



# **CLARE & GILBERT VALLEYS COUNCIL**

**ANNUAL REPORT 2007/2008**



Clare and Gilbert Valleys is known internationally and nationally for its fine wines and splendid living conditions. This unique part of South Australia incorporates a number of towns with distinct characteristics.

The Clare & Gilbert Valleys experience distinctive seasons and hosts a variety of annual events to correlate with the seasonal changes. The indigenous Australians of the region, Ngadjuri, survived times of drought using the mallee root and underground soakages for water.

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, some 30 minutes from Clare. Farmers in the Gilbert Valley produce cereal and hay crops, sheep, cattle, pigs and poultry, and in recent times they have diversified into small seed crops, vines, olives, and hatcheries.

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 27km path from Clare to Auburn. Almost 30 wineries in this region are supported by a visitor information centre which assists tourists in discovering the excellent services, food and wines of the area.

With its close proximity to Adelaide, the Clare and Gilbert Valleys offer an escape for the city dweller. With its 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 have welcomed and capitalised on tourist numbers with careful management of their natural resources. Award winning wines from the region help attract international tourists to the Valleys as well as winemakers who wish to experience the wine producing qualities of this region.





## STATEMENT OF PURPOSE

**Vibrant communities working together to grow in a dynamic, innovative and sustainable way.**

To achieve our Statement of Purpose we will:

- *be ethical and professional at all times*
- *promote open and effective community consultation, which facilitates discussion, involvement, action and partnership*
- *provide excellence in customer service by facilitating prompt, accurate and effective response to customer concerns*
- *adopt sound business principles in the management of Council resources*
- *encourage quality, innovation and continuous improvement in the delivery of services to the community.*

The following extract from the *Local Government Act 1999* details Council's statutory requirements for the production of the Annual Report.

1. A Council must, on or before 30 November in each year, prepare and adopt an annual report relating to the operations of the Council for the financial year ending on the preceding 30 June.
2. The annual report must include the material, and include specific reports on the matters, specified in schedule 4 as amended from time to time by regulation.
3. The annual report must comply with any requirement prescribed by the regulations.
4. A copy of the annual report must be provided by the Council to each member of the Council.
5. A copy of the annual report must be submitted by the Council
  - a) to the Presiding Members of both Houses of Parliament; and
  - b) to the persons or bodies prescribed by the regulations, on or before a day determined under the regulations.
6. The Presiding Members of the Houses of Parliament must within six sitting days after receiving a copy of annual report under subsection (5), lay the copy before their respective Houses.
7. A Council may provide to the electors for its area an abridged or summary version of its annual report.
8. A Council must ensure that copies of its annual report are available for inspection (without charge) and purchase (on payment of a fee fixed by the Council) by the public at the principal office of the Council.



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Welcome to the Annual Report for 2007/2008 for the Clare & Gilbert Valleys Council.

Your Council has had a productive year in providing vital infrastructure and important community services for communities across the district.

Major projects completed over the course of this year include:

- Ennis Park, Clare
- Steelton Bridge, Steelton
- Maunu Bridge, Boconnoc Park Road, Clare
- Valleys Lifestyle Centre, Clare & Gilbert Valleys Council
- Riverton Swimming Pool Plant Room and Filtration System, Riverton
- Hutt River Boardwalk, Clare
- Apex Park Playground, Clare
- Riverton Caravan Park – Waste Water Treatment System
- Riverton Teen Lounge in Riverton Town Hall
- Main Road 45, 2 km sealed
- South Street, Watervale – 2.8km sealed
- Old Road, Watervale – 400m sealed
- Copper Ore Road, Watervale – 2km sealed
- Cemetery Road, Watervale – 1.2 km sealed

Volunteers 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 Services, Health and Allied Services, Bush Care, Community Passenger Transport Network, Libraries, Trails and Sporting Clubs (to name but 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 volunteers the library service network will



be providing a volunteer resource capability in 2008/09 with funding provided through the State Government.

A changeover of Chief Executive Officer occurred as a result of Mark Goldstone taking up the role of Chief Executive Officer with the City of Prospect in August 2007. In thanking Mark for his contribution I also wish him all the very best for success in his new role.

Roy Blight commenced in the role of Chief Executive Officer in late November 2007. Roy has extensive experience in rural and regional Local Government management.

The Council was honoured to host His Excellency the Governor of South Australia, Kevin Scarce AC CSC RANR for a three day tour of the Council area in May 2008. It was a wonderful visit and His Excellency spent as much time as possible meeting with people from our district and inspecting facilities. His Excellency also opened the Hutt River Linear Boardwalk.

Regrettably Elizabeth Burns tendered her resignation as a Councillor in June 2008. Elizabeth represented the district very well on Council and her experience and expertise will be missed.

(Note: a supplementary election conducted after the 30<sup>th</sup> June 2008 resulted in the election of Wayne Molineux).

The Annual Report for 2007/2008 reflects an improved financial performance for the Council with a smaller deficit being achieved. Your Council faces many challenges in matching the demands for facilities and services with the resources available (including Council rates).

Council is keenly aware of the importance of minimizing rate increases and the cost to ratepayers. In reviewing all of Council's operations the Council is looking for service improvements and productivity gains through better ways of doing things and cost savings wherever possible.

In closing I take this opportunity to thank the Deputy Mayor, Councillor Elizabeth Calvert and all Councillors for their support, commitment and diligence in attending to their roles and the countless hours devoted to Council duties.

I also thank the Staff of the Council for their commitment and dedication to producing results for our community.

**Allan Aughey**  
**Mayor**



My appointment to the role of Chief Executive Officer with Clare & Gilbert Valleys Council commenced on 29<sup>th</sup> November 2007.

I record my appreciation to Mayor Allan Aughey, Councillors, Staff and the Community for the way that I was welcomed into the role and the effort that continues to this day to assist me in understanding the issues, priorities and aspirations for our District.

In the first quarter of 2008 Council concluded the review of the Strategic Plan initiated in mid 2007. The consultation behind this Plan provides a valuable insight into the expectations of the community. The strongest directions are reflected in the Strategic Plan and provide a focus for Council's planning and energy.

In the goal area of "Asset & Enterprise Management" the Council is concluding a rigorous review of community assets and infrastructure held by the Council. These assets are valued at \$82.5m and represent the cumulative investment by successive Councils in roads, bridges, ovals, reserves, halls, playgrounds and drainage schemes.

In 2009/10 Council will be examining the financial sustainability of Council's business and service delivery model through the production of a 10 year strategic financial and asset management plan.

Responding to the goal area of "Finance" and ensuring long term financial viability Council has worked throughout the year on reducing the deficit position through cost containment and careful project management. It is pleasing to note that the overall result for the year to 30<sup>th</sup> June has delivered a \$40,000 deficit in comparison to the budgeted deficit of \$219,792.

Longer term savings have also been achieved with the changes to Council's senior management structure producing a compact and capable team.



Council has initiated a review of the Benny's Hill Site Strategy to reassess the cost structure for this project and examine whether more cost effective solutions are available. This project involves the Clare Community Wastewater Treatment Plant Storage and Reuse, Waste Transfer Station, and Works Depot to replace the Farrell Flat road property which is contracted for sale.

Thank you to my Assistant, Mrs. Bev Goode, the Management Team and all Staff for their service to the Council throughout the year. Your contributions are valued and appreciated. Well done.

**Roy Blight**  
**Chief Executive Officer**





Allan Aughey  
Mayor



Elizabeth Calvert  
Deputy Mayor



Trevor Ackland



Elizabeth Burns  
(Resigned June 2008)



Nedd Golding



Helen Perry



Alan Rye



Dianne Schwarz



Wayne Thomas



Sue Wurst

<b>Mayor:</b>	Allan Aughey	Lot 101 CLARE SA 5453
<b>Deputy Mayor:</b>	Elizabeth Calvert	PO Box 78 SADDLEWORTH SA 5413
<b>Councillors:</b>	Trevor Ackland	PO Box 77 WATERVALE SA 5452
	Elizabeth Burns (Resigned June 2008)	PO Box 80 TARLEE SA 5411
	Nedd Golding	PO Box 542 CLARE SA 5453
	Helen Perry	PO Box 5001 CLARE SA 5453
	Alan Rye	PO Box 73 SEVENHILL SA 5453
	Dianne Schwarz	3 Glynn Street RIVERTON SA 5412
	Wayne Thomas	PO Box 37 MANOORA SA 5414
	Susan Wurst	12 Henry Street CLARE SA 5453



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

Ordinary meetings of Council are usually 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 the meetings 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 7 Special Council meetings were held during the year.

### Meetings attended from July 2007 to June 2008

	Ordinary Meetings	Special Meetings
Mayor Allan Aughey	12	6
Deputy Mayor Cr Elizabeth Calvert	11	7
Cr Trevor Ackland	8	7
Cr Elizabeth Burns	12	6
Cr Nedd Golding	11	7
Cr Helen Perry	11	7
Cr Alan Rye	11	6
Cr Dianne Schwarz	12	5
Cr. Wayne Thomas	11	6
Cr Sue Wurst	9	7

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

Mayor	\$21,800
Deputy Mayor	\$ 6,800
Councillors	\$ 5,450

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.



**Roy Blight**  
**Chief Executive Officer**

Roy was appointed Chief Executive Officer of Council in November 2007 and has extensive experience in rural and regional Local Government within South Australia.

Responsible for:

- Leadership to Council on issues of importance to its Communities and the region.
- Managing the assets and affairs of the Council effectively and efficiently,
- Coordinating its corporate resources, managing the legislative and strategic intervention as required.
- Responsible for implementing Council decisions and policies, day to day operations and affairs of the Council.
- Application of proper management practices and assist Council to assess its performance against its strategic management plans.
- Proper management and maintenance of Council assets and resources.
- Coordination of proposal and provide advice to the Council.

Information on remuneration of Senior Executive Officers

Chief Executive Officer – Roy Blight

The salary package includes private use of a motor vehicle in lieu of overtime and penalty rates, full details of which are included in the Register of Salaries and Allowances which is available for inspection at the Clare Office, 4 Gleeson Street, Clare.



