



Annual Report 2010-2011



By Council working closely with and as part of
the Community we can make the difference.

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MAYOR'S COMMENTS

The 2010/11 year for the District Council of Kimba has been one of continued improvement. This doesn't happen by chance and is a result of the collaboration between the two arms of council, considered decision making from the elected members and efficient implementation of those decisions by staff. The staff continues to be well led by Daryl, Deb and Michael. Unfortunately our Works Foreman Rick Flavel decided to leave Council early in 2011 and we wish him well for the future. Council's loss is someone else's gain.

Perhaps the most important event of 2010/11 was the Council election held in November 2010. Former Deputy Mayor Carolyn Haskett and Councillors Dianne Hamlyn and Colin Rayson did not seek re-election and I wish to publicly thank them for their positive contributions to Council. Carolyn and Dianne were elected members through some difficult times for Council and their experience and wisdom became invaluable to me as I started my role as Mayor.

Our community had enough interest in council to see more than the required nominations received and that meant an election was needed. This is a great thing for democracy but with eight nominations for seven positions one nomination was not going to be successful. Unfortunately, former Councillor Dianne McDonald was the unsuccessful candidate. I would like to thank her for her contribution to the previous Council.

Four new candidates, Brian Cant, Graeme Baldock, Sue Beinke and Geoff Churchett joined returned candidates Bruce Mathews, Dean Johnson and I. I congratulate Dean on being elected Deputy Mayor and thank all Councillors for having the confidence to return me as their Mayor. I hope I can repay their faith by representing the community well.

A highlight for Council during the year was the opening of the Cowell-Kimba road during April. This was a significant project undertaken by Council and residents can be proud of the fact that we were able to complete it on time and on budget, congratulations to all staff involved. Many people took the opportunity to attend the opening at the 'Shed Tanks' which was jointly organised by staff from Kimba and District Council of Franklin Harbour and thanks to their efforts the event was extremely well received.

Council has been successful in obtaining funding to seal our section of the Balumbah-Kinnaird road and work is progressing well. We still have to commit a considerable amount of our own funds to this project but consider it to be an excellent long term investment.

Various works have been completed in and around IronClad's Wilcherry mining site. Negotiations are continuing with regard to re-sheeting sections of the Drekurmi road. Whilst these private works result in slightly less work being done on our own infrastructure, Council considers the long term gain from the benefit of outside funds eventually being invested throughout our community to be worthwhile. Council agreed to lease section 224, old Rodeo grounds, to IronClad for its mining village and preparations are well underway for the installation of the first units.

A new playground at the Recreation Reserve was completed and with the new Football and Netball clubrooms this area will be much improved. Council along with the State and Federal Governments as partners has installed a RNAV GPS system at the Aerodrome to help with safety for landings. Council has also had plans prepared to seal the strip and will use them to assist with funding when applications are called early in the new financial year.

MAYOR'S COMMENTS

Stage 1 of our Stormwater Project has been completed. Our staff works diligently to implement the continued improvement to our infrastructure mentioned previously throughout the community. We have many comments from visitors about the look of our town and the obvious pride of our community in its surroundings.

Unfortunately, the bigger than usual harvest was marred by wet weather. Not only did this impact on grain quality for growers but caused a significant blow-out in road maintenance costs for Council. Much of the road network needed ongoing grading over harvest and patching of damaged areas will continue into the new financial year.

Finally thank you to all the people involved in making Council the dynamic organisation that it is. Deputy Mayor Dean Johnson and current elected members, previous Deputy Mayor Carolyn Haskett, previously elected members and Daryl Carns, Deb Larwood, Michael Inglis and staff of the District Council of Kimba.

John Schaefer



CHIEF EXECUTIVE OFFICER'S COMMENTS

The 2010/11 financial Year has produced a positive result where both our strategic and financial positions have increased substantially.

Following the elections in November 2011 the new Council led by Mayor Schaefer continued the positive and progressive approach to upgrade infrastructure and move Council closer to long term sustainability.

Some projects during the year were deferred as funds were transferred to roadwork repairs following a good harvest. I'm sure that there would be no objections to this being done knowing that the whole community were benefiting following two to three poor years.

While the financial assistance grants are legislated to be received every year, other one off grants are an important source of extra funding that allow Council to complete projects that they couldn't achieve within our own budget. Roads such as the Cowell-Kimba, Buckleboo and Balumbah-Kinnaird and other works for wastewater and stormwater re-use schemes have all been partly funded by grants. In addition to grants, Council carries out substantial private works for various groups. All of these extra works allows for the employment of extra staff and contractors and creates extra funds that are used to upgrade assets.

Both State and to a lesser degree Federal Government compliance paperwork continues to increase to an alarming rate which ultimately causes the need to move funds from other parts of the budget to administration. Fortunately the impact of this shift has been cushioned over the past five to six years due to the receipt of extra funds from grants and private works.

The ongoing maintenance of Councils extensive road network and the community's expectations on the standards they believe that they should be maintained to continue to cause concern. Council have prioritized Council roads (review in 2011/12) in an effort to spend the funds available on the most used roads and while Council will continue to provide reasonable access to all properties the majority of funds available will be spent on priority 1 and 2 classifications.

The extensive groups of volunteers in Kimba continue to work extremely hard to make the community a better place to live and it is pleasing that Council, wherever possible, continue to provide them with in kind and cash support which over the past three to four years has been quite substantial to assist the groups.

In closing I would like to thank my two senior managers Deb Larwood and Michael Inglis and all of their supportive staff for the work they continue to do for the Council and the community.

Daryl Cearns



MANAGER CORPORATE SERVICE'S COMMENTS

At the conclusion of the 2010-11 financial year Council has proven to be in a strong financial position for both present and future financial sustainability. With an operating surplus of \$469,358 it is pleasing to see that Council's aim to achieve at least a break even result in this area is currently successful and minimal borrowings of \$485,965 and cash and cash equivalents of \$1,517,628 as at 30th June, 2011 is evidence that Council's finances are extremely sound. With this in mind it is Council's intention in the 2011-12 year to review the Long Term Financial Plan, Asset Management Plan and Strategic Plan to help ensure the long term viability of Council.

Council's current major sources of income are centred on Rates and Financial Assistance Grants provided by the Federal Government through the State Government and Council is very dependent on these funds to maintain services within the Kimba District. During the 2010-11 year Council has undertaken some major projects such as further funding received from the Special Local Roads Program to assist in the sealing of the Balumbah-Kinnaird Road in conjunction with the District Council of Cleve, the installation of a new playground at the Recreation Reserve through the Regional and Local Community Infrastructure Program and as part of the National Water Security Plan Council received a further grant of \$126,500 towards a project to harvest stormwater. Stage one of this project was completed in 2010-11 with Stage 2 (the final stage) anticipated to be completed in the 2011-12 financial year. A large portion of council funds are also spent on operating expenses such as roads, waste management and plant and machinery as well as administration costs.

Council remains committed to achieving long-term financial sustainability, and ensuring that, on average, its annual revenue from all sources at least matches the cost of providing Council services. This ensures that future ratepayers will not be burdened in any way by the cost of services being consumed by current ratepayers. One constant concern to Council is determining the level of services that can be provided and maintained within Council's budget. Council regularly reviews these levels of services and determines, to the best of its ability, where funds are best utilized. These decisions are sometimes difficult and not always popular.

Council has also taken an active role in Tourism with the Visitor Information Outlet now housed at Council, the commencement of the production of a Kimba Brochure, the upgrade at Whites Knob, continued advertising in various guides, newspapers and radio stations as well as upgrading and maintaining the walking trails. Council also involves itself heavily in Occupational Health Safety and Welfare (OHS&W) as this plays a major part in the way Council works and is therefore an ever increasing cost. Council is currently progressing well with OHS&W which is indicative of a score of 90% achieved in Council's most recent Audit which is well deserved following all the hard work undertaken by staff in this area.

This financial year has been a very busy year including the implementation of new computer software. I would like to thank all staff, both administration and works department, for their continuing dedication. Also thank you to Daryl Cearn, CEO, Michael Inglis, Works Manager and the Mayor and Elected Members for their ongoing support of my role within council. Council is a great place to work and I look forward to the progress and challenges in the year ahead.

Deb Larwood



WORKS MANAGER'S COMMENTS

The 2010/11 financial year has again been a very busy and productive 12 months for Council's works department. Over this period we have maintained our workforce and provided contractors with opportunities to assist in the supply of goods and services. We have also targeted the youth of the district, providing job opportunities including an apprentice diesel mechanic position, contract 'gap year' position for university students as well as casual employment.

Council's road network continues to require a large portion of our overall works budget. The 2010 harvest resulted in record tonnages being hauled over our roads. It was very pleasing to see the way our network held up in general. Although we did suffer some damage, overall I would consider this to be minimal. Council continues to carry out maintenance and repairs making informed decisions based on our road classification policy.

During the period we have undertaken private works for a number of customers including IronClad Mining and Department of Transport Energy and Infrastructure (DTEI). This greatly assists our budget and without these additional works our budget forecasts would be very tight.

Council was successful in achieving funding for the construction and sealing of the Balumbah-Kinnaird Road. The first stage of this project was commenced in the 2010/11 financial year jointly funded by the District Council of Kimba and the Special Local Roads Program.

Water saving initiatives has continued with Council's successful Waste Water Re-use Scheme now being complimented by a Stormwater Re-use initiative. This is due for completion in 2011/12 and includes Stormwater Re-use at the recreation and golf reserves.

Waste management and recycling is also a high priority. Council continues to strive to meet all of our regulatory obligations placed upon us. Our recycling program and collection continues to be well received with increasing amounts of goods being recycled.

Council staff is expected to carry out a wide range of duties to meet the community's requirements. Again I would congratulate them on the commitment and manner in which they have undertaken their roles. By having very proactive and positive Councillors supporting our role makes it an enjoyable environment to work in.

I look forward to leading the group into the new financial year and continuing to meet the community's needs in the way we provide services.

Michael Inglis



COUNCIL VISION

The **Kimba Community Vision 2015** is Council's primary planning framework for the years 2006-2015. It is a living document that will be amended from time to time to recognise the changing needs of the District Council of Kimba community. The Community Vision is incorporated into Council planning and monitored by elected Councillors during their four-year terms of office.

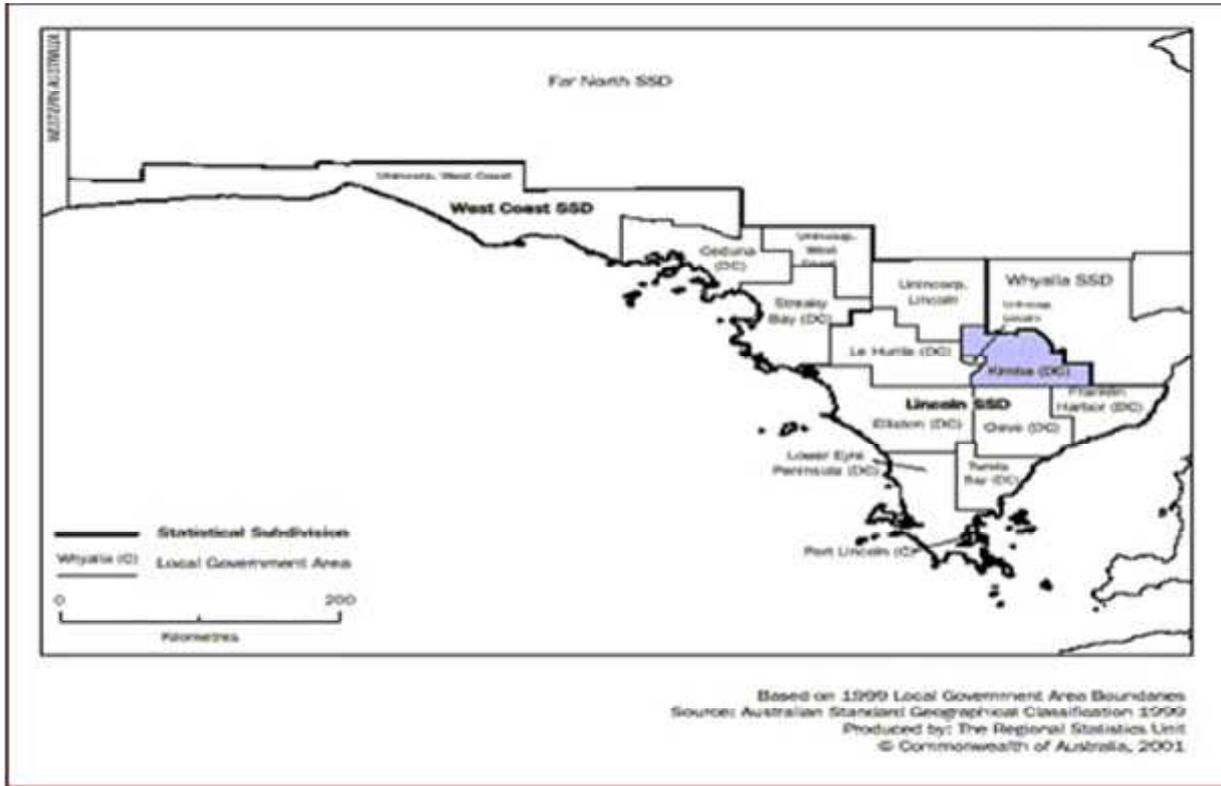
The Community Vision describes what Council believes must happen during this time to ensure that the District is developed according to community expectations and achieve a 'Sustainable Region'.

A 'Sustainable Region' is one that recognises the current values of the community, the importance of the history of the Region and the character of its built environment. Using this information, the Region will be placed in a position to ensure that it has long term goals to maintain and moving further towards becoming a community that is:

- ★ caring
- ★ informed
- ★ connected and accessible
- ★ pursues economic prosperity
- ★ provides social equity; and
- ★ acts in an environmentally responsible way.

Sustainable Region approach forms the basis of this Community Vision, which in turn enables Council to set its long term objectives regardless of four year elected periods. The philosophy of Local Agenda 21 – that is economic, social and environmental sustainability – has been integrated into this plan.





The District Council of Kimba is strategically located on the Eyre Highway, National Highway One, covers an area of 3,500 square kilometres and has an estimated resident population of 1,048.

Kimba is 474 kilometres from Adelaide, 155 kilometres west of Port Augusta and 315 kilometres east of Ceduna. Neighboring towns are Cleve (75kms), Kyancutta (90kms), Cowell (90kms) and Whyalla (120kms). The District has an extensive road network with some 1,697 kilometres of roads, of which 73.5 kilometres are sealed.



COUNCIL ELECTED MEMBERS

Mayor

J. B. Schaefer

PO Box 203
Kimba SA 5641
Tel: (08) 8627 8081
Fax: (08) 8627 8082
Mobile: 0428 278 081
email: jjschaefer@activ8.net.au
Allowance: \$20,000
Reimbursements \$3,280
Attended 12/12 Council meetings
LGA of SA Conference
Mayors Residential seminar



Deputy Mayor

D. N. Johnson

PO Box 209
Tel: (08) 8627 2015 (W)
Tel: (08) 8627 2442 (H)
Fax: (08) 8627 2566
Mobile: 0427 619 815
email: kimbaiga@bigpond.com
Allowance: \$6,250
Attended 11/12 Council meetings



Councillor – newly elected

S. K. Beinke

PO Box 393
Kimba SA 5641
Tel: (08) 8627 2247
Fax: (08) 8627 2695
Mobile: 0427 272 695
email: sue.beinke.@bigpond.com
Allowance: \$5,000
Reimbursements \$202.00
Attended 7/8 Council meetings



Councillor – newly elected

G. J. Baldock

PO Box 460
Kimba SA 5641
Tel: (08) 8627 4056
Fax: (08) 8627 4094
Mobile: 0427 3274 056
email: baldock.gj@bigpond.com
Allowance: \$5,000
Reimbursements \$746.00
Attended 8/8 Council meetings



Councillor – newly elected

B. S. Cant

PMB 4
Cleve SA 5640
Tel: (08) 8627 5012
Fax: (08) 8627 5082
Mobile: 0427 275 012
email: cantwaddikee@eyreonline.com
Allowance: \$5,000
Reimbursements; 675.00
Attended 8/8 Council meetings



Councillor

K. B. Mathews

PO Box 363
Kimba SA 5651
Tel: (08) 8627 2031
Fax: (08) 8627 2031
Mobile: 0427 272 031
email: kmathews@bigpond.com
Allowance: \$5,000
Attended 11/12 Council meetings



Councillor – newly elected

G. Churchett

PO Box
Kimba SA 5641
Tel: (08) 8627 2013
Fax: (08) 8627 2591
Mobile: 0427 951 958
email: geoffchurchett@hotmail.com
Allowance: \$5,000
Attended 8/8 Council meetings



Training & Development Activities available for Members of Council

Council Members were provided with the opportunity to undertake Training & Development during 2010-2011. The majority of the training opportunities were provided through the LGA of SA. Council Members also had opportunities to attend conferences and other development subject to approval by Council.

