

Bellingen Shire Council Annual Report 2012-13



Bellingen Shire
COUNCIL



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The photographic images in this report were taken by Gethin Coles Photography.

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Bellingen Shire COUNCIL



Forward to the 2012 – 2013 Annual Report



Message from the Mayor



Cr Mark Troy
Mayor

A handwritten signature in black ink, appearing to read 'Mark Troy', written in a cursive style.

The 2008-12 Council committed to a process of major organisational reform and the incoming 2012-16 Council has continued to support this direction with the ongoing implementation of a range of initiatives and a particular focus on transport infrastructure.

This year it has been pleasing to see so much of the planning work undertaken in previous years begin to translate into direct action and tangible outcomes.

Council has made significant progress in embedding the new structure, formalising the changes and communicating these to the relevant stakeholders as well as progressing customer service initiatives, improvements to asset management, and improved practices across a range of our works and services.

Of particular note is Council's work in terms of reviewing a range of our services including particular focus on our roads and bridges, as well as major investment in our resource (waste) facilities at Raleigh, Bellingen and Dorrigo, and our river restoration programs.

As is so often the case, our year began with 3 major flood events, setting the scene for a challenging year, including the failure of Hanly's Bridge on Kalang Road in Brierfield, and the

sewering of Newry Island, which is being carried out with ultimate objective of ensuring the reopening of the Kalang River to oyster harvesting.

More broadly Council has been an active participant with industry reform programs including Destination 2036, and within that the Independent Local Government Review Panel (which is reviewing the role and future directions for local government), the review of the NSW Local Government Act, the Treasury Corp assessment of local government finances, the Local Government Infrastructure Audit, and the review of the NSW Planning System.

Reform to the system of government in New South Wales should strengthen the capacity of local government to deliver on the needs and aspirations of local communities and provide works and services. Key to this aspiration will be reform to the funding model for local government.

As a Council we have advocated this to other levels of government both as an individual Council and as an active member of the Mid North Coast Region of Councils (MIDROC) who are doing extensive work in terms of sector reform. Foundation work this year has involved formalising the organisation structure with all member councils agreeing to support corporatisation, along with developing models to support initiatives such as shared servicing.

Local Government best serves its communities when it is truly local in character and I look forward to helping shape the future direction of local government through our work both as an individual council and as a member of our ROC.



Message from the General Manager



Liz Jeremy
General Manager

A handwritten signature in blue ink, appearing to read 'Liz Jeremy'.

For the past two and a half years Council has embarked on a process of major organisational reforms which have been aimed at improving our effectiveness, efficiency and levels of service to our community. This has involved a major structural review, reform of a series of processes and programs and embarking on a process of service reviews. This work has been conducted in an environment of assessment and analysis of the Local government sector.

Our Service Review Process to date has looked in detail at a number of areas of Council services including pools, weeds, roads and bridges. Each of these reviews aims to critically evaluate the services we provide in terms of standards of service and value for money. This process will continue in 2014 to ensure further process improvement and reform.

These initiatives are based on contemporary organisational principles but more importantly on what the community has told us in our customer and planning surveys and in the development of the Community Vision and Delivery Program.

In addition, this work has been carried out in conjunction with our transitioning to the Integrated Planning and Reporting Framework introduced by the State Government in 2009 and

this is the first annual report produced against our new IPR framework.

This first annual report for the 2012-16 Council aims to:

1. outline Council's achievements in implementing the Delivery Program,
2. provide statutory information that it is important the community be aware of, and
3. present the audited financial reports.

Section 1 of this report clearly highlights that Council, the volunteers and our community have achieved an enormous amount in the last financial year, and Section 3, which contains the audited financial statements, shows that it has been achieved in a difficult financial environment.

Looking forward, the challenge for Council and our community will be to respond to key issues around industry reform, financial sustainability and the asset backlog, which are issues faced by all NSW Councils.

Perspective

The last three years has seen an enormous impetus for change in local government driven by a range of imperatives. The Global Financial Crises and its impact on both government and the private sector, the fiscal environment, a change in government at the state level and the perceived need to improve intergovernmental relations, cost shifting from other levels of government, the impact of rate pegging for over 30 years on the financial sustainability of local government and community infrastructure, the impact of our changing climate, and the introduction of a new corporate planning framework for local government (driven by State legislation) known as the Integrated Planning and Reporting (IP&R) Framework are all influencing future direction for local government.



In 2011/12 Council developed the 'chapters' of our IP&R Framework including our Community Vision, Delivery Program and Operational Plan, Resourcing Strategy, Asset management framework and community engagement framework.

At a broader state level:

1. In late 2011 the Minister for Local Government initiated a review of local government known as Destination 2036. Destination 2036 defined an Action Plan which included a range of initiatives such as the establishment of the Independent Local Government Review Panel and a review of the NSW Local Government Act.
2. The Independent Local Government Review Panel have carried out a comprehensive review of local government, produced three discussion papers to date and lodged their final report with the Minister for Local Government in November 2013. The reforms proposed are broad ranging and address the full spectrum of local government operations and in particular confronting the financial realities, bolstering the revenue base, tackling the infrastructure backlog, building stronger regions, and keeping the 'local' in local government.
3. The Local Government Acts Taskforce has worked in collaboration with the Independent Local Government Review Panel to review the Local Government Act which enacted in 1993.
4. Upon election, the current NSW Government proceeded to undertake a review of the NSW planning system. A vision for the planning system was detailed with the release of a Green Paper for public consultation in July 2012. Following the release of the Green paper and consideration of submissions, the NSW Government released the "White Paper - A new planning system for NSW" (The White Paper) on 16 April 2013 for public consultation. The new Planning Act passed through the lower house of the NSW Parliament on 30 October 2013. The Act was amended in response to public submissions received as part of the exhibition of the Planning White Paper. It is currently being debated in the upper house of the NSW Parliament, as of 20 November 2013.
5. In March 2012 NSW Treasury (T-Corp) undertook a financial assessment of NSW Council's. T-Corp rated Bellingen Shire Council as follows
 - a. Financial sustainability rating – Moderate
 - b. Outlook – Negative.

In particular TCorp noted that "Council is heavily reliant on the provision of operating and capital grants from other areas of government and would not be sustainable without the continued provision of these grants. Council is expected to consider lodging a submission for a Special Rate Variation in 2015. A successful application would better enable sufficient asset renewal."

6. In June 2013 the Division of Local Government published the Local Government Infrastructure Audit. The key findings were
 - a. The total infrastructure backlog for all NSW Councils was estimated to be \$7.4 billion at 30 June 2012, of which \$4.5 billion relates to roads and related assets and \$1 billion relates to buildings
 - b. The backlog in the northern coastal area of NSW equates to 29% of the state total
 - c. The infrastructure backlog is over \$100 per head of the NSW population

At a regional level the Mid North Coast Region of Councils (ROC) has undertaken extensive work to develop a strategic plan, establish sub-groups who work across councils around key focus areas such as roads and bridges, IT, Work Health and Safety and have agreed on a process of corporatisation.

The ROC is proactively positioning itself to deliver on the reforms anticipated by the work of the Independent Local Government Review panel and to strengthen service delivery at the local level.

At a local level, for the past 2 ½ years Bellingen Shire Council has embarked on a process of major organisational reform which has aimed at improving our service to our community.

The imperatives to conduct the organisational review related to a range of challenges facing Bellinghen Shire and Local Government in the wider context. At a local level particularly these challenges included the need to ensure effective and efficient service delivery and within that quality and allocation of resources, as well as broader drivers around financial sustainability, asset management, community needs and customer service.

Council has made significant progress in embedding the 'new' structure, formalising the changes and communicating these to the relevant stakeholders as well as progressing the other recommendations made by the review.

Our outcomes to date include

- a range of customer service initiatives including a customer service charter
- improvements to asset management including the development of asset management plans, condition reporting and a major bridge and road review in terms of both condition, priorities and funding options
- a focus on and improved management of leave liability
- team building and improved internal communication
- the establishment of a revised Advisory Committee structure
- the standardisation of engineering policies and DA standard engineering conditions to provide improved certainty to our development sector and customers generally
- reduction in casual labour and investment in our young people via the establishment of a traineeship program
- implementation of a service review program which seeks to define standards of service and improve efficiencies and effectiveness and to date has focused on weeds, Bellinghen Pool, and our roads and bridge programs
- implementation of a Joint Workers Compensation Improvement Plan with our insurer to improve our safety and incident performance and reduce our premium costs
- a review of our Planning and Regulation Section in response to changes in the planning system and a downturn the building industry
- rearrangement of our Works Section to provide focus on supervision and quality of work
- on line recruitment to ensure efficiencies in the process and a reduction in advertising costs
- on line training to ensure efficiencies in the process, ensure our staff and volunteers have the appropriate and current knowledge and qualifications along with a reduction in associated costs
- collaboration with other councils in our region around a range of issues such as work health and safety, procurement etc as well as a actively working towards a model that will establish shared servicing
- review of our service request system to improve the customer experienced
- development of an intranet to disseminate information, reduce printing costs and improve customer service

All of this has been achieved without having to draw on the additional funds which were originally projected to have been required – a saving of around \$300,000.

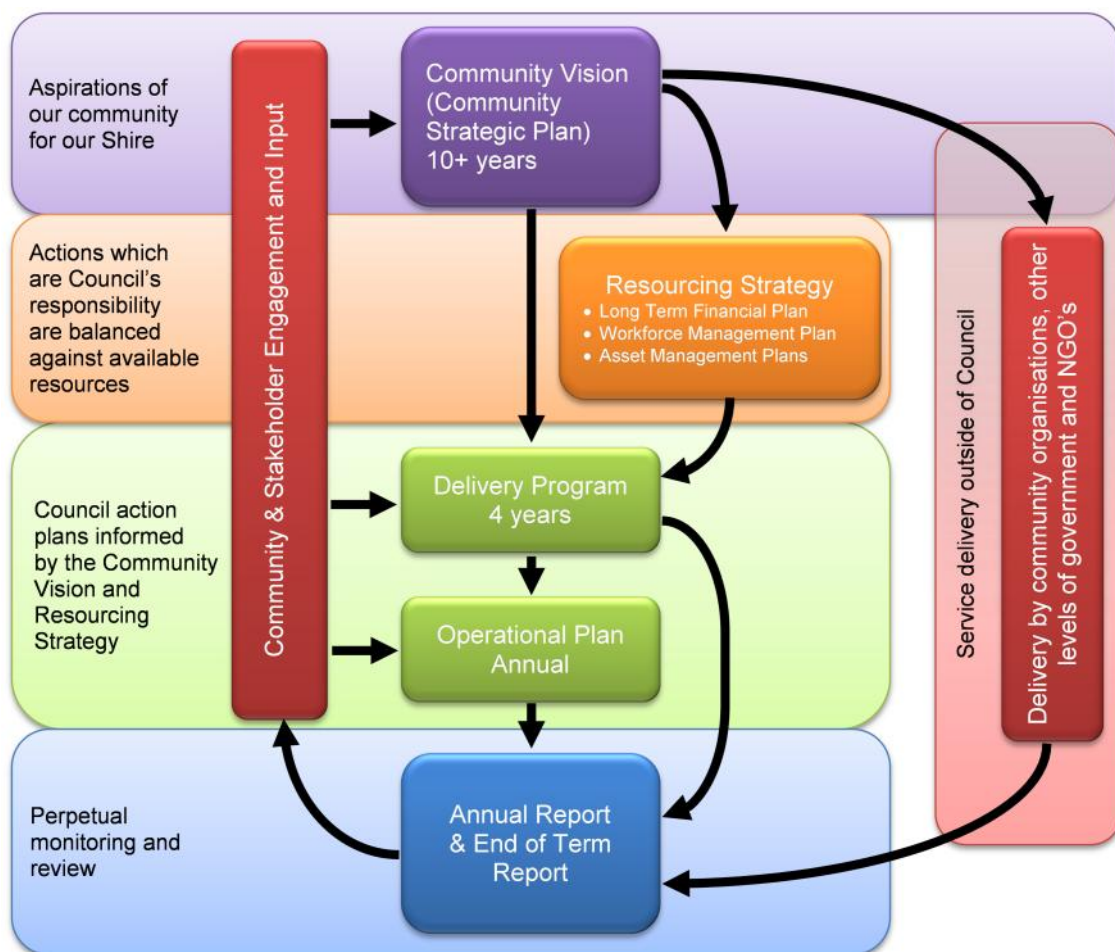


How to Read This Report

The Annual Report is part of Council's Integrated Planning and Reporting (IP&R) framework, and it outlines Council's achievements in implementing its Delivery Program and Operational Plan which are guided and enabled by the Resourcing Strategy.

The IP&R framework was built by the NSW Government and since its introduction in 2009, Councils have been progressively transitioning to the new framework. As at 1 July 2012, all councils in NSW are working within the IP&R framework. Detailed information on the IP&R Framework is available on the website of the NSW Division of Local Government at www.dlg.nsw.gov.au.

The IP&R framework consists of a Community Strategic Plan, a resourcing strategy, a Delivery Program, an Operational Plan and Annual & End of Term reports. The relationship and purpose of each of these elements is represented by the following diagram:



While this is the first Annual Report following an election, as Council is a group 3 council for IP&R purposes, there is no requirement for an End of Term Report until 2016. At that time an End-Of-Term report will be prepared which will report on Council's achievements in implementing the Community Vision over the previous four years.

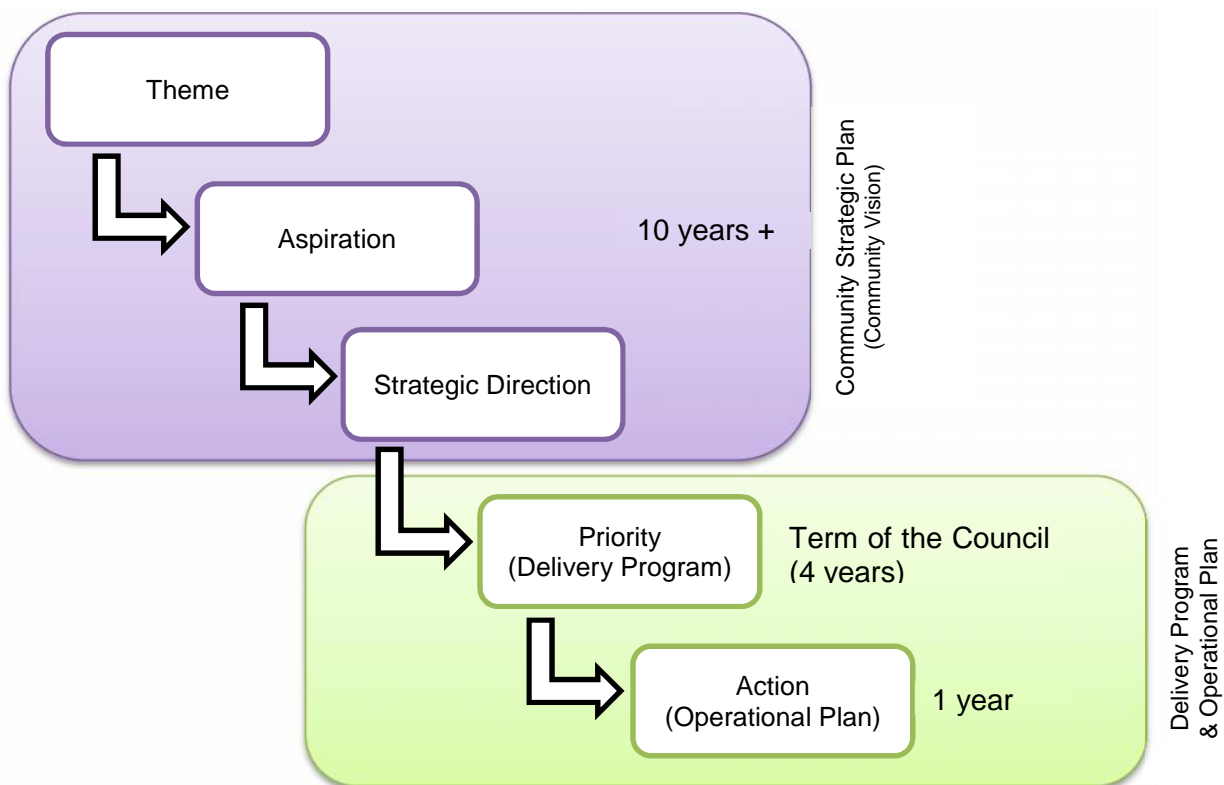
The Annual Report is divided into three main sections.

Section 1

The purpose of Section 1 is to report on progress against the Delivery Program and Operational Plan.

The first part of Section 1 of this report provides a summary of Council's achievements for the year grouped by the different Business Units within Council.

The second part of Section 1 provides a detailed report on the achievement against each of the items in the Delivery Program and Operational plan, structured according to the layout of the IP&R suite of documents as shown in the diagram below.



The Themes, Aspirations and Strategic Directions flow from the Community Strategic Plan and indicate what the community's vision and aspirations are for the future and some broad strategies on how they are to be achieved. The Delivery Program outlines what *Council* intends to deliver over the term of the current elected group of councillors, and the Operational Plan outlines what actions Council intends to take in the planning year to work towards the outcomes contained in the Delivery Program.

There are five themes contained in the Community Strategic Plan which relates to this Annual Report.

- Resilient Economy
- Community Wellbeing
- Places for People
- Living Environment
- Civic Leadership

Under these five themes there are twenty aspirations and sixty-seven strategic directions. Each priority in the Delivery Program relates to one of these strategic directions and each action in the Operational Plan relates to a priority in the Delivery Plan.

Section 2

Section 2 contains a financial summary and other information that is in the community's interest for Council to report on.

Section 3

Section 3 contains the full, audited financial statements of Council





Section 1 - Report on Progress against the Delivery Program



Significant Achievement for 2012-2013 Year by Business Unit

The following is a summary of achievements for each of the Business Units within Council.

Sustainability and Natural Resources

By Manager Sustainability and Natural Resources

- The FY2010/11 financial year saw the commencement of significant staff changes and restructuring to the S&NR Team. The capacity and staffing levels of the team has increased to one manager and four staff members. The focus of the restructured team is on implementing external projects focused on sustainability and natural resource priorities as identified in the Community Strategic Plan;
- The Coastline and Estuary Management Committee (CEMG) and Environmental Advisory Committee (EAC) was consolidated to form a new single Committee called the Environmental Sustainability Advisory Committee (ESAC);
- Rolling out the Environmental Levy Community Fund (ELCF). The ELCF was reviewed and refined to enable a more professional service to the community and management of community funds;
- Financial support of the Bellinger Landcare network and Bellinger Urban Landcare Group;
- Financial support of the Bellinger River Festival and Bellinger Energy Festival;
- Financial support of the Indian Myna pest bird species eradication program;
- Specific projects commenced and implemented included – Regional State of Environment Report, the Weeds Action Program, Connect with Your River (riverbank stabilisation and revegetation projects across the Shire – 8 sites in total), draft Dangar Falls Plan of Management, improving the biodiversity of Dangar Falls reserve, Bellinger Shire Council's Coastal Zone Hazard Definition and Processes Study, Our Living Coast grant fund (which included weed control projects in Mylestom, the development of the internal Bellinger Action Team for Sustainability, upgrading urban areas with native vegetation plantings, riverbank stabilisation and revegetation projects across the Shire – 7 sites in total) and as part of a regional alliance successfully applying for the federal government's Clean Energy Future Fund to start the Jaliigirr Project which aims to improve the Shire's biodiversity through invasive plant management and riverbank stabilisation and revegetation projects;
- The Bellinger Emissions Reduction Program (BERP) action plan was adopted by Council and subsequent detailed energy audits undertaken to identify key energy savings actions.

Information Technology Services

By Manager Information Technology Services

- Overdue task reports generated fortnightly from Council's document management system for tracking of actions related to incoming correspondence
- The number of document classification types in the document management system reduced from 74 to 8 allowing for quicker and easier document registration and retrieval
- Project commenced to digitise Property files so they are backed up in Council's electronic records management system and more readily accessible
- Bellinger Shire Council Intranet went live in May 2013; knowledge base and news feed have given staff quicker and easier access to business information
- Desktop PC upgrade to standard build of Microsoft Windows 7, Microsoft Office 2010
- Network storage upgraded and capacity increased
- Air conditioning unit at Admin Building server room put onto emergency power supply
- Council Business Papers issued electronically from January 2013, using Docs On Tap to send to and display on tablets
- Water and Sewer team using tablets for data entry and retrieval



- Dorrigo Depot, Water Treatment Plant internet connections upgraded and costs reduced, also including a failover data link to Raleigh Depot
- Raleigh Depot Training Room set up with 10 PCs
- Council Chambers room monitors upgraded
- MIDROC IT subgroup discussing shared services models across all seven local authorities (Coffs Harbour, Bellingen, Nambucca, Kempsey, Port Macquarie, Greater Taree, Gloucester), to work together towards improved IT service delivery at lower cost

Planning and Regulated Services

By Acting Manager Planning and Regulated Services

- Council's Employment Lands Strategy was conditionally endorsed by the Department of Planning and Infrastructure
- Council adopted Chapter 16 (Bellingen Shire DCP 2010) – Site Waste Minimisation & Management
- Adopted 2 administrative amendments to Bellingen Local Environmental Plan 2010
- Prepared and posted Affordable Housing Information Sheet
- Commenced Vegetation Mapping and Koala Survey. The Office of Environment and Heritage (OEH) identified the Bellingen Local Government Area (LGA) as a priority area for Koala conservation and provided up to \$50,000 for Koala surveys and habitat mapping in the coastal parts of the LGA. A further \$30,000 is proposed for the following financial year to progress a Comprehensive Koala Plan of Management under the provisions of SEPP 44.
- Outdoor dining and signage audit completed
- Urban Tree Management Policy & Procedures – Council Land completed
- Bellingen Heritage Development Control Plan Study completed
- Commenced review of residential densities.
- Review of structure commenced in the context of impending changes to the Planning Legislation and a downturn in the building industry.
- Program for the inspection of commercial premises for the purposes of ensuring an appropriate standard of trade waste discharge implemented.
- Council represented the Community by providing a submission in response to the NSW planning legislation review.
- 152 development applications were processed for the year, down from 188 in the previous year. The reduction was due to the downturn in the construction industry.
- Council achieved a reduction in the average time taken to process development applications from 58 days last year to 55 days this year.
- A program for the inspection of commercial premises for the purposes of ensuring a appropriate standard of trade waste discharge was implemented.

Works

By Manager Works

- The rehabilitation of 1.1km of Waterfall Way at Rocky Creek conducted by Council utilising \$3,100,000 of Roads and Maritime service funding.
- The emergency restoration of roads and culverts damaged in January and February 2013 flood, which was conducted by Council and funded by the Roads and Maritime Service to the value of \$861,000
- \$440,000 invested in the reconstruction of 600 metres of Tyringham road Dorrigo
- A schedule for level 1 and level 2 bridge inspections was developed and implemented in order to assess condition state of BSC bridges in order to implement a maintenance program.



- 2011 major flood repair projects completed, which was funded by the Roads and Maritime Service to the value of \$1,020,000
- \$328,000 invested in the rehabilitation of Hanly's bridge.
- Inspection and estimating damage from Jan Feb 2013 flood event and submission of claim totalling \$6,152,367
- An Integrated Management System was implemented and third party certification was obtained against ISO 14001:2004 Environmental Management System, AS/NZS 4801:2001 OH&S Management System, and ISO 9001:2008 Quality Management System.

Asset Management and Design

By Manager Asset Management and Design

- Supervision of the Bowraville Road slip restoration contract
- Management of removal of underground petroleum storage system at Raleigh Depot
- Emergency management response to flood events on 27 January and 22 February 2013
- Liaison with Clarence Valley Council on restoration of access following flood damage to Moonpar Bridge
- Implementation and regular updating of MyRoadInfo web site for road status information, popular with the community particularly during flood events
- Supervision of the geotechnical investigation for the restoration of the slip on Coramba Road including engagement of a contractor to implement interim soil nail works to remove the load limit on the single lane temporary side track
- Consultation and review of design and environmental plans for highway upgrade from Nambucca Heads to Urunga
- Preparation of brief for revision of Lower Bellinger and Kalang River Flood Study
- Review of Stormwater Management Plans and development of Water Sensitive Urban Design (WSUD) guidelines
- Preparation of bids for Rural Fire Service Bush Fire Risk Mitigation Program
- Adoption of Aus-Spec to replace Council's Standard Conditions for Engineering Works Associated with Developments

Community Wellbeing

Dorrigo Support Centre

By Manager Community Wellbeing

- Continues to be auspiced by the Bellingen Shire Council, servicing around 70 Seniors on the Plateau as well as being the main service provider for an elderly man living with Down Syndrome
- Runs regular activities such as
 - Social lunches
 - Fortnightly bus trips
 - Annual and short term get away stays
 - Bingo
 - Mosaic
 - Pleasure crafts
 - Local transport
 - Advocacy
 - Annual Seniors Christmas luncheon
 - Christmas lights tour
- We also link into other activities around town and away such as
 - Aqua aerobics
 - Day centre
 - First Friday seniors show in Coffs



- National Parks exhibitions
- We are regular supporters of
 - Relay for Life
 - Dorrigo Show
 - Daffodil Day
 - Endless street stalls
 - Anzac Day
 - Premiers Concert
- Upcoming activities
 - Sensory garden alongside of Hickory House
 - Scare Crow for the show
 - Proud Mary boat cruise
- The Support Centre is a member of the Neighbour Aid Association and recently received an award for outstanding service.
- We are a member of the Mid Coast Communities and receive a lot of our staff training through them.
- All staff are predominately trained and qualified in aged care and disability and we have one trainee
- We regularly apply and receive grants from various locations to assist with funding of activities we may be running at the time

Bellingen Youth Hub

By Co-ordinator Bellingen Youth Hub

- consistent increase on usage; both from youth and wider community groups
- increase in diversity of users and programs
- established core tenants, community user groups and value-added through collaborative partnerships and built significant rapport and trust with the attending youth
- From the youth development and support perspective, the centre has been pivotal in the establishment and support of numerous programs right across the youth sector including areas such as youth services, social development, school and education, arts and music and general wellbeing.
- From a community support perspective, the centre has contributed to numerous events and activities including Camp Creative, the Readers and Writers' Festival, the Jazz Festival, music nights, Youth Week and Arts Week.
- Financially the centre has operated within its budget, balancing the overall operational costs with workshop development and the initial upfront fit-out associated with a new centre.
- Operationally, the centre has now developed its foundations – with governance, safety and core operational procedures now established.
- Importantly, the centre is being accepted, adopted and supported by our young people and the wider community. The Hub's Youth Advisory Group is strongly represented and there have been significant levels of support for the centre and young people from various community groups within the Shire.
- It has been an exciting, busy and inspiring first year for the Bellingen Shire's Youth Centre. Notwithstanding all that still needs to be done, one can only imagine with enthusiasm what our young people, the community and the centre will bring to the Shire in its second year.



Economic Development

By Manager Economic and Business Development

Tourism

- Continued to work with Coffs Coast Marketing in the promotion and development of tourism in our region.
- During 2012/13 reporting period Bellingen Shire was involved in the very successful 101 Things to do on Coffs Coast campaign. This campaign was acknowledged by industry at a number of award nights.
- In conjunction with Coffs Coast marketing the Shire hosted a number of PR visits which resulted in stories being produced in both the traditional media as well a number of social media sites.
- Successfully negotiated with Tasac [Tourism signage committee] to have brown and white signage approved for the Urunga Boardwalk.
- New collateral material for the Urunga Boardwalk developed.
- Maintained the operation of the Urunga and Waterfall Way Visitor information Centres. The Urunga centre reported an increase in numbers due to their continuing involvement with the Driver Reviver programme. The Waterfall way Centre reported a decrease in numbers through the door, however they recorded an increase in sales.
- The Shire has been represented on the peak industry group - North Coast Tourism Board with a board position.
- Developed a new photographic library for Council and general usage.

Economic Development

- The major economic activity to happen within the shire has been the announcement of Abigroup as the preferred tender for the Urunga – Nambucca section of the Pacific Highway upgrade.
- Council is working closely with the contractor including promoting local business to Abigroup.
- Activities from the 5 year Economic and Tourism Development Plan implemented as resourcing permits.
- Worked closely with NBN on the introduction of National Broadband Network across the Shire.
- Liaised with a number of local businesses to assist them with Council matters and outside assistance.
- Council represented on a number of groups and working parties including The Bellingen Shire Education and Business Alliance, Industry Mid North Coast Board and Manufacturing Coffs Coast Board.
- A range of joint projects undertaken with neighbouring councils - Coffs Harbour and Nambucca Shires on economic development matters and issues, especially the NBN introduction.
- The Economic and Business Development Advisory Committee was established during the 2012/13 year. The committee comprises representatives from the business community who work with and advise Council in economic and business matters which affect the Shire.
- Relationship built with Southern Cross University during the year.



Grants

- The grants area has been successful with number of minor grants for the Shire.
- We continue to develop closer relationships with areas in Council so we can develop long range plans and actions to be ready for grant opportunities as they arise.
- The State and Federal Governments have reduced funding activity over the last year and we look forward to an improvement in the new financial year.
- On a regular basis contacted industry and community groups to advise of new available grants.
- During the 2012/13 year Council applied for 23 grants, of which 9 were successful with a total value of \$67,765

Swimming Pools - Dorrigo and Bellingen

- Commenced work on the new contract for the Bellingen swimming pool during this period.
- Service Review process undertaken for Bellingen Pool

Saleyards

- The Dorrigo saleyards continued to operate during the reporting period.
- The Dorrigo Saleyards have reported a decline in cattle number through the yards from 8117 in 2011/12 to 5729 in 2012/13. This is due to technological changes marketplace and weather conditions.

Water and Wastewater

Wastewater.

- 80% completion of desludging of Bellingen Sewerage Treatment Plan (STP)
- Completion of design and tender documentation for the new Dorrigo STP
- Replace pumps at Urunga Recreational Reserve pump station.
- Replacement of pumps at Yellow Rock 1 pump Station.
- Replacement of pumps at Railway St pump station.
- Variable Speed drives, PLC replacement and oxygen monitoring completed at Urunga STP.
- Work commenced on sewerage Newry Island rural residential area.
- Purchase of tractor sewer camera to start survey of sewer mains for asset management and auditing purposes.
- Completion and adoption of Financial and Business Plan
- Audited and fully compliant with Best Practice Management Guidelines.
- Ongoing maintenance works including the replacement of sewer mains and manholes.
- Operation and maintenance of treatment plants, pump stations and reticulation.

Water

- Mains renewal at Lyon St Bellingen.
- Mains renewal at Mount & Cross St, Fernmount
- Mains renewal at Alex Pike Drive, Raleigh
- Mains Renewal at Gordons Rd, Raleigh
- Replacement of ageing meters.
- Replacement of stop valves.
- Completion and adoption of Demand Management Plan
- Completion and adoption of Drought Management Plan
- Completion and adoption of Financial and Business Plan
- Completion and adoption of Integrated Water Cycle Management Plan
- Audited and fully compliant with Best Practice Management Guidelines.
- Operation and maintenance of treatment plants, pump stations and reticulation.



Governance & Engagement

Customer Service

- In line with Blackadder Associates organisational review recommendations, a dedicated Customer & Business Services team has been created to facilitate Council's goal of 80% first contact resolution in order to improve the customer experience.
- Customer and Business Services team leader recruited
- Customer Service Charter which details Council's commitment to customer service via the establishment of service standards has been adopted.
- Individual training programs for Customer & Business Services team members have been created with the view of developing a broad knowledge base across Council's functions and services in order to resolve customer enquiries on first contact.
- A review of administrative support capabilities to internal customers has resulted in the identification of efficiency improvements and the introduction of regular service performance reporting.
- Commenced a review of layout of customer service area at Council's administration building.

Community Engagement

- Position of Communication & Community Engagement Officer developed in accordance with the Community Vision of keeping our community informed and engaged.
- Council's image library expanded to include new high definition photographs for use by Council and the community.
- Council communications coordinated by Communications & Community Engagement Officer which enables dissemination of information via:
 - Advertising
 - media releases
 - mayoral column and 2BBB radio show
 - community newsletters
 - e-newsletters
 - website
- New Media Release and Advertising templates plus procedures developed and communicated to staff;
- Media metrics recorded through tools such as Google Analytics, Google Alerts and manual search of local newspapers in order to record success rate of media releases;
- Provide advice to staff as to level of communication to be used according to the CE Strategy and Toolkit
- As part of our ongoing commitment to engagement with our community, additional features were added to our website such as:
 - Subscription based e-newsletter which lists latest news, events and featured items; currently distributed every 3 weeks;
 - 'Have Your Say' form to enable residents to contact Council 24/7;
 - A-Z listing of Council Services to enable users to find Council information quickly via hyperlink;
 - Frequent community updates on major issues affecting the community;
 - Creation of 'Talking Point' page for issues of on Council's website
 - Online weekly Maintenance Works Schedule for shire road and bridge network;
 - Continuous improvement in use of MyRoadInfo and Twitter feeds for road closures and flood events;
 - Improved procedures and software for quarterly community newsletter
- Community surveys via Survey Monkey for:
 - Bellingen Shire Swimming Pool Survey
 - Access & Inclusion Plan 2030 Survey
 - Weeds Services Review
- Public meetings and Workshops:
 - 08/12 - Community Open Day for Bellingen Shire Youth Centre



- 09/12 - Bellingen Shire Community Ride to Work Day
- 11/12 - Community Briefing for Urunga Antimony Contamination Site
- 11/12 - Public Hearing for Categorisation of Land
- 12/12 - Public Meeting for Hanlys Bridge Closure. Included formation of working group between council and community, regular community updates.
- 01/13 - Australia Day Awards and Celebrations
- 01/13 - Community Workshop on Dangar Falls Proposed Upgrade
- 03/03 - Community Meet and Greet for Bellingen Shire Swim Centre
- 04/13 - Community Workshops – Integrated Water Cycle Management Plan
- 04/13 - Volunteers Thank You Event
- 03/13 - Weeds Service Review Public Meetings at Gleniffer and Dorrigo Halls.
- 05/13 - Library and Information Week at Shire Libraries
- 05/13 - Public Meeting – Review of Local Government in NSW

Procurement

- Tenders or major Requests for Quotation conducted for the following:
 - Repairs to flood damage on Bowraville Rd
 - Installation of Low Pressure Sewer Package Pump stations on Newry Island
 - Supply & Delivery of Road Resurfacing
 - Replacement of two heavy tipping trucks
- Stores established in new facilities at Raleigh Depot following upgrade

Governance, Corporate Planning, Risk Management, Leases & Crown Lands

- Transition to new structure, including Manager Governance and Engagement.
- Significant recruitment efforts to fill Governance & Corporate planning officer role.
- Review of Community Vision, Delivery Program and Operational Plan
- 5 Formal GIPA requests, 1 of which was a particularly large drain on resources
- Review of Agency Information Guide
- Commenced review of Privacy Management Procedures
- Register compiled of all of Council's leases and crown lands obligations
- Creation of Risk Management Action Plan

Financial Services

- Financial Statements prepared, including audit and lodged with Division of Local Government (DLG) by due date
- Preparation of Long Term Financial Plan and budget completed
- Prepare quarterly Budget Reviews for each quarter
- GST legislative changes for rates and charges implementation implemented
- Revenue Policy prepared including rating structure
- Fees and Charges Schedule prepared
- FBT – legislative changes research and implementation
- Investments reported to council monthly
- GST Certificate submitted to DLG by due date
- Rates instalment notices – for November, February and May instalments
- Making of rates by due date
- Rates levied by service of rates and charges notice to approximately 6000 rate payers
- Water Billing accounts sent quarterly
- Rating supplementary valuations processed each month
- Statement of Compliance return lodged with DLG by due date
- Pensioner Concession return lodged with DLG by due date
- Fringe Benefits Tax return lodged with Australian Tax Office (ATO) by due date
- Fuel Tax Credit Claim lodged with ATO monthly



- Business Activity Statement lodged with ATO monthly
- Proposed Loan Borrowings return lodged with DLG by due date
- Pay As You Go (PAYG) Summaries to staff by due date
- PAYG Summary statement to ATO by due date
- Lodgement of Superannuation Guarantee amounts by due dates
- Australian Bureau of Statistics (ABS) Returns (e.g. labour price index survey) completed
- Fair Value – 5 year rolling program undertaken to audit requirements
- Rating Category Review – stage one completed
- Committed costing implementation commenced
- Developed indicators of measures of improvement and savings from new initiatives from restructure
- Long Service Leave review completed
- Transferred payroll in house
- Undertook recruitment for Revenue Supervisor
- Undertook recruitment for Payroll Officer

Organisational Development and Strategy

Attract the right people

- Developed the Bellingen Shire Council careers site, expanded the variety of media, including social media, used to attract candidates and introduced online recruitment processes;
- Processed 441 employment applications and completed recruitment for 21 positions – managed recruitment processes in-house;
- Updated our recruitment and selection policy and streamlined our procedures;
- Established a traineeship program incorporating school based, new entrant and disability placements;
- Increased involvement in the provision of work experience under various education and employment programs;
- Registered for participation in 50:50 Vision – Councils for Gender Equity Program: a national accreditation and awards program for gender equity in Local Government.

Develop employee capability

- Commenced a leadership development program for managers;
- Continued leadership forums for managers;
- Maintained participation in the LGMA mentoring program;
- Enhanced our new employee induction program including for volunteers;
- Improved access to training via online learning programs and addressed agreed staff training priorities including training on project management, policies and legislation, internal systems, business and report writing, customer service, managing unreasonable complainants, and consultative committee training;
- Identified external funding opportunities for training and education including a digital skills program for outdoor workers to commence in the coming financial year;
- Provided support for employee further education;
- Increased our learning and development investment per staff member year on year.

Retain a committed, high quality workforce

- Improved internal communication processes including the establishment of a corporate intranet;
- Created opportunities to capitalise on the skills and experience of staff via the establishment of Service Delivery Review teams.
- Introduced a performance recognition and skills retention pay policy;
- Extended the variety of flexible working arrangements available to staff;
- Developed transition to retirement plans;



- Implemented changes arising from the new Work Health and Safety Act including training for the executive team;
- Implemented a workers compensation improvement plan in partnership with our insurer including proactive management of our Return to Work Program (post injury) with related supervisor/manager training;
- Maintained staff health and wellbeing programs including skin cancer checks and continuation of the employee hydration program.
- Created on line employee exit interview for improved data capture and analysis.



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Detailed report on Delivery Program and Operational Plan for 2012 – 2013 Year by Theme, Aspiration & Strategic Direction



Theme - Resilient Economy

We have meaningful work and vibrant businesses within our community

Our community has a diversity of new businesses and industry

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.1.1.1	Implement the Economic and Tourism Development Plan Priorities	RE.1.1.1.0	Implement the Economic and Tourism Development Plan Priorities	Manager Economic & Business Development	Progressing	The lack of State funding has limited the implementation of this plan. Over 40% of the plan has been achieved. The rest of the plan needs to be revisited and realigned to the correct level of State Government funding which normally assists these programmes.
		RE.1.1.1.1	Develop an outdoor dining audit, review and policy	Manager Planning & Regulated Services	Progressing	Item included in Delivery Program and Operational Plan 2013/14-2017/18. Item RE.1.1.2.1.
RE.1.1.2	Adopt the Employment Lands Strategy	RE.1.1.2.0	Adopt the Employment Lands Strategy	Manager Planning & Regulated Services	Completed	The Bellingen Shire Employment Lands Strategy was adopted by Council at its February 2013 Ordinary Meeting.
		RE.1.1.2.1	Implement the Employment Lands Strategy	Manager Economic & Business Development	Completed	The Bellingen Shire ELS Plan is with the Dept of Planning for approval
		RE.1.1.2.2	Provide support to manufacturing through membership on Manufacturing Coffs Coast	Manager Economic & Business Development	Completed	MCC has not met for some months. Its' future is currently undecided. However Council support is still available through the Manager Economic and Business Development for local business.

We have innovative and alternative local trading systems

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.1.2.1	Council lends support to and encourages alternative local trading systems	RE.1.2.1.1	Council lends support to and encourages alternative local trading systems	Manager Economic & Business Development	Progressing	A software package was presented to Council and a group of local growers. It proved to be too expensive and untested. Further options will be explored with industry as they arise.

Businesses within our Shire are ethical and sustainable

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.1.3.1	Council actively engages with local business to encourage and support ethical and sustainable operations	RE.1.3.1.0	Council actively engages with local business to encourage and support ethical and sustainable operations	Manager Economic & Business Development	Progressing	Where possible Council encourages local business to have ethical and sustainable operations.
		RE.1.3.1.1	Review the Climate Change Adaptation Strategy	Manager Sustainability & Natural Resources	Progressing	This project has not progressed significantly since Q1 as the Sustainability Officer position is currently vacant and has been challenging to recruit for. A further round of recruitment has been conducted and an Officer appointed.
		RE.1.3.1.2	Prioritise the actions from the Climate Change Adaptation Strategy Review	Manager Sustainability & Natural Resources	Progressing	This project has not progressed significantly since Q1 as the Sustainability Officer position is currently vacant and has been challenging to recruit for. A further round of recruitment has been conducted and an Officer appointed.
		RE.1.3.1.3	Develop program funding strategy including grant funding sources for high priority actions	Grants & Business Development Officer	Completed	An internal governance process has now been approved and released to all staff outlining the process when seeking grant funding. Two workshops will also be held in July 2013 with community organisations providing guidance and strategies to seek and apply for funding. Grant information is also provided on a regular basis to both internal and external stakeholders.
		RE.1.3.1.4	Consult with local industries and business community regarding the development of sustainable/eco industries	Manager Economic & Business Development	Completed	A number of meetings have been held over the year with community groups. No positive actions have arisen

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		RE.1.3.1.5	Partner with Coffs Harbour City Council to deliver broadband opportunities to our businesses and community	Manager Economic & Business Development	Completed	Have successfully lobbied through CHCC to get the NBN fibre to Bellingen Shire by Dec 2015. Direct line of sight towers now before Council. DA pending. Council considered a report on 24 April 2013 for a lease for part of the public road in Fernmount where the tower to be located.
RE.1.3.2	Maintain regular engagement with the three Chambers of Commerce to facilitate dialogue and actions which assist in economic growth within the Shire	RE.1.3.2.0	Maintain regular engagement with the three Chambers of Commerce to facilitate dialogue and actions which assist in economic growth within the Shire	Manager Economic & Business Development	Completed	Manager Economic and Business Development attends Executive meetings for the Bellingen Chamber and meet regularly with the other Chambers as requested
		RE.1.3.2.1	Hold regular Chamber Forums	Manager Economic & Business Development	Completed	Meeting regularly with all 3 Chambers of Commerce to maintain a Council presence and contact.

We have balanced sustainable tourism

Our Shire offers a broad range of experiences for visitors

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.2.1.1	Implement Economic and Tourism Development Plan	RE.2.1.1.0	Implement Economic and Tourism Development Plan	Manager Economic & Business Development	Progressing	The lack of State funding has limited the implementation of this plan. Over 40% of the plan has been achieved. The rest of the plan needs to be revisited and realigned to the correct level of State Government funding which normally assists these programmes.
		RE.2.1.1.1	Attract sports and adventure events	Manager Economic & Business Development	Completed	Working with Coffs Coast Marketing to attract a Iron Man type event to the Shire. Funding application with Destination NSW. World Rally Championships will be coming through Bellingen in September 2013.
		RE.2.1.1.2	Partnering industry with education to develop a mentoring and job creation project	Manager Economic & Business Development	Progressing	Council engages with Bellingen Shire Educational and Business Alliance and have set up the "The Big Idea" project with Bellingen High.
		RE.2.1.1.3	Review the current Tourism MOU with Coffs Harbour City Council to reflect changes over the last four years and update	Manager Economic & Business Development	Progressing	Document reviewed and forwarded to CHCC. Feedback is awaited
		RE.2.1.1.4	Review Visitor Information Centre structure	Manager Economic & Business Development	Progressing	A report is being prepared for Council discussion on this matter especially pertaining to the Urunga VIC. This will be presented to Council in the 2013/2014 financial year.