## **COUNCIL STAFF**

### **Governance**

Roy Blight - Chief Executive Officer  
Beverley Goode – Executive Assistant

### **Finance**

Carol McAvaney  
Sarah Pyrke  
Lyn Cook  
Cynthia Price

### **Governance/Risk Management**

Patricia Flood - Manager  
Leanne Kunoth  
Joanne Lawrie

### **Administration**

Abbie Slater  
Claire Longbottom  
Karen Slape  
Karen Pfitzner  
Chris Pitcher  
Tania Dodd

### **Development & Environmental Services**

Robert Veitch - Manager

#### **Planning**

Susan Giles  
Alex MacKenzie

#### **Building**

Digby Addison

#### **Health**

Rai Paseto

#### **Administration**

Kathy Jones  
Georgina Burgess

### **Library & Information Services**

Heather Lymburn  
Joy Williams  
Candice Ellis  
Bernadette Fahey  
Charles Cooper  
Dora Newhouse  
Lurlene Simpson  
Janice Kelly



**The Valleys Lifestyle Centre**

Julie McEwin  
Sonia Goss  
Nick Martin  
Joanne Smith  
Kerry Pryor  
Debra Tobin  
Samantha Callery  
Gaynor Sommerville  
Erin Parish  
Penelope Heinjus  
Stacey Lands  
Jacqueline Norton  
Shirley Lands

**Community Passenger Network**

Kerry Geyer

**Visitor Information Centre**

Marlene Coty  
Alison Ward  
Lesley Randolph  
Christine Koerner  
Gladys Deane

**Youth/Domain**

Lucy McKinnon

**Asset & Project Management**

Tony Eckermann – Manager

**Administration**

Leanne Schirmer  
Alicia Thomas

**Overseers**

Chris Sullivan  
Paul Durkay

**Leading Hands**

Richard Tappin  
Ian Smith

**Asset Management**

Geoff Duke  
Boyd Kench

**Facility/Contract/Maintenance Supervisor**

Gary Easthope

**Asset Maintenance**

Neil Moroney

**Mechanic**

Barrie Simpson  
Simon Goode

Gardeners

Andrew Sandall  
Robert McMurray  
John Hogan

Waste Management

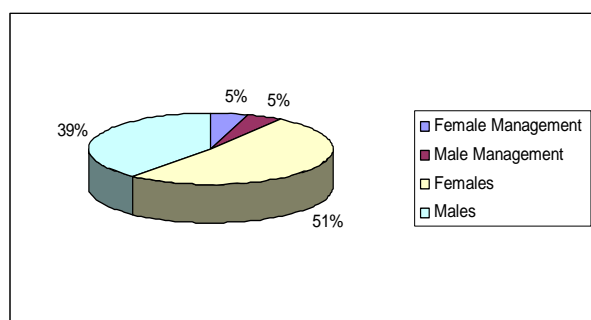
Des Elson  
Stephen Withall

Maintenance/Construction

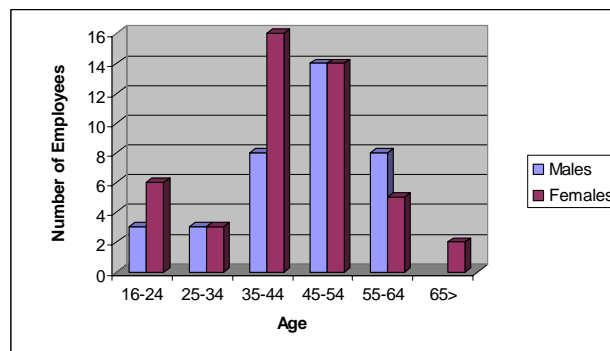
Damien Philp  
Steven Sanford  
Mick Hean  
Ian Francis  
Graham Lands  
Ian Nitschke  
Darren Clark  
Ian Noble  
Mick Hean  
Paul Henbest  
Brian Friebe  
Gavin Burow  
Nathan Skinner

**HUMAN RESOURCES – COUNCIL STAFF**

Council employs a total workforce of 83 people (including 17 Casual, 27 being part of the external work force).



*Staff & Management according to gender*



*Staff according to gender and age*



## 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 746 electors per Elected Member.

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

Council	Elected Members	Electors	Rep. Quota
Wakefield	11	5914	537
Tatiara	10	5536	553
Mallala	11	6653	605
<b>Clare &amp; Gilbert Valleys</b>	<b>10</b>	<b>7568</b>	<b>756</b>
Grant	10	7047	704
Naracoorte	11	6800	618
Renmark Paringa	9	7003	778
Berri	11	8202	746
Light	11	10155	923

## 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 2007/2008.

- 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:
  - 2.27% (being 13 of 573 minute items)
- An indication of any particular issues that contributed to the use of confidentiality provision on more than one occasion:
  - 4 issues were dealt with on more than one occasion
- An indication of the categories of Section 90(3) that were used:
  - 4 occasions – disclosure which would involve the unreasonable disclosure of information concerning personal affairs of any person.
  - 2 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.
  - 3 occasions – information relating to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council.
  - 2 occasions – matters affecting the security of the council, members or employees of the council, or council property or the safety of any person.
  - 2 occasions – legal advice.



- 1 occasion – could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party.
- 1 occasion – would be contrary to the public interest.
- Number of occasions that information originally declared confidential has subsequently been made publicly available:
  - 9 occasions
- Number of occasions that information declared has still not subsequently been made publicly available and the reasons for this in each case:
  - 4 occasions

## **COUNCIL COMMITTEES**

Council has two independent members on the Council Audit Committee who are paid an allowance of \$100 per meeting plus travelling.

The Council Development Assessment Panel consists of four independent members and three Council members. The Presiding Member receives an allowance of \$150 per meeting and the independent Members receive an allowance of \$100 per meeting.

## **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.

## **RETIREMENT VILLAGES**

Pursuant to the requirements of Section 23(4) of the Local Government Act (Implementation) Act 1999 it is reported that Council did not receive any applications for rebates of rates under Section 166(1)(h) (Retirement Villages) during 2006/2007.





## COMPETITIVE TENDERING ARRANGEMENTS

Council is required to report on Competitive Tendering arrangements and other measures to ensure services are delivered cost effectively.

The Clare & Gilbert Valleys Council is committed to ensuring a fair, transparent and accountable process in the provision of services, purchasing of goods and services and in the disposal of land and other assets.

The following methods of obtaining goods and services for the Council are:

- |                                      |   |  |
|--------------------------------------|---|--|
| a) Over \$25,000                     | - | By Tender                                      |
| Between \$500 and \$25,000 inclusive | - | By either verbal or written informal quotation |
| Less than \$500                      | - | No quotations necessary                        |
- b) The Chief Executive Officer and Senior Staff are authorised to engage consultants and contractors provided the expenditure complies with Council's budget.
- c) The Chief Executive Officer and Senior Staff are authorised to call tenders or quotations where there is a need for urgency, or it is evident that a sole acceptable supplier situation exists and where expenditure complies with Council's budget.

The Competitive Tendering Policy is available for inspection at Council's principal office.

In the event of all factors being equal, preference shall be given to local suppliers.

## FREEDOM OF INFORMATION

Council recognises its responsibility for public accountability and to this end makes available a variety of information to the public.

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

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

Council also has a policy to provide information to the community as provided for by the Freedom of Information Act 1991.

Council received no applications under the Freedom of Information Act 1991 for access to Council documents in the financial year ended 30<sup>th</sup> June 2008.



## 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)

- Australia Day Awards Policy
- Banner Policy
- Building Fire Safety Committee
- Car Parking Contribution Policy
- Clare Library Borrowing 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
- Colour of Sheds Policy
- Competitive Tendering, Contracting, Purchasing, Sale &
- Disposal of Land & Other Assets Policy
- Community Owned Property Rate rebate & Service Charge
- Donation Policy
- Concession Policy
- Connection to STEDS Policy
- Corporate Card Usage Policy
- Council Meeting Rotations
- Deferment of Rates Due to Hardship Policy
- Department of Correctional Services Policy
- Development Assessment Procedures Policy
- Economic Incentive Development Policy
- Elected Members Appointment to External Boards
- Entranceways Policy
- European Wasp Policy
- Fines on Rates of Estate Properties
- Heartbeat Inc – Trash & Treasure Markets Ennis Park Policy
- Inspection of Building Work Policy
- Interim Farm Buildings Policy
- Internal Review of Council Decisions Policy
- Keeping of Animals Policy
- Land Development Incentive Policy
- Loans & Council Funding Documents (general, codes, policies and registers)
- Media Contact Policy
- Mobile Food Vehicles Policy
- No Smoking Policy
- Occupational Health Safety & Welfare & Injury Management
- Opening Prayer Policy
- Order Making Policy
- Planting of Vines – Town Centre Policy
- Public Consultation Policy
- Purchase of Closed or Rented Roads Policy
- Rate Capping Rebate Policy
- Rate Rebate Policy 2006
- Rating Policy 2006
- Rhynie - Low Lying Land Policy
- Risk Management Policy
- Riverton Parklands Policy
- Rotary Art Prize Policy
- Scholz Park – August Scholz Travelling Trunk Policy
- Secondhand Transportable Dwellings Policy
- Section 41 Committees Financial Support
- Signs Policy
- Slashing of Township Allotments Policy
- Temporary Occupation of Buildings for Living Purposes Policy
- Tree Management Policy
- Tree Planting on Roadsides Policy
- Underground ETSA Services Policy
- Unmade Road Reserves Policy
- Use of Bird Scarers (Gas Guns etc) Policy
- Volunteer Policy
- Waste Management Charge Rebate
- Water Connection to Council Property Policy
- Elected Member Register of Interests
- List 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.

The National Competition Policy principles also extend to the application of Council by-laws and the extent that their application may restrict competition.

Council is preparing a number of by-laws in accordance with this principle ensuring that competition principles are adhered to. During the reporting period, Council did not receive any complaints about the application of competitive neutrality.

## **PUBLIC CONSULTATION**

The Clare & Gilbert Valleys Council maintains a Public Consultation Policy (refer attachment one). 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



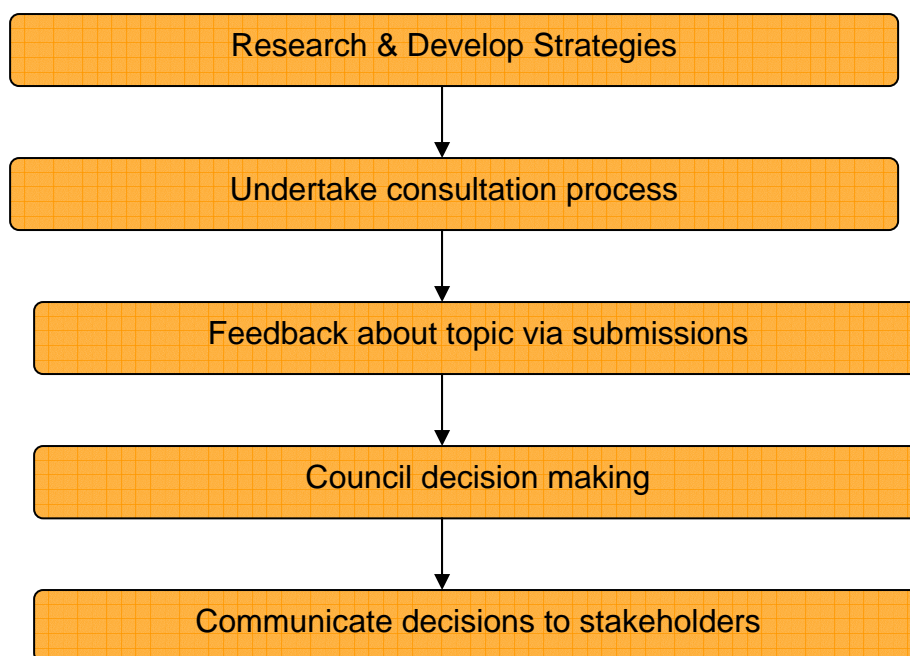
ensure accountability of the Council to the community through effective communication and consultation strategies.

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.

