	<b>10,438</b>	<b>18,912</b>	<b>12,988</b>

2010	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>					
Cash & Equivalents	5,793	-	-	5,793	5,793
Receivables	1,545	-	-	1,545	1,545
Other Financial Assets	410	259	474	1,143	824
<b>Total</b>	<b>7,748</b>	<b>259</b>	<b>474</b>	<b>8,481</b>	<b>8,162</b>
<b>Financial Liabilities</b>					
Payables	1,380	-	-	1,380	1,380
Current Borrowings	1,567	-	-	1,567	711
Non-Current Borrowings	-	6,232	11,943	18,175	12,281
<b>Total</b>	<b>2,947</b>	<b>6,232</b>	<b>11,943</b>	<b>21,122</b>	<b>14,372</b>

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

	30 June 2011		30 June 2010	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Other Variable Rates	0	657	0	1,380
Fixed Interest Rates	6.7	12,331	6.7	12,992
		<b>12,988</b>		<b>14,372</b>

#### Net Fair Value

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

#### Risk Exposures

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

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

**Liquidity Risk** is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

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

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

### Note 14 - COMMITMENTS FOR EXPENDITURE

	2011 Notes \$'000	2010 \$'000
<b>Capital Commitments</b>		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	-	92
Plant & Equipment	-	3,528
	<u>-</u>	<u>3,620</u>
These expenditures are payable:		
Not later than one year	-	3,620
	<u>-</u>	<u>3,620</u>
<b>Other Expenditure Commitments</b>		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	45	-
Employee Remuneration Contracts	475	627
	<u>520</u>	<u>627</u>
These expenditures are payable:		
Not later than one year	176	161
Later than one year and not later than 5 years	344	466
	<u>520</u>	<u>627</u>
<b>Finance Lease Commitments</b>		
Council leases for equipment expired in 2011. (These leases had a carrying amount of \$8,966 in 2010)		
Not later than one year	-	9
Net Lease Liability	<u>-</u>	<u>9</u>
Representing lease liabilities:		
Current	9 -	9
	<u>-</u>	<u>9</u>

**CLARE & GILBERT VALLEYS COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2011**

**Note 15 - FINANCIAL INDICATORS**

2011                      2010                      2009

These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

<b>Operating Surplus</b>	\$'000	37	3,021	(38)
--------------------------	--------	----	-------	------

*Being the operating surplus (deficit) before capital amounts .*

<b>Adjusted Operating Surplus</b>	\$'000	20	3,006	(213)
-----------------------------------	--------	----	-------	-------

*In each of June 2009, 2010 and 2011 the Commonwealth Government made an advance payment of one quarterly payment of the Financial Assistance Grant (see Note 3). Accordingly there were five "quarterly" payments in 2009, and four payments in each of 2010 and 2011. The **Adjusted Operating Surplus** and **Adjusted Operating Surplus Ratio** adjust for this distortion.*

**Operating Surplus Ratio**

<u>Operating Surplus</u>	0%	34%	0%
Rates - general & other less NRM levy			

<b>Adjusted Operating Surplus Ratio</b>	0%	34%	3%
---	----	-----	----

*This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.*

<b>Net Financial Liabilities</b>	\$'000	7,973	8,178	8,208
----------------------------------	--------	-------	-------	-------

*Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses.)*

**Net Financial Liabilities Ratio**

<u>Net Financial Liabilities</u>	51%	54%	65%
Total Operating Revenue less NRM levy			

**Interest Cover Ratio**

<u>Net Interest Expense</u>	3.5%	4.1%	4.6%
Total Operating Revenue less NRM levy less Investment Income			

**Asset Sustainability Ratio**

<u>Net Asset Renewals</u>	79%	148%	81%
Depreciation Expense			

*Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.*

**Asset Consumption Ratio**

<u>Carrying value of depreciable assets</u>	63%	62%	58%
Gross value of depreciable assets			

*Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.*

## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2011 \$'000	2010 \$'000
Income	15,806	15,485
less Expenses	<u>15,769</u>	<u>12,464</u>
<b>Operating Surplus / (Deficit)</b>	<b>37</b>	<b>3,021</b>
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	4,097	4,743
less Depreciation, Amortisation and Impairment	5,085	3,155
less Proceeds from Sale of Replaced Assets	<u>74</u>	<u>85</u>
	<b>(1,062)</b>	<b>1,503</b>
<b>less Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets	1,747	1,911
less Amounts received specifically for New and Upgraded Assets	198	848
less Proceeds from Sale of Surplus Assets	<u>12</u>	<u>252</u>
	<u><b>1,537</b></u>	<u><b>811</b></u>
<b>Net Lending / (Borrowing) for Financial Year</b>	<u><b>(438)</b></u>	<u><b>707</b></u>



## CLARE & GILBERT VALLEYS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

#### Note 17 - OPERATING LEASES

##### *Leases providing revenue to the Council*

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

##### *Lease payment commitments of Council*

Council has entered into a non-cancellable operating lease for a multiscreen communication system.

The lease imposes no additional restrictions on Council in relation to additional debt or further leasing.

Council may, at the expiry of the lease, elect to re-lease, return or acquire the equipment leased.

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

	2011 \$'000	2010 \$'000
Not later than one year	1	5
Later than one year and not later than 5 years	-	1
	<u>1</u>	<u>6</u>

# **CLARE & GILBERT VALLEYS COUNCIL**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011**

### **Note 18 – SUPERANNUATION**

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

#### **Marketlink (Accumulation Fund) Members**

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2010/11 for Marketlink members and 3% for Salarylink members; 9% and 3% respectively in 2009/10). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

#### **Salarylink (Defined Benefit) Members**

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Scheme's Trustee based on advice from the Scheme's Actuary. The rate is currently 6.3% (6% in 2009/10) of "superannuation" salary. Given that Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation, the remaining 3% for Salarylink members is allocated to their Marketlink account. Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

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

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

# **CLARE & GILBERT VALLEYS COUNCIL**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011**

### **Note 19 - JOINT VENTURES & ASSOCIATED ENTITIES**

#### **Section 41 Committees**

The financial statements of the following Section 41 Committees have been consolidated into Council's statements for the year ended 30 June 2011.