COUNCIL MEETS ON THE SECOND WEDNESDAY OF EVERY MONTH AT 2.00 PM IN THE COUNCIL CHAMBERS, CROSS STREET, KIMBA. MEETINGS ARE OPEN TO THE PUBLIC.

COUNCIL REPRESENTATION

OTHER BODIES:

▫Local Government Association of S.A.	Mayor J B Schaefer Proxy – Deputy Mayor D N Johnson
▫Eyre Peninsula Local Government Association	Mayor J B Schaefer Proxy – Deputy Mayor D N Johnson
▫Kimba School Community Library Board	Cr S K Beinke
▫Kimba Community Development Group	Mayor J B Schafer
▫Kimba Area School Governing Council	Cr S K Beinke

COUNCIL EMPLOYEES

District Council of Kimba employees during the 2010-2011 year:

Administration



Daryl CEARNS
Chief Executive Officer



Debra LARWOOD
Manager Corporate Services



Karin HARRIS
Administration Officer
Governance/Records



Jo SCHAEFER
Administration Officer
Rates/Finance/Website



Deb KEMP
Administration Officer
Payroll
OHS&W Officer



Shylie HARRIS
Administration Officer
OHS&W Officer
Development

Zoe GREGORY - School Based Apprentice

Works



Michael INGLIS
Works Manager



Rick FLAVEL
Works Foreman
(Resigned February 2011)



Chris KENCHINGTON
Town Supervisor



Gary MILLS
Workshop Supervisor



Graeme HAMPEL
Road Construction and Maintenance
Supervisor



Peter ADLER
Multi skilled operator



Trevor NIELSEN
Multi skilled operator



Ben CLEMENTS
Multi skilled operator



Mark STEWART
Multi skilled operator



Michael KEMP
Multi skilled operator

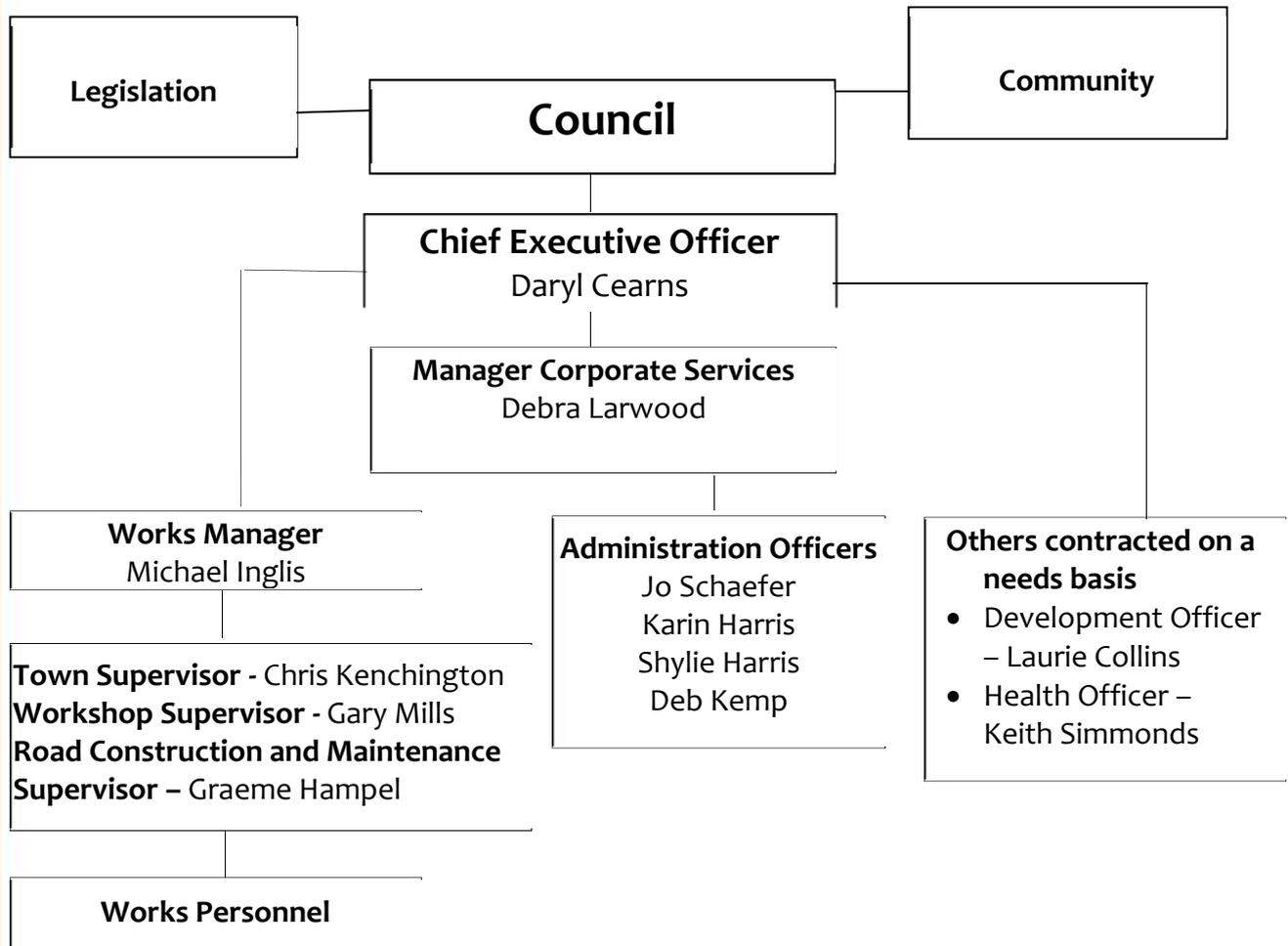


Tyler INGLIS
Apprentice

Peter GLARE
Jackson KESSLING
Zane STUTLEY
Lesley CLEMENTS

Multi skilled operator (resigned June 2011)
Town maintenance/handyman
Town maintenance/handyman
Multi skilled operator

ORGANISATIONAL CHART & DECISION MAKING STRUCTURE



COUNCIL COMMITTEE REPRESENTATIVES

• **District Council of Kimba Aerodrome Management Committee**

Deputy Mayor D Johnson, Cr B Mathews, Kimba Police Officer, Kimba Ambulance Representative, Kimba SES Commander, Kimba CFS Group Commander, Kimba SA Ambulance Transport Officer, Kimba District Hospital & Health Services Director of Nursing, Local Pilot
Advisory - Daryl Cearn CEO (or proxy) and Kimba Aerodrome Manager

• **District Council of Kimba Australia Day Awards Selection Committee**

Cr G Churchett (Council representative)
Karla Maitland (Kimba Area School Governing Council representative)
Marilyn Stutley (Kimba Community Development Group representative)
Hayden Whitwell (Kimba Apex Club representative)
Neville Pahl (Kimba Lions Club representative)
Advisory - Daryl Cearn, Council CEO

- Kimba Tourism Committee

Cr S K Beinke
Cr K B Mathews
Jacinta Woolford
Dianne Hamlyn
Marilyn Stutley
Advisory - Deb Larwood (or proxy), Karin Harris (Tourism Officer)

•District Council of Kimba Bushfire Prevention Advisory Committee,

Cr B S Cant
Cr K B Mathews
James Woolford (CFS Buckleboo)
Ian Davey (CFS Kimba)
Shane Jericho (CFS Waddikee)
Jason Symonds (Yalanda James)
Ashley Joyce (Caralue Group Officer)
George Kozminski (SA CFS)
Joe Tilley (National Parks and Wildlife Services)
Michael Freak (National Parks and Wildlife Services)
Advisory -Debra Larwood (DCK), Michael Inglis (Works Manager), Daryl Cearns (DCK), Gary Mills (Council Fire Prevention Officer)

•District Council of Kimba Tree Advisory Group

Cr B Mathews
Cr G Baldock
Dianne McDonald (Kimba Community Development Group representative)
Austen Eatts
Maurice Davey
Lyla Francis (Aust Plant Society)
Advisory -Debra Larwood (Manager Corporate Services, DCK), Michael Inglis (Works Manager, DCK), Chris Kenchington (Town Supervisor, DCK), Karin Harris (Administration Officer, DCK)

•District Council of Kimba Recreation Reserve Advisory Committee

Daryl Cearns (or proxy) non-voting representative and one Councillor
one representative from each of the following:
Kimba Districts Football & Netball Club
Kimba Basketball Association
Kimba Tennis Club
Kimba Playing Courts Inc.
Kimba A.H. & F. Society
Kimba Pony Club
Kimba & Kelly Cricket Club

•District Council of Kimba Audit Committee

Mayor J B Schaefer (Chairman)
Cr D N Johnson
Averell Kessling (independent member)
John D Ewen (independent member)
▪ Meetings are held at least twice a year with sitting fees being set at \$100 for the independent member.
▪ The committees meet on a needs basis to make recommendations to Council on issues in their respective policy areas.

AUDITOR

Council's Auditor, Ian G. McDonald, was appointed in December 2010, for a 5 year period. Fees paid to him in 2010/2011 were:

- Audit fee and charges \$ 8,500

EASTERN EYRE WASTE MANAGEMENT GROUP

District Council of Franklin Harbour, District Council of Cleve, City of Whyalla and District Council of Kimba established the group in 2006/2007 to work through various waste management issues. The group meets bi-monthly to discuss new proposals and investigate resource sharing to achieve best practice.

ENGINEERING WORKS

- Road Construction/ Maintenance
- Street Lighting
- Stormwater Drainage
- Common Effluent Drainage
- Parking & Traffic Control
- Parks & Reserves
- House refuse collection
- Kerbside Recycling program
- Refuse Tip
- Aerodrome
- Cemeteries
- Fire Protection
- Sport & Recreation
- Plant/Machinery Control
- Kimba Pioneer Memorial Village
- Dog Control
- Building Inspections



Rowan Ramsey (Member for Grey), John Schaefer (Mayor DC Kimba), Eddie Elleway (Mayor DC Franklin Harbour), Brian Hurn (Chair Local Government Transport Advisory Panel) Frank Deer, Barry Wakelin (past Federal Member for Grey), Peter Trealor (Member for Flinders) at the Cowell-Kimba Road Opening 8th April 2011 - Unveiling the plaque which commemorates the 86 km sealing of the Cowell-Kimba Road jointly funded by the Roads to Recovery and Special Local Roads Program, District Council of Franklin Harbour and District Council of Kimba.

ADMINISTRATION

- * Governance
- * Management
- * Accounting
- * Rates & Properties
- * Policy & Decision
- * Implementation
- * Building & Planning Applications, Approvals & Inspections
- * Health Inspection
- * Public Health
- * Legislation/Legal
- * Research
- * Elections
- * Aged Accommodation Rentals
- * Public Relations
- * Insurance
- * Emergency Service
- * Sport & Recreation
- * Asset Management
- * Payroll
- * Cemetery
- * General Enquiries



Deb Larwood guiding a tourist through the Visitor Information Outlet which has been relocated to the Council Administration Office.

COMPETITIVE TENDER ARRANGEMENTS

Pursuant to the provisions of Section 49 of the Local Government Act 1999, and Section 36 of the Local Government (Implementation) Act 1999, Council has a Contracts, Tendering and Purchasing Policy which was reviewed and adopted at the Council meeting held in April 2009. This policy is available for viewing or purchase at the Council Office during normal business hours.

COUNCIL REPRESENTATION

The Council is a democratically elected body comprising seven (7) elected members, with the presiding member being the Mayor who is elected by the Council. As there are no wards within the Council area, all elected members represent the interests of the whole community when making decisions as the corporate body of Council.

At the 2010 election Council had 1079 voters on the House of Assembly and Chief Executive Roll. Elector representation of like type Councils at the time were:

	<u>Elected Members</u>	<u>Quota</u>
Cleve	8	94
Elliston	8	NA
Flinders Ranges	9	NA
Franklin Harbour	6	92
Karoonda-East Murray	7	70
Kimba	7	80
Wudinna	7	NA
Orroroo/Carrieton	7	62
Robe	7	143
Streaky Bay	8	101

Pursuant to the provisions of Section 124 of the Local Government Act 1999, Council completed a periodic review into elector representation during the 2009/2010 financial year, with no changes made from the pre-existing structures.

COMMUNITY LAND MANAGEMENT PLANS

All land except roads held as at 1st January 2000 is classified as “community land” unless Council resolves to exclude it from that classification. The intention behind the legislation is that Council, in consultation with the community, should determine which land should or should not be classified as community land. Where the land is under the care, control and management of a Council, but is not owned by the Council, the Council cannot resolve to exclude the land from classification as community land without the approval of the relevant Minister.

A person must not use community land for a business purpose unless the use is approved by Council. The Council cannot approve the use of community land for a business purpose contrary to the provisions of the management plan.

Council’s Management Plans for Community Land were adopted by Council at the meeting of Council held on 8th December, 2004. Annual reviews continually occur and Council carried out a major review of the Management Plans in December 2009. Plans are constantly monitored for required changes.

FACILITIES

Hire Charges:

Council Chambers/Meeting Room \$ 42.00 per day
(Negotiable for community groups)

Memorial Hall Rentals

Main Hall \$ 100.00 per day
Main Hall Including Supper Room And Kitchen \$ 150.00 per day
Supper Room Only negotiable

These fees are negotiable with the CEO or Manager Corporate Services. A \$ 150.00 bond will be required.

Recreation Reserve Rentals

Kimba Districts Football & Netball Club \$ 3,258.20 per year
Kelly Cricket Club \$ 975.70 per year
Kimba A H & F Society \$ 848.10 per year
Kimba Cricket Club \$ 975.70 per year
Kimba Pony Club Inc. \$ 99.00 per year
Circus \$ 325.60 per day
Aerodrome \$ 1,154.00 per year



Recreation Reserve Playground

ADMINISTRATION, FINANCE & GOVERNANCE

• RATES

The District Council of Kimba and Elected Members have been fully aware of the present economic situation within agriculture and take account of the level of the major commodity prices of grain and wool, when setting rates.

YEAR	TOTAL REVENUE	CENT/DOLLAR RURAL	CHANGE %	CENT/DOLLAR TOWNSHIP	CHANGE %
1998/1999	612,530	0.9119	11.80	7.8060	6.48
1999/2000	629,909	0.8434	-7.50	9.8261	25.90
2000/2001	666,545	0.8561	1.50	9.9735	1.50
2001/2002	695,057	0.8989	5.00	10.4722	5.00
2002/2003	750,233	0.9394	4.51	10.9434	4.50
2003/2004	785,065	0.8952	-4.71	11.0317	3.27
2004/2005	837,443	0.7585	-15.17	10.644	-3.52
2005/2006	875,105	0.6560	-13.52	9.25	-13.10
2006/2007	913,972	0.5450	-17.93	5.025	-45.68
2007/2008	954,944	0.5700	4.58	4.50	-10.45
2008/2009	1,009,118	0.5975	4.82	3.81	-15.34
2009/2010	1,049,343	0.6232	4.30	2.06	-45.93
2010/2011	1,076,405	0.5977	-4.09	1.9777	-3.99

• DEVELOPMENT

Although Council does not receive a substantial number of development applications in comparison with larger Councils, it is important for Council to have well planned and executed procedures to ensure that any development enhances the pleasant, safe and attractive living environment that is provided in Kimba. During this reporting period, Council received 36 development applications, with an estimated value of \$4,495,319.

The following table illustrates the number and value of development applications in recent financial years for comparative purposes.

2003/2004	56 applications	\$ 1,136,097
2004/2005	38 applications	\$ 1,393,109
2005/2006	15 applications	\$ 565,903
2006/2007	28 applications	\$ 669,592
2007/2008	20 applications	\$ 390,546
2008/2009	30 applications	\$ 1,223,277
2009/2010	31 applications	\$ 1,788,624
2010/2011	36 applications	\$ 4,495,319

Council employs Laurie Collins to carry out the function of Council's Development Officer.

- **PUBLIC & ENVIRONMENTAL HEALTH**

The District Council of Kimba utilised the services of a qualified Environmental Health Officer, Mr Keith Simmonds. Quarterly inspections of food handling and preparation premises are undertaken, with the overall aim to ensure that all such premises are operating to satisfactory standards. Keith has assisted each operation to adopt appropriate measures and continues to work closely with all concerned to achieve the overall objective.