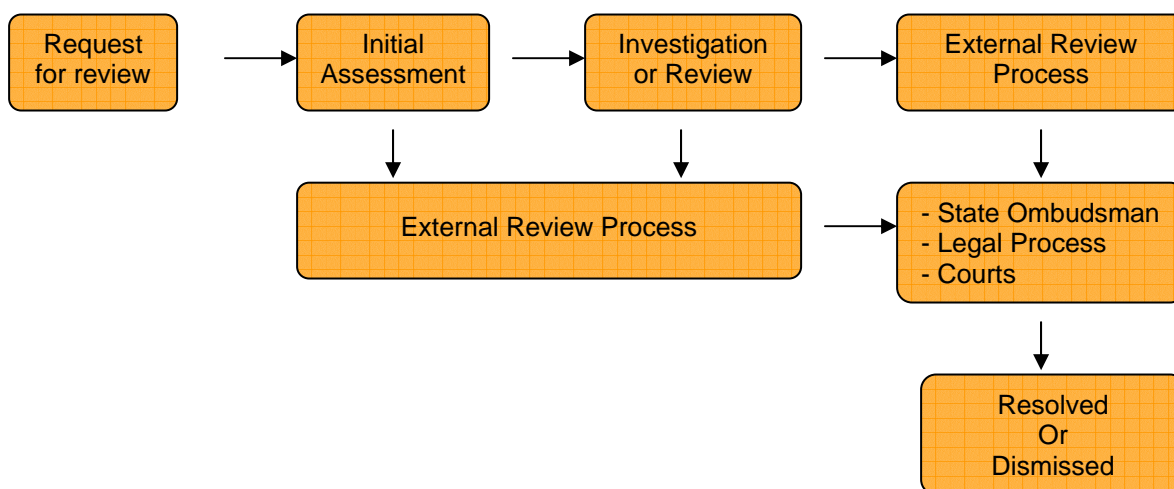
The Clare & Gilbert Valleys Council is committed to transparent decision making processes and to providing access to a fair and objective procedure for the internal review of decisions.

### **Decision Making Process**





## Internal Review of Council Decisions



## **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 1<sup>st</sup> January 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 the 31<sup>st</sup> December 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.



## FINANCIAL SERVICES

### ANNUAL BUDGET PREPARATION

The annual budget process commences early in the calendar year with the distribution of budget worksheets to relevant staff members in each department. The data received is then collated into a draft budget document and a number of workshops are held with elected members to refine the document prior to its adoption for the following financial year.

Proposed expenditure is listed under the various functions and activities carried out by Council with notes to assist Council in the deliberation process and to inform elected members of the impact that the proposed budget will have on the local community.

A comparison of the 2006/2007 and 2007/2008 adopted budgets is shown below.

	<b>Budget 2006/2007 \$,000</b>	<b>Budget 2007/2008 \$,000</b>
General Rate Revenue	5,896	6,378
Other Operating Revenue	3,752	5,500
Less: Operating Expenses	11,052	11,967
<b>Operating Surplus/(Deficit)</b>	<b>(1,404)</b>	<b>(89)</b>
Depreciation	3,573	3,573
Less: Capital Expenditure	4,189	9,646
Amounts received specifically for New & Upgraded Assets	28	843
Book Value of Assets Sold	65	591
<b>Net Lending /(Borrowing for Financial Year)</b>	<b>(1,927)</b>	<b>(4,728)</b>
Net Use of Reserve Funds	868	1,883
New Loans	1450	3,094
Less: Loan Principal Repayments	437	524
Loans Repaid by Community Groups		9
(Increase)/Decrease in Employee Entitlements	46	46
<b>Budgeted Cash Surplus/Deficit</b>	<b>0</b>	<b>220</b>



## MONTHLY FINANCIAL REPORTING

Elected Members are kept informed of the financial performance on a regular monthly basis by details included in the Chief Executive Officer's Information Report in the Council meeting agenda.

The actual financial performance is shown against the adopted budget for each the various functions and activities carried out.

## BUDGET REVIEWS

In accordance with the provisions of the Local Government (Financial Management) Regulations, reviews of the budget are considered by Council throughout the year.

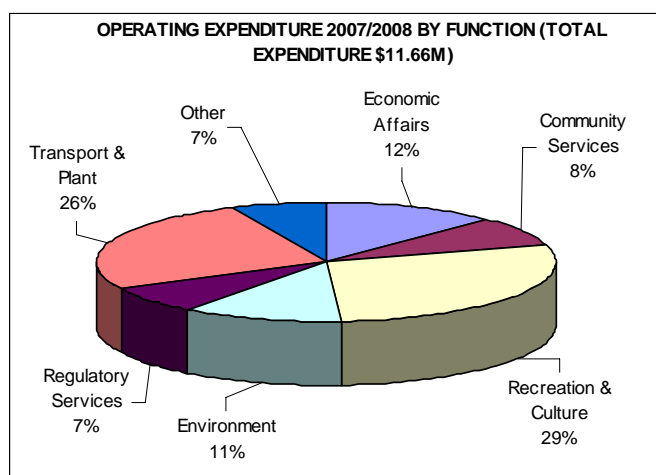
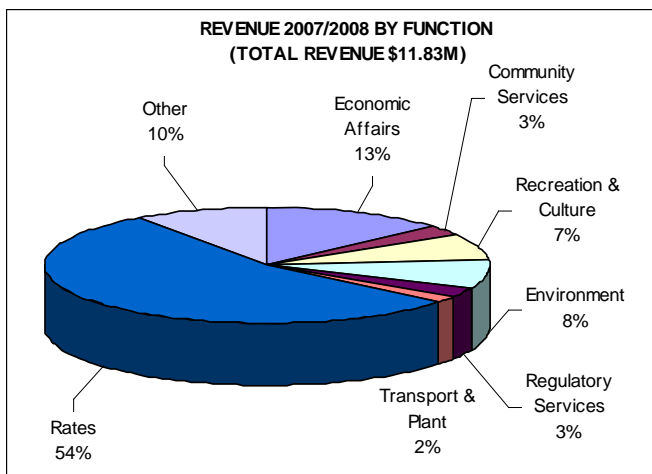
These reviews assist Council in monitoring its financial performance and also assist with developing the framework of the following year's budget.

During the 2007/2008 financial year, budget reviews were prepared as at the end of October 2007, January 2008 and April 2008.

## ANNUAL FINANCIAL STATEMENTS

At the completion of each financial year the Annual Financial Statements are prepared and these detail the financial result of the Council for the entire financial year. The statements are reviewed by Council's Audit Committee and are audited by independent external auditors appointed by Council, Dean Newbery & Partners. The fee paid to the auditor in the 2007/2008 year was \$5,260.

The audit of the 2007/2008 Financial Statements was completed in November 2008 and the statements are attached as an appendix to this report.

**ECONOMIC AFFAIRS**

Caravan Parks, Land Development, Effluent Drainage, Regional Development, Tourism

**COMMUNITY SERVICES**

Public Order & Safety, Health Services, Senior Citizens Facilities, Other Services for the Aged & Disabled, Child & Youth Services, Community Assistance, Other Community Support, Cemeteries, Public Conveniences, Car Parking

**CULTURE & RECREATION**

Libraries, Heritage, Museums, Parks & Gardens, Indoor Sports Facilities, Outdoor Sports Facilities, Swimming Centres, Halls

**ENVIRONMENT**

Natural Resource Management Board, Waste Management, Stormwater & Drainage, Street Cleaning, Street Lighting, Streetscaping

**REGULATORY SERVICES**

Dog Control, Building Control, Town Planning, Health Inspection, Parking Control

**TRANSPORT**

Bridges, Footpaths & Kerbing, Roads, Traffic Management

**OTHER EXPENDITURE**

Governance, Elected Members Expenses, Unclassified Expenditure

**OTHER INCOME**

Government Grants, Interest

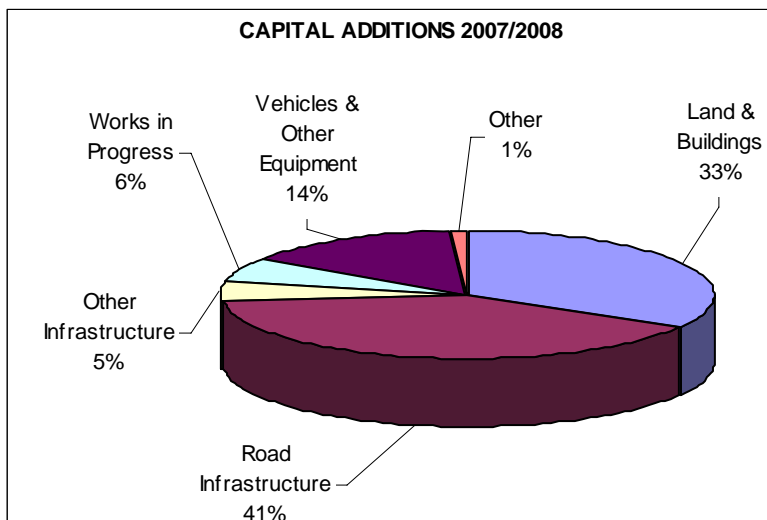




### 2007/2008 CAPITAL ADDITIONS

Land & Buildings	\$ 1,477,059
Road Infrastructure	\$ 1,787,519
Other Infrastructure	\$ 215,486
Vehicles & Other Equipment	\$ 637,848
Works in Progress	\$ 274,978
	\$ 54,637
	<b>\$ 4,447,527</b>

### CAPITAL ADDITIONS 2007/2008



### BALANCE SHEET SUMMARY 30 JUNE 2008

<b>Assets</b>		<b>Liabilities</b>	
Current Assets	\$8.53M	Trade & Other Payables	\$1.30M
Infrastructure, Property, Plant & Equipment	\$81.41M	Provisions	\$0.39M
Other	\$1.28M	Loans	\$14.26M
			\$15.95M
		<b>Equity</b>	<b>\$75.27M</b>
	<b>\$91.22M</b>		<b>\$91.22M</b>



## DEVELOPMENT

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 Environment Protection Act
- The Dog and Cat Management 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 carports, verandahs and garages to relatively large scale commercial development.

### The Heritage Act

Local Government also plays a significant role in the assessment of development proposed in the State Heritage Area of Mintaro, the Heritage 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.

### The Development Plan

Management of land uses is also controlled using the provisions of Council's Development Plan, in conjunction with the Development Act. This is regularly updated and the process to amend it is known as a Development Plan Amendment (DPA). A key requirement of this process is the two month consultation period of a draft DPA with the community, which occurred in 2007 for a Heritage DPA for Mintaro, and will next occur in late 2008 for a Better Development Plan (DPA) and also in 2009 for a Residential & Centre DPA for Clare.

Council commenced those DPA processes in early 2004, with a Section 30 Review of the whole Development Plan. Following on from this a Heritage Study for Mintaro was completed in December 2005 and a Residential & Centre Study for Clare completed late 2006. The processes will finally conclude in 2008/2009 when agreed amendments are proposed to be authorised and included in an updated version of Council's Development Plan.



## **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.

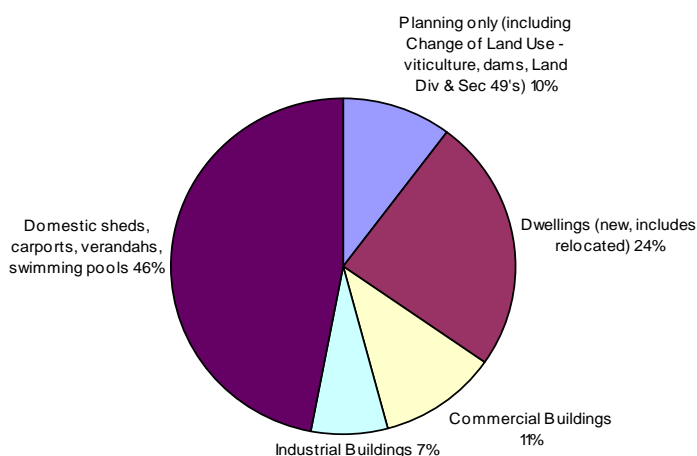
Other applications considered as Category 2 or 3 forms of development pursuant to the Development Act required public notification procedures to be followed. Similarly, those forms of development classed as non-complying also followed the public notification procedure.