Our regional tourism assets are enhanced

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.2.2.1	Develop and strengthen effective local and regional partnerships	RE.2.2.1.0	Develop and strengthen effective local and regional partnerships	Manager Economic & Business Development	Completed	This is an ongoing process with regular contact being maintained with Kempsey, Nambucca and CHCC Councils and regional organisations. Contact also maintained with Tourism and regional development bodies at a Regional, State and Federal level
		RE.2.2.1.2	Develop a signage concept plan	Manager Economic & Business Development	Progressing	A draft plan was developed in 2012, which is now under review. No current funding has been allocated for actioning the plan.
		RE.2.2.1.3	Actively promote the lifestyle opportunities of Bellingen Shire	Manager Economic & Business Development	Completed	Opportunities regularly sought and secured to promote the lifestyle opportunities of the Shire via PR visits, trade shows and electronic means.
RE.2.2.2	Actively promote tourism through our ongoing arrangement with Coffs Coast Marketing by targeting specific market segments which deliver optimum financial benefit to the community	RE.2.2.2.0	Actively promote tourism through our ongoing arrangement with Coffs Coast Marketing by targeting specific market segments which deliver optimum financial benefit to the community	Manager Economic & Business Development	Completed	A very successful year was achieved in the marketing of the Shire. The majority of the success was with PR both print and electronic forms and attendance at Australian Tourism Exchange. One success was for a USA based tourism company to book to bring a Rotary tour to Bellingen in 2013.
		RE.2.2.2.1	Explore new opportunities for the emerging Recreational Vehicle (RV) tourism	Manager Economic & Business Development	Progressing	Two areas have been identified - Bellingen Showground and Roses Reserve Thora. A report is being prepared in relation to the matter.

Our tourism providers strive for sustainable operations

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.2.3.1	Provide information and education to our local tourism industry on risks associated with Climate Change.	RE.2.3.1.0	Provide information and education to our local tourism industry on risks associated with Climate Change.	Manager Economic & Business Development	Progressing	Coastal Zone Management Plan on sea level potential rises and possible responses is currently being developed
RE.2.3.2	Work in partnership with Coffs Harbour City Council to deliver broadband opportunities to our community	RE.2.3.2.0	Work in partnership with Coffs Harbour City Council to deliver broadband opportunities to our community	Manager Economic & Business Development	Completed	Have successfully lobbied through CHCC to get the NBN fibre to Bellingen Shire by Dec 2015. Direct line of sight towers now before Council. DA pending.

We have a sustainable local farming sector that provides us with healthy, fresh food

Local food growing, sharing and education initiatives are supported and developed

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.3.1.1	Partner in the Local Food Futures Framework	RE.3.1.1.0	Partner in the Local Food Futures Framework	Manager Economic & Business Development	Completed	Where and when applicable seek opportunities to partner in local Food Futures framework.
		RE.3.1.1.1	Support grass-roots initiatives to promote and support the development of a strong local food economy	Manager Economic & Business Development	Completed	When and where possible Council supports local food initiatives mainly through PR.
		RE.3.1.1.2	Develop a resource and information base around local food	Manager Economic & Business Development	Completed	The Coffs Coast Harvest booklet has been produced and distributed. The publication has been well received by both the industry and the public. Further work needs to be done of new ways to promote local food.
		RE.3.1.1.3	Undertake research into best practice local food economies in partnership with the Local Food Futures Alliance	Manager Economic & Business Development	Completed	Discussions have been held with the Northbank Community Gardens to establish closer relationships with Council in the development of local food production.

Alternative farming systems are employed with examples including cooperative farming and land share

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.3.2.1	Council supports local initiatives for sustainable farming practices	RE.3.2.1.0	Council supports local initiatives for sustainable farming practices	Manager Sustainability & Natural Resources	Progressing	Council's Manager S&NR has submitted an EOI for \$100K to the NSW Environment Trust to develop a shire wide Sustainable Agriculture Program in partnership with Landcare. Stage 2 outcome to be known end July 2013.
		RE.3.2.1.1	Work in partnership with key stakeholders around sustainable Agricultural projects	Manager Sustainability & Natural Resources	Progressing	Council's Manager S&NR has submitted an EOI for \$100K to the NSW Environment Trust to develop a shire wide Sustainable Agriculture Program in partnership with Landcare. Stage 2 outcome to be known end July 2013.
		RE.3.2.1.2	Seek funds to host a Bellingen Shire Sustainable Agriculture Workshop	Manager Sustainability & Natural Resources	Progressing	Council's Manager S&NR has submitted an EOI for \$100K to the NSW Environment Trust to develop a shire wide Sustainable Agriculture Program in partnership with Landcare. Stage 2 outcome to be known end July 2013.
		RE.3.2.1.3	Host a Bellingen Shire Sustainable Agriculture Workshop with available grant funds	Manager Sustainability & Natural Resources	Completed	Two community Farming for Climate Change community workshops delivered in March 2013.

Farming practices are sustainable

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.3.3.1	Provide information and education to our agricultural industry on risks associated with climate change	RE.3.3.1.0	Provide information and education to our agricultural industry on risks associated with climate change	Manager Sustainability & Natural Resources	Progressing	Council's Manager S&NR has submitted an EOI for \$100K to the NSW Environment Trust to develop a Shire wide Sustainable Agriculture Program in partnership with Landcare. Stage 2 outcome to be known end July 2013.
RE.3.3.2	Implement strategic actions for the identified key Bellinger River health issue Agricultural Practices	RE.3.3.2.0	Implement strategic actions for the identified key Bellinger River health issue Agricultural Practices	Rivers & Natural Resources Project Officer	Progressing	<ul style="list-style-type: none"> • Estuary Action Plan Stage 2- Baseline condition assessments completed for 17 properties. • The Jaliigirr Project – Bellinger River Treeway – Expressions of interest sought and site visits conducted to confirm 10 of 12 sites for riparian rehabilitation and corridor enhancement by end of next Quarter including 1 agricultural property. Sites selected and work plan completed. • Connect with your River Program - Best practice riparian restoration on 5 agricultural properties. • Our Living Coast Project - Best practice erosion control on 1 agricultural property.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
RE.3.3.3	Implement strategic actions for the identified key Kalang River health issue Agricultural Practices	RE.3.3.3.0	Implement strategic actions for the identified key Kalang River health issue Agricultural Practices	Manager Sustainability & Natural Resources	Progressing	<p>The following projects and actions have contributed towards progress:</p> <ul style="list-style-type: none"> • Estuary Action Plan Stage 2- Baseline condition assessments completed for 17 properties. • The Jaliigirr Project – Bellinger River Treeway – Expressions of interest sought and site visits conducted to confirm 10 of 12 sites for riparian rehabilitation and corridor enhancement by end of next Quarter including 1 agricultural property. Sites selected and work plan completed. • Connect with your River Program - Best practice riparian restoration on 5 agricultural properties. • Our Living Coast Project - Best practice erosion control on 1 agricultural property.

Theme - Community Wellbeing

Our children, youth and seniors are valued, involved and supported

Youth and seniors programs and activities are in place and actively supported

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.1.1.1	Provide and support programs and activities for our youth and senior populations	CW.1.1.1.0	Provide and support programs and activities for our youth and senior populations	Manager Community Wellbeing	Completed	Dorrigo Support Centre provides regular programs and activities both centre based and bus outings. Bellingen Youth Hub providing educational and recreational activities and drop in support.
		CW.1.1.1.1	Advocate for increased respite and disability support programs	Manager Community Wellbeing	Completed	Advocacy action ongoing as specific need arises
		CW.1.1.1.2	Support tenders for respite services and disability support programs that address shortfalls in specialised accommodation and support needs	Manager Community Wellbeing	Completed	Support provided in principle though no request to support a tender for respite services or disability support programs has been received.
		CW.1.1.1.3	Develop a youth consultation framework	Manager Community Wellbeing	Completed	Youth Hub provides a consultation framework which is provided in the Youth Hub regular reports
		CW.1.1.1.4	Convene a Youth Services forum biennially	Manager Community Wellbeing	Completed	One youth forum held in 2012/2013.

Strong partnerships between schools and our community are in place to allow for intergenerational and cultural learning

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.1.2.1	Promote partnerships between schools and community	CW.1.2.1.0	Promote partnerships between schools and community	Manager Economic & Business Development	Completed	As part of Bellingen Shire Business and Education Alliance we are liaising and continuing to develop relationships with the schools within the Shire
		CW.1.2.1.1	Work in partnership with stakeholders to develop the Bellingen and Dorrigo Business Education Alliance	Manager Economic & Business Development	Completed	Through the BSBE Alliance, of which BSC is a partner, the Big Idea project has commenced with Bellingen High School students and is assisting them to develop business skills. The programme will finish in November 2013.

Students have a variety of mechanisms such as a support centre and local scholarships

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.1.3.1	Implement business plan for the Bellingen Youth Development Centre	CW.1.3.1.0	Implement business plan for the Bellingen Youth Development Centre	Manager Community Wellbeing	Completed	Business plan being implemented and reported to council in January 2013. New committee formed and will meet in August 2013.
		CW.1.3.1.1	Augment our participation in the Southern Cross University Rising Stars Scholarship Program	Manager Economic & Business Development	Completed	A Bellingen Shire Arts Scholarship has been established, with funding available for 2012-2015 in partnership with community stakeholder groups from the Shire.

Opportunities exist to share the experience and wisdom of seniors

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.1.4.1	Incorporate programs that support intergenerational sharing at the new Bellingham Youth Development Centre	CW.1.4.1.0	Incorporate programs that support intergenerational sharing at the new Bellingham Youth Development Centre	Manager Community Wellbeing	Completed	Programs being explored - included in report to council January 2013. Mentoring programs in place.
CW.1.4.2	Develop a "Living Libraries" program	CW.1.4.2.0	Develop a "Living Libraries" program	Librarian	Progressing	To be progressed with Community Wellbeing Manager now that this position has been appointed

We are a learning and creative community

The benefits and understanding of lifelong learning are promoted

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.2.1.1	Provide ongoing professional development opportunities for Council staff	CW.2.1.1.0	Provide ongoing professional development opportunities for Council staff	Exec Manager Strategy & Organisational Development	Completed	Ongoing professional development opportunities have been provided for staff throughout the year including management and leadership development, programs related to "role specific" knowledge or skill requirements, training related to essential tickets and licences, other compliance and regulatory training, and general skills development including that provided via Council's online learning management system. A number of staff are completing recognised Certificates and Diploma courses with Council support.
CW.2.1.2	Provide "Seniors Week" activities to promote lifelong learning.	CW.2.1.2.0	Provide "Seniors Week" activities to promote lifelong learning	Librarian	Completed	Planned seniors week activities were held during Library and Information Week across the three branches. There were three sessions, one at each branch, covering eMagazines, eAudio books, Ancestry.com and Computer Learning Online. While there was not a large turnout for each session, those who attended gave positive feedback about the sessions and the Shire Librarian plans to run these sessions again later in the year.

There are opportunities for lifelong learning including regaining and retaining traditional skills

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.2.2.1	Implement the Clarence Regional Library Strategy	CW.2.2.1.0	Implement the Clarence Regional Library Strategy	Librarian	Completed	CRL Strategy has been adopted, strategies are now being worked on
		CW.2.2.1.1	Aboriginal literature is sourced and maintained in our library collections	Librarian	Completed	Aboriginal literature purchased by CRL HQ is being processed and allocated to branches.
CW.2.2.2	Promote programs that raise awareness of issues faced by men and develop skills for blokes programs	CW.2.2.2.0	Promote programs that raise awareness of issues faced by men and develop skills for blokes programs	Manager Community Wellbeing	Completed	Strong partnership between Youth Hub and various mentoring projects.

Our community is motivated to participate in lifelong learning activities

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.2.3.1	Provide and promote access to natural and built community places for learning activities	CW.2.3.1.0	Provide and promote access to natural and built community places for learning activities	Manager Community Wellbeing	Progressing	Community Planning Officer position vacant. Lifelong learning University of the Third Age, supported through Dorrigo Support Centre.
		CW.2.3.1.1	Provide facilities for TAFE and other job skills trainers to outreach to the Shire	Manager Community Wellbeing	Completed	TAFE active at Bellingen Youth Hub
		CW.2.3.1.2	Actively promote Lifelong Learning programs at the Youth Development Centre, Libraries and other appropriate venues	Librarian	Completed	Shire Librarian hosted information sessions during Library and Information Week in May to promote eMagazines, eAudio books, Ancestry.com and Computer Learning Online.
		CW.2.3.1.3	Develop a Plan of Management for Bellingen Island and old Caravan Park site addressing options for development of a sustainability learning and living centre incorporating biodiversity conservation, bat interpretation and outreach programs	Manager Sustainability & Natural Resources	Progressing	Council received the draft feasibility study in June 2013. Report to be presented to Council in Q4 2013.

A diversity of cultural and artistic activities are available across the Shire

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.2.4.1	Review the Arts and Cultural Plan	CW.2.4.1.0	Review the Arts and Cultural Plan	Manager Community Wellbeing	Completed	Reviewed plan adopted October 2012
		CW.2.4.1.1	Define our cluster of creative industry types with a view to maximising uptake of NBN and other technical opportunities	Manager Economic & Business Development	Progressing	Still seeking funding for the plan. No further actions have taken place on defining industry types due to budget limitations.
		CW.2.4.1.2	Promote International Day of People with a Disability	Manager Community Wellbeing	Completed	Promotion carried out through Dorrigo Support Centre.
CW.2.4.2	Promote cultural and artistic activities through Council's website	CW.2.4.2.0	Promote cultural and artistic activities through Council's website	Manager Economic & Business Development	Completed	Community cultural events have been promoted through Council's web site, Mayoral Mentions, newsletters and press releases
		CW.2.4.2.1	Pursue partnerships and strategic alliances to create and fund a Public Art Plan	Grants & Business Development Officer	Completed	Strategic alliances have been established with Mid North Coast Arts as well as local arts committees and councils. Partnership agreements have also been developed between all three Chambers of Commerce, the North Coast Holiday Parks Trust and Council as part of a funding application to fund a Public Art Plan in the first instance with the intention of all partners to develop a physical public arts space across the Bellingen Shire. Ongoing collaboration will continue with regards to seeking funding for a Public Arts Plan and pursuing infrastructure.

We value, honour and actively acknowledge our Gumbaynggirr culture and heritage

We actively engage with and include the perspectives and knowledge of aboriginal people

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.3.1.1	Prepare Indigenous Cultural Heritage Study for the Shire	CW.3.1.1.0	Prepare Indigenous Cultural Heritage Study for the Shire	Manager Planning & Regulated Services	Completed	A completed version of the "NSW Northern Rivers Aboriginal Cultural Landscape Mapping Project - Bellingen Local Government Area" was supplied to Council by the OEH on 9 May 2013. Project completed at this stage. Further refinement of land use planning policies regarding aboriginal cultural heritage may be warranted with the introduction of the new Planning System in NSW.
		CW.3.1.1.1	Provide opportunities for aboriginal people to be represented on reference groups	Manager Community Wellbeing	Completed	All advisory group advertisements supported and called for aboriginal people to nominate

Opportunities exist to learn about our aboriginal language, history and culture

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.3.2.1	Engage in activities that promote aboriginal culture	CW.3.2.1.0	Engage in activities that promote aboriginal culture	Manager Community Wellbeing	Completed	Aboriginal language class at the Youth Hub open to community
		CW.3.2.1.1	Establish culturally appropriate heritage walks	Manager Economic & Business Development	Completed	Two Heritage walks have been identified and material has been produced for Dorrigo and Bellingen in conjunction with local organisations. These have been distributed to various outlets in the immediate area.
		CW.3.2.1.2	Provide suitable literature and resources through local libraries	Librarian	Progressing	Resources purchased by CRL and are being processed and allocated to BSC branch libraries. Bellingen presented a NAIDOC week book display promoting the resources on and by indigenous Australians.

We have regular aboriginal events, activities and storytelling in an appropriate cultural space

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.3.3.1	Undertake the strategies and events from the Social Plan that celebrate our aboriginal heritage	CW.3.3.1.0	Undertake the strategies and events from the Social Plan that celebrate our aboriginal heritage	Manager Community Wellbeing	Progressing	Community Planning Officer position vacant
		CW.3.3.1.1	Promote NAIDOC week activities and reconciliation initiatives	Manager Community Wellbeing	Completed	Donations made to NAIDOC & Aboriginal Cultural events in Bellingen & Dorrigo. Cultural Awareness workshop attended. Information distributed to community groups. Liaison with Aboriginal Community ongoing.
		CW.3.3.1.2	Arrange for library exhibits on aboriginal culture	Manager Community Wellbeing	Completed	Exhibits held permanent collection in local studies section

Gumbaynggirr place and language is acknowledged through signage and other mechanisms

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.3.4.1	Consider and incorporate appropriate cultural acknowledgements of the Gumbayngirr people in our planning and operational activities	CW.3.4.1.0	Consider and incorporate appropriate cultural acknowledgements of the Gumbayngirr people in our planning and operational activities	Manager Community Wellbeing	Completed	Included in Community Strategic Plan. Aboriginal Elder invited to give "Welcome to Country" at many Council community events.
		CW.3.4.1.1	Consult with local Aboriginal community to identify sites of significance	Manager Community Wellbeing	Completed	Action programmed for Quarter 3/4 2013/14.

We are connected and safe with a strong sense of community

Community groups actively communicate and collaborate

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.4.1.1	Provide effective means of communicating information about services and activities for people with a disability	CW.4.1.1.0	Provide effective means of communicating information about services and activities for people with a disability	Manager Community Wellbeing	Completed	Communication carried out via Dorrigo Support Centre
CW.4.1.2	Review the Climate Change Adaptation Strategy (113 Actions) in collaboration with the community stakeholders to ensure all current Actions are relevant and achievable for Bellingen Shire Council and therefore deliverable to the local community	CW.4.1.2.0	Review the Climate Change Adaptation Strategy (113 Actions) in collaboration with the community stakeholders to ensure all current Actions are relevant and achievable for Bellingen Shire Council and therefore deliverable to the local community	Manager Sustainability & Natural Resources	Progressing	This project has not progressed significantly since Q1 as the Sustainability Officer position is currently vacant and has been challenging to recruit for. A further round of recruitment has been conducted and an Officer appointed.
CW.4.1.3	Review the Climate Change Adaptation Strategy (113 Actions) in collaboration with community stakeholders to establish High (1 to 2 year), Medium (2 to 4 year) and Low (4 + year) priorities to be delivered to the community	CW.4.1.3.0	Review the Climate Change Adaptation Strategy (113 Actions) in collaboration with community stakeholders to establish High (1 to 2 year), Medium (2 to 4 year) and Low (4 + year) priorities to be delivered to the community	Manager Sustainability & Natural Resources	Progressing	This project has not progressed significantly since Q1 as the Sustainability Officer position is currently vacant and has been challenging to recruit for. A further round of recruitment has been conducted and an Officer appointed.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CW.4.1.3.1	Provide information, education and training opportunities to assist the local community in reducing their climate change impacts, adaption and resilience to climate change and improve their awareness of the Climate Adaptation Strategy	Manager Sustainability & Natural Resources	Completed	In June 2013, Council's Manager S&NR did a presentation to environmental community groups on waste avoidance, reduction and recycling opportunities and this reduces both Council's and the community's greenhouse gas emissions.
		CW.4.1.3.2	Implement Climate Change Adaptation Strategy High Priority Actions (1 to 2 years)	Manager Sustainability & Natural Resources	Progressing	This project has not progressed significantly since Q1 as the Sustainability Officer position is currently vacant and has been challenging to recruit for. A further round of recruitment has been conducted and an Officer appointed.
		CW.4.1.3.3	Implement Climate Change Adaptation Strategy Medium Priority Actions (2 to 4 years)	Manager Sustainability & Natural Resources	Progressing	This project has not progressed significantly as the Sustainability Officer position is currently vacant and has been challenging to recruit for. A further round of recruitment has been conducted and an Officer appointed.
		CW.4.1.3.4	Implement Climate Change Adaptation Strategy Low Priority Actions (4 + years)	Manager Sustainability & Natural Resources	Progressing	This project has not progressed significantly as the Sustainability Officer position is currently vacant and has been challenging to recruit for. A further round of recruitment has been conducted and an Officer appointed.

There is connection between and across our communities

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.4.2.1	Develop community engagement and consultation practices to enhance connection between Council and community	CW.4.2.1.0	Develop community engagement and consultation practices to enhance connection between Council and community	Manager Governance & Engagement	Completed	Community Engagement Policy and Strategy adopted by Council. Toolkit developed. 'Have your say' providing comments and feedback functionality included on Council website. All Council reports now incorporate Community Engagement Strategy. A range of community engagement initiatives undertaken which have progressively been reported via reports to Council.
		CW.4.2.1.1	Review policy related to access and footpaths	Manager Community Wellbeing	Progressing	Community Planning Officer position vacant no further action 4th quarter - this is included as a part of the review of the DDA plan - carried to 2013/14
		CW.4.2.1.2	Implement the Community Engagement Strategy	General Manager	Completed	Community Engagement Policy and Strategy adopted by Council. Toolkit developed. 'Have your say' providing comments and feedback functionality included on Council website. All Council reports now incorporate Community Engagement Strategy.

We have the programs, services and infrastructure to ensure a safe community

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.4.3.1	Advocate for improved police presence throughout the Shire	CW.4.3.1.0	Advocate for improved police presence throughout the Shire	Manager Community Wellbeing	Completed	Regular liaison with local Police and attendance at Coffs Harbour LAC Community Safety Precinct Meeting
		CW.4.3.1.1	Develop a Shire Crime Prevention (Safety) Plan	Manager Community Wellbeing	Not Progressing	Community Wellbeing Manager appointed June 2013 - prior to this there was no resource allocated to this task
		CW.4.3.1.2	Implement the Crime Prevention (Safety) Plan	Manager Community Wellbeing	Not Progressing	Community Wellbeing Manager appointed June 2013 - prior to this there was no resource allocated to this task
CW.4.3.2	Work in partnership with state agencies and affiliated volunteer groups to ensure emergency response and community health and safety	CW.4.3.2.0	Work in partnership with state agencies and affiliated volunteer groups to ensure emergency response and community health and safety	Manager Community Wellbeing	Completed	Regular liaison with RFS and SES and LEMO. Briefing sessions held at Urunga RFS and liaison meetings held regularly. MyRoadInfo program implemented. Initiatives implemented to enhance Council's emergency response capability.
CW.4.3.3	Develop Companion Animals Management Plan	CW.4.3.3.0	Develop Companion Animals Management Plan	Ranger	Progressing	Draft plan to be reviewed by appropriate Manager following section review
		CW.4.3.3.1	Implement the actions of the Companion Animals Management Plan	Ranger	Not Progressing	Draft plan to be reviewed by appropriate Manager following section review.
CW.4.3.4	Advocate for provision of women's services and anti domestic violence campaigns and education	CW.4.3.4.0	Advocate for provision of women's services and anti domestic violence campaigns and education	Manager Community Wellbeing	Completed	Initiatives supported and information distributed to community groups

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.4.3.5	Review and update the Business Continuity Plan	CW.4.3.5.0	Review and update the Business Continuity Plan	Manager Information & Technology Services	Progressing	<p>The Business Continuity Plan was updated in December 2012 and is now at version 1.4. A review meeting conducted at the end of the financial year (1st July), in which target date of 31st July was set for sub plan owners to update their documents and associated reference material. A 5-person steering group is to be established comprising General Manager, Manager Governance and Engagement, Deputy GM Corporate and Community, Executive Manager Strategy and Organisational Development, and Manager Information and Technology Services. This will be in addition to the Business Continuity Group whose roles and responsibilities are laid out in the BCP document.</p> <p>At end of year 2012-13 it is appropriate to mark this objective as 75% completed as the parent document has been updated during the reporting year and a structure is in place for group members to keep their areas of the plan current, however further work is required to fully update all elements and procedures and for the Disaster Recovery site at Raleigh to be at capacity to match the expectations of the plan.</p>
CW.4.3.6	Implement the On-site Sewerage Management Plan	CW.4.3.6.0	Implement the On-site Sewerage Management Plan	Deputy General Manager Operations	Completed	During 2013/14 750 OSMS inspections were completed.

Our community is diverse, tolerant and understanding

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CW.4.4.1	Provide, support and promote community cultural celebrations, programs and venues	CW.4.4.1.0	Provide, support and promote community cultural celebrations, programs and venues	Manager Community Wellbeing	Completed	Council has established an Australia Day Committee to co-ordinate annual celebrations. Citizenship ceremonies conducted as required. Support provided for community cultural celebrations and programs. Support provided to planned Arts Week.
		CW.4.4.1.1	Celebrate our new citizens at a citizenship ceremony as required	General Manager	Completed	Citizenship ceremonies conducted regularly.

Theme - Places for People

We have a diversity of beautiful spaces that foster community happiness and wellbeing

We have a variety of passive recreation spaces including riversides, parks and reserves

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.1.1.1	Develop a prioritised program of improvements to community and recreation facilities	PP.1.1.1.0	Develop a prioritised program of improvements to community and recreation facilities	Manager Asset Management & Design	Progressing	Section 94 Plan is currently being reviewed and will be reported to Council for consideration in late 2013
		PP.1.1.1.1	Commence implementation of a prioritised program of improvements to community and recreation facilities	Manager Asset Management & Design	Progressing	The completion of this task has required a resource sharing model with Kempsey Shire Council in order to access the necessary skill base for development of the plan.
PP.1.1.2	Develop a S94 Open Space Plan	PP.1.1.2.0	Develop a S94 Open Space Plan	Manager Planning & Regulated Services	Progressing	The completion of this task has required a resource sharing model with Kempsey Shire Council in order to access the necessary skill base for development of the plan.
		PP.1.1.2.1	Review alcohol free zones and ensure visible signage	Deputy General Manager Operations	Completed	The current Alcohol Free Zone signage is in place.
		PP.1.1.2.2	Continue to actively investigate options for a swimming facility on the Seaboard	Manager Asset Management & Design	Progressing	Section 94 Plan is currently being reviewed and will be reported to Council for consideration in late 2013 - meeting to be convened with key agency stakeholders Q3 2013

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment	
PP.1.1.3	Plan for a variety of passive recreation spaces to ensure they reflect community needs and aspirations	PP.1.1.3.0	Plan for a variety of passive recreation spaces to ensure they reflect community needs and aspirations	Manager Management Design	Asset &	Completed	he Open Space & Community Facilities Study provides strategic directions and actions that respond to the issues and opportunities and provide clear direction forward. It also provides background information on the demand and supply findings to substantiate the strategies and actions.

We have a variety of active recreation spaces including playgrounds, sporting fields and multipurpose centres

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.1.2.1	Plan for a variety of active recreation spaces to ensure they reflect community needs and aspirations	PP.1.2.1.0	Plan for a variety of active recreation spaces to ensure they reflect community needs and aspirations	Manager Asset Management & Design	Completed	The Open Space & Community Facilities Study provides strategic directions and actions that respond to the issues and opportunities and provide clear direction forward. It also provides background information on the demand and supply findings to substantiate the strategies and actions.
		PP.1.2.1.1	Improve the coordination of events through development of an online "claim the date" system	Manager Economic & Business Development	Completed	A "claim the date" web page has been established in conjunction with Coffs Coast Marketing website.
		PP.1.2.1.2	Audit playground facilities in consultation with users	Manager Asset Management & Design	Completed	Audits of playground facilities are undertaken regularly
		PP.1.2.1.3	Implement upgrade program for playground facilities	Manager Asset Management & Design	Completed	No funds were available to undertake any upgrades during 2012/13

We have a variety of shared community spaces including meeting spaces accommodating public art, cultural and environmental amenity

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.1.3.1	Plan for a variety of shared community spaces to ensure they reflect community needs and aspirations	PP.1.3.1.0	Plan for a variety of shared community spaces to ensure they reflect community needs and aspirations	Manager Community Wellbeing	Completed	The Open Space and Community Facilities Study completed in August 2010 will inform a review of Council's Section 94 Plan Community Facilities and Open Space in 2013. Concept plans for Dorrigo library public meeting room have been prepared.
		PP.1.3.1.1	Assess current facilities used by outreach services and their requirements and review policies governing community facilities management and use	Manager Community Wellbeing	Completed	Hire agreements and facility management policies and procedures developed and implemented for Youth Hub.
PP.1.3.2	Review CBD Master Plans in context of work already undertaken	PP.1.3.2.1	Review CBD Master Plans in context of work already undertaken	Deputy General Manager Operations	Not Progressing	Staff resources have not been available for this project during 2012/13 financial year.

We have a mixture of affordable sustainable housing options for all in our community

There are affordable housing options for all through a diversity of mechanisms including increased public and community housing

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.2.1.1	Support affordable housing initiatives within the Shire	PP.2.1.1.0	Support affordable housing initiatives within the Shire	Manager Community Wellbeing	Completed	Staff attend the Bellingen/Nambucca Housing Support Forum facilitated by Urunga Neighbourhood Centre
		PP.2.1.1.1	Develop an Affordable Housing Information Sheet	Manager Planning & Regulated Services	Completed	Affordable Housing Information Sheet has been prepared and placed on Council's website under the development tab in May 2013.
		PP.2.1.1.2	Review density provisions in Chapter 2 of DCP 2010 (formerly DCP 9)	Manager Planning & Regulated Services	Progressing	The completion of this action is inherently linked to the completion of sewer modelling to determine available capacity within the network. Other preparatory work has been undertaken, including a review of proposed changes to density planning within the "White Paper", possible methods for 3D modelling of development scenarios and development of a methodology for determining historical trends in higher density development.
		PP.2.1.1.3	Work in partnership with the Bellingen and Nambucca Housing Forum and Social Plan Committee to develop a Policy on Homelessness in the Shire	Manager Community Wellbeing	Progressing	Support Forum facilitated by Urunga Neighbourhood Centre - Policy on homelessness is to be developed by the forum

Sustainable building and retrofitting of existing housing stock is the standard approach

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.2.2.1	Develop and implement sustainable building practices	PP.2.2.1.0	Develop and implement sustainable building practices	Deputy General Manager Operations	Progressing	Council in October 2012 adopted a new Chapter 16 for the DCP 2010 to address reuse and recycling of building materials in the building demolition and construction process.
		PP.2.2.1.1	Develop a sustainable building policy	Manager Planning & Regulated Services	Not Progressing	To be addressed upon appointment of a Manager for this area of Council's operations

Eco-village and community living developments for mixed ages are encouraged

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.2.3.1	Ensure that Council's planning documents support housing diversity	PP.2.3.1.0	Ensure that Council's planning documents support housing diversity	Manager Planning & Regulated Services	Completed	It is considered that both the LEP and DCP currently support housing diversity to the full extent possible within the confines of the existing planning system and resourcing ability of Council to complete the sewer modelling.
		PP.2.3.1.1	Review of existing Multiple Occupancies (Rural Land Sharing Community) to allow for community title	Manager Planning & Regulated Services	Completed	A review of existing Multiple Occupancies (MO's) to allow for community title was undertaken as part of the Growth Management Strategy (GMS) process. The next step is dependent on proponents (people wishing to undertake the community title subdivision) preparing information to submit to Council as a Planning Proposal. Initial discussions and meetings have taken place with some of the shareholders of existing MO's who expressed an interest to undertake community title development as part of the GMS process. Action is listed as item No 13 on Council's Strategic Landuse Planning Priorities. Proponents need to submit individual or one Planning Proposal.

Heritage buildings and sites are protected

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.2.4.1	Conserve the cultural and natural heritage items that are in Council's control	PP.2.4.1.0	Conserve the cultural and natural heritage items that are in Council's control	Manager Asset Management & Design	Progressing	The cultural and natural heritage items that are in Council's control were maintained appropriately during 2012/13
		PP.2.4.1.1	Review LEP heritage list	Manager Planning & Regulated Services	Completed	One of the Strategies of the Bellingen Shire Heritage Strategy 2006-2008 is to complete the Heritage Inventory and ensure the legal protection of all heritage items and landscapes in the Shire. Those items identified in the SHI register have been included in BLEP 2010 thereby ensuring their legal protection. A review of those items has been undertaken and the amending plan was gazetted in November 2011. There is some 350 items, all of which now have a listing in the database. The review was completed in May and Bellingen's inventory provided to the NSW Heritage Branch for uploading to the State Heritage Inventory.

We are connected and able to move around in a safe, accessible, affordable, healthy and environmentally friendly way

We have effective public and community transport linking townships in the Shire and linking to regional centres

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.3.1.1	Prepare Transport Strategy in liaison with relevant stakeholders	PP.3.1.1.0	Prepare Transport Strategy in liaison with relevant stakeholders	Manager Asset Management & Design	Not Progressing	This initiative has not progressed due to resourcing constraints.
		PP.3.1.1.1	Undertake a community transport needs study	Manager Community Wellbeing	Not Progressing	Advocacy on transport needs occurred at Transport Social Access framework consultation in June 2013. Community Transport Inc. have a transport needs study. The Community Planning Officer has not been appointed and no funds have been allocated to this study, therefore no action has been taken to undertake the study.
		PP.3.1.1.2	Advocate for and support local community transport providers	Manager Community Wellbeing	Completed	Advocacy and support is ongoing as required. Attendance at Community Transport meetings

Our existing rail network is optimised for freight and local trains

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.3.2.1	Participate in transport studies and initiatives	PP.3.2.1.0	Participate in transport studies and initiatives	Manager Asset Management & Design	Completed	Council has been provided with the final submission on the draft NSW Long Term Transport Master Plan
		PP.3.2.1.1	Monitor and advocate for the NSW Long Term Transport Master Plan	Deputy General Manager Operations	Completed	Staff attended initial NSW Long Term Transport Masterplan (NSW LTTM) forum held on 9 March 2012. A report for a submission to the discussion paper was considered by Council on 28 March 2012. A submission on the discussion paper was made on 18 April 2012. A forum to discuss the draft NSW LTTM was attended by staff and the Mayor on 28 September 2012. A submission on the draft NSW LTTM was sent on 23 October 2012. No response has been received.

We have a network of cycle ways, footpaths and walking trails supported by maps and signage

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.3.3.1	Plan for increased use of cycle and walking transport infrastructure	PP.3.3.1.0	Plan for increased use of cycle and walking transport infrastructure	Manager Asset Management & Design	Progressing	The Pedestrian Access Mobility Plan is currently being reviewed
		PP.3.3.1.1	Implement programs to enhance walkable communities	Manager Sustainability & Natural Resources	Progressing	Current S&NR Team focus is on improving the cycling routes and accessibility to the community. This will form part of the Community Wellbeing plan.
		PP.3.3.1.2	Review the Pedestrian and Mobility Plan (PAMP)	Manager Asset Management & Design	Progressing	The Pedestrian Access Mobility Plan is currently being reviewed
		PP.3.3.1.3	Apply for funding to implement the Pedestrian and Mobility Plan and Bike Plan	Grants & Business Development Officer	Completed	All relevant funding options assessed and applied for where appropriate. A successful application has been secured to extend the Hungry Head Stage 2 cycle and pathway. Other funding will be sought as grant opportunities are presented to assist with the implementation of the PAMP and cycleways programs.
		PP.3.3.1.4	Develop a new Bike Plan in consultation with stakeholders including DUGBUG	Manager Asset Management & Design	Progressing	The Pedestrian Access Mobility Plan is currently being reviewed

Our local infrastructure supports electric vehicles and non-motorised forms of transport

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.3.4.1	Review and implement Disability Discrimination Action Plan	PP.3.4.1.0	Review and implement Disability Discrimination Action Plan	Manager Community Wellbeing	Progressing	1st draft report of review completed. Implementation will occur once there is an adopted Access and Inclusion plan.
PP.3.4.2	Implement strategic actions for the identified key Bellinger River health issue Rural Roads and Bridges	PP.3.4.2.0	Implement strategic actions for the identified key Bellinger River health issue Rural Roads and Bridges	Manager Asset & Design	Progressing	Stormwater Management Plans for Bellinger under review
PP.3.4.3	Implement strategic actions for the identified key Kalang River health issue Rural Roads and Bridges	PP.3.4.3.0	Implement strategic actions for the identified key Kalang River health issue Rural Roads and Bridges	Manager Asset & Design	Progressing	Stormwater Management Plans for Urunga under review

We have a system of safe, well maintained roads including car calming infrastructure

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.3.5.1	Develop a five year renewal program for roads and bridges infrastructure	PP.3.5.1.0	Develop a five year renewal program for roads and bridges infrastructure	Manager Asset & Design	Progressing	A five year renewal program has been prepared and will be included in the Road Asset Management Plan when it is reviewed in 2013/14
		PP.3.5.1.1	Develop Survey and Design Program for Construction Works	Manager Asset & Design	Progressing	The survey and design program for Construction Works has been completed
PP.3.5.2	Collaboratively develop a plan with our local Chambers of Commerce around the Pacific Highway upgrade	PP.3.5.2.0	Collaboratively develop a plan with our local Chambers of Commerce around the Pacific Highway upgrade	Manager Economic & Business Development	Completed	Collaboration initiatives with local chambers of commerce, especially Urunga to promote and plan for the Highway bypass. Collaboration also undertaken with Abigroup to connect with local business. This project is ongoing.
		PP.3.5.2.1	Seek funding to implement the Pacific Highway Upgrade Plan	Manager Economic & Business Development	Not Completed	Council has made representations to the NSW Department of Trade and Industry, in conjunction with the Urunga Chamber of Commerce regarding a plan to reinvigorate Urunga after the community is by passed. The Council Grants officer is also investigating other opportunities.
		PP.3.5.2.2	Implement the priority actions in the Pacific Highway Upgrade Plan based on the level of funding awarded	Manager Economic & Business Development	Progressing	Initial liaison undertaken. Further discussions to occur with Urunga Chamber of Commerce and the Roads and Maritime Service.

We have the facilities and services needed to be a healthy and active community

Health care options and facilities are enhanced across the Shire including birthing, palliative and aged care support

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.4.1.1	Actively support improved health care facilities within the Shire	PP.4.1.1.0	Actively support improved health care facilities within the Shire	General Manager	Progressing	Local Mid North Coast Health District has announced 2 facility upgrade grants for Bellinger Hospital facility
		PP.4.1.1.1	Advocate and provide support for the redevelopment of Bellinger River District Hospital	General Manager	Progressing	Local Mid North Coast Health District has announced 2 facility upgrade grants for Bellinger Hospital facility
		PP.4.1.1.2	Participate in the Mid North Coast Local Health District Community Reference Group	General Manager	Progressing	Council regularly participates in Reference Group Meetings
		PP.4.1.1.3	Provide bipartisan support to maintain both hospitals within the Shire	General Manager	Progressing	Both hospitals maintained and additional funds gained for upgraded facilities

There is a holistic approach to health

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.4.2.1	Develop and advocate for a variety of service and infrastructure options to support the holistic health and wellbeing needs of the community	PP.4.2.1.0	Develop and advocate for a variety of service and infrastructure options to support the holistic health and wellbeing needs of the community	General Manager	Progressing	Council continues a close dialogue with Mid North Coast Region Area Health Service. Both hospitals maintained and additional funds gained for upgraded facilities

There is active participation in a range of sporting and recreational pursuits

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.4.3.1	Administer the planning and development activities to support sport and recreation within the Shire	PP.4.3.1.0	Administer the planning and development activities to support sport and recreation within the Shire	Manager Planning & Regulated Services	Completed	The practical implementation of this action is considered to be linked to the initial completion of the Open Space Study (which was completed in 2010) and the resultant amendment to the Community Facilities & Open Space Section 94 Plan that is currently being prepared. New actions that relate to specific projects contained within the Section 94 Plan will be developed as necessary.

Healthy lifestyles and practices are enhanced

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
PP.4.4.1	Incorporate healthy lifestyle planning into standard policies and instruments as well as service and program delivery	PP.4.4.1.0	Incorporate healthy lifestyle planning into standard policies and instruments as well as service and program delivery	Manager Planning & Regulated Services	Completed	Healthy lifestyles result from sustainable living, which is promoted through Council's Planning policies. Council won the Heart Foundation Healthy Community Award in 2011 recognising a number of projects by Council staff. Specifically DCP 2010 introduced a wide range of new policy directions aimed at improving the quality of the built environment. The review of Council's S94 Plans implemented sound strategic planning practice in the development of new public open space and the integrated design of shared pedestrian/cycle paths connecting key destination points. Council also worked with the North Coast Area Health Service and the Heart Foundation on healthy planning initiatives which was reproduced in a case study.
		PP.4.4.1.1	Develop a Wellbeing Policy	Manager Community Wellbeing	Progressing	Manager Community Wellbeing commenced in June 2013. See operational plan for 2013/14.
		PP.4.4.1.2	Develop an implementation plan for the Wellbeing Policy	Manager Community Wellbeing	Not Progressing	Manager Community Wellbeing commenced in June 2013. See operational plan for 2013/14.

