



District Council of Kimba Annual Report 2011 - 2012



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

District Council of Kimba

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District Council of Kimba

MAYOR'S COMMENTS

It hardly seems possible that a year has passed since I wrote my last annual report. However, time waits for no-one including the District Council of Kimba. Once again during the 11/12 year we have been extremely well served by Daryl, Deb and the administration team and Michael and the works staff. Financially we are travelling well and our town and surrounding community have rarely looked better. The efficient pro-active service delivery by both administration and works side of Council doesn't happen by accident. It is a result of the leadership provided by our senior managers and the dedicated effort by our staff. Working together they have completed another year of professional, excellent delivery of many services.

The highlight of the year without doubt is the sealing of the airstrip number 03-21 in Kimba. This resulted from Council being "shovel ready" having already invested in plans and taking a calculated risk in having rubble crushed before notification of success in funding from the Federal Government 1/3, State Government 1/3, and Council contributing 1/3. The timelines for this project became extremely tight however the community should be proud of all involved that resulted in completion of the sealing before time and under budget. Whilst this was occurring we continued work on the Balumbah-Kinnaird Road with more sealing and site preparation for the next section in an ongoing process. We were also able to complete some re-sheeting on the Drekurmi Road as private works for IronClad Mining in preparation for mining to commence. To date that hasn't occurred and Council is no closer to knowing if and when the company may begin shipping iron-ore from the Wilcherry site. Our roads continue to get graded and repaired and our town is always being improved. From a tourism angle we have finally installed the sculptures of Edward John Eyre and his Aboriginal companion on top of Whites Knob. They definitely provoke a reaction and are becoming a tourist drawcard.

Council continues to suffer extra legislative requirements, the latest being an Independent Commission Against Corruption (ICAC). This legislation is planned for the end of 2012 and who knows what the ramifications for Local Government will be. It is another addition to a long line of extra work our senior managers have to administer. One wonders how long it will take before we are spending so much time and effort meeting legislative requirements that we won't have any time left for anything else that is actually for the service of the community.

Finally a big thankyou to Deputy Mayor Dean Johnson and the rest of the elected members. Your support is vital for the smooth running of Council. We are able to have healthy debate and make decisions that enable us to serve our community. With Daryl's guidance we can continue to make strategic investments for the betterment of our District. I look forward to the next 12 months.



John Schaefer



District Council of Kimba

CHIEF EXECUTIVE OFFICER'S COMMENTS

The 2012 financial year has continued the improvement needed to meet Councils long term sustainability outcomes. The outcomes were assisted in part by increases in private works income from works carried out for IronClad Mining who are establishing an iron ore mine 40km north of Kimba and Council members positive and progressive approach to not waste any gains by agreeing to establish a future infrastructure fund to be used for special projects.

During the financial year Council purchased a large allotment in the Kimba Township which will be subdivided to create 6 residential allotments and an area to upgrade drainage from the Sampson Street/Ellis Drive Subdivision. Council also completed the upgrade and sealing of the Kimba airstrip with assistance with grants from both the State and Federal Government. The final cost of works was \$782,395 split three ways. The total costs to purchase the land in Ferry Street and Councils contribution to the upgrade of the airstrip was \$522,000 which was met by Councils cash reserves. While it sounds like a lot of money I am sure that all residents will agree that both projects are extremely strategic for Kimba, especially the sealing of the airstrip into an all-weather airstrip. No longer will the RFDS evacuation team have to be told that they cannot land because the non-sealed strip is too wet.

Council continued to receive substantial Financial Assistance, Local Roads and Road to Recovery grants from the Federal Government during 2011-2012. Council also received special Local Road Grants for the Balumbah-Kinnaird Road (2/3 State, 1/3 Council) and contributions from the State and Federal Government towards the upgrade and sealing of the airstrip. All of these grants go a long way in allowing small Councils like ours to achieve acceptable service standards for our communities.

As I have previously mentioned the expectations of the community regarding the level of service to maintain Councils extensive road network is very concerning and will need to be addressed in the coming years. There needs to be an honest debate about this issue, and a choice will need to be made between substantial rate increases or a drop in the level of service.

I continue to be amazed at the hard and dedicated work of the many volunteers in the Kimba District who continue to strengthen our community in many ways. Small communities like ours would not be able to achieve so much without their work. Well done to all who make the effort with very little thanks at times. Lastly I would like to thank Mayor John Schaefer and the members for their continued and positive support and their strong sense of community; and also Councils fantastic and hardworking staff that are led extremely well by Deb Larwood (MCS) and Michael Inglis (WM).



Daryl Cearns



District Council of Kimba

MANAGER CORPORATE SERVICE'S COMMENTS

The 2011-12 financial year has seen the completion of several major projects for Council whilst still maintaining a strong financially sustainably position. With an operating surplus of \$855,552 Council is far exceeding the break even result which has been set as a target. With limited borrowings of \$407,883 and cash equivalents of \$1,935,426 Council is in a strong financial position. With the large outlays of capital Council has made on new and upgraded assets over the past few years I believe it is now time to address the renewal and replacement of existing assets whilst still considering planned services, projects and major expenditures for the coming years. With this in mind it is Council's intention to complete the review of the Long Term Financial Plan and Asset Management Plan to provide the necessary forward planning to ensure the decisions made by Council are done so in an informed environment to ensure long term viability.

This year has seen several changes in staff throughout the Administration Office. We welcomed Sarahanne Lewis in the new role of Depot Administration Officer. This role was setup to assist with the ongoing clerical work required within the depot as well as ever increasing OHS&W requirements. Sarahanne has been primarily based at the depot with some work undertaken at the Office. Council also said farewell to Karin Harris who left her position with us to pursue a career in Adelaide. Karin worked for Council for 7 years and we thank her for her hard work and dedication and wish her well in her future endeavours. Karin's position involving Records Management, Tourism and Personal Assistant duties was filled by Chloe Hanan. Chloe has been a welcome addition to the team and has become an integral part of the organisation in the short time she has been with us. Shylie Harris also has left temporarily on maternity leave and we hope to see her back with us in March 2013.

In 2011-12 it was Council's intent to continue with the upgrade and maintenance of its assets and road networks including the Balumbah/Kinnaird Road, Completion of the Stormwater Project, Kimba Pioneer Memorial Village upgrades and installation of solar power at the Administration Office. Other projects comprised of the upgrade of the Recreation Reserve Playground, Plant & Machinery renewal and replacement and Footways Construction. In addition Council purchased a block at Ferry Street with the intention of undertaking a subdivision to develop more land for housing as well as the major upgrade at the Aerodrome involving the sealing of the 03/21 Airstrip. This project was jointly funded under the Regional Aviation Access Program with Federal and State Governments and Council. Council also continued taking an active role in Tourism with the maintaining of the Visitor Information Outlet, the erection of the statues at Whites Knob which have proved extremely popular and the continuing work on both the Town Tourist Walk/Drive and the production of a Kimba Brochure. Occupational Health & Safety also forms a significant part of Councils' day to day running with Council continuing its' high standard in all Audits undertaken throughout the year.

All the work that Council undertakes throughout the year would not be possible without the leadership of management, hard work of staff and pro-active decision making of its' elected body. I thank them all for their ongoing support of my role within Council and look forward to working with them in the year ahead.



Deb Larwood



District Council of Kimba

WORKS MANAGER'S COMMENTS

Council staff again have had a very busy and productive 12 months. We continue to provide opportunities for employment including the continuation of the "gap year" position for pending university students. Council has also supported a number of both local and external contractors in order to complete Council works. During the year several staff members have moved on and accepted positions elsewhere. This has given opportunity for new employees to join our team.

Council's road network continues to require a large portion of Councils works budget. With a good 2011 harvest experienced, we again had increased tonnages transported throughout our network. During the year we completed a large amount of patching that greatly assisted in the overall condition of our network. Our roads policy which categorises our road hierarchy assists Council in carefully managing this limited budget.

Construction of Stage 2 Balumbah-Kinnaird Road was completed in the 2011/12 financial year. This stage consisted of a further 4.5kilometres which adds to the recent completion of Stage 1 also 4.5kilometres. With 9 kilometres remaining this project is on schedule to be completed in the 2013/14 financial year.

A highlight for the year was the successful grant funding application to seal the 03/21 runway and apron at the Kimba Aerodrome. I consider this to be one of the most important Council projects has undertaken due to the safety benefits it has provided by now being an all-weather aerodrome facility. This is critical for community health and wellbeing in the event of medical emergencies and Royal Flying Doctor operation. Construction work was completed within timeframes and budget allocations. Since the upgrade has been completed there have been no closures due to wet weather.

Improving recycling and waste management methods are a high priority to Council. Our Kimba Recycling and Refuse Centre operates successfully and along with our recycling programs we have limited waste streams going to landfill.

Council staff prides themselves in providing services to the community. This was evident with one of our staff members, Gary Mills receiving Employee of the Year. We undertake a vast and varying amount of duties to meet our communities' expectations. A lot of work is also done behind the scenes, such as meeting all our compliance and legal obligations. This is an increasing workload area which has to be met. It has been an enjoyable 12 months which has been very fruitful with our achievements. I look forward to the new financial year working with the proactive and dedicated management team and councillors we have.