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 2007/2008.

Development applications received between 1<sup>st</sup> July 2007 and 30<sup>th</sup> June 2008 are shown, and as a comparison, development applications received between 1<sup>st</sup> July 2006 and 30<sup>th</sup> June 2007 and 1<sup>st</sup> July 2005 and 30<sup>th</sup> June 2006 are also provided.

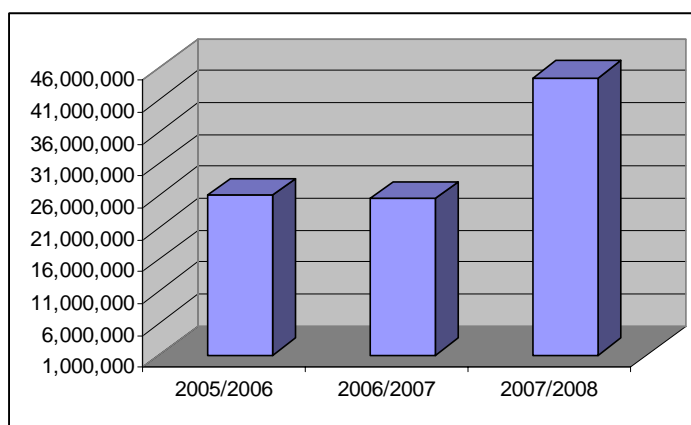
It is worth noting that 80 more development applications were received for the 2007/08 financial year than the previous year. The \$ value increased from \$25.5M in 2006/07 to \$44.5M, due to the increased number of domestic type applications as well as commercial applications ie Taylors Wines \$13M and Jaeschke’s Chicken Farm \$2M. It should be noted that these figures relate to planning assessments only and not ‘as built’ work.

## **PLANNING APPLICATIONS 2007/2008**





## **Development Applications**



## **Building Fire Safety Committee**

Pursuant to Section 71 of the Development Act 1993, the Clare and Gilbert Valleys Council Building Fire Safety Committee carried out inspections and provided guidance for many licensed premises, 2 nursing homes, 1 large retail premises, and the Valleys Lifestyle Centre, Clare. The committee aims for improvements in fire safety and essential safety provisions for premises inspected, primarily through co-operation with building owners.

## **Disability Discrimination Act 1992**

Pursuant to the requirements of the Disability Discrimination Act 1992, Council's Disability Action Plan was reviewed and upgraded, to ensure that people with disabilities can access Council functions, facilities and services. As a result, several of Council's public buildings were altered to ensure they are DDA compliant.



## 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 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: Abbie Slater; Julie McEwin; Charles Cooper; George Nitschke & Mick Hean, and three management Representatives: Roy Blight; Tony Eckermann; and Pat Flood.

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 2004 to 31 March 2008. The maximum rebate is 60% of premium and the maximum penalty is 100% of premium.

As of this year 45%, (40% last year), 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. Next Year this amount will be increased to 50%. 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 results in 2007/08 compared to 2006/07, shows a decrease in percentage from 40.2% to 31.35 %. Of this 45% (\$22,784.00) was applicable to the OHS Self Audit completed by Council and LGAWCS in late 2007, in which Council scored 100%. The other 50% (\$27,847) has declined due to Council resolving two long term claims. This equates to a Rebate cheque of \$50,631.

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 REVIEW**

Once again during 2007/2008 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 2008/09 contribution period. The Review gives Council the opportunity to be rewarded by way of a “discount” off its Gross Contribution.

The Risk Management Review covers most areas of Council operations and specifically areas that have a level of civil liability exposure according to LGAMLS experience, or areas that require a formal risk management approach to prevent potential civil liability claims. As the main pieces of legislation that are administered by Local Government, focus is given to compliance with legislation such as the Local Government Act 1999 and the Development Act 1993.

Council’s gross contribution was \$96,795, which was an overall premium increase of 3.8%. Due to the costs associated with a long term claim our loss ratio rose to 73% which did not qualify for a bonus.

Council has continued to improve its Risk Management performance. This improvement coupled with Council’s Claims Loss Ratio of 73% gave Council a Performance Bonus of \$9,302 which is deducted from the 2008/2009 contribution.

Council Risk Management review score of 87.4% continues to be above the Local Government Regional average of 83% and also above the Local Government average of 85.2%. This shows a continued commitment by all Council staff to embrace Risk Management systems and practices.

## **TRAINING**

Many staff attended training in 2007/2008 and significantly many have completed certificates in their chosen field.

Five administration employees took the opportunity to complete Certificate II after Council signed up for the federal funded Work Choices program which provided incentives for employees with minimal education to study. Four of these employees are now continuing on with further study in their respective fields.



Three administration trainees completed Certificate III in Local government, completing specialities in their respective areas. Additionally one trainee also completed Certificate III in finance at the same time.

A further eight works employees completed Certificate III in Civil construction and another four are currently undertaking this course. All works employees begin this certificate within 3 months of commencement with Council. This training is available due to Council accessing government and Construction Industry funding. One works employee has completed Certificate IV in Arboriculture.

Council's Records Management Officer completed Certificate 3 in Business (Record Keeping) and is now working towards Certificate 4, and one library employee completed Certificate 3 in Library and Information Services.

Two Recreation Centre employees completed Certificate IV in fitness and another is currently undertaking certificate III.

In the Environmental Services section one of our employees completed Certificate IV in Local Government (planning) and has now been accepted into University for the Graduate Diploma in the same field.

Many of Councils employees are completing higher levels of studies with the Assistance of Council but primarily in their own time. This is evident with one of Councils employees completing her Diploma of Business (Human Resources)

Many of these employees were eligible for training incentives and therefore Council received \$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.

With this commitment to training by Council and its employees the Clare and Gilbert Valleys Council has been recognised for training excellence by the Minister in receiving a Runner Up Award for Excellence in Training in Regional SA.



CERTIFICATE	EMPLOYEE
Certificate 2 in Local Government	Claire Longbottom
Certificate 2 in Local Government	Tania Dodd
Certificate 2 in Local Government	Kathy Jones
Certificate 2 in Local Government	Leanne Schirmer
Certificate 2 in Information Technology	Karen Pfitzner
Certificate 3 in Civil Construction (Plant)	Darren Clark
Certificate 3 in Civil Construction (Plant)	Mick Hean
Certificate 3 in Civil Construction (Plant)	John Hogan
Certificate 3 in Civil Construction (Plant)	Ian (George) Nitschke
Certificate 3 in Civil Construction (Plant)	Steve Sanford
Certificate 3 in Civil Construction (Plant)	Ian Smith
Certificate 3 in Civil Construction (Plant)	Chris Sullivan
Certificate 3 in Civil Construction (Plant)	Richard Tappin
Certificate 3 in Local Government	Boyd Kench
Certificate 3 in Local Government	Alicia Thomas
Certificate 3 in Local Government	Georgina Burgess
Certificate 3 in Financial Services (Accounts Clerical)	Georgina Burgess
Certificate 3 in Business (Record Keeping)	Chris Pitcher
Certificate 3 in Library and Information Services	Candice Ellis
Certificate 4 in Horticulture (Arboriculture)	Andrew Sandall
Certificate 4 in Fitness	Katie Knappstein
Certificate 4 in Fitness	Nick Martin
Certificate 4 in Local Government ( Planning)	Susan Giles
Diploma of Business (Human Resources)	Leanne Kunoth





## COMMUNITY SERVICES

The Valleys Lifestyle Centre opened in May 2007. Use of the facility has exceeded expectations; this has been especially evident with the use of the indoor pool. The Valleys has hosted the inaugural Clare Valley Squash Open, an International competition along with county and junior competitions held in a month long festival.

Council has continued to be involved in the asset grant program as this is a positive way for all community groups in the council region to access additional funding for projects. In this year International Power also provided \$5,000 funding for Council to administer for community groups to access, this was a welcome addition to the funds available to regional communities.

BOBfest 08 was held in Balaklava in youth week and was a great success with over 300 young people attending. The Clare & Gilbert Valleys Council Youth Advisory Committee continue to be a success with monthly YAC speak articles appearing in the local media.

The Domain Internet Centre continues to be a base for a range of user groups including the University of the Third Age, Superstars (a group of young people with disabilities), as well as regular users of the facility.

The Riverton War Memorial Swimming Pool had a diving board reinstated in February 2008 which was positively received by the community.

### Visitor Information Centre

In July 2006, Council took over the management of the Clare Valley Visitor Information Centre. Located at the southern end of Clare the architecturally designed rammed earth facility was completed in 2005. The centre had 31,900 visitors throughout the year with the majority of visitors coming from the Adelaide metropolitan area.

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 and every day except Christmas day and is an accredited tourism facility. The Centre was one of the recipients of the Clare Valley Regional Tourism Awards for 2007.



## LIBRARY SERVICES

The Clare & Gilbert Valleys Library Service consists of 2 branches and 3 depots. The central branch is at Clare, and the Saddleworth Library & Community Centre offers a library, Council and a range of other community services. Library depots are located at Auburn, Manoora and Watervale.

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

### FACTS:

- The library service has approximately 4089 borrowers
- The library service contains more than 37900 items
- 119864 loans were processed in 2007/08, an increase of 4.9% since 2006/07
- 104785 people visited the library in 2007/08

Loans by Branch	2005/06	2006/07	2007/08
Clare	81,100	87,934	92,833
Saddleworth & Depots	24,143	26,117	27,031
<b>TOTAL</b>	105,243	114,051	119,864

Items available for loan include books, DVDs, magazines, videos, materials in language other than English, and materials in formats for the visually impaired, such as cassette books and large print books.

The library provides access to materials held in public libraries across South Australia, through the PLAIN inter-library loan network. It also has a management system, Spydus, which allows access to the library catalogue online 24/7 at <http://cgvc.spydus.com>. The system which is called LINK, is in partnership with the Barossa, Light and Gawler Library Services and allows resources to be shared over the regions. Gawler joined the LINK partnership in 2007/08.

Access to the databases and online homework help is also available through the library or council websites. Programs for children were conducted and a home library services was provided to individuals, organisations and institutions. All branches have free access to the internet, word processing facilities and CD-ROM's, with assistance provided either formally with training sessions or informally as required.