- **CLUBS**

Council continued wherever possible to assist clubs and groups in the Kimba District with donations and in kind work. Council sees the assistance as an extremely worthwhile contribution as communities like Kimba would not be as workable without the input of these groups.

- **WASTE MANAGEMENT**

Council continued to implement responsible waste management practices at the Kimba Refuse and Recycling Depot, following the audits and inspections by both the Mutual Liability Scheme and the EPA.

Even though the cost of handling and freight for recyclables makes recycling cost neutral, Council feels that, environmentally, recycling must continue.

During 2010/2011 Council sold 13.55 tonnes of newspaper and cardboard, as well as collecting 4 tonnes of E-Waste.

Operating hours of the Kimba Refuse Depot as at 30th June 2011 were:

Sunday	8 am – 11 am
Tuesday	8 am – 11 am
Thursday	8 am – 11 am



Councils Upgraded Baler

- **SCHOOL/COMMUNITY LIBRARY :**

Located: 69 West Terrace, Kimba. S.A. 5641
Phone: 8627 2221 Fax: 8627 2221

Opening Times:

School Terms:

Monday 9.00 a.m. – 3.30 p.m.
Tuesday 9.00 a.m. – 5.00 p.m.
Wednesday 9.00 a.m. – 5.00 p.m.
Thursday 9.00 a.m. – 5.00 p.m.
Friday 9.00 a.m. – 5.00 p.m.
Saturday CLOSED
Sunday CLOSED
Public Holidays CLOSED

School Holidays:

Monday CLOSED
Tuesday 10.15 a.m. – 4.30 p.m.
Wednesday 10.15 a.m. – 4.30 p.m.
Thursday 10.15 a.m. – 4.30 p.m.
Friday 10.15 a.m. – 4.30 p.m.
Saturday CLOSED
Sunday CLOSED

- **COMPLAINT/REQUEST PROCEDURE**

In 2010/2011 128 complaint and request forms were received, consisting of:

• Kimba Pioneer Memorial Village	27
• Public toilets	2
• Dogs/Cats	4
• Roads/Footpaths	46
• Parks, Gardens, Trees	15
• Other (including Institute, Council buildings & supplying footpath gravel)	31

All requests/ complaints were completed as at 30th June, 2011.

- **STRATEGIC MANAGEMENT PLAN AND ANNUAL BUSINESS PLAN**

Council adopted its 2009-2012 Strategic Management Plan in August 2008. The Plan includes a vision, goals and strategies and identifies key issues and projects which will provide for a range of services and facilities while ensuring the ongoing sustainability and prosperity of Kimba. The Plan is supported by a Long-term Financial Plan and an Infrastructure & Asset Management Plan, all of which will be further improved during 2011-12. In particular, the Long-term Financial Plan aims to provide for financing and funding asset maintenance and renewal in an optimum way consistent with projected needs in the Infrastructure & Asset Management Plan.

Council's 2011-12 Annual Business Plan outlines planned services and projects for the financial year ahead and provides clear links between Council's Strategic Management Plan and its 2010-11 Budget. Importantly, the 2011-12 Annual Business Plan provided the community with a progress report on the extent to which Council's objectives for 2010-11 (as set out in the 2010-11 Annual Business Plan) were being attained. Appendix A of this Annual Report sets out the final achievements for 2010-11.

- ## FINANCIAL RESULTS FOR 2010-11

Council recorded a substantial operating surplus of \$469,000 in 2010-11 (i.e. income exceeded expenses by \$469,000). Council is committed to maintaining its long-term financial by achieving at least an ongoing break-even operating result (i.e. income equal to expenses).

The level of Council's net financial liabilities (i.e. total liabilities less financial assets) at 30 June 2011 was negative \$1, 237 994. That is, the level of Council's financial assets exceeded its borrowings and other liabilities at 30 June. Council is endeavoring to make more use of borrowings to cater for any backlog identified in spending required on renewing or replacing infrastructure. At the same time, Council has a prudent policy in place of ensuring that net financial liabilities expressed as a percentage of Council income does not exceed an upper limit of 50 per cent.

Council's audited financial statements for 2010-11 form part of this Annual Report and are included as Appendix H.

- ## DEBT LEVELS

Traditionally Council's use of debts has been very modest. At 30 June 2011 gross borrowings were \$486,000 off set by cash and investments of \$1,818,000. After taking account of other receivables and payables and excluding the amount of Commonwealth Government financial assistance grants received in advance in June 2010, Council's net financial liabilities at 30 June 2011 was negative (\$1,117,000) i.e. the amount of cash and investments exceeded the Council's total liabilities. Net financial liabilities is a more comprehensive measure of debt and has been adopted by most SA Councils as the key measure of a Council's financial position. The table below sets out actual levels of gross borrowings, net debt and net financial liabilities as at 30 June 2011.

Clearly, there is considerable scope for Council to prudently increase its level of borrowings without creating a financial burden on its ongoing operating programs.

	Actual 30/06/11 \$000
Gross borrowings	486
Less: Cash and investments	1,518
<u>Equals: Net debt</u>	(1,032)
Add: Trade and other payables	211
Add: Provisions for employee entitlements	68
Less: Trade and other receivables	364
<u>Equals: Net financial liabilities</u>	(1,117)

RATE REBATE APPLICATIONS

Pursuant to Section 23 (4) of the Local Government (Implementation) Act 1999, Council must provide specific information in relation to the receipt and treatment of rate rebate applications received during 2010/2011.

During the course of the 2010/2011 financial year, Council remitted \$13,643.15 in rebates.

FREEDOM OF INFORMATION

Pursuant to the provisions of Section 131 of the Local Government Act 1999, and the Freedom of Information Act 1991, Council is required to prepare and publish an Information Summary and an Information Statement in relation to its Freedom of Information activities during each financial year.

These two documents have been reproduced as Appendix D and Appendix F to this Annual Report respectively.

REGIONAL SUBSIDIARIES

Council currently has one regional subsidiary that falls within the provisions of Section 43 of the Local Government Act 1999 ;

- Eyre Peninsula Local Government Association (attachment I)

This regional subsidiary produces its own individual annual report. Clause 28 of Schedule 2 of the Local Government Act 1999, provides that each constituent Council must incorporate the annual report of each regional subsidiary into its own Annual Report. This document is available for inspection at the Council office.

COMPETITIVE NEUTRALITY

The primary objective of the 'National Competition Policy' is to ensure that local businesses gain an opportunity to compete for the provision of local government business.

Complaints must be received in writing detailing the nature of the complaint and how they believe such activity by the Council is disadvantaging the complainant. The Chief Executive Officer will make an interim determination as to whether the complaint will be investigated internally or by appointing a person from an independent panel established by the Local Government Association.

If the matter is determined internally the complaint is to be referred to the Chief Executive Officer who must determine a position on the matter i.e. within 5 working days from receipt of the complaint:-

- record the complaint in the complaints register
- advise the complainant of the officer that will be dealing with the complaint
- provide the complainant with a copy of the policy
- provide the complainant with a copy of the complaints process
- investigate the complaint within 21 working days of receipt of the complaint
- advise the complainant of the result of the investigation and any corrective action taken
- record the outcome in the complaints register

Where a complainant is not satisfied with the advice received, the complaint is to be referred to the panel established by the LGA. The process for handling the review is to mirror the original handling of the complaint. Where the complaint has been addressed through the local government process the complaint is to be referred to the competition commissioner.

The revised clause 7 statement on the application of competition principles to Local Government under the Competition Principles Agreement requires Council to include in its Annual Report, specific information related to significant business activities, competitive neutrality, by-laws and complaints.

In relation to this:

- Council has no Category 1 significant business activities. It does however have a Category 2 business activity in the form of Private Works.
- There has been no change in the application of competitive neutrality since Council's last return.
- Council presently has no by-laws in force, and none have been repealed in the preceding twelve months.
- No complaints about competitive neutrality were received during the preceding twelve months.

E.E.O. & HUMAN RESOURCE MANAGEMENT

The Council believes it has a responsibility to all members of its community to create an employment environment which is free of discrimination and which reflects the diversity and needs of the community it serves. The Council is firmly committed to the principle of equal opportunity in employment for all employees and potential employees. Council therefore acknowledges its legal obligations under the Local Government Act and Federal Equal Opportunity laws, in that:

- The SA Equal Opportunity Act makes discrimination unlawful on the grounds of sex, sexuality, marital status, pregnancy, race, physical or intellectual impairment and age in areas of employment, provision of goods and services, advertising, accommodation and clubs and associations. Sexual harassment and victimisation are also unlawful.
- The Local Government Act requires that Council observe general principles of personnel management and develop, implement and review an Equal Employment Opportunity Program.

As part of this program Council has:

- Incorporated the program into the Strategic Plan.
- Consulted the Council's CEO/Workplace representatives.
- Ensured that recruitment, selection, promotion, transfer and training are based solely on the merit principle. This means that selection is based on skills, knowledge, qualifications and experience (including community experience) relevant to the job or situation.
- Appointed Mr. Daryl Cearns in the position of EEO (Equal Employment Opportunity) Officer.
- Reviewed existing training programs.
- Ensured that services provided to residents will be delivered in a fair and equitable manner.
- Provided all new and existing employees with EEO awareness training and any other training relevant to their position or responsibilities.
- Ensured that all employees have received copies of the EEO policy.

The overall responsibility for monitoring the effectiveness of this policy and for implementing an ongoing EEO program is vested in the Chief Executive Officer.

FINANCIAL STATEMENTS

Pursuant to the provisions of Schedule 4 of the Local Government Act 1999, Council's Audited Financial Statements for the 2010/2011 financial year form part of this annual report and is included as Appendix H.

CONFIDENTIALITY PROVISIONS

Pursuant to the provisions of Section 90 (2) of the Local Government Act 1999, a Council or Council Committee may order that the public be excluded from attendance at a meeting in order to receive, consider or discuss a matter confidentially. Section 91 (7) of the Local Government Act 1999 provides that a Council may keep a document or minutes of such consideration, review or discussion confidential.

During the 2009/2010 financial year, Section 90 (2) provisions of the Local Government Act 1999 were once utilised.

Council did not go into camera during the 2010/2011 financial year.

SENIOR OFFICER REMUNERATION

C.E.O. (Daryl Cearns commenced 12/7/04) **Level 5 Year 2 Senior Officers stream plus above awards percentage which remains in line with other Senior Officers**
..... **LG Superannuation Scheme 9% of salary**
..... **Subsidised House Rental**
..... **Telephone Rental**
..... **Use of administration vehicle**
..... **Membership professional body**

Manager Corporate Services (Deb Larwood) **35% above award of Level 3 Year 3 Senior Officers Stream**
..... **LG Superannuation Scheme 9% of salary**
..... **Telephone rental subsidy**
..... **Subsidised House Rental**
..... **Membership professional body**

Works Manager (Michael Inglis) **35% above award of Level 3 Year 3 Senior Officers stream**
..... **LG Superannuation Scheme 9% of Salary**
..... **Telephone Rental**
..... **Use of vehicle**
..... **Membership professional body**

APPENDIX A

STRATEGIC DIRECTIONS, ACHIEVEMENTS 2010/11

Council's 2015 Community Vision document sets out six major goals that underpin the way forward for Council. These are:

- Lifestyle and wellbeing
- Employment, Economic Development and Tourism
- Environment
- Assets and Infrastructure
- Governance
- Sport, Recreation and Culture

The goals in the Strategic Plan contain several strategies which have been kept deliberately broad so that Council can generally operate without regularly changing its six main goals. However, Council will, from time to time, change its focus for a specified period and still remain within its goals.

During discussions for the preparation of Council's 2007-2012 Strategic Directions document the following were highlighted as focus areas that should be pursued during the next 3 years:

Preparation of a Stormwater and Wastewater re-use plan for the township of Kimba.	Stormwater catchment plan commenced during 2010-11 with the completion of Stage 1. The second and final stage will be completed in 2011-12 at a total cost of \$253,000. This project has received funding assistance through joint applications with the LGA of SA under the National Water Security Program.
Construction of a new Council chamber/community meeting room and upgrade of existing offices.	The original administration office has been re-roofed in 2010-11.
Continue upgrades to units at the Kimba Pioneer Memorial Village.	Four kitchens were upgraded, four verandahs added and several units re-roofed in 2010-11. Further upgrades are planned in 2011-12 with an ongoing maintenance/upgrade schedule to be developed.
Commence construction of the Balumbah-Kinnaird Road in conjunction with funding from the Special Local Roads Program and Roads to Recovery.	Stage 1 completed in 2010-11 with a further 3 stages to be completed over the next three financial years.
Implement Climate Change Strategies to promote cost effective measures to reduce green house emissions.	During 2010-11 Council participated in the LGA's Climate Change Adaption Program which produced a Climate Change Adaption Report.
Development of Section 224, Hundred of Solomon.	This land has been leased to IronClad Mining for the development of a village with some land remaining if needed for future housing development.
Work with mining companies to maximize benefits for the Kimba District if mines proceed to production stage.	Assist Ironclad mining where possible with the startup of the Wilcherry Hill Iron Ore deposit.

Continued improvement of waste management systems and seek recognition for works already achieved.	Ongoing work towards improvement of Refuse Tip site and improvements to the collection of and disposal of recyclable materials. The baler operation has been improved significantly during 2010-11 with the building of an elevator.
Promote tourism in the Kimba district, including the continuation of underwriting costs for the Visitor Information Outlet.	Council continued to promote tourism and underwrite costs of V.I.O. Commencement of the production of a Kimba Brochure in 2010-11 to be completed in 2011-12. Upgrade to Whites Knob Lookout will be completed with the erection of a statue early in 2011-12.
Continue to seek grant funds to enable employment opportunities.	Applications for road and community project grand funding made where appropriate.
Commence implementation of the long term Recreation Reserve Plan.	A new playground was installed in 2010-11 along with upgrades around the ground. This will be ongoing in 2011-12.
Assist sporting clubs to develop a new sporting complex.	New sporting complex completed during 2011-12.
Review Councils Strategic Plan and develop long term Financial and Asset Management Plans in conjunction with this.	All plans to be reviewed and updated during 2011-12.

ACHIEVEMENTS 2010/2011

All of the items listed for 2010/2011 were part of the Budget and Annual Business Plan.

Achievements	Achieved Yes/NO	Comments
Upgrade of Council Vehicles.	Yes	The administration vehicle was upgraded along with the purchase of a second-hand truck.
Upgrade of Gums and Institute Toilets.	No	Scheduled for the four year budget as the upgrades will be more extensive than initially planned.
Footways and Kerb and Water Table maintenance	Yes	Ongoing beautification of town streets.
Replace kerbing and paving of a portion of South Tce adjacent to Kimba IGA.	Yes	Completed in the 2010-11 works program.
Maintain Parks & Reserves including the installation of a Playground at the Recreation Reserve.	Yes	Playground completed with maintenance ongoing.
Completion of Drekurmi Road ready for the commencement of mining associated activities.	Yes	Completed in 2010-11 program, with further ongoing work required
Continue upgrade of KPMV Units – including 4 kitchens and 4 verandas.	Yes	Completed with the additional re-roofing of some units with further upgrades to be undertaken in line with maintenance/upgrade schedule in 2011/2012.
Preparation for Rural Property Addressing.	Yes	Preparations completed as required ready for implementation in 2011-12.
Road Maintenance.	Yes	Extensive road maintenance undertaken this year due to the high yielding harvest and unusual rain events.
Road Re-sheeting/Major Repairs.	No	Due to the success of the grant application these funds were diverted to the Balumbah-Kinnaird Road as well as extra funds been used for maintenance because of conditions outlined above.