Michael Inglis



District Council of Kimba

COUNCIL VISION

Our Vision

A sustainable, progressive and viable Council committed to building the prosperity and vitality of the Kimba community in a quality environment.

Our Mission

As a legislated business, the District Council of Kimba aims to provide leadership, representation, advocacy and prudent management for its communities and visitors, and to work with them to identify asset needs and improve services.

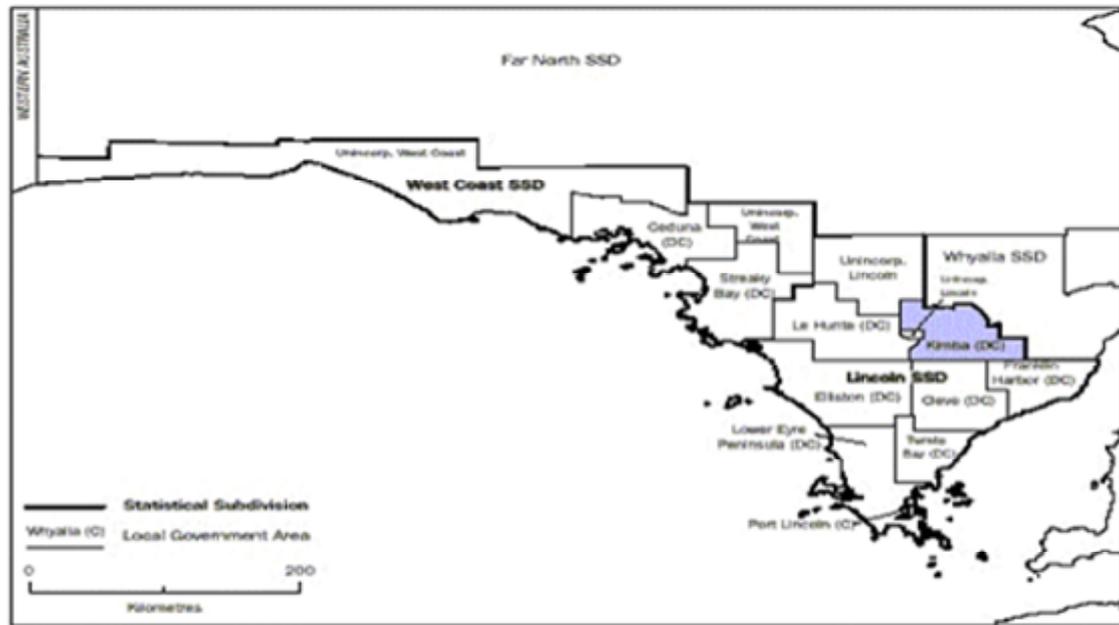
Values and Principles

The values and principles which guide all decisions of Council and which are reflected in the Strategic Management Plan can be summarised as follows:

- We will deliver quality and progressive Council services and programs
- We will facilitate a growing and sustainable economy and employment base to ensure the long term survival and prosperity of the community
- We promote a cohesive and dynamic rural community
- We promote a stable and cohesive Council and organisation
- We will maintain excellent relationships with the community through open communication and consultation
- We preserve and enhance our heritage and the environment
- We will ensure the long term financial security of the Council through excellent forward planning and management.

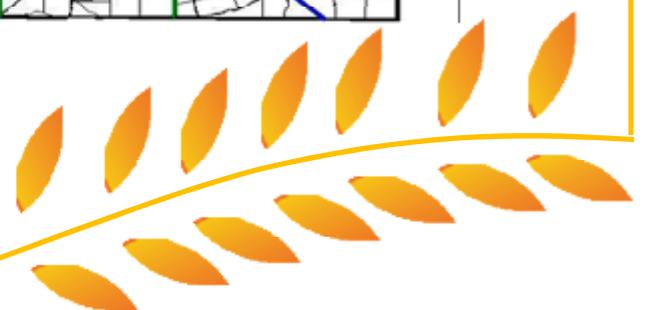
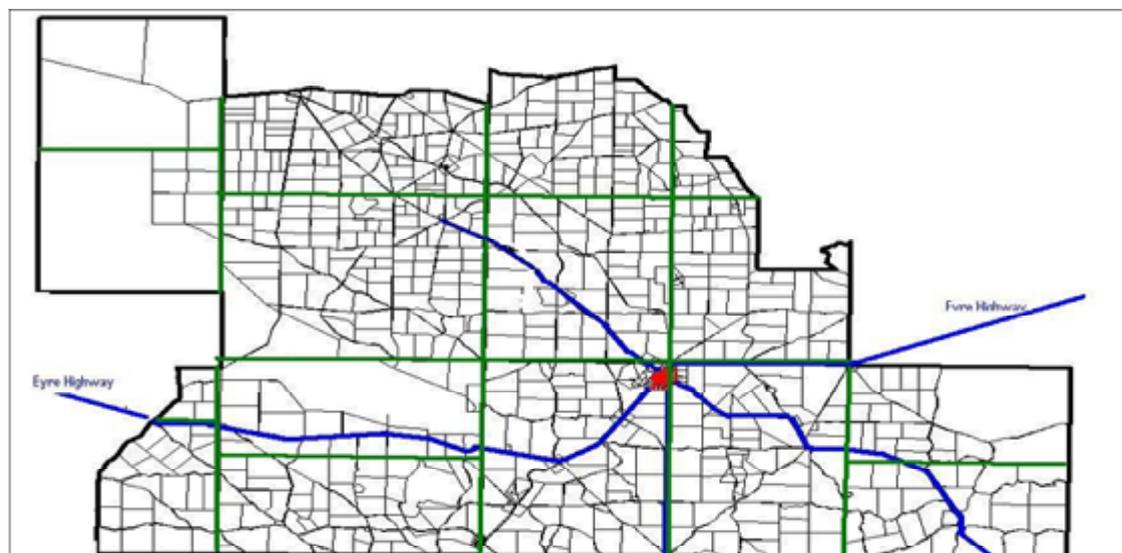


District Council of Kimba



Based on 1999 Local Government Area Boundaries
Source: Australian Standard Geographical Classification 1999
Produced by: The Regional Statistics Unit
© Commonwealth of Australia, 2001

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 1,088. Kimba is 474 kilometres from Adelaide, 155 kilometres west of Port Augusta and 315 kilometres east of Ceduna. Neighbouring 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 76.7 kilometres are sealed.



District Council of Kimba

COUNCIL ELECTED MEMBERS

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

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 \$2430.00

Attended 12/12 Council meetings

LGA of SA Conference



Deputy Mayor

D. N. Johnson

PO Box 209

Kimba SA 5641

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 12/12 Council meetings



Councillor

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 \$337.50

Attended 11/12 Council meetings



Councillor

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 \$1166.25

Attended 11/12 Council meetings



Councillor

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; \$1125.00

Attended 12/12 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

G.J. 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 10/12 Council meetings



Training & Development Activities available for Members of Council

Council Members were provided with the opportunity to undertake Training & Development during 2011-2012. 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.



District Council of Kimba

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

Regional Development Assessment Panel

Cr B S Cant

Kimba School Community Library Board

Cr S K Beinke

Kimba Community Development Group

Mayor J B Schaefer

Kimba Area School Governing Council

Cr S K Beinke

COUNCIL EMPLOYEES

District Council of Kimba employees during the 2011-2012 year:

Administration



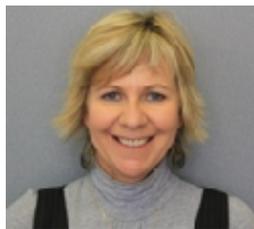
Daryl CEARNS
Chief Executive Officer



Debra LARWOOD
Manager Corporate Services



Chloe HANAN
Administration Officer
Governance/Records



Jo SCHAEFER
Administration Officer
Rates/Finance/Development



Deb KEMP
Administration Officer
Payroll
OHS&W Officer



Sarahanne LEWIS
Works Administration
Officer
Website

Zoe GREGORY - School Based Apprentice

Shylie HARRIS - Administration Officer (currently on Maternity Leave)

Karin HARRIS - Administration Officer (Resigned March 2012)



District Council of Kimba

Works



Michael INGLIS
Works Manager



Gary MILLS
Workshop Supervisor



Michael KEMP
Town Supervisor



Shane HARRIS
Multi Skilled Operator



Peter ADLER
Multi Skilled Operator



Trevor NIELSEN
Multi Skilled Operator



Tony LARWOOD
Town and Depot Services



Mark STEWART
Multi Skilled Operator



Tyler INGLIS
Heavy Vehicle Mechanic
Apprentice



Leslie CLEMENTS
Multi skilled operator/Acting
Road Construction and
Maintenance Supervisor

Clarrie HUTCHINS
Zane STUTLEY
Blair BUCHANAN

Refuse and Recycling Centre Supervisor
Town and Depot Services (Part Time Employee)
Town and Depot Services (Gap Year Employee)