Theme - Living Environment

We have clean water which is protected and used sustainably

Our waterways are valued, protected and enhanced

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.1.1.1	Implement the Kalang and Bellingen River Health Plans	LE.1.1.1.0	Implement the Kalang and Bellingen River Health Plans	Rivers & Natural Resources Project Officer	Progressing	<ul style="list-style-type: none"> Estuary Action Plan Stage 2- Baseline condition assessments completed for 17 properties. Property visits to be arranged next Quarter to develop a site action plan for the riparian zone. The Jaliigirr Project – Bellinger River Treeway – Site visits conducted to confirm 10 of 12 sites for riparian rehabilitation and corridor enhancement by end of next Quarter. Sites selected and work plan completed for 3 new sites next year. Bellingen Island River Bank Stabilisation– Erosion control structures repaired after flood damage, extended & revegetated to protect endangered remnant vegetation on Bellingen Island. Public Field Day held featuring guided tours and planting. Brochure dispensers installed at Urunga boardwalk for new 'Shorebirds of the Coffs Coast' brochures. Riparian revegetation and weed control maintained at Moody's Bridge, Mylestom Drive and Lavender's Bridge. Site visits conducted and advice provided

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
						for 6 public enquiries about river bank erosion.
		LE.1.1.1.1	Incorporate Water Sensitive Urban Design guidelines into the Development Control Plans	Manager Planning & Regulated Services	Progressing	The DCP 2010 embraces WSUD principles. The Draft Stormwater Management Plan included a set of WSUD Guidelines that could be adopted by Council if they also chose to adopt the strategic direction for stormwater management that was advocated by the Draft Plan. Until such time as the Draft Plan is adopted the WSUD Guidelines cannot be incorporated into Councils development control system.
		LE.1.1.1.2	Adopt Sewerage Management practices in line with recommendations from the River Health Plans	Manager Water & Sewer	Progressing	Atherton Drive sewer extension complete. Newry Island sewer extension 55% complete.
LE.1.1.2	Review of the Bellinger and Kalang River Health Plans	LE.1.1.2.0	Review of the Bellinger and Kalang River Health Plans	Manager Sustainability & Natural Resources	Progressing	<p>Review of the Bellinger and Kalang River Health Plans has been assessed and is not required. Both plans are used on a consistent basis for all on-ground river restoration work. Council's "River Health Program" has contributed to 23 river rehabilitation project sites over the past 18 months on both the Bellinger and Kalang Rivers. Council's River & Biodiversity Officer is implementing the following projects;</p> <p>Estuary Action Plan Stage 2, Jaliigirr Treeway Project and Bellinger Island Erosion control. Further details on these projects is provided in item LE.5.2.2.0</p>

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.1.1.3	Implement strategic actions for the identified key Bellinger River health issue Oil and Diesel and Waste Spills from Roads	LE.1.1.3.0	Implement strategic actions for the identified key Bellinger River health issue Oil and Diesel and Waste Spills from Roads	Manager Sustainability & Natural Resources	Progressing	The following projects and actions have contributed towards progress: <ul style="list-style-type: none"> • Estuary Action Plan Stage 2 - Letters sent to 51 properties within the estuaries and follow up phone calls made outlining the opportunity to have a site action plan developed for the river bank and adjacent land. Baseline condition assessments completed for 17 properties on Kalang River estuary (28 different landholders) and property visits to be arranged next Quarter. • The Jaliigirr Project – Bellinger River Treeway – Expressions of interest sought and site visits conducted to confirm 10 of 12 sites for riparian rehabilitation and corridor enhancement by end of next Quarter. Sites selected and work plan completed.
LE.1.1.4	Implement the Stormwater Management Plan	LE.1.1.4.0	Implement the Stormwater Management Plan	Manager Asset Management & Design	Progressing	Review completed. Report to Council under preparation
		LE.1.1.4.1	Implement the Kalang River Water Quality Improvement Plan	Deputy General Manager Operations	Progressing	Council continues to implement the actions in the Kalang River Water Quality Improvement Plan. Liaison continues on a regular basis with the Premiers Kalang River Working Group. Council considered a plan for completing the connection of 41 properties on Newry Island to the sewer scheme. Council resolved to allow the property owners till the end of September 2013 to confirm their commitment to connect to the sewer before Council would commence enforcement action.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		LE.1.1.4.2	Continue to participate in the Kalang River Premiers Working Group	Deputy General Manager Operations	Progressing	Participation in the working party has continued and issues relating to reopening of the Kalang River to oyster harvesting are progressively being addressed.
		LE.1.1.4.3	Install the Sewer system at Newry Island	Manager Water & Sewer	Progressing	Work to install the remainder of the pump stations will recommence in November. 19 of the pump stations will be commissioned in coming months. Rising main complete.
		LE.1.1.4.4	Maintain close liaison with the NSW Food Authority	Deputy General Manager Operations	Completed	Regular liaison with the NSW Food Authority has continued.
		LE.1.1.4.5	Investigate potential pollution sources	Manager Sustainability & Natural Resources	Completed	Potential pollution sources in the Kalang River have been further investigated by a specialist consultant. The water quality in Golf Course Creek, Urunga was investigated in August 2012 and stormwater water outflow at Gundamain Caravan park is pending a rain event for further testing. Faecal sterol sampling of water in both the Kalang and Bellinger Rivers was carried out in July/August 2012. A review of dairy farm operations impacting on the Bellinger River is currently underway.
		LE.1.1.4.6	Connect Scout Hall and nearby buildings on Atherton Drive to Sewer in accordance with Council resolutions	Deputy General Manager Operations	Completed	Completed in September 2012.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.1.1.5	Implement strategic actions for the identified key Kalang River health issue Boating, Tourism and Recreational Impacts	LE.1.1.5.0	Implement strategic actions for the identified key Kalang River health issue Boating, Tourism and Recreational Impacts	Rivers & Natural Resources Project Officer	Progressing	<ul style="list-style-type: none"> The Jaliigirr Project – Bellinger River Treeway – Expressions of interest sought and site visits conducted to confirm 10 of 12 sites for riparian rehabilitation and corridor enhancement by end of next Quarter. Sites selected and work plan completed for 3 new sites next year. Bellingin Island River Bank Stabilisation – Erosion control structures repaired after flood damage, extended & revegetated to protect endangered remnant vegetation on Bellingin Island. Public Field Day held featuring guided tours and planting. Connect with your River Program - Demonstration riparian restoration at Moody's Bridge & Arthur Keough Reserve. Our Living Coast - Riparian restoration at 7 sites in or adjacent to, public recreation areas. Brochure dispensers installed at Urunga boardwalk for new 'Shorebirds of the Coffs Coast' brochures. Site visits conducted and advice provided for public enquiries about river bank erosion.
LE.1.1.6	Implement strategic actions for the identified key Kalang River health issue Stormwater and Building Construction	LE.1.1.6.0	Implement strategic actions for the identified key Kalang River health issue Stormwater and Building Construction	Manager Asset Management & Design	Progressing	Comments on Water Sensitive Urban Design guidelines submitted to consultant for changes to be implemented.

We minimise our use of water

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.1.2.1	Develop an Integrated Water Cycle Management System that includes water minimisation strategies	LE.1.2.1.0	Develop an Integrated Water Cycle Management System that includes water minimisation strategies	Manager Water & Sewer	Completed	The integrated Water Cycle Management Plan has been adopted by Council. Council is now working through the series of identified tasks to improve our water cycle management efficiency.

We use our water and wastewater using best management practices

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.1.3.1	Develop an Integrated Water Cycle Management System to include best management practices for water and wastewater	LE.1.3.1.0	Develop an Integrated Water Cycle Management System to include best management practices for water and wastewater	Manager Water & Sewer	Completed	Plan adopted by Council June 2013.
		LE.1.3.1.1	Review the Sewage Business Management Plan	Manager Water & Sewer	Completed	Plans adopted by Council in June 2013.
		LE.1.3.1.2	Review the 30 year Sewage Capital Works Program	Manager Water & Sewer	Completed	The review of the 30 year Sewage Capital Works Program was completed in July 2012. Program updated and uploaded to budget DP and OP.
		LE.1.3.1.3	Review Levels of service for water and sewage programs	Manager Water & Sewer	Not complete	Review of water and sewerage services to be conducted as part of the broader Service Delivery Review program. Timing of these reviews will be reported to Council as they are scheduled.
		LE.1.3.1.4	Review the Water Business Plan	Manager Water & Sewer	Completed	Business plan adopted by Council in June 2013.
		LE.1.3.1.5	Review the 30 year Water Capital Works Program	Manager Water & Sewer	Completed	The review of the 30 year Capital Works Program was completed in July 2012. Program updated and inserted into budget, DP & OP.

Our surroundings are quiet and clean

Noise pollution is managed

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.2.1.1	Consider the "Protection of Environment Operations Act 1997" in our planning and operations activities	LE.2.1.1.0	Consider the "Protection of Environment Operations Act 1997" in our planning and operations activities	Deputy General Manager Operations	Progressing	The PoEO Act provisions are considered in planning and operation activities.
		LE.2.1.1.1	Respond to noise complaints	Deputy General Manager Operations	Progressing	All noise complaints are responded to. The majority of noise complaints are from barking dogs which is approximately three per week.
		LE.2.1.1.2	Respond to complaints under the "Companion Animals Act 1998"	Ranger	Completed	Companion animal related noise complaints actioned.

Air pollution is minimised

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.2.2.1	Provide programs and projects to reduce local greenhouse gas emissions	LE.2.2.1.0	Provide programs and projects to reduce local greenhouse gas emissions	Manager Sustainability & Natural Resources	Completed	The SN&R team have a series of ongoing programs and projects to raise awareness in the community of energy reduction initiatives. These include presenting at the Bellingham Energy Festival, feedback received by Environment Advisory Committee and meeting with Community groups on projects such as Eco Centre.

We reduce, reuse, recycle

The consumption of resources is minimised

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.3.1.1	Implement the Bellingham Emissions Reduction Program Plan	LE.3.1.1.0	Implement the Bellingham Emissions Reduction Program Plan	Manager Sustainability & Natural Resources	Progressing	Council was unsuccessful in gaining the CEEP funding to implement this project. In June 2013 the State Government's WASIP funding was allocated to implement energy efficiency projects for Council and the community.
LE.3.1.2	Encourage greater community participation in waste reduction, recycling and composting initiatives	LE.3.1.2.0	Encourage greater community participation in waste reduction, recycling and composting initiatives	Manager Sustainability & Natural Resources	Completed	Council's Manager S&NR has recruited a contract Waste Project Officer who started in May 2013 and this role will assist in the waste management function and delivery of waste management projects going forward. In June 2013, Council's Manager S&NR did a presentation to environmental community groups on waste avoidance, reduction and recycling opportunities and this reduces Council and the community's greenhouse gas emissions. The S&NR Team has been implementing the necessary actions and expects to reopen the Raleigh Resource (Waste) Hub in August 2013.
LE.3.1.3	Encourage greater community participation in water savings initiatives	LE.3.1.3.0	Encourage greater community participation in water savings initiatives	Manager Sustainability & Natural Resources	Progressing	This project has not progressed significantly since Q1 due to resourcing constraints. It is expected that these constraints will be addressed early in the next financial year.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.3.1.4	Undertake an Energy Audit for all of Council's Large Buildings and Large Facilities	LE.3.1.4.0	Undertake an Energy Audit for all of Council's Large Buildings and Large Facilities	Manager Sustainability & Natural Resources	Completed	As part of Council's emissions reduction program, energy audits were completed in 2012. Manager S&NR and Grants Officer also submitted a Community Energy Efficiency Program (CEEP) Federal Government grant application for funding to implement energy efficiency opportunities identified in the audit.
		LE.3.1.4.1	Implement a rolling program to undertake key recommendations arising from the audit(s)	Manager Sustainability & Natural Resources	Progressing	Council was unsuccessful in gaining the CEEP funding to implement this project. However, in June 2013 Council's Manager S&NR has allocated budget from the State government's WASIP funding to implement energy efficiency projects for Council and the community.
LE.3.1.5	Identify key actions that can be undertaken within facility budgets by maintenance electricians toward improving energy efficiency (such as installing energy efficient globes and reducing the temperature of hot water heaters)	LE.3.1.5.0	Identify key actions that can be undertaken within facility budgets by maintenance electricians toward improving energy efficiency (such as installing energy efficient globes and reducing the temperature of hot water heaters)	Manager Asset Management & Design	Completed	Solar hot water and efficiency efficient lighting has been installed at Council's Administration Building and Raleigh Depot
LE.3.1.6	Develop a program for implementation of energy efficiency measures as part of the general maintenance regime	LE.3.1.6.0	Develop a program for implementation of energy efficiency measures as part of the general maintenance regime	Manager Asset Management & Design	Progressing	Sustainable energy initiatives are investigated to determine suitability for council's assets. Where new items are used to replace or repair existing infrastructure sustainable products are considered and used where possible

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.3.1.7	Identify and prioritise larger actions (such as installation of solar hot water heaters) and aim to source grant funding to complete these actions	LE.3.1.7.0	Identify and prioritise larger actions (such as installation of solar hot water heaters) and aim to source grant funding to complete these actions	Manager Sustainability & Natural Resources	Progressing	Council was unsuccessful in gaining the Federal Government's Community Energy Efficiency Program funding to implement this project. In June 2013 the State Government's WASIP funding was allocated to implement energy efficiency projects for Council and the community to the value of \$80,000.
		LE.3.1.7.1	Include GreenPower in upcoming energy reverse auction - smaller sites	Manager Sustainability & Natural Resources	Progressing	The most cost effective way to reduce energy/carbon emissions is via improved energy efficiency. CEEP Grant submission outcome will allow for opportunities to be implemented. Council was unsuccessful in gaining the CEEP funding to implement this project. In June 2013 the State Government's WASIP funding was allocated to implement energy efficiency projects for Council and the community.
		LE.3.1.7.2	Include GreenPower in upcoming energy reverse auction - streetlights and major facilities	Manager Sustainability & Natural Resources	Progressing	The most cost effective way to reduce energy/carbon emissions is via improved energy efficiency. CEEP Grant submission outcome will allow for opportunities to be implemented. Council was unsuccessful in gaining the CEEP funding to implement this project. In June 2013 the State Government's WASIP funding was allocated to implement energy efficiency projects for Council and the community.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		LE.3.1.7.3	Undertake Energy Audits for top Energy using Water/Waste Water Treatment plants	Manager Sustainability & Natural Resources	Completed	Energy audits were completed in 2012. Manager S&NR and Grants Officer are now completing a Community Energy Efficiency Program (CEEP) federal government grant submission to apply for funding to implement energy efficiency opportunities identified in the audit.
		LE.3.1.7.4	Continued installation of energy efficient pumps - Water/Wastewater treatment plants	Manager Sustainability & Natural Resources	Progressing	Council was unsuccessful in gaining the CEEP funding to implement this project. In June 2013 the State Government's WASIP funding was allocated to implement energy efficiency projects for Council and the community.
		LE.3.1.7.5	Installation of variable speed drives coupled with oxygen monitoring for oxygenation cycle in Bellingen wastewater treatment works	Manager Water & Sewer	Progressing	VSD to be installed in 2013/14

We reduce, reuse and recycle our waste

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.3.2.1	Council actively engages in waste reduction and recycling activities	LE.3.2.1.0	Council actively engages in waste reduction and recycling activities	Manager Sustainability & Natural Resources	Progressing	Council's Manager S&NR has recruited a contract Waste Project Officer who started in May 2013 and this role will assist in the waste management function and delivery of waste management projects going forward. In June 2013, Council's Manager S&NR did a presentation to environmental community groups on waste avoidance, reduction and recycling opportunities and this reduces Council and the community's greenhouse gas emissions. The S&NR Team has been implementing the necessary actions and expects to reopen the Raleigh Resource (Waste) Hub in August 2013.
		LE.3.2.1.1	Undertake a progressive increase in GreenPower purchase to offset emissions	Manager Sustainability & Natural Resources	Progressing	The most cost effective way to reduce energy/carbon emissions is via improved energy efficiency. CEEP Grant submission outcome will allow for opportunities to be implemented. Council was unsuccessful in gaining the CEEP funding to implement this project. In June 2013 the State Government's WASIP funding was allocated to implement energy efficiency projects for Council and the community.
		LE.3.2.1.2	Investigate and apply for grants toward small scale renewable energy generation projects such as PV cells	Manager Sustainability & Natural Resources	Progressing	Council was unsuccessful in gaining the Federal Government's Community Energy Efficiency Program funding to implement this project. In June 2013 the State Government's WASIP funding was allocated to implement energy efficiency projects for Council and the community to the value of \$80,000.

Our community has access to convenient recycling facilities and services

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.3.3.1	We provide programs and services to the community which facilitate reuse and recycling	LE.3.3.1.0	We provide programs and services to the community which facilitate reuse and recycling	Manager Sustainability & Natural Resources	Progressing	<p>Council's Manager S&NR has recruited a contract Waste Project Officer who started in May 2013 and this role will assist in the waste management function and delivery of waste management projects going forward. In June 2013, Council's Manager S&NR did a presentation to environmental community groups on waste avoidance, reduction and recycling opportunities and this reduces Council and the community's greenhouse gas emissions.</p> <p>The S&NR Team has been implementing the necessary actions and expects to reopen the Raleigh Resource (Waste) Hub in August 2013.</p> <p>Council's Manager S&NR has developed a clear project plan to bring Council's waste facilities back in house to better service the community's waste needs.</p> <p>Report presented to Council May 2013.</p>
		LE.3.3.1.1	Implement Coffs Coast Waste Service	Manager Sustainability & Natural Resources	Progressing	<p>Services provided weekly under contract. CCWS has been in place since 2006. Regular meetings are held between member Councils, Handybin Waste Services. A performance review as per the Contract is undertaken annually.</p>

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		LE.3.3.1.2	Implement Bellingen Waste Management Service	Manager Sustainability & Natural Resources	Progressing	Facilities provided at Bellingen, Urunga and Dorrigo. Review undertaken and a report presented to Council in May 2013. Council's Manager S&NR has developed a clear project plan to bring Council's waste facilities back in house to better service the community's waste needs.
		LE.3.3.1.3	Review the operations of Resource (waste) hubs at Bellingen, Dorrigo and Urunga and prepare an action plan	Manager Sustainability & Natural Resources	Completed	Council's Manager S&NR recruited a contract Waste Project Officer in May 2013 and this role is assisting with waste management function and delivery of waste management projects. The review has been undertaken and a report was provided to Council in May 2013.
		LE.3.3.1.4	Implement the Waste Facilities Review Action Plan	Manager Sustainability & Natural Resources	Progressing	Council's Manager S&NR has recruited a contract Waste Project Officer who started in May 2013 and this role will assist in the waste management function and delivery of waste management projects going forward. In June 2013, Council's Manager S&NR did a presentation to environmental community groups on waste avoidance, reduction and recycling opportunities and this reduces Council and the community's greenhouse gas emissions. The S&NR Team has been implementing the necessary actions and expects to reopen the Raleigh Resource (Waste) Hub in August 2013.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		LE.3.3.1.5	Participate in a regional process to determine the carbon tax liability associated with Council and communities waste generation and report to Council	Manager Sustainability & Natural Resources	Completed	Council representatives continue to engage with Midwaste and Coffs Coast Waste Services to receive updates.
		LE.3.3.1.6	Develop a carbon tax mitigation plan	Manager Sustainability & Natural Resources	Completed	In October 2012, Council's Manager S&NR briefed the Executive Team on the implications of the carbon pricing mechanism to Council operations. A plan with a series of recommended actions were provided.
		LE.3.3.1.7	Annual reporting on waste generation and recycling	Manager Sustainability & Natural Resources	Completed	Council's S&NR Team provide quarterly and annual waste reports to external government agencies such as the NSW EPA.

We live sustainably and reduce our footprint and contribution to climate change

Our community is informed and acts to reduce our ecological footprint

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.4.1.1	Provide programs and projects to reduce our ecological footprint	LE.4.1.1.0	Provide programs and projects to reduce our ecological footprint	Manager Sustainability & Natural Resources	Progressing	Reducing our Ecological footprint is an ongoing focus of the S&NR team. Outcomes are delivered through the implementation of a range of projects and programs undertaken by the team. These are identified separately in specific OP Actions in this report and reported against accordingly.
		LE.4.1.1.1	Implement Bellinghen Emission Reduction Plan (BERP)	Manager Sustainability & Natural Resources	Progressing	The most cost effective way to reduce energy/carbon emissions is via improved energy efficiency. CEEP Grant submission outcome will allow for opportunities to be implemented. Council was unsuccessful in gaining the CEEP funding to implement this project. In June 2013 the State Government's WASIP funding was allocated to implement energy efficiency projects for Council and the community.
		LE.4.1.1.2	Complete the Coastal Processes and Hazards Study	Manager Sustainability & Natural Resources	Completed	Bellinghen Coastal Process and Hazards Study complete in July 2012. This forms the technical component of this planning project. The next step is to develop the Bellinghen Coastal Zone Management Study & Plan, which will then be presented to Council for consideration.

Alternative forms of energy are embraced

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.4.2.1	Actively engage with community to work towards the goals of the Community Energy Reduction Plan	LE.4.2.1.0	Actively engage with community to assist in reducing energy consumption	Manager Sustainability & Natural Resources	Completed	The SN&R team have a series of ongoing programs and projects to raise awareness in the community of energy reduction initiatives. These include presenting at the Bellingham Energy Festival, feedback received by Environment Advisory Committee and meeting with Community groups on projects such as Eco Centre.

We protect and enhance our biodiversity

Our community understands the value of biodiversity

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.1.1	Investigate options for biodiversity conservation including the development of a broad strategy	LE.5.1.1.0	Investigate options for biodiversity conservation including the development of a broad strategy	Manager Sustainability & Natural Resources	Completed	Council's River & Biodiversity Officer has been recruited and is implementing the following projects; Estuary Action Plan Stage 2, Jaliigirr Treeway Project and Bellingen Island Erosion control. All projects are linked to the Bellinger & Kalang River Health Plans. These projects all conserve and improve the biodiversity of our Shire.
		LE.5.1.1.1	Carry out investigation and identify options	Manager Sustainability & Natural Resources	Progressing	Work is being undertaken by Council's Planning Team and the Office of Environment & Heritage in relation to developing a Koala Plan of Management.
		LE.5.1.1.2	Develop biodiversity strategy	Manager Sustainability & Natural Resources	Not Progressing	Adequate strategies and river/biodiversity plans in place and focus is on delivering on ground projects. Please refer to Item LE.5.2.2.0 for a list of projects.

Biodiversity is managed and protected for future generations

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.2.1	Planning controls to improve our biodiversity and protect threatened species are developed and refined	LE.5.2.1.0	Planning controls to improve our biodiversity and protect threatened species are developed and refined	Manager Planning & Regulated Services	Completed	BLEP 2010 includes a well recognised suite of planning controls and zoning provisions that work towards the future protection of biodiversity and threatened species in the Shire. The release of the NSW Government Planning White Paper requires further refinement of controls within the scope of the new planning framework. Further reports to be provided to Council in 2013/14.
		LE.5.2.1.1	Urban Tree Management Policy and Procedures developed for Council owned land	Manager Asset Management & Design	Completed	Developed and adopted by Council on 25 July 2012.
		LE.5.2.1.2	Seek funding towards the development of a Koala Management Plan	Manager Planning & Regulated Services	Completed	In April 2012 the State Government 'Iconic' species Koala funding was announced by the Minister for the Environment, The Hon Robyn Parker MP. Accordingly, the Office of Environment and Heritage (OEH) identified the Bellingen Local Government Area (LGA) as a priority area for Koala conservation and provided up to \$50,000 for Koala surveys and habitat mapping in the coastal parts of the LGA for this 2012/13 financial year and a further \$30,000 is proposed for the following financial year to progress a Comprehensive Koala Plan of Management under the provisions of SEPP 44.
		LE.5.2.1.3	Develop the Koala Management Plan (contingent on funding)	Manager Planning & Regulated Services	Progressing	Funding has been secured for the 2013/14 financial year. Item has been included in 2013/14 delivery plan LE 5.2.1.4.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.2.2	Implement strategic actions for the identified key Bellinger River health issue Riparian and Wetland Management	LE.5.2.2.0	Implement strategic actions for the identified key Bellinger River health issue Riparian and Wetland Management	Rivers & Natural Resources Project Officer	Progressing	<ul style="list-style-type: none"> • Estuary Action Plan Stage 2- Baseline condition assessments completed for 17 properties. Property visits to be arranged next Quarter to develop a site action plan for the riparian zone. • The Jaliigirr Project – Bellinger River Treeway – Expressions of interest sought and site visits conducted to confirm 10 of 12 sites for riparian rehabilitation and corridor enhancement by end of next Quarter. Sites selected and work plan completed for 3 new sites next year. • Bellingen Island River Bank Stabilisation – Erosion control structures repaired after flood damage, extended & revegetated to protect endangered remnant vegetation on Bellingen Island. Public Field Day held featuring guided tours and planting. • Connect with your River Program - Riparian restoration at Moody's Bridge, Arthur Keough Reserve & 5 private properties. • Our Living Coast - Riparian restoration at Bellingen Island, Alma Doepel Park, Ford St, Wastewater Treatment Plant & 4 private properties. • Brochure dispensers installed at Urunga boardwalk for new 'Shorebirds of the Coffs Coast' brochures. • Site visits conducted and advice provided for public enquiries about river bank erosion. • The 3rd of 5 Waterwise Schools accredited for Waterwise education & practices.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.2.3	Implement strategic actions for the identified key Kalang River health issue Riparian and Wetland Management	LE.5.2.3.0	Implement strategic actions for the identified key Kalang River health issue Riparian and Wetland Management	Manager Sustainability & Natural Resources	Progressing	<p>The following projects and actions have contributed towards progress:</p> <ul style="list-style-type: none"> • Estuary Action Plan Stage 2 - Letters sent to 51 properties within the estuaries and follow up phone calls made outlining the opportunity to have a site action plan developed for the river bank and adjacent land. Baseline condition assessments completed for 17 properties on Kalang River estuary (28 different landholders) and property visits to be arranged next Quarter. • The Jaliigirr Project – Bellinger River Treeway – Expressions of interest sought and site visits conducted to confirm 10 of 12 sites for riparian rehabilitation and corridor enhancement by end of next Quarter. Sites selected and work plan completed to implement 3 more new sites next year. • Bellinger Island River Bank Stabilisation – Erosion control structures repaired after flood damage, extended & revegetated to protect endangered remnant vegetation on Bellinger Island. Public Field Day held featuring guided tours and planting.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.2.4	Implement strategic actions for the identified key Bellinger River health issue Forestry, Logging and Clearing	LE.5.2.4.0	Implement strategic actions for the identified key Bellinger River health issue Forestry, Logging and Clearing	Manager Sustainability & Natural Resources	Progressing	<p>The following projects and actions have contributed towards progress:</p> <ul style="list-style-type: none"> • Estuary Action Plan Stage 2 - Letters sent to 51 properties within the estuaries and follow up phone calls made outlining the opportunity to have a site action plan developed for the river bank and adjacent land. Baseline condition assessments completed for 17 properties on Kalang River estuary (28 different landholders) and property visits to be arranged next Quarter. • The Jaliigirr Project – Bellinger River Treeway – Expressions of interest sought and site visits conducted to confirm 10 of 12 sites for riparian rehabilitation and corridor enhancement by end of next Quarter. Sites selected and work plan completed to implement 3 more new sites next year.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.2.5	Implement strategic actions for the identified key Kalang River health issue Forestry, Logging and Clearing	LE.5.2.5.0	Implement strategic actions for the identified key Kalang River health issue Forestry, Logging and Clearing	Manager Sustainability & Natural Resources	Progressing	<p>The following projects and actions have contributed towards progress:</p> <ul style="list-style-type: none"> • Estuary Action Plan Stage 2 - Letters sent to 51 properties within the estuaries and follow up phone calls made outlining the opportunity to have a site action plan developed for the river bank and adjacent land. Baseline condition assessments completed for 17 properties on Kalang River estuary (28 different landholders) and property visits to be arranged next Quarter. • The Jaliigirr Project – Bellinger River Treeway – Expressions of interest sought and site visits conducted to confirm 10 of 12 sites for riparian rehabilitation and corridor enhancement by end of next Quarter. Sites selected and work plan completed to implement 3 more new sites next year.

Threats to biodiversity are identified and mitigated

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.3.1	Provide a range of policies, programs and services to protect and enhance biodiversity	LE.5.3.1.0	Provide a range of policies, programs and services to protect and enhance biodiversity	Manager Sustainability & Natural Resources	Progressing	Council's River & Biodiversity Officer has been recruited and is implementing the following projects; Estuary Action Plan Stage 2, Jalligirr Treeway Project and Bellingen Island Erosion control. All projects are linked to the Bellingen & Kalang River Health Plans.
		LE.5.3.1.1	Seek State or Federal Government funding for adaptation measures for natural environments which may be of State or Federal significance.	Manager Sustainability & Natural Resources	Progressing	Council's Manager S&NR has submitted an EOI for \$100K to the NSW Environment Trust to develop a shire wide Sustainable Agriculture Program in partnership with Landcare. Stage 2 outcome to be known end July 2013.
		LE.5.3.1.2	Review of high risk weed list and incursion plans	Invasive Plants Officer	Completed	High Risk Weeds List and Incursion plan reviewed in October 2012 and June 2013. Defined list of 10 high risk weeds is available to community on the Look Learn Act website at www.looklearnaact.com .
		LE.5.3.1.3	Monitoring programs developed using the MERI (Monitoring, Evaluating, Reporting & Improvement) principles	Invasive Plants Officer	Completed	Monitoring, evaluating, reporting & improvement (MERI) is undertaken through the implementation of the North Coast Weeds Action Program activities, including weed inspections, weed control and re-inspections of private and public lands. MERI documents are maintained by the Invasive Plants Officer and the Weedmap Pro system.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		LE.5.3.1.4	Develop and implement a weed control strategy for private land, public land, Crown reserves and roadsides	Invasive Plants Officer	Completed	This action is an on-going focus of the Invasive Plants Officer and NR&S team activities. The 2012-13 weed control strategy was developed following inspections by the Invasive Plants Officer and on-ground weed control staff. The strategy control works are implemented on a priority basis with identified high priority weeds treat first and Class 1,2,3&4 noxious weeds controlled in succession.
LE.5.3.2	Identify and document high risk pathways and sites	LE.5.3.2.0	Identify and document high risk pathways and sites	Invasive Plants Officer	Completed	This action is an on-going focus of the Invasive Plants Officer. High Risk Pathways and sites are identified, inspected and documented using the Weedmap Pro system and GPS records. Documents are maintained by the Invasive Plants Officer.
LE.5.3.3	Develop regional high risk pathway management plan	LE.5.3.3.0	Develop regional high risk pathway management plan	Invasive Plants Officer	Completed	North Coast Weeds Advisory Committee: High Risk Pathway Management Strategy completed and reviewed June 2012.
LE.5.3.4	Develop Industry Hygiene Protocol for machinery and personnel working in weed infested areas	LE.5.3.4.0	Develop Industry Hygiene Protocol for machinery and personnel working in weed infested areas	Invasive Plants Officer	Completed	Hygiene Practices Protocol completed. Protocol currently being implemented by Council operations staff and contract Bush Regenerators.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.5.3.5	Develop and review regional weed management plans	LE.5.3.5.0	Develop and review regional weed management plans	Invasive Plants Officer	Completed	The North Coast Weeds Advisory Committee (NCWAC) has developed the High Risk Pathways Management Strategy 2011-15; Weed Incursion Plan 2011-15; Operating Procedure - Preventing the Spread of High Priority Weed Species. These plans have been reviewed by the NCWAC project reference team (PRT), and distributed to user stakeholders. In June 2013 the NCWAC PRT reviewed the North Coast Weeds Action Program (NCWAP) to streamline and prepare for delivery of the NCWAP 2013-14 year.
LE.5.3.6	Encourage indigenous green team training in weed control, bush regeneration and ecological restoration activities	LE.5.3.6.0	Encourage indigenous green team training in weed control, bush regeneration and ecological restoration activities	Invasive Plants Officer	Completed	This action is no longer an objective of the Weed Action Program. The Ngurrala Green Team was contracted to implemented bush regeneration works on a Mountain Top Road, Dorrigo property as part of the on-ground works for Component 2 of Councils Jaliigirr (Biodiversity Fund) Project. This team will continue to carry out on-ground works for Component 2 of Councils Jaliigirr Project, working alongside and providing in-formal training to the Dorrigo Aboriginal Green Team.
LE.5.3.7	Report quarterly to the North Coast Weeds Advisory Committee meetings on progress	LE.5.3.7.0	Report quarterly to the North Coast Weeds Advisory Committee meetings on progress	Invasive Plants Officer	Completed	BSC quarterly Weed Report, including Weeds Action Program activities, presented at the North Coast Weeds Advisory Committee meeting, held in Coffs Harbour 1/5/2013.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		LE.5.3.7.1	Establish partnerships with relevant research authorities and assist in weed research and bio-control projects	Invasive Plants Officer	Completed	<p>On-going contact has continued with UNE through the implementation of the Fireweed Research Project. On-going discussions have been held with the with the Weeds of National Significance Fireweed Co-ordinator to provide local information to the State Fireweed Research Project.</p> <p>Invasive Plants Officer has provided support to a federally funded project to Botsobrick Landcare Group to locate, transplant and distribute Giant Parramatta Grass infected with the biological control Crown Root Rot. This project will be implemented in the 2013-14 year.</p>

We work together to protect and enhance our environment

The guidance of the custodial people is recognised

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.6.1.1	Recognise and acknowledge the traditional owners of the land	LE.6.1.1.0	Recognise and acknowledge the traditional owners of the land	Manager Community Wellbeing	Completed	Acknowledgement incorporated in the Community Strategic Plan. Aboriginal representatives included on heritage advisory committee.
		LE.6.1.1.1	Review the Advisory Committee membership with the objective of incorporating representation from the aboriginal community	Deputy General Manager Corporate & Community	Completed	New Community Wellbeing Advisory Committee was prepared. Membership and terms of reference reviewed by council in late 2012.
		LE.6.1.1.2	Implement cultural awareness program for Council staff	Exec Manager Strategy & Organisational Development	Completed	Key staff involved in community planning and support have attended training.

Our community is informed and educated on environmental issues, threats and opportunities

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.6.2.1	Educate and partner with the community on environmental matters	LE.6.2.1.0	Educate and partner with the community on environmental matters	Manager Sustainability & Natural Resources	Progressing	First Environmental Sustainability Advisory Committee (ESAC) meeting for the 2012-2016 council held on 12th June 2013.
LE.6.2.2	Education and enforcement programs delivered to stakeholders and community	LE.6.2.2.0	Education and enforcement programs delivered to stakeholders and community	Invasive Plants Officer	Completed	The Invasive Plants Officer presented at the Weed Identification and Control field day held with Bellinger Landcare. This provided weed identification tips and control advice to 20 community attendees.
		LE.6.2.2.1	Develop and distribute educational material for high risk weed species	Invasive Plants Officer	Completed	This is an on-going action for the Invasive Plants Officer. The Invasive Plants Officer responds to hotline and front desk enquiries for weed identification and management techniques, providing educational material for high risk weed species. Additional to this the Look Learn Act Weed Awareness extension package is providing further avenues for community members/landholders to access educational material on weed identification and management.
		LE.6.2.2.2	Develop and publicise hotline numbers and regional contacts	Invasive Plants Officer	Completed	The NCWAC Weed Action Plan Project Reference Team, working with Southern Cross Ten, has developed the 'Look Learn Act' Weeds Awareness extension package. This package has included TV adverts; radio adverts; set-up of the Look Learn Act website, Facebook page and twitter account. All media and promotion sources used for promotion of weed awareness and management publicise, or provide links to, the regional weed management contacts and hotline numbers.

The contribution of our community groups are fostered, supported and celebrated

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
LE.6.3.1	Celebrate and support community contribution	LE.6.3.1.0	Celebrate and support community contribution	Manager Community Wellbeing	Completed	Events held throughout the year to recognise volunteering effort such as Australia Day celebrations and National Volunteer Week.
		LE.6.3.1.1	Actively recognise and support our community and volunteer groups through events such as Australia Day, Volunteer Week and Local Government Week	Manager Community Wellbeing	Completed	Events held throughout the year to recognise volunteering effort such as Australia Day celebrations and National Volunteer Week.

Theme - Civic Leadership

Council is an organisation that embraces business excellence

Financial sustainability is maintained through effective short and long term financial management

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.1.1.1	Compliance with Council policy and relevant legislation to ensure the long term financial sustainability of the organisation	CL.1.1.1.0	Compliance with Council policy and relevant legislation to ensure the long term financial sustainability of the organisation	Manager Finance	Completed	Completed except for finalisation of 2013 financial statements check of KPI's - all compliance issues met for 2012-2013 subject to audit.
		CL.1.1.1.1	Review financial planning policy	Manager Finance	Completed	Financial Planning Policy adopted in April 2013
		CL.1.1.1.2	Review long term financial plan	Manager Finance	Completed	LTFP adopted in June 2013.

We attract, develop and retain highly skilled staff

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.1.2.1	Implement the Workforce Management Plan	CL.1.2.1.0	Implement the Workforce Management Plan	Exec Manager Strategy & Organisational Development	Progressing	<p>Actions contained in the WMP continue to provide the focus and priority for the OD team. 2012/13 actions in this 4 year plan have substantially been achieved despite budget and resource constraints with key focus areas being implementing actions from the organisation review including structural changes, improving recruitment processes, establishing a hosted trainee program, providing work experience under various education and employment programs, strengthening our relationships with local schools and education providers, establishing an online learning approach and addressing agreed staff training priorities, enhancing our induction program, improving internal communication and creating opportunities to capitalise on the skills and experience of staff, implementing the changes arising from the new WHS Act, implementing a workers compensation improvement plan in partnership with our insurer including proactive management of our return to work (post injury) program, and continuing our staff health and well-being programs.</p>

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.2.1.1	Provide training opportunities to ensure staff are aware of legislative and policy changes	Exec Manager & Strategy & Organisational Development	Completed	Council's online learning system is now being used to provide all new staff with key legislative and policy information. A register of Council policies has been developed. Key policies have been updated and communicated throughout the year. Council's new Intranet is being used to provide improved access for staff to Council's policies. The executive team have been provided with training related to their role as Officers under new Work Health and Safety (WHS) legislation. In addition, updates to all staff have been provided regarding changes to the WHS Act and Model Code of Conduct.
		CL.1.2.1.2	Implement Council's formal traineeship program	Exec Manager & Strategy & Organisational Development	Completed	Traineeships in Disability and Aged Care, Customer and Business Support and Library Services continue. Apprenticeships in mechanics and bridge carpentry are being investigated. Council provided university internships and school work experience opportunities throughout the year.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.2.1.3	Implement Council's Workplace Equity and Diversity Strategy	Exec Manager Strategy & Organisational Development	Completed	Actions from Council's EEO and Diversity Strategy have been implemented. A statement of commitment is being prepared and statistical data is being collated for the 50:50 Vision - Councils for Gender Equity Program in order to provide future measurement of Council's progress. A new plan is to be developed to commence from 2013 FY. Council has provided 2 hosted employment opportunities for categories covered by Council's diversity strategy along with continuing a contract for secure document disposal with New Horizons, an employer of people with disabilities.
		CL.1.2.1.4	Review WHS policy, return to work policy and consultation statement	Organisational Development Advisor, Employee Wellbeing	Progressing	Council's Work Health and Safety Policy has been reviewed to reflect changes in the legislation. The Policy is expected to be endorsed at the first meeting of the new Health and Safety Committee scheduled in August 2013. Key supervisory staff have completed training in Return to Work responsibilities and coordination. The Return to Work Policy and procedures have been updated along with a suitable duties register and job demand analysis to assist in a safe and early return to work following injury. The focus on early and safe return has resulted in a downward trend in days lost to injury.

High quality community services and cost effective solutions are delivered

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.1.3.1	Undertake review of service standards with the objective of defining levels of service, supporting the asset management framework and underpinning the annual budget process	CL.1.3.1.0	Undertake review of service standards with the objective of defining levels of service, supporting the asset management framework and underpinning the annual budget process	Manager Governance & Engagement	Completed	<p>Service Delivery Review framework implemented and ongoing. Conduct of individual reviews involves the allocation of extensive internal resources and hence reviews are required to be staggered to prevent undesirable impacts on other areas of the business.</p> <p>It is expected that the review framework will be persistent and ongoing as the timeframe to cycle through all priority reviews will exceed the lifespan of any individual review.</p>
		CL.1.3.1.1	Develop and implement a Customer Service Charter	Manager Governance & Engagement	Progressing	Customer and Business Service Team Leader recruited and Customer Service Charter drafted. Consultation with staff underway and draft has been scheduled for discussion at next Staff Consultative Committee meeting.

Best practice, sustainability principles, accountability and good governance are incorporated in all that we do

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.1.4.1	Implement a transparent integrated planning and reporting framework that is legislatively compliant and facilitates effective decision making	CL.1.4.1.0	Implement a transparent integrated planning and reporting framework that is legislatively compliant and facilitates effective decision making	Manager Governance & Engagement	Completed	All elements of IP&R framework completed and adopted by Council 26 June 2013.
		CL.1.4.1.1	Adopt a uniform approach to risk management based on best practice	Manager Governance & Engagement	Completed	Risk management folded into Operational Plan for 2013-2014 under Governance. Implementation of Risk Management strategies to be undertaken within the framework of the Governance Healthcheck.
		CL.1.4.1.2	Review Council's Business Paper process to ensure the integrated Planning and Reporting Principles are included and proactively addressed	Deputy General Manager Corporate & Community	Completed	New business paper template developed which includes reference to budget, community engagement plan and community strategic plan. DGM's and GM ensure these items are proactively addressed.
		CL.1.4.1.3	Adoption of BERP Climate Change Action Plan (CCAP) by Council	Manager Sustainability & Natural Resources	Completed	BERP Climate Change Action Plan adopted by Council in May 2012.
		CL.1.4.1.4	Implementation of CCAP, followed by monitoring and verification of meeting emission reduction target	Manager Sustainability & Natural Resources	Progressing	Council was unsuccessful in gaining the CEEP funding to implement this project. However, in June 2013 Council's Manager S&NR has allocated budget from the State government's WASIP funding to implement energy efficiency projects for Council and the community.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
		CL.1.4.1.5	Consider options to integrate action towards BERP target in Council policies	Manager Sustainability & Natural Resources	Progressing	The Sustainability Officer position is currently vacant and has been challenging to recruit for. In Q4, Council interviewed another 2 sets of shortlisted candidates and on 8 July 2013 has made an offer to a candidate and is currently awaiting acceptance of this offer.
CL.1.4.2	Implementation of the Asset Management Strategy	CL.1.4.2.0	Implementation of the Asset Management Strategy	Deputy General Manager Operations	Progressing	Asset Management system investigation on hold due to Local Government review and potential regional approach.
		CL.1.4.2.1	Implementation of Asset Management Plans	Manager Asset Management & Design	Completed	Completed. Services level reviews underway for roads and bridges.
		CL.1.4.2.2	Undertake a service review project with the objective of defining levels of service, supporting the Asset Management Framework and underpinning the annual budget process.	Deputy General Manager Corporate & Community	Progressing	Service Delivery Review process presented to Council during Q1 2013. Four reviews currently underway.

Our community is informed and engaged with a strong sense of civic leadership

The community is engaged in decision making and implementation

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.2.1.1	Implement Council's Community Engagement Strategy	CL.2.1.1.0	Implement Council's Community Engagement Strategy	Manager Governance & Engagement	Completed	Community Engagement Strategy was developed for IP&R implementation and is now in use. Strategy executed as part of review of current review of Community Strategic Plan. Every report to Council includes an outline of the engagement process undertaken.
		CL.2.1.1.1	Develop a social media strategy	Manager Governance & Engagement	Progressing	Preliminary works undertaken. Social media strategy postponed to 2013-2014 until after recruitment of Governance and Corporate Planning Officer role completed.
		CL.2.1.1.2	Develop and implement online technologies to communicate with stakeholders including people with disabilities	Manager Information & Technology Services	Completed	This objective has been ongoing throughout 2012-13 and work will continue on this through 2013-14 and beyond. The quarterly updates show the progress and use of different websites and technologies. This is not an objective that will ever be fully completed as there will always be scope for additional stakeholder engagement in the ever-changing world of online communications. Therefore progress has been set at 95% and status kept as "Progressing".

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.2.1.2	Develop an action plan in order that the agreed priorities arising from the Community Satisfaction Survey and the Planning Survey can be implemented	CL.2.1.2.0	Develop an action plan in order that the agreed priorities arising from the Community Satisfaction Survey and the Planning Survey can be implemented	Deputy General Manager Corporate & Community	Completed	Operations have established a working group to develop a DA processing action plan. Action Plan to be completed in relation to the Community Satisfaction Survey. Forum to progress action was held in June 2013. Action plan developed. Actions being progressively actioned.
		CL.2.1.2.1	Report to Council annually on implementation	Deputy General Manager Corporate & Community	Completed	Reports to council to be provided annually on Community Satisfaction Survey - report anticipated Q3/4 2013/14.
CL.2.1.3	Review structure and governance of Advisory Committees	CL.2.1.3.0	Review structure and governance of Advisory Committees	Deputy General Manager Corporate & Community	Completed	Structure and governance of advisory committees reviewed, aligned with Community Strategic Plan and changes adopted by Council.
		CL.2.1.3.1	Review guidelines for Advisory Committees	Deputy General Manager Corporate & Community	Completed	New guidelines for advisory committees developed in October 2012.
		CL.2.1.3.2	Provide support to Advisory Committees through training and development workshops	Exec Manager Strategy & Organisational Development	Completed	New committee structure has been implemented. Online learning and a "volunteer handbook" have been developed to assist in meeting the future training and information needs of volunteers including committee members.
		CL.2.1.3.3	Develop a reporting template for annual reporting to Council	Manager Governance & Engagement	Completed	Report templates completed. Ongoing monitoring and assessment of the utility of the current templates will occur with additional improvements implemented as identified and required.

