

Bogan
SHIRE

Annual Report 2013/2014



Comfortable Country Living

Adopted
27 November 2014



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About Bogan Shire

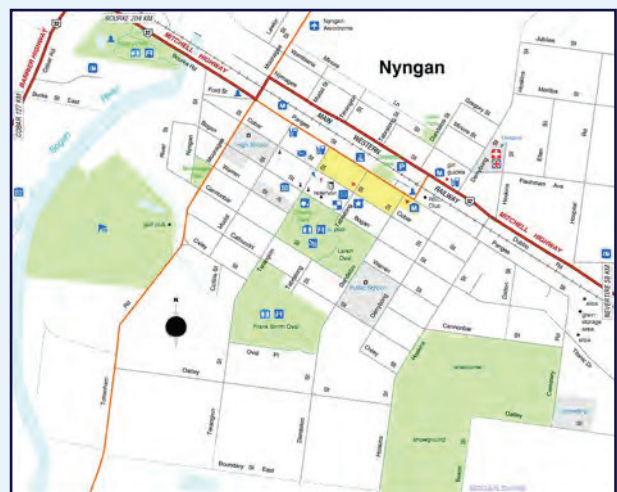
Bogan Shire, situated in Western New South Wales, has an area of 14,610 square kilometres, equivalent to about 1.8% of the State's land surface. The geographical centre of the State lies within the Shire boundaries. The Shire has an estimated population of 2900. Nyngan, the Shire's Administrative Centre, is located on the Bogan River at the junction of the Mitchell and Barrier Highways - an ideal rest point for the weary traveller.

There is an abundance of productive agricultural land for sheep and cattle production and large scale cropping enterprises. Nyngan's farmers are highly competitive on local and international markets and the large quantity of agricultural produce is conducive to the development of value adding industries and marketing ventures.

Nyngan offers warm hospitality and all the facilities of a modern rural township. Three Motels, two Caravan Parks and Hotels provide a choice of accommodation options. Three licensed Clubs cater for entertainment and relaxation. The town also boasts a selection of cafes, restaurants and take-away food outlets for dining.

The Bogan Shire has 1 high school, four primary schools, 1 pre-school, a mobile pre-school, and a TAFE Campus. Nyngan's medical needs are catered for by the new Nyngan Health Service (Multi-purpose Health Centre which incorporates a nursing home complex) and a network of health professionals including two doctors.

The recreational and sporting facilities in Nyngan are excellent and include facilities for bowls, golf, tennis, dancing, swimming, rugby union, rugby league, touch football, cricket, netball, fishing, boating, canoeing, water-skiing, soccer, little athletics and pony club. Whether you are looking for an outback experience or a place to escape the hectic pace of the city life, we hope that a visit to the Bogan Shire will show you what real *"Comfortable Country Living"* is all about.



General Manager's Message

During the year under review, Bogan Shire Councillors and staff continued the partnership with our community to maintain and improve our standard of “Comfortable Country Living” for the Shire.

As a basis for this partnership, Council undertook a “values refresh” exercise during the year and committed to seven key corporate values that guide our thinking, actions and decision making – these are set out on page 10. Councillors and management are committed to demonstrating these values in leading by example.

In conjunction with Cobar Shire Council, we presented a business case to the NSW Government for funding for a large water storage facility at Nyngan intended to provide increased water security for both Nyngan and Cobar. This application was successful and we have been advised that the government has allocated \$10 Million to the project. Design and construction will take place between 2014 and 2016.

In January 2014, the NSW Government released the final report of the NSW Independent Local Government Review Panel which recommended that Bogan Shire Council become a “Rural Council” or merge with Warren Shire Council. In response, Council took a resolution expressing its policy position, key points of which are as follows:

- I. Bogan Shire Council has a proud record of financial sustainability and service delivery to our community over many years, including periods of severe flood and drought.
- II. The Shire’s population size sustains a functioning community and Local Government in an attractive environment and there is no reason to suggest that this will change over the medium / long term.
- III. Bogan Shire Council is financially viable, with no significant borrowings and has, over several years, achieved a balanced budget based on positive cash flows, whilst making substantial contributions to asset creation and maintenance.
- IV. Council continues to participate in the Orana Region of Councils group to share resources and expertise across our region.
- V. Council rejects the recommendation that this Council becomes a Rural Council as this will seriously diminish local decision making and there are no demonstrated benefits for this community
- VI. Council rejects the recommendation that this Council amalgamates with Warren Shire Council as this weakens local representation, services and identity and there are no demonstrated benefits for this community.

General Manager's Message

During the year Council also continued with a wide range of routine but vital work including rural road maintenance and gravel re-sheeting work to the value of (\$1,649,000), water and sewerage treatment (\$2,462,000) and parks and gardens (\$495,000).

Capital projects included the first phase of our Pangee Street Beautification project which was completed during the year. This project aims to provide an attractive avenue of trees down Pangee Street to create an inviting place for locals and visitors to stop. The design uses a tree vault construction to encourage vigorous growth for deciduous trees that will provide shade for pedestrians and vehicles in summer and allow sun onto the footpath in winter. Beneath the trees, low maintenance, native ground covers have been planted to improve the appearance of the street. Following some initial community concerns regarding loss of parking spaces as a result of the new gardens, it has now been demonstrated that the introduction of marked parking spaces means that the available space will be used more efficiently, resulting in little or no overall reduction in parking.

Work has also continued at Heritage Park as part of our program of improving the appearance of the entrances to Nyngan for the benefit of visitors and residents.

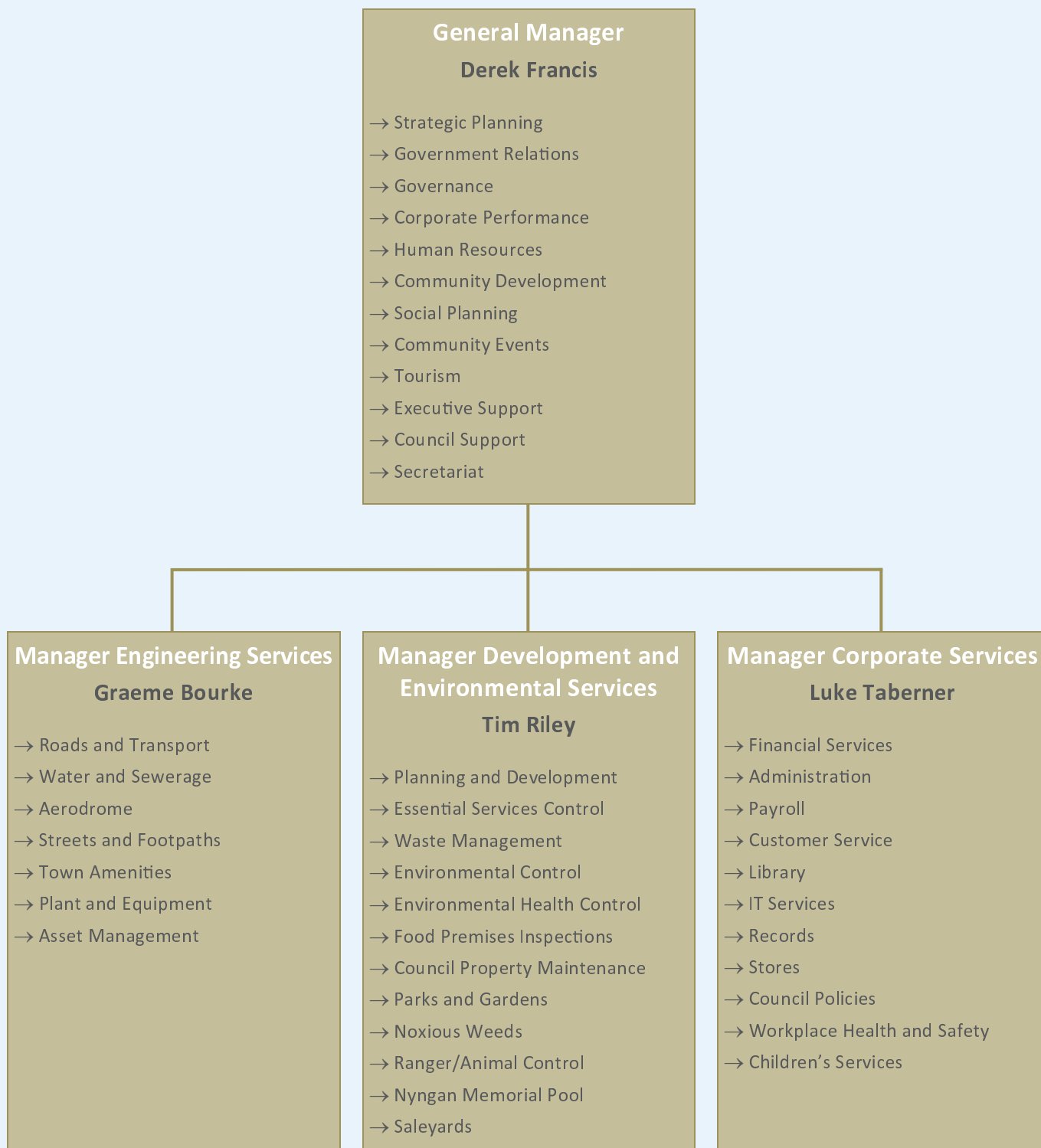
A sense of community is one aspect of what differentiates a town like Nyngan from other areas and Council continues to actively support, promote and provide assistance with a diverse range of community activities including an amateur boxing "fight night", Christmas lights and rural letterbox competition, carp muster fishing competition, seniors week concert and morning tea as well as the annual Nyngan Show, Ag Expo, Duck Creek Races and NAIDOC Week events.

Councillors and staff look forward to another successful year in 2014/15, demonstrating that smaller rural Councils can be viable and successfully meet the needs of their communities.

Derek Francis

General Manager

Organisational Structure



Mission Statement

"Comfortable
Country
Living"

To provide a comfortable country lifestyle by progressively improving the level of appropriate facilities and services and encouraging growth and economic development that is responsive to the needs of the community

Keyword Definition – Comfortable

Safe and secure (both physically and financially protected), affordable, enjoyable, and relaxed community environment.

Mission Statement

DESIRED OUTCOMES

Safe and Secure

- Economic viability for the shire as a whole – sustained business activity and continuing economic development
- Effective regulation and law enforcement
- Safe and trafficable road networks
- Full range of health services readily available
- Sanitation standards maintained
- Water quality assured
- Effective sewerage systems in place
- Flood Protection provided
- Protection and promotion of natural and man-made environments

Enjoyable

- Quality sporting and recreation facilities provided
- Cultural and social fabric of the community encouraged and supported
- Library service catering for the broader community
- The latest communication mediums are easily accessible
- High standard of service maintained through successful management of assets

Affordable

- Lower cost of living relative to regional and capital centres of population
- Competitive and diverse commercial enterprises
- Equitable distribution of rates, fees and charges
- Efficient and effective delivery of services

Relaxed

- The more laid-back qualities associated with “country” living are not lost
- Community and social fabric promoted and supported

Statement of Business Ethics

Bogan Shire Council is committed to the highest standards of honesty, fairness and integrity in all its business dealings.

Council operates according to an adopted Code of Conduct that sets out the standards of behaviour that Councillors and staff are expected to abide by when dealing with customers, suppliers, members of the community and public and when interacting with work colleagues.

With increasing business interaction between Council and the private sector it is important that standards of ethical behaviour expected of councillors and staff are maintained by members of the private sector in their dealings with Council.

Compliance with the standards contained within the document will ensure the best level of service can be provided to the community.

Values

The way Bogan Shire Council makes decisions, takes action and conducts business is defined by the following values.

- **Taking pride** in Nyngan and the greater Bogan Shire.
- **Working together** as a team to get things done.
- Being **accountable** for our decisions and actions.
- Having **respect** for other people.
- Acting with **integrity and honesty**.
- Demonstrating **strong leadership**.
- Providing responsive **customer service**.

Business Principles

The core principles underpinning all the business dealings of Bogan Shire Council are:

Obtaining the Best Value for Money

This does not mean that the best value for money equates to the lowest price. Council will use a number of factors to determine best value for money. Included are cost, quality, reliability, whole life running cost and timelines.

Statement of Business Ethics

Impartiality and Fairness

Council will be objective, even handed and reasonable through business dealings. Council's business dealings will be transparent and open to public scrutiny whenever possible, subject to confidentiality and privacy obligations.

Compliance with Legal and Statutory Obligations

Council at all times will adhere to all legal and statutory obligations.