(a) Mid North Passenger Transport Network

This Committee is an advisory committee of interested parties including representatives of the Clare & Gilbert Valleys Council, Wakefield Regional Council, Regional Council of Goyder and District Council of Mallala.

A funding deed exists between the Clare & Gilbert Valleys Council and the Minister for Transport with additional funding coming from the partner Councils.

The aim of the MNPTN is to address the transport needs of communities in the region particularly the transport disadvantaged, by coordinating and brokering transport services within the region, providing an information service and delivering transport where no other appropriate services exist.

(b) Other

Saddleworth Institute Committee  
Auburn Institute Committee  
Auburn Recreation Park Committee  
Manoora Hall Committee  
Saddleworth Recreation Ground Committee  
Winkler Park Development Committee  
Riverton Community Hall Committee  
Riverton Recreation Grounds Committee  
Scholz Park Committee

#### **Regional Subsidiaries**

Council is a member of the Central Local Government Region of South Australia. The objects of the Region are set out in Clause 2 of its Constitution as follows:

(a) To undertake co-ordinating, advocacy and representational roles for its constituent councils at a regional level.

(b) To facilitate and co-ordinate activities of Local Government at a regional level related to community and economic development with the object of achieving continual improvement for the benefit of the communities of its constituent councils.

(c) To develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of Local Government when dealing with other governments, private enterprise and the community.

(d) To develop further co-operation between its constituent councils for the benefit of the communities of the region.

The financials of this regional committee have not been included into Council's statements as they are not considered to be material.

## **CLARE & GILBERT VALLEYS COUNCIL**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011**

#### **Note 20 - NON-CURRENT ASSETS HELD FOR SALE & DISCONTINUED OPERATIONS**

There are no non-current assets held for sale or discontinued operations to report.

Page N33

## **CLARE & GILBERT VALLEYS COUNCIL**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011**

#### **Note 21 - ASSETS & LIABILITIES NOT RECOGNISED IN THE BALANCE SHEET**

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

##### **LAND UNDER ROADS**

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

##### **BANK GUARANTEES**

No loans or banking facilities advanced to community organisations and sporting bodies, have been guaranteed by Council.

## **CLARE & GILBERT VALLEYS COUNCIL**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011**

#### **Note 22 - EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

Council experienced a significant flood event during the 2010/2011 year. The impairment expense shown in Note 3 and offset to the Revaluation Reserve represents the portion of the assets affected which were included in the Balance Sheet.

Associated damage including that to land under the roads is extensive and the actual cost to reinstate road infrastructure will be substantially higher than the impairment expense.

A claim for financial assistance amounting to \$5.376m has been made to the Local Government Disaster Fund to renew the infrastructure affected by the flood.

Council's bridge infrastructure was insured for full replacement value.





**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE CLARE & GILBERT VALLEYS COUNCIL**

I have audited the accompanying financial report of the Clare & Gilbert Valleys Council which comprises the balance sheet as at 30 June 2011 and the statement of comprehensive income, statement of changes in equity, cash flow statement, summary of significant accounting policies, other explanatory notes and the certification of financial statement for the year ended 30 June 2011.

**Chief Executive Officer's Responsibility for the Financial Report**

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

**Auditor's Responsibility**

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Independence**

In conducting my audit I followed applicable independence requirements of Australian professional and ethical pronouncements and the Local Government Act 1999.

**Auditor's Opinion**

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Clare & Gilbert Valleys Council as of 30 June 2011, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 1999.

**IAN G MC DONALD FCA  
CHARTERED ACCOUNTANT  
REGISTERED COMPANY AUDITOR**

Signed 22 day of November

Liability limited by a scheme approved under Professional Standards Legislation  
2011, at Eastwood, South Australia

1st Floor,  
206 Greenhill Road,  
Eastwood, SA, 5063

PO Box 75  
Henley Beach  
SA 5022

Mobile: 0419 620 906  
Residence: 8356 0825  
Facsimile: 8356 6397

Email: imd1962@bigpond.net.au

## CLARE & GILBERT VALLEYS COUNCIL

### ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2011

#### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Clare & Gilbert Valleys Council for the year ended 30 June 2011, the Council's Auditor, Ian McDonald FCA, has maintained his independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.



Roy D BLIGHT  
CHIEF EXECUTIVE OFFICER



John COMRIE  
PRESIDING MEMBER  
AUDIT COMMITTEE

Date: 7/11/2011

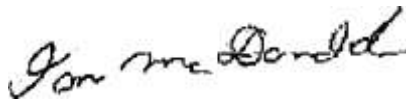
## **CLARE & GILBERT VALLEYS COUNCIL**

### **ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2011**

#### **STATEMENT BY AUDITOR**

I confirm that, for the audit of the financial statements of the Clare & Gilbert Valleys Council for the year ended 30 June 2011, I have maintained my independence in accordance with the requirements of APES 110 - Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.



**Ian G McDonald FCA**

Dated this 19            day of September            2011

## Appendix

# **Central Local Government Region of South Australia**

## **Annual Report for 2010-2011**

Will be available from Council's website  
[www.claregilbertvalleys.sa.gov.au](http://www.claregilbertvalleys.sa.gov.au)