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.2.1.4	Conduct community satisfaction surveys	CL.2.1.4.0	Conduct community satisfaction surveys	Deputy General Manager Corporate & Community	Completed	Scheduled for the 2013/2014 financial year.

Civic leadership is recognised, supported and rewarded

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.2.2.1	Council promotes and supports community leadership through recognition and celebration of events such as Australia Day, Volunteer Week and Local Government Week	CL.2.2.1.0	Council promotes and supports community leadership through recognition and celebration of events such as Australia Day, Volunteer Week and Local Government Week	General Manager	Progressing	Events held throughout the year including Australia Day with Australia Day Awards given. National Volunteer Week celebrations currently being planned
		CL.2.2.1.1	Deliver Induction Program for incoming Council	Deputy General Manager Corporate & Community	Completed	Induction program finalised for councillors following January 2013 meeting. Further workshops are held as required.
		CL.2.2.1.2	Conduct the 2012 Election in partnership with the NSW Electoral Commission	Deputy General Manager Corporate & Community	Completed	In partnership with BSC the NSW Electoral Commission conducted two elections on 8 Sept 2012, one for our Mayor and the other for our Councillors. The councillors election, had 25 candidates representing 7 groups and one single candidate. Five of the seven elected representatives were new to Council. The post election report provided to council indicated that there was an 83.01% voter turnout with an informal vote of 5.95% . The Mayoral candidate was declared on 12 September and all other positions declared on 15 September. The election ran smoothly and without incident.
		CL.2.2.1.3	Celebrate and thank our volunteers for their contribution at an annual event	Manager Community Wellbeing	Completed	Annual volunteers event held in 2013 to celebrate volunteers. Volunteer policy being worked on for implementation in 2013/14 year.

We are proactive in supporting, through representation and celebration, the needs and desires of the community

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.2.3.1	Council lends its support on matters considered important to the community	CL.2.3.1.0	Council lends its support on matters considered important to the community	General Manager	Progressing	Stakeholder group convened to discuss tidal swimming facility at Urunga. Presentation provided to Transition Bellingen as community engagement with Council. Presentation provided to NSW Rural Chapter of Institute of Architects. Community Opinion Discussion Paper commissioned. Regular liaison with Chambers of Commerce/
		CL.2.3.1.1	Define the process of capturing outcomes from community engagement activities and report to Council	General Manager	Progressing	Community Opinion Discussion Paper commissioned Community Engagement Strategy progressively implemented. Report to Council anticipated Qtr 4, 2013

Council is proactive in representing the needs of our community

Strong partnerships exist with all levels of government, peak bodies and the community

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.3.1.1	Council will seek to create positive collaborative relationships to deliver on the aspirations of the Council and our community	CL.3.1.1.0	Council will seek to create positive collaborative relationships to deliver on the aspirations of the Council and our community	General Manager	Progressing	Stakeholder group convened to discuss tidal swimming facility at Urunga. Presentation provided to Transition Bellingen as community engagement with Council. Presentation provided to NSW Rural Chapter of Institute of Architects. Community Opinion Discussion Paper commissioned. Regular liaison with Chambers of Commerce/
		CL.3.1.1.1	Explore the potential for shared services with other LGA's to maximise efficient delivery of services to the community	General Manager	Progressing	Regular liaison with Chambers of Commerce Extensive work undertaken with MIDROC Councils Service Reviews underway
		CL.3.1.1.2	Review MOU with Southern Cross University to reinvigorate closer ties	Deputy General Manager Corporate & Community	Progressing	Current agreement exists until 2014 - review will be conducted at end of this term. Meetings held with SCU.

We are consultative

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.3.2.1	Implement the Community Engagement Strategy	CL.3.2.1.0	Implement the Community Engagement Strategy	General Manager	Progressing	Community Engagement Strategy and Toolkit progressively implemented. Community Opinion Discussion Paper commissioned
		CL.3.2.1.1	Develop Community Engagement Toolkit	Manager Governance & Engagement	Completed	The Community Engagement Toolkit has been developed and compiled into a user-friendly document with links to Councils Community Engagement Strategy. The toolkit also contains a planning template to guide staff and to provide a record of community engagement activities. Completed.
CL.3.2.2	Provide for community representation on Council committees	CL.3.2.2.0	Provide for community representation on Council committees	General Manager	Progressing	Portfolio system implemented Council Advisory Committees progressively consulted Committees include community representatives

The principles of social justice underpin our activities and decision making processes

DP Code	DP Action	OP Code	OP Action	Responsibility	Status	Comment
CL.3.3.1	Council considers the NSW Government's Social Justice Principles in their planning	CL.3.3.1.0	Council considers the NSW Government's Social Justice Principles in their planning and decision making processes	General Manager	Progressing	Social Justice principles included in Community Strategic Plan as outlined in NSW Government IRR Framework
		CL.3.3.1.1	Ensure that council staff are adequately trained to provide effective and non-discriminatory services for people with a disability	Exec Manager Strategy & Organisational Development	Completed	Training and development opportunities have been provided to relevant staff throughout the year. Focus in this area should be maintained annually. Plans are underway to extend training to customer service and library staff during next year.
		CL.3.3.1.2	Review Social Plan	Manager Community Wellbeing	Progressing	Review completed 3rd quarter. Further statistics required for any further changes
		CL.3.3.1.3	Implement the Social Plan	Manager Community Wellbeing	Progressing	Community Planning Officer position vacant. Further statistics are required for further changes.
		CL.3.3.1.4	Review the Disability Action Plan	Manager Community Wellbeing	Progressing	Review is at 1st draft report stage
		CL.3.3.1.5	Implement the Disability Action Plan	Manager Community Wellbeing	Progressing	Awaiting final report of DDA review

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Section 2 - Financial Summary and Other Information



Introduction

Section 2 of this report contains a Financial Summary containing some key points from the full audited financial statements as well as any information that Council is required to report in its Annual Report by an Act or Regulation of the NSW Government.

Financial Summary

Financial Statements 2012/13

The Audited 2012/13 Financial Statements and Auditor's Report are contained in Section 3 of this report and are to be presented to the public at the Ordinary Meeting of Council held on 4th December 2013. A copy of the reports can be viewed on Council's website.

Income Statement

The operating result from all activities was a deficit of \$2.608 million in 2012/13 compared to a deficit of \$2.114 million in 2011/12. This result includes grants for capital purposes of \$1.5 million. The expenditure of these grants is not recorded in this Statement but in the Balance Sheet and when excluded for comparative purposes, the deficit increases to \$4.157 million compared to a deficit in the previous year of \$5.728 million.

Total income decreased by \$1.515 million (4.88%) primarily due to decreases in operating grants of \$3.454 million (32.79%) and capital grants of \$2.065 million (57.14%). These decreases were offset in part by increases in rates and annual charges of \$996,000 (10.35%) and user charges and fees of \$2.253 million (48.33%). The drop in grant funding is the result of major flood works having been completed in the 2011/12 financial year, as well as completion of projects such as the construction of the Bellingen Youth Centre. The rates and annual charges were up mainly as a result of increases in revenue collected in Waste and Sewerage services. The user charges and fees revenue increase was as a result of Council undertaking more State Works on behalf of the Roads and Maritime Services (formerly known as RTA).

Expenses decreased by \$1.021 million (3.08%), mainly as a result of decrease in materials and contracts expense of \$1,832 million (16.26%). The decrease in materials and contracts was mainly due to the completion of flood restoration works during the 2011/12 financial year.

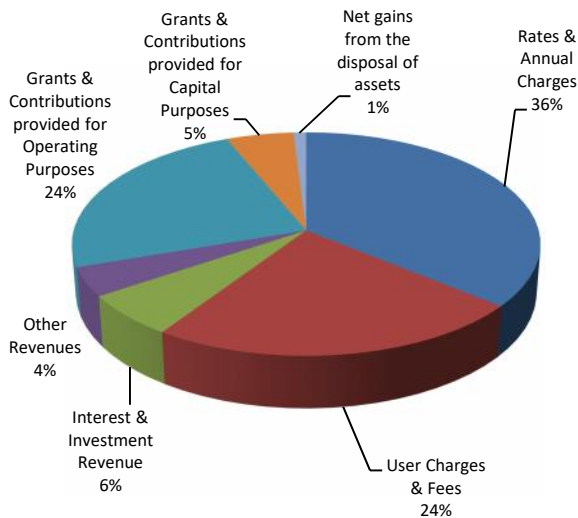
Council Functions/Activities – Financial Information [Financial Statements Note 2(a)]

Activity	Revenues \$'000		Expenses \$'000		Operating Result \$'000		Assets Held \$'000
	Budget	Actual	Budget	Actual	Budget	Actual	
Governance	0	0	308	248	(308)	(248)	-
Administration	247	633	1,952	5,440	(1,705)	(4,807)	25,402
Public Order & Safety	1,162	1,452	1,999	1,370	(837)	82	7,462
Health	133	21	616	420	(483)	(399)	423
Environment	140	3,453	495	3,762	(355)	(309)	88
Community Services & Education	303	362	1,176	631	(873)	(269)	5,550
Housing & Community Amenities	2,905	226	3,801	1,512	(896)	(1,286)	19,483
Water Supplies	2,912	2,521	2,534	1,616	378	905	56,914
Sewerage Services	2,624	2,620	2,749	2,319	(125)	301	45,820
Recreation & Culture	35	105	997	1,953	(962)	(1,848)	33,397
Mining, Manufacturing & Construction	99	72	126	171	(27)	(99)	404

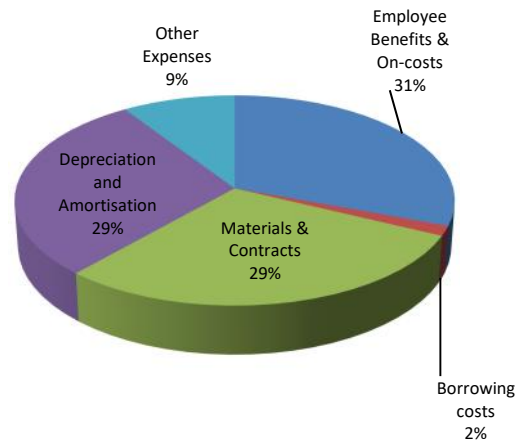


Activity	Revenues \$'000		Expenses \$'000		Operating Result \$'000		Assets Held \$'000
Transport & Communication	2,541	7,317	10,748	12,342	(8,207)	(5,025)	361,706
Economic Affairs	115	796	356	342	(241)	454	6,506
Total - Functions	13,216	19,578	27,857	32,126	(14,641)	(12,548)	563,155
General Purpose Revenues	9,771	9,940			9,771	9,940	
Total	22,987	29,518	27,857	32,126	(4,870)	(2,608)	563,155

Total Income from Continuing Operations



Total Expenditure from Continuing Operations



Balance Sheet

Cash and Investments as at 30 June 2013 totalled \$28.893 million compared to \$32.789 million in 2011/12. Receivables increased by \$1.222 million due to RMS State Works in relation to contracted work on Waterfall Way.

Infrastructure, property, plant and equipment increased by \$6.900 million. The movement in assets is the result of:

	<u>\$'Millions</u>
Increase revaluation for water and sewer infrastructure	\$ 3.000
Correction to previous year period for building assets *	\$12.212
Asset additions during the year	\$ 8.059
Other adjustments	\$ 0.005
Loss on sale of assets	(\$ 0.168)
Depreciation expense	(\$ 9.373)
Impairment Loss on roads and bridges	(\$ 0.441)
Revaluation decrements on operational land	(\$ 4.269)
Revaluation decrement on buildings	(\$ 2.115)
Net Movement	\$ 6.900 Million

* The correction to previous year period of \$12.212 million is the result of the building assets been reassessed in relation to their useful life as part of Council's transition to measuring all its Infrastructure, Property, Plant & Equipment at fair values**. This reassessment has resulted in a



material difference, whereby some assets have been depreciation much quicker in previous years when compared to where they sit in relation to their asset cycle after the reassessment. This correction of \$12.212 million is adjusted back against the accumulated depreciation for buildings. Refer to Note 21 of Council's financials for further information.

** Australian Accounting Standard Board 13 defines fair value as a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same – to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

Working Capital

The Net Current Asset position at year-end of \$30.114 million is an important financial indicator as it discloses the working capital available to Council to fund day to day operations and finance infrastructure and new community projects.

However, included in Current Assets are assets of \$12.361 million which are “restricted” by regulation or other externally imposed requirements and therefore are not available for other than their restricted purpose.

After funding General Fund (\$8.551 million), Water (\$13.884 million), Sewerage (\$6.189 million) and Domestic Waste (\$948,000) internal and external restrictions, Council has General Funds of \$2.376 million to finance working capital needs. This compares to unrestricted funds of \$853,000 in the previous financial year.

The increase in working funds in 2012/13 of \$1.523 million can be largely attributable to the reduction in internal reserve funds required to be carried forward. This reduction in internal reserves balance was \$1.573 million.

	Water \$'000	Sewer \$'000	Waste \$'000	Gen \$'000	Total \$'000
Current Assets	13,905	6,247	948	14,568	35,668
Current Liabilities	21	58	0	5,475	5,554
Add back ELE	0	0	0	1,834	1,834
Less: Restrictions (External)	4,081	2,448	0	5,832	12,361
Less: Restrictions (Internal)	0	0	274	2,719	4,292
Net Funds	9,803	3,741	674	2,376	16,594

Council has internally restricted \$840,000 to fund non-current employee leave entitlements, which represents 32% of current leave entitlements, compared to 34% as at 30 June 2012. This funding is considered adequate given that the annual leave component is traditionally provided for in Council's current year budget.



Financial Indicators

The key indicators disclosed in the Financial Statements are:

RATIO	PURPOSE	2013	2012	2011	2010
Unrestricted Ratio	To assess the adequacy of working capital after excluding all restricted assets and liabilities	2.48	2.13	2.93	4.16
Debt Service Ratio	To assess the degree to which revenues are committed to the repayment of debt	2.5%	2.9%	0.9 %	1.2%
Rate Coverage Ratio	To assess the degree of dependence upon revenues from rates and annual charges	36.0%	31.0%	32.4 %	32.9%
Outstanding Rates %	To assess the impact of uncollected rates and charges on liquidity and the adequacy of recovery efforts	9.1%	9.4%	7.2 %	9.1%
Asset Renewals Ratio	To assess the rate at which assets are being renewed against the rate they are being depreciated.	0.51	0.79	0.51	0.69

The Unrestricted Ratio excludes all current assets and liabilities that are restricted for specific purposes such as water, sewer, domestic waste management and specific purpose unexpended grants & contributions. This ratio is before setting aside cash to fund internal restrictions relative to the general function. The ratio of 2.48 compares to the Group 11 Councils average ratio of 4.53 and a NSW State average of 3.80 for 2012. A ratio of 2 or better is generally viewed by the industry as good.

The Debt Service Ratio has increased due to an increase in debt servicing costs. The ratio of 2.50% compares with the average of 4.11% for Group 11 Councils and a NSW State average of 5.45% for 2011 (latest available data).

The Rate Coverage Ratio shows that 36.00% of the Council's income is derived from rates and charges. This compares to the average of 34.45% for Group 11 Councils and a NSW State average of 46.38% for 2011 (latest available data).

The Outstanding Rates and Charges Ratio of 9.10% has remained consistent when compared to previous years. However, it is considered too high and reflects the delay in debt recovery action. The Group 11 Councils ratio was 8.16% and the NSW State average was 5.40% for 2011 (latest available data).

The Asset Renewals Ratio is a ratio that assists readers of the financial statements to assess Council's performance in respect to the renewal of its infrastructure assets against the level of infrastructure asset deterioration, as represented by the depreciation expense. The ratio for 2012/13 highlights that Council expended about 51 cents on asset renewals for every \$1 of estimated reduction in asset condition for the same period. In essence the overall infrastructure has deteriorated during the year. This compares to the average of 92 cents for Group 11 Councils and a NSW State average of 66 cents for 2012.

Overall the financial indicators show that Council's short term financial position is sound.



Special Variations in General Income

Local Government Act 1993 - Section 508(2) and 508A
1 July 2012 to 30 June 2013.

Road Levy

The ordinary rates include a 5.00% Road Levy which was approved by the Minister in 1996/97. The Levy applies to all rateable land within the Shire. The income generated in 2012/13 amounted to \$283,842 and the balance of the internal restriction as at 30 June 2013 was \$nil.

Projects funded in 2012/13 were the Urunga to Hungry Head cycleway \$137,470, Goding Bridge on Godings Road \$28,083, allocation of additional road maintenance funding \$283,842 and an allocation to the Roads to Recovery Program of \$220,227 for Peakes Bridge.

Your Environmental Levy at Work

In July 2005 Council received Ministerial approval for a special variation in general income of 4.0% to introduce an Environmental Levy to help fund environmental projects. The income generated in 2012/13 amounted to \$227,074 and the balance of the internal restriction as at 30 June 2013 was \$256,046.

Projects	Expend 2012/13	Expend 2011/12
Funding program for community groups to undertake environmental projects	19,249	1,691
Pedestrian and Mobility Plan (PAMP)	30,000	30,000
Bellinger and Kalang River Estuary Action Plan Stage 2	-	1,276
Ecosystem Health Monitoring	3,695	12,947
Dangar Falls Pathway Upgrade	-	6,060
Sustainability Projects	13,801	8,696
Coastal Planning	7,770	6,535
Rock Fillets	1,075	1,003
Improving Stormwater Management	-	29,200
Noxious Weeds Action Program	48,000	50,000
River and Biodiversity General Community Consultation	4,260	-
Dangar Falls Vegetation Management (Stage 2)	38,143	-
Dangar Falls Biodiversity and Management Plan	7,000	12,507
Healthy Rivers Program	1,868	27,641
Connect With Your River	19,005	19,772
Total	\$193,866	\$207,328

Overseas Visits

Local Government Act 1993 - Section 428 (4) (b)
Local Government (General) Regulation 2005 - Section 217 (1) (a)
1 July 2012 to 30 June 2013.

There were no overseas visits undertaken by Councillors, Council staff or other persons representing the Council during the period 1 July 2012 to 30 June 2013.



Elected Members' Expenses

Local Government Act 1993 - Section 428 (4) (b)
Local Government (General) Regulation 2005 - Section 217 (1) (a1)
1 July 2012 to 30 June 2013.

Mayor and Councillor Fees

The total fees paid to the Mayor and Councillors in 2012/13 was \$96,173 compared to \$92,163 in 2011/12.

Councillor support and expenses

Council's policy that was adopted on 30 January 2013 remains in place. The policy is presented to Council for re-adoption along with this Annual Report at the Ordinary Meeting of Council in November 2013.

A summary of the Councillors' expenses and facilities paid in accordance with the policy during the twelve month period ending 30 June 2013 is as follows:

Expenses	2013
Councillor support and provision of facilities	\$21,450
Attendance at conferences and seminars	\$9,562
Training of councillors and provision of skill development	\$1,052
Interstate visits undertaken during the year by councillors while representing the council, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses	\$0
Overseas visits by councillors while representing the council, including the cost of transport, the cost of accommodation and other out of pocket travelling expenses	\$0
Expenses of any spouse, partner or other person who accompanied a councillor in the performance of his or her civic functions	\$0
Expenses involved in the provision of care for a child or an immediate family member of a councillor	\$0
Fees paid to Mayor and Councillors	\$92,173
Motor Vehicle Allowances	\$5,482
Mayoral vehicle operational costs and depreciation	\$21,392
Insurance costs for Councillors and Officers liability	\$32,119
Total costs for the year	\$187,230



Major Contracts (Greater than \$150,000) Awarded

Local Government Act 1993 - Section 428 (4) (b)
Local Government (General) Regulation 2005 - Section 217 (1) (a2)
1 July 2012 to 30 June 2013.

Contract Number	Contract	Contractor(s)	Commencement Date	Contract Amount Payable(\$)
T-12-01	Supply of Electricity for Street Lighting	Simply Energy Pty Ltd	01/01/2013	\$722,000 (estimate)
T-12-02	Installation of Sewer Package Pump Stations	Bob Chambers P/L	01/10/2012	Schedule of rates (estimate \$375,088)
T-12-03	Restoration of Bellingen Bowraville Road - Section 1	Pan Civic P/L	05/10/2012	\$2,720,080
T-12-06	Supply of Electricity for small sites	Origin Energy	01/07/2012	Schedule of rates (estimate \$370,000)
T-12-07	Supply and delivery of road resurfacing material including asphalt & bitumen	Boral Asphalt SRS Roads Fulton Hogan Tropic Asphalts Diveva t/as Midcoast Road Services Austact Civil Super Sealing Road Work Industries Road Maintenance North Pipe	01/11/2012	Schedule of rates (estimate \$2,430,000)

Legal Proceedings

Local Government Act 1993 - Section 428 (4) (b)
Local Government (General) Regulation 2005 - Section 217 (1) (a3)
1 July 2012 to 30 June 2013

Matter	Issue	Status/Result	Expenses	Received
Raleigh Resource (Waste) Hub management contractor receivership	Breach of contract	Finalised. Bellingen Shire Council accepting the Liquidator's adjudication for the collapse of Aarvbee at a \$0.06 dividend on \$340,079.74	\$27,284.60	\$20,405.00
GUMBAYNGGIRR PEOPLE v ATTORNEY GENERAL OF NEW SOUTH WALES	Native Title Claim	Open	\$7549.30	



Works Subsidised On Private Land

Local Government Act 1993 - Section 428 (4) (b)
Local Government (General) Regulation 2005 - Section 217 (1) (a4)
1 July 2012 to 30 June 2013.

No resolutions were made during this period concerning work subsidised by Council and carried out on private land.

Whilst Council did not subsidise any works on Private Land, as part of the sewerage of Newry Island Council waived fees to the value of \$101,721. The fees were Section 68 application fees (to the value of \$97,375), and Section 64 Capital Contributions (to the value of \$4,346).

Donations and Contributions

Local Government Act 1993 - Section 428 (4) (b)
Local Government (General) Regulation 2005 - Section 217 (1) (a5)
Local Government Act 1993 – Section 356
1 July 2012 to 30 June 2013.

The total amount contributed or otherwise granted by Council under section 356 of the Act was \$47,432 for the period 1 July 2012 to 30 June 2013.

Functions Delegated by Council

Local Government Act 1993 - Section 428 (4) (b)
Local Government (General) Regulation 2005 - Section 217 (1) (a6)
1 July 2012 to 30 June 2013.

External bodies that exercised functions delegated by Council during the period were:

BODY	FUNCTION
EXTERNAL BODIES	
Clarence Regional Library Committee	Library Service
NSW Rural Fire Service	Rural Fire Services
COMMUNITY COMMITTEES (SECTION 355 NSW LGA 1993)	
Australia Day Committee	Australia Day Activities
Bellingen Citizens Centre	Care, Control and Management of the Centre
Bellingen Island Reserve	Care, Control and Management of the Reserve
Bellingen Memorial Hall	Care, Control and Management of the Hall
Bellingen Shire Visitor Information Centre, Urunga	Care, Control & Management of the Centre
Bellingen Youth Development Centre	Care, Control & Management of the Bellingen Shire Youth Hub
Bellingen/Connell Parks	Care, Control & Management of the Parks
Bellinger Valley Historical Society	Care, Control & Management of the Bellingen and Urunga Museums
Brierfield Hall	Care, Control and Management of the Hall



BODY	FUNCTION
Burdett Park, Fernmount	Care, Control and Management of the Park
Deervale Hall & Recreation Reserve	Care, Control and Management of the Hall & Reserve
Dorrigo Community Centre	Care, Control and Management of the Centre
Dorrigo Public Hall Management Committee	Care, Control and Management of the Centre
Dorrigo Recreation Reserve	Care, Control and Management of the Reserve
Dorrigo Saleyards	Care, Control and Management of the Saleyards
Hickory House	Care, Control and Management of the Centre
Megan Hall and Recreation Reserve	Care, Control and Management of the Hall and Reserve
Mylestom Hall	Care, Control and Management of the Hall
North Bellingen Children's Centre	Care, Control and Management of the Centre
North Dorrigo Recreation Reserve	Care, Control and Management of the Reserve
Raleigh Hall & Recreation Reserve	Care, Control and Management of the Hall & Reserve
Thora Hall	Care, Control and Management of the Hall
Urunga Literary Institute & Senior Citizens Centre	Care, Control and Management of the Centre and the Literary Institute Hall
Urunga Recreation Reserve	Care, Control and Management of the Reserve

Corporations, partnerships, joint ventures or other bodies in which council(s) held a controlling interest

Local Government Act 1993 - Section 428 (4) (b)
Local Government (General) Regulation 2005 - Section 217 (1) (a7)
 1 July 2012 to 30 June 2013.

Southern Phone Company Limited

Council is a shareholder in the company, a local government-owned telecommunications provider. There are 41 councils that hold two shares each in the unlisted Public Company, purchased for \$1 each. The company is a national full-service telecommunications provider offering fixed line, mobile and internet services to customers in all states of Australia.

In November 2002 Council resolved to make application to the Southern Phone Company for two shares at \$1 each, being one A Class share and one share in the B to ZZ class. Council's liability is limited to the value of its shares. Should the venture fail there can be no call on shareholders for funds.

The company declared a dividend of \$1,350,000 for 2011/12 with a dividend of \$19,214.03 being distributed to Council in Council's 2012/13 financial year. The dividend is based on a formula where 20% (\$270,000) is split equally among all 41 shareholders and 80% (\$1,080,000) is determined by the proportion of revenues generated from each council area. The total revenue was \$3,458,935.36 and the revenue from the Bellingen area was \$40,446.08 or 1.17%.

Arts Mid North Coast

Arts Mid North Coast is a regional non-profit, incorporated organisation and is the peak body for Arts and Cultural Development across the Mid North Coast region. Arts Mid North Coast works



within the following seven Local Government Areas: Great Lakes, Greater Taree, Port Macquarie-Hastings, Kempsey, Nambucca, Bellingen and Coffs Harbour.

The organisation has been in existence for over ten years and is part of a state network of 13 Regional Arts Boards that provide the framework for Arts and Cultural Development across regional and rural NSW. Each Council contributes financially to the running of the organisation, and has a representative member on the Board.

The Executive Officer works across all seven Local Government Areas, and aims to engage with all relevant sectors of the regional community to promote, facilitate and advocate for excellence in arts and cultural development across the Mid North Coast region, by assisting with grant applications, project plans, implementation and support to Cultural Development in the areas through strengthening local cultural groups.

Mid North Weight of Loads Group

Council is a member of the group of Councils which enforces vehicle weight limits to reduce damage to council classified roads and thereby decreasing road maintenance costs.

Regional Procurement Initiative

Council is a participating member with other Councils in the Regional Procurement Initiative.

Regional Procurement Initiative, a division of Hunter Councils Inc. was established in response to a need for a collaborative approach to regional tendering and contracting. It is the purpose of the Regional Procurement Initiative to reduce the administrative impost on member councils caused by their respective annual or bi-annual tender processes. It is estimated the Regional Procurement Initiative members contribute upwards of 200 million dollars to the economy through their tenders and contracts.

Statewide Mutual Limited

Statewide Mutual is a NSW Local Government mutual which commenced operation on 31 December 1993 with a membership of 96 Councils. It provides cover to Member Councils on:

1. Assets under a Property Mutual,
2. Liability under a Mutual Liability Scheme, and
3. Fidelity Guarantee.

The Scheme is not insurance. Rather it is a "self insurance mutual" which is backed by reinsurance placed through the local and London markets.

As at 2011, membership consists of 134 General purpose Councils and 17 County Councils & associated entities.

StateCover

StateCover Mutual Limited has been operating since 2001 as a Specialised Workers Compensation insurer of NSW Local Government organisations. As at May 2011 StateCover insured 90% of eligible Councils with a combined workforce of approximately 30,000.



StateCover is a not for profit organisation providing Workers Compensation and Work Health and Safety services to its insured members.

Coffs Coast Regional Waste Services

In July 2004 Council resolved to participate in the Coffs Coast Regional Resource Recovery Scheme with Coffs Harbour City Council and Nambucca Shire Council.

The project involves the full recovery and treatment of waste from the three Council areas including collection, recycling and disposal. Putrescible waste from the region is collected and processed at a waste processing facility at Englands Road, Coffs Harbour. The strategy, although maintaining each Council as a separate entity, enables a consistent, sustainable and economical approach to waste management in the area.

In accordance with the signed agreement Coffs Harbour City Council administers the contract on behalf of the Councils.

Mid North Coast Region of Councils (MIDROC)

Council is a member of the Mid North Coast Region of Councils and has continued to actively participate in the strategic alliance with Great Lakes, Taree, Gloucester, Kempsey, Nambucca, Bellingen and Coffs Harbour Councils, which was formed with the objective of achieving cost savings and/or improved service delivery of identified functions, within the participating organisations. There are a number of subgroups actively working together to achieve both direct and indirect benefits. These benefits range from the sharing of information, networking, shared tenders and benchmarking, as well as some on-ground projects.

In addition, during 2012/13 MIDROC has:

- Established an organisational structure, supported by a charter including an executive group advising the board
- Established a secretariat which is currently provided on a fee for service basis by Kempsey Council
- Actively participated in the industry reform process known as Destination 2036 and within that, the Independent Local Government Review Panel in a range of ways, including:
 - Preparation of submissions
 - Modelling of impact on various MIDROC organisational models
- MIDROC will continue to actively monitor and respond to the reform process with and on behalf of member Councils

Corporations, partnerships, joint ventures or other bodies in which the council participated

Local Government Act 1993 - Section 428 (4) (b)

Local Government (General) Regulation 2005 - Section 217 (1) (a8)

1 July 2012 to 30 June 2013.

Council did not participate in any corporations, partnerships, joint ventures or other bodies other than the ones listed in the section above.



Information Relating to Workforce Management Plan

Overview

Bellingen Shire Council has a passionate and committed group of employees who value the opportunity to work locally and contribute in a meaningful way to their community. Council's Workforce Management Plan 2012 – 2016, which was developed as part of the Integrated Planning and Reporting framework, highlighted a wide range of workforce related challenges that needed to be contemplated for the future. Some of these challenges are common to all industries and organisations, some are unique to local government and some are very specific to our locality and our workplace.

In addition, in October 2011, Council initiated an organisational review designed to enable Council to:

- meet the expectations of the Shire of Bellingen 2030 Community Vision
- meet the challenges of future government reforms
- fulfil its core functions as well as deliver services in the most efficient way

An external consultant, Blackadder Associates, was engaged to undertake this review with the outcomes documented in a separate report, "Organisation Structure Review Report" by Blackadder Consultants (February 2012). At a meeting in June 2012, Council endorsed the recommendations made regarding the above review. Since then an implementation plan has been developed in order to transition Council to the new structure and throughout 2012 – 2013 the activities contained in this implementation plan have formed many of the priority actions related to our workforce. Progress in this regard has been reported quarterly to the elected Council.

While many actions have been completed as part of the Organisation Review Implementation Plan the workforce activities of note include the implementation of a stakeholder engagement and communication program resulting in a smooth transition to the new structure with no industrial action; recruitment completed for new positions with the process managed in-house, including for executive positions, resulting in an estimated saving of \$95,000 in external recruitment fees; continued focus on the management of overtime resulting in an approximate 21% reduction from the 2010/11 financial year; and a further review of customer service and administration roles undertaken with the establishment of a Customer and Business Services Centre resulting in greater efficiencies and improved management of community enquiries and service requests.

In addition to implementing the recommendations for structural change other employee related activities have been implemented as identified in Council's Workforce Management Plan 2012 – 2016. The Workforce Management Plan contains strategies designed to attract, develop and retain a workforce that is capable of meeting the aspirations and goals of our community and keep pace with changing expectations. Key priorities for all human resources and organisational development activities are therefore being driven by this Plan.



Key Actions

Key actions that have been completed during the last financial year are provided in Section 1 of this report under Significant Achievements, Organisational Development and Strategy.

Staff Employment Statistics as at end June 2013

Headcount

Council has 142 approved positions in the organisational structure as at 30 June, 2013.

Gender	Full Time*	Part Time*	Casual**	Day Labour***	Total
Female	24	15	4	2	45
Male	86	1	2	10	99
Total	110	16	6	12	144

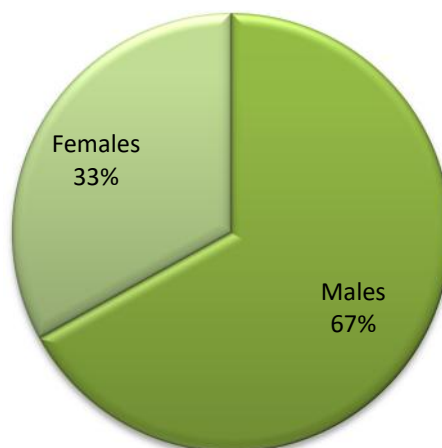
* Staff on fixed term contracts included in above numbers: 3

** Casuals utilised by Council on the last business day prior to 30 June, 2013

*** Day labour (engaged through 3rd party providers) utilised by Council on the last business day prior to 30 June, 2013

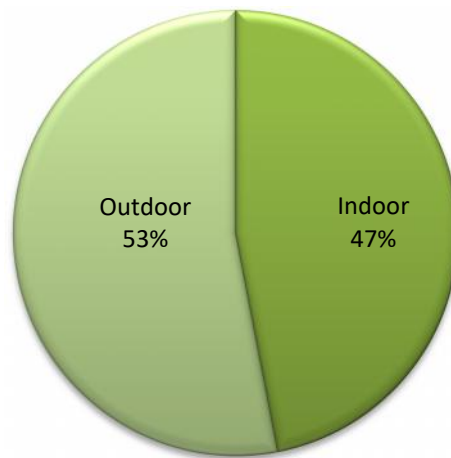
Gender balance

As at the reporting date, Council employed 43 females and 89 males. These figures include casuals but exclude day labour.

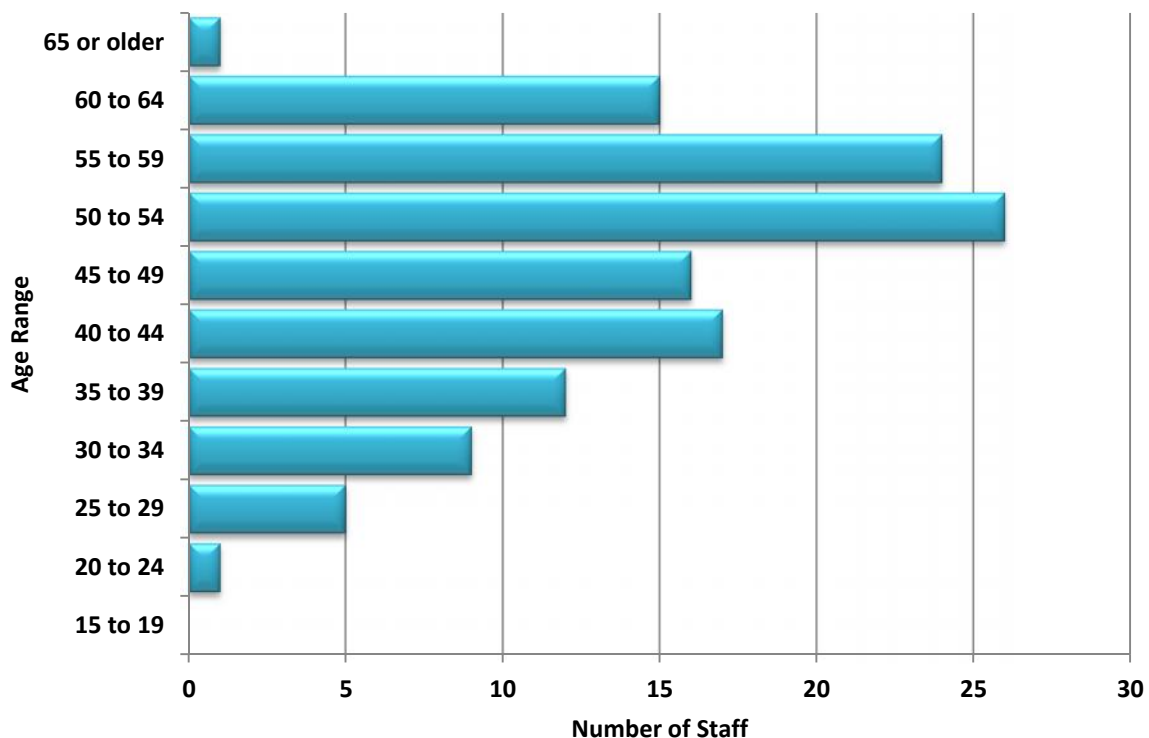


Analysis of Indoor vs. Outdoor staff numbers

As at the reporting date, there were 70 (53%) outdoor staff and 62 (47%) indoor staff. These figures include casuals but exclude day labour.



Age Distribution – Full Time & Part Time Employees Only



A number of initiatives to assist the organisation deal with the challenges of an aging workplace have been initiated as part of the Workforce Management Plan. These include the expansion of our trainee and student work experience programs, extending the variety



of flexible working arrangements available to staff, developing retirement transition plans, reviewing work/task design to minimise injury/strain risks and maintaining staff health management programs.

Recruitment & Selection

During the year, 21 full time/part time positions and 3 casual roles were advertised with 21 filled, or in the final stages of recruitment, as at 30 June, 2013. A total of 441 applications were processed during the reporting period.

The top 3 sources of applicants for vacant positions have been:

1. SEEK
2. Bellingen Shire Council Careers site and job alerts
3. LG Jobs

The introduction of enhancements to Council's recruitment process and procedures has resulted in a steady decrease in Council's average "time to hire" (i.e. from application closing date to job offer) as follows:

Financial Year	2010/11	2011/12	2012/13
Time to Hire (Wks)	8	7	6.2*

* This figure excludes recruitment to vacancies subject to extraordinary circumstances and requirements e.g., the recruitment of the two Deputy General Manager positions.

Staff Turnover

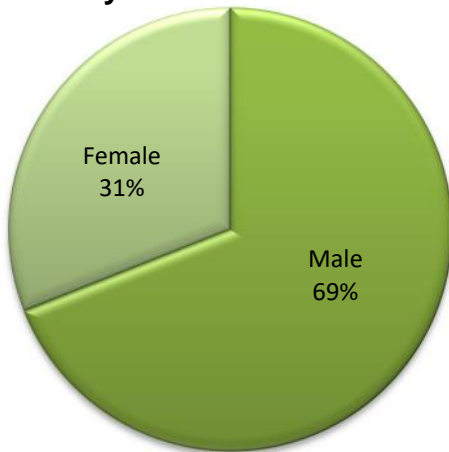
Council reports the voluntary turnover rate in line with the definitions contained within the Local Government NSW Annual Human Resources Metrics Benchmarking Survey.

Financial Year	2011/12		2012/13		
	Number	% of headcount	Number	% of headcount	
Number of voluntary separations	11	8.3% of headcount	10	10% of headcount	Separations exclude casual and day labour hire, contracts reaching the end of their term, and agreed exits (deed of release, redundancy, medical retirement, death)
Number of retirements	2	1.5% of headcount	3	2% of headcount	Retirements exclude all types of phased retirement (flexible work and leave arrangements)

Headcount in the above analysis is defined as permanent employees (both full time and part time) plus those staff on fixed term contracts.



Turnover by Gender



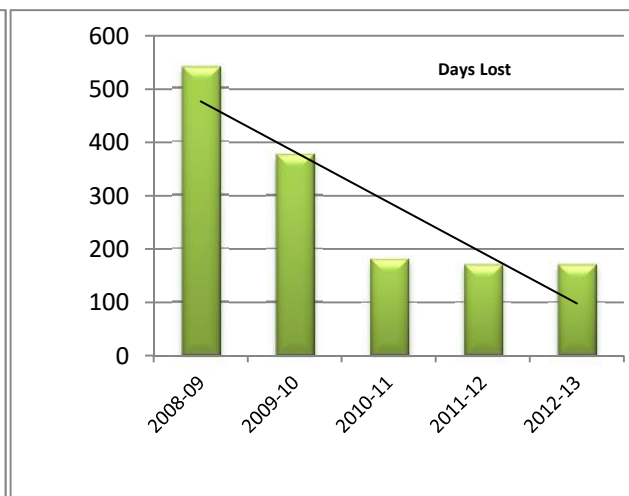
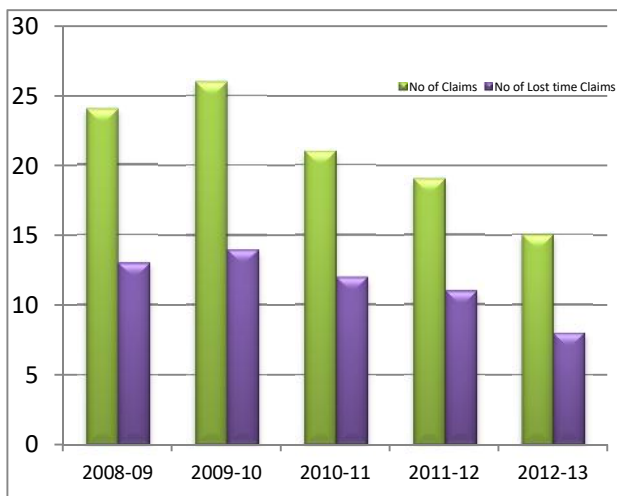
The main drivers for staff exits, unrelated to retirements or ill-health, are:

- Career opportunity
- Uncompetitive salary
- Personal reasons

Workplace Health and Safety

The number of workers compensation claims for the year and time lost to injury is outlined below along with comparative data for the previous four years.

	2008-09	2009-10	2010-11	2011-12	2012-13
Number of Workers Compensation Claims	24	26	21	19	15
Number of claims resulting in "days lost"	13	14	12	11	8
Number of "days lost"	540	377	181	170	170



Improvements in this area are reflective of strong injury management procedures and a continued focus on safe work practices, safety education and awareness.

Implementation of Equal Employment Opportunity Management Plan

Local Government Act 1993 – Section 428 (4) (b)

Local Government Act (General) Regulation 2005 – Section 217 (1) (a9)

01 July 2012 to 30 June 2013

Council's Equal Employment Opportunity (EEO) Management Plan was developed and adopted in September, 2009 and is scheduled to be reviewed and updated post the conclusion of this financial year. EEO management plans are a requirement under s345 of the Local Government Act 1993 and are in place to enable Councils:

- (a) to eliminate and ensure the absence of discrimination in employment on the grounds of race, sex, marital or domestic status and disability in councils, and
- (b) to promote equal employment opportunity for women, members of racial minorities and persons with disabilities in councils.

Activities undertaken this year in support of Council's EEO Management Plan include:

- Maintaining relationships with various employment support services who specialise in recruitment and training strategies for indigenous people and those with varying abilities;
- Providing hosted employment opportunities for 2 people who are covered by the above categories.
- Registering for participation in 50:50 Vision – Councils for Gender Equity Program: a national accreditation and awards program for gender equity in Local Government which encourages councils across Australia to address gender equity issues within the organisation and among their elected representatives.
- Outsourcing document disposal to New Horizons Enterprises Limited, a business staffed by people with disabilities;
- Incorporating equity and diversity principles in all position descriptions and Council core competencies.
- Continuing coverage of Council's Equal Employment Policy, Responding to Workplace Bullying and Harassment Guidelines and Grievance Handling Procedures in Council's employee induction program;
- Selected staff attending relevant training provided by the National Disability Services and the NSW Community Services and Ageing and Disability Unit including Quality of Life, Social Media Utilisation by People with Disabilities and Quality Management;
- Selected staff attending a Better Practice forum on re-enablement which focussed on the provision of non-discriminatory services;
- Ensuring selection panels include trained interviewers and EEO principles are monitored and maintained;
- Developing a comprehensive return to work program (post employee injury) focusing on identifying tasks within the employee's capacity and including the creation of a register of suitable duties, the preparation of treating doctor information and advice packs, and the provision of training for supervisors.
- Accommodating requests for flexible work options for a variety of reasons including:
 - temporary part time work post maternity leave;
 - reduced hours due to either family or health reasons;
 - flexible start and finish times based on personal requirements.