What you can expect from Council and Staff

In order to maintain the highest standards of integrity and ethical conduct, Councillors and staff are required to comply with a Code of Conduct which includes:

1. Be accountable for actions
2. Act with fairness and equity
3. Exercise authority appropriately and transparently
4. Be responsible for their safety and that of others
5. Ensure awareness and compliance with Code of Conduct
6. Avoid actual and perceived conflicts of interest
7. Maintain confidentiality and privacy of information
8. Not engage in external employment that may create a conflict, affect work performance, use resources or information of Council, or bring discredit to Council
9. Report corruption, maladministration and wastage

Statement of Business Ethics

What Bogan Shire Council expects from its providers

Council expects private sector providers of goods and services will observe the following principles when dealing with Council;

1. Act ethically, fairly and honestly in dealing with Council
2. Be economically, socially and environmentally responsible in the provision of goods and services
3. Respect the conditions set out in Council documents
4. Comply with Councils procurement and purchasing policy and procedures
5. Respect the obligation of Councillors and staff to comply with the Council Code of Conduct
6. Do not lobby Councillors or Staff
7. Provide accurate and reliable information and advice when requested
8. Declare actual or perceived conflicts when aware such exists
9. Do not divulge privileged or confidential information to unauthorised persons
10. Do not engage in cohesive practises
11. Do not offer Councillors or staff inducements or incentives designed to improperly influence the conduct of their duties

Compliance

Council requires all providers to comply with the "Statement of Business Ethics". The principles are consistent with those of other public sector agencies, and are based on guidelines from the NSW Independent Commission against Corruption.

Non compliance could result in:

1. Termination of contracts
2. Loss of future opportunity
3. Investigation for corruption
4. Criminal Prosecution

Council Contact Information



Visit us:

Council Chambers are located at 81 Cobar Street, Nyngan NSW 2825

Office Hours: Monday to Friday from 8.00am – 4.30pm

Contact us:

Telephone: (02) 6835 9000

Fax: (02) 6835 9011

Email: admin@bogan.nsw.gov.au

Webpage: www.bogan.nsw.gov.au

Write to us:

If you wish to write to Council on any matter, the letter should be addressed to:

*The General Manager
Bogan Shire Council
PO Box 221
NYNGAN NSW 2825*

Council Contact Information

Meet with Staff:

Council staff are available during office hours to answer enquiries. It is good practice, although not essential, to make a prior appointment to see staff. This will ensure the staff member you require is available at the time.

Attend Council meetings:

There are 12 Ordinary Council meetings each year, one per month. Council meetings are held on the fourth Thursday of each month, except the December meeting which is held on the third Thursday of the month. All meetings start at 9.30am. Meetings are held at the Council Chambers on Cobar Street, Nyngan. Council meetings are attended by all Councillors and Management Staff of the Council.

All meetings of Council are open for the public to attend, with the exception of closed meeting items. You may address Council in the Public Forum regarding a matter for consideration by Council in the meeting Business Paper. Notification to address the Council must be given 7 days before the day of the meeting. A Special Council Meeting may be called in between Ordinary Council Meetings if a matter of urgency arises that cannot wait until the next ordinary meeting. At least 24 hours notice must be given to call a Special Meeting. Bogan Shire Council comprises of nine Councillors, with the general election held every four years, usually in September. The next election is scheduled for September 2016.

After Hours Service / Other Council Contacts

Works Depot:	02 6835 9060
Engineering Department:	02 6835 9027
Ranger:	0428 607 407
Swimming Pool:	02 6835 9100
Rural Fire Service:	02 6822 4422
Bogan Bush Mobile:	02 68321 932
Public Library:	02 6835 9080
Museum:	02 6832 1052
Visitor Information Centre:	02 6832 1052

Statutory Information

s428(4)(b) cl 132 Amount of Rates and Charges Written Off During the Year

The following amounts of Rates and Charges were written off during the period 01.07.2013 to 30.06.2014

General Rates	<i>Pensioners</i>	\$45,040
	<i>Postponed/Other</i>	\$2,742
Water Rates	<i>Pensioners</i>	\$15,312
	<i>Other</i>	\$64
Sewerage Rates	<i>Pensioners</i>	\$13,300
	<i>Other</i>	\$31
Interest Charges	<i>Postponed/Other</i>	\$10,845
Total Rates and Charges Written Off		\$87,334

It should be noted that Council receives a subsidy payment from the Department of Local Government for 55% of the Pensioner write-offs for the year. In 2013/14 this subsidy amounted to \$40,509.

s428(4)(b) cl 217(1)(a) Details of overseas visits by councillors, council staff or other persons representing council

No overseas visits were taken in 2013/2014 financial year.

s428(4)(b) cl 217(1)(a1) Elected Members Expenses and Provision of Facilities

Elected Member Expenses

The Mayoral Allowance for the year was set by Council at \$18,633 with \$3,727 (20%) of this paid to the Deputy Mayor as remuneration for services carried out on behalf of Council in the Mayor's absence. Councillors' annual remuneration was set at \$8,130 and was paid in twelve (12) monthly payments.

Councillors' travelling expenses, when using their own vehicle to attend Council functions and meetings, are reimbursed at the rates prescribed under the Car Allowance provisions of the Notional Agreement Preserving the Local Government State Award, with reimbursement of actual costs of incidentals subject to production of adequate documentation to substantiate claims.

The Mayor is provided with a motor vehicle (costs are included under plant) and an office (costs are included under office costs). Lunch and morning tea is provided for Councillors on meeting days.

Statutory Information

The following costs have been incurred by Council during the 2013/2014 financial year relating to the provision of councillor facilities and the payment of councillor expenses.

Office Expenses	\$2,264
Telephone Expenses	\$291
Attendance at Conferences	\$12,088
Training	\$0
Interstate Visits	\$0
Meals & Entertainment	\$4,384
Plant	\$23,125
Insurance	\$3,101
Travel	\$2,099
Total Sundry Elected Members Cost	\$47,352

s428(4)(b) cl 217(1)(a2) Major Contracts Awarded

During the 2013/2014 financial year there was 1 large contract awarded which was for the supply of a Prime Mover valued at \$180,000 from Volvo Commercial Vehicles.

s428(4)(b) cl 217(1)(a3) Amounts Incurred by Council in Relation to Legal Proceedings

Council had no reportable legal proceedings.

s428(4)(b) cl 217(1)(a4) Summary of Resolutions made under Section 67 Concerning Work Carried Out on Private Land

Council did not subsidise any private works undertaken during the year.

s428(4)(b) cl 217(1)(a5) Total Contributed or Otherwise Granted Under Section 356

The total amount contributed or otherwise granted under Section 356 for the 2013/2014 financial year was \$5,862. The details of this amount are as follows:

Donation of Funding / Services to Sporting & Non-Profit bodies	\$900
Donations to Non-Profit Organisations	\$3,137
Student Scholarships	\$1,825
TOTAL	\$5,862

Statutory Information

s428(4)(b) cl 217(1)(a6) External Bodies Exercising Council Functions

The external bodies that were delegated functions by Council during the year are as follows:

Committee	Function
Nyngan Museum Management	Care and control of Museum
Mid-State Shearing Shed Museum	Care and control of Museum
Bogan Bush Mobile	Provision of Mobile Pre-School services to out-lying rural areas
Hermidale Sports Ground	Care and control of grounds and the organisation of activities
Collerreina Hall	Care and control of grounds and the organisation of activities
Nyngan Rugby Union Clubhouse	Care and control of Clubhouse
Bogan Shire Community Arts	Organisation of community arts
Friends of the Cemetery	Care of Cemetery Grounds
Nyngan Garden Club	Assisting with Town Beautification

s428(4)(b) cl 217(1)(a7) Controlling Interest in Companies

Council held no controlling interest in any company during the 2013/2014 period.

s428(4)(b) cl 217(1)(a8) Partnerships, Cooperatives and Joint Ventures

Bogan Shire is incorporated within the North Western Library Association with the shires of Coonamble, Gilgandra and Warren. Council's financial interest in this association is reported in Note 19 to the General Purpose Financial Reports.

Council is also a member of the Orana Regional Organisation of Council (OROC) group of councils fostering development, industry and tourism within the region.

s428(4)(b) cl 217(1)(a9) Activities to Implement EEO Management Plan

The Anti-Discrimination and Equal Employment Opportunity Policy was adopted by Council in April 2014. The EEO Management Plan is due for review and update within the next financial year.

Council's EEO Management Plan consists of 18 Strategies and 29 Activities, of which 86% have been undertaken in the current year.

s428(4)(b) cl 217(1)(b) Statement of Total Remuneration Package of General Manager Employment of General Manager

During the year Council employed the General Manager under contract. Total remuneration, including salaries, superannuation, motor vehicle and rental assistance is shown in the table below.

Total Salary	\$180,304
Superannuation	\$16,678
Total value non-cash benefits	\$18,210
Total	\$215,192

s428(2)(f) cl 217(1)(f) Activities Relating to Enforcing and Ensuring Compliance with the Companion Animals Act and Regulation

Lodgement of Pound Data returns with the department.

2013/2014 Seizure Activity

During the year Council seized 17 companion animals and 2 companion animals were voluntarily surrendered of which all were euthanized. One companion animal was found, micro chipped and released to new owner.

Lodgement of pound data was sent to the Department of Local Government.

Lodgement of Data relating to Dog attacks with the department.

Council has received some reports of dog attacks which have been attended to, with the owners being cautioned and/or the dogs destroyed.

Amount of funding spent relating to Companion animal management and activities.

Council expended a net \$63,186 on activities relating to the management and control of companion animals during the 2013/2014 financial year. A further detailed breakup of the income and expenditure for the management and control of companion animals in the Bogan Shire is listed below:

Statutory Information

Income	\$
Registration Fees	9,498
Other Fees (Microchipping, impounding)	5,300
Total Income	14,798
Expenditure	
Impounding & Controlling Expenses	76,363
Administration	1,037
Other Expenses	584
Total Expenses	77,984
TOTAL COST OF COMPANION ANIMAL OPERATIONS	\$63,186

Companion animal community education programs carried out.

Council undertook a limited education program via the use of local media resources such as the council column in the local paper to distribute information to the general public; information was also made available at both Council offices and the Public Library.

Strategies Council has in place to promote and assist the de-sexing of dogs and cats.

Council has significantly reduced the cost of lifelong registration for both de-sexed dogs and cats, with the fee being equivalent to 23% of the normal registration fee to encourage residents to have their companion animals de-sexed. This fee is reduced even further for pensioners in the Bogan Shire to help make the de-sexing of animals an affordable and attractive option for all sectors in the community.

Strategies in place to comply with the requirement under section 64 (Companion Animals Act) to seek alternatives to euthanasia for unclaimed animals

Before destroying a seized or surrendered animal it is the duty of the Council to consider whether there is an alternative action to that of destroying the animal and (if practicable) to adopt any such alternative. Information regarding any impounded animal is available at the main offices of Council for members of the public to access when required.

Off Leash areas provided in the council area

Council provides one 'Off Leash' area which is the area north of the Work's Depot between the levee bank and the Bogan River to the south eastern corner: **Lot 3, DP 746465, (opposite property "Yelate")**.

Statutory Information

s125(1) cl 7 Schedule 2 Information Included on GIPA Activity

Council received five applications in the last reporting period under the Government Information (Public Access) Act 2009.

Council's program for the proactive release of information involves assessment on a case by case basis. Council has very little information that is discretionally unavailable.

Number of access applications received

During the reporting period, Council received five formal access applications.

Number of refused applications

During the reporting period, Council refused one formal access application.

Statistical information about access applications

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	0
Not for profit organisations or community groups	0	0	1	0	0	0	0	0
Members of the public (application by legal representative)	1	0	0	0	0	0	0	0
Members of the public (other)	3	0	0	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.

Statutory Information

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	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	4	0	1	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). The total number of decisions in Table B should be the same as Table A.

Table C: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	1
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	1
Invalid applications that subsequently became valid applications 1	0

Table D: Timeliness

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

Table E: Applications for review under Part 5 of the Act (by type of applicant)

Applications by access applicants	5
Applications by persons to whom information the subject of access application relates	0

s93G(5) Compliance with and Effect of Planning Agreements in Force

Council has not entered into any planning agreements during the 2013/14 financial year.

s31 cl 4 Public Interest Disclosures and Public Interest Disclosure Policy

Council has an adopted Public Interest Disclosures and Internal Reporting Policy. No public interest disclosures were made during the year.

s8(2) Carers Recognition Act 2010

Council adopted a Carer's Leave Policy in March 2013 with a revised version adopted in April 2014.