APPENDIX B

REGISTERS & CODES OF CONDUCT & PRACTICE

REGISTERS & PLANS

- of Interest – Elected Members
- of Interest – Senior Officers
- of Allowances and Benefits
- of Community Lands
- of Public Roads
- of Remuneration, Salaries and Benefits
- of Fees and Charges
- of Campaign Donation Returns
- of Development Applications
- of Requests & Complaints
- of Land, Contracts, Leases and Tenancies
- Corporate Plan
- Strategic Management Plans
- Community Land Management Plans

STATUTORY POLICIES

- Public Consultation Policy
- Internal Review of Council Decisions
- Order Making Policy
- Code of Conduct – Elected Members
- Code of Conduct & Contract – Employees
- Fair Treatment Policy
- Risk Management Policy
- Access to Council meetings, Council committees & council documents code of practice.
- Building Inspection Policy
- Caretakers Policy
- Aerodrome Management Policy
- Whistleblowers Policy

GENERAL POLICIES

- Culvert Policy
- Depreciation Policy
- Tree Management Policy
- Principles & standards for the provision of community Information Services
- Bird Culling Policy
- Vehicle usage & reimbursement for Council's Presiding Member Policy
- 'Out & About' Community Bus Policy & Procedure
- Refuse Management Policy
- Procedure for requests for Council Documents by Elected Members
- Various Other OHS&W Policies included in the OHS&W Policy Manual
- Various Terms of Reference – Council Committees
- Policy Manual
- Contracts, Tendering and Purchasing Policy
- Code of Practice – Access to Council Meetings and Documents
- Confidentiality & Use of Council Resources Agreement
- Rating Policy
- Safe Environment Policy
- Internal Control (Accounting) Policy
- Records Management Policy
- Election Signs Policy
- Members Training & Development Policy
- Voters Roll

APPENDIX C

NATURAL RESOURCE MANAGEMENT

The following information has been supplied by EPNRM.

EYRE PENINSULA NATURAL RESOURCES MANAGEMENT BOARD

- The Eyre Peninsula Natural Resources Management Board promotes community objectives by working to achieve a healthy environment that is based on sustainable use of the region's natural resources, supported by a strong economy and a vibrant community.
- The State Natural Resources Management Plan, regional NRM Plans and formation of the 8 NRM Boards and NRM Council are requirements of the *Natural Resources Management Act 2004* (NRM Act). The NRM Act provides the framework for all natural resources management initiatives, including NRM Plans, NRM Levies and EPNRM activities.
- The NRM Levy is the name for contributions that South Australian ratepayers used to make for the former Catchment Water Management Boards and Animal and Plant Control boards.
- The NRM Levy funds vital natural resources management projects, in the fields of salinity, water resources management, protection of water quality, wetlands management, sustainable water use, land management, pest management, biodiversity, coast and marine, monitoring and evaluation and community education.
- Local Government plays a crucial role in this process by collecting a regional NRM levy on all rateable properties on behalf of EPNRM.
- The levy will be used to assist in the development of water management plans to address water quality and water sustainability, groundwater investigations, regional pest plant and animal control, pest risk assessments and land management issues. For example, EPNRM has given Kimba District Council a \$5000 grant for its project to assess opportunities for re-using stormwater and wastewater and is working with the council to address environmental issues caused by stormwater. EPNRM has staff based at six locations around the region, including Cleve, Whyalla and Port Lincoln.

Frequently asked questions:

What is the NRM Levy?

The Natural Resources Management (NRM) Levy is a State Government initiative under the *Natural Resources Management Act 2004*. The Levy is charged through council rates notices and provides additional funding to help manage natural resources such as soils, water, coasts and marine environments and to control pest plants and animals.

Who pays the levy?

All council ratepayers in this region pay the regional NRM levy along with those that have a water license.

How often is the levy set?

The levy is set annually.

Who collects the levy?

Local councils, for the land based levy, and collect the levy from ratepayers and licence holders before forwarding it to EPNRM. The Department of Water, Land and Biodiversity collects the water based levy*,

**for those who receive both a council rate notice and a water license notice – the NRM Levy will appear in both instances. You are not paying the same levy twice. You are, in fact, paying the 'land based' contribution and the 'water based' contribution, because you rely on the future sustainability of both these natural resources.*

Who do I contact for more information about the levy?

Your local council is able to answer questions relating to the value of the levy itself or your levy payment. This includes the queries regarding contiguous properties or single farm enterprises and pensioner concessions. EPNRM can answer questions about how the levy money is spent.

APPENDIX D

F.O.I. INFORMATION SUMMARY

The District Council of Kimba publishes this Information Summary in accordance with the requirements of the Freedom of Information Act 1991 as amended.

Policy and Administrative Documents

The District Council of Kimba's policy and administrative documents are as follows:

- Ordinary Council Meeting Agendas
- Ordinary Council Meeting Minutes
- The Policy Manual
- The Budget Statements
- Audited Financial Statements
- Council By-Laws
- The Annual Report
- Assessment Records
- Kimba Supplementary Development Plan

These documents are available for public inspection at the Council Office between 9.00 a.m. and 5.00 p.m. Monday to Friday. Members of the public may also purchase copies of these documents from the Freedom of Information Officer.

Information Statement

The District Council of Kimba publishes an Information Statement on its requirements under the Freedom of Information Act and a copy is available from the Council Office.

Certificates Issued Under Section 9 (1a)

No Certificates relating to Freedom of Information were issued under Section 9 (1a) of the Freedom of Information Act 1991 in the 12 months to 30 June 2011.

APPENDIX E



3.12 EMPLOYEES CODE OF CONDUCT

DOCUMENT APPROVAL

This document has been endorsed and approved for use by:

Daryl Cearns
CEO District Council Kimba

Date

Document Version Control

Document Name:	3.12 Employees Code of Conduct & Contract
Document Status:	DRAFT
Version Number:	
Author:	Daryl Cearns, CEO
Authorised By	Daryl Cearns, CEO

Change History

Version	Issue Date	Author	Reasons for Change
	9/9/2009	D. Cearns	
	14/7/10	D. Larwood	To meet OHS&W Requirements

1.0 Background

This Code of Conduct is a public declaration of the principles of good conduct and standards of behaviour that the District Council of Kimba has decided its stakeholders could reasonably expect of Council employees to demonstrate in the performance of their duties and functions.

This Code has been developed, as required by the Local Government Act 1999, in consultation with employees and the relevant registered industrial association representing the interests of Council employees.

The standards in this Code of Conduct are in addition to any statutory requirements of the Local Government Act 1999 or any other relevant Act or Regulation.

2.0 Statement of the General Duties of Council Employees

The general duty of Council employees is to act honestly and with reasonable care and diligence in the performance and discharge of their functions and duties. Council employees must not make improper use of information acquired or make improper use of their position as an employee of Council.

Appendix One to this Code of Conduct is an extract from Chapter 7 Part 4 of the Local Government Act 1999, dealing with Conduct of Employees.

3.0 Statement of Commitment

Employees of the District Council of Kimba are committed to discharging their duties conscientiously and to the best of their ability.

In the performance of their duties they will act with honesty and integrity and generally conduct themselves in a manner which generates community trust and confidence in them as individuals, and enhances the role and image of the Council and Local Government generally.

In addition to all legislative requirements, employees of the District Council of Kimba recognise the requirements of this Code of Conduct as the standards that will be adopted in the performance of their functions and duties.

4.0 Principles of this Code of Conduct

- 4.1 Employees of the District Council of Kimba must act in a fair, honest and proper manner according to the law. This includes, but is by no means limited to: -
- Understanding and giving proper consideration to legal requirements;
 - Reasonable, just and non discriminatory behaviour in all aspects of carrying out their roles and responsibilities;
 - Actions to be undertaken in good faith and not for improper or ulterior motives;
 - Behaviour that maintains and enhances the image of the Council and does not reflect adversely on the Council;
 - Impartiality in implementing Council decisions or when exercising delegated authority.

District Council of Kimba

- Requirement to notify management promptly of any professional indemnity claim and are required to co-operate with any request of information or investigation undertaken by the LGA Mutual Liability Scheme.
 - All potential injury claims must be reported to the management in writing within 24 hours.
- 4.2 Council employees must act with reasonable care and be diligent in the performance of their duties and functions. This includes: -
- Carrying out lawful policies, decisions and practices of Council in a professional manner;
 - Respect for decisions of the Council;
 - Being aware of the effectiveness and efficiency of activities and service delivery for which they are responsible or contribute;
 - The proper and responsible use of Council resources
- 4.3 Council employees must be fair and honest in their dealings with individuals and organisations and behave in a manner which facilitates constructive communication between the Council, other employees and the community. This includes: -
- Honest and fair dealing with all members of the community;
 - Courteous and sensitive behavior that does not discriminate against people;
 - Awareness and disclosure of any situation that may create a tension between their public and private roles;
 - Respect for electors opinions and property;
 - Prevention of misuse of an employee's position to gain an advantage for themselves or others.
- When representing Council in the community: -
- Provide an accurate and fair representation of Council decisions;
 - Conduct themselves in a manner that will not reflect unfavourably on the Council.
- 4.4 Council Employees and Members will seek to achieve a team approach in an environment of mutual respect, trust, and acceptance of their different roles in achieving the Council's objectives. This may include: -
- Mature and constructive working relationships based on mutual trust and respect;
 - Conduct of the relationship with courtesy and respect;
 - Acceptance and respect for their different but complementary roles in achieving the Council's objectives;
 - Respect for Council Members' roles in policy and planning and the employees' role in providing professional opinion, guidance and expertise;
 - Agreed, between the CEO and Council, communication processes regarding access by Council Members to employees;
 - Prevention of the misuse of their position to influence individual Elected Members to gain an advantage for themselves or others.
- 4.5 Council employees will establish a working relationship with fellow employees that recognises and respects the diversity of opinion and achieves the best possible outcomes for the community. This may include: -
- Conduct of the relationship with courtesy and respect;

- Behaviour that seeks to establish mature and constructive working relationships;
 - The right of all points of view to be heard and considered;
- 4.6 Information obtained by an Employee in the course of his or her duties and functions is respected and used in a careful and prudent manner. For example: -
- Information obtained by an Employee as a result of his or her role is not to be used for any purpose other than Council business;
 - Not make comments to the media unless instructed by the Chief Executive Officer to do so;
 - Information given in relation to the Council or Council decisions should be accurate and not be a misuse of information;
 - Respect for and maintenance of confidentiality.

5.0 Compliance with this Code of Conduct

Questions of compliance with this Code of Conduct raised by Council Members, other staff or the community should, as far as practical, be made in writing and will be considered by the Chief Executive Officer or his/her nominee

Employees are entitled to representation in the consideration of a question of non-compliance against them, and investigation and management of the matter will have regard to the principles of fairness, equity and natural justice.

Investigations undertaken regarding compliance with the Code will be kept confidential.

The Chief Executive Officer has responsibility for ensuring compliance with the Code occurs.

The consideration of questions raised regarding compliance with the code by the Chief Executive Officer should be raised (in writing) with the Presiding Member, with Council to address the matter. Principles of fairness, equity and natural justice will apply and the matter will be handled confidentially.

6.0 Availability of this Code of Conduct

The public may inspect a copy of the Code, without charge, at the offices of the Council during normal office hours, and may obtain a copy for a fee fixed by the Council, if any. Further enquiries in relation to the Code should be directed to the Chief Executive Officer, telephone 8627 2026.

7.0 Review

The Council is required to review this Code of Conduct within twelve months of the completion of each General Election. To ensure that the principle of open Government is being applied in the proper manner, it is anticipated that an annual review of the code will take place in December of each year. However, Council has the right to review this Code at any time, if considered desirable.

Council will take reasonable steps to consult with employees and the relevant registered industrial association when revising this Code of Conduct.

8.0 Adoption of the Code

This Code of Conduct for Employees of Council was reviewed and re-adopted by the Council at its Ordinary meeting on Wednesday 8th August, 2007.

Appendix One:

COUNCIL STAFF

**PART 4
CONDUCT OF EMPLOYEES**

DIVISION 1 - GENERAL DUTY AND CODE OF CONDUCT

Interpretation

108. In this Division

"**employee**" of a council includes a person working for the council on a temporary basis;

"**registered industrial association**" means an industrial association or organisation registered under a law of the State or of the Commonwealth.

General duty

109. (1) An employee of a council must at all times act honestly in the performance of official duties.

(2) An employee of a council must at all times act with reasonable care and diligence in the performance of official duties.

Code of conduct

110. (1) A council must prepare and adopt a code of conduct to be observed by the employees of the Council.

(2) A council must, within 12 months after each general election of the council, complete (and, as appropriate, implement) a review of its code of conduct under this section.

(3) A council may at any time alter its code of conduct, or substitute a new code of conduct.

(4) A code of conduct must not diminish a right or employment condition under an Act, award, industrial agreement or contract of employment.

(5) A council must take reasonable steps to consult with its employees and with any registered industrial association that represents the interests of employees of the council when preparing or revising its code of conduct under this section.

(6) A person is entitled to inspect (without charge) the code of conduct of a council at the principal office of the council during ordinary office hours.

(7) A person is entitled, on payment of a fee fixed by the council, to a copy of the code of conduct of a council.

(8) An employee of the council must comply with the code of conduct.

District Council of Kimba

DIVISION 2 - REGISTER OF INTERESTS

Application of Division

111. (1) This Division applies to

- (a) the chief executive officer of a council; and
- (b) any other officer, or any other officer of a class, declared by a council to be subject to the operation of this Division.

Interpretation

112. In this Division

"**prescribed officer**" means an officer within the ambit of a declaration under section 111(b);

"**Register**" means a Register of Interests kept for the purposes of this Division;

"**return period**", in relation to an ordinary return of a person, means

- (a) in the case of a person whose last return was a primary return, the period between the date of the primary return and 30 June next following; and
- (b) in the case of any other person, the period of 12 months expiring on 30 June on or within 60 days after which the ordinary return is required to be submitted.

Lodging of primary returns

113. Each person to whom this Division applies must, within 30 days after appointment (not being a reappointment), submit a primary return

- (a) in the case of the chief executive officer, to the principal member of the council;
- (b) in the case of a prescribed officer, to the chief executive officer.

Lodging of ordinary returns

114. (1) Each person to whom this Division applies must, on or within 60 days after 30 June in each year, submit an ordinary return

- (a) in the case of the chief executive officer, to the principal member of the council;
- (b) in the case of a prescribed officer, to the chief executive officer.

Form and content of returns

115. (1) A return must be in the prescribed form and contain the prescribed information.

- (2) A person who has submitted a return under this Division may at any time submit a change or variation in the information appearing on the Register in respect of the person or a member of his or her family.

Register of Interests

116. (1) The chief executive officer must maintain a Register of Interests and must cause to be entered in

the Register all information furnished pursuant to this Division (including by the chief executive officer).

(2) If a person to whom this Division applies (other than the chief executive officer) fails to submit a return to the chief executive officer within the time allowed by this Division, the chief executive officer must as soon as practicable notify the person, in writing, of that fact.

Provision of false information

117. A person who submits a return under this Division that is to the knowledge of the officer false or

misleading in a material particular (whether by reason of information included in or omitted from the return) is guilty of an offence.

Maximum penalty: \$10,000.

Inspection of Register

118. The chief executive officer must, at the request of a member of the council, permit the member to

inspect the Register.

Restrictions on disclosure

119. (1) A person must not disclose to any other person any information furnished pursuant to this

Division unless the disclosure

- (a) is necessary for the purposes of the preparation or use of the Register by the chief executive officer; or
- (b) is made at a meeting of the council, a council committee or a subsidiary of the council.

Maximum penalty: \$10,000.

(2) Despite any other provision of this Act

(a) the public must be excluded from attendance at any part of a meeting of the council, a council committee or a subsidiary of the council where information is disclosed under subsection (1)(b); and

(b) any part of the minutes of a meeting of the council, a council committee or a subsidiary of the council which contains information disclosed under subsection (1)(b) is not available for public inspection under this Act.

DIVISION 3 - CONFLICT OF INTEREST

Conflict of interest

District Council of Kimba

120. (1) The chief executive officer of a council who has an interest in a matter in relation to which he or she is required or authorised to act in the course of official duties

- (a) must disclose the interest to the council; and
- (b) must not, unless the council otherwise determines during a council meeting that is open to the public, act in relation to the matter.

Maximum penalty: \$5,000.

(2) An employee of a council (other than the chief executive officer) who has an interest in a matter in relation to which he or she is required or authorised to act in the course of official duties

- (a) must disclose the interest to the chief executive officer; and
- (b) must not, unless the chief executive officer otherwise determines, act in relation to the matter.

Maximum penalty: \$5,000.

(3) It is a defence to a charge for an offence against subsection (1) or (2) to prove that the defendant was, at the time of the alleged offence, unaware of the interest.

(4) If an employee is entitled to act in relation to a matter by virtue of subsection (2)(b) and the employee is providing advice or making recommendations to the council or a council committee on the matter, the employee must also disclose the relevant interest to the council or council committee.

Maximum penalty: \$5,000.