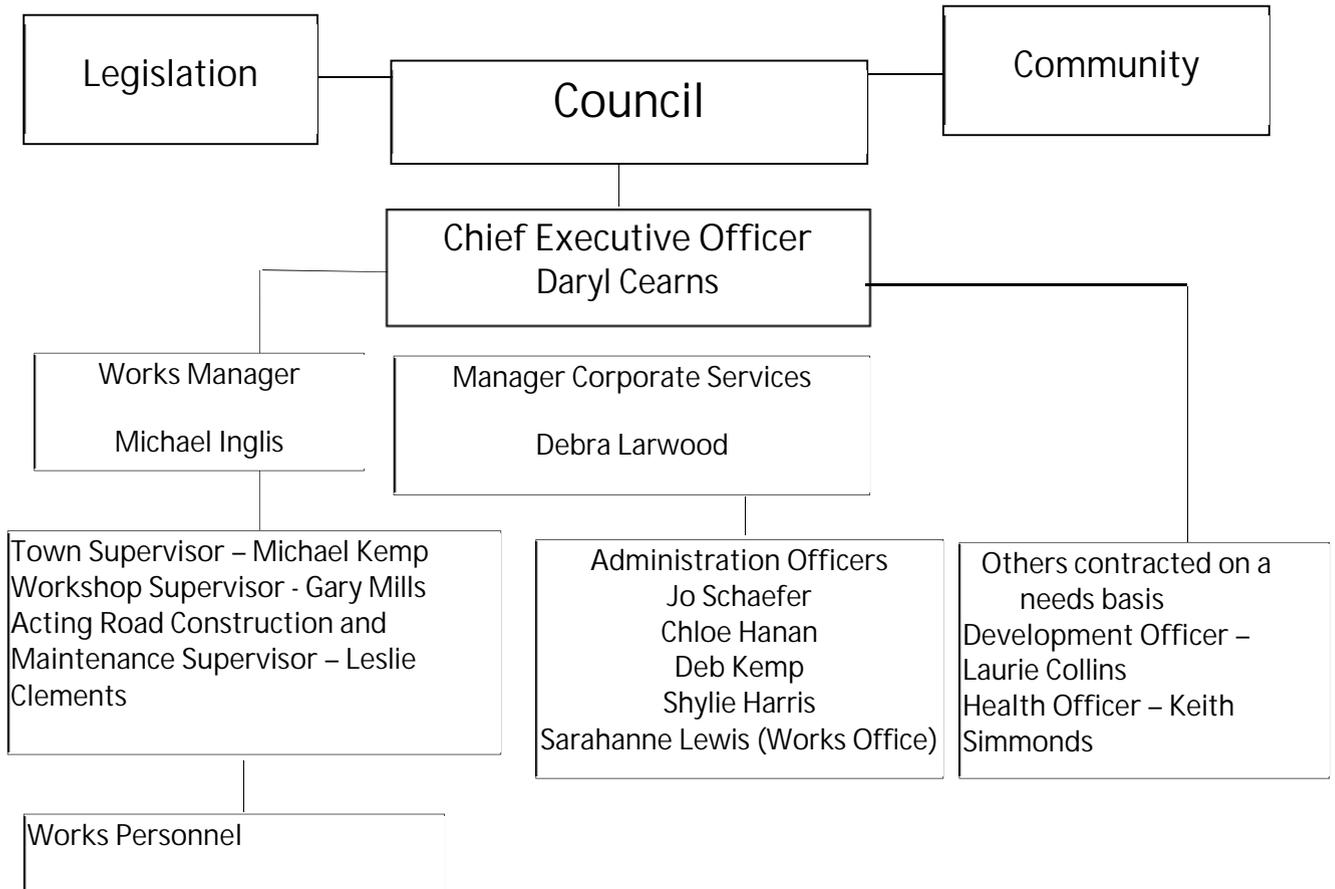
Graeme HAMPEL
Chris KENCHINGTON
Ben CLEMENTS

Resigned December 2011
Resigned May 2012
Resigned May 2012



District Council of Kimba

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 Cearns CEO (or proxy) and Kimba Aerodrome Manager



District Council of Kimba

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)
Neville Pahl (Kimba Lions Club representative)
Hayden Whitwell (Kimba Apex Club representative)
Advisory - Daryl Cearn, Council CEO

Kimba Tourism Committee

Cr S K Beinke
Cr K B Mathews
Jacinta Woolford
Dianne Hamlyn
Marilyn Stutley
Pat Beinke
Advisory - Deb Larwood (or proxy), Chloe Hanan (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)
Rob Dart (Yalanda James)
George Kozminski (SA CFS)
Joe Tilley (Department of Environment and Natural Resources)
Michael Freak (Department of Environment and Natural Resources)
Advisory Staff -Debra Larwood, Michael Inglis, Daryl Cearn, Gary Mills (Council Fire Prevention Officer)

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.



District Council of Kimba

AUDITOR

Council's Auditor, Ian G. McDonald, was appointed in December 2010, for a 5 year period. Fees paid to him in 2011/2012 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



District Council of Kimba

ADMINISTRATION

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



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 2012. This policy is available for viewing or purchase at the Council Office during normal business hours.



District Council of Kimba

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	7	70
Murray		
Kimba	7	80
Wudinna	7	NA
Orroroo/Carrieton	7	62
Robe	7	110
Streaky Bay	8	143

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.



District Council of Kimba

FACILITIES

Hire Charges:

Council Chambers/Meeting Room \$44.00 per day
(Negotiable for community groups)

Kimba Soldiers Memorial Institute Rental
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 \$3,566.65 per year
Kelly Cricket Club \$1068.10 per year
Kimba A H & F Society \$928.40 per year
Kimba Cricket Club \$1068.10 per year
Kimba Pony Club Inc. \$105.40 per year
Circus \$325.60 per day



Kimba Soldiers Memorial Institute



District Council of Kimba

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
2011/2012	1,259,733	0.5902	-1.25	2.065	4.20

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 28 development applications, with an estimated value of \$1,859,664.

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

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
2011/2012	28 applications	\$1,859,664

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



District Council of Kimba

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 2011/2012 Council sold 23.5 tonnes of newspaper and cardboard, as well as collecting 1 tonne of E-Waste.

Operating hours of the Kimba Refuse Depot as at 30th June 2012 were:

Sunday 9 am – 12 pm

Tuesday 9 am – 12 pm

Thursday 9 am – 12 pm



Councils Upgraded Baler



District Council of Kimba

School/Community Library

Located: 69 West Terrace, Kimba. S.A. 5641

Phone: 8627 2221 Fax: 8627 2221

Opening Times:

School Terms:

Monday	9.00 am – 3.30 pm
Tuesday	9.00 am – 5.00 pm
Wednesday	9.00 am – 5.00 pm
Thursday	9.00 am – 5.00 pm
Friday	9.00 am – 5.00 pm
Saturday	CLOSED
Sunday	CLOSED
Public Holidays	CLOSED

School Holidays:

Monday	CLOSED
Tuesday	10.15 am – 12:30 & 1:00 pm - 4.30 pm
Wednesday	10.15 am – 12:30 & 1:00 pm - 4.30 pm
Thursday	10.15 am – 12:30 & 1:00 pm - 4.30 pm
Friday	10.15 am – 12:30 & 1:00 pm - 4.30 pm
Saturday	CLOSED
Sunday	CLOSED

Complaint/Request procedure

In 2011/2012 128 complaint and request forms were received, consisting of:

- Kimba Pioneer Memorial Village 26
- Public toilets 4
- Dogs/Cats 3
- Roads/Footpaths 24
- Parks, Gardens, Trees 22
- Other (including Institute, Council buildings & supplying footpath gravel) 50

All requests/ complaints except 1 were completed as at 30th June, 2012.

Strategic Management Plan and Annual Business Plan

Council adopted its 2012-16 Strategic Management Plan in June 2012. 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 2012-13 and ongoing as needed. 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 2012-13 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 2011-12 Budget. Importantly, the 2012-13 Annual Business Plan provided the community with a progress report on the extent to which Council's objectives for 2011-12 (as set out in the 2011-12 Annual Business Plan) were being attained. Appendix A of this Annual Report sets out the final achievements for 2011-12.



District Council of Kimba

Financial Results for 2011-12

Council recorded a substantial operating surplus of \$855,552 in 2011-12 (i.e. income exceeded expenses by \$857,552). 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 2012 was negative \$1, 415,252. That is, the level of Council's financial assets exceeded its borrowings and other liabilities at 30 June. Council is endeavouring 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 100 per cent.

Council's audited financial statements for 2011-12 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 2012 gross borrowings were \$407,883 off set by cash and investments of \$2,074,659. After taking account of other receivables and payables and excluding the amount of Commonwealth Government financial assistance grants received in advance in June 2012, Council's net financial liabilities at 30 June 2012 was negative (\$1,323,000) 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 2012.

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 30/06/12 \$000
Gross borrowings	408
Less: Cash and investments	1,935
Equals: Net debt	(1,527)
Add: Trade and other payables	264
Add: Provisions for employee entitlements	79
Less: Trade and other receivables	139
Equals: Net financial liabilities	(1,323)



District Council of Kimba

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 2011/2012.

During the course of the 2011/2012 financial year, Council remitted \$20,247 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.



District Council of Kimba

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.



District Council of Kimba

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.



District Council of Kimba

FINANCIAL STATEMENTS

Pursuant to the provisions of Schedule 4 of the Local Government Act 1999, Council's Audited Financial Statements for the 2011/2012 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.