Annexure One Financial Statements



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Bogan Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2014



Comfortable Country Living

Bogan Shire Council

General Purpose Financial Statements

for the financial year ended 30 June 2014

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Overview

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

(ii) Bogan 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 31 October 2014. Council has the power to amend and reissue these financial statements.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

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 & cash flows of Council for the financial year ended 30 June 2014.

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

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its Assets, Liabilities & "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 5 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 2 audit reports:

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

Who uses the Financial Statements ?

The financial statements are publicly available documents & 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 Office of Local Government.

Bogan Shire Council

General Purpose Financial Statements

for the financial year ended 30 June 2014

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 Statements 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, and
- The Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these Financial Statements:

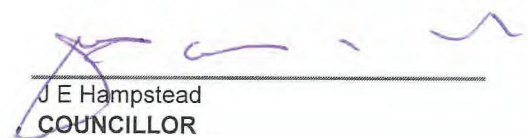
- present fairly the Council's operating result and financial position for the year, and
- accords with Council's accounting and other records.

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

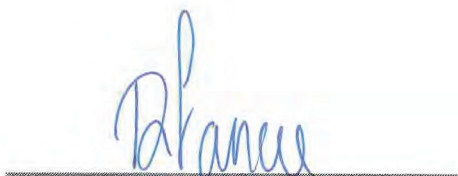
Signed in accordance with a resolution of Council made on 25 September 2014.



R L Donald
MAYOR



J E Hampstead
COUNCILLOR



D A Francis
GENERAL MANAGER



L F Taberner
RESPONSIBLE ACCOUNTING OFFICER

Bogan Shire Council

Income Statement

for the financial year ended 30 June 2014

Budget ¹ 2014	\$ '000	Notes	Actual 2014	Actual 2013
Income from Continuing Operations				
<i>Revenue:</i>				
3,556	Rates & Annual Charges	3a	4,066	3,806
3,057	User Charges & Fees	3b	4,256	2,766
339	Interest & Investment Revenue	3c	280	324
857	Other Revenues	3d	166	178
3,904	Grants & Contributions provided for Operating Purposes	3e,f	4,267 ²	6,002
1,469	Grants & Contributions provided for Capital Purposes	3e,f	143	83
<i>Other Income:</i>				
-	Net gains from the disposal of assets	5	-	198
-	Net Share of interests in Joint Ventures & Associated Entities using the equity method	19	-	3
13,182	Total Income from Continuing Operations		13,178	13,360
Expenses from Continuing Operations				
5,553	Employee Benefits & On-Costs	4a	5,132	5,097
67	Borrowing Costs	4b	-	1
4,768	Materials & Contracts	4c	4,279	3,957
3,583	Depreciation & Amortisation	4d	3,384	2,953
-	Other Expenses	4e	1,426	1,567
-	Net Losses from the Disposal of Assets	5	45	-
-	Net Share of interests in Joint Ventures & Associated Entities using the equity method	19	4	-
13,971	Total Expenses from Continuing Operations		14,270	13,575
(789)	Operating Result from Continuing Operations		(1,092)	(215)
(789)	Net Operating Result for the Year		(1,092)	(215)
(789)	Net Operating Result attributable to Council		(1,092)	(215)
-	Net Operating Result attributable to Non-controlling Interests		-	-
(2,258)	Net Operating Result for the year before Grants and Contributions provided for Capital Purposes		(1,235)	(298)

¹ Original Budget as approved by Council - refer Note 16

² Financial Assistance Grants for 13/14 are lower, reflecting a timing difference due to a change in how the grant is paid - refer Note 3 (e)

Bogan Shire Council

Statement of Comprehensive Income

for the financial year ended 30 June 2014

\$ '000	Notes	Actual 2014	Actual 2013
Net Operating Result for the year (as per Income statement)		(1,092)	(215)
Other Comprehensive Income:			
Amounts which will not be reclassified subsequently to the Operating Result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	(15,033)	516
Total Items which will not be reclassified subsequently to the Operating Result		(15,033)	516
Amounts which will be reclassified subsequently to the Operating Result when specific conditions are met			
Other Movements in reserves (Revised Cost of Replacement)	20b (ii)	-	(17,224)
Total Items which will be reclassified subsequently to the Operating Result when specific conditions are met		-	(17,224)
Total Other Comprehensive Income for the year		(15,033)	(16,708)
Total Comprehensive Income for the Year		(16,125)	(16,923)
Total Comprehensive Income attributable to Council		(16,125)	(16,923)
Total Comprehensive Income attributable to Non-controlling Interests		-	-

Bogan Shire Council

Statement of Financial Position

as at 30 June 2014

\$ '000	Notes	Actual 2014	Actual 2013
ASSETS			
Current Assets			
Cash & Cash Equivalents	6a	2,025	6,707
Investments	6b	5,300	1,815
Receivables	7	1,103	1,007
Inventories	8	248	253
Other	8	-	157
Total Current Assets		8,676	9,939
Non-Current Assets			
Receivables	7	123	154
Infrastructure, Property, Plant & Equipment	9	190,207	205,074
Investments accounted for using the equity method	19	66	70
Total Non-Current Assets		190,396	205,298
TOTAL ASSETS		199,072	215,237
LIABILITIES			
Current Liabilities			
Payables	10	385	452
Borrowings	10	2	3
Provisions	10	1,168	1,162
Total Current Liabilities		1,555	1,617
Non-Current Liabilities			
Provisions	10	79	57
Total Non-Current Liabilities		79	57
TOTAL LIABILITIES		1,634	1,674
Net Assets		197,438	213,563
EQUITY			
Retained Earnings	20	140,247	141,339
Revaluation Reserves	20	57,191	72,224
Council Equity Interest		197,438	213,563
Non-controlling Interests		-	-
Total Equity		197,438	213,563

Bogan Shire Council

Statement of Changes in Equity
for the financial year ended 30 June 2014

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
2014						
Opening Balance (as per Last Year's Audited Accounts)		141,339	72,224	213,563	-	213,563
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/13)		141,339	72,224	213,563	-	213,563
c. Net Operating Result for the Year		(1,092)	-	(1,092)	-	(1,092)
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	(15,033)	(15,033)	-	(15,033)
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
- Other Movements (Revised Cost of Replacement)	20a	-	-	-	-	-
Other Comprehensive Income		-	(15,033)	(15,033)	-	(15,033)
Total Comprehensive Income (c&d)		(1,092)	(15,033)	(16,125)	-	(16,125)
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		140,247	57,191	197,438	-	197,438
2013						
Opening Balance (as per Last Year's Audited Accounts)		141,554	88,932	230,486	-	230,486
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/12)		141,554	88,932	230,486	-	230,486
c. Net Operating Result for the Year		(215)	-	(215)	-	(215)
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	516	516	-	516
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
- Other Movements (Revised Cost of Replacement)	20a	-	(17,224)	(17,224)	-	(17,224)
Other Comprehensive Income		-	(16,708)	(16,708)	-	(16,708)
Total Comprehensive Income (c&d)		(215)	(16,708)	(16,923)	-	(16,923)
e. Distributions to/(Contributions from) Non-controlling Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - Balance at end of the reporting period		141,339	72,224	213,563	-	213,563

Bogan Shire Council

Statement of Cash Flows

for the financial year ended 30 June 2014

Budget 2014	\$ '000	Notes	Actual 2014	Actual 2013
Cash Flows from Operating Activities				
Receipts:				
3,556	Rates & Annual Charges		4,069	3,945
1,761	User Charges & Fees		4,044	3,131
339	Investment & Interest Revenue Received		371	330
5,199	Grants & Contributions		4,810	7,204
1,784	Other		648	589
Payments:				
(5,553)	Employee Benefits & On-Costs		(5,176)	(4,703)
(4,768)	Materials & Contracts		(4,748)	(4,797)
(67)	Borrowing Costs		(3)	-
-	Other		(1,577)	(2,037)
2,251	Net Cash provided (or used in) Operating Activities	11b	2,438	3,661
Cash Flows from Investing Activities				
Receipts:				
-	Sale of Investment Securities		15	2,600
148	Sale of Infrastructure, Property, Plant & Equipment		178	841
-	Deferred Debtors Receipts		15	16
Payments:				
-	Purchase of Investment Securities		(3,500)	(2,615)
(6,105)	Purchase of Infrastructure, Property, Plant & Equipment		(3,827)	(1,964)
(5,957)	Net Cash provided (or used in) Investing Activities		(7,119)	(1,122)
Cash Flows from Financing Activities				
Receipts:				
2,275	Proceeds from Borrowings & Advances		-	-
Payments:				
(64)	Repayment of Borrowings & Advances		(1)	(24)
2,211	Net Cash Flow provided (used in) Financing Activities		(1)	(24)
(1,495)	Net Increase/(Decrease) in Cash & Cash Equivalents		(4,682)	2,515
6,500	plus: Cash & Cash Equivalents - beginning of year	11a	6,707	4,192
5,005	Cash & Cash Equivalents - end of the year	11a	2,025	6,707
Additional Information:				
	plus: Investments on hand - end of year	6b	5,300	1,815
Total Cash, Cash Equivalents & Investments			7,325	8,522

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

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n/a - not applicable

Bogan Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

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 Australian Accounting 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

During the current year, the following relevant standards became mandatory for Council and have been adopted:

- AASB 13 Fair Value Measurement
- AASB 119 Employee Benefits

AASB 13 Fair Value Measurement has not affected the assets or liabilities which are to be measured at fair value, however it provides detailed guidance on how to measure fair value in accordance with the accounting standards.

It introduces the concept of highest and best use for non-financial assets and has caused the Council to review their valuation methodology.

The level of disclosures regarding fair value have increased significantly and have been included in the financial statements at Note 27.

AASB 119 Employee Benefits introduced revised definitions for short-term employee benefits.

Whilst the Council has reviewed the annual leave liability to determine the level of annual leave which is expected to be paid more than 12 months after the end of the reporting period, there has been no effect on the amounts disclosed as leave liabilities since Council's existing valuation policy was to discount annual leave payable more than 12 months after the end of the reporting period to present values.

(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.

Refer further to paragraph (aa) relating to a summary of the effects of Standards with future operative dates.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(v) Basis of Accounting

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

- (i) certain financial assets and liabilities at fair value through profit or loss and available-for-sale financial assets 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 non current assets (eg. Infrastructure, Property, Plant & 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 unless otherwise stated [refer Note 20(d)].

(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 Council 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 infrastructure, property, plant and equipment.

Critical judgements in applying Council'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 it 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.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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 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 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

Rental income is accounted for on a straight-line basis over the lease term.

Interest Income from Cash & Investments is accounted for using the effective interest rate at the date that interest is earned.

Other Income

Other income is recorded when the payment is due, the value of the payment is notified or the payment is received, whichever occurs first.

(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 2014) and (ii) all the related operating results (for the financial year ended the 30th June 2014).

The financial statements also include Council's share of the assets, liabilities, income and expenses of any **Jointly Controlled Operations** under the appropriate headings.

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.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(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:

- *Bogan Shire Council General Purpose Operations*
- *Bogan Shire Council Water Supply Fund*
- *Bogan Shire Council Sewerage Fund*

Due to their immaterial value and nature, the following Committees, Entities & Operations have been excluded from consolidation:

- *Nyngan Museum Management Committee*
- *Bogan Bush Mobile Management Committee*
- *Mid State Shearing Shed Management Committee*
- *Hermidale Sports Ground Management Committee*
- *Collerina Hall Management Committee*
- *Coolabah Hall Management Committee*
- *Nyngan Rugby Union Clubhouse Management Committee*

(ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (as amended), a 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 held by Council but not subject to the control of Council, have been excluded from these statements.

(iii) Joint Ventures

Jointly Controlled Assets & Operations

The proportionate interests in the assets, liabilities and expenses of a Joint Venture Activity have been incorporated throughout the financial statements under the appropriate headings.

Jointly Controlled Entities

Any interests in Joint Venture Entities & Partnerships are accounted for using the equity method and is carried at cost.

Under the equity method, the share of the profits or losses of the partnership is recognised in the income statement, and the share of movements in retained earnings & reserves is recognised in the balance sheet.

(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

Council has no Finance or Operating Leases

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

(e) Cash and Cash Equivalents

For Statement of Cash Flows (and Statement of Financial Position) presentation purposes, 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, and
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are incorporated into Cash & Cash Equivalents for presentation of the Cash Flow Statement.

(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 & 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) 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.

(ii) 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.

(iii) 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.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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.

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 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.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments that Council holds are no longer prescribed (eg. managed funds, CDOs, and equity linked notes), however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

(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.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(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 in accordance with Council's policy.

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.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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.

(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 Office 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** (Internal 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

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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 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.