General Manager and Senior Staff Remuneration

Local Government Act 1993 - Section 428 (4) (b)
Local Government (General) Regulation 2005 - Section 217 (1) (b) and (c)
1 July 2012 to 30 June 2013.

There are three positions within Council designated as Senior Staff as at 30 June 2013. These include the General Manager, Deputy General Manager, Operations and Deputy General Manager, Corporate and Community. The total remuneration package of \$200,000 payable to the General Manager included salary, provision of a Council owned motor vehicle and superannuation costs. The combined total remuneration package cost of \$330,000 payable to the two Deputy General Managers included salary, provision of a Council owned motor vehicle under leaseback arrangement and superannuation.

Stormwater Management Services

Local Government Act 1993 - Section 428 (4) (b)
Local Government (General) Regulation 2005 - Section 217 (1) (e)
1 July 2012 to 30 June 2013.

Council did not levy an annual charge for stormwater management services in 2012/13.

Coastal Protection Services

Local Government Act 1993 - Section 428 (4) (b)
Local Government (General) Regulation 2005 - Section 217 (1) (e1)
1 July 2012 to 30 June 2013.

Council did not levy an annual coastal protection charge during the reporting year.

Companion Animals Act - Compliance

Local Government Act 1993 - Section 428 (4) (b)
Companion Animals Act 1998
Local Government (General) Regulation 2005 Clause 217 (1)(f)
1 July 2012 to 30 June 2013.

There is currently 2852 Companion Animals registered in the Shire. The number of Companion Animals registered in 2012/13 was 150 compared to 159 in 2011/12 and 267 in 2010/11. The number of dogs impounded in 2012/13 was 82, and the number of cats impounded was 7.

Companion Animal Management Funding

Registration commissions	\$8,492
Impounding fees, charges & fines	\$4,089
Total Income	\$12,581



Particulars of any environmental upgrade agreement entered into

Local Government Act 1993 - Section 406
 Local Government Act 1993 - Section 54P (1)
 1 July 2012 to 30 June 2013.

Council have not entered into any arrangements during the period 1 July 2012 to 30 June 2013.

Rates and Charges Written Off

Local Government Act 1993 - Section 428 (4) (b)
 Local Government (General) Regulation 2005 - Clause 132
 1 July 2012 to 30 June 2013.

The total value of rates and charges written off for the year 2012/2013 was \$503,065.98 as follows:

PENSION REBATES		2012/2013	2011/2012
		\$	\$
General Rates-Residential	A100	224,219.10	220,939.12
General Rates-Farmland	A101	-	12,010.30
General Rates-Business	A102	-	500.00
Water Annual Charges	A110	70,602.40	95,446.60
Sewer Annual Charges	A120	72,439.76	73,677.77
DWM Charges	A130	112,616.05	101,793.36
		479,877.31	504,367.15
RATES-Residential	A100	2,005.87	1,038.19
RATES-Business	A102	-	18,060.70
DWM	A130	-	176.37
Non DWM	A135	754.88	514.85
WATER-ANNUAL CHARGES	A110	127.00	147.37
WATER-USAGE CHARGES	A115	15,018.93	17,636.14
SEWER-ANNUAL CHARGES	A120	609.00	266.87
SEWER-USAGE CHARGES	A123	449.15	2,986.10
LIQUID TRADE WASTE USAGE CHARGES	A146	1,735.92	-
INTEREST-RATES	A150	514.62	1,878.26
INTEREST-WATER	A156	697.79	230.76
LEGAL FEES/COSTS	A155	1,275.51	424.86
		23,188.67	43,360.47
		503,065.98	547,727.62



Planning Agreements

Environmental Planning And Assessment Act 1979 - Section 93G(5)
1 July 2012 to 30 June 2013.

Council did not enter into any planning agreements during 2012/13.

Public's Right to Access Government Information

Government Information (Public Access) Act 2009 – Section 125
1 July 2012 to 30 June 2013.

The Government Information (Public Access) Act 2009 (GIPA Act) came into effect on 1 July 2010 and replaced the Freedom of Information Act (FOI) and Section 12 of the NSW Local Government Act 1993.

The aim of the GIPA Act is to provide an open, accountable, fair and effective government. This means that all government agencies in NSW are required to make more information freely available and more processes and documents of Government will be available following an application process.

In 2012/13 five (5) formal applications for access to information were determined compared to nine (9) formal applications in 2011/12.

Review of proactive release program - Clause 7(a)

Under section 7 of the GIPA Act, agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available. This review must be undertaken at least once every 12 months.

Council's program for the proactive release of information involves updating Council's Agency Information Guide and Privacy Management Procedures and Plan to ensure that staff are provided with clear guidance as to what information should and should not be pro-actively released.

During the reporting period, we reviewed this program by reviewing the Agency Information Guide and Privacy Management Procedures. As a result of this review, we released the following information proactively: Report conducted by Independent reviewer into complaints made about Council around sewerage of Newry Island.

Number of access applications received - Clause 7(b)

During the reporting period, our agency received a total of five formal access applications (including withdrawn applications but not invalid applications).

Number of refused applications for Schedule 1 information - Clause 7(c)

During the reporting period, our agency refused a total of zero (0) formal access applications because the information requested was information referred to in Schedule 1 to the GIPA Act.



Statistical information about access applications - Clause 7(d) and Schedule 2

Schedule 2 Statistical information about access applications to be included in annual report

Table A: Number of applications by type of applicant and outcome*								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	1
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	1	2	1	0	0	0	0	0

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	1	1	1	0	0	0	0	0
Access applications (other than personal information applications)	0	1	0	0	0	0	0	1
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

* A **personal information application** is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).



Table C: Invalid applications	
Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act	
	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act	
	Number of occasions when application not successful
Responsible and effective government	2
Law enforcement and security	2
Individual rights, judicial processes and natural justice	3
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0



Table F: Timeliness	
	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	4
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	1
Total	5

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)			
	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	1
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
Total	0	0	0

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

In the case of the access application which was the subject of review by the Commissioner, Council was advised that a request for review had been received by the Commissioner, however no recommendation was made by the Commissioner as Council released the information without charge prior to investigation and the matter was closed.

Table H: Applications for review under Part 5 of the Act (by type of applicant)	
	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Code of Conduct Reporting

Local Government Act 1993 – Section 440

Local Government (General) Regulation 2005 Clause 193

**Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW
1 July 2012 to 30 June 2013**

Number of Complaints and Associated Costs Model Code Procedures Reference: 12.1		
1 a)	The total number of code of conduct complaints made about councillors and the general manager under the code of conduct	1
b)	The number of code of conduct complaints referred to a conduct reviewer	1
c)	The number of code of conduct complaints investigated by a conduct reviewer	1



Number of Complaints and Associated Costs Model Code Procedures Reference: 12.1		
d)	The number of code of conduct complaints investigated by a conduct review committee	0
e)	The total cost of dealing with code of conduct complaints made about councillors and the general manager including staff costs	\$4,424

Preliminary Assessment Statistics Model Code Procedures Reference: 6.10		
2 a)	The number of code of conduct complaints finalised by a conduct reviewer at the preliminary assessment stage	0
b)	The number of those complaints finalised by any of the following recommendations:	n/a
	To take no action	n/a
	To resolve the complaint by alternative and appropriate strategies	n/a
	To refer the matter back to the general manager or the Mayor, for resolution by alternative and appropriate strategies"	n/a
	To refer the matter to another agency or body such as, but not limited to, the ICAC, the NSW Ombudsman, the Division or the Police	n/a
	To investigate the matter	n/a
	To recommend that the complaints coordinator convene a conduct review committee to investigate the matter	n/a

Final Investigation Statistics Model Code Procedures Reference: 8.35		
3 a)	The number of code of conduct complaints investigated by a conduct reviewer or conduct review committee	1
b)	The number of these complaints finalised by any of the following recommendations:	0
	That the council revise any of its policies or procedures	0
	That the subject person undertake any training or other education relevant to the conduct giving rise to the breach	1
	That the subject person be counselled for their conduct	1
	That the subject person apologise to any person or organisation affected by the breach	1
	That findings of inappropriate conduct be made public	0
	In the case of a breach by the general manager, that action be taken under the general manager's contract for the breach	0
	In the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Act	0
	In the case of a breach by a councillor, that the matter be referred to the Division for further action	0

Complaints Reviewed by the Division Model Code Procedures Reference: Part 9		
4	Number of matters reviewed by the Division	0
a)	Outcome: Decision sustained	n/a
g)	Outcome: Decision overturned	n/a



Public Interest Disclosures Reporting

Public Interest Disclosures Act 1994 – Section 31

Public Interest Disclosures Regulation 2011 Clause 4

Council Policy – Public Interest Disclosures - Internal Reporting Policy

Organisations are required under the Public Interest Disclosures Act 1994 (PID Act) to collect and report on information about public interest disclosures (PIDs).

The Public Interest Disclosures Regulation 2011 outlines what information public authorities are to record and include in both the six month report to the NSW Ombudsman and the public authority's annual report:

Statistical information on PIDs

	1 July 2012 – 31 December 2012	1 Jan 2013 – 30 June 2013	1 July 2012 – 30 June 2013
Number of public officials who made PIDs	0	0	0
Number of PIDs received	0	0	0
Of PIDs received, number primarily about:			
Corrupt conduct	0	0	0
Maladministration	0	0	0
Serious and substantial waste	0	0	0
Government information contravention	0	0	0
Local government pecuniary interest contravention	0	0	0
Number of PIDs finalised	0	0	0

Note: The number of PIDs finalised only refers to PIDs that have been received since the commencement of the relevant period.

Commentary on PID obligations

Council has established an internal reporting policy. The policy was adopted by Council on 28 September 2011 and is available on Council's IT network.

Council's General Manager has taken action to make staff aware of their obligations through provision of relevant information on Council's Intranet, both as a reminder on the "News" section and as a static page containing:

- a policy extract,



- a link to Council's internal reporting policy,
- a link to Council's Public Interest Disclosures Guidelines and Procedures, and
- a link to the NSW Ombudsman PID e-News

Hardcopies of Council's Public Interest Disclosures Guidelines and Procedures have also been placed at all of Council's principal work locations.

Report on the State of the Environment

Local Government Act 1993 – Section 428A 1 July 2012 to 30 June 2013.

Under the Local Government Act 1993, Council is required to provide a report on the State of the Environment in the year of an election. Accordingly, a report was made available with the previous (2011-2013) Annual Report.

The Regional State of the Environment 2012 (Regional SoE) was the first prepared for the Northern Rivers Catchment Management Authority (CMA) Region of NSW. It involved collaboration between the twelve (12) general purpose councils along the Region's coast, from Port Macquarie-Hastings Council in the south to Tweed Shire Council in the north and included three (3) county councils and the Northern Rivers Catchment Management Authority (CMA).

It aims were to:

- report on environmental condition at both a regional level and a local level for the 2011/12 Financial Year
- satisfy the requirements of the NSW Local Government Act 1993, which requires a State of the Environment (SoE) report in the year of an ordinary election
- provide environmental benchmarks for councils and natural resource managers to make informed decisions.

The Regional SoE utilised both state and local data. The State data was used to report on the Northern Rivers CMA Region and the local-level data was used to report on the council region which is made up of the twelve (12) participating local government areas.

Initiated by the NSW Department of Premier and Cabinet and brokered by the Northern Rivers CMA, the Regional SoE Report Project commenced in 2009, with a project working group developing a set of indicators specifically for the reporting region. The report is funded by the fifteen (15) participating councils with in-kind support from the Northern Rivers CMA who host the project officer. By working together, the councils in partnership with the CMA are of the view that this report will inform not only communities, but also local and state government, and provide a regional perspective on the current environmental state while also providing locally-relevant information.

The Report on the State of the Environment, the summary and the SOE Report Cards for each of the participating councils are available from the NSW Catchment Management Authority's website at <http://www.northern.cma.nsw.gov.au/projects/regional-soe.html>.



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Section 3 – Financial Statements



Bellingen Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2013

Bellingen Shire - Naturally Magic



Bellingen Shire Council

General Purpose Financial Statements

for the financial year ended 30 June 2013

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Overview

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

(ii) Bellingen Shire Council is a body politic of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.

Council's Statutory Charter is detailed in Paragraph 8 of the LGA and includes giving Council;

- the ability to provide goods, services & facilities, and to carry out activities appropriate to the current & future needs of the local community and of the wider public,
- the responsibility for administering regulatory requirements under the LGA and
- a role in the management, improvement and development of the resources in the area.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

(iii) All figures presented in these financial statements are presented in Australian Currency.

(iv) These financial statements were authorised for issue by the Council on 01 November 2013. Council has the power to amend and reissue these financial statements.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across NSW are required to present a set of audited financial statements to their Council & Community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2013.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the NSW Division of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as "presenting fairly" the Council's financial results for the year, and are required to be adopted by Council - ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate 5 "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair values of Council's Infrastructure, Property, Plant and Equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its Assets, Liabilities and "Net Wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "Net Wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the financial statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by external accountants (that generally specialize in Local Government).

In NSW, the Auditor provides two audit reports:

1. An opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. Their observations on the conduct of the Audit including commentary on the Council's financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between 7 days & 5 weeks after the date of the Audit Report.

Submissions from the public can be made to Council up to 7 days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Division of Local Government.

BELLINGEN SHIRE COUNCIL
GENERAL PURPOSE FINANCIAL REPORTS
for the year ending 30 June 2013

STATEMENT BY COUNCILLORS AND MANAGEMENT
MADE PURSUANT TO SECTION 413(2)(C)
OF THE LOCAL GOVERNMENT ACT 1993 (as amended)

The attached General Purpose Financial Reports have been prepared in accordance with:

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

To the best of our knowledge and belief, these Reports

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

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

Signed in accordance with a resolution of Council made on *23 September 2013*


.....
Cr M Troy
MAYOR


.....
Cr D Scott
COUNCILLOR


.....
Ms E Jeremy
GENERAL MANAGER


.....
Ms S Glasson
RESPONSIBLE ACCOUNTING OFFICER

Bellingen Shire Council

Income Statement

for the financial year ended 30 June 2013

Budget ⁽¹⁾			Actual	Actual
2013	\$ '000	Notes	2013	2012
Income from Continuing Operations				
Revenue:				
10,703	Rates & Annual Charges	3a	10,616	9,620
4,250	User Charges & Fees	3b	6,915	4,662
1,661	Interest & Investment Revenue	3c	1,823	1,928
553	Other Revenues	3d	1,246	507
4,514	Grants & Contributions provided for Operating Purposes	3e,f	7,080	10,534
1,306	Grants & Contributions provided for Capital Purposes	3e,f	1,549	3,614
Other Income:				
-	Net gains from the disposal of assets	5	289	168
-	Net Share of interests in Joint Ventures & Associated Entities using the equity method	19	-	-
22,987	Total Income from Continuing Operations		29,518	31,033
Expenses from Continuing Operations				
9,371	Employee Benefits & On-Costs	4a	9,852	9,761
544	Borrowing Costs	4b	481	323
7,382	Materials & Contracts	4c	9,435	11,267
8,364	Depreciation & Amortisation	4d	9,373	9,144
-	Impairment	4d	-	-
2,196	Other Expenses	4e	2,985	2,652
27,857	Total Expenses from Continuing Operations		32,126	33,147
(4,870)	Operating Result from Continuing Operations		(2,608)	(2,114)
Discontinued Operations				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
(4,870)	Net Operating Result for the Year		(2,608)	(2,114)
(4,870)	Net Operating Result attributable to Council		(2,608)	(2,114)
-	Net Operating Result attributable to Non-controlling Interests		-	-
(6,176)	Net Operating Result for the year before Grants and Contributions provided for Capital Purposes		(4,157)	(5,728)

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

Bellingen Shire Council

Statement of Comprehensive Income

for the financial year ended 30 June 2013

\$ '000	Notes	Actual 2013	Actual 2012
Net Operating Result for the year (as per Income statement)		(2,608)	(2,114)
Other Comprehensive Income:			
Amounts which will not be reclassified subsequently to the Operating Result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	<u>(3,333)</u>	<u>19,041</u>
Total Items which will not be reclassified subsequently to the Operating Result		(3,774)	19,041
Amounts which will be reclassified subsequently to the Operating Result when specific conditions are met			
Nil			
Total Other Comprehensive Income for the year		(3,774)	19,041
Total Comprehensive Income for the Year		(6,382)	16,927
Total Comprehensive Income attributable to Council		(6,382)	16,927
Total Comprehensive Income attributable to Non-controlling Interests		-	-

Bellingen Shire Council

Statement of Financial Position

as at 30 June 2013

\$ '000	Notes	Actual 2013	Actual 2012
ASSETS			
Current Assets			
Cash & Cash Equivalents	6a	15,143	17,432
Investments	6b	13,750	15,357
Receivables	7	6,404	5,182
Inventories	8	306	293
Other	8	65	116
Non-current assets classified as "held for sale"	22	-	-
Total Current Assets		35,668	38,380
Non-Current Assets			
Investments	6b	-	-
Receivables	7	14	14
Inventories	8	-	-
Infrastructure, Property, Plant & Equipment	9	525,558	518,658
Investments accounted for using the equity method	19	-	-
Investment Property	14	1,915	1,266
Intangible Assets	25	-	-
Other	8	-	-
Total Non-Current Assets		527,487	519,938
TOTAL ASSETS		563,155	558,318
LIABILITIES			
Current Liabilities			
Payables	10	2,734	3,528
Borrowings	10	161	147
Provisions	10	2,659	2,760
Total Current Liabilities		5,554	6,435
Non-Current Liabilities			
Payables	10	-	-
Borrowings	10	4,925	5,087
Provisions	10	661	611
Total Non-Current Liabilities		5,586	5,698
TOTAL LIABILITIES		11,140	12,133
Net Assets		552,015	546,185
EQUITY			
Retained Earnings	20	267,795	258,191
Revaluation Reserves	20	284,220	287,994
Council Equity Interest		552,015	546,185
Non-controlling Interests		-	-
Total Equity		552,015	546,185

This Statement should be read in conjunction with the accompanying Notes.

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Bellingen Shire Council

Statement of Changes in Equity for the financial year ended 30 June 2013

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
2013						
Opening Balance (as per Last Year's Audited Accounts)		258,191	287,994	546,185	-	546,185
a. Correction of Prior Period Errors	20 (c)	12,212	-	12,212	-	12,212
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/12)		270,403	287,994	558,397	-	558,397
c. Net Operating Result for the Year		(2,608)	-	(2,608)	-	(2,608)
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsv	20b (ii)	-	(3,333)	(3,333)	-	(3,333)
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	(441)	(441)	-	(441)
- Other Movements	20b (ii)	-	-	-	-	-
Other Comprehensive Income		-	(3,774)	(3,774)	-	(3,774)
Total Comprehensive Income (c&d)		(2,608)	(3,774)	(6,382)	-	(6,382)
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		267,795	284,220	552,015	-	552,015

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
2012						
Opening Balance (as per Last Year's Audited Accounts)		260,305	268,953	529,258	-	529,258
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/11)		260,305	268,953	529,258	-	529,258
c. Net Operating Result for the Year		(2,114)	-	(2,114)	-	(2,114)
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsv	20b (ii)	-	19,041	19,041	-	19,041
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
- Other Movements	20b (ii)	-	-	-	-	-
Other Comprehensive Income		-	19,041	19,041	-	19,041
Total Comprehensive Income (c&d)		(2,114)	19,041	16,927	-	16,927
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		258,191	287,994	546,185	-	546,185

This Statement should be read in conjunction with the accompanying Notes.

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Bellingen Shire Council

Statement of Cash Flows

for the financial year ended 30 June 2013

Budget 2013	\$ '000	Notes	Actual 2013	Actual 2012
Cash Flows from Operating Activities				
Receipts:				
10,703	Rates & Annual Charges		10,570	9,439
4,250	User Charges & Fees		7,033	6,582
1,661	Investment & Interest Revenue Received		1,664	2,074
4,514	Grants & Contributions		8,379	17,837
-	Bonds, Deposits & Retention amounts received		-	207
553	Other		821	93
Payments:				
(9,371)	Employee Benefits & On-Costs		(9,992)	(9,728)
(7,383)	Materials & Contracts		(12,496)	(12,975)
(544)	Borrowing Costs		(414)	(246)
-	Bonds, Deposits & Retention amounts refunded		(102)	-
(2,195)	Other		(2,416)	(3,756)
2,188	Net Cash provided (or used in) Operating Activities	11b	3,047	9,527
Cash Flows from Investing Activities				
Receipts:				
12,500	Sale of Investment Securities		15,357	10,500
-	Sale of Infrastructure, Property, Plant & Equipment		457	323
-	Deferred Debtors Receipts		9	12
Payments:				
(12,500)	Purchase of Investment Securities		(13,750)	(15,357)
(11,094)	Purchase of Infrastructure, Property, Plant & Equipment		(7,261)	(10,766)
(11,094)	Net Cash provided (or used in) Investing Activities		(5,188)	(15,288)
Cash Flows from Financing Activities				
Receipts:				
-	Proceeds from Borrowings & Advances		-	2,000
Payments:				
(288)	Repayment of Borrowings & Advances		(148)	(317)
(288)	Net Cash Flow provided (used in) Financing Activities		(148)	1,683
(9,194)	Net Increase/(Decrease) in Cash & Cash Equivalents		(2,289)	(4,078)
22,163	plus: Cash & Cash Equivalents - beginning of year	11a	17,432	21,510
12,969	Cash & Cash Equivalents - end of the year	11a	15,143	17,432
Additional Information:				
	plus: Investments on hand - end of year	6b	13,750	15,357
	Total Cash, Cash Equivalents & Investments		28,893	32,789

Please refer to Note 11 for additional cash flow information

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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n/a - not applicable

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards (AASBs), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

(a) Basis of preparation

(i) Background

These financial statements are general purpose financial statements which have been prepared in accordance with:

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board,
- the Local Government Act (1993) & Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

For the purpose of preparing these financial statements, Council has been deemed to be a not-for-profit entity.

(ii) Compliance with International Financial Reporting Standards (IFRSs)

Because AASBs are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the Not-For-Profit sector (including Local Government) which are not in compliance with IFRS's, or
- (b) specifically exclude application by Not for Profit entities.

Accordingly in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the Local Government Act (LGA), Regulations and Local Government Code of Accounting Practice & Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with AASBs.

(iii) New and amended standards adopted by Council

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2013 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(iv) Early adoption of Accounting Standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2013.

(v) Basis of Accounting

These financial statements have been prepared under the **historical cost convention** except for:

- (i) financial assets and liabilities at fair value through profit or loss, available-for-sale financial assets and investment properties which are all valued at fair value,
- (ii) the write down of any Asset on the basis of Impairment (if warranted) and
- (iii) certain classes of infrastructure, property, plant and equipment that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

(vi) Changes in Accounting Policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

There have also been no changes in accounting policies when compared with previous financial statements.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

(vii) Critical Accounting Estimates

The preparation of financial statements requires the use of certain critical accounting estimates (in conformity with AASBs).

Accordingly this requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

- (i) Estimated fair values of investment properties
- (ii) Estimated fair values of infrastructure, property, plant and equipment.
- (iii) Estimated tip remediation provisions.

Critical judgements in applying the entity's accounting policies

- (i) Impairment of Receivables - Council has made a significant judgement about the impairment of a number of its receivables in Note 7.
- (ii) Projected Section 94 Commitments - Council has used significant judgement in determining future Section 94 income and expenditure in Note 17.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Council's activities as described below.

Council bases any estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

Rates, Annual Charges, Grants and Contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Revenue from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, **(i)** it is probable that the economic benefits comprising the contribution will flow to the Council and **(ii)** the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g).

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of S94 of the EPA Act 1979.

Whilst Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon their physical receipt by Council, due to the possibility that individual Development Consents may not be acted upon by the applicant and accordingly would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required but the Council may apply contributions according to the priorities established in work schedules.

A detailed Note relating to developer contributions can be found at Note 17.

User Charges, Fees and Other Income

User charges, fees and other income (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided as at balance date.

Sale of Infrastructure, Property, Plant and Equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest and Rents

Rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

Interest Income from Cash and Investments is accounted for using the Effective Interest method in accordance with AASB 139.

(c) Principles of Consolidation

These financial statements incorporate (i) the assets and liabilities of Council and any Entities (or operations) that it **controls** (as at 30 June 2013) and (ii) all the related operating results (for the financial year ended the 30th June 2013).

In the process of reporting on Council's activities as a single unit, all inter-entity year end balances and reporting period transactions have been eliminated in full between Council and its controlled entities.

(i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

The Consolidated Fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the Consolidated Fund:

- *General Purpose Operations*
- *Water Supply*
- *Sewerage Service*

Due to their immaterial value and nature, the Section 355 Committees have been excluded from consolidation.

(ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (as amended), a

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of or in accordance with the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these statements.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these statements.

A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

(iii) Joint Ventures

Council is a member Council of the Clarence Regional Library as disclosed in Note 19.

(iv) Associated Entities

Where Council has the power to participate in the financial and operating decisions (of another entity), ie. where Council is deemed to have "significant influence" over the other entities operations but neither controls nor jointly controls the entity, then Council accounts for such interests using the equity method of accounting – in a similar fashion to Joint Venture Entities & Partnerships.

Such entities are usually termed Associates.

(v) County Councils

Council is not a member of any County Councils.

(vi) Additional Information

Note 19 provides more information in relation to Joint Venture Entities, Associated Entities and Joint Venture Operations where applicable.

(d) Leases

All Leases entered into by Council are reviewed and classified on inception date as either a Finance Lease or an Operating Lease.

Finance Leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under a finance lease is depreciated over the shorter of each leased asset's useful life and the lease term.

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

(e) Cash and Cash Equivalents

Cash and cash equivalents includes;

- cash **on hand**,
- deposits held **at call** with financial institutions,
- other short-term, highly liquid investments **with original maturities of three months or less** that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

(f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss,**
- **loans and receivables,**
- **held-to-maturity investments,** and
- **available-for-sale financial assets.**

Each classification depends on the purpose/intention for which the investment was acquired and at the time it was acquired.

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are "held for trading".

A financial asset is classified in the "held for trading" category if it is acquired principally for the purpose of selling in the short term.

Assets in this category are primarily classified as current assets as they are primarily held for trading &/or are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

In contrast to the "Loans & Receivables" classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Investments must be designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Accordingly, this classification principally comprises marketable equity securities, but can include all types of financial assets that could otherwise be classified in one of the other investment categories.

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

Financial Assets – Reclassification

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

Council may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made.

Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

General Accounting & Measurement of Financial Instruments:

(i) Initial Recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at "fair value through profit or loss", directly to attributable transactions costs.

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

(ii) Subsequent Measurement

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value.

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as "**fair value through profit or loss**"

category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as "**available-for-sale**" are recognised in equity in the available-for-sale investments revaluation reserve.

When securities classified as "**available-for-sale**" are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

(iii) Types of Investments

Council has an approved Investment Policy in order to undertake its investment of money in accordance with (and to comply with) Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Council maintains its Investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

(g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

(h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

A provision for impairment (ie. an allowance account) relating to receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

(i) Inventories

Raw Materials and Stores, Work in Progress and Finished Goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

Land Held for Resale/Capitalisation of Borrowing Costs

Land held for resale is stated at the lower of cost and net realisable value.

Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made.

Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

(j) Infrastructure, Property, Plant and Equipment (I,PP&E)

Acquisition of assets

Council's non current assets are continually revalued (over a 5 year period) in accordance with the fair valuation policy as mandated by the Division of Local Government.

At balance date, the following classes of I,PP&E were stated at their Fair Value;

- **Investment Properties** – refer Note 1(p),
- **Water and Sewerage Networks**
(Internal Valuation)
- **Operational Land** (External Valuation)
- **Buildings – Specialised/Non Specialised**
(External Valuation)
- **Plant and Equipment**
(as approximated by depreciated historical cost)
- **Roads Assets incl. roads, bridges & footpaths**
(Internal Valuation)
- **Drainage Assets** (Internal Valuation)
- **Bulk Earthworks** (Internal Valuation)
- **Community Land** (External Valuation)
- **Land Improvements**
(as approximated by depreciated historical cost)
- **Other Structures**
(as approximated by depreciated historical cost)
- **Other Assets**
(as approximated by depreciated historical cost)

Initial Recognition

On initial recognition, an assets cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (ie. date of exchange) of the asset to arrive at fair value.

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date - being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Asset Revaluations (including Indexation)

In accounting for Asset Revaluations relating to Infrastructure, Property, Plant & Equipment:

- Increases in the combined carrying amounts of asset classes arising on revaluation are credited to the asset revaluation reserve.
- To the extent that a net asset class increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss.
- Net decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water - Rates Reference Manual.

For all other assets, Council assesses at each reporting date whether there is any indication that a

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for all assets on a 5 year cycle.

Valuation Processes for Operational Land and Buildings

Council engaged the external, independent and qualified valuer APV Valuers and Asset Management, to determine the fair value of operational land and buildings. The main level three inputs are derived and evaluated as follows;

- Cost for land restricted in use (non-saleable) – estimate cost to replace the existing land if council had to acquire it on the open market in competition with other market participants. Due to the restricted nature and unique characteristics of this land there was insufficient market evidence of direct comparable sales. Reference was made to sales of land with a limited level of comparability at distant locations and adjusted by the valuer using professional judgement to take account of the differing characteristics. These were evaluated for reasonableness against the price per area for other restricted in use land held by the council that had been valued as level 2.
- Relationship between asset consumption rating scale and the level of consumed service potential – Under the cost approach the estimated cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation. In order to achieve this, the valuer determines an asset consumption rating scale for each asset type based on the inter-relationship between a range of factors. These factors and their relationship to the fair value require professional judgement and include asset condition, legal and commercial obsolescence and the determination of key depreciation related assumptions such as residual value, useful life and pattern of consumption of the future economic benefit.
- The consumption rating scales were based initially on the past experience of the valuation

firm and industry guides and were then updated to take into account the experience and understanding of council's own engineers, asset management and finance staff. The results of the valuation were further evaluated by confirmation against council's own understanding of the assets and the level of remaining service potential.

Capitalisation Thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

Land	
- council land	100% Capitalised
- open space	100% Capitalised
- land under roads (purchases after 30/6/08)	100% Capitalised

Plant & Equipment	
Office Furniture	> \$1,000
Office Equipment	> \$1,000
Other Plant & Equipment	> \$1,000

Buildings & Land Improvements	
Park Furniture & Equipment	> \$2,000

Building	
- construction/extensions	100% Capitalised
- renovations	> \$10,000

Other Structures	> \$2,000
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Water & Sewer Assets	
Reticulation extensions	> \$5,000
Other	> \$5,000

Stormwater Assets	
Drains & Culverts	> \$5,000
Other	> \$5,000

Transport Assets	
Road construction & reconstruction	> \$10,000
Reseal/Re-sheet & major repairs:	> \$10,000

Bridge construction & reconstruction	> \$10,000
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Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated straight line method in order to allocate an assets cost (net of residual values) over its estimated useful life.

Land is not depreciated.

Estimated useful lives for Council's I,PP&E include:

Plant & Equipment	
- Office Equipment	5 to 10 years
- Office furniture	5 to 20 years
- Computer Equipment	4 years
- Vehicles	3 to 8 years
- Other plant and equipment	5 to 20 years
<hr/>	
Buildings	
- Buildings : Non Specialised	10 to 60 years
- Buildings : Other	5 to 60 years
<hr/>	
Stormwater Drainage	
- Drains	100 years
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Transportation Assets	
- Sealed Roads : Surface	15 to 20 years
- Sealed Roads : Structure	60 to 75 years
- Unsealed roads	25 years
- Bridge : Concrete	75 years
- Bridge : Other	60 to 75 years
- Road Pavements	60 to 75 years
- Kerb, Gutter & Paths	30 to 100 years
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Water & Sewer Assets	
- Sewer Network	30 to 100 years
- Water Network	30 to 100 years
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Other Infrastructure Assets	
- Bulk earthworks	Infinite

All asset residual values and useful lives are reviewed and adjusted (where appropriate), at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Disposal and De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

(k) Land

Land (other than Land under Roads) is in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) classified as either Operational or Community.

This classification of Land is disclosed in Note 9(a).

(l) Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment.

(m) Intangible Assets

Council has not classified any assets as Intangible.

(n) Crown Reserves

Crown Reserves under Council's care and control are recognised as assets of the Council.

While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance

Bellingen Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Representations are currently being sought across State and Local Government to develop a consistent accounting treatment for Crown Reserves across both tiers of government.

(o) Rural Fire Service assets

Under section 119 of the Rural Fires Act 1997, *"all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed"*.

At present, the accounting for such fire fighting equipment is not treated in a consistent manner across all Councils.

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to incorporate the assets, their values and depreciation charges within these financial statements.

(p) Investment property

Investment property comprises land and/or buildings that are principally held for long-term rental yields, capital gains or both that are not occupied by Council.

Investment property is carried at fair value, representing an open-market value determined annually by external valuers.

Annual changes in the fair value of Investment Properties are recorded in the Income Statement as part of "Other Income".

Full valuations are carried out every five years with an appropriate index utilised each year in between the full revaluations.

The last full revaluation for Council's Investment Properties was dated 30/06/10.

(q) Provisions for close down, restoration and for environmental clean up costs – including Tips and Quarries

Close down, restoration and remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.

Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance.

Costs are estimated on the basis of a closure plan.

The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, Restoration and Remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period.

Bellingen Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

This amortisation of the discount is disclosed as a borrowing cost in Note 4(b).

Other movements in the provisions for close down, restoration and remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each balance sheet date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the balance sheet date.

These costs are charged to the income statement.

Movements in the environmental clean up provisions are presented as an operating cost, except for the unwind of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Specific Information relating to Council's provisions relating to close down, restoration and remediation costs can be found at Note 26.

(r) Non-Current Assets (or Disposal Groups) “Held for Sale” & Discontinued Operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and motor vehicles are retained in Non Current Assets under the classification of Infrastructure, Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets “held for sale”, an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets “held for sale” are not depreciated or amortised while they are classified as “held for sale”.

Non-current assets classified as “held for sale” are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of the entity that has been disposed of or is classified as “held for sale” and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

(s) Impairment of assets

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation 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. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where an asset is not held principally for cash generating purposes (for example Infrastructure Assets) and would be replaced if the Council was deprived of it then depreciated replacement cost is used as value in use, otherwise value in use is estimated by using a discounted cash flow model.

Non-financial assets (other than goodwill) that suffered a prior period impairment are reviewed for possible reversal of the impairment at each reporting date.

Goodwill & other Intangible Assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

(t) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

(u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income

Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(v) Borrowing costs

Borrowing costs are expensed.

(w) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

Bellingen Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

The increase in the provision due to the passage of time is recognised as interest expense.

(x) Employee benefits

(i) Short Term Obligations

Short term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave expected to be settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for non vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no liability has been recognised in these reports.

Wages and salaries, annual leave and vesting sick leave are all classified as Current Liabilities.

(ii) Other Long Term Obligations

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be settled within the 12 months after the reporting period) are recognised in the provision for employee benefits.

These liabilities are measured at the present value of the expected future payments to be made using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 4 or more years of service has been classified as Current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

(iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death.

Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the "Local Government Superannuation Scheme – Pool B"

This Scheme has been deemed to be a "multi employer fund" for the purposes of AASB 119.

Bellinghen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

The last valuation of the Scheme was performed by Mr Martin Stevenson BSc, FIA, FIAA on 20 February 2013 and covers the period ended 30 June 2013.

However the position is monitored annually and the Actuary has estimated that as at 30 June 2013 the prior period deficit still exists.

Effective from 1 July 2009, employers are required to contribute additional contributions to assist in extinguishing this deficit.

The amount of employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense and disclosed as part of Superannuation Expenses at Note 4(a) for the year ending 30 June 2013 was \$289,312.

The amount of additional contributions included in the total employer contribution advised above is \$123,522

The share of this deficit that can be broadly attributed to Council is estimated to be in the order of \$574,298 as at 30 June 2013.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in these financial statements.

Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

Defined Contribution Plans

Contributions to Defined Contribution Plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30/6/13.

(y) Self insurance

Council does not self insure.

(z) Allocation between current and non-current assets & liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if not expected to be settled within the next 12 months.

In the case of inventories that are "held for trading", these are also classified as current even if not expected to be realised in the next 12 months.

(aa) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

Goods & Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Cash Flow Statement are on a gross basis, ie. they are inclusive of GST where applicable.

Investing and Financing cash flows are treated on a net basis (where recoverable from the ATO), ie. they are exclusive of GST. Instead, the GST component of investing and financing activity cash flows which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable to) the ATO.

(ab) New accounting standards and UIG interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2013.

Council has not adopted any of these standards early.

Council's assessment of the impact of these new standards and interpretations is set out below.

Applicable to Local Government with implications:

AASB 9 Financial Instruments, associated standards, AASB 2010-7 Amendments to

Australian Accounting Standards arising from AASB 9 and AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and transitional disclosures (effective from 1 January 2015)

AASB 9 Financial Instruments addresses the classification, measurement and de-recognition of financial assets and financial liabilities.

The standard is not applicable until 1 January 2015 but is available for early adoption.

When adopted, the standard will affect in particular Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading.

Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss although there is currently a proposal by the IASB to introduce a Fair Value through Other Comprehensive Income category for debt instruments.

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such liabilities.

The de-recognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed.

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013)

AASB 13 explains how to measure fair value and aims to enhance fair value disclosures.

Council has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance.

It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

However, application of the new standard will impact the type of information disclosed in the notes to the financial statements.

Council does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

Applicable to Local Government but no implications for Council;

AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 132 & AASB 7] (effective 1 January 2013)

This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard also amends AASB 132 to refer to the additional disclosures added to AASB 7 by this Standard.

The adoption of this standard will not change the reported financial position and performance of the entity, there are no impact on disclosures as there are no offsetting arrangements currently in place.

AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132] (effective 1 January 2014).

This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

The adoption of this standard will not change the reported financial position and performance of the entity, there are no impact on disclosures as there are no offsetting arrangements currently in place.

Applicable to Local Government but not relevant to Council at this stage;

AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective 1 January 2013)

This suite of five new and amended standards address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities.

The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities.

It focuses on the need to have both power and rights or exposure to variable returns.

Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both.

Control exists when the investor can use its power to affect the amount of its returns.

There is also new guidance on participating and protective rights and on agent/principal relationships. Council does not expect the new standard to have a significant impact on its composition.

AASB 11 introduces a principles based approach to accounting for joint arrangements.

The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture.

Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted.

Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard.

AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules.

As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128.

Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa.

The amendments also introduce a "partial disposal" concept.

Council is still assessing the impact of these amendments.

Council does not expect to adopt the new standards before their operative date.

They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2014.

Revised AASB 119 Employee Benefits, AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements (effective 1 January 2013)

This revised standard on accounting for employee benefits requires the recognition of all re-measurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset.

This replaces the expected return on plan assets that is currently included in profit or loss.

The standard also introduces a number of additional disclosures for defined benefit liabilities/assets and could affect the timing of the recognition of termination benefits.

The amendments will have to be implemented retrospectively.

Council does not recognise defined benefit assets and liabilities for the reasons set out elsewhere and so these changes will not have an impact on its reported results.

Not applicable to Local Government per se;

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle (effective 1 January 2013)

AASB 1 - this standard clarifies that an entity can apply AASB 1 more than once. An entity can elect to apply AASB 123 from the transition date or an earlier date.

AASB 101 - clarifies that a third statement of financial position is required when the opening statement of financial position is materially affected by any adjustments.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

AASB 116 - clarifies the classification of servicing equipment.

AASB 132 and Interpretation 2 - clarifies that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction shall be accounted for in accordance with AASB 112 Income Taxes

AASB 134 - provides clarification about segment reporting.

The amendments arising from this standard are not expected to change the reported financial position or performance of the Council.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(ac) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(ad) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(ae) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

(af) Clean Energy Future Package

The Australian Government passed the Clean Energy Future Package on 8 November 2011.

Direct Liability

Council will not be "directly liable" for the carbon price of \$23 per tonne as Council does not emit

more than 25,000 tonnes of Scope 1 carbon dioxide equivalent (CO₂-e) at a facility level where it has operational control per year.

It is important to note, landfill facilities with direct emissions of 25,000 tonnes CO₂-e a year or more will be liable under the carbon price. The carbon price will not apply to emissions from waste deposited prior to 1 July 2012 (this is known as legacy waste emissions). This is because landfill operators cannot recover the cost of emissions from waste deposited in the past. Those emissions will count towards determining facility thresholds for liability for the carbon price.

Midwaste Regional Waste Forum recently engaged a consultant (Mike Ritchie & Associates) to undertake a detailed investigation and report on this issue (Midwaste Landfill Emissions Study Report) and this includes Bellingen Shire Council's landfill facilities and the Coffs Coast Resource Recovery Park (owned and operated by Bellingen Shire Council, Coffs Harbour City Council and Nambucca Council).

The report outlines that due to the size of each of Bellingen Shire Council's landfill facilities, there is a "very low" probability that Council's landfill facilities will emit more than 25,000 tonnes of carbon dioxide equivalent (CO₂-e) and will therefore not incur a direct liability in either 2013 or in the future. Further, the report details that the Coffs Coast Resource Recovery Park has a "low" probability it will emit more than 25,000 tonnes of carbon dioxide equivalent (CO₂-e) and will therefore not incur a direct liability in either 2013 or in the future.

There will be no carbon price liability for landfill facilities with emissions of less than 25,000 tonnes CO₂-e a year for the first three years of the carbon price.

Indirect Liability

It is important to note that Council will incur an "indirect liability" by flow through cost impacts in areas such as automotive fuels (through the federal government's reduction in the diesel fuel rebate on off road vehicles of 4.5 tonnes of greater), procuring products that have a high level of embodied carbon such as building and road maintenance material, other construction materials and stationary energy (electricity).

Bellinghen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 2(a). Council Functions / Activities - Financial Information

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Actual	Actual	Actual	Actual
	2013	2013	2012	2013	2013	2012	2013	2013	2012	2013	2012	2013	2012
Governance	-	-	-	308	248	158	(308)	(248)	(158)	-	-	-	-
Administration	247	633	591	1,952	5,440	4,796	(1,705)	(4,807)	(4,205)	23	73	25,402	27,464
Public Order & Safety	1,162	1,452	542	1,999	1,370	1,272	(837)	82	(730)	1,222	402	7,462	4,940
Health	133	21	11	616	420	476	(483)	(399)	(465)	57	51	423	447
Environment	140	3,453	2,909	495	3,762	3,920	(355)	(309)	(1,011)	247	230	88	1
Community Services & Education	303	362	1,781	1,176	631	488	(873)	(269)	1,293	293	1,117	5,550	6,108
Housing & Community Amenities	2,905	226	188	3,801	1,512	1,479	(896)	(1,286)	(1,291)	230	435	19,483	18,786
Water Supplies	2,912	2,521	2,733	2,534	1,616	2,239	378	905	494	45	56	56,914	55,644
Sewerage Services	2,624	2,620	2,348	2,749	2,319	2,617	(125)	301	(269)	39	40	45,820	44,951
Recreation & Culture	35	105	(298)	997	1,953	1,814	(962)	(1,848)	(2,112)	93	51	33,397	25,797
Mining, Manufacturing & Construction	99	72	78	126	171	180	(27)	(99)	(102)	-	-	404	236
Transport & Communication	2,541	7,317	9,717	10,748	12,342	13,382	(8,207)	(5,025)	(3,665)	2,551	6,626	361,706	365,408
Economic Affairs	115	796	186	356	342	326	(241)	454	(140)	-	-	6,506	8,536
Total Functions & Activities	13,216	19,578	20,786	27,857	32,126	33,147	(14,641)	(12,548)	(12,361)	4,800	9,081	563,155	558,318
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	-	-	-	-	-	-	-	-	-	-	-
General Purpose Income ¹	9,771	9,940	10,247	-	-	-	9,771	9,940	10,247	3,345	4,196	-	-
Operating Result from Continuing Operations	22,987	29,518	31,033	27,857	32,126	33,147	(4,870)	(2,608)	(2,114)	8,145	13,277	563,155	558,318

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

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

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

GOVERNANCE

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

ADMINISTRATION

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

PUBLIC ORDER & SAFETY

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

HEALTH

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

ENVIRONMENT

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

COMMUNITY SERVICES & EDUCATION

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

HOUSING & COMMUNITY AMENITIES

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

WATER SUPPLIES

SEWERAGE SERVICES

RECREATION & CULTURE

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

MINING, MANUFACTURING & CONSTRUCTION

Building control, abattoirs, quarries & pits, other.