# The Year in Review





## FURTHER DOCUMENTS AVAILABLE FOR INSPECTION

Members Code of Conduct

Employees Code of Conduct

Code of Practice for access to Meetings and documents

Public Consultation Policy

Annual Business Plan

## FURTHER INFORMATION

### Council Offices

4 Gleeson Street, Clare SA 5453

Telephone: 8842 6400

Facsimile: 8842 3624

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

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

Business Hours: Monday - Friday 8.30am – 5.00pm

### Branch Offices

19 Belvidere Road, Saddleworth SA 5413

Telephone: 8847 4096

Facsimile: 8847 4215

Business Hours: Tuesday to Friday 8.30am – 5.00pm

Saturday 9.30am – 12 noon

21 Torrens Road, Riverton SA 5412

Telephone: 8847 2305

Facsimile: 8847 2500

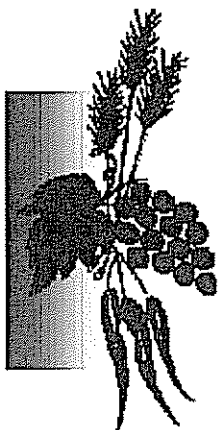
Business Hours: Thursday & Friday 8.30am – 5.00pm





# **FINANCIAL REPORT**

## **FOR THE REPORTING PERIOD ENDED 30 JUNE 2008**



# **CLARE & GILBERT VALLEYS COUNCIL**

**GENERAL PURPOSE FINANCIAL REPORTS  
FOR THE YEAR ENDED 30 JUNE 2008**

# Clare & Gilbert Valleys Council

## General Purpose Financial Reports for the year ended 30 June 2008

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# Clare & Gilbert Valleys Council

## INCOME STATEMENT for the year ended 30 June 2008

	Notes	2008 \$	2007 \$
<b>INCOME</b>			
Rates	2	7,722,200	6,824,442
Statutory charges	2	444,627	517,971
User charges	2	1,685,911	1,396,006
Grants, subsidies and contributions	2	1,335,675	1,172,668
Investment income	2	331,694	319,704
Reimbursements	2	42,927	75,075
Other income	2	270,003	225,457
<b>Total Income</b>		<b>11,833,037</b>	<b>10,531,323</b>
<b>EXPENSES</b>			
Employee costs	3	3,367,517	3,008,185
Materials, contracts & other expenses	3	4,609,442	3,584,230
Finance costs	3	682,300	579,417
Depreciation, amortisation & impairment	3	3,003,224	3,909,326
<b>Total Expenses</b>		<b>11,662,483</b>	<b>11,081,158</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>170,554</b>	<b>(549,835)</b>
Net gain (loss) on disposal or revaluation of assets	4	(236,094)	(6,587)
Amounts received specifically for new or upgraded assets	2	514,868	470,000
Physical resources received free of charge	2	111,852	-
<b>NET SURPLUS / (DEFICIT)</b>		<b>561,180</b>	<b>(86,422)</b>

This Statement is to be read in conjunction with the attached Notes



# Clare & Gilbert Valleys Council

## BALANCE SHEET as at 30 June 2008

	Notes	2008 \$	2007 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	7,374,438	4,503,174
Trade & other receivables	5	591,964	743,944
Other financial assets	5	302,465	293,070
Inventories	5	264,016	146,010
<b>Total Current Assets</b>		<b>8,532,883</b>	<b>5,686,198</b>
<b>Non-current Assets</b>			
Financial Assets	6	206,350	113,776
Infrastructure, Property, Plant & Equipment	7	81,406,278	80,967,921
Other Non-current Assets	6	1,069,314	794,336
<b>Total Non-current Assets</b>		<b>82,681,942</b>	<b>81,876,033</b>
<b>Total Assets</b>		<b>91,214,825</b>	<b>87,562,231</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8	1,296,563	1,520,544
Borrowings	8	618,649	524,263
Provisions	8	316,842	293,623
<b>Total Current Liabilities</b>		<b>2,232,054</b>	<b>2,338,430</b>
<b>Non-current Liabilities</b>			
Borrowings	8	13,641,025	10,459,436
Provisions	8	74,823	58,622
<b>Total Non-current Liabilities</b>		<b>13,715,848</b>	<b>10,518,058</b>
<b>Total Liabilities</b>		<b>15,947,902</b>	<b>12,856,488</b>
<b>NET ASSETS</b>		<b>75,266,923</b>	<b>74,705,743</b>
<b>EQUITY</b>			
Accumulated Surplus		1,668,381	4,288,690
Asset Revaluation Reserve	9	66,470,061	66,470,061
Other Reserves	9	7,128,481	3,946,992
<b>TOTAL EQUITY</b>		<b>75,266,923</b>	<b>74,705,743</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 2008

	2008 \$	2007 \$
Notes		
<b>ACCUMULATED SURPLUS</b>		
Balance at end of previous reporting period	4,288,690	981,696
Net Surplus / (Deficit) for Year	561,180	(86,422)
Transfers to Other Reserves	(6,202,569)	(3,938,192)
Transfers from Other Reserves	<u>3,021,080</u>	<u>7,331,608</u>
Balance at end of period	<u>1,668,381</u>	<u>4,288,690</u>
<b>ASSET REVALUATION RESERVE</b>		
	9	
Balance at end of previous reporting period	66,470,061	54,781,395
Gain on revaluation of infrastructure, property, plant & equipment	<u>-</u>	<u>11,688,666</u>
Balance at end of period	<u>66,470,061</u>	<u>66,470,061</u>
<b>OTHER RESERVES</b>		
	9	
Balance at end of previous reporting period	3,946,992	7,340,408
Transfers from Accumulated Surplus	6,202,569	3,938,192
Transfers to Accumulated Surplus	<u>(3,021,080)</u>	<u>(7,331,608)</u>
Balance at end of period	<u>7,128,481</u>	<u>3,946,992</u>
<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<u>75,266,923</u>	<u>74,705,743</u>
<i>Total of all revenues recognised directly in Equity</i>	<u>-</u>	<u>11,688,666</u>
<b>NET CHANGE IN EQUITY</b>	<u>-</u>	<u>11,688,666</u>

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 2008

	Notes	2008 \$	2007 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<u>Receipts</u>			
Operating receipts		12,196,470	11,199,112
Investment receipts		299,161	365,308
<u>Payments</u>			
Operating payments to suppliers & employees		(8,527,841)	(8,042,917)
Finance payments		(678,959)	(568,609)
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>3,288,831</b>	<b>2,952,894</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		664,868	780,226
Sale of replaced assets		263,455	110,273
Sale of surplus assets		94,778	-
Repayments of loans by community groups		13,177	6,461
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(2,290,699)	(2,989,402)
Expenditure on new/upgraded assets		(2,331,525)	(4,801,276)
Net purchase of investment securities		(9,395)	(16,602)
Loans made to community groups		(115,921)	(116,079)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(3,711,262)</b>	<b>(7,026,399)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Receipts</u>			
Proceeds from Borrowings		3,801,000	2,031,000
Proceeds from Aged Care Facility Deposits		15,000	-
Proceeds from Trust Funds		2,720	-
<u>Payments</u>			
Repayments of Borrowings		(525,025)	(418,027)
Repayment of Trust Funds		-	(2,484)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>3,293,695</b>	<b>1,610,489</b>
<b>Net Increase (Decrease) in cash held</b>		<b>2,871,264</b>	<b>(2,463,016)</b>
Cash & cash equivalents at beginning of period		4,503,174	6,966,190
<b>Cash &amp; cash equivalents at end of period</b>		<b>7,374,438</b>	<b>4,503,174</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 2008

### 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 equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The financial report was authorised for issue by certificate under clause 11 of the *Local Government (Financial Management) Regulations 1999*.

##### 1.2 Historical Cost Convention

Except where 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 AIFRS 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 dollar (\$).

#### 2 The Local Government Reporting Entity

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.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports. A separate statement of moneys held in the Trust Fund is available for inspection at the Council Office by any person free of charge.

#### 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.

## **Clare & Gilbert Valleys Council**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS** for the year ended 30 June 2008

#### **Note 1 - Significant Accounting Policies (cont)**

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.

#### **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.

##### **5.1 Real Estate Assets Developments**

Real Estate Assets developments have been classified as Inventory in accordance with AASB 102 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

##### **5.2 Other Real Estate held for resale**

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

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

##### **6.1 Transitional Provisions**

Council has elected not to recognise land under roads in accordance with the deferral arrangements available under AASB 1045 which expire 30 June 2008. As at 1 July 2008, Council has elected not to recognise any values for land under roads acquired before the commencement of AASB 1051 *Land Under Roads*.

## Clare & Gilbert Valleys Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

#### Note 1 - Significant Accounting Policies (cont)

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".

##### 6.2 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. 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.

##### 6.3 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

##### 6.4 Subsequent Recognition

Certain 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 8.

##### 6.5 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. 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.

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

## Clare & Gilbert Valleys Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

#### Note 1 - Significant Accounting Policies (cont)

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

#### 6.6 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).

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.

#### 6.7 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with the allowed alternative treatment in AASB 1023 "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 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.

## **Clare & Gilbert Valleys Council**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008**

#### **Note 1 - Significant Accounting Policies (cont)**

##### **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 oncosts) 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.

###### **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.

###### **Accumulation Fund Members**

The accumulation fund receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (9% in 2007/08; 9% in 2006/07). 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.

###### **Defined Benefit Members**

Council makes employer contributions to the defined benefits categories of the Scheme at rates determined by the Scheme's Trustee. The rate is currently 6% (6% in 2006/2007) of superannuation salary. 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 Fund's Defined Benefit 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 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.

##### **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.

##### **12 Leases**

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



## Clare & Gilbert Valleys Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

#### Note 1 - Significant Accounting Policies (cont)

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 as assets under lease, 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.

#### 14 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

#### 15 New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2008 reporting period.

- AASB 8 *Operating Segments*
- AASB 101 *Presentation of Financial Statements*
- AASB 123 *Borrowing Costs*
- AASB 1004 *Contributions*
- AASB 1050 *Administered Items*
- AASB 1051 *Land Under Roads*
- AASB 1052 *Disaggregated Disclosures*
- AASB 2007-3 *Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]*
- AASB 2007-6 *Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]*
- AASB 2007-8 *Amendments to Australian Accounting Standards [AASB 1, AASB 2, AASB 4, AASB 5, AASB 107 & AASB 128]*
- AASB 2007-9 *Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137]*
- *Interpretation 4* *Determination whether an Arrangement contains a Lease*
- *Interpretation 13* *Customer Loyalty Programmes*
- *Interpretation 14* *AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*
- *Interpretation 129* *Disclosure – Service Concession Arrangements*
- *Interpretation 1038* *Contributions by Owners Made to Wholly-Owned Public Sector Entities*

## **Clare & Gilbert Valleys Council**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS** for the year ended 30 June 2008

#### **Note 1 - Significant Accounting Policies (cont)**

*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.*

# Clare & Gilbert Valleys Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

### Note 2 - INCOME

	Notes	2008 \$	2007 \$
<b>RATES REVENUES</b>			
<u>General Rates</u>		6,489,465	5,890,781
Less: Mandatory rebates		(72,781)	(59,043)
Less: Discretionary rebates, remissions & write offs		(73,949)	(67,601)
		<u>6,342,735</u>	<u>5,764,137</u>
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		299,880	95,896
Waste collection		482,982	456,758
Community wastewater management systems		556,590	478,184
		<u>1,339,452</u>	<u>1,030,838</u>
<u>Other Charges</u>			
Penalties for late payment		40,013	29,467
		<u>40,013</u>	<u>29,467</u>
		<u>7,722,200</u>	<u>6,824,442</u>
<b>STATUTORY CHARGES</b>			
Development Act fees		127,572	44,236
Town planning fees		143,494	157,259
Animal registration fees & fines		47,320	43,482
Health inspection fees		35,667	45,447
CWMS connection fees		78,434	224,318
Other fines, penalties & expiations		12,140	3,229
		<u>444,627</u>	<u>517,971</u>
<b>USER CHARGES</b>			
Caravan parks		857,356	846,370
Cemeteries		37,193	36,279
Library services		13,161	7,883
Elderly citizens facilities		32,679	10,455
Tourism		90,861	93,757
Recreation		481,115	222,195
Waste management		95,348	87,704
Sundry		78,198	91,363
		<u>1,685,911</u>	<u>1,396,006</u>
<b>INVESTMENT INCOME</b>			
Interest on investments			
Local Government Finance Authority		278,731	290,038
Banks & other		38,432	29,066
Loans to community groups		14,531	600
		<u>331,694</u>	<u>319,704</u>