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	> \$5,000
Office Equipment	> \$5,000
Other Plant & Equipment	> \$5,000

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

Building	
- construction/extensions	100% Capitalised
- renovations	> \$10,000
Other Structures	> \$2,000

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
Bridge construction & reconstruction	> \$10,000

Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the 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	10 to 20 years
- Computer Equipment	4 years
- Vehicles	5 to 8 years
- Heavy Plant/Road Making equip.	5 to 8 years
- Other plant and equipment	5 to 15 years

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

Other Equipment	
- Playground equipment	5 to 15 years
- Benches, seats etc	10 to 20 years
Buildings	
- Buildings : Masonry	50 to 100 years
- Buildings : Other	20 to 40 years
Stormwater Drainage	
- Drains	125 years
- Culverts	125 years
Transportation Assets	
- Sealed Roads : Surface	25 to 35 years
- Sealed Roads : Structure	100 years
- Unsealed roads	30 years
- Bridge : Concrete	125 years
Water & Sewer Assets	
- Dams and reservoirs	80 to 100 years
- Bores	20 to 40 years
- Reticulation pipes : PVC	70 to 80 years
- Reticulation pipes : Other	25 to 75 years
- Pumps and telemetry	15 to 20 years
Other Infrastructure Assets	
- Bulk earthworks	Infinite

All asset residual values and useful lives are reviewed and adjusted (if appropriate), at each reporting 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 – refer Note 1(s) on Asset Impairment.

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 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 the reserves are recognised within Council's Income Statement.

Representations are currently being sought across State and Local Government to develop a consistent

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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 exclude the assets, their values and depreciation charges from these financial statements.

(p) 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.

(q) 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.

(r) 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.

(s) Borrowing costs

Borrowing costs are expensed

(t) 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;

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

- 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.

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

(u) 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 & 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

Bogan Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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.

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 Richard Boyfield of Mercer Consulting during 2013/2014 and covers the period ended 30/06/2014.

However the position is monitored annually and the Actuary has estimated that as at 30 June 2014 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 2014 was \$ 134,773.

The amount of additional contributions included in the total employer contribution advised above is \$ 57,250.

The share of this deficit that can be broadly attributed to Council is estimated to be in the order of \$ 228,999 as at 30 June 2014.

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 30/6/14.

(v) Self insurance

Council does not self insure.

(w) 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.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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.

(x) 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).

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.

(y) New accounting standards and interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2014.

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 and AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments (effective from 1 January 2017)

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

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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.

The Council has not yet fully assessed the impact on the reporting financial position and performance on adoption of AASB 9.

Applicable to Local Government but no implications for Council;

AASB 2013-3 Amendments to AASB 136 Recoverable Amount Disclosures for Non-Financial Assets (effective for 30 June 2015 Financial Statements)

There are no changes to reported financial position or performance from AASB 2013 – 3, however additional disclosures may be required.

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 for 30 June 2015 Financial Statements for not-for-profit entities)

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.

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.

Bogan Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 1. Summary of Significant Accounting Policies

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 2015.

Not applicable to Local Government per se;

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

(z) Rounding of amounts

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

(aa) 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.

(ab) Disclaimer

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

Bogan Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

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	
	2014	2014	2013	2014	2014	2013	2014	2014	2013	2014	2013	2014	
Governance	-	-	46	132	144	328	(132)	(144)	(282)	5	-	312	-
Administration	55	107	128	3,059	3,246	3,135	(3,004)	(3,139)	(3,007)	18	-	5,968	8,528
Public Order & Safety	125	173	198	359	277	476	(234)	(104)	(278)	155	-	197	432
Health	8	12	12	-	17	7	8	(5)	5	-	-	236	381
Environment	608	508	492	1,038	938	868	(430)	(430)	(376)	37	-	7,132	620
Community Services & Education	302	617	329	390	331	460	(88)	286	(131)	394	299	276	389
Housing & Community Amenities	62	18	294	42	34	175	20	(16)	119	-	271	1,760	8,781
Water Supplies	1,283	1,819	1,685	1,468	1,960	1,580	(185)	(141)	105	-	-	15,414	15,180
Sewerage Services	634	742	564	473	502	366	161	240	198	-	-	9,355	8,933
Recreation & Culture	37	83	234	889	1,477	1,215	(852)	(1,394)	(981)	54	188	7,964	10,021
Mining, Manufacturing & Construction	10	10	3	1,021	4	4	(1,011)	6	(1)	-	-	-	-
Transport & Communication	5,019	4,545	3,697	5,052	4,136	4,438	(33)	409	(741)	1,144	1,191	145,133	161,044
Economic Affairs	81	254	169	48	1,200	523	33	(946)	(354)	-	-	5,259	858
Total Functions & Activities	8,224	8,888	7,851	13,971	14,266	13,575	(5,747)	(5,378)	(5,724)	1,807	1,949	199,006	215,167
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	-	3	-	4	-	-	(4)	3	-	-	66	70
General Purpose Income ¹	4,958	4,290	5,506	-	-	-	4,958	4,290	5,506	1,637	2,896	-	-
Operating Result from Continuing Operations	13,182	13,178	13,360	13,971	14,270	13,575	(789)	(1,092)	(215)	3,444	4,845	199,072	215,237

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

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

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, enforcement of local government regulations, emergency services, other.

HEALTH

Inspection, 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, youth services, aged and disabled, Aboriginal services, other community services.

HOUSING & COMMUNITY AMENITIES

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

WATER SUPPLIES

SEWERAGE SERVICES

Council provides water and sewer to the main town and some villages.

RECREATION & CULTURE

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

MINING, MANUFACTURING & CONSTRUCTION

Building control, abattoirs, quarries & pits, other.

TRANSPORT & COMMUNICATION

Urban roads, sealed rural roads, unsealed rural roads, bridges, culverts, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RMS 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.

Bogan Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2014	Actual 2013
(a) Rates & Annual Charges			
Ordinary Rates			
Residential		214	237
Farmland		1,521	1,450
Mining		527	500
Business		226	206
Total Ordinary Rates		2,488	2,393
Special Rates			
Nil			
Annual Charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		387	371
Water Supply Services		667	581
Sewerage Services		445	381
Waste Management Services (non-domestic)		79	80
Total Annual Charges		1,578	1,413
TOTAL RATES & ANNUAL CHARGES		4,066	3,806

Council has used 2011 year valuations provided by the NSW Valuer General in calculating its rates.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(b) User Charges & Fees			
Specific User Charges (per s.502 - Specific "actual use" charges)			
Water Supply Services		944	989
Sewerage Services		229	163
Total User Charges		1,173	1,152
Other User Charges & Fees			
(i) Fees & Charges - Statutory & Regulatory Functions (per s.608)			
Building Regulation		1	(3)
Planning & Building Regulation		46	18
Private Works - Section 67		128	42
Regulatory/ Statutory Fees		9	-
Registration Fees		1	1
Section 149 Certificates (EPA Act)		13	13
Section 603 Certificates		4	3
Other		-	8
Total Fees & Charges - Statutory/Regulatory		202	82
(ii) Fees & Charges - Other (incl. General User Charges) (per s.608)			
Admission & Service Fees		6	7
Cemeteries		18	23
Community Centres		-	8
Lease Rentals		1	-
Leaseback Fees - Council Vehicles		11	10
Library & Art Gallery		3	4
Museum		16	6
Park Rents		2	2
Reimbursements		143	100
RMS (formerly RTA) Charges (State Roads not controlled by Council)		2,661	1,373
Saleyards		-	1
Waste Disposal Tipping Fees		1	-
Other		19	(2)
Total Fees & Charges - Other		2,881	1,532
TOTAL USER CHARGES & FEES		4,256	2,766

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(c) Interest & Investment Revenue (incl. losses)			
Interest & Dividends			
- Interest on Overdue Rates & Annual Charges (incl. Special Purpose Rates)		41	64
- Interest earned on Investments (interest & coupon payment income)		239	260
TOTAL INTEREST & INVESTMENT REVENUE		280	324
Interest Revenue is attributable to:			
Unrestricted Investments/Financial Assets:			
Overdue Rates & Annual Charges (General Fund)		41	64
General Council Cash & Investments		124	153
Restricted Investments/Funds - External:			
Water Fund Operations		49	46
Sewerage Fund Operations		66	61
Total Interest & Investment Revenue Recognised		280	324
(d) Other Revenues			
Rental Income - Other Council Properties		95	94
Legal Fees Recovery - Rates & Charges (Extra Charges)		16	18
Legal Fees Recovery - Other		5	8
Insurance Policy Rebate		6	34
Sales - General		20	-
Sales - Scrap Metal		14	8
Other		10	16
TOTAL OTHER REVENUE		166	178

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	2014 Operating	2013 Operating	2014 Capital	2013 Capital
(e) Grants				
General Purpose (Untied)				
Financial Assistance - General Component	1,008	1,599	-	-
Financial Assistance - Local Roads Component	629	1,286	-	-
Pensioners' Rates Subsidies - General Component	-	11	-	-
Total General Purpose	1,637	2,896	-	-
¹ The Financial Assistance Grant for 13/14 reflects a one off reduction due to the fact that this grant is no longer being paid in advance by up to 50% as has occurred in previous years - it does not represent a loss of income but is instead a timing difference.				
Specific Purpose				
Pensioners' Rates Subsidies:				
- Water	-	9	-	-
- Sewerage	-	8	-	-
- Domestic Waste Management	-	16	-	-
Aged Care	-	20	-	-
Bushfire & Emergency Services	154	187	-	-
Clean Energy Future	-	-	13	-
Community Care	264	273	130	-
Environmental Protection	2	-	-	-
Flood Restoration	-	531	-	-
Heritage & Cultural	10	1	-	-
Library	22	157	-	-
Recreation & Culture	32	-	-	-
Street Lighting	15	15	-	-
Transport (Roads to Recovery)	942	691	-	-
Transport (Other Roads & Bridges Funding)	164	-	-	-
Youth Services	-	1	-	-
Wage Subsidy Apprentices	18	-	-	-
Flood Plain Study	36	-	-	-
Other	5	40	-	-
Total Specific Purpose	1,664	1,949	143	-
Total Grants	3,301	4,845	143	-
Grant Revenue is attributable to:				
- Commonwealth Funding	1,912	3,457	143	-
- State Funding	1,389	1,388	-	-
	3,301	4,845	143	-

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 3. Income from Continuing Operations (continued)

\$ '000	2014 Operating	2013 Operating	2014 Capital	2013 Capital
(f) Contributions				
Developer Contributions:				
(s93 & s94 - EP&A Act, s64 of the LGA):				
Nil				
Other Contributions:				
Community Services	1	-	-	-
On Road Diesel Fuel Grant	65	67	-	-
Other Councils - Joint Works/Services	26	25	-	-
Recreation & Culture	6	25	-	6
Roads & Bridges	-	-	-	24
RMS Contributions (Regional Roads, Block Grant)	868	1,065	-	-
Water Supplies (excl. Section 64 contributions)	-	(25)	-	-
Other	-	-	-	53
Total Other Contributions	966	1,157	-	83
Total Contributions	966	1,157	-	83
<u>TOTAL GRANTS & CONTRIBUTIONS</u>	<u>4,267</u>	<u>6,002</u>	<u>143</u>	<u>83</u>

\$ '000	Actual 2014	Actual 2013
(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	642	222
add: Grants & contributions recognised in the current period but not yet spent:	225	420
less: Grants & contributions recognised in a previous reporting period now spent:	(642)	-
Net Increase (Decrease) in Restricted Assets during the Period	(417)	420
Unexpended and held as Restricted Assets	<u>225</u>	<u>642</u>
Comprising:		
- Specific Purpose Unexpended Grants	<u>225</u>	<u>642</u>
	<u>225</u>	<u>642</u>

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2014	Actual 2013
(a) Employee Benefits & On-Costs			
Salaries and Wages		4,092	3,955
Travelling		12	5
Employee Leave Entitlements (ELE)		702	736
ELE On-costs		-	4
Superannuation		448	442
Superannuation - Defined Contribution Plans		43	-
Workers' Compensation Insurance		104	101
Fringe Benefit Tax (FBT)		26	(10)
Training Costs (other than Salaries & Wages)		87	87
Protective Clothing		1	-
Other		30	33
Total Employee Costs		5,545	5,353
less: Capitalised Costs		(413)	(256)
TOTAL EMPLOYEE COSTS EXPENSED		5,132	5,097
Number of "Equivalent Full Time" Employees at year end		55	55
(b) Borrowing Costs			
(i) Interest Bearing Liability Costs			
Interest on Loans		-	1
Total Interest Bearing Liability Costs Expensed		-	1
(ii) Other Borrowing Costs			
Nil		-	1
TOTAL BORROWING COSTS EXPENSED		-	1
(c) Materials & Contracts			
Raw Materials & Consumables		1,244	2,422
Contractor & Consultancy Costs		2,953	1,471
Auditors Remuneration ⁽¹⁾		38	33
Legal Expenses:			
- Legal Expenses: Debt Recovery		22	3
- Legal Expenses: Other		17	28
Other		5	-
TOTAL MATERIALS & CONTRACTS		4,279	3,957