TRANSPORT & COMMUNICATION

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

ECONOMIC AFFAIRS

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

Bellingen Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2013

Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2013	Actual 2012
(a) Rates & Annual Charges			
Ordinary Rates			
Residential		4,106	3,935
Farmland		945	923
Business		362	341
Total Ordinary Rates		5,413	5,199
Special Rates			
Nil			
Annual Charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		2,055	1,750
Water Supply Services		510	472
Sewerage Services		2,177	1,799
Waste Management Services (non-domestic)		461	400
Total Annual Charges		5,203	4,421
TOTAL RATES & ANNUAL CHARGES		10,616	9,620

Council has used 2010 year valuations provided by the NSW Valuer General in calculating its rates.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
(b) User Charges & Fees			
Specific User Charges (per s.502 - Specific "actual use" charges)			
Water Supply Services		1,562	1,342
Sewerage Services		102	124
Waste Management Services (non-domestic)		179	174
Liquid Trade Waste		49	25
Total User Charges		1,892	1,665
Other User Charges & Fees			
(i) Fees & Charges - Statutory & Regulatory Functions (per s.608)			
Private Works - Section 67		75	22
Regulatory/ Statutory Fees		190	147
Town Planning		195	216
Total Fees & Charges - Statutory/Regulatory		460	385
(ii) Fees & Charges - Other (incl. General User Charges) (per s.608)			
Caravan Park		13	7
Cemeteries		41	39
Community Centres		16	1
Lease Rentals		5	3
Leaseback Fees - Council Vehicles		45	48
RMS (formerly RTA) Charges (State Roads not controlled by Council)		4,335	2,474
Workers Comp Rebate / OH&S Incentive Payments		83	27
Other		25	13
Total Fees & Charges - Other		4,563	2,612
TOTAL USER CHARGES & FEES		6,915	4,662

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
(c) Interest & Investment Revenue (incl. losses)			
Interest & Dividends			
- Interest on Overdue Rates & Annual Charges (incl. Special Purpose Rates)		80	71
- Interest earned on Investments (interest & coupon payment income)		1,713	1,832
- Interest & Dividend Income (Other)		28	25
Amortisation of Premiums & Discounts			
- Interest Free (& Interest Reduced) Loans provided		2	-
TOTAL INTEREST & INVESTMENT REVENUE		<u>1,823</u>	<u>1,928</u>
Interest Revenue is attributable to:			
Unrestricted Investments/Financial Assets:			
Overdue Rates & Annual Charges (General Fund)		72	65
General Council Cash & Investments		1,110	852
Restricted Investments/Funds - External:			
Development Contributions			
- Section 94		96	155
- Section 64		178	271
Water Fund Operations		221	397
Sewerage Fund Operations		94	166
Domestic Waste Management operations		52	22
Total Interest & Investment Revenue Recognised		<u>1,823</u>	<u>1,928</u>
(d) Other Revenues			
Fair Value Adjustments - Investment Properties	14	649	-
Rental Income - Investment Properties	14	105	124
Rental Income - Other Council Properties		23	31
Legal Fees Recovery - Rates & Charges (Extra Charges)		42	39
Bushfire Costs Reimbursed		99	46
Commissions & Agency Fees		1	2
Dorrigo Waste Centre Gate Fees		20	5
Insurance Claim Recoveries		39	14
State Emergency Service Costs Reimbursed		10	-
Scrap Metal Sales		27	1
Long Service Leave Transfers from Other Councils		21	-
Tourist Centre Income		15	14
Workers Comp Income		83	140
Saleyards Reimbursement		2	11
Tourism Reimbursement		3	11
NSW EPA Reimbursement		-	28
Heart Foundation Prize Money		-	7
Bellingen Youth Centre		5	-
Statewide Property Rebate		25	-
Liquidation Proceeds		19	-
Other		58	34
TOTAL OTHER REVENUE		<u>1,246</u>	<u>507</u>

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 3. Income from Continuing Operations (continued)

\$ '000	2013 Operating	2012 Operating	2013 Capital	2012 Capital
(e) Grants				
General Purpose (Untied)				
Financial Assistance - General Component	2,414	3,033	-	-
Financial Assistance - Local Roads Component	810	1,036	-	-
Pensioners' Rates Subsidies - General Component	121	127	-	-
Total General Purpose	3,345	4,196	-	-
Specific Purpose				
Pensioners' Rates Subsidies:				
- Water	39	52	-	-
- Sewerage	61	40	-	-
- Domestic Waste Management	39	55	-	-
Bushfire & Emergency Services	213	148	1,009	248
Community Care	289	264	-	-
Community Centres	-	-	4	1,453
Diesel Fuel Rebate	36	33	-	-
Employment & Training Programs	7	26	-	-
Environmental Protection	172	281	83	-
Flood Restoration	2,413	4,955	-	500
Information Technology	-	-	(13)	-
Library	67	51	-	-
Noxious Weeds	52	51	-	-
Parental Leave	-	11	-	-
Public Health	4	15	-	-
Public Halls	-	-	12	-
Recreation & Culture	1	-	40	-
Regional Local Communities Infrastructure Program	-	-	-	131
Street Lighting	9	9	-	-
Town Planning	47	-	-	-
Transport (Roads to Recovery)	-	-	-	683
Transport (Other Roads & Bridges Funding)	7	-	129	-
Waste	80	75	-	-
Total Specific Purpose	3,536	6,066	1,264	3,015
Total Grants	6,881	10,262	1,264	3,015
Grant Revenue is attributable to:				
- Commonwealth Funding	3,563	4,261	-	2,271
- State Funding	3,306	5,846	1,194	744
- Other Funding	12	155	70	-
	6,881	10,262	1,264	3,015

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 3. Income from Continuing Operations (continued)

\$ '000	2013 Operating	2012 Operating	2013 Capital	2012 Capital
(f) Contributions				
Developer Contributions:				
(s93 & s94 - EP&A Act, s64 of the LGA):				
S 94 - Contributions towards amenities/services	-	-	144	97
S 64 - Water Supply Contributions	-	-	35	256
S 64 - Sewerage Service Contributions	-	-	47	82
Total Developer Contributions	17 -	-	226	435
Other Contributions:				
RMS Contributions (Regional Roads, Block Grant)	199	272	59	164
Total Other Contributions	199	272	59	164
Total Contributions	199	272	285	599
TOTAL GRANTS & CONTRIBUTIONS	7,080	10,534	1,549	3,614

\$ '000	Actual 2013	Actual 2012
(g) Restrictions relating to Grants and Contributions		
Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:		
Unexpended at the Close of the Previous Reporting Period	13,178	12,067
add: Grants & contributions recognised in the current period but not yet spent:	1,337	3,112
less: Grants & contributions recognised in a previous reporting period now spent:	(2,603)	(2,001)
Net Increase (Decrease) in Restricted Assets during the Period	(1,266)	1,111
Unexpended and held as Restricted Assets	11,912	13,178
Comprising:		
- Specific Purpose Unexpended Grants	1,991	3,393
- Developer Contributions	9,921	9,785
	11,912	13,178

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2013	Actual 2012
(a) Employee Benefits & On-Costs			
Salaries and Wages		7,491	7,514
Employee Leave Entitlements (ELE)		888	896
Superannuation - Defined Contribution Plans		269	320
Superannuation - Defined Benefit Plans		626	569
Workers' Compensation Insurance		640	703
Fringe Benefit Tax (FBT)		10	15
Training Costs (other than Salaries & Wages)		87	101
Other		40	47
Total Employee Costs		10,051	10,165
less: Capitalised Costs		(199)	(404)
<u>TOTAL EMPLOYEE COSTS EXPENSED</u>		<u>9,852</u>	<u>9,761</u>
Number of "Equivalent Full Time" Employees at year end		142	142
(b) Borrowing Costs			
(i) Interest Bearing Liability Costs			
Interest on Loans		454	298
Total Interest Bearing Liability Costs Expensed		454	298
(ii) Other Borrowing Costs			
Discount adjustments relating to movements in Provisions (other than ELE)			
- Remediation Liabilities	26	27	25
Total Other Borrowing Costs		27	25
<u>TOTAL BORROWING COSTS EXPENSED</u>		<u>481</u>	<u>323</u>

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
(c) Materials & Contracts			
Raw Materials & Consumables		2,820	3,045
- Externally Hired Plant		1,316	1,273
- Electrical Maintenance		111	106
- IT Support		131	141
- Labour Hire		1,091	887
- Mowing		141	158
- Roads Maintenance		864	1,763
- Swimming Pool		100	101
- Traffic Control Services		385	254
- Waste Recycling		1,634	1,861
- Other Contractors		512	848
- Engineering		34	260
- Environmental		101	127
- OH & S		13	13
- Other Consultancies		14	209
Auditors Remuneration ⁽¹⁾		31	41
Legal Expenses:			
- Legal Expenses: Planning & Development		26	34
- Legal Expenses: Debt Recovery		42	43
- Legal Expenses: Other		38	37
Operating Leases:			
- Operating Lease Rentals: Minimum Lease Payments ⁽²⁾		31	66
<u>TOTAL MATERIALS & CONTRACTS</u>		<u>9,435</u>	<u>11,267</u>
1. Auditor Remuneration			
During the year, the following fees were incurred for services provided by the Council's Auditor (& the Auditors of other Consolidated Entities):			
(i) Audit and Other Assurance Services			
- Audit & review of financial statements: Council's Auditor		31	32
- Other audit & assurance services - Rating Review		-	9
Remuneration for audit and other assurance services		<u>31</u>	<u>41</u>
Total Auditor Remuneration		<u>31</u>	<u>41</u>
2. Operating Lease Payments are attributable to:			
Computers		31	66
		<u>31</u>	<u>66</u>

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2013	Actual 2012	Actual 2013	Actual 2012
(d) Depreciation, Amortisation & Impairment					
Plant and Equipment		-	-	1,971	1,524
Office Equipment		-	-	59	66
Furniture & Fittings		-	-	35	38
Land Improvements (depreciable)		-	-	90	85
Buildings - Non Specialised		-	-	738	626
Other Structures		-	-	185	234
Infrastructure:					
- Roads, Bridges & Footpaths		441	-	4,525	4,689
- Stormwater Drainage		-	-	248	248
- Water Supply Network		-	-	680	796
- Sewerage Network		-	-	813	808
Other Assets					
- Other		-	-	9	10
Asset Reinstatement Costs	9 & 26	-	-	20	20
Intangible Assets	25	-	-	-	-
Total Depreciation & Impairment Costs		441	-	9,373	9,144
less: Capitalised Costs		-	-	-	-
less: Impairments (to)/from ARR [Equity]	9a	(441)	-	-	-
TOTAL DEPRECIATION & IMPAIRMENT COSTS EXPENSED		-	-	9,373	9,144

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
(e) Other Expenses			
Advertising		96	105
Bad & Doubtful Debts		1	34
Bank Charges		58	58
Conferences / Seminars		49	82
Contributions/Levies to Other Levels of Government			
- Bushfire Fighting Fund		318	276
- Emergency Services Levy		27	25
- Libraries Contribution		191	183
- NSW Fire Brigade Levy		44	45
- Waste Levy		63	53
Councillor Expenses - Mayoral Fee		22	22
Councillor Expenses - Councillors' Fees		75	72
Donations, Contributions & Assistance to other organisations (Section 356)			
- Donations, Contributions & Assistance to Local & Regional Bodies		161	157
Election Expenses		75	-
Electricity & Heating		580	480
Insurance		439	372
Licence Fees		113	95
Postage		32	32
Printing & Stationery		190	171
Street Lighting		109	89
Subscriptions & Publications		145	119
Telephone & Communications		153	142
Valuation Fees		38	35
Other		6	5
<u>TOTAL OTHER EXPENSES</u>		<u>2,985</u>	<u>2,652</u>

Note 5. Gains or Losses from the Disposal of Assets

Plant & Equipment			
Proceeds from Disposal - Plant & Equipment		457	323
less: Carrying Amount of P&E Assets Sold / Written Off		(168)	(155)
Net Gain/(Loss) on Disposal		289	168
Financial Assets*			
Proceeds from Disposal / Redemptions / Maturities - Financial Assets		15,357	10,500
less: Carrying Amount of Financial Assets Sold / Redeemed / Matured		(15,357)	(10,500)
Net Gain/(Loss) on Disposal		-	-
<u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u>		<u>289</u>	<u>168</u>

Bellinghen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 6a. - Cash Assets and Note 6b. - Investments

\$ '000	Notes	2013 Actual Current	2013 Actual Non Current	2012 Actual Current	2012 Actual Non Current
Cash & Cash Equivalents (Note 6a)					
Cash on Hand and at Bank		2	-	2	-
Cash-Equivalent Assets ¹					
- Deposits at Call		1,341	-	1,680	-
- Short Term Deposits		13,800	-	15,750	-
Total Cash & Cash Equivalents		15,143	-	17,432	-
Investments (Note 6b)					
- Long Term Deposits		13,750	-	15,357	-
Total Investments		13,750	-	15,357	-
TOTAL CASH ASSETS, CASH EQUIVALENTS & INVESTMENTS		28,893	-	32,789	-

¹ Those Investments where time to maturity (from date of purchase) is < 3 mths.

Cash, Cash Equivalents & Investments were classified at year end in accordance with AASB 139 as follows:

Cash & Cash Equivalents

a. "At Fair Value through the Profit & Loss"	15,143	-	17,432	-
--	--------	---	--------	---

Investments

b. "Held to Maturity"	13,750	-	15,357	-
Investments	13,750	-	15,357	-

Note 6(b-i)**Reconciliation of Investments classified as "Held to Maturity"**

Balance at the Beginning of the Year	15,357	-	10,500	-
Additions	13,750	-	15,357	-
Disposals (sales & redemptions)	(15,357)	-	(10,500)	-
Balance at End of Year	13,750	-	15,357	-

Comprising:

- Long Term Deposits	13,750	-	15,357	-
Total	13,750	-	15,357	-

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000	2013	2013	2012	2012
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Total Cash, Cash Equivalents and Investments	28,893	-	32,789	-
attributable to:				
External Restrictions (refer below)	25,900	-	27,498	-
Internal Restrictions (refer below)	2,993	-	4,292	-
Unrestricted	-	-	999	-
	28,893	-	32,789	-

2013 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
-----------------	--------------------	------------------------------	--------------------------------	--------------------

Details of Restrictions

External Restrictions - Included in Liabilities

Deposits, Bonds, Etc	125	-	(8)	117
External Restrictions - Included in Liabilities	125	-	(8)	117

External Restrictions - Other

Developer Contributions - General (D)	3,515	240	(363)	3,392
Developer Contributions - Water Fund (D)	3,935	147	-	4,081
Developer Contributions - Sewer Fund (D)	2,335	113	-	2,448
Specific Purpose Unexpended Grants (F)	3,393	-	(1,402)	1,991
Water Supplies (G)	8,704	601	-	9,305
Sewerage Services (G)	3,914	-	(450)	3,464
Domestic Waste Management (G)	851	2,917	(2,998)	770
Environmental Levy	267	228	(239)	256
Special Roads Levy	386	284	(670)	-
Crown Reserves	73	3	-	76
External Restrictions - Other	27,373	4,533	(6,122)	25,783
Total External Restrictions	27,498	4,533	(6,130)	25,900

D Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).

F Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)

G Water, Sewerage, Domestic Waste Management (DWM) & other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.

Bellingen Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2013

Note 6c. Restricted Cash, Cash Equivalents & Investments - Details (continued)

2013 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
Internal Restrictions				
Plant & Vehicle Replacement	1,994	1,516	(2,182)	1,328
Infrastructure Replacement	-	1,060	(1,060)	-
Employees Leave Entitlement	896	-	(56)	840
Carry Over Works	139	89	(54)	174
Business Plan	25	-	-	25
Depot Loan Unspent	262	-	(262)	-
Emergency Services	136	-	(99)	37
Environmental and Heritage	28	40	(22)	46
IT Reserve	290	-	(211)	79
Land Development	82	-	(82)	-
Support Services	9	-	(9)	-
Waste Management	274	-	-	274
Workers Comp Contingency	129	-	(39)	90
Youth Centre Operations	28	-	(28)	-
Organisational Review	-	294	(194)	100
Total Internal Restrictions	4,292	2,999	(4,298)	2,993
TOTAL RESTRICTIONS	31,790	7,532	(10,428)	28,893

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 7. Receivables

\$ '000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
Purpose					
Rates & Annual Charges		879	-	833	-
Interest & Extra Charges		219	-	181	-
User Charges & Fees		584	-	511	-
Accrued Revenues					
- Interest on Investments		438	-	319	-
Deferred Debtors		5	14	12	14
Other Levels of Government		4,312	-	3,359	-
Total		6,437	14	5,215	14
less: Provision for Impairment					
Rates & Annual Charges		(27)	-	(27)	-
User Charges & Fees		(6)	-	(6)	-
Total Provision for Impairment - Receivables		(33)	-	(33)	-
<u>TOTAL NET RECEIVABLES</u>		<u>6,404</u>	<u>14</u>	<u>5,182</u>	<u>14</u>
Externally Restricted Receivables					
Water Supply					
- Rates & Availability Charges		47	-	44	-
- Other		454	-	419	-
Sewerage Services					
- Rates & Availability Charges		176	-	201	-
- Other		159	-	91	-
Domestic Waste Management		178	-	142	-
Total External Restrictions		1,014	-	897	-
Internally Restricted Receivables					
Nil					
Unrestricted Receivables		5,390	14	4,285	14
TOTAL NET RECEIVABLES		<u>6,404</u>	<u>14</u>	<u>5,182</u>	<u>14</u>

Notes on Debtors above:

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates & charges at 10.00% (2012 10.00%).
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 8. Inventories & Other Assets

\$ '000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
Inventories					
Stores & Materials		260	-	220	-
Trading Stock		46	-	73	-
Total Inventories		306	-	293	-
Other Assets					
Prepayments		65	-	116	-
Total Other Assets		65	-	116	-
TOTAL INVENTORIES / OTHER ASSETS		371	-	409	-
Externally Restricted Assets					
Water					
Stores & Materials		18	-	21	-
Prepayments		-	-	10	-
Total Water		18	-	31	-
Sewerage					
Prepayments		-	-	2	-
Total Sewerage		-	-	2	-
Domestic Waste Management					
Nil					
Other					
Nil					
Total Externally Restricted Assets		18	-	33	-
Total Internally Restricted Assets		-	-	-	-
Total Unrestricted Assets		353	-	376	-
TOTAL INVENTORIES & OTHER ASSETS		371	-	409	-

Notes to the Financial Statements
for the financial year ended 30 June 2013

Note 9a. Infrastructure, Property, Plant & Equipment

\$ '000	as at 30/6/2012					Asset Movements during the Reporting Period								as at 30/6/2013				
	At Cost	At Fair Value	Accumulated		Carrying Value	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Impairment Loss (recognised in Equity)	WIP Transfers	Adjustments & Transfers	Revaluation Decrements to Equity (ARR)	Revaluation Increments to Equity (ARR)	At Cost	At Fair Value	Accumulated		Carrying Value
			Dep'n	Impairment												Dep'n	Impairment	
Capital Work in Progress	4,307	-	-	-	4,307	3,272	-	-	-	(3,732)	-	-	-	3,847	-	-	-	3,847
Plant & Equipment	-	15,084	9,034	-	6,050	2,157	(168)	(1,971)	-	-	41	-	-	-	15,988	9,879	-	6,109
Office Equipment	-	1,339	1,006	-	333	136	-	(59)	-	-	(49)	-	-	-	1,416	1,055	-	361
Furniture & Fittings	-	440	311	-	129	17	-	(35)	-	-	17	-	-	-	474	346	-	128
Land:																		
- Operational Land	-	27,686	-	-	27,686	-	-	-	-	-	(4,255)	(4,269)	-	-	19,162	-	-	19,162
- Community Land	-	7,466	-	-	7,466	15	-	-	-	-	4,255	-	51	-	11,787	-	-	11,787
Land Improvements - depreciable	-	2,553	834	-	1,719	37	-	(90)	-	-	(71)	-	-	-	2,462	867	-	1,595
Buildings - Non Specialised	-	38,588	16,567	-	22,021	843	-	(738)	-	3,363	10,897	(2,115)	-	-	39,157	4,886	-	34,271
Other Structures	-	6,778	2,630	-	4,148	114	-	(185)	-	1	1,309	-	-	-	8,966	3,579	-	5,387
Infrastructure:																		
- Roads, Bridges, Footpaths	-	224,736	78,205	-	146,531	746	-	(4,525)	(441)	243	-	-	-	-	224,019	81,465	-	142,554
- Bulk Earthworks (non-depreciable)	-	211,322	-	-	211,322	-	-	-	-	-	-	-	-	-	211,322	-	-	211,322
- Stormwater Drainage	-	24,792	10,185	-	14,607	-	-	(248)	-	-	-	-	-	-	24,792	10,433	-	14,359
- Water Supply Network	-	51,017	10,859	-	40,158	244	-	(680)	-	100	-	-	656	-	52,199	11,721	-	40,478
- Sewerage Network	-	44,924	13,191	-	31,733	478	-	(813)	-	25	-	-	2,344	-	48,520	14,753	-	33,767
Other Assets:																		
- Library Books	-	5	5	-	-	-	-	-	-	-	-	-	-	-	5	5	-	-
- Other	-	396	252	-	144	-	-	(9)	-	-	12	-	-	-	147	-	-	147
Reinstatement, Rehabilitation & Restoration Assets (refer Note 26)																		
- Tip Asset	363	-	66	-	297	-	-	(16)	-	-	-	-	-	363	-	82	-	281
- Quarry Asset	34	-	27	-	7	-	-	(4)	-	-	-	-	-	34	-	31	-	3
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIP.	4,704	657,126	143,172	-	518,658	8,059	(168)	(9,373)	(441)	-	12,156	(6,384)	3,051	4,244	660,416	139,102	-	525,558

Additions to Depreciable Land Improvements, Buildings, Other Structures & Infrastructure Assets are made up of Asset Renewals (\$1,433k) and New Assets (\$1,029k). Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Bellingen Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2013

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

\$ '000 Class of Asset	Actual 2013				Actual 2012			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
Water Supply								
WIP	31	-	-	31	106	-	-	106
Plant & Equipment	-	574	453	121	-	574	438	136
Office Equipment	-	121	38	83	-	118	33	85
Furniture & Fittings	-	29	25	4	-	29	20	9
Land								
- Operational Land	-	1,850	-	1,850	-	1,393	-	1,393
- Improvements - depreciable	-	106	31	75	-	106	28	78
Buildings	-	363	35	328	-	786	267	519
Other Structures	-	30	5	25	-	29	3	26
Infrastructure	-	52,199	11,721	40,478	-	51,017	10,858	40,159
Total Water Supply	31	55,272	12,308	42,995	106	54,052	11,647	42,511
Sewerage Services								
WIP	868	-	-	868	344	-	-	344
Plant & Equipment	-	665	264	401	-	572	205	367
Office Equipment	-	70	67	3	-	66	58	8
Furniture & Fittings	-	4	4	-	-	4	4	-
Land								
- Operational Land	-	3,991	-	3,991	-	5,668	-	5,668
Buildings	-	656	42	614	-	487	158	329
Other Structures	-	136	65	71	-	136	61	75
Infrastructure	-	48,520	14,753	33,767	-	44,924	13,191	31,733
Other Assets	-	38	27	11	-	38	22	16
Total Sewerage Services	868	54,080	15,222	39,726	344	51,895	13,699	38,540
Domestic Waste Management								
Plant & Equipment	-	23	23	-	-	23	22	1
Land								
- Operational Land'	-	1,259	-	1,259	-	1,527	-	1,527
- Community Land	-	126	-	126	-	-	-	-
- Improvements - depreciable	-	392	91	301	-	392	83	309
Buildings	-	771	105	666	-	289	167	122
Other Structures	-	177	33	144	-	175	59	116
Future Reinstatement Costs	-	397	113	284	-	363	49	314
Total DWM	-	3,145	365	2,780	-	2,769	380	2,389
TOTAL RESTRICTED I,PP&E	899	112,497	27,895	85,501	450	108,716	25,726	83,440

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000

(i) Impairment Losses recognised direct to Equity (ARR)

include:

- Moonpar Bridge. Bridge washed away in Jan/Feb 2013 Flood	(72)	-
- Coramba Road 9Sec 40). Damaged in Jan/Feb 2013 Flood	(220)	-
- Martells Road (Sec 30). Culvert washed away in Jan/Feb 2013 Flood	(42)	-
- Bowraville Road (Sec 75). Road washed away in Jan/Feb 2013 Flood	(107)	-
Total Impairment Losses	(441)	-

IMPAIRMENT of ASSETS - DIRECT to EQUITY (ARR)

20 (ii) (441) -

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - operating expenditure		988	-	2,453	-
Payments Received In Advance		155	-	194	-
Accrued Expenses:					
- Borrowings		92	-	52	-
- Salaries & Wages		147	-	151	-
- Other Expenditure Accruals		1,095	-	336	-
Security Bonds, Deposits & Retentions		236	-	338	-
Other		21	-	4	-
Total Payables		2,734	-	3,528	-
Borrowings					
Loans - Secured ¹		161	4,925	147	5,087
Total Borrowings		161	4,925	147	5,087
Provisions					
Employee Benefits;					
Annual Leave		763	-	676	-
Sick Leave		464	-	479	-
Long Service Leave		1,217	137	1,262	114
ELE On-Costs		16	-	138	-
Sub Total - Aggregate Employee Benefits		2,460	137	2,555	114
Asset Remediation/Restoration (Future Works) ²⁶		-	524	-	497
Other		199	-	205	-
Total Provisions		2,659	661	2,760	611
Total Payables, Borrowings & Provisions		5,554	5,586	6,435	5,698
(i) Liabilities relating to Restricted Assets					
		2013		2012	
		Current	Non Current	Current	Non Current
Externally Restricted Assets					
Water		21	-	68	-
Sewer		58	-	55	-
Other		117	-	125	-
Liabilities relating to externally restricted assets		196	-	248	-
Internally Restricted Assets					
Nil					
Total Liabilities relating to restricted assets		196	-	248	-
Total Liabilities relating to Unrestricted Assets		5,358	5,586	6,187	5,698
TOTAL PAYABLES, BORROWINGS & PROVISIONS		5,554	5,586	6,435	5,698

¹: Loans are secured over the General Rating Income of Council

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

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000	Actual 2013	Actual 2012
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(ii) Current Liabilities not anticipated to be settled within the next 12 months

The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.

Provisions - Employees Benefits	1,834	1,505
	<u>1,834</u>	<u>1,505</u>

Note 10b. Description of and movements in Provisions

Class of Provision	2012		2013			Closing Balance as at 30/6/13
	Opening Balance as at 1/7/12	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	
Annual Leave	676	556	(469)	-	-	763
Sick Leave	479	262	(277)	-	-	464
Long Service Leave	1,376	91	(113)	-	-	1,354
ELE On-Costs	138	-	-	-	(122)	16
Asset Remediation	497	27	-	-	-	524
Other	205	4	(10)	-	-	199
TOTAL	3,371	940	(869)	-	(122)	3,320

- a. Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- b. Asset Remediation, Reinstatement & Restoration Provisions represent the Present Value estimate of future costs Council will incur in order to remove, restore & remediate assets &/or activities as a result of past operations.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2013	Actual 2012
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	6a	15,143	17,432
Less Bank Overdraft	10	-	-
BALANCE as per the STATEMENT of CASH FLOWS		15,143	17,432
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities			
Net Operating Result from Income Statement		(2,608)	(2,114)
Adjust for non cash items:			
Depreciation & Amortisation		9,373	9,144
Net Losses/(Gains) on Disposal of Assets		(289)	(168)
Non Cash Capital Grants and Contributions		(742)	(189)
Losses/(Gains) recognised on Fair Value Re-measurements through the P&L:			
- Investment Properties		(649)	-
Amortisation of Premiums, Discounts & Prior Period Fair Valuations			
- Interest Exp. on Interest Free Loans received by Council (previously Fair Valued)		(2)	-
Unwinding of Discount Rates on Reinstatement Provisions		27	25
+/- Movement in Operating Assets and Liabilities & Other Cash Items:			
Decrease/(Increase) in Receivables		(1,229)	3,169
Increase/(Decrease) in Provision for Doubtful Debts		-	31
Decrease/(Increase) in Inventories		(13)	(5)
Decrease/(Increase) in Other Assets		51	(65)
Increase/(Decrease) in Payables		(1,465)	(568)
Increase/(Decrease) in Accrued Interest Payable		40	52
Increase/(Decrease) in Other Accrued Expenses Payable		755	105
Increase/(Decrease) in Other Liabilities		(124)	(103)
Increase/(Decrease) in Employee Leave Entitlements		(72)	104
Increase/(Decrease) in Other Provisions		(6)	109
NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS		3,047	9,527

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000	Notes	Actual 2013	Actual 2012
(c) Non-Cash Investing & Financing Activities			
Bushfire Grants		742	189
Total Non-Cash Investing & Financing Activities		742	189
(d) Financing Arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Credit Cards / Purchase Cards		20	20
Total Financing Arrangements		20	20
Amounts utilised as at Balance Date:			
- Credit Cards / Purchase Cards		11	5
Total Financing Arrangements Utilised		11	5

(ii) Secured Loan Liabilities

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

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2013	Actual 2012
(a) Capital Commitments (exclusive of GST)			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Property, Plant & Equipment			
Buildings		-	505
Plant & Equipment		-	272
Other Structures		-	86
Roads		1,559	-
Total Commitments		1,559	863
These expenditures are payable as follows:			
Within the next year		1,559	863
Total Payable		1,559	863
Sources for Funding of Capital Commitments:			
Future Grants & Contributions		1,559	52
Unexpended Grants		-	2
Internally Restricted Reserves		-	546
Unexpended Loans		-	263
Total Sources of Funding		1,559	863

(b) Finance Lease Commitments

Nil

(c) Operating Lease Commitments (Non Cancellable)

a. Commitments under Non Cancellable Operating Leases at the Reporting date, but not recognised as Liabilities are payable:

Within the next year	-	31
Total Non Cancellable Operating Lease Commitments	-	31

Conditions relating to Operating Leases:

- All Operating Lease Agreements are secured only against the Leased Asset.
- No Lease Agreements impose any financial restrictions on Council regarding future debt etc.

(d) Investment Property Commitments

Nil

Bellingen Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2013

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

\$ '000	Amounts	Indicator	Prior Periods	
	2013	2013	2012	2011
Local Government Industry Indicators - Consolidated				
1. Unrestricted Current Ratio				
Current Assets less all External Restrictions ⁽¹⁾	<u>8,736</u>	2.48 : 1	2.13	2.99
Current Liabilities less Specific Purpose Liabilities ^(2,3)	<u>3,524</u>			
2. Debt Service Ratio				
Debt Service Cost	<u>602</u>	2.48%	2.92%	0.91%
Income from Continuing Operations (excl. Capital Items & Specific Purpose Grants/Contributions)	<u>24,234</u>			
3. Rates & Annual Charges Coverage Ratio				
Rates & Annual Charges	<u>10,616</u>	35.96%	31.00%	32.49%
Income from Continuing Operations	<u>29,518</u>			
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual & Extra Charges Outstanding	<u>1,071</u>	9.13%	9.39%	7.24%
Rates, Annual & Extra Charges Collectible	<u>11,725</u>			
5. Building & Infrastructure Renewals Ratio				
Asset Renewals ⁽⁴⁾	<u>3,777</u>	50.73%	79.08%	50.69%
Depreciation, Amortisation & Impairment	<u>7,445</u>			

Notes

⁽¹⁾ Refer Notes 6-8 inclusive.

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

⁽²⁾ Refer to Note 10(a).

⁽³⁾ Refer to Note 10(a)(ii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).

⁽⁴⁾ Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance. Asset Renewals include building and infrastructure assets only.

Bellinghen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000	Amounts	Indicator	Prior Periods	
	2013	2013	2012	2011
TCorp Performance Measures - Consolidated				
The Tcorp ratios calculated are based on the DLG requirements for the Financial Disclosure Return (FDR) and differ from the Code 21 calculation definitions. Council has decided to align the financial statement ratios with the FDR calculation process to avoid variances in results.				
a. Operating Performance				
Operating Revenue (excl. Capital Grants & Contributions)				
<u>- Operating Expenses</u>	<u>(4,806)</u>	-17.59%	-20.89%	-14.66%
Operating Revenue (excl. Capital Grants & Contributions)	27,320			
b. Own Source Operating Revenue				
<u>Rates & Annual Charges + User Charges & Fees</u>	<u>17,531</u>	60.73%	46.02%	47.46%
Total Operating Revenue (incl. Capital Grants & Contributions)	28,869			
c. Unrestricted Current Ratio				
<u>Current Assets less all External Restrictions</u>	<u>8,736</u>	2.48	2.13	2.99
Current Liabilities less Specific Purpose Liabilities	3,524			
d. Debt Service Cover Ratio				
<u>Operating Result before Interest & Depreciation (EBITDA)</u>	<u>5,048</u>	8.03	5.84	22.57
Principal Repayments (from the Statement of Cash Flows)	629			
+ Borrowing Interest Costs (from the Income Statement)				
e. Capital Expenditure Ratio				
<u>Annual Capital Expenditure</u>	<u>7,891</u>	0.84	1.17	1.00
Annual Depreciation	9,373			
f. Infrastructure Backlog Ratio				
<u>Estimated Cost to bring Assets to a Satisfactory Condition</u>	<u>46,895</u>	0.17	0.05	0.09
Total value of Infrastructure, Building, Other Structures & Depreciable Land Improvement Assets	272,411			
g. Asset Maintenance Ratio				
<u>Actual Asset Maintenance</u>	<u>3,656</u>	1.11	1.81	2.05
Required Asset Maintenance	3,304			
h. Building & Infrastructure Renewals Ratio				
<u>Asset Renewals</u>	<u>3,777</u>	0.51	0.79	0.51
Depreciation of Building and Infrastructure Assets	7,445			
i. Cash Expense Cover Ratio				
<u>Current Year's Cash & Cash Equivalents</u> x12	<u>15,143</u>	8.16	8.83	12.56
(Total Expenses - Depreciation - Interest Costs)	1,856			
j. Interest Cover Ratio				
<u>Operating Results before Interest & Depreciation (EBITDA)</u>	<u>5,048</u>	10.49	11.58	41.07
Borrowing Interest Costs (from the income statement)	481			

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000	Water 2013	Sewer 2013	General ¹ 2013
Local Government Industry Indicators - by Fund			
1. Unrestricted Current Ratio			
Current Assets less all External Restrictions ⁽¹⁾	443.95 :		
Current Liabilities less Specific Purpose Liabilities ^(2,3)	1	59.72 : 1	2.48 : 1
prior period:	133.49 : 1	73.15 : 1	2.13 : 1
2. Debt Service Ratio			
Debt Service Cost			
Income from Continuing Operations	0.00%	0.00%	3.15%
(excl. Capital Items & Specific Purpose Grants/Contributions)	prior period: 0.00%	0.49%	3.71%
3. Rates & Annual Charges Coverage Ratio			
Rates & Annual Charges	20.71%	86.65%	32.00%
Income from Continuing Operations	prior period: 17.06%	81.33%	27.92%
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage			
Rates, Annual & Extra Charges Outstanding	9.58%	6.99%	9.73%
Rates, Annual & Extra Charges Collectible	prior period: 9.01%	9.77%	9.31%
5. Building & Infrastructure Renewals Ratio			
Asset Renewals (Building & Infrastructure assets)	37.52%	24.12%	55.96%
Depreciation, Amortisation & Impairment	prior period: 28.52%	49.88%	90.78%

Notes

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

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000	Water 2013	Sewer 2013	General ¹ 2013
TCorp Performance Measures - by Fund			
a. Operating Performance			
Operating Revenue (excl. Capital Grants & Contributions) - Operating Expenses	10.28%	-7.53%	-22.01%
Operating Revenue (excl. Capital Grants & Contributions)			
prior period:	12.28%	-18.02%	-25.01%
b. Own Source Operating Revenue			
Rates & Annual Charges + User Charges & Fees	82.68%	90.28%	54.96%
Total Operating Revenue (incl. Capital Grants & Contributions)			
prior period:	68.68%	83.15%	52.70%
c. Unrestricted Current Ratio			
Current Assets less all External Restrictions	443.95	59.72	2.48
Current Liabilities less Specific Purpose Liabilities			
prior period:	0.00	0.00	2.13
d. Debt Service Cover Ratio			
Operating Result before Interest & Depreciation (EBITDA)	0.00	0.00	-2.79
Principal Repayments (from the Statement of Cash Flows) + Borrowing Interest Costs (from the Income Statement)			
prior period:	0.00	0.00	-6.27
e. Capital Expenditure Ratio			
Annual Capital Expenditure	0.48	0.67	0.90
Annual Depreciation			
prior period:	0.28	0.50	1.33
f. Infrastructure Backlog Ratio			
Estimated Cost to bring Assets to a Satisfactory Condition (from Special Schedule 7)	0.31	0.53	0.08
Total value of Infrastructure, Building, Other Structures & Depreciable Land Improvement Assets			
prior period:	0.08	0.16	0.07
g. Asset Maintenance Ratio			
Actual Asset Maintenance	0.69	1.13	1.13
Required Asset Maintenance			
prior period:	0.76	0.99	1.98
h. Building and Infrastructure Renewals Ratio			
Asset Renewals	0.38	0.24	0.56
Depreciation of Building and Infrastructure Assets			
prior period:	0.27	0.50	0.71
i. Cash Expense Cover Ratio			
Current Year's Cash & Cash Equivalents	37.27	21.24	4.38
(Total Expenses - Depreciation - Interest Costs) x12			
prior period:	58.28	23.90	3.86
j. Interest Cover Ratio			
Operating Results before Interest & Depreciation (EBITDA)	0.00	0.00	6.99
Borrowing Interest Costs (from the income statement)			
prior period:	0.00	0.00	-3.31

Notes

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

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 14. Investment Properties

\$ '000	Notes	Actual 2013	Actual 2012
(a) Investment Properties at Fair value			
<u>Investment Properties on Hand</u>		<u>1,915</u>	<u>1,266</u>
Reconciliation of Annual Movement:			
Opening Balance		1,266	1,266
- Net Gain/(Loss) from Fair Value Adjustments		649	-
CLOSING BALANCE - INVESTMENT PROPERTIES		<u>1,915</u>	<u>1,266</u>

(b) Valuation Basis

The basis of valuation of Investment Properties is Fair Value, being the amounts for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

The 2013 revaluations were based on Independent Assessments made by:

Mr Damon Griggs of APV Valuers & Asset Management (conducted in 2012/13 financial year)

(c) Contractual Obligations at Reporting Date

Refer to Note 12 for disclosures relating to any Capital and Service obligations that have been contracted.

(d) Investment Property Income & Expenditure - summary

Rental Income from Investment Properties:			
- Minimum Lease Payments		105	124
Direct Operating Expenses on Investment Properties:			
- that generated rental income		(35)	(39)
Net Revenue Contribution from Investment Properties		<u>70</u>	<u>85</u>
plus:			
Fair Value Movement for year		<u>649</u>	<u>-</u>
Total Income attributable to Investment Properties		<u>719</u>	<u>85</u>

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 15. Financial Risk Management

\$ '000

Risk Management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2013	2012	2013	2012
Financial Assets				
Cash and Cash Equivalents	15,143	17,432	15,143	17,455
Investments				
- "Held to Maturity"	13,750	15,357	13,750	15,357
Receivables	6,418	5,196	6,418	5,196
Total Financial Assets	35,311	37,985	35,311	38,008
Financial Liabilities				
Payables	2,579	3,334	2,579	3,378
Loans / Advances	5,086	5,234	5,086	5,234
Total Financial Liabilities	7,665	8,568	7,665	8,612

Fair Value is determined as follows:

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

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 15. Financial Risk Management (continued)

\$ '000

(a) Cash & Cash Equivalents, Financial assets 'at fair value through the profit & Loss' "Available-for-sale" financial assets & "Held-to-maturity" Investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. An Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is credit risk - the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

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

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

	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
2013				
Possible impact of a 10% movement in Market Values	-	-	-	-
Possible impact of a 1% movement in Interest Rates	289	289	289	289
2012				
Possible impact of a 10% movement in Market Values	-	-	-	-
Possible impact of a 1% movement in Interest Rates	323	323	323	323

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 15. Financial Risk Management (continued)

\$ '000

(b) Receivables

Council's major receivables comprise (i) Rates & Annual Charges and (ii) User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates & annual charges at higher than market rates which further encourages the payment of debt.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

Council makes suitable provision for doubtful receivables as required.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	2013	2013	2012	2012
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
(i) Ageing of Receivables				
Current (not yet overdue)	345	5,519	362	4,006
Past due by more than 1 year	534	53	471	390
	<u>879</u>	<u>5,572</u>	<u>833</u>	<u>4,396</u>
(ii) Movement in Provision for Impairment of Receivables			2013	2012
Balance at the beginning of the year			33	2
+ new provisions recognised during the year			-	31
Balance at the end of the year			<u>33</u>	<u>33</u>

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 15. Financial Risk Management (continued)

\$ '000

(c) Payables & Borrowings

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

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

Payment terms can (in extenuating circumstances) also be extended.