Council went into camera once during the 2011/2012 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 9.3% 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 9.3% 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 9.3% of Salary
- Telephone Rental
- Use of vehicle
- Membership professional body



District Council of Kimba

APPENDIX A

STRATEGIC DIRECTIONS, ACHIEVEMENTS 2011-12

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

- o Lifestyle and wellbeing
- o Employment, Economic Development and Tourism
- o Environment
- o Assets and Infrastructure
- o Governance
- o 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 five 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 2012-16 Strategic Directions document the following were highlighted as focus areas that should be pursued during the next 5 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 was completed in 2011-12 at a total cost of \$251,554. 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.	Alterations to the interior of the office were undertaken in 2011-12 with further work scheduled for 2012-13.
Continue upgrades to units at the Kimba Pioneer Memorial Village.	Two kitchens were upgraded, four verandahs and an ongoing maintenance/upgrade schedule was developed in 2011-12. Further upgrades are planned in 2012-13.
Commence construction of the Balumbah-Kinnaird Road in conjunction with funding from the Special Local Roads Program and Roads to Recovery.	Stage 2 completed in 2011-12 with a further 2 stages to be completed over the next two financial years.
Implement Climate Change Strategies to promote cost effective measures to reduce greenhouse emissions.	During 2011-12 solar power was installed at the Administration Office to enable Council to move towards a greener environment.



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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.
Establish an all-weather airstrip for 24 hour access by the Royal Flying Doctors and create opportunities for future tourism and mining support activities.	During 2011-12 funding was received through the Regional Aviation Access Program for the sealing of the 03/21 airstrip at a total cost of \$782,396 with joint funding provided by the Federal and State Government and Council.
Promote tourism in the Kimba district, including the continuation of underwriting costs for the Visitor Information Outlet.	Council continued to promote tourism and house and staff the V.I.O. The Kimba Brochure was further progressed in 2011-12 with completion scheduled for 2012-13. The erection of a statue and further beautification of Whites Knob was undertaken.
Continue to seek grant funds to enable employment opportunities.	Current grant work being undertaken has allowed Council further employment opportunities.
Commence implementation of the long term Recreation Reserve Plan.	Further upgrades were undertaken to the Recreation Reserve in 2011-12 along with an upgrade to the toilets and removal of the Old Football Club Building.
Assist sporting clubs to develop a new sporting complex.	New sporting complex completed during 2011-12 with Council beautifying surrounding areas.
Review Councils Strategic Plan and develop long term Financial and Asset Management Plans in conjunction with this.	The 2012-16 Strategic Plan was completed and the finalization of the Long Term Financial Plan and Asset Management Plan scheduled for 2012-13.
Take opportunities to further develop land available for housing in Kimba.	In 2011-12 Council purchased a property on Ferry Street. Plans have been sought with a sub-division to be undertaken in 2012-13.



District Council of Kimba

ACHIEVEMENTS 2011-12

All of the items listed for 2011-12 were part of the Budget and Annual Business Plan.

Achievements	Achieved Yes/No	Comments
Upgrade of Cemetery Entrance.	No	Plans were finalized. Due to associated costs the upgrade has been delayed to the 2012-13 financial year.
Upgrade of Council Plant and vehicles.	Yes	The New Holland Tractor was replaced and a second hand mower purchased. The Works Manager's vehicle was also changed over and a new administration vehicle purchased.
Footways and Kerb and Water Table maintenance.	Yes	Ongoing beautification of town streets.
Paving of one footpath per year.	Yes	Paving completed on South Terrace between West Terrace and Park Terrace.
Maintain Parks & Reserves including completion of Stage 2 of Recreation Reserve Program.	Yes	Stage 2 completed with maintenance ongoing.
Completion of Stormwater Project	Yes	Completed in 2011-12 program.
Continue upgrade of KPMV Units – including 2 kitchens and 4 verandas.	Yes	Completed with further upgrades to be undertaken in line with the maintenance/upgrade schedule in 2012-13.
Continuation of waste management and recycling program.	Yes	Ongoing and alternative recycling options investigated with a recycling trial to be undertaken in 2012-13.
Road Maintenance.	Yes	Extensive road maintenance undertaken this year due to the high yielding harvest and unusual rain events.
Stage 2 of the sealing of the Balumbah/Kinnaird Road.	Yes	This work was completed with the exception of 1km of sealing which was delayed due to weather and availability of contractors.



District Council of Kimba

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



District Council of Kimba

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.



District Council of Kimba

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 Delegations
- 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 2012.



APPENDIX E



3.12 EMPLOYEES CODE OF CONDUCT

Reviewed and Re-adopted by the

District Council of Kimba

At its meeting on

9/11/11

District Council of Kimba

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:	Current
Version Number:	4
Author:	Daryl Cearns, CEO
Authorised By	Daryl Cearns, CEO

Change History

Version	Issue Date	Author	Reasons for Change
	9/9/2009	D. Cearns	
2	14/7/2010	D. Cearns	Review
3	9/11/2011	D Cearns	Review

District Council of Kimba

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;

District Council of Kimba

- Impartiality in implementing Council decisions or when exercising delegated authority.
- 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;

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- 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 10th October 2012

District Council of Kimba

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.

(3a) A code of conduct must be consistent with any principle or requirement prescribed by the regulations and include any mandatory provision prescribed by the regulations.

(3b) The Minister should take reasonable steps to consult with any registered association that represents the interests of employees of councils before a regulation is made under subsection (3a).

(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.

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

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.

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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

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

District Council of Kimba

- (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
- (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.

District Council of Kimba

(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 unincorporated)

- (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.

(9) For the purpose of subsection (6) and (f), employment with the council is to be disregarded.

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 employees 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:

Employee signature: Daryl Cearns _____

Employee signature: Debra Larwood _____

Employee signature: Michael Inglis _____

Employee signature: Blair Buchanan _____

Employee signature: Peter Adler _____

Employee signature: Laurie Collins _____

District Council of Kimba

Employee signature: Zoe Gregory _____

Employee signature: Shane Harris _____

Employee signature: Chloe Hanan _____

Employee signature: Clarrie Hutchens _____

Employee signature: Tyler Inglis _____

Employee signature: Debra Kemp _____

Employee signature: Michael Kemp _____

Employee signature: Joylene McGuire _____

Employee signature: Vicki Mathews _____

Employee signature: Gary Mills _____

Employee signature: Anthony Larwood _____

Employee signature: Sarahanne Lewis _____

Employee signature: Trevor Nielsen _____

Employee signature: Jo Schaefer _____

Employee signature: Mark Stewart _____

Employee signature: Zane Stutley _____

Date: _____ / _____ / _____.

APPENDIX F



3.7 PUBLIC CONSULTATION POLICY

Reviewed and Re-adopted by the

District Council of Kimba

At its meeting on

10/4/12

District Council of Kimba

DOCUMENT APPROVAL

This document has been endorsed and approved for use by:

Document Version Control

Document Name:	3.7 Public Consultation Policy
Document Status:	
Version Number:	
Author:	Daryl Cearn, CEO
Authorised By	Daryl Cearn, CEO

Daryl Cearn
CEO District Council Kimba

Date

Change History

Version	Issue Date	Author	Reasons for Change
1	13/1/2010	D. Cearn	
2	10/4/12	D Larwood	Review

District Council of Kimba

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;
- 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)

District Council of Kimba

- 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 policies 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 Procedure

This Public Consultation Policy was reviewed by Council in April 11th 2012.

District Council of Kimba

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 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.



District Council of Kimba

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.



District Council of Kimba

3.2 Community Consultation

The District Council of Kimba regularly consults with local residents and ratepayers on particular issues that affect their neighbourhood. 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
- Community Land Register
- Road Register (including priority roads)

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.



District Council of Kimba

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)



2011-12

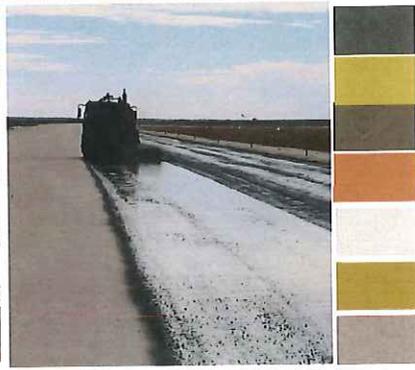
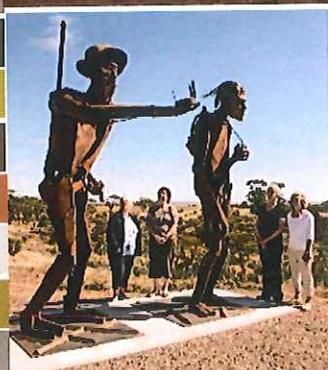
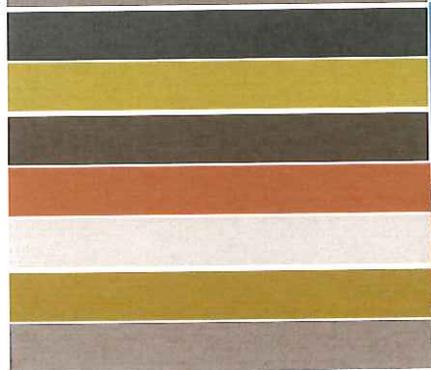
Financial Statements