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(c) Materials & Contracts (continued)			
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		38	33
Remuneration for audit and other assurance services		38	33
Total Auditor Remuneration		38	33

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2014	Actual 2013	Actual 2014	Actual 2013
(d) Depreciation, Amortisation & Impairment					
Plant and Equipment		-	-	579	498
Office Equipment		-	-	111	44
Furniture & Fittings		-	-	2	2
Buildings - Non Specialised		-	-	90	130
Buildings - Specialised		-	-	479	46
Other Structures		-	-	44	53
Infrastructure:					
- Roads		-	-	1,436	1,503
- Bridges		-	-	94	99
- Footpaths		-	-	42	49
- Stormwater Drainage		-	-	5	28
- Water Supply Network		-	-	418	417
- Sewerage Network		-	-	84	84
TOTAL DEPRECIATION & IMPAIRMENT COSTS EXPENSED		-	-	3,384	2,953

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2014	Actual 2013
(e) Other Expenses			
Advertising		15	29
Bad & Doubtful Debts		(2)	134
Bank Charges		16	16
Cleaning		36	33
Computer Software Charges		101	83
Contributions/Levies to Other Levels of Government		58	159
Councillor Expenses - Mayoral Fee		19	15
Councillor Expenses - Councillors' Fees		78	64
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		20	38
Donations, Contributions & Assistance to other organisations (Section 356)		153	83
Electricity & Heating		211	214
Insurance		402	382
Office Expenses (including computer expenses)		6	-
Postage		9	11
Printing & Stationery		45	59
Street Lighting		132	80
Subscriptions & Publications		20	15
Telephone & Communications		52	70
Valuation Fees		17	16
Other		38	66
<u>TOTAL OTHER EXPENSES</u>		<u>1,426</u>	<u>1,567</u>

Note 5. Gains or Losses from the Disposal of Assets

Property (excl. Investment Property)			
Proceeds from Disposal - Property		-	525
less: Carrying Amount of Property Assets Sold / Written Off		-	(421)
Net Gain/(Loss) on Disposal		-	104
Plant & Equipment			
Proceeds from Disposal - Plant & Equipment		178	316
less: Carrying Amount of P&E Assets Sold / Written Off		(223)	(222)
Net Gain/(Loss) on Disposal		(45)	94
Financial Assets*			
Proceeds from Disposal / Redemptions / Maturities - Financial Assets		15	2,600
less: Carrying Amount of Financial Assets Sold / Redeemed / Matured		(15)	(2,600)
Net Gain/(Loss) on Disposal		-	-
<u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u>		<u>(45)</u>	<u>198</u>

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

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

\$ '000	Notes	2014 Actual Current	2014 Actual Non Current	2013 Actual Current	2013 Actual Non Current
Cash & Cash Equivalents (Note 6a)					
Cash on Hand and at Bank		66	-	422	-
Cash-Equivalent Assets ¹					
- Deposits at Call		1,959	-	4,785	-
- Short Term Deposits		-	-	1,500	-
Total Cash & Cash Equivalents		2,025	-	6,707	-
Investments (Note 6b)					
- Long Term Deposits		5,300	-	1,815	-
Total Investments		5,300	-	1,815	-
TOTAL CASH ASSETS, CASH EQUIVALENTS & INVESTMENTS		7,325	-	8,522	-

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"

2,025	-	6,707	-
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Investments

b. "Held to Maturity"

6(b-i)

5,300	-	1,815	-
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5,300	-	1,815	-
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Note 6(b-i)**Reconciliation of Investments classified as "Held to Maturity"**

Balance at the Beginning of the Year	1,815	-	1,815	-
Additions	3,500	-	2,600	-
Disposals (sales & redemptions)	(15)	-	(2,600)	-
Balance at End of Year	5,300	-	1,815	-

Comprising:

- Long Term Deposits	5,300	-	1,815	-
Total	5,300	-	1,815	-

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of investments held.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 6c. Restricted Cash, Cash Equivalents & Investments - Details

\$ '000	2014	2014	2013	2013
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Total Cash, Cash Equivalents and Investments	7,325	-	8,522	-
attributable to:				
External Restrictions (refer below)	3,694	-	3,484	-
Internal Restrictions (refer below)	2,236	-	2,866	-
Unrestricted	1,395	-	2,172	-
	7,325	-	8,522	-

2014 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
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Details of Restrictions

External Restrictions - Included in Liabilities

Nil

External Restrictions - Other

Specific Purpose Unexpended Grants (F)	642	-	(417)	225
Water Supplies (G)	990	317	-	1,307
Sewerage Services (G)	1,852	310	-	2,162
External Restrictions - Other	3,484	627	(417)	3,694
Total External Restrictions	3,484	627	(417)	3,694

Internal Restrictions

Plant & Vehicle Replacement	200	-	-	200
Employees Leave Entitlement	321	-	(16)	305
Carry Over Works	310	878	(350)	838
Bush Mobile Service	48	37	(48)	37
Roads & Ancillary Services	31	-	(12)	19
Village Amenities	90	24	(40)	74
Future Infrastructure fund	180	-	(154)	26
FAG 2013/14	1,516	-	(1,516)	-
Pool	-	188	-	188
Museum	-	15	-	15
Council Building Reserve	-	525	(30)	495
Other	170	-	(131)	39
Total Internal Restrictions	2,866	1,667	(2,297)	2,236
TOTAL RESTRICTIONS	6,350	2,294	(2,714)	5,930

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.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 7. Receivables

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
Purpose					
Rates & Annual Charges		258	105	251	120
Interest & Extra Charges		44	6	64	96
User Charges & Fees		591	73	450	-
Accrued Revenues					
- Interest on Investments		33	-	18	-
- Other Income Accruals		-	-	114	-
Government Grants & Subsidies		99	-	84	-
Deferred Debtors		9	-	15	9
Net GST Receivable		69	-	5	-
Other Debtors		-	-	6	-
Total		1,103	184	1,007	225
less: Provision for Impairment					
Rates & Annual Charges		-	(32)	-	(37)
Interest & Extra Charges		-	(23)	-	(27)
User Charges & Fees		-	(6)	-	(7)
Total Provision for Impairment - Receivables		-	(61)	-	(71)
TOTAL NET RECEIVABLES		1,103	123	1,007	154
Externally Restricted Receivables					
Water Supply					
- Rates & Availability Charges		73	30	93	92
- Other		210	-	360	-
Sewerage Services					
- Rates & Availability Charges		36	14	21	23
- Other		56	-	55	-
Domestic Waste Management		83	-	104	-
Total External Restrictions		458	44	633	115
Internally Restricted Receivables					
Nil					
Unrestricted Receivables		645	79	374	39
TOTAL NET RECEIVABLES		1,103	123	1,007	154

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 9.00% (2013 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.

Bogan Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 8. Inventories & Other Assets

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
Inventories					
Stores & Materials		248	-	253	-
Total Inventories		248	-	253	-
Other Assets					
Prepayments		-	-	157	-
Total Other Assets		-	-	157	-
TOTAL INVENTORIES / OTHER ASSETS		248	-	410	-

Externally Restricted Assets

There are no restrictions applicable to the above assets.

(i) Other Disclosures

(a) Inventory Write Downs

There were no amounts recognised as an expense relating to the write down of Inventory balances held during the year.

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of other assets held.

Bogan Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 9a. Infrastructure, Property, Plant & Equipment

	as at 30/6/2014						Asset Movements during the Reporting Period						as at 30/6/2013									
	At		At		Accumulated		Carrying		Asset Additions	WDV of Asset Disposals	Depreciation Expense	Revaluation Decrements to Equity (ARR)	Revaluation Increments to Equity (ARR)	At		Accumulated		Carrying				
	Cost	Fair Value	Cost	Fair Value	Dep'n	Impairment	Value	Value						Cost	Fair Value	Dep'n	Impairment	Value	Value			
\$ '000																						
Plant & Equipment	-	8,139	3,982	-	4,157	870	(223)	(579)	-	-	-	-	-	-	8,638	4,413	-	4,225	-	-	4,225	
Office Equipment	-	453	349	-	104	94	-	(111)	-	-	-	-	-	-	547	460	-	87	-	-	87	
Furniture & Fittings	-	143	124	-	19	111	-	(2)	-	-	-	-	-	-	254	125	-	129	-	-	129	
Land:																						
- Operational Land	-	172	-	-	172	-	-	-	-	-	53	-	-	-	225	-	-	225	-	-	225	
- Community Land	-	2,452	-	-	2,452	-	-	(51)	-	-	-	-	-	-	2,401	-	-	2,401	-	-	2,401	
Buildings - Non Specialised	-	29,702	5,707	-	23,995	290	-	(90)	(15,899)	-	-	-	-	-	19,340	11,044	-	8,296	-	-	8,296	
Buildings - Specialised	-	4,344	1,175	-	3,169	4	-	(479)	(1,892)	-	-	-	-	-	3,140	2,338	-	802	-	-	802	
Other Structures	-	5,608	3,521	-	2,087	425	-	(44)	(1,183)	-	-	-	-	-	2,147	862	-	1,285	-	-	1,285	
Infrastructure:																						
- Roads	-	37,560	27,107	-	10,453	1,785	-	(1,436)	-	-	56,877	-	-	-	84,246	16,568	-	67,678	-	-	67,678	
- Bridges	-	11,784	1,747	-	10,037	-	-	(94)	(21)	-	-	-	-	-	11,689	1,767	-	9,922	-	-	9,922	
- Footpaths	-	3,382	316	-	3,066	-	-	(42)	(942)	-	-	-	-	-	3,339	1,257	-	2,082	-	-	2,082	
- Bulk Earthworks (non-depreciable)	-	123,280	-	-	123,280	-	-	-	(58,185)	-	-	-	-	-	65,095	-	-	65,095	-	-	65,095	
- Stormwater Drainage	-	2,088	631	-	1,457	-	-	(5)	-	-	5,639	-	-	-	7,232	141	-	7,091	-	-	7,091	
- Water Supply Network	-	30,680	17,030	-	13,650	187	-	(418)	-	-	382	-	-	-	31,718	17,917	-	13,801	-	-	13,801	
- Sewerage Network	-	10,545	3,569	-	6,976	7	-	(84)	-	-	189	-	-	-	10,819	3,731	-	7,088	-	-	7,088	
Other Assets:																						
- Library Books	-	16	16	-	-	-	-	-	-	-	-	-	-	-	16	16	-	-	-	-	-	-
- Other	-	154	154	-	-	-	-	-	-	-	-	-	-	-	154	154	-	-	-	-	-	-
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIP.	-	270,502	65,428	-	205,074	3,773	(223)	(3,384)	(78,173)	63,140	-	-	-	-	251,000	60,793	-	190,207	-	-	190,207	

Additions to Buildings & Infrastructure Assets are made up of Asset Renewals (\$1390) and New Assets (\$883k). Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of other Infrastructure, Property, Plant & Equipment.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 9b. Externally Restricted Infrastructure, Property, Plant & Equipment

\$ '000 Class of Asset	Actual 2014				Actual 2013			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
Water Supply								
Infrastructure	-	31,718	17,917	13,801	-	30,680	17,030	13,650
Total Water Supply	-	31,718	17,917	13,801	-	30,680	17,030	13,650
Sewerage Services								
Infrastructure	-	10,819	3,731	7,088	-	10,545	3,569	6,976
Total Sewerage Services	-	10,819	3,731	7,088	-	10,545	3,569	6,976
Domestic Waste Management								
Plant & Equipment	-	491	221	270	-	491	192	299
Total DWM	-	491	221	270	-	491	192	299
TOTAL RESTRICTED I,PP&E	-	43,028	21,869	21,159	-	41,716	20,791	20,925