## Clare & Gilbert Valleys Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

#### NOTE 2 - INCOME (continued)

	Notes	2008 \$	2007 \$
<b>REIMBURSEMENTS</b>			
- other		42,927	75,075
		<u>42,927</u>	<u>75,075</u>
<b>OTHER INCOME</b>			
Donations		244,635	202,942
Sundry		25,368	22,515
		<u>270,003</u>	<u>225,457</u>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Amounts received specifically for new or upgraded		514,868	470,000
Other grants, subsidies and contributions		1,335,675	1,172,668
		<u>1,850,543</u>	<u>1,642,668</u>
<i>The functions to which these grants relate are shown in Note 12.</i>			
<b>Sources of grants</b>			
Commonwealth government		959,676	1,578,222
State government		885,867	64,446
Other		5,000	-
		<u>1,850,543</u>	<u>1,642,668</u>

# Clare & Gilbert Valleys Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

### NOTE 2 - INCOME (continued)

	Notes	2008 \$	2007 \$
<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>		<b>844,587</b>	1,040,130
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>			
Recreation		(183,283)	(574,136)
Environment		(53,645)	-
Culture		(1,500)	(14,942)
Subtotal		<u>(238,428)</u>	<u>(589,078)</u>
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Community Services		2,760	-
Recreation		552,135	-
Roads Infrastructure		-	300,000
Heritage & Cultural Services		5,543	93,535
Subtotal		<u>560,438</u>	<u>393,535</u>
<i>Unexpended at the close of this reporting period and held as</i>		<u><b>1,166,597</b></u>	<u>844,587</u>
<i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>		<u><b>322,010</b></u>	<u>(195,543)</u>
<b>PHYSICAL RESOURCES RECEIVED FREE OF CHARGE</b>			
Plant & equipment		<u>111,852</u>	-
<b>TOTAL PHYSICAL RESOURCES RECEIVED</b>		<u><b>111,852</b></u>	

# Clare & Gilbert Valleys Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

### Note 3 - EXPENSES

	Notes	2008 \$	2007 \$
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		3,360,466	3,197,145
Employee leave expense		341,550	74,942
Superannuation - defined contribution plan contributions	20	112,526	175,354
Superannuation - defined benefit plan contributions	20	191,722	109,540
Workers' Compensation Insurance		89,956	83,133
Other		29,398	-
Less: Capitalised and distributed costs		(758,101)	(631,929)
<b>Total Operating Employee Costs</b>		<b>3,367,517</b>	<b>3,008,185</b>
<b>Total Number of Employees</b>		<b>63</b>	<b>60</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		5,260	4,930
Elected members' expenses		122,375	133,452
Election expenses		2,017	28,418
Subtotal - Prescribed Expenses		<u>129,652</u>	<u>166,800</u>
<u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		2,155,409	1,701,844
Insurance		273,444	258,394
Materials		1,072,232	959,197
Levies paid to government - NRM levy		298,872	94,226
- Other Levies		61,051	31,095
Sundry		618,782	372,674
Subtotal - Other Materials, Contracts & Expenses		<u>4,479,790</u>	<u>3,417,430</u>
		<u>4,609,442</u>	<u>3,584,230</u>

## Clare & Gilbert Valleys Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

#### Note 3 - EXPENSES (cont)

	2008	2007
Notes	\$	\$
<b>FINANCE COSTS</b>		
Interest on Loans	682,300	579,417
	<u>682,300</u>	<u>579,417</u>
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>		
<b>Depreciation</b>		
Buildings & Other Structures	762,940	662,804
Infrastructure	1,850,263	2,919,463
Plant & Equipment	462,083	386,697
Furniture & Fittings	35,141	18,851
Other Assets	29,438	27,657
Less: Capitalised and distributed costs	(136,641)	(106,146)
	<u>3,003,224</u>	<u>3,909,326</u>

## Clare & Gilbert Valleys Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

#### Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2008	2007
Notes	\$	\$
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	263,455	110,273
Less: Carrying amount of assets disposed	<u>544,341</u>	<u>116,860</u>
Gain (Loss) on disposal	<u>(280,886)</u>	<u>(6,587)</u>
 <i>Assets surplus to requirements</i>		
Proceeds from disposal	94,778	-
Less: Carrying amount of assets disposed	<u>49,986</u>	<u>-</u>
Gain (Loss) on disposal	<u>44,792</u>	<u>-</u>
 <b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>	 <u>(236,094)</u>	 <u>(6,587)</u>



## Clare & Gilbert Valleys Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

#### Note 5 - CURRENT ASSETS

	2008	2007
Notes	\$	\$
<b>CASH &amp; EQUIVALENT ASSETS</b>		
Cash on Hand and at Bank	481,868	616,450
Deposits at Call	<u>6,892,570</u>	<u>3,886,724</u>
	<u>7,374,438</u>	<u>4,503,174</u>
<b>TRADE &amp; OTHER RECEIVABLES</b>		
Rates - General & Other	327,529	257,206
Accrued Revenues	83,279	50,746
Debtors - general	81,447	201,850
Debtors - capital	-	150,000
GST Recoupment	76,502	71,105
Loans to community organisations	<u>23,207</u>	<u>13,037</u>
	<u>591,964</u>	<u>743,944</u>
<b>OTHER FINANCIAL ASSETS</b>		
Investment	<u>302,465</u>	<u>293,070</u>
	<u>302,465</u>	<u>293,070</u>
<b>INVENTORIES</b>		
Stores & Materials	<u>264,016</u>	<u>146,010</u>
	<u>264,016</u>	<u>146,010</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 2008

#### Note 6 - NON-CURRENT ASSETS

	2008	2007
Notes	\$	\$
<b>FINANCIAL ASSETS</b>		
Receivables		
Loans to community organisations	206,350	113,776
<b>TOTAL FINANCIAL ASSETS</b>	<u>206,350</u>	<u>113,776</u>
 <b>OTHER NON-CURRENT ASSETS</b>		
Capital Works-in-Progress	1,069,314	794,336
	<u>1,069,314</u>	<u>794,336</u>

# Clare & Gilbert Valleys Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

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

	2007				2008			
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
Land	11,206,136	95,275	-	11,301,411	11,191,178	110,837	-	11,302,015
Land Improvements	-	-	-	-	-	-	-	-
Buildings & Other Structures	36,497,474	5,143,280	(19,642,845)	21,997,909	35,512,363	6,593,194	(19,770,373)	22,335,184
Infrastructure	67,430,533	-	(23,958,031)	43,472,502	67,430,533	2,003,005	(25,808,294)	43,625,244
Plant & Equipment	-	5,816,849	(2,162,461)	3,654,388	-	6,019,932	(2,407,866)	3,612,066
Furniture & Fittings	-	433,415	(140,620)	292,795	-	442,600	(175,761)	266,839
Other assets	-	446,158	(197,242)	248,916	-	491,609	(226,679)	264,930
<b>TOTAL PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>115,134,143</b>	<b>11,934,977</b>	<b>(46,101,199)</b>	<b>80,967,921</b>	<b>114,134,074</b>	<b>15,661,177</b>	<b>(48,388,973)</b>	<b>81,406,278</b>
<b>2007 Totals</b>					<b>115,134,143</b>	<b>11,934,977</b>	<b>(46,101,199)</b>	<b>80,967,921</b>

This Note continues on the following pages.

# Clare & Gilbert Valleys Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

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

	2007	CARRYING AMOUNT MOVEMENTS DURING YEAR					2008
	\$	\$					\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Net Revaluation	CARRYING AMOUNT
	New/Upgrade	Renewals					
Land	11,301,411	27,144	-	(26,540)	-	-	11,302,015
Buildings & Other Structures	21,997,909	1,313,911	136,004	(349,700)	(762,940)	-	22,335,184
Infrastructure	43,472,502	716,089	1,286,916	-	(1,850,263)	-	43,625,244
Plant & Equipment	3,654,388	167,390	470,458	(218,087)	(462,083)	-	3,612,066
Furniture & Fittings	292,795	9,185	-	-	(35,141)	-	266,839
Other assets	248,916	-	45,452	-	(29,438)	-	264,930
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	80,967,921	2,233,719	1,938,830	(594,327)	(3,139,865)	-	81,406,278
2007 Totals	65,838,185	4,694,273	2,879,129	(116,860)	(4,015,472)	11,688,666	80,967,921

This Note continues on the following pages.

# **Clare & Gilbert Valleys Council**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008**

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

#### **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 for the purposes of AIFRS.

#### **Plant, Furniture & Equipment**

Pursuant to Council's election, these assets are recognised on the cost basis.

#### **Land & Land Improvements**

Land and Land Improvements are recognised at written down replacement cost deriving from a valuation by Maloney Field Services as at 30 June 2006. All acquisitions made after the date of valuation are recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

#### **Buildings & Other Structures**

Pursuant to Council's election, buildings and other structures are recognised on the cost basis.

#### **Infrastructure**

Transportation, stormwater drainage and Community wastewater management system infrastructure is recognised at written down replacement cost based on a valuation by Maloney Field Services as at 30 June 2007. All acquisitions made after the date of valuation are recorded at cost.

#### **All other assets**

Pursuant to Council's election, 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 2008

#### Note 8 - LIABILITIES

	Notes	2008		2007	
		\$		\$	
		Current	Non-current	Current	Non-current
<b>TRADE &amp; OTHER PAYABLES</b>					
Operating goods & services		473,600	-	342,403	-
Capital goods & services		165,518	-	588,708	-
Payments received in advance		28,491	-	21,609	-
Accrued expenses - employee entitlements		313,913	-	275,201	-
Accrued expenses - other		168,906	-	165,565	-
Aged care facility deposits		50,000	-	35,000	-
Operating deposits, retentions & bonds		54,557	-	53,200	-
Other deposits, retentions & bonds		41,578	-	38,858	-
		<u>1,296,563</u>	<u>-</u>	<u>1,520,544</u>	<u>-</u>
<b>BORROWINGS</b>					
Loans		618,649	13,641,025	524,263	10,459,436
		<u>618,649</u>	<u>13,641,025</u>	<u>524,263</u>	<u>10,459,436</u>
<i>All interest bearing liabilities are secured over the future revenues of the Council.</i>					
<b>PROVISIONS</b>					
Employee entitlements (including oncosts)		316,842	74,823	293,623	58,622
		<u>316,842</u>	<u>74,823</u>	<u>293,623</u>	<u>58,622</u>