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



"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 2012

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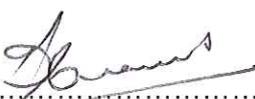
District Council of Kimba

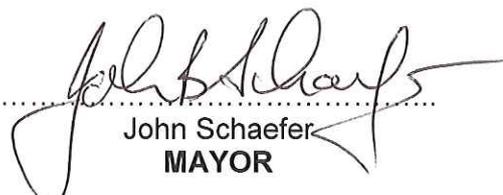
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2012

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 2012 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: 20/8/2012

District Council of Kimba

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2012

	Notes	2012 \$	2011 \$
INCOME			
Rates	2	1,301,023	1,217,287
Statutory charges	2	22,450	16,493
User charges	2	102,956	62,872
Grants, subsidies and contributions	2	1,878,577	1,588,349
Investment income	2	63,057	63,036
Reimbursements	2	694,350	592,778
Other income	2	222,662	50,884
Total Income		<u>4,285,075</u>	<u>3,591,699</u>
EXPENSES			
Employee costs	3	1,136,160	1,008,737
Materials, contracts & other expenses	3	1,489,634	1,298,626
Depreciation, amortisation & impairment	3	772,511	776,289
Finance costs	3	31,218	38,689
Total Expenses		<u>3,429,523</u>	<u>3,122,341</u>
OPERATING SURPLUS / (DEFICIT)		855,552	469,358
Asset disposal & fair value adjustments	4	(27,969)	62,785
Amounts received specifically for new or upgraded assets	2	1,067,028	577,300
NET SURPLUS / (DEFICIT)		<u>1,894,611</u>	<u>1,109,443</u>
transferred to Equity Statement			
TOTAL COMPREHENSIVE INCOME		<u>1,894,611</u>	<u>1,109,443</u>

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

District Council of Kimba

BALANCE SHEET
as at 30 June 2012

ASSETS	Notes	2012 \$	2011 \$
Current Assets			
Cash and cash equivalents	5	1,935,427	1,517,628
Trade & other receivables	5	139,233	364,245
Inventories	5	<u>17,011</u>	<u>11,746</u>
Total Current Assets		<u>2,091,671</u>	<u>1,893,619</u>
Non-current Assets			
Financial Assets	6	91,540	121,540
Infrastructure, Property, Plant & Equipment	7	29,392,251	27,761,044
Other Non-current Assets	6	<u>798,642</u>	<u>717,761</u>
Total Non-current Assets		<u>30,282,433</u>	<u>28,600,345</u>
Total Assets		<u>32,374,104</u>	<u>30,493,964</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	263,854	211,083
Borrowings	8	83,183	78,093
Provisions	8	<u>68,135</u>	<u>47,351</u>
Total Current Liabilities		<u>415,172</u>	<u>336,527</u>
Non-current Liabilities			
Borrowings	8	324,700	407,882
Provisions	8	<u>11,075</u>	<u>21,010</u>
Total Non-current Liabilities		<u>335,775</u>	<u>428,892</u>
Total Liabilities		<u>750,947</u>	<u>765,419</u>
NET ASSETS		<u>31,623,157</u>	<u>29,728,545</u>
EQUITY			
Accumulated Surplus		11,200,538	9,305,927
Asset Revaluation Reserves	9	<u>20,422,618</u>	<u>20,422,618</u>
TOTAL EQUITY		<u>31,623,156</u>	<u>29,728,545</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 2012

	Notes	Accumulated Surplus	Asset Revaluation Reserve	TOTAL EQUITY
2012		\$	\$	\$
Balance at end of previous reporting period		9,305,927	20,422,618	29,728,545
Restated opening balance		9,305,927	20,422,618	29,728,545
Net Surplus / (Deficit) for Year		1,894,611		1,894,611
Balance at end of period		11,200,538	20,422,618	31,623,156
2011				
Balance at end of previous reporting period		8,196,484	20,422,618	28,619,102
Restated opening balance		8,196,484	20,422,618	28,619,102
Net Surplus / (Deficit) for Year		1,109,443		1,109,443
Balance at end of period		9,305,927	20,422,618	29,728,545

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 2012

	Notes	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates - general & other		1,286,337	1,209,897
Fees & other charges		24,224	17,328
User charges		107,205	45,824
Investment receipts		71,075	54,651
Grants utilised for operating purposes		2,019,470	1,604,232
Reimbursements		833,561	582,636
Other revenues		525,998	204,291
<u>Payments</u>			
Employee Costs		(1,111,245)	(995,562)
Materials, contracts & other expenses		(1,885,986)	(1,556,024)
Finance payments		(36,708)	(40,458)
Net Cash provided by (or used in) Operating Activities		1,833,931	1,126,815
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		1,067,028	577,300
Sale of replaced assets		-	62,773
Sale of surplus assets		-	76,000
Repayments of loans by community groups		107,500	-
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(53,439)	(791,308)
Expenditure on new/upgraded assets		(2,459,129)	(326,361)
Loans made to community groups		-	(223,040)
Net Cash provided by (or used in) Investing Activities		(1,338,040)	(624,636)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Payments</u>			
Repayments of Borrowings		(78,092)	(73,316)
Net Cash provided by (or used in) Financing Activities		(78,092)	(73,316)
Net Increase (Decrease) in cash held		417,799	428,863
Cash & cash equivalents at beginning of period	11	1,517,628	1,088,765
Cash & cash equivalents at end of period	11	1,935,427	1,517,628

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 2012

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 Corner of Cross Street and West Terrace Kimba. These financial statements include the Council's direct operations 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 2012

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. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

5.1 Real Estate Assets Developments

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

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

5.2 Other Real Estate held for resale

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

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

6 Infrastructure, Property, Plant & Equipment

6.1 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.

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2012

Note 1 - Significant Accounting Policies (cont)

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	\$2,500
Other Plant & Equipment	\$2,500
Buildings - new construction/extensions	\$10,000
Park & Playground Furniture & Equipment	\$2,500
Road construction & reconstruction	\$10,000
Paving & footpaths, Kerb & Gutter	\$5,000
Drains & Culverts	\$5,000

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

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2012

Note 1 - Significant Accounting Policies (cont)

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.

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	8.63% (2011, 15.78%)
Weighted average settlement period	3.57 years (2011, 3.73 years)

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 1 - Significant Accounting Policies (cont)

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 18.

10 Construction Contracts

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

11 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 2012 reporting period and have not been used in preparing these reports.

- AASB 9 *Financial Instruments*
- AASB 10 *Consolidated Financial Statements*
- AASB 11 *Joint Arrangements*
- AASB 12 *Disclosure of Interests in Other Entities*
- AASB 13 *Fair Value Measurement*
- AASB 119 *Employee Benefits*
- AASB 127 *Separate Financial Statements*
- AASB 128 *Investments in Associates and Joint Ventures*
- 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]*
- AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]*
- AASB 2011-5 *Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, AASB 128 & AASB 131]*

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2012

Note 1 - Significant Accounting Policies (cont)

- AASB 2011-7 *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]*
- AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]*
- AASB 2011-9 *Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]*
- AASB 2011-10 *Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14]*
- AASB 2011-12 *Amendments to Australian Accounting Standards arising from Interpretation 20 [AASB 1]*

(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 2012

Note 2 - INCOME

	Notes	2012 \$	2011 \$
RATES REVENUES			
<u>General Rates</u>		1,180,917	1,094,351
Less: Mandatory rebates		(12,920)	(11,787)
Less: Discretionary rebates, remissions & write offs		(2,171)	(1,856)
		<hr/> 1,165,826	<hr/> 1,080,708
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		38,220	36,570
Waste collection		33,275	34,830
Community wastewater management systems		62,140	62,280
		<hr/> 133,635	<hr/> 133,680
<u>Other Charges</u>			
Penalties for late payment		1,975	2,948
Legal & other costs recovered			
		<hr/> 1,975	<hr/> 2,948
Less: Discretionary rebates, remissions & write offs		(413)	(49)
		<hr/> 1,301,023	<hr/> 1,217,287
STATUTORY CHARGES			
Development Act fees		13,505	13,169
Town planning fees		5,642	-
Health & Septic Tank Inspection fees		191	-
Animal registration fees & fines		2,162	2,145
Other licences, fees, & fines		950	1,179
		<hr/> 22,450	<hr/> 16,493
USER CHARGES			
Cemetery/crematoria fees		4,793	4,636
Aged Care Cottages		48,319	48,411
Recreation Reserve		7,495	7,326
Hall & equipment hire		4,191	2,273
Section 224 Lease		24,000	-
Health Centre		6,041	-
Sundry		8,117	226
		<hr/> 102,956	<hr/> 62,872
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		55,886	58,369
Banks & other		961	1,158
Loans to community groups		6,210	3,509
		<hr/> 63,057	<hr/> 63,036

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

NOTE 2 - INCOME (continued)

	Notes	2012 \$	2011 \$
REIMBURSEMENTS			
- for Water sales		21,423	2,271
- for private works		582,972	537,587
- for building officer costs		17,319	19,601
- other		72,636	33,319
		694,350	592,778
OTHER INCOME			
Workers Compensation Rebate		27,903	30,203
Sundry		194,759	20,681
		222,662	50,884
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		1,067,028	577,300
Other grants, subsidies and contributions		1,522,896	1,588,349
Individually significant item - additional Grants Commission payment	see below	355,681	0
		2,945,605	2,165,649
<i>The functions to which these grants relate are shown in Note 2.</i>			
Sources of grants			
Commonwealth government		974,091	854,156
State government		1,971,514	1,311,493
		2,945,605	2,165,649

Individually Significant Item

In June 2010, Council received an advance payment of the first instalment of the Grant Commission (FAG) grant. Similarly, on 28 June 2012 Council received payment of the first two instalments of the 2012/13 grant.