Note 9c. Infrastructure, Property, Plant & Equipment - Current Year Impairments

Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	2014		2013	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - operating expenditure		91	-	84	-
Goods & Services - capital expenditure		28	-	82	-
Payments Received In Advance		-	-	3	-
Accrued Expenses:					
- Borrowings		-	-	3	-
- Salaries & Wages		119	-	188	-
- Other Expenditure Accruals		147	-	92	-
Total Payables		385	-	452	-
Borrowings					
Loans - Secured ¹		2	-	3	-
Total Borrowings		2	-	3	-
Provisions					
Employee Benefits;					
Annual Leave		524	-	495	-
Long Service Leave		620	79	667	57
Other Leave		24	-	-	-
Total Provisions		1,168	79	1,162	57
Total Payables, Borrowings & Provisions		1,555	79	1,617	57

(i) Liabilities relating to Restricted Assets

	2014		2013	
	Current	Non Current	Current	Non Current
Externally Restricted Assets				
Water	-	-	6	-
Liabilities relating to externally restricted assets	-	-	6	-
Internally Restricted Assets				
Nil				
Total Liabilities relating to restricted assets	-	-	6	-
Total Liabilities relating to Unrestricted Assets	1,555	79	1,611	57
TOTAL PAYABLES, BORROWINGS & PROVISIONS	1,555	79	1,617	57

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.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 10a. Payables, Borrowings & Provisions (continued)

\$ '000	Actual 2014	Actual 2013
---------	----------------	----------------

(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	724	756
	<u>724</u>	<u>756</u>

Note 10b. Description of and movements in Provisions

Class of Provision	2013		2014			
	Opening Balance as at 1/7/13	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	Closing Balance as at 30/6/14
Annual Leave	495	42	(13)	-	-	524
Long Service Leave	724	29	(54)	-	-	699
Other Leave	-	45	(21)	-	-	24
TOTAL	1,219	148	(120)	-	-	1,247

- 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.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2014	Actual 2013
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	6a	2,025	6,707
Less Bank Overdraft	10	-	-
BALANCE as per the STATEMENT of CASH FLOWS		2,025	6,707
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities			
Net Operating Result from Income Statement		(1,092)	(215)
Adjust for non cash items:			
Depreciation & Amortisation		3,384	2,953
Net Losses/(Gains) on Disposal of Assets		45	(198)
Share of Net (Profits) or Losses of Associates/Joint Ventures		4	(3)
+/- Movement in Operating Assets and Liabilities & Other Cash Items:			
Decrease/(Increase) in Receivables		(70)	1,155
Increase/(Decrease) in Provision for Doubtful Debts		(10)	(70)
Decrease/(Increase) in Inventories		5	1
Decrease/(Increase) in Other Assets		157	35
Increase/(Decrease) in Payables		7	(404)
Increase/(Decrease) in accrued Interest Payable		(3)	1
Increase/(Decrease) in other accrued Expenses Payable		(14)	280
Increase/(Decrease) in Other Liabilities		(3)	(80)
Increase/(Decrease) in Employee Leave Entitlements		28	206
NET CASH PROVIDED FROM/(USED IN)		2,438	3,661
OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS		2,438	3,661
(c) Non-Cash Investing & Financing Activities			
Nil			
(d) Financing Arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdraft Facilities ⁽¹⁾		200	200
Credit Cards / Purchase Cards		20	10
Total Financing Arrangements		220	210

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

Interest rates on overdrafts are Interest Rates on Loans & Other Payables are disclosed in Note 15.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2014	Actual 2013
(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			
Plant & Equipment		180	-
Purchase of Rosmech Merlin streetsweeper.		-	224
Construction of New Waste Cell at Nyngan		400	400
Total Commitments		580	624
These expenditures are payable as follows:			
Within the next year		580	624
Total Payable		580	624
Sources for Funding of Capital Commitments:			
Unrestricted General Funds		580	624
Total Sources of Funding		580	624
Details of Capital Commitments			
Construction of New Nyngan Waste Cell			
Purchase of New Mack Truck			

(b) Finance Lease Commitments

Nil

(c) Operating Lease Commitments (Non Cancellable)

Nil

(d) Investment Property Commitments

Nil

(e) Investment in Associates / Joint Ventures - Commitments

For Capital Commitments and Other Commitments relating to Investments in Associates & Joint Ventures, refer to Note 19 (b)

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 13a(i). Statement of Performance Measurement - Indicators (Consolidated)

\$ '000	Amounts 2014	Indicator 2014	Prior Periods 2013 2012	
Local Government Industry Indicators - Consolidated				
1. Operating Performance Ratio				
Total continuing operating revenue ⁽¹⁾				
<u>(excl. Capital Grants & Contributions) - Operating Expenses</u>	<u>(1,186)</u>	-9.10%	-3.81%	5.90%
Total continuing operating revenue ⁽¹⁾ (excl. Capital Grants & Contributions)	13,035			
2. Own Source Operating Revenue Ratio				
Total continuing operating revenue ⁽¹⁾				
<u>(less ALL Grants & Contributions)</u>	<u>8,768</u>	66.54%	53.76%	47.33%
Total continuing operating revenue ⁽¹⁾	13,178			
3. Unrestricted Current Ratio				
Current Assets less all External Restrictions ⁽²⁾	<u>4,524</u>	5.44 : 1	6.81	6.78
Current Liabilities less Specific Purpose Liabilities ^(3, 4)	<u>831</u>			
4. Debt Service Cover Ratio				
Operating Result ⁽¹⁾ before capital excluding interest and depreciation / impairment / amortisation (EBITDA)	<u>2,198</u>	2197.60	98.22	11.09
Principal Repayments (from the Statement of Cash Flows) + Borrowing Interest Costs (from the Income Statement)	<u>1</u>			
5. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual and Extra Charges Outstanding	<u>358</u>	7.80%	10.53%	13.21%
Rates, Annual and Extra Charges Collectible	<u>4,590</u>			
6. Cash Expense Cover Ratio				
Current Year's Cash and Cash Equivalents including All Term Deposits	<u>7,325</u>	7.64	8.85	7.43
Payments from cash flow of operating and financing activities	<u>959</u>			

Notes

(1) Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and net share of interests in joint ventures.

(2) Refer Notes 6-8 inclusive.

Also excludes any Real Estate & Land for resale not expected to be sold in the next 12 months

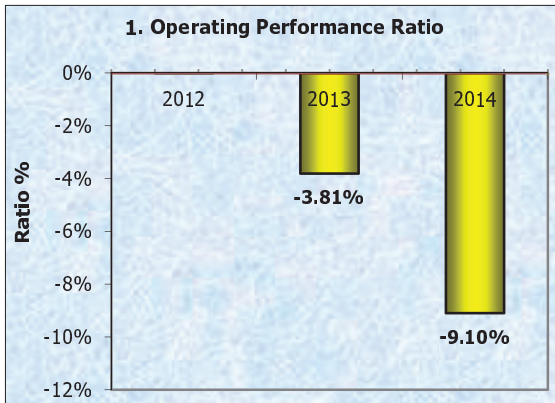
(3) Refer to Note 10(a).

(4) Refer to Note 10(a)(ii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).

Bogan Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)



Purpose of Operating Performance Ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

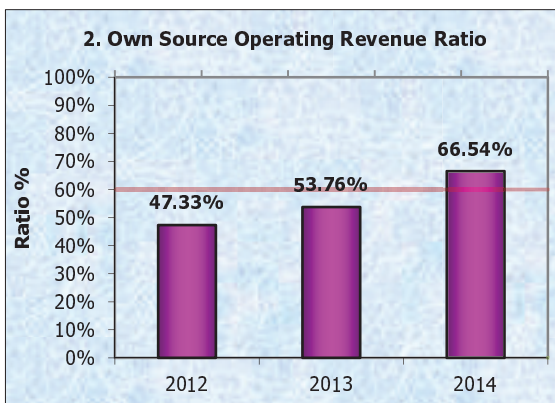
Commentary on 2013/14 Result

2013/14 Ratio -9.10%

Due to reduced revenue from Financial Assistance Grants as a result of being paid 50% of these grants in advance in 2011/12 and therefore only receiving 50% of the Grants in 2013/14.

— Minimum 0.00%

Source for Benchmark: Code of Accounting Practice and Financial Reporting



Purpose of Own Source Operating Revenue Ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants & contributions.

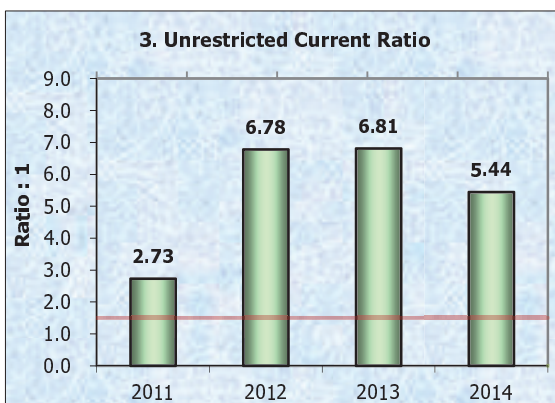
Commentary on 2013/14 Result

2013/14 Ratio 66.54%

This ratio has improved due to increased revenue from rates, water and sewer charges and road construction jobs.

— Minimum 60.00%

Source for Benchmark: Code of Accounting Practice and Financial Reporting



Purpose of Unrestricted Current Ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2013/14 Result

2013/14 Ratio 5.44 : 1

Due to the reduction in outstanding creditors and the recategorisation of some employee benefit provisions from Current to Non-Current Liabilities.

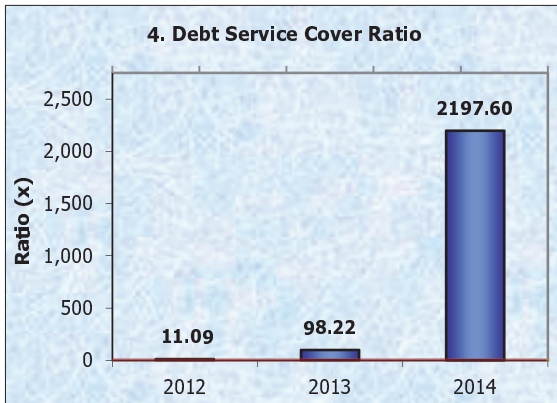
— Minimum 1.50

Source for Benchmark: Code of Accounting Practice and Financial Reporting

Bogan Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)



— Minimum 2.00

Source for Benchmark: NSW Treasury Corporation

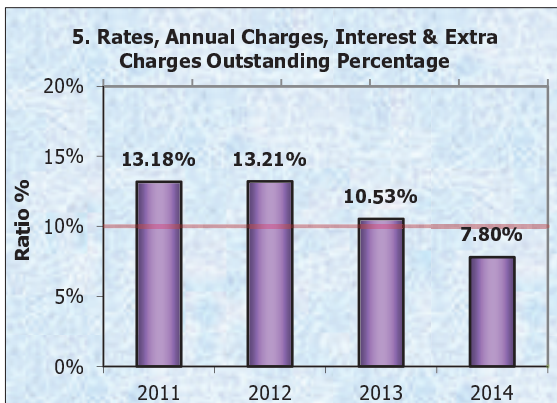
Purpose of Debt Service Cover Ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2013/14 Result

2013/14 Ratio 2197.60

Due to loans having been repaid.



— Maximum 10.00%

Source for Benchmark: Office of Local Govt - Comparative Information (10/11)

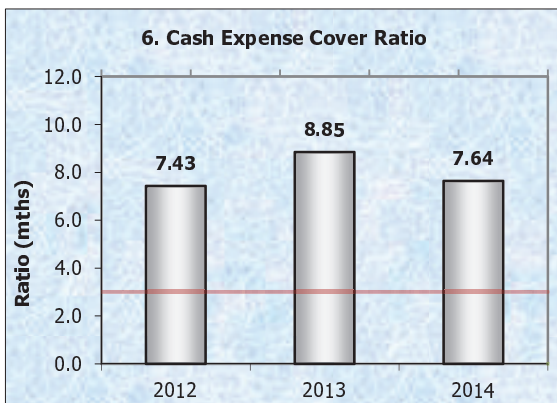
Purpose of Rates & Annual Charges Outstanding Ratio

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2013/14 Result

2013/14 Ratio 7.80%

This ratio has improved due to a concerted effort to collect arrears relating to rates and water and sewer charges.



— Minimum 3.00

Source for Benchmark: Code of Accounting Practice and Financial Reporting

Purpose of Cash Expense Cover Ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on Result

2013/14 Ratio 7.64

This ratio has decreased caused by a lower cash balance that was due to only 50% of financial assistance grants being paid in 13/14 as the other 50% was paid in advance in 11/12.