# Clare & Gilbert Valleys Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

### Note 9 - RESERVES

	01/07/2007	Net Increments (Decrements)	Transfers on Sale	30/06/2008
Notes	\$	\$	\$	\$
<b>ASSET REVALUATION RESERVE</b>				
Infrastructure, Land & Buildings	66,470,061			66,470,061
Total Infrastructure, Property, Plant & Equipment	66,470,061			66,470,061
<b>TOTAL</b>	<b>66,470,061</b>			<b>66,470,061</b>
<b>2007 Totals</b>	<b>54,781,395</b>	<b>11,688,666</b>		<b>66,470,061</b>
	01/07/2007	Transfers to Reserve	Transfers from Reserve	30/06/2008
<b>OTHER RESERVES</b>				
Plant Replacement Reserve	99	7	-	106
Clare CWMS Reserve	957,538	1,130,530	(91,247 )	1,996,821
Library Reserve	27,740	24,487	-	52,227
Computer Replacement Reserve	18,181	1,073	(7,120 )	12,134
Administration Equipment Replacement Reserve	19,688	1,328	-	21,016
Development Infrastructure Reserve	221,370	19,526	(215,621 )	25,275
Fauna Park Reserve	5,770	389	-	6,159
Off Street Car Parking Reserve	317	22	-	339
International Relations Reserve	1,281	118	(1,352 )	47
Christison Park Capital Reserve	22,288	1,899	(24,187 )	
Mistletoe Control Reserve	26,514	1,602	(10,500 )	17,616
Clare Caravan Park Lease Reserve	103,974	7,732	(103,901 )	7,805
Residential Development Reserve	-	1,104	-	1,104
Riverton Tourism Reserve	23,531	1,588	-	25,119
Riverton RSL Building Reserve	35,607	2,402	-	38,009
Saddleworth CWMS Reserve	169,085	56,201	(620 )	224,666
Waste Management Reserve	46,496	119,989	-	166,485
Riverton CWMS Reserve	112,096	147,622	(9,805 )	249,913
Clare Swimming Centre Reserve	24,000	1,093	(24,662 )	431
Ngadjuri Lodge Reserve	48,362	3,580	(36,823 )	15,119
Section 41 Committee Funds Reserve	55,078	12,521	-	67,599
Unspent Grants and Loans Reserve	1,918,659	4,599,564	(2,493,027 )	4,025,196
Clare Friends of the Library Reserve	9,047	1,926	(1,000 )	9,973
Gilbert Friends of the Library Reserve	7,150	489	(712 )	6,927
Riverton Caravan Park & Recreation Grounds Reserve	-	8,497	-	8,497
Clare Open Space Reserve	48,433	2,612	-	51,045
Riverton Open Space Reserve	44,688	3,016	-	47,704
Yoshinaga Friendship Group Reserve	-	463	-	463
Mid North Passenger Transport Reserve	-	51,189	(503 )	50,686
<b>TOTAL OTHER RESERVES</b>	<b>3,946,992</b>	<b>6,202,569</b>	<b>(3,021,080 )</b>	<b>7,128,481</b>
<b>2007 Totals</b>	<b>7,340,408</b>	<b>3,938,192</b>	<b>(7,331,608 )</b>	<b>3,946,992</b>

# Clare & Gilbert Valleys Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

### Note 9 (cont) - RESERVES

#### PURPOSES OF RESERVES

##### Asset Revaluation Reserve

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

##### Other Reserves

Plant Replacement Reserve - for the purchase of items of major plant and machinery

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

Library Reserve - for LINK (Library Information Network) licence and set up and sundry art and literacy programs

Computer Replacement Reserve - for maintenance and upgrade of computers as required

Administration Equipment Replacement Reserve - for replacement of administration equipment and fittings

Development Infrastructure Reserve - for budgeted projects and unexpected infrastructure requirements

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

Off Street Car Parking Reserve - for provision of car parking within the townships of the area

International Relations Reserve - to further links with 'twin' towns in Ireland, Japan and Spain

Christison Park Capital Reserve - for capital improvements to the Clare Caravan Park

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

Clare Caravan Park Lease Reserve - for loan repayments Clare recreation and aquatic centre

Residential Development Reserve - to promote residential development

Riverton Tourism Reserve - to provide funds for promotion of tourism in the area

Riverton RSL Building Reserve - for building maintenance and upgrade

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

Waste Management Reserve - for provision of refuse collection and disposal

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

Clare Swimming Centre Reserve - unspent loan funds for capital works at Clare Recreation and Aquatic Centre

Ngadjuri Lodge Entrance Fees - for the operation of elderly citizens' facility in Clare

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

Unspent Grant and Loan Funds Reserve - unexpended grant and loan funds carried forward for use in the following year

Clare Friends of the Library Reserve - funds set aside for use of the Clare Friends of the Library Committee

Gilbert Friends of the Library Reserve - funds set aside for use of 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 - for developer contributions towards future acquisition of open space areas

Yoshinaga Friendship Group Reserve - to maintain links with sister city in Japan

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



## Clare & Gilbert Valleys Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

#### 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	2008 \$	2007 \$
<b>CASH &amp; FINANCIAL ASSETS</b>			
Unexpended amounts received for:			
Road Infrastructure		545,944	639,827
Recreation		552,135	90,900
Other		68,519	65,345
CWMS schemes		2,471,400	1,238,719
Waste management scheme		166,485	46,496
		<u>3,804,483</u>	<u>2,081,287</u>
<b>TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS</b>		<u>3,804,483</u>	<u>2,081,287</u>

# Clare & Gilbert Valleys Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

### Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

	Notes	2008 \$	2007 \$
<b>(a) Reconciliation of Cash</b>			
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 Statement of Financial Position as follows:			
Total cash & equivalent assets	5	<u>7,374,438</u>	<u>4,503,174</u>
Balances per Cash Flow Statement		<u>7,374,438</u>	<u>4,503,174</u>
<b>(b) Reconciliation of Change in Net Assets to Cash from Operating Activities</b>			
Net Surplus (Deficit)		561,180	(86,422)
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		3,003,224	3,909,326
Non-cash asset acquisitions		(111,852)	
Grants for capital acquisitions treated as Investing Activity		(514,868)	(470,000)
Net (Gain) Loss on Disposals		<u>236,094</u>	<u>6,587</u>
		3,173,778	3,359,491
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		12,151	(59,088)
Net (increase) decrease in inventories		(118,006)	83,963
Net increase (decrease) in trade & other payables		181,488	(220,448)
Net increase (decrease) in other provisions		<u>39,420</u>	<u>(211,024)</u>
<b>Net Cash provided by (or used in) operations</b>		<u><b>3,288,831</b></u>	<u><b>2,952,894</b></u>
<b>(c) Non-Cash Financing and Investing Activities</b>			
Acquisition of assets by means of:			
- Physical resources received free of charge	2	<u>111,852</u>	-
<i>Amounts recognised in Income Statement</i>		<u>111,852</u>	-
<b>(d) Financing Arrangements</b>			
Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdrafts			
Corporate Credit Cards		13,000	13,000

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

# Clare & Gilbert Valleys Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

### 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)	
	ACTUAL	2007 \$	ACTUAL	2008 \$	BEFORE CAPITAL		2008 \$	2007 \$	2008 \$	2007 \$
					ACTUAL	ACTUAL				
Business Undertakings	1,492,379	1,548,872	1,079,519	1,041,319	412,860	507,553		19,400	7,358,408	7,502,692
Community Services	319,218	110,592	931,471	853,220	(612,253)	(742,628)	94,016	61,024	3,624,466	3,516,894
Culture	92,377	94,603	679,571	534,883	(587,194)	(440,280)	59,563	18,000	1,379,664	1,367,457
Economic Development	101,145	116,536	354,022	346,230	(252,877)	(229,694)	6,000	110,548	768,231	780,275
Environment	899,800	769,978	1,338,837	1,038,314	(439,037)	(268,336)	8,186	180,571	2,384,099	2,130,893
Recreation	795,518	408,156	2,651,943	1,837,456	(1,856,425)	(1,429,300)	684,868	-	21,984,368	21,674,831
Regulatory Services	330,700	297,738	843,969	732,226	(513,269)	(434,488)	6,400	545,947	102,970	117,423
Transport & Communication	252,305	253,267	3,018,745	3,721,738	(2,766,440)	(3,468,471)	245,941	-	37,676,913	37,349,467
Plant Hire & Depot/Indirect	-	-	-	-	-	-	-	-	3,457,625	3,457,518
Unclassified Activities	407,370	431,411	51,099	164,020	356,271	267,391	30,334	40,376	1,856,612	1,861,504
Council Administration	7,142,225	6,500,170	713,307	811,752	6,428,918	5,688,418	715,235	666,802	10,621,470	7,803,267
<b>TOTALS</b>	<b>11,833,037</b>	<b>10,531,323</b>	<b>11,662,483</b>	<b>11,081,158</b>	<b>170,554</b>	<b>(549,835)</b>	<b>1,850,543</b>	<b>1,642,668</b>	<b>91,214,826</b>	<b>87,562,231</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 2008

### Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

#### **Business Undertakings**

Caravan Parks, Community Wastewater Management Systems (CWMS).

#### **Community Services**

##### *Public Order and Safety*

Emergency Services, Other Fire Protection and Other Public Order and Safety.

##### *Health Services*

Immunisation, Preventive Health Services and Other Health Services.

##### *Community Support*

Elderly Citizens Facilities, Other Services for the Aged and Disabled, Children and Youth Services, Community Assistance, Community Transport and Other Community Support.

##### *Community Amenities*

Cemeteries, Public Conveniences, Car Parking (non-fee-paying), and Other Community Amenities.

#### **Culture**

##### *Library Services*

Mobile and Housebound Services, Static Libraries and Other Library Services.

##### *Cultural Services*

Heritage, Museums and Art Galleries and Other Cultural Services.

#### **Economic Development**

Regional Development, Tourism, and Other Economic Development.

#### **Environment**

##### *Agricultural Services*

Natural Resource Management Levy.

##### *Waste Management*

Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility and Other Waste Management.

##### *Other Environment*

Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping and Other Environment .

#### **Recreation**

Parks and Gardens, Indoor Sports Facilities, Outdoor Sports Facilities, Swimming Centres Outdoor 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 Sealed, Roads Formed, Roads Natural Formed, Roads Unformed and Traffic Management.

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

Plant, Machinery and Council Depot.

#### **Unclassified Activities**

Interest Received, Interest Expense, Miscellaneous Council Properties.

#### **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*

LGGC - General Purpose, and Separate and Special Rates.

# Clare & Gilbert Valleys Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

### 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 at Call are returning interest rates of 7% (2007: between 6% and 7%). Short term deposits have an average maturity of 180 days and an average interest rates of 7.15% (2006: 180 days 6%)</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Receivables - Rates &amp; Associated Charges (including legals &amp; penalties for late payment)</b>	<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 0.85% (2007: 0.81%). 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 - Fees &amp; other charges</b>	<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 - other levels of government</b>	<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 - Retirement Home Contributions</b>	<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 - Creditors and Accruals</b>	<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 - Retirement Home Contributions</b>	<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 - Interest Bearing Loans</b>	<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, loans are repayable by equal 6 monthly instalments of principal &amp; interest; interest is charged at fixed rates between 6% and 8% (2007: 5% and 7%)</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Finance Leases</b>	<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 2008