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

\$ '000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
2013									
Trade/Other Payables	236	2,343	-	-	-	-	-	2,579	2,579
Loans & Advances	-	162	176	191	207	228	4,122	5,086	5,086
Total Financial Liabilities	236	2,505	176	191	207	228	4,122	7,665	7,665
2012									
Trade/Other Payables	338	3,040	-	-	-	-	-	3,378	3,334
Loans & Advances	-	147	162	176	191	207	4,351	5,234	5,234
Total Financial Liabilities	338	3,187	162	176	191	207	4,351	8,612	8,568

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

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

	2013		2012	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	2,579	0.0%	3,334	0.0%
Loans & Advances - Fixed Interest Rate	5,086	8.6%	5,234	8.6%
	<u>7,665</u>		<u>8,568</u>	

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 12/13 was adopted by the Council on 26 June 2013.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

Note that for Variations* of Budget to Actual :

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable Budget Variation, **U** = Unfavourable Budget Variation

\$ '000	2013 Budget	2013 Actual	2013 ----- Variance* -----		
REVENUES					
Rates & Annual Charges	10,703	10,616	(87)	(1%)	U
User Charges & Fees	4,250	6,915	2,665	63%	F
Some of the main variances between budget and actual are as follows:					
- Original State Roads works budget was \$1,468k. Actual expense was \$4,335k. This resulted in a variance of \$2,867k. This is due to increased works on the Waterfall Way.					
Interest & Investment Revenue	1,661	1,823	162	10%	F
Other Revenues	553	1,246	693	125%	F
Operating Grants & Contributions	4,514	7,080	2,566	57%	F
Some of the main variances between budget and actual are as follows:					
- A total of 1,808k received for various flood events. Latest flood was in Jan/ Feb 2013;					
- Grant funding received for the Bowraville Road which was damaged in the Mar 2009 flood. As at 30th June 2013 Council received \$756k for this project.					
Capital Grants & Contributions	1,306	1,549	243	19%	F
Some of the main variances between budget and actual are as follows:					
- Roads to Recovery was budgeted at 390k, however no grant funding was received during the 2012-13 year. Therefore, variance of (\$390k). Remaining Roads to Recovery funding drawdown deferred until the 2013-14 year.					
- Additional Rural Fire Service funding received for capital works. Original budget was \$62k and the budget was amended to \$284k; a variance of \$222k.					
Net Gains from Disposal of Assets	-	289	289	0%	F

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 16. Material Budget Variations (continued)

\$ '000	2013 Budget	2013 Actual	2013 ----- Variance* -----	
EXPENSES				
Employee Benefits & On-Costs	9,371	9,852	(481)	(5%) U
Borrowing Costs	544	481	63	12% F
Over-estimation of borrowing costs at the time of preparing the budget.				
Materials & Contracts	7,382	9,435	(2,053)	(28%) U
Some of the main variances between budget and actual are as follows:				
- Original State Roads works budget was \$1,468k. Actual expense was \$4,335k. This resulted in a variance of \$2,867k. This is due to increased works on the Waterfall Way.				
Depreciation & Amortisation	8,364	9,373	(1,009)	(12%) U
Some of the main variances between budget and actual are as follows:				
- Plant and Equipment depreciation was budgeted as 664k. Actual expense was \$1,274k; a variance of \$610k;				
- Bushfire depreciation was budgeted as 287k. Actual expense was \$411k; a variance of \$124k;				
- Wastewater depreciation was budgeted as 732k. Actual expense was \$898k; a variance of \$166k;				
Other Expenses	2,196	2,985	(789)	(36%) U
Some of the main variances between budget and actual are as follows:				
- \$53k additional expense for legal costs and consultants. The main contributor to this was the Raleigh Waste site review and liquidation proceedings;				
- \$59k additional expense in electricity cost.				

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 16. Material Budget Variations (continued)

\$ '000	2013 Budget	2013 Actual	2013 Variance*		
Budget Variations relating to Council's Cash Flow Statement include:					
Cash Flows from Operating Activities	2,188	3,047	859	39.3%	F
Main budget variances are as follows:					
<ul style="list-style-type: none"> - State works was budgeted as \$1,468,000 on the income (User Fees) and expense (Materials and Contracts). Actual contracted works came to \$4,335,154. Net effect on User Fees is \$2,867,154 variance and (\$2,867,154) variance on Materials and Contracts. - Grants and contributions budgeted as \$4,513,690 and Council received \$8,379,000; a variance of \$4,505,311. The main reasons for the variance are flood funding \$1,808k and Bowraville Rd funding \$756k - Materials and Contracts cashflow was budgeted as \$7,383k and actual was \$12,693k; a variance of \$5,310k. The explanation for this variance is: <ul style="list-style-type: none"> a) State works was budgeted as \$1,468k on the income (User Fees) and expense (Materials and Contracts). Actual contracted works came to \$4,335k. Net effect on User Fees is \$2,867k variance and (\$2,867k) variance on Materials and Contracts. b) Flood repair expenditure works. The budgeted cashflow figure did not include any allocation for flood repairs. A total of \$3,516k was spent on flood repair and capital works. This figure also includes the work on Bowraville road. - Employee costs were budgeted as (\$9,371) and the actual result was (\$9,992); a variance of (\$621). Some of this variance is due to the organisation restructure undertaken by Council during the 2012/13 year. A result of the organisation restructure was the redundancy of some positions (cost \$286k including all leave entitlements). 					
Cash Flows from Investing Activities	(11,094)	(5,188)	5,906	(53.2%)	F
Main budget variances are as follows:					
<ul style="list-style-type: none"> - The Dorrigo Treatment Plant was budgeted in the 2012/13 year. This project was originally budgeted at \$6 million of which only \$501,319 was spent as at 30th June 2013; a variance of \$5.50 million. - A budget was allocated for works at the Bellingen Reservoir. The original budget was for \$1.45 million however the project was not commenced during the 2012/13 year; a variance of \$1.45 million. - There was road projects budgeted for but not commenced during 2012/13 year. There were Ford St retaining wall \$79k, Kylie St Drainage upgrade \$250k, Dorrigo St drainage upgrade \$265k, Hillside Drive upgrade \$250k and Church St resurfacing program \$39k. Therefore a budget variance of \$883k. 					
Cash Flows from Financing Activities	(288)	(148)	140	(48.6%)	F
Main budget variance is due to the overestimation of the loan repayments required by Council.					

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 17. Statement of Developer Contributions

\$ '000

Council recovers contributions, raises levies & enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions & levies and the value of all remaining funds which are "restricted" in their future use.

SUMMARY OF CONTRIBUTIONS & LEVIES

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	10	-	-	-	-	-	10	-	-	10	-
Roads	2,559	83	-	68	(364)	-	2,346	122	(129)	2,339	-
Parking	-	26	-	-	-	-	26	1	-	27	-
Community Facilities	740	35	-	22	-	-	797	45	-	842	-
S94 Contributions - under a Plan	3,309	144	-	90	(364)	-	3,179	168	(129)	3,218	-
Total S94 Revenue Under Plans	3,309	144	-	90	(364)	-	3,179				-
S94 not under Plans	207	-	-	6	-	-	213	7	-	220	-
S64 Contributions	6,269	82	-	178	-	-	6,529				
Total Contributions	9,785	226	-	274	(364)	-	9,921	175	(129)	3,438	-

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN - Community Services & Amenities

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Community Facilities	647	29	-	19	-	-	695	40	-	735	-
Total	647	29	-	19	-	-	695	40	-	735	-

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN - South Urunga Development Area

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	12	-	-	-	-	-	12	1	-	13	-
Total	12	-	-	-	-	-	12	1	-	13	-

CONTRIBUTION PLAN - Bellingen Council Roads

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	2,532	83	-	68	(364)	-	2,319	120	(129)	2,310	-
Total	2,532	83	-	68	(364)	-	2,319	120	(129)	2,310	-

CONTRIBUTION PLAN - Bridge Replacement

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	15	-	-	-	-	-	15	1	-	16	-
Total	15	-	-	-	-	-	15	1	-	16	-

CONTRIBUTION PLAN - Bushfire Services Plan

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Community Facilities	93	6	-	3	-	-	102	5	-	107	-
Total	93	6	-	3	-	-	102	5	-	107	-

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN - Bellingen Drainage

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	10	-	-	-	-	-	10	-	-	10	-
Total	10	-	-	-	-	-	10	-	-	10	-

CONTRIBUTION PLAN - Bellingen Parking

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Parking	-	26	-	-	-	-	26	1	-	27	-
Total	-	26	-	-	-	-	26	1	-	27	-

S94 CONTRIBUTIONS - NOT UNDER A PLAN

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	10	-	-	-	-	-	10	-	-	10	-
Roads	112	-	-	4	-	-	116	4	-	120	-
Other	85	-	-	2	-	-	87	3	-	90	-
Total	207	-	-	6	-	-	213	7	-	220	-

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

Member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category with member Councils required to make significantly higher contributions in future years.

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

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

(ii) Statewide Limited

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

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the Net Assets or Liabilities reflects Councils contributions to the pool and the result of insurance claims within each of the Fund Years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW Local Government Industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the Company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of Net Assets in accordance with its Licence Requirements.

(iv) Other Guarantees

Council has provided no other Guarantees other than those listed above.

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

\$ '000

LIABILITIES NOT RECOGNISED (continued):

2. Other Liabilities

(i) Third Party Claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its Insurance Coverage and does not expect any material liabilities to eventuate.

(ii) S94 Plans

Council levies Section 94/94A Contributions upon various development across the Council area through the required Contributions Plans.

As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

(ii) S94 Plans (continued)

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Councils intention to spend funds in the manner and timing set out in those Plans.

ASSETS NOT RECOGNISED:

(i) Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

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

Council is one of two member Councils of the Clarence Regional Library.

Council is represented on the Clarence Regional Library Committee which is responsible for the policies and procedures. The day to day management of the service is the responsibility of the Executive Officer and the financial reporting is included in the consolidated reports of Clarence Valley Regional Council.

Council makes an annual contribution to the operating expenses of the services for the provision of book stocks and information technology services.

The co-operative arrangement does not establish the share of assets to which Council would be entitled in the event of the winding up of the arrangement.

Bellingen Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2013

Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2013	Actual 2012
(a) Retained Earnings			
Movements in Retained Earnings were as follows:			
Balance at beginning of Year (from previous years audited accounts)		258,191	260,305
a. Correction of Prior Period Errors	20 (c)	12,212	-
b. Net Operating Result for the Year		(2,608)	(2,114)
Balance at End of the Reporting Period		<u>267,795</u>	<u>258,191</u>
(b) Reserves			
(i) Reserves are represented by:			
- Infrastructure, Property, Plant & Equipment Revaluation Reserve		284,220	287,994
Total		<u>284,220</u>	<u>287,994</u>
(ii) Reconciliation of movements in Reserves:			
Infrastructure, Property, Plant & Equipment Revaluation Reserve			
- Opening Balance		287,994	268,953
- Revaluations for the year	9(a)	(3,333)	19,041
- Impairment of revalued assets (incl. impairment reversals)	9(a),(c)	(441)	-
- Balance at End of Year		<u>284,220</u>	<u>287,994</u>
TOTAL VALUE OF RESERVES		<u>284,220</u>	<u>287,994</u>
(iii) Nature & Purpose of Reserves			
Infrastructure, Property, Plant & Equipment Revaluation Reserve			
- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.			

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000	Notes	Actual 2013	Actual 2012
(c) Correction of Error/s relating to a Previous Reporting Period			
<p>As part of Council's transition to measuring all it's I,PP&E at Fair Values, Council this year reviewed and brought to account Fair Values for the following Asset Classes:</p> <ul style="list-style-type: none"> - Buildings Non Specialised Asset Class <p>As part of that evaluation & measurement process, the remaining useful life of each asset has been reassessed to actual.</p> <p>This reassessment has resulted in a material difference as to where some assets actually sit in relation to their asset life cycle relative to what the value of accumulated depreciation in Council's Financial Reports had previously indicated.</p> <p>Council does not have sufficient and reliable information that will allow the restatement of information prior to 30/6/12 (the closing date for the comparative figures in this report).</p> <p>As a result, Council has adjusted the accumulated depreciation for the following asset classes as at 30/6/12 to reflect the correct value of accumulated depreciation;</p>			
Building Non Specialised Asset Class (increase)/decrease to accum dephn		12,212	
<p>This adjustment resulted in net increase / (decrease) in Council's Accumulated Surplus as at 30/6/12.</p> <p>In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above Prior Period Errors have been recognised retrospectively.</p> <p>These amounted to the following Equity Adjustments:</p>			
- Adjustments to Opening Equity - 1/7/11 (relating to adjustments for the 30/6/11 reporting year end and prior periods)		-	-
- Adjustments to Closing Equity - 30/6/12 (relating to adjustments for the 30/6/12 year end)		12,212	-
Total Prior Period Adjustments - Prior Period Errors		12,212	-

(d) Voluntary Changes in Accounting Policies

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

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 21. Financial Result & Financial Position by Fund

Income Statement by Fund \$ '000	Actual 2013	Actual 2013	Actual 2013
Continuing Operations	Water	Sewer	General¹
Income from Continuing Operations			
Rates & Annual Charges	537	2,318	7,761
User Charges & Fees	1,607	97	5,211
Interest & Investment Revenue	332	161	1,330
Other Revenues	37	13	1,196
Grants & Contributions provided for Operating Purposes	45	39	6,996
Grants & Contributions provided for Capital Purposes	35	47	1,467
Other Income			
Net Gains from Disposal of Assets	-	-	289
Share of interests in Joint Ventures & Associates using the Equity Method	-	-	-
Total Income from Continuing Operations	2,593	2,675	24,250
Expenses from Continuing Operations			
Employee Benefits & on-costs	998	1,089	7,765
Borrowing Costs	-	-	481
Materials & Contracts	234	575	8,626
Depreciation & Amortisation	722	898	7,753
Impairment	-	-	-
Other Expenses	287	202	2,496
Interest & Investment Losses	-	-	-
Total Expenses from Continuing Operations	2,241	2,764	27,121
Operating Result from Continuing Operations	352	(89)	(2,871)
Discontinued Operations			
Net Profit/(Loss) from Discontinued Operations	-	-	-
Net Operating Result for the Year	352	(89)	(2,871)
Net Operating Result attributable to each Council Fund	352	(89)	(2,871)
Net Operating Result attributable to Non-controlling Interests	-	-	-
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	317	(136)	(4,338)

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

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

Bellinghen Shire Council

Notes to the Financial Statements

as at 30 June 2013

Note 21. Financial Result & Financial Position by Fund (continued)

Statement of Financial Position by Fund \$ '000	Actual 2013	Actual 2013	Actual 2013
ASSETS	Water	Sewer	General¹
Current Assets			
Cash & Cash Equivalents	4,886	3,413	6,844
Investments	8,500	2,500	2,750
Receivables	501	334	5,569
Inventories	18	-	288
Other	-	-	65
Non-current assets classified as 'held for sale'	-	-	-
Total Current Assets	13,905	6,247	15,516
Non-Current Assets			
Investments	-	-	-
Receivables	-	-	14
Inventories	-	-	-
Infrastructure, Property, Plant & Equipment	42,995	39,726	442,837
Investments Accounted for using the equity method	-	-	-
Investment Property	-	-	1,915
Intangible Assets	-	-	-
Other	-	-	-
Total Non-Current Assets	42,995	39,726	444,766
TOTAL ASSETS	56,900	45,973	460,282
LIABILITIES			
Current Liabilities			
Payables	21	58	2,655
Borrowings	-	-	161
Provisions	-	-	2,659
Total Current Liabilities	21	58	5,475
Non-Current Liabilities			
Payables	-	-	-
Borrowings	-	-	4,925
Provisions	-	-	661
Total Non-Current Liabilities	-	-	5,586
TOTAL LIABILITIES	21	58	11,061
Net Assets	56,879	45,915	449,221
EQUITY			
Retained Earnings	17,572	8,219	242,004
Revaluation Reserves	39,307	37,696	207,217
Total Equity	56,879	45,915	449,221

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

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

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

\$ '000	2013		2012	
	Current	Non Current	Current	Non Current

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

Note 23. Events occurring after the Reporting Period

Events that occur between the end of the reporting period (ending 30 June 2013) and the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 01/11/13.

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

(i) Events that provide evidence of conditions that existed at the Reporting Period

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2013.

(ii) Events that provide evidence of conditions that arose after the Reporting Period

These financial statements (& figures therein) do not incorporate any "non-adjusting events" that have occurred after 30 June 2013 and which are only indicative of conditions that arose after 30 June 2013.

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

Note 24. Discontinued Operations

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

Note 25. Intangible Assets

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

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

Bellingen Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

\$ '000

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

Asset/Operation	Estimated year of restoration	NPV of Provision	
		2013	2012
Tip Remediation	2030	463	440
Quarry Remediation	2015	61	57
Balance at End of the Reporting Period		524	497

10(a)

Under AASB 116 - Property, Plant & Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 - Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

Reconciliation of movement in Provision for year:

Balance at beginning of year	497	472
Amounts capitalised to new or existing assets:		
Amortisation of discount (expensed to borrowing costs)	27	25
Total - Reinstatement, rehabilitation and restoration provision	524	497

Amount of Expected Reimbursements

Of the above Provisions for Reinstatement, Rehabilitation and Restoration works, those applicable to Garbage Services & Waste Management are able to be funded through future charges incorporated within Council's Annual Domestic Waste Management Charge.

Bellingen Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2013

Note 27. Council Information & Contact Details

Principal Place of Business:

Hyde Street
BELLINGEN NSW 2454

Contact Details**Mailing Address:**

PO Box 117
BELLINGEN NSW 2454

Opening Hours:

8.30am to 4.30pm
Monday to Friday

Telephone: 02 6655 7300

Facsimile: 02 6655 2310

Internet: www.bellingen.nsw.gov.au

Email: council@bellingen.nsw.gov.au

Officers**GENERAL MANAGER**

Ms Elizabeth Jeremy

RESPONSIBLE ACCOUNTING OFFICER

Ms Susan Glasson

PUBLIC OFFICER

Michelle McFadyen

AUDITORS

Forsyths
92 Rusden Street
ARMIDALE NSW 2350

Elected Members**MAYOR**

Cr Mark Troy

COUNCILLORS

Cr Garry Carter
Cr Desmae Harrison
Cr Dominic King
Cr Steve Klipin
Cr Gordon Manning
Cr David Scott

Other Information

ABN: 26 066 993 265

Armidale

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email armidale@forsyths.com.au

Forsyths Business Services Pty Ltd
ABN 66 182 781 401

INDEPENDENT AUDIT REPORT
Report on the general purpose financial statements

To Bellingen Shire Council

SCOPE

The financial statements comprise the Income statement, statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, accompanying notes to the financial statements, and the Statement by Councillors and Management in the approved form as required by Section 413(2)(C) of the *Local Government Act 1993* for Bellingen Shire Council (the Council), for the year ended 30th June 2013.

Councils' responsibility for the financial statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1993* and regulations and the Local Government Code of Accounting Practice and Financial Reporting. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements to the Council based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Audit Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements is free from material misstatement. Our audit responsibility does not extend to the Original Budget figures included in the Income Statement and Statement of Cash Flows and the Original Budget disclosures in Notes 2 and 16 and accordingly, we express no opinion on them.

Further, our audit does not extend to the New South Wales Treasury Corporation ("TCorp") performance measures disclosed in Note 13 as these are not mandatory under the Code of Accounting Practice and Financial Reporting and the calculations are based on the DLG requirements for the Financial Disclosure Return (FDR) and differ from the Code 21 and TCorp calculation definitions as disclosed in Note 13 and are therefore not subject to our audit opinion and accordingly, we express no opinion on them.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial

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statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

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

INDEPENDENCE

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

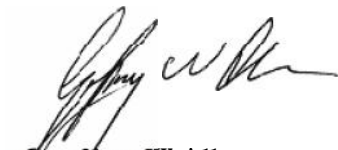
AUDIT OPINION

In our opinion:

- (a) the accounting records of the Council have been kept in accordance with the requirements of Division 2 of Part 3 of the *Local Government Act 1993*;
- (b) the general purpose financial statements:
 - (i) have been prepared in accordance with the requirements of Division 2 of Part 3 of the *Local Government Act 1993*;
 - (ii) are consistent with the Council's accounting records; and
 - (iii) presents fairly, in all material respects, the Council's financial position as at 30th June 2013 and the results of its operations for the year then ended;
- (c) we have been able to obtain all information relevant to the conduct of our audit; and
- (d) no material deficiencies in the records or the financial statements were detected in the course of the audit.

Forsyths

Forsyths Business Services Pty Ltd



Geoffrey W Allen
Principal

1st November 2013
92 Rusden Street Armidale

1 November 2013

The Mayor
Bellingen Shire Council
PO Box 117
Bellingen 2454

Armidale

111 Faulkner Street
PO Box 114
Armidale NSW 2350

p +61 2 6773 8400

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e armidale@forsyths.com.au

Dear Mr Mayor

Forsyths Business Services Pty Ltd
ABN 66 182 781 401

AUDIT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

We are pleased to report that we have completed the audit of Council's records for the year ended 30 June 2013 and have issued our audit opinion on the general purpose financial statements and special purpose financial statements as required by the provisions of Section 417(2) of the *Local Government Act 1993*.

Under Section 417(3) of the *Local Government Act 1993* we are also required to report on the conduct of the audit.

Council's responsibilities

The Council is responsible for preparing the financial statements that give a true and fair view of the financial position and performance of the Council, and that complies with Accounting Standards in Australia, in accordance with the *Local Government Act 1993*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements.

Audit Objectives

The overall objectives of the audit were to enable us to form an opinion as to whether, in all material respects, the general purpose financial statements:

- were presented fairly in accordance with the requirements of the *Local Government Act 1993* and prescribed Regulations and the Australian Accounting Standards; and
- presented a view which was consistent with our understanding of the Council's financial position, the results of its operations and its cash flows.

Scope of the Audit

Audit procedures were primarily aimed at achieving audit objectives and did not seek to confirm for management purposes the effectiveness of all internal controls. The planning of the audit procedures was based on an assessment of the risk of the existence of errors and/or irregularities which could materially affect the financial statements.

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We have conducted an independent audit of the financial statements in order to express an opinion on them to the Council. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our audit responsibility does not extend to the Original Budget figures included in the Income Statement and Statement of Cash Flows the Original Budget disclosures in Notes 2 and 16 to the financial statements and accordingly, we express no opinion on them. Further, our audit does not extend to the NSW Treasury Corporation (“TCorp”) performance measures disclosed in Note 13 as these are not mandatory under the Code of Accounting Practice and Financial Reporting and the calculations are based on the DLG requirements for the Financial Disclosure Return (FDR) which differ from the Code 21 and TCorp calculation definitions as disclosed in Note 13 and are therefore not subject to our audit opinion and accordingly, we express no opinion on them.

The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial statements presents fairly, in accordance with the *Local Government Act 1993*, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Council’s financial position, and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial statements, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Council.

While we considered the effectiveness of management’s internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial statements. These and other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the Council.

We have issued our audit opinion on the basis of the foregoing comments.

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the financial statements of Bellingen Shire Council for the year ended 30 June 2013 included on Bellingen Shire Council’s web site. The Council is responsible for the integrity of its web site. We have not been engaged to report on the integrity of the Council’s web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.



Additional Reporting Requirements

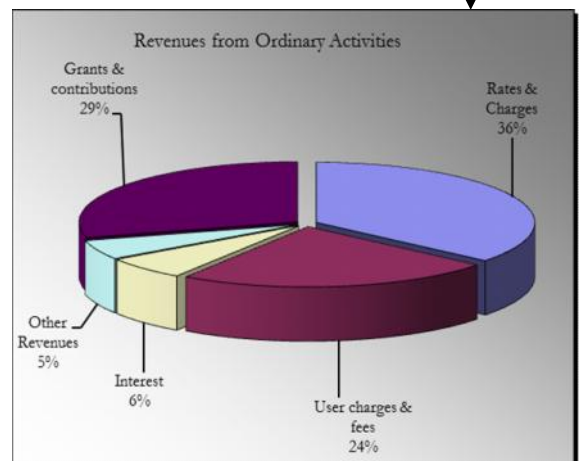
In accordance with Section 417(3) of the *Local Government Act 1993* we make the following comments in relation to the results and financial trends.

The Income Statement for the year ended 30 June 2013 discloses the following result:

INCOME STATEMENT	Budget	Actual	Actual	Variance	
	2013	2013	2012	Actual	Budget
	\$'000	\$'000	\$'000	%	
INCOME					
Rates & annual charges	10,703	10,616	9,620	10.4%	-0.8%
User charges & fees	4,250	6,915	4,662	48.3%	62.7%
Interest	1,661	1,823	1,928	-5.4%	9.8%
Other revenues from ordinary activities	553	1,246	507	145.8%	125.3%
Grants & contributions - Operating	4,514	7,080	10,534	-32.8%	56.8%
Grants & contributions - Capital	1,306	1,549	3,614	-57.1%	18.6%
Gain from sale of assets	0	289	168	72.0%	0.0%
Total Revenue from Ordinary Activities	22,987	29,518	31,033	-4.9%	28.4%
EXPENSES					
Employee costs	9,371	9,852	9,761	0.9%	5.1%
Borrowing costs	544	481	323	48.9%	-11.6%
Materials and contracts	7,382	9,435	11,267	-16.3%	27.8%
Depreciation & amortisation	8,364	9,373	9,144	2.5%	12.1%
Other expenses from ordinary activities	2,196	2,985	2,652	12.6%	35.9%
Loss from disposal of assets	0	0	0	0.0%	0.0%
Total Expenses from Ordinary Activities	27,857	32,126	33,147	-3.1%	15.3%
NET OPERATING RESULT FOR THE YEAR	(4,870)	(2,608)	(2,114)	23.4%	-46.4%
Net operating result before capital grants	(6,176)	(4,157)	(5,728)	-27.4%	-32.7%

The financial statements report an operating deficit of \$2.6m for the year compared with a deficit of \$2.1m in the previous year. This result includes grants for capital purposes of \$1.5m. The expenditure of these grants is not recorded in this statement but in the statement of financial position and when excluded the deficit increases to \$4.2m (2012: deficit \$5.7m).

Income decreased compared to the prior year by 5%. The decrease was mainly a result of a decrease in operating and capital grants & contributions which was partially offset by increases in rates and annual charges and user charges. The decrease in operational grants & contributions is mainly a result of receiving an instalment of the 2012/3 financial assistance grant in the prior year. Capital grants & contributions decreased due to the receipt of grants for Community Centres and Roads to Recovery in the 2012 year. The increase in rates & annual charges was mainly due to rate-peg increases and increases in waste, sewer and water charges. The increase in user charges & fees was mainly due to increased water consumption during the year and RMS charges in relation to State





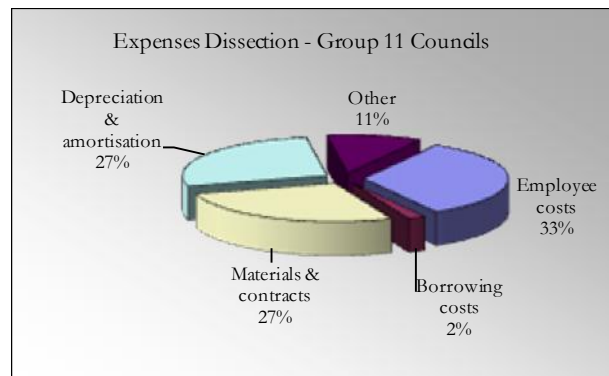
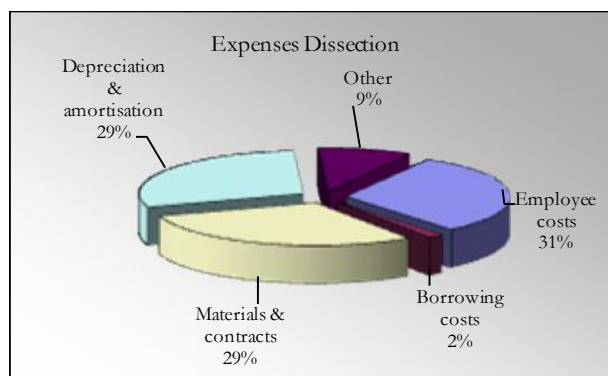
Roads works due to flood damage. The increase in other revenue was mainly a result of the revaluation of investment properties held by Council.

Expenditure decreased by 3.1% on the previous year, largely as a result of a decreased materials and contracts expenditure of 16.3% which was mainly due to a reduction in road maintenance work during the year, which was offset by an increase in other expenses due to increases in insurance and electricity costs during the year.

The actual operating deficit (including capital income) for the year of \$2.6m compares with the original budget deficit of \$4.9m. The variation between the actual results and the original budget is primarily due to the following:

Budget Variations > than 10% and > \$1m		Comment
User charges & fees	\$ 2,665,000	User charges & fees were favourable to budget mainly due to higher than expected State road works funding during the year for the Waterfall Way.
Operating Grants	\$ 2,566,000	Operating grants were favourable to budget mainly due to the receipt of approximately \$2.6 m various flood events.
Materials & Contracts	\$ (2,053,000)	Materials & contracts were unfavourable to budget mainly due to additional State Roads works on Waterfall Way and additional flood restoration works carried out during the year.
Depreciation & Amortisation	\$ (1,009,000)	Depreciation & amortisation were unfavourable to budget as the budget had not allowed for the increase in depreciation related to plant and equipment, Rural Fire Service and wastewater assets.

Below is a comparison of expense dissections for the Council for 2013 compared to the average of Group 11 Councils for 2011 (last available data).

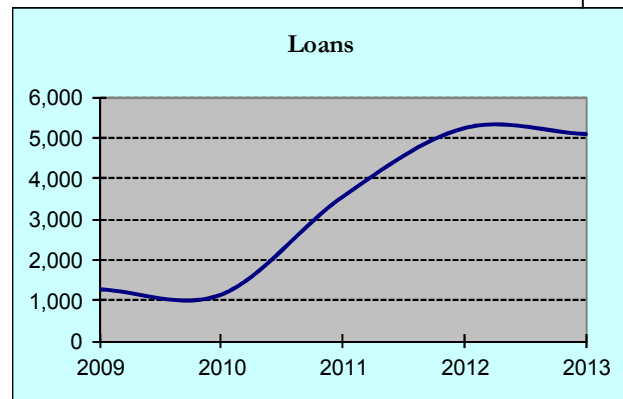
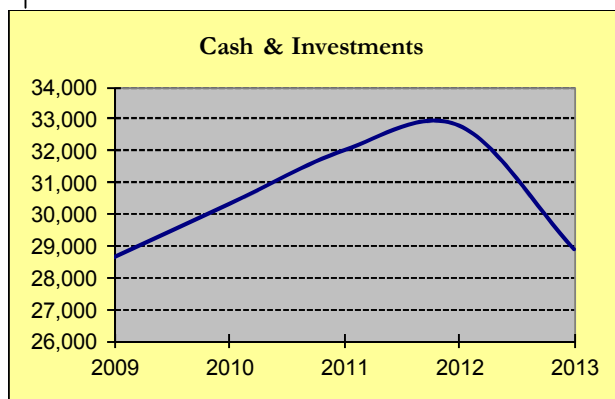


We note that Council's expenditure dissection is similar to Group 11 Councils with depreciation & amortisation and materials & contracts higher than average. This reflects the amount and condition of Councils infrastructure and the level of maintenance work as a result of the flood events during the year. Note that 2011 is the latest available data as the Division of Local Government are no longer publishing this comparative information.



The following schedule of assets and liabilities has been extracted from the statement of financial position as at 30 June 2013. This schedule discloses the consolidated assets and liabilities of all functions.

SCHEDULE OF ASSETS & LIABILITIES			
	2013	2012	Variance
	\$'000	\$'000	
CURRENT ASSETS			
➔ Cash Assets	15,143	17,432	-13.1%
➔ Investment securities	13,750	15,357	-10.5%
Receivables	6,404	5,182	23.6%
Inventories	306	293	4.4%
Other	65	116	-44.0%
TOTAL CURRENT ASSETS	35,668	38,380	-7.1%
CURRENT LIABILITIES			
Payables	2,734	3,528	-22.5%
Interest Bearing Liabilities	161	147	9.5%
Provisions	2,659	2,760	-3.7%
TOTAL CURRENT LIABILITIES	5,554	6,435	-13.7%
NET CURRENT ASSETS	30,114	31,945	-5.7%
NON-CURRENT ASSETS			
Receivables	14	14	0.0%
Investment Property	1,915	1,266	51.3%
Property Plant & Equipment	525,558	518,658	1.3%
TOTAL NON-CURRENT ASSETS	527,487	519,938	1.5%
NON-CURRENT LIABILITIES			
Provisions	661	611	8.2%
Interest Bearing Liabilities	4,925	5,087	-3.2%
TOTAL NON-CURRENT LIABILITIES	5,586	5,698	-2.0%
NET ASSETS	552,015	546,185	1.1%



Cash and Investments as at 30th June 2013 total \$28.9m compared to \$32.8m in 2012 due to the decrease in revenue during the year.

Receivables have increased by \$1.2m mainly due to grants receivable at the end of the year in relation to State Road works.



Borrowings have decreased by \$0.1m due to scheduled repayments of Councils borrowings.

Infrastructure, property, plant and equipment increased by \$6.9m due to the revaluation of land and buildings of \$5.8m, the indexing of water and sewer assets of \$3.0m and additions of \$8.1m offset by depreciation of \$9.3m, impairments of \$0.4m and asset disposals of \$0.2m.

WORKING CAPITAL

The Net Current Asset position at year end is an important financial indicator as it discloses the working capital available to Council to fund day to day operations and finance infrastructure and new community projects. However, included in Current Assets are assets which are “Restricted” by regulation or other externally imposed requirements and therefore are not available for other than their restricted purpose. The following table isolate these restrictions:

	Water \$'000	Sewerage \$'000	Dom Waste \$'000	General \$'000	Total \$'000
Current Assets	13,905	6,247	948	14,568	35,668
Current Liabilities	21	58	-	5,475	5,554
Net Current Assets	13,884	6,189	948	9,093	30,114
Add back Employee Entitlements > 12 months	-	-	-	1,834	1,834
LESS: Current Restricted Cash & Investments (Included in Revenue)					
Deposits, Bonds, etc	-	-	-	117	117
Developer Contributions	4,081	2,448	-	3,392	9,921
Unexpended Grants	-	-	-	1,991	1,991
Environmental Levy	-	-	-	256	256
Crown Reserves incl Anchors Wharf	-	-	-	76	76
Special Rate Levy - Roads	-	-	-	-	-
	4,081	2,448	-	5,832	12,361
FUNDS AVAILABLE After external restrictions	9,803	3,741	948	5,095	19,587
LESS: INTERNAL RESTRICTIONS	-	-	274	2,719	2,993
NET FUNDS After Internal Restrictions	9,803	3,741	674	2,376	16,594

INTERNAL RESTRICTIONS	Opening	Transfers		Closing
	1-Jul \$'000	to \$'000	from \$'000	30-Jun \$'000
Employee Entitlements	896	-	56	840
Infrastructure Replacement	-	1,060	1,060	-
Plant Replacement	1,994	1,516	2,182	1,328
Carry-over works	139	89	54	174
Business Plans	25	-	-	25
Land Development	82	-	82	-
Waste Management (Non-Domestic)	274	-	-	274
Depot Loan Unspent	262	-	262	-
IT Reserve	290	-	211	79
Environmental and Heritage	28	40	22	46
Organisational Review	-	294	194	100
Emergency Services	136	-	99	37
Youth Centre Operations	28	-	28	-
Support Services	9	-	9	-
Workers Comp Contingency	129	-	39	90
	4,292	2,999	4,298	2,993



The above table demonstrates that the General fund has available funds of \$5.1.m before setting aside funds in reserves (internal restrictions). After funding \$3.0m (2012: \$4.3m) in internal restrictions, Council has a surplus of \$2.4m (2012: \$0.9m) to fund day to day working capital requirements.

Council has internally restricted \$840,000 to fund employee leave entitlements. This restriction represents 32% of current leave entitlements. This funding is considered adequate given that the annual leave component is traditionally provided for in Council's current year budget.

PERFORMANCE INDICATORS

The Code of Accounting Practice requires the mandatory disclosure of certain performance indicators. These financial indicators are useful in assessing performance, financial position and the likely financial burden to be placed on ratepayers.

The key financial indicators disclosed in the Financial Statements are:

RATIO	PURPOSE	2013	2012	2011	2010	2009
UNRESTRICTED RATIO	To assess the adequacy of working capital after excluding all restricted assets and liabilities.	2.48	2.13	2.93	4.16	3.83
DEBT SERVICE RATIO	To assess the degree to which revenues are committed to the repayment of debt.	2.5%	2.9%	0.9%	1.2%	1.8%
RATE COVERAGE RATIO	To assess the degree of dependence upon revenues from rates and annual charges.	36.0%	31.0%	32.4%	32.9%	34.8%
OUTSTANDING RATES %	To assess the impact of uncollected rates and charges on liquidity and the adequacy of recovery efforts.	9.1%	9.4%	7.2%	9.1%	12.3%
ASSET RENEWALS RATIO	To assess the rate at which assets are being renewed against the rate they are being depreciated.	0.51	0.79	0.51	0.69	0.61

Unrestricted ratio

The unrestricted ratio excludes all current assets and liabilities that are restricted to specific purposes such as water, sewer, domestic waste management functions and specific purpose unexpended grants & contributions. This ratio is before setting aside cash to fund internal restrictions relative to the general function. The ratio of 2.48 compares to the Group 11 Council average of 4.53 and a State average of 3.8 for 2012. The ratio is higher than the TCorp benchmark of greater than 1.5.

Debt service ratio

The debt service ratio has increased in the past two years due to an increase on debt servicing costs.



The ratio of 2.5% compares with the average of 4.11% for Group 11 Councils and a State average of 5.45% in 2011 (latest available data).

Rate coverage ratio

The rate coverage ratio shows that 36.0% of the Council's income is derived from rates and charges. This compares to the average of 34.45% for Group 11 Councils and a NSW state average of 46.38% in 2011 (latest available data).

Outstanding rates

The outstanding rates and charges ratio of 9.1% has increased on the prior year and is considered too high and reflects the delay in debt recovery action. The Group 11 outstanding rates and charges ratio was 8.16% and the State average was 5.4% for 2011 (latest available data).

Asset renewals ratio

The ratio for 2013 highlights that Council expended about 51 cents on asset renewals for every \$1 of estimated reduction in asset condition deterioration (as represented by depreciation expense) in the same period. In essence, the ratio is explaining that, in financial terms, Council's overall infrastructure has deteriorated during the year. The Group 11 average for the asset renewal ratio was \$0.92 and the state average was \$0.66 for 2012.

TCorp Performance Indicators

The Code of Accounting Practice has introduced new non-mandatory performance indicators that have been developed by TCorp as part of their review during the year of all councils future financial sustainability. These financial indicators are considered useful in assessing long term financial sustainability rather than the financial position at the end of the financial year.

As disclosed in Note 13, the TCorp ratios calculated for 2013 are based on the DLG requirements for the Financial Disclosure Return (FDR) and differ from the Code 21 and TCorp calculation definitions. Council has decided to align the financial statement ratios with the FDR calculation process to avoid variances in results. Therefore, the wording explaining the ratio components in Note 13 does not align to the actual figures used in the ratio. Given the TCorp ratios are not a mandatory disclosure requirement and the variances in the calculation process we provide no audit opinion on these ratios.

The key consolidated TCorp performance measures disclosed in the Financial Statements are:



RATIO	PURPOSE	2013	2012	2011	2010	2009
OPERATING PERFORMANCE	To assess councils ability to meet operating expenditure within operating reveune.	-18%	-21%	-15%	-2%	-8%
OWN SOURCE OPERATING REVENUE	To assess the degree of reliance on external funding sources.	61%	46%	48%	51%	53%
DEBT SERVICE COVER RATIO	To assess the availability of operaqting cash to service debt including interest, principle and lease payments.	8.03	5.84	22.57	19.39	13.42
CAPITAL EXPENDITURE RATIO	To assess the extent to which council is forecasting to expand its asset base with capital expenditure.	0.84	1.17	1.00	1.39	2.46
INFRASTRUCTURE BACKLOG RATIO	To assess the infrastructure backlog against the total value of councils infrastructure.	17%	5%	9%	5%	9%
ASSET MAINTENANCE RATIO	To assess the actual vs required annual maintenance expenditure.	1.11	1.81	2.05	4.02	0.97
CASH EXPENSE COVER RATIO	To assess the number of months council can pay its expenses without additional cash inflow.	8.16	8.83	12.56	12.70	10.40
INTEREST COVER RATIO	To assess the extent to which council can service its interest bearing debt and take on additional borrowings.	10.49	11.58	41.07	40.09	35.06

Council is only required to disclose these performance measures for the 2011, 2012 and 2013 year. However, for comparative purposes we have included the indicators for the past 5 years with the ratios for 2010 and 2009 being sourced from the TCorp report issued during the 2013 year.

Operating performance

An operating performance deficit of 18% compares to a deficit in 2012 of 21% and means that Councils operating revenue, excluding capital grants and contributions are insufficient to cover operating expenditure. This compares to the Group 11 Councils average deficit of 2.72% and a state average deficit of 4.4%. The TCorps benchmark for this ratio is to have a deficit of less than 4.0% each year.

Owned source operating revenue

A ratio of 61% for the 2013 year highlights Council’s dependence on grants and contributions and compares to a Group 11 average of 54.2% for 2012 and a State average of 56.7% for 2012. The TCorp benchmark for sustainability is to have a ratio of greater than 60%.

*Debt service cover ratio*

The debt service cover ratio of 8.03 times indicates that council has \$8 before interest and depreciation to pay interest and principal on current borrowings. The TCorp benchmark for sustainability is to have a ratio of greater than 2.0. This ratio is one indicator that Council may be able to borrow for critical infrastructure projects in the future.

Capital expenditure ratio

The capital expenditure ratio of 0.84 indicates that Council has expended 84 cents on capital expenditure for every dollar of depreciation. The TCorp benchmark is for a Council to have a capital expenditure ratio of greater than 1.1.

Infrastructure backlog ratio

An infrastructure backlog ratio 17% indicates that the infrastructure backlog represents 17% of the value of Councils depreciable infrastructure and compares to a Group 11 average of 15.9% and State average of 13% for 2012. The TCorp benchmark is a ratio less than 20%.

We do not provide an audit opinion regarding the accuracy of the infrastructure backlog ratio as it involves significant judgement by council staff regarding the condition of its assets and the costs required to bring them to a satisfactory standard. The data is sourced from the unaudited Special Schedules 7 of the financial statements.

Asset maintenance ratio

The Asset Maintenance ratio of 1.11 indicated that Council has been undertaking sufficient maintenance to keep pace with required maintenance requirements as determine by council's engineers and maintenance staff. A ratio of greater than 1.0 is considered acceptable buy TCorp.

We do not provide an audit opinion regarding the accuracy of the asset maintenance ratio as it involves significant judgement by council staff regarding the costs required to maintain assets. The data is sourced from the unaudited Special Schedules 7 of the financial statements.

Cash expense ratio

The cash expense ratio indicates that Council can pay 8.16 months of its expenses without additional cash inflows. The TCorp benchmark is to have reserves to meet at least 3 months of operating expenditure. Since Council also has significant long term deposits not included in this ratio, it has maintained strong cash reserves and per this ratio maintains a healthy short term financial position.

Interest cover ratio

The interest cover ratio indicates that Council has 10.49 times interest cover and is in a satisfactory position to service current debt commitments and may have the ability to service additional debt borrowings.



The increase in current cash and investments is evident in the following table extracted from the Statement of Cash Flows.

CASH & INVESTMENT MOVEMENTS	Actual 2013	Actual 2012	Variance
	\$'000	\$'000	%
CASH & INVESTMENT INFLOWS			
Operating Receipts	28,467	36,232	-21.4%
Proceeds from Assets Sales	457	323	41.5%
Repayment from Deferred Debtors	9	12	-25%
Proceeds from sale of investment securities	15,357	10,500	46.3%
Proceeds from Borrowings	0	2,000	0.0%
TOTAL RECEIPTS	44,290	49,067	-9.7%
CASH & INVESTMENT OUTFLOWS			
Operating Payments	25,420	26,705	-4.8%
Purchase of Assets	7,261	10,766	-32.6%
Purchase of investment securities	13,750	15,357	-10.5%
Repayment of Loans	148	317	-53.3%
Purchase of investment property	0	0	0.0%
TOTAL PAYMENTS	46,579	53,145	-12.4%
CASH & INVESTMENT MOVEMENT	(2,289)	(4,078)	-43.9%
Cash Assets	15,143	17,432	-13.1%
Investment securities	13,750	15,357	-10.5%
Total Cash & Investments on Hand	28,893	32,789	-11.9%

Total cash and investment balance decreased from \$32.8m in 2012 to \$28.9m due to reduced operating cash flows mainly due to the reduction in grants and contributions this year.