	355,681	0
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This has materially increased Council's operating results in the current year, as these amounts are recognised as income upon receipt.

Similarly material adverse effects will be experienced when the timing of these grant payments is restored to normal schedule during 2012/13.

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

NOTE 2 - INCOME (continued)

	Notes	2012 \$	2011 \$
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>		499,398	351,394
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>			
<i>Aerodrome RNAV Windsock & GPS</i>		-	(67,500)
<i>SA Tourism - Statue</i>		(10,000)	-
<i>Balumbah/Kinnaird Road</i>		(180,000)	-
<i>Financial Assistance Grant</i>		(309,398)	(283,894)
<i>Subtotal</i>		<u>(499,398)</u>	<u>(351,394)</u>
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
<i>SA Tourism Statue</i>		-	10,000
<i>Balumbah/Kinnaird Road</i>		52,000	180,000
<i>Financial Assistance Grant</i>		665,079	309,398
<i>Subtotal</i>		<u>717,079</u>	<u>499,398</u>
<i>Unexpended at the close of this reporting period</i>		<u><u>717,079</u></u>	<u><u>499,398</u></u>
 <i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>		 <u><u>217,681</u></u>	 <u><u>148,004</u></u>

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 3 - EXPENSES

	Notes	2012 \$	2011 \$
EMPLOYEE COSTS			
Salaries and Wages		971,972	931,090
Employee leave expense		190,149	93,995
Superannuation - defined contribution plan contributions	18	62,221	48,806
Superannuation - defined benefit plan contributions	18	32,650	34,302
Workers' Compensation Insurance		47,643	43,903
Other		20,230	19,988
Less: Capitalised and distributed costs		(188,705)	(163,347)
Total Operating Employee Costs		1,136,160	1,008,737
 Total Number of Employees		19	17
<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		8,500	8,430
Elected members' expenses		85,260	58,582
Election expenses		-	4,992
Subtotal - Prescribed Expenses		93,760	72,004
 <u>Other Materials, Contracts & Expenses</u>			
Contractors		786,580	620,248
Energy		119,231	105,016
Materials		458,645	387,666
Legal Expenses		25,659	18,394
Levies paid to government - NRM levy		40,800	36,620
Sundry		(35,041)	58,678
Subtotal - Other Materials, Contracts & Expenses		1,395,874	1,226,622
		1,489,634	1,298,626

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 3 - EXPENSES (cont)

	Notes	2012 \$	2011 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Plant & Machinery/Minor/Other		144,080	145,569
Office Equip & Furniture		11,107	16,620
Buildings		157,295	163,412
Land		437,197	440,723
CWMS		42,220	42,220
Stormwater Project		4,528	-
Wastewater Re-use		3,526	-
		<u>799,953</u>	<u>808,544</u>
Less: Capitalised and distributed costs		<u>(27,442)</u>	<u>(32,255)</u>
		<u>772,511</u>	<u>776,289</u>
FINANCE COSTS			
Interest on overdraft and short-term drawdown		212	1,350
Interest on Loans		28,955	33,808
Unwinding of present value discounts		2,051	3,531
		<u>31,218</u>	<u>38,689</u>

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2012 \$	2011 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		-	62,773
Less: Carrying amount of assets sold		-	66,346
Gain (Loss) on disposal		<u>-</u>	<u>(3,573)</u>
 <i>Assets surplus to requirements</i>			
Proceeds from disposal		-	76,000
Less: Carrying amount of assets sold		27,969	9,642
Gain (Loss) on disposal		<u>(27,969)</u>	<u>66,358</u>
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		 <u>(27,969)</u>	 <u>62,785</u>

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 5 - CURRENT ASSETS

	Notes	2012 \$	2011 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		190,498	61,812
Deposits at Call		<u>1,744,928</u>	<u>1,455,816</u>
		<u>1,935,426</u>	<u>1,517,628</u>
 TRADE & OTHER RECEIVABLES			
Rates - General & Other		29,315	14,629
Accrued Revenues		10,686	18,704
Debtors - general		42,392	151,903
GST Recoupment		6,379	23,434
Prepayments		26,461	54,075
Loans to community organisations		<u>24,000</u>	<u>101,500</u>
Total		<u>139,233</u>	<u>364,245</u>
 INVENTORIES			
Stores & Materials		<u>17,011</u>	<u>11,746</u>
		<u>17,011</u>	<u>11,746</u>

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 6 - NON-CURRENT ASSETS

	Notes	2012 \$	2011 \$
FINANCIAL ASSETS			
Receivables			
Loans to community organisations		<u>91,540</u>	<u>121,540</u>
TOTAL FINANCIAL ASSETS		<u>91,540</u>	<u>121,540</u>
OTHER NON-CURRENT ASSETS			
Capital Works-in-Progress		<u>798,642</u>	<u>717,761</u>
		<u>798,642</u>	<u>717,761</u>

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2011				2012			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Plant & Machinery/Minor/Other	1,264,487	1,244,263	(415,351)	2,093,399	1,264,487	1,397,426	(559,431)	2,102,482
Office Equip & Furniture	-	210,645	(120,052)	90,593	-	149,030	(68,202)	80,828
Buildings	10,464,096	212,013	(4,318,567)	6,357,542	10,464,096	343,116	(4,475,862)	6,331,350
Infrastructure	20,432,928	543,210	(4,606,565)	16,369,573	20,432,928	2,275,291	(5,043,762)	17,664,457
Land	1,455,727	-	-	1,455,727	1,455,727	161,917	-	1,617,644
CWMS	2,410,040	-	(1,223,860)	1,186,180	2,410,040	-	(1,266,080)	1,143,960
Stormwater Project	-	-	-	-	-	251,554	(4,528)	247,026
Wastewater Re-use	-	211,556	(3,526)	208,030	-	211,556	(7,052)	204,504
TOTAL PROPERTY, PLANT & EQUIPMENT	36,027,278	2,421,687	(10,687,921)	27,761,044	36,027,278	4,789,890	(11,424,917)	29,392,251
<i>Comparatives</i>	<i>37,827,433</i>	<i>1,989,524</i>	<i>(11,603,544)</i>	<i>28,213,413</i>	<i>36,027,278</i>	<i>2,421,687</i>	<i>(10,687,921)</i>	<i>27,761,044</i>

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	CARRYING AMOUNT MOVEMENTS DURING YEAR										2012
	\$										\$
	2011 CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation			CARRYING AMOUNT
	New/Upgrade	Renewals									
Plant & Machinery/Minor/Other Office Equip & Furniture	2,093,399	153,163	-	-	(144,080)	-	-	-	-	-	2,102,482
Buildings	90,593	29,311	(27,969)	(11,107)	-	-	-	-	-	-	80,828
Infrastructure	6,357,542	131,103	-	(157,295)	-	-	-	-	-	-	6,331,350
Land	16,369,573	1,732,081	-	(437,197)	-	-	-	-	-	-	17,664,457
CWMS	1,455,727	161,917	-	-	-	-	-	-	-	-	1,617,644
Stormwater Project	1,186,180	-	-	(42,220)	-	-	-	-	-	-	1,143,960
Wastewater Re-use	208,030	251,554	-	(4,528)	-	-	-	-	-	-	247,026
	208,030	-	-	(3,526)	-	-	-	-	-	-	204,504
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	27,761,044	2,459,129	-	(799,953)	-	-	-	-	-	-	29,392,251
Comparatives	28,213,413	326,361	105,802	(808,544)	(75,988)	-	-	-	-	-	27,761,044

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

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 2012

Note 8 - LIABILITIES

	Notes	2012		2011	
		\$		\$	
TRADE & OTHER PAYABLES		Current	Non-current	Current	Non-current
Goods & Services		89,908		50,206	
Payments received in advance		780	-	975	-
Accrued expenses - employee entitlements		167,216	-	152,410	-
Accrued expenses - other		5,950	-	7,492	-
		<u>263,854</u>	<u>-</u>	<u>211,083</u>	<u>-</u>
BORROWINGS					
Loans		83,183	324,700	78,093	407,882
		<u>83,183</u>	<u>324,700</u>	<u>78,093</u>	<u>407,882</u>

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

PROVISIONS

Employee entitlements (including oncosts)		68,135	11,075	47,351	21,010
		<u>68,135</u>	<u>11,075</u>	<u>47,351</u>	<u>21,010</u>

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

74,608

47,667

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 9 - RESERVES

ASSET REVALUATION RESERVE		1/7/2011	Net Increments (Decrements)	Transfers, Impairments	30/6/2012
	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
Stormwater Project		0	-	-	0
Wastewater Re-use		0	-	-	0
TOTAL		<u>20,422,618</u>			<u>20,422,618</u>
	<i>Comparatives</i>	<u>20,422,618</u>			<u>20,422,618</u>