Bogan Shire Council

Notes to the Financial Statements
for the financial year ended 30 June 2014

Note 13b. Statement of Performance Measurement - Indicators (by Fund)

\$ '000	Water 2014	Sewer 2014	General ⁵ 2014
Local Government Industry Indicators - by Fund			
1. Operating Performance Ratio			
Total continuing operating revenue ⁽¹⁾			
<u>(excl. Capital Grants & Contributions) - Operating Expenses</u>	-7.75%	32.35%	-12.27%
Total continuing operating revenue ⁽¹⁾			
(excl. Capital Grants & Contributions)	prior period: 7.66%	40.97%	-8.22%
2. Own Source Operating Revenue Ratio			
Total continuing operating revenue ⁽¹⁾			
<u>(less ALL Grants & Contributions)</u>	92.03%	100.00%	59.83%
Total continuing operating revenue ⁽¹⁾			
	prior period: 94.56%	97.58%	44.80%
3. Unrestricted Current Ratio			
Current Assets less all External Restrictions ⁽²⁾	No Liabilities	No Liabilities	5.44 : 1
<u>Current Liabilities less Specific Purpose Liabilities^(3, 4)</u>			
	prior period: 240.50	No Liabilities	6.81
4. Debt Service Cover Ratio			
Operating Result ⁽¹⁾ before capital excluding interest and depreciation / impairment / amortisation (EBITDA)	-	-	1,597.60
<u>Principal Repayments (from the Statement of Cash Flows)</u>			
+ Borrowing Interest Costs (from the Income Statement)	prior period: -	-	62.86
5. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage			
<u>Rates, Annual and Extra Charges Outstanding</u>	14.78%	11.31%	5.94%
Rates, Annual and Extra Charges Collectible			
	prior period: 0.00%	0.00%	16.04%
6. Cash Expense Cover Ratio			
Current Year's Cash and Cash Equivalents including All Term Deposits			
<u>Payments from cash flow of operating and financing activities</u> x12	0.00	0.00	6.11
	prior period: 0.00	0.00	5.90

Notes

(1) - (4) Refer to Notes at Note 13a(i) above.

(5) General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 14. Investment Properties

\$ '000

Council has not classified any Land or Buildings as "Investment Properties"

Note 15. Financial Risk Management

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	
	2014	2013	2014	2013
Financial Assets				
Cash and Cash Equivalents	2,025	6,707	2,025	6,707
Investments				
- "Held to Maturity"	5,300	1,815	5,300	1,815
Receivables	1,226	1,161	1,226	1,161
Total Financial Assets	8,551	9,683	8,551	9,683
Financial Liabilities				
Payables	385	449	385	449
Loans / Advances	2	3	2	3
Total Financial Liabilities	387	452	387	452

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.

Refer to Note 27 - Fair Value Measurement for information regarding the fair value of financial assets & liabilities

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

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. This Policy is regularly reviewed by Council and it's staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

- **Price Risk** - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there 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.
- **Interest Rate Risk** - the risk that movements in interest rates could affect returns and income.
- **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.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

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
2014				
Possible impact of a 1% movement in Interest Rates	73	73	(73)	(73)
2013				
Possible impact of a 1% movement in Interest Rates	85	85	(85)	(85)

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

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 through incentives.

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.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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:

	2014	2014	2013	2013
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
(i) Ageing of Receivables - %				
Current (not yet overdue)	90%	90%	90%	90%
Overdue	10%	10%	10%	10%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
(ii) Ageing of Receivables - value				
Current (not yet overdue)	307	793	101	713
Past due by up to 30 days	56	131	42	21
Past due by more than 90 days	-	-	228	127
	<u>363</u>	<u>924</u>	<u>371</u>	<u>861</u>
(iii) Movement in Provision for Impairment of Receivables			2014	2013
Balance at the beginning of the year			71	141
- amounts already provided for & written off this year			-	(70)
- previous impairment losses reversed			(10)	-
Balance at the end of the year			<u>61</u>	<u>71</u>

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

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 & overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the maturity 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		
2014									
Trade/Other Payables	-	385	-	-	-	-	-	385	385
Loans & Advances	-	2	-	-	-	-	-	2	2
Total Financial Liabilities	-	387	-	-	-	-	-	387	387
2013									
Trade/Other Payables	-	449	-	-	-	-	-	449	449
Loans & Advances	-	3	-	-	-	-	-	3	3
Total Financial Liabilities	-	452	-	-	-	-	-	452	452

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:

	2014		2013	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	385	0.1%	449	0.1%
Loans & Advances - Fixed Interest Rate	2	7.0%	3	7.0%
	<u>387</u>		<u>452</u>	

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 13/14 was adopted by the Council on 27 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	2014 Budget	2014 Actual	2014 ----- Variance* -----		
REVENUES					
Rates & Annual Charges	3,556	4,066	510	14%	F
Due to higher than budgeted rates from rural properties and more non rural properties being identified as being liable to pay water and sewer charges.					
User Charges & Fees	3,057	4,256	1,199	39%	F
Due to higher than budgeted payments from RMS for tendered works on state highways which were not budgeted also higher than budgeted income from private works and variable sewerage charges on commercial properties.					
Interest & Investment Revenue	339	280	(59)	(17%)	U
Primarily due to lower than budgeted interest rates and lower cash balances caused by lower financial assistance grants					
Other Revenues	857	166	(691)	(81%)	U
RMS ordered works have been budgeted for in this area but have been categorised as user charges.					
Operating Grants & Contributions	3,904	4,267	363	9%	F
Due to Council only receiving 50% of its financial assistance grants as the other 50% was paid in advance in 2011/12					
Capital Grants & Contributions	1,469	143	(1,326)	(90%)	U
Due to classification of Capital contributions and Grants as Operating.					

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 16. Material Budget Variations (continued)

\$ '000	2014 Budget	2014 Actual	2014 Variance*		
EXPENSES					
Employee Benefits & On-Costs	5,553	5,132	421	8%	F
Borrowing Costs	67	-	67	100%	F
Did not take up loans for the Aged Care Accommodation and the Nyngan Waste Cell that was budgeted for.					
Materials & Contracts	4,768	4,279	489	10%	F
Due to expenditure items such as insurance, electricity and computer software being budgeted for in this area but actually charged for in other expenses.					
Depreciation & Amortisation	3,583	3,384	199	6%	F
Due to the revaluation of Councils Roads and Bridges assets.					
Other Expenses	-	1,426	(1,426)	0%	U
Due to expenditure items such as insurance, electricity and computer software being budgeted for in materials & contracts but actually charged to this area.					
Net Losses from Disposal of Assets	-	45	(45)	0%	U
Due to losses on disposal of plant budgeted to be sold at book value resulting in no loss.					
Share of Net Losses - Joint Ventures & Associates	-	4	(4)	0%	U
25% Share of Loss from North Western Regional Library Corporation not budgeted.					

Budget Variations relating to Council's Cash Flow Statement include:

Cash Flows from Operating Activities	2,251	2,438	187	8.3%	F
Cash Flows from Investing Activities	(5,957)	(7,119)	(1,162)	19.5%	U
Due to the investment of money in term deposits for greater than 3 months.					
Cash Flows from Financing Activities	2,211	(1)	(2,212)	(100.0%)	U
Due to loans for the Aged Care Accommodation and the Nyngan Waste Cell not being taken up.					

Note 17. Statement of Developer Contributions

Council currently has no S94 Developer Contribution Plans or S94 Funds on hand from prior years.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

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 it's 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.

Bogan Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

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) Potential Land Acquisitions due to Planning Restrictions imposed by Council

Council has classified a number of privately owned land parcels as Local Open Space or Bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (& subsequent land asset) from such potential acquisitions has not been possible.

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.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

Council's objectives can and in some cases are best met through the use of separate entities & operations.

These operations and entities range from 100% ownership and control through to lower levels of ownership and control via co-operative arrangements with other Councils, Bodies and other Outside Organisations.

The accounting and reporting for these various entities, operations and arrangements varies in accordance with accounting standards, depending on the level of Councils (i) interest and (ii) control and the type (form) of entity/operation, as follows;

Subsidiaries

Note 19(a)

Operational Arrangements where Councils Control (but not necessarily Interest) exceeds 50%

Associated Entities & Joint Venture Entities

Note 19(b) (i)&(ii)

Arrangements in the form of a Separate Entity that deploys the resources of the operation itself. Under Associated Entities, Council significantly influences the operations (but does not control them, whilst for JV Entities, Council Jointly Controls the Operations with other parties.

Joint Venture Operations

Note 19(c)

Arrangements that do not comprise an actual individual entity which can deploy the resources of the individual participants. Under JV Operations, Council Jointly Controls the operations with the Other Parties involved.

Subsidiaries, Associated Entities and Joint Ventures Not Recognised

Note 19(d)

Accounting Recognition:

(i) Subsidiaries disclosed under Note 19(a), and Joint Venture Operations disclosed at Note 19(c), are accounted for on a Line by Line Consolidation basis within the Income Statement and Statement of Financial Position.

(ii) Associated Entities and Joint Venture Entities as per Notes 19(b)(i) & (ii) are accounted for using the Equity Accounting Method - and are disclosed as a 1 line entry in both the Income Statement and Statement of Financial Position.

	Council's Share of Net Income		Council's Share of Net Assets	
	Actual 2014	Actual 2013	Actual 2014	Actual 2013
Joint Venture Entities	(4)	3	66	70
Total	(4)	3	66	70

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

(a) Subsidiaries (ie. Entities & Operations controlled by Council)

Name of Operation/Entity	Principal Activity	Type of Entity	Equity Holding	
			2014	2013
Regional library	Library	JV	25%	25%

(b) Associated Entities & Joint Venture Entities

(i) ASSOCIATED ENTITIES

Council has no interest in any Associated Entities.

(ii) JOINT VENTURE ENTITIES

(a) Carrying Amounts

Name of Entity	Principal Activity	2014	2013
North Western Regional Library	Community Library Services	66	70
Total Carrying Amounts - Joint Venture Entities		66	70

(b) Relevant Interests

Name of Entity	Interest in Outputs		Interest in Ownership		Proportion of Voting Power	
	2014	2013	2014	2013	2014	2013
North Western Regional Library	25%	25%	25%	25%	25%	25%

(c) Movement in Carrying Amounts

	North Western Regional Library	
	2014	2013
Opening Balance	70	67
Share in Operating Result	(4)	3
Council's Equity Share in the Joint Venture Entity	66	70

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

(b) Associated Entities & Joint Venture Entities (continued)

(d) Share of Joint Ventures Assets & Liabilities

	Assets		Liabilities		Net Assets
	Current	Non Current	Current	Non Current	
2014					
North Western Regional Library	-	66	-	-	66
Totals	-	66	-	-	66
2013					
North Western Regional Library	19	51	-	-	70
Totals	19	51	-	-	70

(e) Share of Joint Ventures Revenues, Expenses & Results

	2014			2013		
	Revenues	Expenses	Result	Revenues	Expenses	Result
North Western Regional Library	66	70	(4)	60	57	3
Totals	66	70	(4)	60	57	3

(f) Contingent Liabilities of Joint Venture Entities

	2014	2013
Share of Contingent Liabilities incurred jointly with other Participants	25%	25%
Share of Contingent Liabilities for which Council is severally liable	25%	25%

No material losses are anticipated in respect of any of the above contingent liabilities

(c) Joint Venture Operations

Council has no interest in any Joint Venture Operations.

(d) Subsidiaries, Associated Entities & Joint Venture Operations Not Recognised

All Subsidiaries, Associated Entities & Joint Ventures have been recognised in this Financial Report as required.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2014	Actual 2013
(a) Retained Earnings			
Movements in Retained Earnings were as follows:			
Balance at beginning of Year (from previous years audited accounts)		141,339	141,554
a. Net Operating Result for the Year		(1,092)	(215)
Balance at End of the Reporting Period		140,247	141,339
(b) Reserves			
(i) Reserves are represented by:			
- Infrastructure, Property, Plant & Equipment Revaluation Reserve		57,191	72,224
Total		57,191	72,224
(ii) Reconciliation of movements in Reserves:			
Infrastructure, Property, Plant & Equipment Revaluation Reserve			
- Opening Balance		72,224	88,932
- Revaluations for the year	9(a)	(15,033)	516
- Other movements		-	(17,224)
- Balance at End of Year		57,191	72,224
TOTAL VALUE OF RESERVES		57,191	72,224

(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.

(c) Correction of Error/s relating to a Previous Reporting Period

Council made no correction of errors during the current reporting period.