Cash Outflows for "Purchase of Assets" included road and bridge construction totalling \$0.7m. This compares with the \$4.5m annual rate of depreciation of these assets. In assessing the replacement rate of depreciating assets it is also important to note that Special Schedule No 7, which is an unaudited statement prepared in conjunction with the financial report, discloses that the estimated cost to bring roads and bridges to a satisfactory standard is \$12.9m.

Other assets purchased during the year included items of plant worth \$2.2m, buildings worth \$1.0m and capital works in progress of \$3.3m.

SPECIAL PURPOSE FINANCIAL STATEMENTS

Council is required to report the financial results of identified Business Units in accordance with National Competition Policy guidelines. The reports are known as Special Purpose Financial Statements and are subject to audit. Council has identified Water and Sewerage functions as Category 1 Business Units.

WATER SUPPLY FUNCTION

The Special Purpose Financial Statements disclose that the Water Supply function recorded an operating surplus (before capital funding) of \$263,000 after allowing for depreciation of \$722,000.

The Net Current Asset position records a positive balance of \$13,884,000 compared to \$13,065,000 for the previous year. The net current asset position is considered good, especially given the fund has no debt and the condition of water infrastructure assets in Special Schedule 7 (unaudited) is "good".



SEWERAGE SERVICES

The Special Purpose Financial Statements disclose that the Sewerage function recorded an operating deficit (before capital funding) of \$198,000 after allowing for depreciation of \$898,000. The current level of Net Current Assets of \$6,189,000 is sound given the size of the function and considering the fund has minimal debt and the condition of sewerage infrastructure assets in Special Schedule 7 (unaudited) is “good”.

FINANCIAL SUSTAINABILITY

During the year all councils have had an external assessment by NSW Treasury Corporation (“TCorp”) of their financial sustainability. TCorp has defined financial sustainability as follows:

“A local government will be financially sustainable over the long term when it is able to generate sufficient funds to provide the levels of service and infrastructure agreed with its community”

Based on TCorps assessment of Council’s financial results from 2009 to 2012, the unaudited Special Schedule 7, ten year financial forecasts and other factors (e.g. Population growth, workforce demographics and skills, environmental and natural disaster factors) it has assessed Councils financial sustainability as Moderate and its outlook as Negative.

It should be noted that the audit of the financial statements is an audit of Council at a point in time whereas the TCorp report evaluation is for the future sustainability of Council and:

- Did not take into account the financial results from 2013;
- It includes unaudited data from Special Schedule 7 as well as the ten year financial forecast; and
- Is based upon future data, which includes assumptions and judgements regarding the future operations of Council, including what revenue and expenses will be incurred in the future, as well as significant judgement with regard to other non-financial information.

Based on our review of the TCorp report, for Council to maintain its financial sustainability position it will need to consider the following:

- Monitor rating and user charge revenue increases in order to match or exceed future increases in operational expenditure;
- Continue to improve its asset management plans and processes in order to understand future infrastructure replacement and maintenance needs;
- Prudent use of borrowings to support long term infrastructure improvements;
- Continue to review its long term financial forecast modelling and assumptions in order to provide an accurate picture of long term financial issues; and
- Continued community consultation to identify acceptable service levels including acceptable condition of its infrastructure assets.

GENERAL

Reporting obligations under the Local Government Act

It is pleasing to report that Council’s systems and records have been well maintained during the year. The audited accounts are being submitted to the Division of Local Government before the legislated deadline of 31 October 2013.

We take this opportunity of thanking the General Manager and her staff for their co-operation and assistance during the course of the audit.



Under section 419 of the *Local Government Act 1993*, Council is required to give public notice of a Council meeting for the purpose of presenting the audited financial statements and the auditor's report. A Principal of this firm is available to attend this meeting to address any questions in respect of the audit report or the conduct of the audit.

Yours faithfully

FORSYTHS BUSINESS SERVICES PTY LTD

A handwritten signature in black ink, appearing to read 'Geoffrey W Allen', written over the printed name.

Geoffrey W Allen
Principal

Bellingen Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2013

Bellingen Shire - Naturally Magic



Bellingen Shire Council

Special Purpose Financial Statements

for the financial year ended 30 June 2013

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Income Statement - Sewerage Business Activity	4
Income Statement - Other Business Activities	n/a
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Background

(i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.

(ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

(iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and **(b)** those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

(iv) In preparing these financial statements for Council's self classified Category 1 businesses and ABS defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).

BELLINGEN SHIRE COUNCIL
SPECIAL PURPOSE FINANCIAL REPORTS

for the year ending 30 June 2013

**STATEMENT BY COUNCILLORS AND MANAGEMENT
MADE PURSUANT TO THE LOCAL GOVERNMENT CODE OF ACCOUNTING
PRACTICE AND FINANCIAL REPORTING**

The attached Special Purpose Financial Reports have been prepared in accordance with:

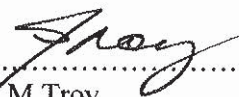
- NSW Government Policy Statement “Application of National Competition Policy to Local Government”.
- Department of Local Government Guidelines “Pricing and Costing for Council Business: A Guide to Competitive Neutrality”.
- The Local Government Code of Accounting Practice and Financial Reporting.
- The Department of Water and Energy Practice Management of Water Supply and Sewerage Guidelines.

To the best of our knowledge and belief, these Reports

- Present fairly the operating result and financial position for each of Council’s declared Business Activities for the year, and
- Accord with Council’s accounting and other records.

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

Signed in accordance with a resolution of Council made on 23 September 2013


.....
Cr M Troy
MAYOR


.....
Cr D Scott
COUNCILLOR


.....
Ms E Jeremy
GENERAL MANAGER


.....
Ms S Glasson
RESPONSIBLE ACCOUNTING OFFICER

Bellinghen Shire Council

Income Statement of Council's Water Supply Business Activity

for the financial year ended 30 June 2013

\$ '000	Actual 2013	Actual 2012
Income from continuing operations		
Access charges	537	487
User charges	1,607	1,447
Fees	-	26
Interest	332	566
Grants and contributions provided for non capital purposes	45	57
Profit from the sale of assets	-	-
Other income	37	15
Total income from continuing operations	2,558	2,598
Expenses from continuing operations		
Employee benefits and on-costs	998	992
Borrowing costs	-	-
Materials and contracts	234	216
Depreciation and impairment	722	796
Water purchase charges	-	-
Loss on sale of assets	-	-
Calculated taxation equivalents	54	54
Debt guarantee fee (if applicable)	-	-
Other expenses	287	221
Total expenses from continuing operations	2,295	2,279
Surplus (deficit) from Continuing Operations before capital amounts	263	319
Grants and contributions provided for capital purposes	35	256
Surplus (deficit) from Continuing Operations after capital amounts	298	575
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	298	575
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(79)	(96)
SURPLUS (DEFICIT) AFTER TAX	219	479
plus Opening Retained Profits	17,018	16,339
plus/less: Prior Period Adjustments	215	63
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	54	54
- Debt guarantee fees	-	-
- Corporate taxation equivalent	79	96
less:		
- Tax Equivalent Dividend paid	(13)	(13)
- Surplus dividend paid	-	-
Closing Retained Profits	17,572	17,018
Return on Capital %	0.6%	0.8%
Subsidy from Council	1,358	969
Calculation of dividend payable:		
Surplus (deficit) after tax	219	479
less: Capital grants and contributions (excluding developer contributions)	-	-
Surplus for dividend calculation purposes	219	479
Potential Dividend calculated from surplus	110	240

Bellingen Shire Council

Income Statement of Council's Sewerage Business Activity

for the financial year ended 30 June 2013

\$ '000	Actual 2013	Actual 2012
Income from continuing operations		
Access charges	2,318	1,926
User charges	48	18
Liquid Trade Waste charges	49	25
Fees	-	-
Interest	161	268
Grants and contributions provided for non capital purposes	39	40
Profit from the sale of assets	-	-
Other income	13	9
Total income from continuing operations	2,628	2,286
Expenses from continuing operations		
Employee benefits and on-costs	1,089	1,099
Borrowing costs	-	-
Materials and contracts	575	580
Depreciation and impairment	898	808
Loss on sale of assets	-	-
Calculated taxation equivalents	62	60
Debt guarantee fee (if applicable)	-	-
Other expenses	202	151
Total expenses from continuing operations	2,826	2,698
Surplus (deficit) from Continuing Operations before capital amounts	(198)	(412)
Grants and contributions provided for capital purposes	47	82
Surplus (deficit) from Continuing Operations after capital amounts	(151)	(330)
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	(151)	(330)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-
SURPLUS (DEFICIT) AFTER TAX	(151)	(330)
plus Opening Retained Profits	8,173	7,990
plus/less: Prior Period Adjustments	144	462
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	62	60
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	-
less:		
- Tax Equivalent Dividend paid	(9)	(9)
- Surplus dividend paid	-	-
Closing Retained Profits	8,219	8,173
Return on Capital %	-0.5%	-1.1%
Subsidy from Council	1,696	1,580
Calculation of dividend payable:		
Surplus (deficit) after tax	(151)	(330)
less: Capital grants and contributions (excluding developer contributions)	-	-
Surplus for dividend calculation purposes	-	-
Potential Dividend calculated from surplus	-	-

Bellinghen Shire Council

Statement of Financial Position - Council's Water Supply Business Activity

as at 30 June 2013

\$ '000	Actual 2013	Actual 2012
ASSETS		
Current Assets		
Cash and cash equivalents	4,886	7,139
Investments	8,500	5,500
Receivables	501	463
Inventories	18	21
Other	-	10
Non-current assets classified as held for sale	-	-
Total Current Assets	13,905	13,133
Non-Current Assets		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	42,995	42,511
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
Total non-Current Assets	42,995	42,511
TOTAL ASSETS	56,900	55,644
LIABILITIES		
Current Liabilities		
Bank Overdraft	-	-
Payables	21	68
Interest bearing liabilities	-	-
Provisions	-	-
Total Current Liabilities	21	68
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	21	68
NET ASSETS	56,879	55,576
EQUITY		
Retained earnings	17,572	17,018
Revaluation reserves	39,307	38,558
Council equity interest	56,879	55,576
Non-controlling interest	-	-
TOTAL EQUITY	56,879	55,576

Bellingen Shire Council

Statement of Financial Position - Council's Sewerage Business Activity

as at 30 June 2013

\$ '000	Actual 2013	Actual 2012
ASSETS		
Current Assets		
Cash and cash equivalents	3,413	3,748
Investments	2,500	2,500
Receivables	334	292
Inventories	-	-
Other	-	3
Non-current assets classified as held for sale	-	-
Total Current Assets	6,247	6,543
Non-Current Assets		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	39,726	38,540
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
Total non-Current Assets	39,726	38,540
TOTAL ASSETS	45,973	45,083
LIABILITIES		
Current Liabilities		
Bank Overdraft	-	-
Payables	58	55
Interest bearing liabilities	-	-
Provisions	-	-
Total Current Liabilities	58	55
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	58	55
NET ASSETS	45,915	45,028
EQUITY		
Retained earnings	8,219	8,173
Revaluation reserves	37,696	36,855
Council equity interest	45,915	45,028
Non-controlling equity interest	-	-
TOTAL EQUITY	45,915	45,028

Bellingen Shire Council

Special Purpose Financial Statements for the financial year ended 30 June 2013

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2	Water Supply Business Best Practice Management disclosure requirements	11
3	Sewerage Business Best Practice Management disclosure requirements	13

Bellingen Shire Council

Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2013

Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Division of Local Government.

For the purposes of these statements, the Council is not a reporting not-for-profit entity.

The figures presented in these special purpose financial statements, unless otherwise stated, have been prepared in accordance with:

- the recognition and measurement criteria of relevant Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB) &
- Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with:

- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 Government Policy statement on the "Application of National Competition Policy to Local Government".

The "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality" issued by the Division of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Bellingen Shire Council Water Supply

Comprising the whole of the operations and assets of the water supply systems servicing the towns of Bellingen, Urunga, Repton, Mylestom and Dorrigo.

b. Bellingen Shire Council Sewerage Service

Comprising the whole of the operations and assets of the sewerage reticulation and treatment system servicing the towns of Bellingen, Urunga and Dorrigo.

Category 2

(where gross operating turnover is less than \$2 million)

Nil

Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars, with the exception of some figures disclosed in Note 2 (Water Supply Best Practice Management Disclosures) and Note 3 (Sewerage Best Practice Management Disclosures).

As required by the NSW Office of Water (Department of Primary Industries) the amounts shown in Notes 2 and Note 3 are disclosed in whole dollars.

Bellinghen Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2013

Note 1. Significant Accounting Policies

(i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all council nominated business activities (this does not include council's non-business activities):

Notional Rate Applied %

Corporate Income Tax Rate – 30%

Land Tax – The first **\$406,000** of combined land values attracts **0%**. From \$406,001 to \$2,482,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$2,482,000, a premium marginal rate of **2.0%** applies.

Payroll Tax – **5.45%** on the value of taxable salaries and wages in excess of \$689,000.

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from Water Supply and Sewerage Business activities.

The payment of taxation equivalent charges, referred in the Best Practice Management of Water Supply and Sewerage Guides to as a “Dividend for Taxation equivalent”, may be applied for any purpose allowed under the Local Government Act, 1993.

Achievement of substantial compliance against the guidelines for Best Practice Management of Water Supply and Sewerage is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income Tax

An income tax equivalent has been applied on the profits of each reported Business Activity.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved.

Since this taxation equivalent is notional - that is, it is payable to the “Council” as the owner of business operations, it represents an internal payment and has no effect on the operations of the council. Accordingly, there is no need for disclosure of internal charges in Council's General Purpose Financial Statements.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

Local Government Rates & Charges

A calculation of the equivalent rates and charges payable on all Category 1 businesses has been applied to all land assets owned or exclusively used by the Business Activity.

Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face “true” commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council's borrowing rate for its business activities.

Bellingen Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2013

Note 1. Significant Accounting Policies

(ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations.

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported Business Activity.

(iii) Return on Investments (Rate of Return)

The Policy statement requires that councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field".

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The Rate of Return on Capital is calculated as follows:

Operating Result before Capital Income + Interest Expense

Written Down Value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.77% at 30/6/13.

The actual rate of return achieved by each Business Activity is disclosed at the foot of each respective Income Statement.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local Government Water Supply and Sewerage Businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

The dividend, calculated and approved in accordance with the Best Practice Management Guidelines, must not exceed either:

- (i) 50% of this surplus in any one year, or
- (ii) the number of water supply or sewerage assessments at 30 June 2013 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the NSW Office of Water prior to making the dividend and only after it has approved the payment.

Bellingen Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2013

Note 2. Water Supply Business Best Practice Management disclosure requirements

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

2013

1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	54,000
(ii)	No of assessments multiplied by \$3/assessment	12,603
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	12,603
(iv)	Amounts actually paid for Tax Equivalents	12,603

2. Dividend from Surplus

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	109,550
(ii)	No. of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	113,427
(iii)	Cumulative surplus before Dividends for the 3 years to 30 June 2013, less the cumulative dividends paid for the 2 years to 30 June 2012 & 30 June 2011	1,187,600

2013 Surplus	219,100	2012 Surplus	479,300	2011 Surplus	489,200
		2012 Dividend	-	2011 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	109,550
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-

3. Required outcomes for 6 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i)	Completion of Strategic Business Plan (including Financial Plan)	YES
(ii)	Full Cost Recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
	- Complying charges [Item 2(b) in Table 1]	YES
	- DSP with Commercial Developer Charges [Item 2(e) in Table 1]	YES
	- If Dual Water Supplies, Complying Charges [Item 2(g) in Table 1]	YES
(iii)	Sound Water Conservation and Demand Management implemented	YES
(iv)	Sound Drought Management implemented	YES
(v)	Complete Performance Reporting Form (by 15 September each year)	YES
(vi)	a. Integrated Water Cycle Management Evaluation	YES
	b. Complete and implement Integrated Water Cycle Management Strategy	YES

Bellingen Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2013

Note 2. Water Supply Business Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2013

National Water Initiative (NWI) Financial Performance Indicators

NWI F1	Total Revenue (Water) Total Income (w13) - Grants for the Acquisition of Assets (w11a) - Interest Income (w9) - Aboriginal Communities W&S Program Income (w10a)	\$'000	2,269
NWI F4	Revenue from Residential Usage Charges (Water) Income from Residential Usage Charges (w6b) x 100 divided by the sum of [Income from Residential Usage Charges (w6a) + Income from Residential Access Charges (w6b)]	%	74.95%
NWI F9	Written Down Replacement Cost of Fixed Assets (Water) Written down current cost of system assets (w47)	\$'000	42,874
NWI F11	Operating Cost (OMA) (Water) Management Expenses (w1) + Operational & Maintenance Expenses (w2)	\$'000	1,422
NWI F14	Capital Expenditure (Water) Acquisition of fixed assets (w16)	\$'000	350
NWI F17	Economic Real Rate of Return (Water) [Total Income (w13) - Interest Income (w9) - Grants for acquisition of assets (w11a) - Operating Costs (NWI F11) - Current Cost Depreciation (w3)] x 100 divided by [Written Down Current Cost of System Assets (w47) + Plant & Equipment (w33b)]	%	0.29%
NWI F26	Capital Works Grants (Water) Grants for the Acquisition of Assets (w11a)	\$'000	-

- Notes:
1. References to w (eg. w12) refer to item numbers within Special Schedules No. 3 & 4 of Council's Annual Financial Statements.
 2. The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

Bellinghen Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2013

Note 3. Sewerage Business Best Practice Management disclosure requirements

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

2013

1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	62,000
(ii)	No of assessments multiplied by \$3/assessment	9,264
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	9,264
(iv)	Amounts actually paid for Tax Equivalents	9,264

2. Dividend from Surplus

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	-
(ii)	No. of assessments x (\$30 less tax equivalent charges per assessment)	83,376
(iii)	Cumulative surplus before dividends for the 3 years to 30 June 2013, less the cumulative dividends paid for the 2 years to 30 June 2012 & 30 June 2011	(855,000)

2013 Surplus	(151,000)	2012 Surplus	(330,000)	2011 Surplus	(374,000)
		2012 Dividend	-	2011 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	n/a
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	-

3. Required outcomes for 4 Criteria

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i)	Completion of Strategic Business Plan (including Financial Plan)	YES
(ii)	Pricing with full cost-recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
	Complying charges	
	(a) Residential [Item 2(c) in Table 1]	YES
	(b) Non Residential [Item 2(c) in Table 1]	YES
	(c) Trade Waste [Item 2(d) in Table 1]	YES
	DSP with Commercial Developer Charges [Item 2(e) in Table 1]	YES
	Liquid Trade Waste Approvals & Policy [Item 2(f) in Table 1]	YES
(iii)	Complete Performance Reporting Form (by 15 September each year)	YES
(iv)	a. Integrated Water Cycle Management Evaluation	YES
	b. Complete and implement Integrated Water Cycle Management Strategy	YES

Bellingen Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2013

Note 3. Sewerage Business Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2013

National Water Initiative (NWI) Financial Performance Indicators

NWI F2	Total Revenue (Sewerage) Total Income (s14) - Grants for Acquisition of Assets (s12a) - Interest Income (s10) - Aboriginal Communities W&S Program Income (w10a)	\$'000	2,514
NWI F10	Written Down Replacement Cost of Fixed Assets (Sewerage) Written down current cost of system assets (s48)	\$'000	39,325
NWI F12	Operating Cost (Sewerage) Management Expenses (s1) + Operational & Maintenance Expenses (s2)	\$'000	1,770
NWI F15	Capital Expenditure (Sewerage) Acquisition of Fixed Assets (s17)	\$'000	600
NWI F18	Economic Real Rate of Return (Sewerage) [Total Income (s14) - Interest Income (s10) - Grants for acquisition of Assets (s12a) - Operating cost (NWI F12) - Current cost depreciation (s3)] x 100 divided by [Written down current cost (ie. WDCC) of System Assets (s48) + Plant & Equipment (s34b)]	%	-0.39%
NWI F27	Capital Works Grants (Sewerage) Grants for the Acquisition of Assets (12a)	\$'000	-

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

NWI F3	Total Income (Water & Sewerage) Total Income (w13 + s14) + Gain/Loss on disposal of assets (w14 + s15) minus Grants for acquisition of assets (w11a + s12a) - Interest Income (w9 + s10)	\$'000	4,783
NWI F8	Revenue from Community Service Obligations (Water & Sewerage) Community Service Obligations (NWI F25) x 100 divided by Total Income (NWI F3)	%	1.63%
NWI F16	Capital Expenditure (Water & Sewerage) Acquisition of Fixed Assets (w16 + s17)	\$'000	950
NWI F19	Economic Real Rate of Return (Water & Sewerage) [Total Income (w13 + s14) - Interest Income (w9 + s10) - Grants for acquisition of assets (w11a + s12a) - Operating Cost (NWI F11 + NWI F12) - Current cost depreciation (w3 + s3)] x 100 divided by [Written down replacement cost of fixed assets (NWI F9 + NWI F10) + Plant & equipment (w33b + s34b)]	%	-0.04%
NWI F20	Dividend (Water & Sewerage) Dividend paid from surplus (2(v) of Note 2 + 2(v) of Note 3)	\$'000	-
NWI F21	Dividend Payout Ratio (Water & Sewerage) Dividend (NWI F20) x 100 divided by Net Profit after tax (NWI F24)	%	0.00%

Bellingen Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2013

Note 3. Sewerage Business Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2013

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

NWI F22	Net Debt to Equity (Water & Sewerage) Overdraft (w36 + s37) + Borrowings (w38 + s39) - Cash & Investments (w30 + s31) x 100 divided by [Total Assets (w35 + s36) - Total Liabilities (w40 + s41)]	%	-18.77%
NWI F23	Interest Cover (Water & Sewerage) Earnings before Interest & Tax (EBIT) divided by Net Interest		-
	Earnings before Interest & Tax (EBIT):		29
	Operating Result (w15a + s16a) + Interest expense (w4a + s4a) - Interest Income (w9 + s10) - Gain/Loss on disposal of assets (w14 + s15) + Miscellaneous Expenses (w4b + w4c + s4b + s4c)		
	Net Interest:		485
	Interest Expense (w4a + s4a) - Interest Income (w9 + s10)		
NWI F24	Net Profit After Tax (Water & Sewerage) Surplus before dividends (w15a + s16a) - Tax equivalents paid (Note 2-1(iv) + Note 3-1(iv))	\$'000	241
NWI F25	Community Service Obligations (Water & Sewerage) Grants for Pensioner Rebates (w11b + s12b)	\$'000	78

- Notes:
- References to w (eg. s12) refer to item numbers within Special Schedules No. 5 & 6 of Council's Annual Financial Statements.
 - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

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INDEPENDENT AUDIT REPORT
Report on the special purpose financial statements

To Bellingen Shire Council

SCOPE

We have audited the special purpose financial statements of Bellingen Shire Council for the year ended 30th June 2013 comprising the Statement by Councillors and Management, Income Statement of Business Activities, Balance Sheet by Business Activities, and Note 1 to the Financial Statements. The financial statements include the financial results of the business activities of the Council and the entities it controlled at the year's end or from time to time during the year.

Councils' responsibility for the financial statements

The Council is responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements, are appropriate to meet the requirements of the Division of Local Government and Council. The Councils' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the Council or the Division of Local Government. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

Knowledge with integrity

Liability limited by a scheme approved under the Professional Standards Legislation

page 16

The special purpose financial statements have been prepared for distribution to the Council and the Division of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Council or the Division of Local Government or for any purpose other than for which the report was prepared.

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

INDEPENDENCE

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

AUDIT OPINION

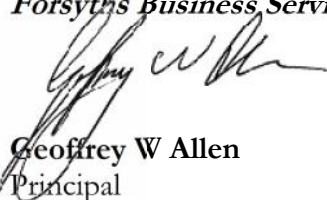
In our opinion, the Special Purpose Financial Statements of Bellingen Shire Council for the year ended 30th June 2013 are presented fairly, in all material respects, in accordance with the requirements of those applicable Accounting Standards detailed in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting.

BASIS OF ACCOUNTING

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describe the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the financial reporting requirements of the Division of Local Government. As a result, the financial statements may not be suitable for another purpose.

Forsyth's

Forsyth's Business Services Pty Ltd



Geoffrey W Allen
Principal

1st November 2013
92 Rusden Street Armidale

Bellingen Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2013

Bellingen Shire - Naturally Magic



Bellingen Shire Council

Special Schedules

for the financial year ended 30 June 2013

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¹ Special Purpose Schedules are not audited.

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water,
 - the Department of Environment, Climate Change and Water, and
 - the Division of Local Government (DLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Bellingen Shire Council

Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2013

\$'000

Function or Activity	Expenses from. Continuing. Operations.	Income from continuing operations		Net Cost. of Services.
		Non Capital.	Capital.	
Governance	248	-	-	(248)
Administration	5,440	646	(13)	(4,807)
Public Order and Safety				
Fire Service Levy, Fire Protection, Emergency Services	1,058	405	1,014	361
Beach Control	148	-	-	(148)
Enforcement of Local Govt. Regulations	-	1	-	1
Animal Control	92	13	-	(79)
Other	72	19	-	(53)
Total Public Order & Safety	1,370	438	1,014	82
Health	420	21	-	(399)
Environment				
Noxious Plants and Insect/Vermin Control	174	52	-	(122)
Other Environmental Protection	541	273	118	(150)
Solid Waste Management	2,589	3,009	-	420
Street Cleaning	208	-	-	(208)
Drainage	-	-	-	-
Stormwater Management	250	1	-	(249)
Total Environment	3,762	3,335	118	(309)
Community Services and Education				
Administration & Education	222	53	33	(136)
Social Protection (Welfare)	-	-	-	-
Aged Persons and Disabled	261	276	-	15
Children's Services	148	-	-	(148)
Total Community Services & Education	631	329	33	(269)
Housing and Community Amenities				
Public Cemeteries	48	41	-	(7)
Public Conveniences	313	-	-	(313)
Street Lighting	114	9	-	(105)
Town Planning	1,030	176	-	(854)
Other Community Amenities	7	-	-	(7)
Total Housing and Community Amenities	1,512	226	-	(1,286)
Water Supplies	1,616	2,486	35	905
Sewerage Services	2,319	2,573	47	301

Bellingen Shire Council

Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2013

\$'000

Function or Activity	Expenses from Continuing Operations.	Income from continuing operations		Net Cost. of Services.
		Non Capital.	Capital.	
Recreation and Culture				
Public Libraries	585	72	-	(513)
Museums	20	-	-	(20)
Art Galleries	-	-	-	-
Community Centres and Halls	176	1	12	(163)
Performing Arts Venues	-	-	-	-
Other Performing Arts	-	-	-	-
Other Cultural Services	5	-	-	(5)
Sporting Grounds and Venues	-	-	-	-
Swimming Pools	262	1	5	(256)
Parks & Gardens (Lakes)	905	14	-	(891)
Other Sport and Recreation	-	-	-	-
Total Recreation and Culture	1,953	88	17	(1,848)
Fuel & Energy	-	-	-	-
Agriculture	-	-	-	-
Mining, Manufacturing and Construction				
Building Control	144	72	-	(72)
Other Mining, Manufacturing & Construction	27	-	-	(27)
Total Mining, Manufacturing and Const.	171	72	-	(99)
Transport and Communication				
Urban Roads (UR) - Local	1,555	-	12	(1,543)
Urban Roads - Regional	-	-	-	-
Sealed Rural Roads (SRR) - Local	2,845	2,210	72	(563)
Sealed Rural Roads (SRR) - Regional	743	469	5	(269)
Unsealed Rural Roads (URR) - Local	1,781	-	-	(1,781)
Unsealed Rural Roads (URR) - Regional	26	-	-	(26)
Bridges on UR - Local	91	4	-	(87)
Bridges on SRR - Local	472	-	-	(472)
Bridges on URR - Local	246	-	-	(246)
Bridges on Regional Roads	155	-	54	(101)
Parking Areas	15	-	26	11
Footpaths	12	-	129	117
Aerodromes	-	-	-	-
Other Transport & Communication	4,401	4,336	-	(65)
Total Transport and Communication	12,342	7,019	298	(5,025)
Economic Affairs				
Camping Areas & Caravan Parks	8	23	-	15
Other Economic Affairs	334	773	-	439
Total Economic Affairs	342	796	-	454
Totals – Functions	32,126	18,029	1,549	(12,548)
General Purpose Revenues⁽²⁾		9,940		9,940
Share of interests - joint ventures & associates using the equity method	-	-		-
NET OPERATING RESULT⁽¹⁾	32,126	27,969	1,549	(2,608)

(1) As reported in the Income Statement

(2) Includes: Rates & Annual Charges (incl. Ex Gratia, excl. Water & Sewer), Non Capital General Purpose Grants, Interest on Investments (excl. Ext. Restricted Assets) & Interest on overdue Rates & Annual Charges

Bellingen Shire Council

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

for the financial year ended 30 June 2013

\$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
Loans (by Source)											
Commonwealth Government	-	-	-	-	-	-	-	-	-	-	-
Treasury Corporation	-	-	-	-	-	-	-	-	-	-	-
Other State Government	-	-	-	-	-	-	-	-	-	-	-
Public Subscription	-	-	-	-	-	-	-	-	-	-	-
Financial Institutions	147	5,087	5,234	-	148	-	-	454	161	4,925	5,086
Other	-	-	-	-	-	-	-	-	-	-	-
Total Loans	147	5,087	5,234	-	148	-	-	454	161	4,925	5,086
Other Long Term Debt											
Ratepayers Advances	-	-	-	-	-	-	-	-	-	-	-
Government Advances	-	-	-	-	-	-	-	-	-	-	-
Finance Leases	-	-	-	-	-	-	-	-	-	-	-
Deferred Payments	-	-	-	-	-	-	-	-	-	-	-
Total Long Term Debt	-	-	-	-	-	-	-	-	-	-	-
Total Debt	147	5,087	5,234	-	148	-	-	454	161	4,925	5,086

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

This Schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

Bellingen Shire Council

Special Schedule No. 3 - Water Supply Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
A Expenses and Income		
Expenses		
1. Management expenses		
a. Administration	592	523
b. Engineering and Supervision	235	252
2. Operation and Maintenance expenses		
- Dams & Weirs		
a. Operation expenses	-	-
b. Maintenance expenses	-	-
- Mains		
c. Operation expenses	64	58
d. Maintenance expenses	80	68
- Reservoirs		
e. Operation expenses	14	7
f. Maintenance expenses	26	5
- Pumping Stations		
g. Operation expenses (excluding energy costs)	2	5
h. Energy costs	158	148
i. Maintenance expenses	86	17
- Treatment		
j. Operation expenses (excluding chemical costs)	67	147
k. Chemical costs	34	34
l. Maintenance expenses	31	69
- Other		
m. Operation expenses	4	4
n. Maintenance expenses	29	28
o. Purchase of water	-	-
3. Depreciation expenses		
a. System assets	722	660
b. Plant and equipment	-	136
4. Miscellaneous expenses		
a. Interest expenses	-	-
b. Revaluation Decrements	-	-
c. Other expenses	84	65
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalents Dividends (actually paid)	13	13
5. Total expenses	2,241	2,239

Bellingen Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
Income		
6. Residential charges		
a. Access (including rates)	537	487
b. Usage charges	1,607	1,447
7. Non-residential charges		
a. Access (including rates)	-	-
b. Usage charges	-	-
8. Extra charges	8	6
9. Interest income	324	560
10. Other income	36	42
10a. Aboriginal Communities Water and Sewerage Program	-	-
11. Grants		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	39	52
c. Other grants	7	5
12. Contributions		
a. Developer charges	35	256
b. Developer provided assets	-	-
c. Other contributions	-	-
13. Total income	2,593	2,855
14. Gain (or loss) on disposal of assets	-	-
15. Operating Result	352	616
15a. Operating Result (less grants for acquisition of assets)	352	616

Bellingen Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
B Capital transactions		
Non-operating expenditures		
16. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	141	6
b. New Assets for Growth	46	78
c. Renewals	122	171
d. Plant and equipment	41	-
17. Repayment of debt		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
18. Transfer to sinking fund	-	-
19. Totals	350	255
Non-operating funds employed		
20. Proceeds from disposal of assets	-	-
21. Borrowing utilised		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
22. Transfer from sinking fund	-	-
23. Totals	-	-
C Rates and charges		
24. Number of assessments		
a. Residential (occupied)	3,738	3,747
b. Residential (unoccupied, ie. vacant lot)	92	165
c. Non-residential (occupied)	352	372
d. Non-residential (unoccupied, ie. vacant lot)	19	22
25. Number of ETs for which developer charges were received	5 ET	10 ET
26. Total amount of pensioner rebates (actual dollars)	\$ 93,679	\$ 95,381

Bellingen Shire Council

Special Schedule No. 3 - Water Supply Cross Subsidies for the financial year ended 30 June 2013

\$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
27. Annual charges			
a. Does Council have best-practice water supply annual charges and usage charges*?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
If Yes, go to 28a. If No, please report if council has removed land value from access charges (ie rates)?	<input type="checkbox"/>	<input type="checkbox"/>	
NB. Such charges for both residential customers and non-residential customers comply with section 3.2 of Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy from residential customers using less than allowance (page 25 of Guidelines)			<input type="text"/>
c. Cross-subsidy to non-residential customers (page 24 of Guidelines)			<input type="text"/>
d. Cross-subsidy to large connections in unmetered supplies (page 26 of Guidelines)			<input type="text"/>
28. Developer charges			
a. Has council completed a water supply Development Servicing** Plan?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
b. Total cross-subsidy in water supply developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
29. Disclosure of cross-subsidies			
Total of cross-subsidies (27b +27c + 27d + 28b)			<input type="text" value="-"/>
* Councils which have not yet implemented best practice water supply pricing should disclose cross-subsidies in items 27b, 27c and 27d above.			
However, disclosure of cross-subsidies is not required where a Council has implemented best practice pricing and is phasing in such pricing over a period of 3 years.			

Bellingen Shire Council

Special Schedule No. 4 - Water Supply Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2013

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
30. Cash and investments			
a. Developer charges	4,081	-	4,081
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	9,305	-	9,305
31. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	47	-	47
c. User Charges	-	-	-
d. Other	454	-	454
32. Inventories	18	-	18
33. Property, plant and equipment			
a. System assets	-	42,874	42,874
b. Plant and equipment	-	121	121
34. Other assets	-	-	-
35. Total assets	13,905	42,995	56,900
LIABILITIES			
36. Bank overdraft	-	-	-
37. Creditors	21	-	21
38. Borrowings			
a. Loans	-	-	-
b. Advances	-	-	-
c. Finance leases	-	-	-
39. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
40. Total liabilities	21	-	21
41. NET ASSETS COMMITTED	13,884	42,995	56,879
EQUITY			
42. Accumulated surplus			17,572
43. Asset revaluation reserve			39,307
44. TOTAL EQUITY			56,879
Note to system assets:			
45. Current replacement cost of system assets			54,728
46. Accumulated current cost depreciation of system assets			(11,854)
47. Written down current cost of system assets			42,874

Bellingen Shire Council

Special Schedule No. 5 - Sewerage Service Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
A Expenses and Income		
Expenses		
1. Management expenses		
a. Administration	442	395
b. Engineering and Supervision	146	146
2. Operation and Maintenance expenses		
- Mains		
a. Operation expenses	34	32
b. Maintenance expenses	131	107
- Pumping Stations		
c. Operation expenses (excluding energy costs)	45	84
d. Energy costs	72	68
e. Maintenance expenses	162	119
- Treatment		
f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	153	264
g. Chemical costs	58	43
h. Energy costs	101	73
i. Effluent Management	12	27
j. Biosolids Management	151	210
k. Maintenance expenses	223	195
- Other		
l. Operation expenses	32	9
m. Maintenance expenses	8	10
3. Depreciation expenses		
a. System assets	898	752
b. Plant and equipment	-	56
4. Miscellaneous expenses		
a. Interest expenses	-	-
b. Revaluation Decrements	-	-
c. Other expenses	87	49
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalent Dividends (actually paid)	9	9
5. Total expenses	2,764	2,648

Bellingen Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
Income		
6. Residential charges (including rates)	2,194	1,804
7. Non-residential charges		
a. Access (including rates)	-	-
b. Usage charges	122	124
8. Trade Waste Charges		
a. Annual Fees	29	24
b. Usage charges	49	25
c. Excess mass charges	-	-
d. Re-inspection fees	-	-
9. Extra charges	-	-
10. Interest income	161	268
11. Other income	34	2
11a. Aboriginal Communities Water & Sewerage Program	-	-
12. Grants		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	39	40
c. Other grants	-	-
13. Contributions		
a. Developer charges	47	82
b. Developer provided assets	-	-
c. Other contributions	-	-
14. Total income	<u>2,675</u>	<u>2,369</u>
15. Gain (or loss) on disposal of assets	-	-
16. Operating Result	<u>(89)</u>	<u>(279)</u>
16a. Operating Result (less grants for acquisition of assets)	(89)	(279)

Bellingen Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
B Capital transactions		
Non-operating expenditures		
17. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	419	-
b. New Assets for Growth	46	169
c. Renewals	84	239
d. Plant and equipment	51	-
18. Repayment of debt		
a. Loans	-	11
b. Advances	-	-
c. Finance leases	-	-
19. Transfer to sinking fund	-	-
20. Totals	600	419
Non-operating funds employed		
21. Proceeds from disposal of assets	-	-
22. Borrowing utilised		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
23. Transfer from sinking fund	-	-
24. Totals	-	-
C Rates and charges		
25. Number of assessments		
a. Residential (occupied)	2,778	2,763
b. Residential (unoccupied, ie. vacant lot)	62	93
c. Non-residential (occupied)	241	304
d. Non-residential (unoccupied, ie. vacant lot)	7	10
26. Number of ETs for which developer charges were received	6 ET	8 ET
27. Total amount of pensioner rebates (actual dollars)	\$ 72,440	\$ 73,612

Bellingen Shire Council

Special Schedule No. 5 - Sewerage Cross Subsidies
for the financial year ended 30 June 2013

\$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
28. Annual charges			
a. Does Council have best-practice sewerage annual charges, usage charges and trade waste fees & charges*?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
If Yes, go to 29a.			
If No, please report if council has removed land value from access charges (ie rates)?	<input type="checkbox"/>	<input type="checkbox"/>	
NB. Such charges for both residential customers and non-residential customers comply with section 4.2 & 4.3 of the Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy to non-residential customers (page 45 of Guidelines)			<input type="text"/>
c. Cross-subsidy to trade waste discharges (page 46 of Guidelines)			<input type="text"/>
29. Developer charges			
a. Has council completed a sewerage Development Servicing** Plan?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
b. Total cross-subsidy in sewerage developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
30. Disclosure of cross-subsidies			
Total of cross-subsidies (28b + 28c + 29b)			<input type="text" value="-"/>

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

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice sewerage and liquid waste pricing and is phasing in such pricing over a period of 3 years.

Bellingen Shire Council

Special Schedule No. 6 - Sewerage Service Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2013

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
31. Cash and investments			
a. Developer charges	2,448	-	2,448
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	3,464	-	3,464
32. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	176	-	176
c. User Charges	47	-	47
d. Other	112	-	112
33. Inventories	-	-	-
34. Property, plant and equipment			
a. System assets	-	39,325	39,325
b. Plant and equipment	-	401	401
35. Other assets	-	-	-
36. Total Assets	6,247	39,726	45,973
LIABILITIES			
37. Bank overdraft	-	-	-
38. Creditors	58	-	58
39. Borrowings			
a. Loans	-	-	-
b. Advances	-	-	-
c. Finance leases	-	-	-
40. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
41. Total Liabilities	58	-	58
42. NET ASSETS COMMITTED	6,189	39,726	45,915
EQUITY			
42. Accumulated surplus			8,219
44. Asset revaluation reserve			37,696
45. TOTAL EQUITY			45,915
Note to system assets:			
46. Current replacement cost of system assets			54,283
47. Accumulated current cost depreciation of system assets			(14,958)
48. Written down current cost of system assets			39,325

Bellingen Shire Council

Notes to Special Schedule No.'s 3 & 5

for the financial year ended 30 June 2013

Administration ⁽¹⁾

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Meter reading.
- Bad and doubtful debts.
- Other administrative/corporate support services.

Engineering and supervision ⁽¹⁾

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Other technical and supervision staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.

Operational expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

Maintenance expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

Other expenses (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

Impairment Losses (item 4d & 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

Aboriginal Communities Water and Sewerage Program (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and sewerage revenue.

Residential charges ⁽²⁾ (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a Access Charges (including rates if applicable) and 6b Usage Charges.

Non-residential charges ⁽²⁾ (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a Access Charges (including rates if applicable) and 7b Usage Charges.

Trade waste charges (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a Annual Fees, 8b Usage Charges and 8c Excess Mass Charges and 8d Re-inspection Fees.

Other income (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

Other contributions (items 12c and 13c of Special Schedules 3 and 5 respectively) incl. capital contributions for water supply or sewerage services received by Council under Section 565 of the Local Government Act.

Notes:

⁽¹⁾ Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

⁽²⁾ To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

Bellingen Shire Council

Special Schedule No. 8 - Financial Projections

as at 30 June 2013

\$'000	Actual ⁽¹⁾ 12/13	Forecast ⁽³⁾ 13/14	Forecast ⁽³⁾ 14/15	Forecast ⁽³⁾ 15/16	Forecast ⁽³⁾ 16/17	Forecast ⁽³⁾ 17/18	Forecast ⁽³⁾ 18/19	Forecast ⁽³⁾ 19/20	Forecast ⁽³⁾ 20/21	Forecast ⁽³⁾ 21/22	Forecast ⁽³⁾ 22/23
(i) OPERATING BUDGET											
Income from continuing operations	29,518	21,535	22,203	22,745	23,622	24,147	24,816	25,416	26,129	26,770	27,522
Expenses from continuing operations	32,126	28,841	29,057	29,175	29,609	30,030	30,724	31,264	32,056	32,474	33,151
Operating Result from Continuing Operations	<u>(2,608)</u>	<u>(7,306)</u>	<u>(6,854)</u>	<u>(6,430)</u>	<u>(5,987)</u>	<u>(5,883)</u>	<u>(5,908)</u>	<u>(5,848)</u>	<u>(5,927)</u>	<u>(5,704)</u>	<u>(5,629)</u>
(ii) CAPITAL BUDGET											
New Capital Works ⁽²⁾	1,044	567	579	735	1,021	771	850	2,970	1,511	470	470
Replacement/Refurbishment of Existing Assets	7,015	3,285	2,985	2,315	2,500	2,667	3,112	4,628	2,844	2,751	2,153
Total Capital Budget	<u>8,059</u>	<u>3,852</u>	<u>3,564</u>	<u>3,050</u>	<u>3,521</u>	<u>3,438</u>	<u>3,962</u>	<u>7,598</u>	<u>4,355</u>	<u>3,221</u>	<u>2,623</u>
Funded by:											
– Loans	-	-	-	-	-	-	-	-	-	-	-
– Asset sales	390	463	792	291	572	456	790	470	782	406	250
– Reserves	2,431	1,393	231	336	43	44	169	3,289	376	-	-
– Grants/Contributions	4,082	852	1,082	722	790	790	790	790	790	790	790
– Recurrent revenue	1,156	1,144	1,459	1,701	2,116	2,148	2,213	3,049	2,407	2,025	1,583
– Other	-	-	-	-	-	-	-	-	-	-	-
	<u>8,059</u>	<u>3,852</u>	<u>3,564</u>	<u>3,050</u>	<u>3,521</u>	<u>3,438</u>	<u>3,962</u>	<u>7,598</u>	<u>4,355</u>	<u>3,221</u>	<u>2,623</u>

Notes:

(1) From 12/13 Income Statement.

(2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.

(3) Financial projections should be in accordance with Council's Integrated Planning and Reporting framework.