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 2012

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	2012 \$	2011 \$
CASH & FINANCIAL ASSETS			
Unexpended amounts received from Federal Government			
CVMS		215,565	205,968
SA Tourism Statue		-	10,000
Balumbah/Kinnaird Road		52,000	180,000
		267,565	395,968
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		267,565	395,968

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 2012

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	2012 \$	2011 \$
Total cash & equivalent assets	5	<u>1,935,427</u>	<u>1,517,628</u>
Balances per Cash Flow Statement		<u>1,935,427</u>	<u>1,517,628</u>

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

Net Surplus (Deficit)		1,894,611	1,109,443
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		772,511	776,289
Net increase (decrease) in unpaid employee benefits		23,604	14,619
Premiums & discounts recognised & unwound		2,051	3,531
Grants for capital acquisitions treated as Investing Activity		(1,067,028)	(577,300)
Net (Gain) Loss on Disposals		<u>27,969</u>	<u>(62,785)</u>
		<u>1,653,718</u>	<u>1,263,797</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		147,513	(126,779)
Net (increase) decrease in inventories		(5,265)	41,549
Net increase (decrease) in trade & other payables		<u>37,965</u>	<u>(51,752)</u>
Net Cash provided by (or used in) operations		<u>1,833,931</u>	<u>1,126,815</u>

(d) Financing Arrangements

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

Bank Overdrafts	100,000	100,000
Corporate Credit Cards	42,000	42,000
LGFA Cash Advance Debenture facility	200,000	200,000

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 2012

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	2011	2011	2012	2011	2012	2011
	2012	2011	2012	2011	2012	2011	\$	\$	\$	\$	\$	\$
Administration	2,505,120	2,102,067	828,166	800,930	1,676,954	1,301,137			1,228,789		2,897,116	2,911,246
Public Order & Safety	42,143	41,226	62,234	196,907	(20,091)	(155,681)			-		407,929	381,555
Health	7,130	8,354	24,394	34,059	(17,264)	(25,705)			-		442,839	451,462
Social Security & Welfare	-	-	855	1,099	(855)	(1,099)			-		-	-
Housing & Community Affairs	122,121	103,203	317,172	151,646	(195,051)	(48,443)			68,700		2,109,719	2,554,688
Recreation & Culture	17,895	13,692	248,500	160,256	(230,605)	(146,564)			1,393		3,418,149	2,741,657
Agriculture	42,735	38,702	40,800	36,620	1,935	2,082			-		-	-
Transport & Communication	854,449	676,991	1,503,459	1,485,914	(649,010)	(808,923)			1,101,391		21,110,422	19,786,605
Economic Affairs	73,968	48,691	139,980	113,852	(66,012)	(65,161)			-		1,617,154	1,306,204
Mining, Manufacturing & Construction	562,751	539,855	262,952	141,058	299,799	398,797			545,332		-	-
Other Purposes	56,763	18,918	1,011	-	55,752	18,918			-		370,776	360,547
TOTALS	4,285,075	3,591,699	3,429,523	3,122,341	855,552	469,358			2,945,605		32,374,104	30,493,964

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 2012

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 2012

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% (2011: 0% and 5%). Short term deposits have an average maturity of 24 hours and an average interest rates of 4.3% (2011: 24 hours, 4.7%).</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) Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.	<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% (2011: 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 1% and m% (2011: 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 2012

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2012	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	1,935,427			1,935,427	1,935,427
Receivables	201,458	-	-	201,458	201,458
Other Financial Assets	-	91,540	-	91,540	91,540
Total	2,136,885	91,540	-	2,228,425	2,228,425
Financial Liabilities					
Payables	90,688	-	-	90,688	90,688
Current Borrowings	83,183	-	-	83,183	83,183
Non-Current Borrowings	-	264,771	59,929	324,700	324,700
Total	173,871	264,771	59,929	498,571	498,571
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

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

	30 June 2012		30 June 2011	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
Other Variable Rates	0	78,387	0	51,181
Fixed Interest Rates	6.4	407,883	6.4	485,975
		<u>486,270</u>		<u>537,156</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 Management 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 2012

Note 14 - COMMITMENTS FOR EXPENDITURE

	<u>Notes</u>	2012 \$	2011 \$
Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Balumbah/Kinnaird Road		52,000	180,000
Tourism Statue		-	10,000
		52,000	190,000
These expenditures are payable:			
Not later than one year		52,000	190,000
		52,000	190,000
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	4,250
Employee Remuneration Contracts		358,757	321,959
		363,007	326,209
These expenditures are payable:			
Not later than one year		363,007	326,209
		363,007	326,209

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

Note 15 - FINANCIAL INDICATORS

	2012	2011	2010
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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 Ratio

<u>Operating Surplus</u>	68%	40%	7%
Rates - general & other less NRM levy			

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

Adjusted Operating Surplus Ratio

	40%	38%	5%
--	-----	-----	----

*In each of June 2009, 2010 and 2011 the Commonwealth Government made an advance of one quarterly payment of the Financial Assistance Grant. In June 2012 an advance of two quarterly payments was made (see Note 2). Accordingly there were four "quarterly" payments in 2010 and 2011, and five payments in 2012. The **Adjusted Operating Surplus Ratio** adjusts for this distortion.*

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	-33%	-35%	-12%
Total Operating Revenue less NRM levy			

Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue (excluding NRM levy).

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	7%	94%	53%
Infrastructure & Asset Management Plan required expenditure	*	*	*

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.

Amounts shown above an asterisk () indicate that depreciation expense has been used as a proxy, pending finalisation of the Infrastructure & Asset Management Plan.*

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

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

	2012 \$	2011 \$
Income	4,285,075	3,591,699
less Expenses	<u>3,429,523</u>	<u>3,122,341</u>
Operating Surplus / (Deficit)	855,552	469,358
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	53,439	791,308
less Depreciation, Amortisation and Impairment	772,511	776,289
less Proceeds from Sale of Replaced Assets	<u>-</u>	<u>62,773</u>
	(719,072)	(47,754)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	2,459,129	326,361
less Amounts received specifically for New and Upgraded Assets	1,067,028	577,300
less Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>-</u>	<u>76,000</u>
	1,392,101	(326,939)
Net Lending / (Borrowing) for Financial Year	<u>182,523</u>	<u>844,051</u>

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

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 2011/12; 9% in 2010/11). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) 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 and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Scheme's Trustee based on advice from the Scheme's Actuary. The rate is currently 6.3% (6.3% in 2010/11) of "superannuation" salary.

In addition, Council makes a separate contribution of 3% of salary for Salarylink members 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 Fund is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by each 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 actuarial investigation was conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2011. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

District Council of Kimba

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

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.

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.

District Council of Kimba

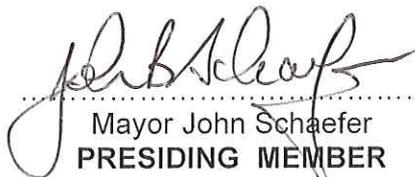
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2012

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 2012, 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 Geans
CHIEF EXECUTIVE OFFICER


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

Date: 20/8/2012

DISTRICT COUNCIL OF KIMBA
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of District Council of Kimba for the year ended 30 June 2012, 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 21st day of August 2012



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 2012 and the statement of comprehensive income, statement of changes in equity, cash flow statement, summary of significant accounting policies, other explanatory notes and the certification of financial statement for the year ended 30 June 2012.

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 2011. 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 2012, 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 2011.

A handwritten signature in black ink, appearing to read 'Ian G McDonald'.

IAN G MC DONALD FCA
CHARTERED ACCOUNTANT
REGISTERED COMPANY AUDITOR

Signed 15 day of October

Liability limited by a scheme approved under Professional Standards Legislation
2012, at Eastwood, South Australia

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APPENDIX I

EYRE PENINSULA LOCAL GOVERNMENT
ASSOCIATION ANNUAL REPORT

(Attached)





PRESIDENT'S REPORT

As always, the Eyre Peninsula Local Government Association has involved itself with a variety of issues and projects. Over the past two years, our workload has included the usual responses to legislation and other changes likely to affect us, but we have also spent more time taking a coordination role in a number of operational issues, including regional training opportunities.

Coastal Councils have been actively participating in the roll out of both state and federal Marine Parks around our coastline, as well as advancing regulations designed to manage recreational catch limits of specified species. Both these issues have been championed by Mayor Allan Suter and DC Ceduna, with the Far West of the state heavily impacted on both fronts. Recreational limits have recently been announced and this should see significantly less impact on King George Whiting catches by recreational fishers on Eyre Peninsula which has for decades seen practices that have been considered unsustainable. Outcomes from the sanctuary zoning announcements under the marine parks roll out have been greatly concerning with many watching the likely compensation calculations being determined. Some commercial sectors are claiming significant underestimation of catch values and it is likely that the process will have a way to go yet.

Other issues have included scrutinising the RDAWEP Rules and the decision of the state government to cease

funding RDA beyond 2013, mining expansion and land-use conflicts arising from some exploration activities as well as the perennial issue of water security.

We are currently preparing our next Eyre Peninsula Roads Strategy which has a number of road issues that will need to be addressed, including gazetted routes for freight movements. We are also reviewing our Charter and developing a new Management Plan.