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2008	Floating Interest Rate	≤ 1 year	Fixed interest maturing in		Non- interest bearing	Total
	\$	\$	> 1 year ≤ 5 years	> 5 years	\$	\$
<b>Financial Assets</b>						
<b>Fair Value through P&amp;L</b>						
Cash Assets	7,371,143				3,295	7,374,438
Other Financial Assets		302,465			-	302,465
<b>Loans &amp; Receivables</b>						
Receivables			335,164	213,189	166,682	715,035
<b>Total</b>	<b>7,371,143</b>	<b>302,465</b>	<b>335,164</b>	<b>213,189</b>	<b>169,977</b>	<b>8,391,938</b>
<i>Weighted Average Interest</i>	<i>7.00%</i>	<i>7.15%</i>	<i>1.00%</i>	<i>6.81%</i>		
<b>Financial Liabilities</b>						
Payables					813,744	813,744
Non-Current Borrowings				14,259,674	-	14,259,674
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,259,674</b>	<b>813,744</b>	<b>15,073,418</b>
<i>Weighted Average Interest</i>				<i>6.66%</i>		
<b>EXCESS OF FINANCIAL ASSETS OVER LIABILITIES</b>	<b>7,371,143</b>	<b>302,465</b>	<b>335,164</b>	<b>(14,046,485)</b>	<b>(643,767)</b>	<b>(6,681,480)</b>
<b>2007</b>	<b>Floating Interest Rate</b>	<b>≤ 1 year</b>	<b>Fixed interest maturing in</b>		<b>Non- interest bearing</b>	<b>Total</b>
	\$	\$	> 1 year ≤ 5 years	> 5 years	\$	\$
<b>Financial Assets</b>						
<b>Fair Value through P&amp;L</b>						
Cash Assets	4,500,029				3,145	4,503,174
Other Financial Assets		293,070			-	293,070
<b>Loans &amp; Receivables</b>						
Receivables		6,036	110,042		690,896	806,974
<b>Total</b>	<b>4,500,029</b>	<b>299,106</b>	<b>110,042</b>	<b>-</b>	<b>694,041</b>	<b>5,603,218</b>
<i>Weighted Average Interest</i>	<i>6.00%</i>	<i>7.00%</i>	<i>7.00%</i>			
<b>Financial Liabilities</b>						
Payables					1,084,928	1,084,928
Non-Current Borrowings		524,263	2,450,530	8,008,906	-	10,983,699
<b>Total</b>	<b>-</b>	<b>524,263</b>	<b>2,450,530</b>	<b>8,008,906</b>	<b>1,084,928</b>	<b>12,068,627</b>
<i>Weighted Average Interest</i>		<i>7.00%</i>	<i>7.00%</i>	<i>7.00%</i>		
<b>EXCESS OF FINANCIAL ASSETS OVER LIABILITIES</b>	<b>4,500,029</b>	<b>(225,157)</b>	<b>(2,340,488)</b>	<b>(8,008,906)</b>	<b>(390,887)</b>	<b>(6,465,409)</b>

## Clare & Gilbert Valleys Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

#### Note 13 (cont) - FINANCIAL INSTRUMENTS

##### 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 provision 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 based on cash inflows. Council also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of Council's financial instruments - both assets and liabilities - are at fixed rates. Any such variations in future cash flows will not be material in effect on either Council incomes or expenditures.

## Clare & Gilbert Valleys Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

#### Note 14 - COMMITMENTS FOR EXPENDITURE

	2008	2007
<u>Notes</u>	\$	\$
<b>Capital Commitments</b>		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings and Infrastructure	20,000	174,880
	<u>20,000</u>	<u>174,880</u>
These expenditures are payable:		
Not later than one year	20,000	174,880
	<u>20,000</u>	<u>174,880</u>



# Clare & Gilbert Valleys Council

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

### Note 15 - FINANCIAL INDICATORS

	2008	2007	2006
<p>These Financial Indicators have been calculated in accordance with <i>Information Paper 9 - Local Government Financial Indicators</i> 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.</p>			
<b>Operating Surplus</b>	170,554	(549,835)	(1,031,540)
<i>Being the operating surplus (deficit) before capital amounts.</i>			
<b>Operating Surplus Ratio</b>			
<u>Operating Surplus</u>	2%	(8%)	(16%)
Rates - general & other less NRM levy			
<i>This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.</i>			
<b>Net Financial Liabilities</b>			
	7,472,685	7,202,524	2,964,659
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).</i>			
<b>Net Financial Liabilities Ratio</b>			
<u>Net Financial Liabilities</u>	65%	69%	30%
Total Operating Revenue less NRM levy			
<b>Interest Cover Ratio</b>			
<u>Net Interest Expense</u>	3.1%	2.6%	0.2%
Total Operating Revenue less NRM levy less Investment Income			
<b>Asset Sustainability Ratio</b>			
<u>Net Asset Renewals</u>	68%	74%	103%
Depreciation Expense			
<i>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.</i>			
<b>Asset Consumption Ratio</b>			
<u>Carrying value of depreciable assets</u>	59%	60%	47%
Gross value of depreciable assets			
<i>Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.</i>			

## Clare & Gilbert Valleys Council

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008

#### 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 uniform and consistent basis. The uniform presentation represents a simplified version of reporting under the Government Finance Statistics (GFS) framework of the Australian Bureau of Statistics.

All Councils in South Australia voluntarily 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

	2008 \$	2007 \$
Operating Revenues	11,833,037	10,531,323
<i>less</i> Operating Expenses	<u>(11,662,483)</u>	<u>(11,081,158)</u>
Operating Surplus / (Deficit)	170,554	(549,835)
<b><i>less</i> Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	2,290,699	2,879,129
<i>less</i> Capitalised Depreciation	-	(106,146)
<i>less</i> Depreciation, Amortisation and Impairment	(3,003,224)	(3,909,326)
<i>less</i> Proceeds from Sale of Replaced Assets	<u>(263,455)</u>	<u>(110,273)</u>
	(975,980)	(1,246,616)
<b><i>less</i> Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	2,331,525	5,488,609
<i>less</i> Amounts received specifically for New and Upgraded Assets	(664,868)	(470,000)
<i>less</i> Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>(94,778)</u>	"
	<u>1,571,879</u>	<u>5,018,609</u>
<b>Net Lending / (Borrowing) for Financial Year</b>	<u>(425,345)</u>	<u>(4,321,828)</u>

# **Clare & Gilbert Valleys Council**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008**

### **Note 17 – SUPERANNUATION**

Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme (the Scheme). The Scheme has two categories of membership, each of which is funded differently.

The Scheme's accumulation category, Local Super, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (9% required under Superannuation Guarantee Legislation). 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 Scheme.

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

Council makes employer contributions to the defined benefit category of the Scheme at rates determined by the Trustee on the advice of the Scheme's Actuary. On the basis of the results of 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 2005, the Trustee has determined that the current funding arrangements are adequate for the expected Defined Benefit Plan liabilities.

# **Clare & Gilbert Valleys Council**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008**

### **Note 18 - JOINT VENTURES & ASSOCIATED ENTITIES**

#### **(a) 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 2008.

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

#### **(b) Mid North Passenger Transport Network**

Council hosts the Mid North Community Passenger Network with the support and commitment of the partner councils, Regional Council of Goyder, Wakefield Regional Council and District Council of Mallala with input from a advisory committee of interested parties.

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.

#### **(c) Regional Subsidiaries**

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

- 2.1 To undertake co-ordinating, advocacy and representational roles for its constituent councils at
- 2.2 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.
- 2.3 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.
- 2.4 To develop further co-operation between its constituent councils for the benefit of the communities of the region.

# **Clare & Gilbert Valleys Council**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008**

### **Note 19 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION**

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position 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.

**1. POTENTIAL INSURANCE LOSSES**

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to a deductible "insurance excess", the amount of which varies according to the class of insurance.

There is currently one claim against Council which is the subject of litigation and this is being managed by the Local Government Mutual Liability Scheme. Depending on the outcome, Council may be liable for the insurance excess of \$1500 on this claim.

Other potential claims not reported to Council may have existed at reporting date.

**2. BANK GUARANTEES**

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

**3. LEGAL EXPENSES**

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of one (1) appeal against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

## **Clare & Gilbert Valleys Council**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2008**

#### **Note 20 - EVENTS AFTER THE BALANCE SHEET DATE**

No subsequent events have occurred.

# **Clare & Gilbert Valleys Council**

## **ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2008**

### **STATEMENT BY CHIEF EXECUTIVE OFFICER**

I, Roy D Blight, the person for the time being occupying the position of Chief Executive Officer of the Clare & Gilbert Valleys Council, do hereby state that the Financial Statements of the Council for the year ended 30 June 2008 are to the best of my knowledge presented fairly, and in accordance with accounting procedures which have been maintained in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999* made under that Act.



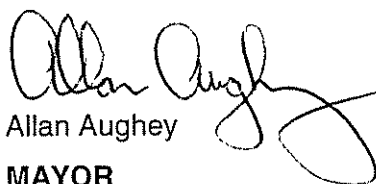
Roy D Blight

**CHIEF EXECUTIVE OFFICER**

Dated this 13th day of November 2008

### **ADOPTION STATEMENT**

Laid before the Clare & Gilbert Valleys Council and adopted on the  
day of November 2008.



Allan Aughey  
**MAYOR**

# Clare & Gilbert Valleys Council

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2008

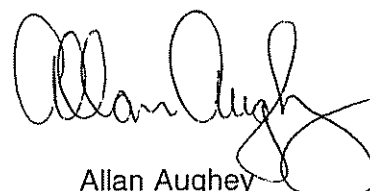
### CERTIFICATION OF AUDITOR INDEPENDENCE

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 2008, the Council's Auditor, Dean Newbery and Partners, Chartered Accountants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.



Roy D Blight  
**CHIEF EXECUTIVE OFFICER**



Allan Aughey  
**PRESIDING MEMBER  
AUDIT COMMITTEE**

Date: 13/11/2008

Date: 13/11/2008



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# DEAN NEWBERY & PARTNERS CHARTERED ACCOUNTANTS

ABN 49 976 436 356

## **Auditor's Independence Declaration Under Section 16A of the Local Government (Financial Management) Regulations 1999 to the Clare and Gilbert Valleys Council**

In conducting our audit, we have complied with the independence requirements of the Local Government Act 1999 and Local Government (Financial Management) Regulations 1999. In accordance with Regulation 16A of the Local Government (Financial Management) Regulations 1999, we state as follows:

*We confirm that for the audit of the financial statements of the Clare and Gilbert Valleys Council for the year ended 30 June 2008, we have maintained our 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, and in accordance with requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.*



**DON VENN**

**Partner**

**DEAN NEWBERY & PARTNERS  
CHARTERED ACCOUNTANTS  
214 MELBOURNE STREET  
NORTH ADELAIDE SA 5006**

**NORTH ADELAIDE, this 30<sup>th</sup> day of June 2008**

# DEAN NEWBERY & PARTNERS CHARTERED ACCOUNTANTS

ABN 30 164 612 890

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CLARE AND GILBERT VALLEYS COUNCIL

### Report on the Financial Report

We have audited the accompanying financial report of the Clare and Gilbert Valleys Council which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity, cash flow statement, a summary of the significant accounting policies, other explanatory notes and the Chief Executive Officer's Statement for the year ended on that date

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

The Chief Executive Officer of the Clare and Gilbert Valleys Council 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 and Local Government (Financial Management) Regulations 1999. This responsibility includes designing, implementing and maintaining internal control 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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 and 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 Chief Executive Officer, as well as evaluating the overall presentation of the financial report.

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

### Independence

In conducting our audit, we have complied with the independence requirements of the Local Government Act 1999 and Local Government (Financial Management) Regulations 1999. We confirm that the independence declaration required by the Local Government Act 1999 and Local Government (Financial Management) Regulations 1999, provided to the Chief Executive Officer on 30 June 2008, would be in the same terms if provided to the Chief Executive Officer as at the date of this auditor's report.

### Auditor's Opinion

In our opinion:

The financial report of the Clare and Gilbert Valleys Council is in accordance with the Local Government Act 1999 and Local Government (Financial Management) Regulations 1999 including:

- (a) giving a true and fair view of the Clare and Gilbert Valleys Council financial position as at 30 June 2008 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (c) complying with Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999; and
- (d) where applicable, in accordance with the provisions relating to subsidiaries (and regional subsidiaries) of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999.

DEAN NEWBERY & PARTNERS  
CHARTERED ACCOUNTANTS



DON VENN  
PARTNER

Signed on the 13<sup>th</sup> day of November 2008,  
at 214 Melbourne Street, North Adelaide, South Australia 5006