(5) An employee has an interest in a matter if the employee, or a person with whom the employee is closely associated, would, if the employee acted in a particular manner in relation to the matter, receive or have a reasonable expectation of receiving a direct or indirect pecuniary benefit or a non-pecuniary benefit or suffer or have a reasonable expectation of suffering a direct or indirect pecuniary detriment or a non-pecuniary detriment.

(6) A person is closely associated with an employee of a council

- (a) if that person is a body corporate of which the employee is a director or a member of the governing body; or
- (b) if that person is a proprietary company in which the employee is a shareholder; or
- (c) if that person is a beneficiary under a trust or an object of a discretionary trust of which the employee is a trustee; or
- (d) if that person is a partner of the employee; or
- (e) if that person is the employer¹ or an employee of the employee; or

District Council of Kimba

- (f) if that person is a person from whom the employee has received or might reasonably be expected to receive a fee, commission or other reward for providing professional or other services¹; or
- (g) if that person is a relative of the employee.

[¹: Employment with the council is to be disregarded.]

(7) However, an employee, or a person closely associated with an employee, will not be regarded as having an interest in a matter

- (a) by virtue only of the fact that the employee or person
 - (i) is a ratepayer, elector or resident in the area of the council; or
 - (ii) is a member of a non-profit association, other than where the employee or person is a member of the governing body of the association or organisation; or
- (b) in a prescribed circumstance.

(8) In this section

"employee" of a council includes

- (a) a consultant engaged by the council; and
- (b) a person working for the council on a temporary basis;

"non-profit association" means a body (whether corporate or unincorporate)

- (a) that does not have as its principal object or one of its principal objects the carrying on of a trade or the making of a profit; and
- (b) that is so constituted that its profits (if any) must be applied towards the purposes for which it is established and may not be distributed to its members,

and includes the LGA.

DIVISION 4 - PROTECTION FROM PERSONAL LIABILITY

Protection from personal liability

121. (1) No civil liability attaches to an employee of a council for an honest act or omission in the

exercise, performance or discharge, or purported exercise, performance or discharge, of

powers, functions or duties under this or other Acts.

(2) A liability that would, but for this section, attach to an employee of a council attaches instead to the council.



DISTRICT COUNCIL OF KIMBA

**EMPLOYEES
CODE OF CONDUCT
CONTRACT**

All District Council of Kimba employees shall:-

- * respect their fellow employee's right to a harassment free work environment
- * serve in the best interests of the Council and the community
- * be dedicated to the highest ideals of integrity in order to gain the respect and confidence of the elected members, employers and the public
- * abide by the policies set by Council
- * maintain a constructive creative and practical attitude towards Council affairs
- * always aim to continually improve in your ability and competence
- * refrain from circumstances which lead to criticism or derogatory statements concerning the competence or behaviour of a fellow employee, especially outside the place of employment
- * when charged with the responsibility of personnel, handle all matters on the basis of merit and fairness
- * seek no favour believing that personal glorification profit secured by confidential information or misuse of public time is dishonest
- * take all reasonable care for your own health and safety and that of others whilst at work
- * obey all reasonable instruction provided by the relevant supervisor

We the employees of the District Council of Kimba commit to observing this Code of Conduct:

APPEDIX F



3.7 PUBLIC CONSULTATION POLICY

**Reviewed and Re-adopted by the
District Council of Kimba
At its meeting on
Wednesday, 13th April, 2011**

DOCUMENT APPROVAL

This document has been endorsed and approved for use by:

Daryl Cearns
CEO District Council Kimba

Date

Document Version Control

Document Name:	3.7 Public Consultation Policy
Document Status:	
Version Number:	2
Author:	Deb Larwood
Authorised By	Daryl Cearns

Change History

Version	Issue Date	Author	Reasons for Change
Draft 1	February 2010	D. Larwood	First Draft
2	April 2011	D. Cearns	Review

1.0 Introduction

Section 50 of the Local Government Act 1999 (the Act) provides that a Council must prepare and adopt a Public Consultation Policy, which sets out the procedure that the Council will follow in cases where the Act requires Council to follow its public consultation policy. This policy addresses the key elements of both communications and consultation. Communication involves providing meaningful information in a timely and accessible manner, and consultation, a two-way process, provides opportunities to clarify information, raise issues and discuss ideas, options and views.

2.0 Purpose

The purpose of this Policy is to set out the ways in which the community can be involved in Governance and decision making, through an effective public consultation process, therefore meeting the requirements of the Act. Active participation in consultation opportunities will assist both the community and the Council in creating an awareness of issues in future policy formulation, as well as the numerous administrative and governance decisions required in the effective operation and management of the District Council of Kimba.

This policy confirms the District Council of Kimba's commitment to open, accountable and responsive decision making, facilitates effective consultation with the community, and encourages community involvement, through partnerships, in planning and decision-making. It sets out the steps Council will take in relation to public consultation, to ensure that appropriate and cost effective methods are used to inform and involve the community and key stakeholders relevant to the specific circumstances and consultation topics specified within the Act.

3.0 Objectives

The objectives of this policy are: -

- To promote positive relations between the Council and the community;
- To seek and take account of the views, issues and aspirations expressed by the community and other stakeholders as required by the Act;
- To pursue cost effective means of seeking and receiving feedback, as well as providing information to the community;
- To give due and appropriate consideration to feedback received from consultation in conjunction with implications and outcomes, especially in respect of budget commitments, and other legislative constraints and considerations'
- To recognise that different issues may require different forms of consultation.

4.0 Principles

This policy is underpinned by the following principles, which are believed to be central to effective public consultation. The Council will:

- Identify potential stakeholders in each specific circumstance;
- Ensure information is easily understood and accessible to identify stakeholders, and include contact details for obtaining further information in all communication;
- Define the framework of the consultation process for each specific topic;
- Listen and respond to community views in a balanced way, taking into account all submissions;

District Council of Kimba

- Promote decision-making which is open, transparent, responsive and accountable to the community;
- Keep records and provide feedback about the reasons for decisions, where relevant;
- Review and evaluate this public consultation policy to ensure on-going improvement in the way it involves the community and its statutory decision making process.

5.0 Procedures

The following process will be undertaken by the Council to fulfill the requirements of this policy: -

- The Council will identify a range of options available to it, to communicate information to a range of interested persons (including the general public) and invite submissions;
- Where the Council is required (pursuant to the Act) to consult with respect to
 - Code of practice – access to meetings and documents;
 - Strategic management plans;
 - Community land;
 - Roads – trees;
 - Passing By-Laws;
 - Power to make orders;
 - Principal office opening hours;
 - Commercial activities – (prudential requirements)
 - Annual Business Plan (123)
 - Change in basis of rating (151[5])

The Council as a minimum, will publish a notice in the Eyre Peninsula Tribune newspaper, describing the matter for which public consultation is required, and inviting interested persons to make written submissions to the Council within a period being at least 28 days from the date of the notice;

- Where, in the opinion of Council it is expedient to consider minor issues relating to such items as (by way of example):
 - Permits to hold fair / stall on Council road reserve, park lands, etc;
 - Private landscaping of road reserve in front of an individual premises (including small Scale tree / shrub planting);
 - Permission to lay 'individual' water pipe under a Council roadway.

Council will refer to appropriate polices and where no such policy exists, Council will consult with the adjoining / adjacent landowners prior to a decision.

- In addition to the above, other options which the Council may choose to utilise to communicate information and invite submissions, include :-
 - A notice in The Advertiser;
 - Letter drops to residences, owners and occupiers (where appropriate);
 - Telephone access line and/or the Internet;
 - Media releases to Radio, Television and the print media;
 - Letters to stakeholders;

Any step taken by the Council in addition to the minimum requirement set out above, will be at the absolute discretion of the Council, and dependent upon the particular topic or issue under consideration, the resources available to the Council, and the level of interest the topic or issue is likely to generate.

6.0 Roles and Responsibilities

This policy will apply to Council Elected Members, Staff, contractors, agents and consultants of the Council.

The Chief Executive Officer of the Council is responsible for: -

- Implementation of this policy;
- Reporting on the Council's success in meeting the objectives of this policy;
- Reporting on the review and evaluation of this policy.

7.0 Alteration or Substitution of Policy

Any alteration or substitution of this policy with a new policy will require public consultation, unless the Council determines that the alteration or substitution is only a minor significance and would not attract little or no community interest.

8.0 Public Availability of Policy

The public may inspect a copy of the Policy, without charge, at the offices of the Council during normal office hours, and may obtain a copy for a fee fixed by the Council, if any. Further enquiries in relation to the Code should be directed to the Chief Executive Officer, telephone 8627 2026.

9.0 Review of Policy

The Council is required under the Local Government Act 1999 to review this policy every twelve months, and it is envisaged that this will take place in May of each year.

10.0 Adoption of the Policy

This Public Consultation Policy was reviewed by the Council in April 2011.

APPENDIX G

F.O.I. INFORMATION STATEMENT

The District Council of Kimba publishes this Information Statement in accordance with the requirements of Section 65r of the Local Government Act 1934, Section 131 of the Local Government Act 1999, and Section 9 of the Freedom of Information Act 1991.

Council is pleased to comply with the legislation and welcomes inquiries. An updated information Statement will be published at least once every 12 months.

1.0 STRUCTURE & FUNCTIONS OF THE COUNCIL :

1.1 Full Council

Full Council, consisting of seven (7) Area Councillors including the Mayor, is the decision making body on all policy matters. Ordinary meetings of the full Council are held on the second Wednesday of every month, commencing at 2.00 pm. Members of the public are welcome to attend.

1.2 Committees & Advisory Groups

Committees and Advisory Groups have been established by Council to discuss/administer Council and Community business. These groups meet as required, and members of the public are welcome to attend. These Committees and Advisory Groups are:

- DCK Aerodrome Management Committee
- DCK Australia Day & Other State Awards Selection Committee
- DCK Recreation Reserve Advisory Committee
- DCK Tree Advisory Committee
- DCK Bushfire Prevention Advisory Committee
- E.E.P. Building Fire Safety Committee
- DCK Tourism Committee
- DCK Audit Committee
- DCK O.H.S. & W. Committee

1.3 Agendas and Minutes

Agendas of all full Council meetings are placed on display no less than three days prior to those meetings. Minutes of the meetings are placed on display within five days of the meeting.

1.4 Delegations

The Chief Executive Officer and other Officers have delegated authority from Council to make decisions on a number of specified administrative and policy matters. These delegations are listed in the Policy Manual and are reviewed annually by Council, in keeping with the legislative requirements:

- To determine policies to be applied by Council in exercising its discretionary powers;
- To determine the type, range and scope of projects to be undertaken by the Council; and
- To develop comprehensive management plans, budgets, financial controls and performance objectives and indicators for the operations of the Council.

The Council makes the decisions which direct and/or determine its activities and functions. Such decisions include the approval of works and services to be undertaken, and the resources which are to be made available to undertake such works and services.

Decisions are also made to determine whether or not approvals are to be granted for applications from residents for various forms of development.

2.0 SERVICES FOR THE COMMUNITY:

Full Council makes decisions on policy issues relating to services that are provided by Council for members of the public.

Summary of Services:

Council provides and maintains:

- Roads, Footpaths, Kerbing
- Traffic Control, Cycle and Walking Tracks
- Community Transport
- Street lighting, Car Parks
- Street Sweeping, Litter Bins
- Garbage Collection, Public Toilets
- Ovals, Reserves and Libraries
- Television Retransmission
- Cemetery
- Septic Tank/Effluent system

Council Conducts:

- Immunisation and Health Programs
- Citizenship Ceremonies

Council Inspects and Licenses:

- Food Premises, Sanitary Condition of Buildings
- Outdoor Signage
- Fundraising events
- Aerodrome

Council Administers:

- Parking, Litter and Signs
- Planning and Building
- Dog Registering & Control
- Fire Prevention
- Tourism information/promotion

3.0 PUBLIC PARTICIPATION:

3.1 Council Meetings

Members of the public have a number of opportunities to put forward their views on particular issues before Council. These are:

- (1) Deputations - with the permission of the Mayor, a member of the public can address the Council, a Committee or an Advisory Group personally or on behalf of a group of residents.
- (2) Presentations to Council - with prior notification and arrangement with the Mayor, a member of the public can address the Council on any issue relevant to Council.
- (3) Petitions - written petitions can be addressed to the Council on any issues within the Council's jurisdiction.
- (4) Written Requests - a member of the public can write to the Council on any Council policy, activity or service.
- (5) Elected Members - members of the public can contact their Elected Members of Council to discuss any issue relevant to Council.

3.2 Community Consultation

The District Council of Kimba regularly consults with local residents and ratepayers on particular issues that affect their neighborhood. Examples of such situations include:

- (1) Public Consultation and request for submissions on significant issues.
- (2) Meetings of Electors - all residents and electors are eligible to attend meetings.
- (3) Residents are notified of some Development Applications requiring the approval of Council. When an application is publicly notified, residents have the opportunity to both write to Council expressing their view of the application, and to subsequently personally address the Council before a decision is made.

4.0 ACCESS TO COUNCIL DOCUMENTS:

4.1 Documents Available for Inspection

The following documents are available for public inspection at the Council Offices free of charge:

Council Agendas
Council Minutes
The Policy Manual
Assessment Records
Development Application Register
Register of Elected Members Allowances & Benefits
Registers of Employees' Salaries, Wages & Benefits
Register of Fees and Charges Levied by Council

Members of the public may purchase copies of these documents and the charges are:

The Budget Statements	\$ 6.00
The Strategic Plan	\$ 6.00
Annual Financial Accounts	\$ 6.00
The Annual Report	\$ 6.00
Supplementary Development Plan	\$22.00
Voters Roll	\$ 6.00

** Those items without charges identified are available at the normal photocopying charges.

4.2 Other Information Requests

Requests for other information not included in Clause 4.1 above will be considered in accordance with the Freedom of Information provisions of the Local Government Act.

Under this legislation, an application fee and a search fee must be forwarded with the completed request form as provided for in Regulation No. 257 of 1991, unless the applicant is granted an exemption.

Should the applicant require copies of any documents inspected pursuant to a Freedom of Information request, the charges set in Clause 4.1 will apply.

Freedom of Information Request Forms should be addressed to:

Freedom of Information Officer
District Council of Kimba
PO Box 189
Kimba SA 5641

Forms are available at the Council office. Applications will be responded to as soon as possible within the statutory forty-five (45) days of Council receiving the properly completed Freedom of Information Request Form, together with the application and search fees.

5.0 AMENDMENT OF COUNCIL RECORDS:

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act. A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date.

To gain access to these Council records, a member of the public must complete a Freedom of Information Request Form as indicated above, outlining the records that he/she wishes to inspect.

APPENDIX H

FINANCIAL STATEMENTS

(Attached.)

APPENDIX I

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION ANNUAL REPORT

(Attached.)

2010-11 Financial Statements

District Council of Kimba

PO Box 189
Kimba SA 5641

www.kimba.sa.gov.au

Phone: (08) 86 272 026
Fax: (08) 86 272 382
E-mail: council@kimba.sa.gov.au



The new Playground at the Recreation Reserve funded from Round 3 of the Regional and Local Community Infrastructure Program in 2010-11.

"We aim to improve the quality of life for all residents of the Kimba district".