In addition, the EPLGA has coordinated the regional delivery of Certificate IV in OHS which is being undertaken by 8 of our Risk Officers from Councils. The workshops are held approximately each month at a venue on EP and the group is finding the cooperative effort of great assistance. We also assisted Norman Waterhouse to locally deliver Rates Training to another group and five of our Works Managers undertook the Road Safety Assessors Course delivered at Port Lincoln by Uni SA. I would suggest that this should be an on-going role of EPLGA to coordinate regional delivery of accredited training to our Councils. While uptake of regional workshops through the LGA was poor last year, it seems that there is interest in higher level training delivered regionally.

The highly successful Annual Conference was this year very ably hosted by Streaky Bay and was again an unqualified success, from all reports. The speakers were carefully chosen to deliver strong local government input and highlighted success stories, key legal issues, planning frameworks, inputs from partner organisations as well as plenty of networking. My thanks also go to Mayor Eddie Elleway for deputising for me at this event which I was unfortunately unable to attend. We have enjoyed a number of guest speakers at our regular Board meetings and they presented across a range of topics. In September 2011, we also welcomed President Kym McHugh and Minister Russell Wortley to our Tumby Bay Board meeting.

Finally, the support of both Eddie as Snr Vice president, and Mayor John Schaefer, Jr Vice President has been most appreciated. We have been very ably assisted by Diana Laube as Executive Officer and with support from staff at RDAWEP. Over the coming months, Diana will be retiring and we expect to have a new Executive officer by January 2013. On behalf of EPLGA members I commend and thank Diana for her dedication, her advice and support. She has played a valuable role in furthering the objectives of EPLGA and I wish her well for the future. The 2012/13 year is shaping up to be another busy one that will no doubt present us with plenty of issues to follow.

The contribution of all Members has continued to make EPLGA a united voice and it is through this unity that we will achieve our goals.

MAYOR JULIE LOW

MEMBER COUNCILS 2011/12

- 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 75th AGM of the Eyre Peninsula Local Government Association, held at Kimba on 9th December 2011, the following Office Bearers were confirmed for the 2011/12 financial year:

PRESIDENT: Mayor Julie LOW (DC Lower Eyre Peninsula)

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

JUNIOR VICE PRESIDENT: Mayor John Schaefer (DC Kimba)

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 Velthuizen (City of Whyalla)
Cr Colin Carter (City of Whyalla)
Mayor Allan Suter (DC Ceduna)
Cr Bryan Trigg (DC Cleve)
Cr Malcolm Catt (City of Pt Lincoln)

EYRE PENINSULA NATURAL RESOURCES MANAGEMENT BOARD

Mayor Bruce Green (City of Port Lincoln)

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

The 2013 conference will be held on Monday 25th February 2013 at Elliston.

BOARD MEMBERS FOR 2011/12

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)

REPORT OF ACTIVITIES, 2011/12

Our core activities always include reacting to legislation and policy changes that are likely to negatively affect our region. This year ongoing concerns have been with:

- State and federal Marine parks
- Recreation Fishing limits
- Various roads and waste issues
- Regional Strategy for LGA
- Emergency Planning
- Time Zones
- Water Planning
- Regional planning

Projects carried out 2011/12

Regional Training Projects

Following the recommendations of the One System Consultancy, we successfully sought funding through DFEEST for the running of **Certificate IV in OHS** on Eyre Peninsula. Eight Councils have participated with the relevant officer attending day long sessions approximately every month.

Route Assessors.

Road assessment has previously required Councils to source a route assessor from off EP, adding to the cost. However, Lower EP, Tumby Bay, Wudinna, Elliston and Ceduna councils have supported a regional approach which saw us engage UniSA to deliver the initial 3 day training at Port Lincoln.

Rates Training.

Councils strongly supported Norman Waterhouse's training for rates officers which was held at Wudinna on May 15th.

EPLGA Marketing

This project, using the services of CPR, has continued with the completion of the Stakeholder Survey early in 2012. Members clearly indicated strong support to raise the profile of EPLGA especially with both the state and federal governments. A key project is now the commissioning of a report on the mining expansion, including the population distribution by township. This will be of great assistance to Councils in their structure planning and in their future planning for infrastructure needs. Currently, we are waiting for final confirmation from the LGA that they are able to assist us in funding the next component of this on-going project.

Emergency Management Planning

After success at the Natural Disaster Mitigation Grant rounds, we were advised that our funds could be held over and we were invited to undertake the EMP project with Risk services. The preliminary meetings have occurred and the development meetings are scheduled later in August. With our grant funds, it is an ideal opportunity to ensure that any further training identified to strengthen our capacity to manage emergencies and to assess risks can be funded.

Coastal Inundation Planning.

For the past three years, the EPLGA has sought funding to develop regional planning for coastal inundation predicted by CSIRO under various climate models. While we have not been successful yet, we were given \$20,000 through the LRGDS to tackle the question of the scale of digital elevation modeling (DEM) that was appropriate for regional councils.

We worked alongside the District Council of Tumby Bay who was keen to begin modeling as part of their structure planning approach. URPs have prepared a report on the decision making process and the options presented for regional Councils and Aerometrex performed the modeling for DC Tumby Bay.

Use of Financial Resources.

The following audited statement indicate another year of solid financial performance.

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

INCOME STATEMENT

For the year ended 30th June 2012

	Note	2012 \$	2011 \$
INCOME			
Interest Received		13,244	16,169
Membership Fees	5	140,000	121,000
Reimbursable Expenses		282	-
Project Management Fees		3,000	3,000
		<u>156,526</u>	<u>140,169</u>
EXPENSES			
Administration		9,444	10,426
Audit Fees		1,530	1,240
Bank Charges		826	500
Computer Expenses		287	1,258
Employee Expenses		69,980	61,644
Insurance		5,059	5,378
Marketing & Promotion		652	56
Meeting Expenses		3,313	3,828
President's Expenses		1,500	1,750
Secretarial Service		17,000	16,500
Telephone		564	319
Travel Expenses		8,271	5,599
Training Expenses		595	-
		<u>119,021</u>	<u>108,498</u>
SURPLUS/(DEFICIT)		<u><u>37,505</u></u>	<u><u>31,671</u></u>

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

BALANCE SHEET As at 30th June 2012

	Note	2012 \$	2011 \$
ASSETS			
Cash and cash equivalents	3	238,667	291,663
Receivables	4	19,685	9,006
TOTAL CURRENT ASSETS		<u>258,352</u>	<u>300,669</u>
LIABILITIES			
Trade and other payables	6	13,719	34,754
Unspent Grants	2	<u>31,011</u>	<u>89,798</u>
TOTAL LIABILITIES		<u>44,730</u>	<u>124,552</u>
NET ASSETS		<u>213,622</u>	<u>176,117</u>
ACCUMULATED FUNDS			
Balance brought forward		176,117	144,446
Change in Financial Position Resulting from Operations		37,505	31,671
ACCUMULATED FUNDS AT THE END OF THE FINANCIAL YEAR		<u>213,622</u>	<u>176,117</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2012

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 2012**

2. PROJECTS

	1/7/2011 Brought Forward	Income	Expenditure	Project Management	Unspent
Regional Capacity Building	49,136	55,780	75,914	3,000	26,002
EP Coastal Development Strategy	654	-	-	-	654
Human Resource Consultancy	40,008	-	40,556	-	(548)
Road Assessor Training	-	10,691	10,947	-	(256)
Cert IV Training	-	22,866	27,707	-	(4,841)
Project – Other	-	10,000	-	-	10,000
	<u>89,798</u>	<u>99,337</u>	<u>155,124</u>	<u>3,000</u>	<u>31,011</u>

2012
\$

2011
\$

3. CASH AND CASH EQUIVALENTS

Bank SA Cheque/Savings	20,357	6,423
Bendigo Term Deposit	130,514	124,540
LGFA (at call)	87,796	160,700
	<u>238,667</u>	<u>291,663</u>

4. RECEIVABLES

Debtors	4,704	-
GST receivable	13,501	7,006
Accrued Interest	1,480	2,000
	<u>19,685</u>	<u>9,006</u>

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

5. MEMBERSHIP FEES

District Council of Ceduna	13,597	11,752
District Council of Cleve	10,184	8,802
District Council of Elliston	8,628	7,457
District Council of Franklin Harbour	8,923	7,712
District Council of Kimba	8,596	7,429
Wudinna District Council	8,998	7,777
District Council of Lower Eyre Peninsula	15,287	13,212
District Council of Streaky Bay	10,445	9,027
District Council of Tumby Bay	11,497	9,937
City of Whyalla	25,403	21,955
City of Port Lincoln	18,442	15,940
	<hr/>	<hr/>
	140,000	121,000
	<hr/>	<hr/>

6. TRADE & OTHER PAYABLES

Accrued Expenses – employee entitlements	6,732	4,391
Trade Creditors	4,161	27,807
Payroll Liabilities	2,826	2,556
	<hr/>	<hr/>
	13,719	34,754
	<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 2012 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 9th October 2012.

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 2012, and the state of affairs of the Association as at 30 June 2012, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Signed 11th day of October 2012

in accordance with a resolution of the Board of Management



Gr Julie Katherine How

Member

Member