District Council of Kimba
General Purpose Financial Reports
for the year ended 30 June 2011

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DISTRICT COUNCIL OF KIMBA
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2011

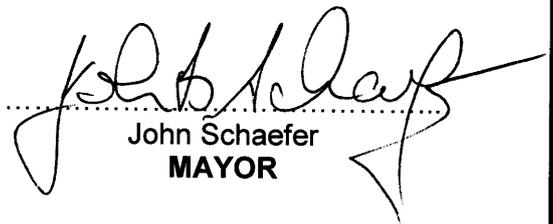
CERTIFICATION OF FINANCIAL STATEMENTS

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

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



.....
Daryl Cearns
CHIEF EXECUTIVE OFFICER



.....
John Schaefer
MAYOR

Date: 11th August, 2011

District Council of Kimba

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2011

	Notes	2011 \$	2010 \$
INCOME			
Rates	2	1,217,287	1,155,563
Statutory charges	2	16,493	17,682
User charges	2	62,872	62,509
Grants, subsidies and contributions	2	1,588,349	1,431,985
Investment income	2	63,036	37,763
Reimbursements	2	592,778	156,789
Other income	2	50,884	66,428
Total Income		<u>3,591,699</u>	<u>2,928,719</u>
EXPENSES			
Employee costs	3	1,008,737	893,249
Materials, contracts & other expenses	3	1,298,626	1,178,115
Depreciation, amortisation & impairment	3	776,289	742,506
Finance costs	3	38,689	35,566
Total Expenses		<u>3,122,341</u>	<u>2,849,436</u>
OPERATING SURPLUS / (DEFICIT)		469,358	79,283
Asset disposal & fair value adjustments	4	62,785	129,307
Amounts received specifically for new or upgraded assets	2	577,300	143,320
NET SURPLUS / (DEFICIT)		<u>1,109,443</u>	<u>351,910</u>
transferred to Equity Statement			351,910
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	-	10,242,045
Total Other Comprehensive Income		<u>-</u>	<u>10,242,045</u>
TOTAL COMPREHENSIVE INCOME		<u>1,109,443</u>	<u>10,593,955</u>

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

District Council of Kimba

BALANCE SHEET as at 30 June 2011

ASSETS	Notes	2011 \$	2010 \$
Current Assets			
Cash and cash equivalents	5	1,517,628	1,088,765
Trade & other receivables	5	364,245	135,966
Inventories	5	11,746	53,295
Total Current Assets		<u>1,893,619</u>	<u>1,278,026</u>
Non-current Assets			
Financial Assets	6	121,540	-
Infrastructure, Property, Plant & Equipment	7	27,761,044	28,213,413
Other Non-current Assets	6	717,761	-
Total Non-current Assets		<u>28,600,345</u>	<u>28,213,413</u>
Total Assets		<u>30,493,964</u>	<u>29,491,439</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	211,083	238,714
Borrowings	8	78,093	73,315
Provisions	8	47,351	32,997
Total Current Liabilities		<u>336,527</u>	<u>345,026</u>
Non-current Liabilities			
Borrowings	8	407,882	485,976
Provisions	8	21,010	41,335
Total Non-current Liabilities		<u>428,892</u>	<u>527,311</u>
Total Liabilities		<u>765,419</u>	<u>872,337</u>
NET ASSETS		<u>29,728,545</u>	<u>28,619,102</u>
EQUITY			
Accumulated Surplus		9,305,927	8,196,484
Asset Revaluation Reserves	9	20,422,618	20,422,618
TOTAL EQUITY		<u>29,728,545</u>	<u>28,619,102</u>

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

District Council of Kimba

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

2011	Notes	Accumulated Surplus \$	Asset Revaluation Reserve \$	TOTAL EQUITY \$
Balance at end of previous reporting period		8,196,484	20,422,618	28,619,102
Restated opening balance		<u>8,196,484</u>	<u>20,422,618</u>	<u>28,619,102</u>
Net Surplus / (Deficit) for Year		<u>1,109,443</u>		<u>1,109,443</u>
Balance at end of period		<u>9,305,927</u>	<u>20,422,618</u>	<u>29,728,545</u>
2010				
Balance at end of previous reporting period		7,844,574	10,180,573	18,025,147
Restated opening balance		<u>7,844,574</u>	<u>10,180,573</u>	<u>18,025,147</u>
Net Surplus / (Deficit) for Year		351,910		351,910
Other Comprehensive Income				
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	10,242,045	10,242,045
Balance at end of period		<u>8,196,484</u>	<u>20,422,618</u>	<u>28,619,102</u>

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

District Council of Kimba

CASH FLOW STATEMENT for the year ended 30 June 2011

	Notes	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		3,664,208	3,075,231
Investment receipts		54,651	34,819
<u>Payments</u>			
Operating payments to suppliers & employees		(2,551,586)	(2,231,644)
Finance payments		(40,458)	(28,595)
Net Cash provided by (or used in) Operating Activities		1,126,815	849,811
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		577,300	143,320
Sale of replaced assets		62,773	169,364
Sale of surplus assets		76,000	76,000
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(791,308)	(560,464)
Expenditure on new/upgraded assets		(326,361)	(824,543)
Loans made to community groups		(223,040)	-
Net Cash provided by (or used in) Investing Activities		(624,636)	(996,323)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings		-	190,000
<u>Payments</u>			
Repayments of Borrowings		(73,316)	(62,253)
Net Cash provided by (or used in) Financing Activities		(73,316)	127,747
Net Increase (Decrease) in cash held		428,863	(18,765)
Cash & cash equivalents at beginning of period	11	<u>1,088,765</u>	<u>1,107,530</u>
Cash & cash equivalents at end of period	11	<u>1,517,628</u>	<u>1,088,765</u>

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

DISTRICT COUNCIL OF KIMBA

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar (\$).

2 The Local Government Reporting Entity

The District Council of Kimba is incorporated under the SA Local Government Act 1999 and has its principal place of business at the Corner of West Terrace and Cross Street, Kimba. 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.

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.

District Council of Kimba

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

Note 1 - Significant Accounting Policies (cont)

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.

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

All assets are initially recognised at cost.

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

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

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

6.2 Materiality

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

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

District Council of Kimba

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

Note 1 - Significant Accounting Policies (cont)

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

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

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

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
Infrastructure	
Sealed Roads – Surface	20 years
Sealed Roads – Structure	50 to 100 years
Unsealed Roads	10 to 20 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Drains	80 to 100 years
Culverts	50 to 75 years
Bores	20 to 40 years
Reticulation Pipes	25 to 75 years

6.5 Impairment

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

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

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

District Council of Kimba

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

Note 1 - Significant Accounting Policies (cont)

6.6 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8 Borrowings

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

9 Employee Benefits

9.1 Salaries, Wages & Compensated Absences

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

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based 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.

Weighted average discount rate	15.78% (2010, 14.87%)
Weighted average settlement period	3.73 years (2010, 3.2 years)

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. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 17.

District Council of Kimba

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

Note 1 - Significant Accounting Policies (cont)

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 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.

12 Pending Accounting Standards

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

- AASB 1 *First-time Adoption of Australian Accounting Standards*
- AASB 3 *Business Combinations*
- AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*
- AASB 7 *Financial Instruments: Disclosures*
- AASB 8 *Operating Segments*
- AASB 9 *Financial Instruments*
- AASB 101 *Presentation of Financial Statements*
- AASB 107 *Statement of Cash Flows*
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
- AASB 110 *Events after the Reporting Period*
- AASB 118 *Revenue*
- AASB 119 *Employee Benefits*
- AASB 132 *Financial Instruments: Presentation*
- AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*
- AASB 139 *Financial Instruments: Recognition and Measurement*
- AASB 140 *Investment Property*
- AASB 1031 *Materiality*
- AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]*
- AASB 2009-12 *Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 1023 & 1032 and Interpretations 2, 4, 16, 1039 & 1052]*
- AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASBs 3, 7, 121, 128, 131, 132 & 139]*
- AASB 2010-5 *Amendments to Australian Accounting Standards [AASBs 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]*
- AASB 2010-6 *Amendments to Australian Accounting Standards [AASBs 1 & 7]*
- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 [AASBs 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023, & 1038 and Interpretations 2, 5, 10, 12, 19, & 127]*

District Council of Kimba

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

Note 1 - Significant Accounting Policies (cont)

- *Interpretation 14* AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
(Standards not affecting local government have been excluded from the above list.)

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

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

District Council of Kimba

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

Note 2 - INCOME

	2011	2010
Notes	\$	\$
RATES REVENUES		
<u>General Rates</u>	1,094,351	1,042,678
Less: Mandatory rebates	(11,787)	(4,960)
Less: Discretionary rebates, remissions & write offs	(1,856)	(1,430)
	1,080,708	1,036,288
<u>Other Rates</u> (including service charges)		
Natural Resource Management levy	36,570	37,260
Waste collection	34,830	26,990
Community wastewater management systems	62,280	53,140
	133,680	117,390
<u>Other Charges</u>		
Penalties for late payment	2,948	2,031
Legal & other costs recovered		
	2,948	2,031
Less: Discretionary rebates, remissions & write offs	(49)	(146)
	1,217,287	1,155,563
STATUTORY CHARGES		
Development Act fees	13,169	14,592
Animal registration fees & fines	2,145	2,286
Sundry	1,179	804
	16,493	17,682
USER CHARGES		
Cemetery/crematoria fees	4,636	2,235
Aged Care Cottages	48,411	43,333
Recreation Reserve	7,326	6,127
Hall & equipment hire	2,273	4,455
Sundry	226	6,359
	62,872	62,509
INVESTMENT INCOME		
Interest on investments		
Local Government Finance Authority	58,369	37,512
Banks & other	1,158	251
Loans to community groups	3,509	-
	63,036	37,763

District Council of Kimba

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

NOTE 2 - INCOME (continued)

	Notes	2011 \$	2010 \$
REIMBURSEMENTS			
- for water sales		2,271	4,700
- for private works		537,587	123,647
- for building officer costs		19,601	-
- other		33,319	28,442
		<u>592,778</u>	<u>156,789</u>
OTHER INCOME			
Workers Compensation Rebate		30,203	15,951
Sundry		20,681	50,477
		<u>50,884</u>	<u>66,428</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		577,300	143,320
Other grants, subsidies and contributions		1,588,349	1,431,985
		<u>2,165,649</u>	<u>1,575,305</u>
<i>The functions to which these grants relate are shown in Note 2.</i>			
Sources of grants			
Commonwealth government		854,156	1,542,045
State government		1,311,493	33,260
		<u>2,165,649</u>	<u>1,575,305</u>
Conditions over grants & contributions			
<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>		351,394	272,827
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>			
Recreation & Culture		-	(14,408)
Aerodrome RNAV Windsock & GPS		(67,500)	-
Financial Assistance Grant		(283,894)	(258,419)
<i>Subtotal</i>		<u>(351,394)</u>	<u>(272,827)</u>
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Aerodrome RNAV Windsock & GPS		-	67,500
SA Tourism - Statue		10,000	-
Balumbah/Kinnaird Road		180,000	-
Financial Assistance Grant		309,398	283,894
<i>Subtotal</i>		<u>499,398</u>	<u>351,394</u>
<i>Unexpended at the close of this reporting period</i>		<u>499,398</u>	<u>351,394</u>
<i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>		<u>148,004</u>	<u>78,567</u>

District Council of Kimba

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

Note 3 - EXPENSES

	Notes	2011 \$	2010 \$
EMPLOYEE COSTS			
Salaries and Wages		931,090	811,248
Employee leave expense		93,995	121,806
Superannuation - defined contribution plan contributions	17	48,806	38,289
Superannuation - defined benefit plan contributions	17	34,302	34,005
Workers' Compensation Insurance		43,903	39,785
Other		19,988	13,188
Less: Capitalised and distributed costs		(163,347)	(165,072)
Total Operating Employee Costs		1,008,737	893,249
 Total Number of Employees		17	14
<i>(Full time equivalent at end of reporting period)</i>			
 MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		8,430	5,780
Elected members' expenses		58,582	56,559
Election expenses		4,992	-
Subtotal - Prescribed Expenses		72,004	62,339
 <u>Other Materials, Contracts & Expenses</u>			
Contractors		620,248	508,983
Energy		105,016	55,690
Materials		387,666	311,301
Legal Expenses		18,394	20,024
Levies paid to government - NRM levy		36,620	37,080
Sundry		58,678	182,698
Subtotal - Other Materials, Contracts & Expenses		1,226,622	1,115,776
		1,298,626	1,178,115

District Council of Kimba

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

Note 3 - EXPENSES (cont)

	Notes	2011 \$	2010 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Plant Machinery/Minor/Other		145,569	139,919
Office Equip & Furniture		16,620	17,012
Buildings		163,412	164,404
Infrastructure		440,723	422,697
CWMS		42,220	42,220
		<u>808,544</u>	<u>786,252</u>
Less: Capitalised and distributed costs		<u>(32,255)</u>	<u>(43,746)</u>
		<u>776,289</u>	<u>742,506</u>
FINANCE COSTS			
Interest on overdraft and short-term drawdown		1,350	66
Interest on Loans		33,808	33,377
Unwinding of present value discounts		3,531	2,123
		<u>38,689</u>	<u>35,566</u>

District Council of Kimba

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

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2011	2010
Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	62,773	169,364
Less: Carrying amount of assets sold	66,346	106,416
Gain (Loss) on disposal	(3,573)	62,948
 <i>Assets surplus to requirements</i>		
Proceeds from disposal	76,000	76,000
Less: Carrying amount of assets sold	9,642	9,641
Gain (Loss) on disposal	66,358	66,359
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	 62,785	 129,307

District Council of Kimba

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

Note 5 - CURRENT ASSETS

	Notes	2011 \$	2010 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		61,812	15,089
Deposits at Call		<u>1,455,816</u>	<u>1,073,676</u>
		<u>1,517,628</u>	<u>1,088,765</u>
 TRADE & OTHER RECEIVABLES			
Rates - General & Other		14,629	7,239
Accrued Revenues		18,704	10,319
Debtors - general		151,903	35,089
GST Recoupment		23,434	64,284
Prepayments		54,075	19,035
Loans to community organisations		<u>101,500</u>	<u>-</u>
		<u>364,245</u>	<u>135,966</u>
 INVENTORIES			
Stores & Materials		<u>11,746</u>	<u>53,295</u>
		<u>11,746</u>	<u>53,295</u>

District Council of Kimba

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

Note 6 - NON-CURRENT ASSETS

	Notes	2011 \$	2010 \$
FINANCIAL ASSETS			
Receivables			
Loans to community organisations		121,540	-
TOTAL FINANCIAL ASSETS		<u>121,540</u>	<u>-</u>
OTHER NON-CURRENT ASSETS			
Capital Works-in-Progress		717,761	-
		<u>717,761</u>	<u>-</u>

District Council of Kimba

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

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

	2010				2011			
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
Plant Machinery/Minor/Other	3,055,000	1,024,056	(1,993,949)	2,085,107	1,264,487	1,244,263	(415,351)	2,093,399
Office Equip & Furniture	-	187,129	(103,432)	83,697	-	210,645	(120,052)	90,593
Buildings	10,464,096	169,221	(4,155,155)	6,478,162	10,464,096	212,013	(4,318,567)	6,357,542
Infrastructure	20,432,928	609,118	(4,169,368)	16,872,678	20,432,928	754,766	(4,610,091)	16,577,603
Land	1,465,369	-	-	1,465,369	1,455,727	-	-	1,455,727
CWMS	2,410,040	-	(1,181,640)	1,228,400	2,410,040	-	(1,223,860)	1,186,180
TOTAL PROPERTY, PLANT & EQUIPMENT	37,827,433	1,989,524	(11,603,544)	28,213,413	36,027,278	2,421,687	(10,687,921)	27,761,044
<i>Comparatives</i>	13,602,249	9,730,930	(5,888,255)	17,444,924	37,827,433	1,989,524	(11,603,544)	28,213,413

District Council of Kimba

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

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

	CARRYING AMOUNT MOVEMENTS DURING YEAR								2011
	\$								\$
	2010 CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation	CARRYING AMOUNT
	New/Upgrade	Renewals							
Plant Machinery/Minor/Other	2,085,107	137,921	82,286	(66,346)	(145,569)	-	-	-	2,093,399
Office Equip & Furniture	83,697	-	23,516	-	(16,620)	-	-	-	90,593
Buildings	6,478,162	42,792	-	-	(163,412)	-	-	-	6,357,542
Infrastructure	16,872,678	145,648	-	-	(440,723)	-	-	-	16,577,603
Land	1,465,369	-	-	(9,642)	-	-	-	-	1,455,727
CWMS	1,228,400	-	-	-	(42,220)	-	-	-	1,186,180
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	28,213,413	326,361	105,802	(75,988)	(808,544)	-	-	-	27,761,044
Comparatives	17,444,924	841,427	587,326	(116,057)	(786,252)	-	-	10,242,045	28,213,413

DISTRICT COUNCIL OF KIMBA

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

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. With subsequent additions at cost, this remains as the basis of recognition of non-material asset classes.

Land & Land Improvements

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

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis and have been revalued as at 1 July 2009 by Maloney Field Services at written down current replacement cost. Additions are recognised at cost.

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

Buildings & Other Structures

Buildings and other structures are recognised on the cost basis and have been revalued as at July 2009 by Maloney Field Services at written down current replacement cost. Council considered those buildings that would not ever be replaced by Council.

Infrastructure

Transportation assets were re-valued by Maloney Field Services at written down current replacement cost as at 1 July 2009. All acquisitions made after revaluation are recorded at cost.

Stormwater drainage infrastructure was re-valued by Maloney Field Services as at 30 June 2005 at written down current replacement cost, based on actual costs incurred during reporting period ending 30 June 2005. All acquisitions made after the revaluation are recorded at cost.

Community wastewater management scheme infrastructure was re-valued by Council Officers' in conjunction with Maunsell's Australia Pty Ltd at written down current replacement cost during the reporting period ended 30 June 2009.

District Council of Kimba

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

Note 8 - LIABILITIES

	Notes	2011		2010	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		50,206	-	94,656	-
Payments received in advance		975	-	2,977	-
Accrued expenses - employee entitlements		152,410	-	128,289	-
Accrued expenses - other		7,492	-	12,792	-
		<u>211,083</u>	<u>-</u>	<u>238,714</u>	<u>-</u>
BORROWINGS					
Loans		78,093	407,882	73,315	485,976
		<u>78,093</u>	<u>407,882</u>	<u>73,315</u>	<u>485,976</u>

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

PROVISIONS

Employee entitlements (including oncosts)		47,351	21,010	32,997	41,335
		<u>47,351</u>	<u>21,010</u>	<u>32,997</u>	<u>41,335</u>

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

47,667

59,933

District Council of Kimba

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

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2010	Net Increments (Decrements)	Transfers, Impairments	30/6/2011
Notes	\$	\$	\$	\$
Plant Machinery/Minor/Other	842,880	-	-	842,880
Office Equip & Furniture	7,528	-	-	7,528
Buildings	6,346,406	-	-	6,346,406
Infrastructure	10,921,833	-	-	10,921,833
Land	991,151	-	-	991,151
CWMS	1,312,820	-	-	1,312,820
TOTAL	20,422,618			20,422,618
<i>Comparatives</i>	<i>10,180,573</i>	<i>10,242,045</i>		<i>20,422,618</i>

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 (less any subsequent impairment losses, where applicable).

District Council of Kimba

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

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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

	Notes	2011 \$	2010 \$
CASH & FINANCIAL ASSETS			
Unexpended amounts received from Federal Government		-	-
CWMS		205,968	196,809
Aerodrome - RNAV & Windsock		-	67,500
SA Tourism - Statue		10,000	-
Balumbah/Kinnaird Road		180,000	-
		<u>395,968</u>	<u>264,309</u>
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		<u>395,968</u>	<u>264,309</u>

The following liabilities, included in Note 8, may be discharged from restricted assets in the first instance.

Bank Overdraft	8	100,000	100,000
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The Bank Overdraft is secured by rates.

District Council of Kimba

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

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2011 \$	2010 \$
Total cash & equivalent assets	5	<u>1,517,628</u>	<u>1,088,765</u>
Balances per Cash Flow Statement		<u>1,517,628</u>	<u>1,088,765</u>

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

Net Surplus (Deficit)		1,109,443	351,910
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		776,289	742,506
Net increase (decrease) in unpaid employee benefits		14,619	22,003
Premiums & discounts recognised & unwound		3,531	2,123
Grants for capital acquisitions treated as Investing Activity		(577,300)	(143,320)
Net (Gain) Loss on Disposals		<u>(62,785)</u>	<u>(129,307)</u>
		1,263,797	845,915
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(126,779)	(51,516)
Net (increase) decrease in inventories		41,549	854
Net increase (decrease) in trade & other payables		<u>(51,752)</u>	<u>54,558</u>
Net Cash provided by (or used in) operations		<u>1,126,815</u>	<u>849,811</u>

(c) Financing Arrangements

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

Bank Overdrafts	100,000	100,000
Cash Advance	200,000	200,000
Corporate Credit Cards	42,000	35,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Council also has immediate access to a short-term draw-down facility, and variable interest rate borrowings under a cash advance facility, both from the Local Government Finance Authority of SA.

District Council of Kimba

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

Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES												
	INCOME			EXPENSES			OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2010	2011	2010	2011	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Administration	2,102,067	1,972,718	800,930	492,751	1,301,137	1,479,967	910,044	805,371	2,911,246	2,181,739	2,181,739	
Public Order & Safety	41,226	16,968	196,907	78,484	(155,681)	(61,516)	-	-	381,555	395,138	395,138	
Health	8,354	8,101	34,059	19,879	(25,705)	(11,778)	-	-	451,462	463,285	463,285	
Social Security & Welfare	-	-	1,099	1,272	(1,099)	(1,272)	-	-	-	3,165	3,165	
Housing & Community Affairs	103,203	25,222	151,646	338,439	(48,443)	(313,217)	57,300	-	2,554,688	2,376,705	2,376,705	
Recreation & Culture	13,692	12,830	160,256	279,591	(146,564)	(266,761)	32,254	31,091	2,741,657	2,796,641	2,796,641	
Agriculture	38,702	200	36,620	37,080	2,082	(36,880)	-	-	-	-	-	
Transport & Communication	676,991	591,273	1,485,914	959,406	(808,923)	(368,133)	1,156,051	656,543	19,786,605	19,642,449	19,642,449	
Economic Affairs	48,691	44,787	113,852	170,265	(65,161)	(125,478)	10,000	-	1,306,204	1,259,317	1,259,317	
Mining, Manufacturing & Construction	539,855	-	141,058	-	398,797	-	-	-	-	-	-	
Other Purposes	18,918	256,620	-	472,269	18,918	(215,649)	-	82,300	360,547	373,000	373,000	
TOTALS	3,591,699	2,928,719	3,122,341	2,849,436	469,358	79,283	2,165,649	1,575,305	30,493,964	29,491,439	29,491,439	

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.

DISTRICT COUNCIL OF KIMBA

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

Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Administration Activities

Governance, Administration, Elected Members, Organisational Support Services, Accounting/Finance, Payroll, Housing for Council Employees, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGCC - General Purpose and Separate and Special Rates.

Public Order and Safety

Public Order and Safety, Other Fire Protection, Other Public Order and safety, Cemeteries, Public Conveniences, Car Parking and Other Community Amenities, Dog and Cat Control, Building Control, Town Planning, Clean Air/Pollution Control, Litter Control, Health Inspection, Parking Control and Other Regulatory Services.

Health

Immunisation, Health Services and Other Health Services.

Social Security and Welfare

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

Housing and Community Affairs

Waste Management, Domestic Waste, Green Waste, Recycling, Waste Disposal Facility, Other Waste Management, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy and Other Environment and Sewerage/CWMS.

Recreation and Culture

Park and Gardens, Sports Facilities - Outdoor, and Other Recreation, Library Services, Cultural Services, Cultural Venues, Heritage, Museums and Art Galleries and Other Cultural Services..

Agriculture

Agricultural Services, Agricultural Water, Animal/Plant Boards, Landcare and Other Agricultural Services..

Mining, Manufacturing and Construction

Gravel Pits/Quarries, Development of Land for Resale and Private Works.

Transport and Communication.

Aerodrome, Footpaths and Kerbing, Roads - sealed, Roads - formed, Roads - natural formes, Roads - unformed, Traffic Management, LGGC - roads (formula funded), and Other Transport.

Economic Affairs

Employment Creation Programs, Regional Development, Support to Local Business, Tourism, and Other Economic Development.

District Council of Kimba

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

Note 13 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 0% and 5% (2010: 0% and 4%). Short term deposits have an average maturity of 24 hours and an average interest rates of 4.7% (2010: 24 hours, 6.2%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Rates & Associated Charges (including legals & penalties for late payment)	<p>Accounting Policy: 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>Terms & conditions: Secured over the subject land, arrears attract interest of 2% (2010: 2%) 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>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: 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>Terms & conditions: 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>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: 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>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 6% and 7% (2010: 6% and 7%)</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 117.</p>

District Council of Kimba

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

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2011	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
Cash & Equivalents	\$ 1,517,628	\$ -	\$ -	\$ 1,517,628	\$ 1,517,628
Receivables	471,156	-	-	471,156	471,156
Other Financial Assets	-	121,540	-	121,540	121,540
Total	1,988,784	121,540	-	2,110,324	2,110,324
Financial Liabilities					
Payables	51,181	-	-	51,181	51,181
Current Borrowings	78,093	-	-	78,093	78,093
Non-Current Borrowings	-	326,639	81,243	407,882	407,882
Total	129,274	326,639	81,243	537,156	537,156
2010	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
Cash & Equivalents	\$ 1,088,765	\$ -	\$ -	\$ 1,088,765	\$ 1,088,765
Receivables	128,727	-	-	128,727	128,727
Total	1,217,492	-	-	1,217,492	1,217,492
Financial Liabilities					
Payables	97,633	-	-	97,633	97,633
Current Borrowings	73,315	-	-	73,315	73,315
Non-Current Borrowings	-	344,261	141,715	485,976	485,976
Total	170,948	344,261	141,715	656,924	656,924

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

	30 June 2011		30 June 2010	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
Other Variable Rates	0	\$ 51,181	0	\$ 97,633
Fixed Interest Rates	6.4	485,975	6.4	559,291
		<u>537,156</u>		<u>656,924</u>

Net Fair Value

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

Risk Exposures

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

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

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

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

District Council of Kimba

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

Note 14 - COMMITMENTS FOR EXPENDITURE

	2011	2010
<u>Notes</u>	\$	\$
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Aerodrome RNAV	-	67,500
Balumbah/Kinnaird Road	180,000	-
Tourism Statue	10,000	-
	190,000	67,500
These expenditures are payable:		
Not later than one year	190,000	67,500
	190,000	67,500
Other Expenditure Commitments		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	4,250	4,000
Employee Remuneration Contracts	321,959	-
	326,209	4,000
These expenditures are payable:		
Not later than one year	326,209	4,000
	326,209	4,000

District Council of Kimba

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

Note 15 - FINANCIAL INDICATORS

2011 2010 2009

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

Operating Surplus	\$	469,358	79,283	220,195
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Being the operating surplus (deficit) before capital amounts .

Adjusted Operating Surplus		469,358	79,283	(38,224)
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In each of June 2009, 2010 and 2010 the Commonwealth Government made an advance payment of one quarterly payment of the Financial Assistance Grant (see Note 3). Accordingly there were five "quarterly" payments in 2009, and four payments in each of 2010 and 2011. The Adjusted Operating Surplus and Adjusted Operating Surplus Ratio adjust for this distortion.

Operating Surplus Ratio

<u>Operating Surplus</u>		40%	7%	21%
Rates - general & other less NRM levy				

Adjusted Operating Surplus Ratio		40%	7%	(4%)
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This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.

Net Financial Liabilities	\$	(1,237,994)	(352,394)	(526,074)
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Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>		(34.8%)	(12.2%)	(17.1%)
Total Operating Revenue less NRM levy				

Interest Cover Ratio

<u>Net Interest Expense</u>		(0.8%)	(0.2%)	(0.7%)
Total Operating Revenue less NRM levy less Investment Income				

Asset Sustainability Ratio

<u>Net Asset Renewals</u>		94%	53%	-2%
Depreciation Expense				

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

Asset Consumption Ratio

<u>Carrying value of depreciable assets</u>		70%	68%	74%
Gross value of depreciable assets				

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

District Council of Kimba

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

Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2011 \$	2010 \$
Income	3,591,699	2,928,719
less Expenses	<u>3,122,341</u>	<u>2,849,436</u>
Operating Surplus / (Deficit)	469,358	79,283
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	791,308	560,464
less Depreciation, Amortisation and Impairment	776,289	742,506
less Proceeds from Sale of Replaced Assets	<u>62,773</u>	<u>169,364</u>
	(47,754)	(351,406)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	326,361	824,543
less Amounts received specifically for New and Upgraded Assets	577,300	143,320
less Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>76,000</u>	<u>76,000</u>
	(326,939)	605,223
Net Lending / (Borrowing) for Financial Year	<u>844,051</u>	<u>(174,534)</u>

DISTRICT COUNCIL OF KIMBA

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

Note 17 – SUPERANNUATION

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

Marketlink (Accumulation Fund) Members

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

Salarylink (Defined Benefit) Members

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

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

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

COALFACE SA COUNCIL

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

Note 18 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE BALANCE SHEET

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

1. **LAND UNDER ROADS**

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

At reporting date, Council controlled 1,714 km of road reserves of average width 20 metres.



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE DISTRICT COUNCIL OF KIMBA

I have audited the accompanying financial report of the District Council of Kimba which comprises the balance sheet as at 30 June 2011 and the statement of comprehensive income, statement of changes in equity, cash flow statement, summary of significant accounting policies, other explanatory notes and the Chief Executive Officer's statement for the year ended 30 June 2011.

Chief Executive Officer's Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

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

Auditor's Opinion

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

A handwritten signature in cursive script, appearing to read 'Ian G McDonald'.

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

Signed 27th day of August

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

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206 Greenhill Road,
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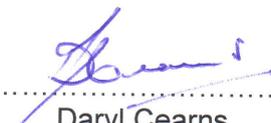
Email: imd1962@bigpond.net.au

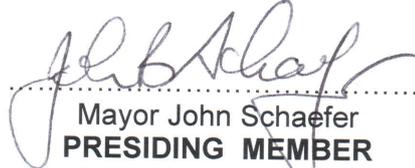
DISTRICT COUNCIL OF KIMBA
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2011

CERTIFICATION OF AUDITOR INDEPENDENCE

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

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


.....
Daryl Cearns
CHIEF EXECUTIVE OFFICER


.....
Mayor John Schaefer
PRESIDING MEMBER
AUDIT COMMITTEE

Date: 10th August, 2011

**DISTRICT COUNCIL OF KIMBA
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2011**

STATEMENT BY AUDITOR

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

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



Ian G McDonald FCA

Dated this 10 day of August 2011



MESSAGE FROM THE PRESIDENT



ABOVE: Mayor Julie Low (President) flanked by Mr Stephen Marlow (L) and Jr Vice President, Mayor John Schaefer (R)

On May 1st 2011, I was highly honoured to take over the role of President of the Eyre Peninsula Local Government Association from the very capable hands of Mayor Jim Pollock. Jim's five years as President have been busy and seen him strongly advocate for our region at every possible opportunity. I know Members would join me in thanking sincerely Jim for his tireless efforts on our behalf and for his strong commitment to the Eyre Peninsula region as a whole.

I'm very pleased to have Mayors Eddie Elleway and John Schaefer as Vice Presidents and know they will assist in a variety of ways over my term. Our Board has seen many new members following local government elections late in 2010 and we were really pleased to see stronger candidate numbers across our region. Good contests can indicate strong leadership and I have been particularly keen to see some younger candidates standing in a number of Council areas.

On the issue of leadership, I was very pleased to attend the finals presentations of this year's Steering EP programme which EPLGA has again supported this year. Just like the first course, participants greatly appreciated the range of experiences and skills they were exposed to and a variety of potential leaders demonstrated very clearly that we are likely to have good leaders in future. I think it is important for the region to continue to support such programmes and to encourage future leaders to develop their skills. They are our future and Eyre Peninsula is a precious part of the state.

Apart from the various legislative and other challenges we have responded to, one of the greatest opportunities since the federal election has been the focus on regionalism. The LGA focus day on February 18th attracted wide support from the regions although the performance of some of our federal and state politicians on the day was not strong. However, we have recently endorsed the LGA's Policies in relation to regional actions and we have been pleased to see the appointment of Emily White to drive their implementation. In addition, CPR consultants are currently preparing our marketing strategy which we hope will lift our profile across the state as well as give us more political traction.

At our June Board meeting, we finally received the draft Eyre and Western Planning strategy which we have waited almost three years to see. This will be our main land use planning framework and, like the 30 Year Plan for greater Adelaide, will form a suite of plans covering the state. We are in the midst of an 8 week consultation process that Councils will I'm sure, make the most of.

Several issues have continued to drive our agenda with the implementation of SA Marine Parks continuing to move forward. Currently, the Local Advisory Groups have finished their deliberation and their zoning suggestions are with the Minister at the moment. The next stage will see his draft zones released for comment at which time we should see some impact modelling in relation to any economic impacts.

Meanwhile coastal councils around SA have joined in lobbying Minister O'Brien for recreational fishing limits, bringing our state in line with the others. For some time, we have heard concerns about excessive fillet numbers being caught and even on-sold in some cases. As with Marine Parks, I'd like to commend the efforts of Mayor Allan Suter of DC Ceduna, whose knowledge and leadership has driven much of the action in relation to these issues.

I look forward to the year ahead, knowing we will not only face challenges but also opportunities to make our communities even stronger. By working together, I believe we can achieve a great deal.

MAYOR JULIE LOW
PRESIDENT, EPLGA

MEMBER COUNCILS 2010/11

- City of Whyalla
- City of Port Lincoln
- DC Ceduna
- DC Cleve
- DC Elliston
- DC Franklin Harbour
- DC Kimba
- DC Lower Eyre Peninsula
- DC Streaky Bay
- DC Tumby Bay
- Wudinna DC

REPRESENTATIVES:

At the 73rd AGM of the Eyre Peninsula Local Government Association, held at Ceduna on 3rd December 2010, the following Office Bearers were confirmed for the 2010/11 financial year:

PRESIDENT: Mayor Jim Pollock (City of Whyalla)

SNR VICE PRESIDENT : Mayor Julie Low (DC Lower Eyre Peninsula)

JUNIOR VICE PRESIDENT: Mayor Eddie Elleway (DC Franklin Harbour.)

Supplementary election at the February 2011 meeting endorsed Mayor Julie Low as President with Mayor Elleway as Snr Vice President and Mayor Schaefer as Jnr Vice President.

Our President and Snr Vice President are our nominated representatives to SAROC and State Executive Forums.

Other local government representatives to regional Boards have been as follows:

RDA Whyalla and EP BOARD:

Mayor Jim Pollock (City of Whyalla)
Cr Jack Velthuisen (City of Whyalla)
Mayor Allan Suter (DC Ceduna)
Former Mayor Allan Edwards (DC Cleve)

EYRE PENINSULA NATURAL RESOURCES MANAGEMENT BOARD

Mr Geoff Dodd (CEO, City of Port Lincoln)

TOURISM EYRE PENINSULA COMMITTEE

Former Cr Dianne Hamlyn (DC Kimba)

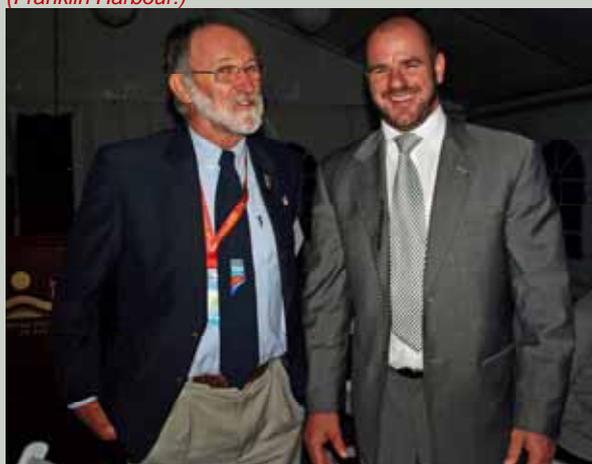
ANNUAL MEETING SCHEDULE, 1981-2020.

A highlight on the EPLGA calendar is the Annual Conference, hosted each year by a member Council. To assist in host Council planning, the following schedule is included:

2000 DC Franklin Harbour
2001 DC Cleve
2002 DC Streaky Bay

2003 DC Elliston
2004 DC Tumby Bay
2005 Whyalla CC
2006 DC Ceduna
2007 DC Lower Eyre Peninsula
2008 DC Kimba
2009 DC Wudinna
2010 DC Franklin Harbour
2011 DC Cleve
2012 DC Streaky Bay
2013 DC Elliston
2014 DC Tumby Bay
2015 Whyalla CC
2016 DC Ceduna
2017 DC Lower Eyre Peninsula
2018 Port Lincoln CC
2019 DC Kimba
2020 Wudinna DC

Mark Ricciuto was Guest speaker at the Cleve Annual Conference Dinner. Pictured (Below R) talking with Cr Alan Zerner (Franklin Harbour.)



The 2012 conference will be held on Monday 27th February 2012 at Streaky Bay. Theme will be "Bush to Bay."

BOARD MEMBERS AND STAFF FOR 2010/11

Under the terms of our Charter, the following Board appointments were current as at June 30th, 2011:

Ceduna	Allan Suter (Mayor) Lynton Brown (D/Mayor)
Cleve	Roger Nield (Mayor) Jodie Jones (D/Mayor)
Elliston	Pat Clarke (Chair) Kym Callaghan (Dep Ch)
Franklin Harbour	Eddie Elleway (Mayor) Gavin Jackson (Dep Mayor)
Kimba	John Schaefer (Mayor) Dean Johnson (Dep Mayor)

Lower Eyre Peninsula

Julie Low (Mayor)
Paul Pedler (D/Mayor)

Port Lincoln

Bruce Green (Mayor)
Neville Starke (D/Mayor)

Streaky Bay

Rob Stephens (Mayor)
Dean Whitford (Dep Mayor)

Tumby Bay

Laurie Collins (Mayor)
Murray Mason (Dep Mayor)

Whyalla

Jim Pollock (Mayor)
Merton Hodge (Cr)

Wudinna

Tim Scholz (Chair)
Neville Scholz (Dep Ch)

Tourism Commissions' changes to delivery of their growth plan, including demise of regional office.

- Submissions in relations to COAG Road Reform Project, windfarm planning framework, Eyre and Western Landuse plan, grain handling, Agricultural Advisory Board funding, fish possession limits, Marine parks SA, Digital TV switch-over and many other issues have been prepared on behalf of Members.

REPORT OF ACTIVITIES, 2010/11

The stated objectives under our Strategic Plan , with generalised actions for the year, are as follows:

Promotion of an integrated and regional network of Councils, in co-operation with other regional LGAs and the LGA of SA

- Regular newsletters distributed electronically as information mechanism
- Active participation in SAROC and State Exec agenda
- Regular liaison with other regional Executive Officers to cross-promote issues throughout regional SA

Effective lobbying on behalf of Members on key regional initiatives and concerns

Throughout the year, lobbying efforts have included the following:

- Continued lobbying and submission re Marine Parks implementation process
- Continued response/lobbying re Water including EP Long Term Plan.
- Opposition to Daylight Savings extension and promotion of Central Standard Time GMT+ 9 hours
- Many roads issues including Rail Interface, gazettal processes, HML operation, road funding and accredited officer access.
- Minister Gago's Accountability proposal re Regional Subsidiaries
- Digital TV switchoff, GTS footprint.
- Fish possession limits for recreational fishing sector
- Co-ordinating action in regard to SA

Assist Members to improve operational efficiencies by providing a forum for considering co-operative ventures and sharing of resources

- A number of meeting have been held re Road issues including Rail Interface project, DTEI engagement and native vegetation management.
- Promotion and progress of HR regional Project.
- Preliminary work in relation to Starr Report on Future operation of Councils on EP.
- Co-ordination Councils audit tender.

Provide a point of interface with key organizations on Eyre Peninsula, including EPNRM, RDAWEP and TEP, on matters of governance that affect the majority of Members

- Co-ordinating engagement with TEP, SATC in relation to changes to regional tourism growth plan for SA.
- Ongoing engagement with emergency management agencies, DENR, RDA on a variety of issues affecting our region.

Projects carried out 2010/11

Shared Services HR/OHS Project

Seven Member Councils agreed to co-fund a fully developed HR consultancy the earlier scoping work funded by the LGA. Key workplan included assessment of the One System Implementation plus the development of standardized approaches to HR documentation, policy development and recruitment processes.

External consultants have handled the bulk of the project with Training and marketing items being managed by EPLGA. These are both ongoing in 2011/12 partly due to supplementary

work under the Marketing project which will actually inform some of the output.

Climate Change Sector Agreement.

After 18 months, this project has been slowed due to the loss of funding and the former Co-ordinator, Tony Irvine. Most of the Working party have a fairly good understanding of the likely final action plan and we have agreed to commit funding ourselves the final component of the project.

For EPLGA, the key task will be developing coastal inundation planning materials that can then assist Councils in community engagement and infrastructure planning into the future.

Regional Leadership

We have again supported this project which aims to promote skills in potential future leaders on EP. Again, participants came from a cross section of business, government and community organizations and final outputs were again widely praised.

Rural Solutions co-ordinated and planned this year's project, titled "Steering EP #2" and a final wrap-up meeting will occur. The most important decisions are around the timing between courses and the method of providing recurrent funding into the future.

Participants have continued to praise the course saying that it allowed them to have a greater understanding about their skills and about leadership in general.

SUMMARY OF OTHER 2010/11 PROJECTS

EPLGA Marketing

Following the CEOs Residential Seminar, CEO Ian Burfitt encouraged members to consider ways of raising the image of the EPLGA in both regional and federal/state govt spheres, in line with the sense of regionalism promoted by the last federal election outcomes. It is thought that we may have a better chance of securing funding with a higher profile.

Members have been willing to back the project and we are currently looking at priority works suggested by CPR consultants, registered lobbying at both state and federal level.

It is expected that the timing of this project, with the LGA Regions Policy development and the invitation from the Department of Planning and Local Government to take a greater role in our regional planning, is fortuitous.

Tourism Marketing

Members were dismayed to learn of the dismantling of regional tourism offices during 2010. SATC sees the future growth of tourism as being achieved best through central delivery and focus in five key market areas. While Eyre Peninsula is likely to continue to be a part of the growth Plan, Councils have decided to fund a local delivery officer who will continue to promote regional strategic issues.

ZEN Energy

The LGA has continued to promote renewable energy for communities, including householder uptake of solar panels as a way of offsetting private energy costs. SA company, ZEN Energy, has been endorsed as an integral part of the project and many residents on EP have taken up the offer.

Summary.

The Executive officer review in 2007 resulted in a more confined agenda with members wanting to focus on the core issues for local government. However, in recent months, the focus on shared services and operational sustainability have lead to EPLGA coordinating a number of activities in the region.

For 2011/12, it is anticipated that the following projects will need much input from EPLGA:

- Certificate IV in OHS training
- Further development of regional training plan
- EPLGA marketing project (Engagement Strategy released in September 2011)
- Coordination of CEOs Governance meetings

In addition, 2011/12 will see scheduled reviews for:

- EPLGA Charter
- Policy Manual

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

INCOME STATEMENT

For the year ended 30th June 2011

	Note	2011 \$	2010 \$
INCOME			
Interest Received		16,169	10,603
Membership Fees	5	121,000	121,000
Reimbursable Expenses		-	460
Project Management Fees		3,000	3,000
		<u>140,169</u>	<u>135,063</u>
EXPENSES			
Administration		10,426	8,107
Audit Fees		1,240	1,100
Bank Charges		500	442
Computer Expenses		1,258	474
Donations		-	100
Employee Expenses		61,644	56,574
Insurance		5,378	3,212,
Marketing & Promotion		56	54
Meeting Expenses		3,828	3,638
President's Expenses		1,750	1,500
Secretarial Service		16,500	15,950
Telephone		319	346
Travel Expenses		5,599	5,407
		<u>108,498</u>	<u>96,904</u>
SURPLUS/(DEFICIT)		<u>31,671</u>	<u>38,159</u>

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

BALANCE SHEET As at 30th June 2011

	Note	2011 \$	2010 \$
ASSETS			
Cash and cash equivalents	3	291,663	205,708
Receivables	4	9,006	2,691
TOTAL CURRENT ASSETS		<u>300,669</u>	<u>208,399</u>
LIABILITIES			
Trade and other payables	6	34,754	6,831
Unspent Grants	2	<u>89,798</u>	<u>57,122</u>
TOTAL LIABILITIES		<u>124,552</u>	<u>63,953</u>
NET ASSETS		<u>176,117</u>	<u>106,287</u>
ACCUMULATED FUNDS			
Balance brought forward		144,446	106,287
Change in Financial Position Resulting from Operations		31,671	38,159
ACCUMULATED FUNDS AT THE END OF THE FINANCIAL YEAR		<u>176,117</u>	<u>144,446</u>

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

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Local Government Act 1999.

The financial report has been prepared in accordance with the requirements of the Local Government Act 1999 and the following Australian Accounting Standards.

AASB 1031 Materiality
AASB 110 Events after the Balance Sheet Date
AASB 119 Employee Benefits
AASB 107 Cash and Cash Equivalents.

No other applicable Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Liabilities for employee benefits not expected to be paid or settled within 12 months are measured using a shorthand method which produces a result not materially different from the liability measured using the present value of expected future cash outflows method. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

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

2. PROJECTS

	1/7/2010 Brought Forward	Income	Expenditure	Project Management	Unspent
Regional Capacity Building	56,468	34,537	33,839	3,000	54,166
EP Coastal Development Strategy	654	-	-		654
Human Resource Consultancy	-	90,000	55,022	-	34,978
	<u>57,122</u>	<u>124,537</u>	<u>88,861</u>	<u>3,000</u>	<u>89,798</u>

2011
\$

2010
\$

3. CASH AND CASH EQUIVALENTS

Bank SA Cheque/Savings	6,423	4,183
Bendigo Term Deposit	124,540	116,724
LGFA (at call)	160,700	84,801
	<u>291,663</u>	<u>205,708</u>

4. RECEIVABLES

GST receivable	7,006	2,691
Accrued Interest	2,000	-
	<u>9,006</u>	<u>2,691</u>

5. MEMBERSHIP FEES

District Council of Ceduna	11,752	11,752
District Council of Cleve	8,802	8,802
District Council of Elliston	7,457	7,457
District Council of Franklin Harbour	7,712	7,712
District Council of Kimba	7,429	7,429
Wudinna District Council	7,777	7,777
District Council of Lower Eyre Peninsula	13,212	13,212
District Council of Streaky Bay	9,027	9,027
District Council of Tumby Bay	9,937	9,937
City of Whyalla	21,955	21,955
City of Port Lincoln	15,940	15,940
	<u>121,000</u>	<u>121,000</u>

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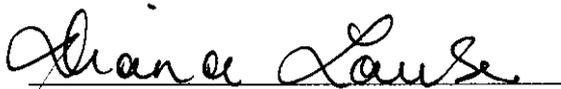
EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

6. TRADE & OTHER PAYABLES

Accrued Expenses – employee entitlements	4,391	5,115
Trade Creditors	27,807	-
Payroll Liabilities	2,556	1,716
	<hr/>	<hr/>
	34,754	6,831
	<hr/>	<hr/>

CHIEF EXECUTIVE OFFICER'S STATEMENT

I, DIANA LAUBE the person for the time being occupying the position of CHIEF EXECUTIVE OFFICER of EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION do hereby state that the Financial Statements of the Association for the 30 June 2011 financial year 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.



Signed

Dated 20th Sept 2011

STATEMENT OF THE BOARD OF MANAGEMENT MEMBERS

In the opinion of the Board of Management of the Eyre Peninsula Local Government Association the accompanying Financial Report attached hereto, are drawn up so as to present fairly the results of the Association for the year ended 30 June 2011, and the state of affairs of the Association as at 30 June 2011, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Signed 21st day of September 2011

in accordance with a resolution of the Board of Management

 _____ Member

_____ Member



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

We have audited the accompanying Financial Report of the Eyre Peninsula Local Government Association which comprises the balance sheet as at 30 June 2011 and the income statement and statement of changes in equity for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Chief Executive Officer's declaration as set out on pages 1 – 5.

THE CHIEF EXECUTIVE OFFICER'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999*. This responsibility includes establishing 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 my 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 financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Association, 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 our audit opinion.

AUDITOR'S INDEPENDENCE DECLARATION

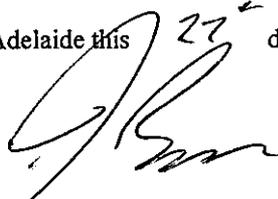
In conducting our audit we have complied with the independence requirements of the *Local Government Act 1999*, the *Local Government (Financial Management) Regulations 1999* and the Australian professional accounting bodies.

AUDIT OPINION

In our opinion the financial report of the Eyre Peninsula Local Government Association is properly drawn up:

- a) To give a true and fair view of:
 - i) the Association's state of affairs as at 30 June 2011 and changes in equity resulting from operations and cash flows for the year ended on that date.
 - ii) the other matters required by the Local Government Act 1999 to be dealt with in the financial statements.
- b) According to the Local Government Act 1999, together with the Local Government Act 1999 (Financial Management) Regulations 1999 made under that Act; and
- c) According to Australian Accounting Standards and mandatory professional reporting requirements.

Signed at Adelaide this 27th day of September 2011



JOHN D EWEN
JOHN D EWEN & ASSOCIATES
CHARTERED ACCOUNTANT

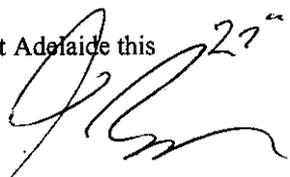
AUDITOR'S INDEPENDENCE DECLARATION

Auditor's Independence Declaration Under Section 16A of the Local Government (Financial Management) Regulations 1999 to The Members of Eyre Peninsula Local Government Association

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

This statement is prepared in accordance with the requirements of Regulation 16A (4) *Local Government (Financial Management) Regulations 1999*.

Signed at Adelaide this 27th day of September 2011



JOHN D EWEN
JOHN D EWEN & ASSOCIATES
CHARTERED ACCOUNTANT