(d) Voluntary Changes in Accounting Policies

Council made no voluntary changes in any accounting policies during the year.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 21. Financial Result & Financial Position by Fund

Income Statement by Fund \$ '000	Actual 2014	Actual 2014	Actual 2014
Continuing Operations	Water	Sewer	General¹
Income from Continuing Operations			
Rates & Annual Charges	692	442	2,932
User Charges & Fees	924	234	3,098
Interest & Investment Revenue	49	66	165
Other Revenues	126	-	40
Grants & Contributions provided for Operating Purposes	28	-	4,239
Grants & Contributions provided for Capital Purposes	-	-	143
Total Income from Continuing Operations	1,819	742	10,617
Expenses from Continuing Operations			
Employee Benefits & on-costs	288	64	4,780
Borrowing Costs	-	-	-
Materials & Contracts	1,185	331	2,763
Depreciation & Amortisation	418	84	2,882
Impairment	-	-	-
Other Expenses	69	23	1,334
Net Losses from the Disposal of Assets	-	-	45
Share of interests in Joint Ventures & Associates using the Equity Method	-	-	4
Total Expenses from Continuing Operations	1,960	502	11,808
Operating Result from Continuing Operations	(141)	240	(1,191)
Discontinued Operations			
Net Profit/(Loss) from Discontinued Operations	-	-	-
Net Operating Result for the Year	(141)	240	(1,191)
Net Operating Result attributable to each Council Fund	(141)	240	(1,191)
Net Operating Result attributable to Non-controlling Interests	-	-	-
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	(141)	240	(1,334)

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.

Bogan Shire Council

Notes to the Financial Statements

as at 30 June 2014

Note 21. Financial Result & Financial Position by Fund (continued)

Statement of Financial Position by Fund \$ '000	Actual 2014	Actual 2014	Actual 2014
ASSETS	Water	Sewer	General¹
Current Assets			
Cash & Cash Equivalents	307	1,162	556
Investments	1,000	1,000	3,300
Receivables	283	92	728
Inventories	-	-	248
Other	-	-	-
Non-current assets classified as 'held for sale'	-	-	-
Total Current Assets	1,590	2,254	4,832
Non-Current Assets			
Investments	-	-	-
Receivables	30	14	79
Inventories	-	-	-
Infrastructure, Property, Plant & Equipment	13,801	7,088	169,318
Investments Accounted for using the equity method	-	-	66
Investment Property	-	-	-
Intangible Assets	-	-	-
Total Non-Current Assets	13,831	7,102	169,463
TOTAL ASSETS	15,421	9,356	174,295
LIABILITIES			
Current Liabilities			
Payables	-	-	385
Borrowings	-	-	2
Provisions	-	-	1,168
Total Current Liabilities	-	-	1,555
Non-Current Liabilities			
Payables	-	-	-
Borrowings	-	-	-
Provisions	-	-	79
Total Non-Current Liabilities	-	-	79
TOTAL LIABILITIES	-	-	1,634
Net Assets	15,421	9,356	172,661
EQUITY			
Retained Earnings	6,121	7,092	127,034
Revaluation Reserves	9,300	2,264	45,627
Total Equity	15,421	9,356	172,661

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.

Bogan Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 22. "Held for Sale" Non Current Assets & Disposal Groups

\$ '000

Council did not classify any Non Current Assets or Disposal Groups as "Held for Sale".

Note 23. Events occurring after the Reporting Date

Events that occur between the end of the reporting period (ending 30 June 2014) 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 31/10/14.

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 2014.

(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 2014 and which are only indicative of conditions that arose after 30 June 2014.

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.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

\$ '000

Council has various Garbage Centres and Transfer Stations situated around the community. These all have useful lives, which on being reached will result in Council having to reinstate these areas through restoration and remediation works.

These future liabilities have however, not been brought to account due to;

- the remaining useful lives of these assets being estimated at beyond 20 years and accordingly the effects of discounting the future cash outflows to present values deems the amounts immaterial,
- preliminary estimates of the individual amounts required to undertake the future restoration works do not materially affect either Council's Financial Results or Financial Position as at 30/6/14.

Accordingly, no Provision amounts have been brought to account in these Financial Statements for such future Reinstatement & Restoration Costs.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement

\$ '000

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, Property, Plant and Equipment

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured & recognised at fair values:

2014	Date of latest Valuation	Fair Value Measurement Hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring Fair Value Measurements					
Infrastructure, Property, Plant & Equipment					
Plant & Equipment	30/06/14	-	-	4,225	4,225
Office equipment	30/06/14	-	-	87	87
Furniture & fittings	30/06/14	-	-	129	129
Operational Land	1/07/13	-	-	225	225
Community Land	30/06/12	-	-	2,401	2,401
Buildings - non specialised	1/07/13	-	-	8,296	8,296
Buildings - specialised	1/07/13	-	-	802	802
Other structures	1/07/13	-	-	1,285	1,285
Roads	1/07/13	-	-	79,682	79,682
Bulk earthworks	1/07/13	-	-	65,095	65,095
Storm water drainage	1/07/13	-	-	7,091	7,091
Water supply network	30/06/14	-	-	13,801	13,801
Sewerage network	30/06/14	-	-	7,088	7,088
Total Infrastructure, Property, Plant & Equipment		-	-	190,207	190,207

(2) Transfers between Level 1 & Level 2 Fair Value Hierarchies

During the year, there were no transfers between Level 1 and Level 2 Fair Value hierarchies for recurring fair value measurements.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values

Where Council is unable to derive Fair Valuations using quoted market prices of identical assets (ie. Level 1 inputs) and observable inputs (Level 2 inputs), it uses unobservable inputs (Level 3 inputs) as its basis for valuation.

The Fair Valuation techniques Council has employed while utilising Level 3 inputs are as follows:

Infrastructure, Property, Plant & Equipment

Plant & Equipment, Office Equipment and Furniture & Fittings

Plant & Equipment, Office Equipment and Furniture & Fittings are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to be approximate fair value due to the nature of the items. Examples of assets within these classes are as follows:

- Plant & Equipment – Graders, Trucks, Rollers, Tractors and Motor Vehicles.
- Office Equipment – Computers, photocopiers, calculators etc.
- Furniture & Fittings – Chairs, Desks etc

There has been no change to the valuation process during the reporting period.

Operational & Community Land

Operational & Community Land are based on either the Land Value provided by the Valuer-General or an average unit rate based on the Land Value for similar properties where the Valuer-General did not provide a Land Value, having regard to the highest and best use for the land. Operational Land has been valued by external valuers, Aspect Property Consultants using the principles of Fair Value as defined in Accounting Standard AASB13. As these rates were not considered to be observable market evidence they have been classified as Level 3.

There has been no change to the valuation process during the reporting period.

Buildings – Non-Specialised & Specialised

Non-Specialised & Specialised Buildings have been valued by external valuers, Aspect Property Consultants using the principles of Fair Value as defined in Accounting Standard AASB13. As these values were not considered to contain observable market evidence they have been classified as Level 3.

Other Structures

Other Structures comprise the Nyngan Swimming Pool, Aerodrome buildings, playground equipment, lighting, irrigation systems and fencing etc. These assets have been valued by external valuers, Aspect Property Consultants using the principles of Fair Value as defined in Accounting Standard AASB13. As these values were not considered to contain observable market evidence they have been classified as Level 3.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

Roads

Roads comprise road carriageway, roadside shoulders and kerb & gutter. The Cost Approach using Level 3 inputs was used to value this asset class. Valuations for this asset class were undertaken in-house based on actual costs and assumptions from Council's Asset Manager and Engineering Department. No market based evidence (Level 2) inputs are available therefore Level 3 valuation inputs were used for this assets class.

Storm Water Drainage

Storm Water Drainage comprises pipes, culverts and associated assets used for surface water to drain from roads.

The Cost Approach using level 3 inputs was used to value these assets. Valuations for this asset class were undertaken in-house based on actual costs and assumptions from Council's Asset Manager and Engineering Department. No market based evidence (Level 2) inputs are available therefore Level 3 valuation inputs were used for this assets class.

Water Supply Network

Assets within this class reservoirs, pumping stations and water pipelines.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit or similar may be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally, due to limitations in the historical records of very long lived assets, there is uncertainty regarding the actual design, specifications and dimensions of some assets. These assets are indexed each year in line with the NSW Reference Rates Manual as published by the Office of Water.

There has been no change to the valuation process during the reporting period.

Sewerage Network

Assets within this class comprise treatment works, pumping stations and sewerage mains.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit or similar could be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally, due to limitations in the historical records of very long lived assets, there is uncertainty regarding the actual design, specifications and dimensions of some assets.

There has been no change to the valuation process during the reporting period.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (Level 3)

a. The following tables present the changes in Level 3 Fair Value Asset Classes.

	Plant & Equipment	Office Equipment	Furniture & fittings	Operational Land	Total
Adoption of AASB 13	4,157	104	19	172	4,452
Purchases (GBV)	870	94	111	-	1,075
Disposals (WDV)	(223)	-	-	-	(223)
Depreciation & Impairment	(579)	(111)	(1)	-	(691)
Revaluation - Increments	-	-	-	53	53
Closing Balance - 30/6/14	4,225	87	129	225	4,666

	Community Land	Buildings Non Specialised	Buildings Specialised	Other Structures	Total
Adoption of AASB 13	2,452	23,995	3,169	2,087	31,703
Purchases (GBV)	-	290	4	425	719
Depreciation & Impairment	-	(90)	(479)	(44)	(613)
Revaluations - decrements	(51)	(15,899)	(1,892)	(1,183)	(19,025)
Closing Balance - 30/6/14	2,401	8,296	802	1,285	12,784

	Roads	Bulk Earth Works	Stormwater Drainage	Water Network	Total
Adoption of AASB 13	23,555	123,280	1,457	13,650	161,942
Purchases (GBV)	1,785	-	-	187	1,972
Depreciation & Impairment	(1,572)	-	(5)	(418)	(1,995)
Revaluations - decrements	(3,026)	(58,185)	-	-	(61,211)
Revaluations - increments	58,940	-	5,639	382	64,961
Closing Balance - 30/6/14	79,682	65,095	7,091	13,801	165,669

	Sewer Network	Total
Adoption of AASB 13	6,976	6,976
Purchases (GBV)	7	7
Depreciation & Impairment	(84)	(84)
Revaluations - increments	189	189
Closing Balance - 30/6/14	7,088	7,088

b. Information relating to the transfers into and out of the Level 3 Fair Valuation hierarchy (as disclosed in the Table above) includes:

No transfers were made in or out of the level 3 fair value hierarchy.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

(4). Fair value measurements using significant unobservable inputs (Level 3)

c. Significant unobservable valuation inputs used (for Level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various Level 3 Asset Class fair values.

I,PP&E

Class	Fair Value (30/6/14) \$'000	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Plant & Equipment	4,225	<ul style="list-style-type: none"> Gross Replacement Cost Remaining Useful life Residual Value 	<ul style="list-style-type: none"> Varies significantly from asset to asset 1 to 15 years 0% to 40% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life of residual value would result in significant changes to fair value measurement.
Office Equipment	87	<ul style="list-style-type: none"> Gross Replacement Cost Remaining Useful life Residual Value 	<ul style="list-style-type: none"> Varies significantly from asset to asset 1 to 20 years 0% to 5% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life of residual value would result in significant changes to fair value measurement.
Furniture & Fittings	129	<ul style="list-style-type: none"> Gross Replacement Cost Remaining Useful life Residual Value 	<ul style="list-style-type: none"> Varies significantly from asset to asset 5 to 20 years 0% to 10% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life of residual value would result in significant changes to fair value measurement.
Operational Land	225	<ul style="list-style-type: none"> Land Value based on price per square metre 	<ul style="list-style-type: none"> \$10 - \$40 (per square metre) 	Significant changes in the price per square metre based on the unimproved capital value would result in significant changes to fair value measurement.
Community Land	2,401	<ul style="list-style-type: none"> Land Value based on price per square metre 	<ul style="list-style-type: none"> \$2 - \$40 (per square metre) 	Significant changes in the price per square metre based on the unimproved capital value would result in significant changes to fair value measurement.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

(4). Fair value measurements using significant unobservable inputs (Level 3) (continued)

c. Significant unobservable valuation inputs used (for Level 3 asset classes) and their relationship to fair value (continued).

Class	Fair Value (30/6/14) \$'000	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Buildings – Non-Specialised	8,296	<ul style="list-style-type: none"> Gross Replacement Cost Asset Condition Remaining Useful life Residual Value 	<ul style="list-style-type: none"> Varies significantly from asset to asset Poor to Excellent 2-50 years 0% to 40% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life of residual value would result in significant changes to fair value measurement.
Buildings – Specialised	802	<ul style="list-style-type: none"> Gross Replacement Cost Asset Condition Remaining Useful life Residual Value 	<ul style="list-style-type: none"> Varies significantly from asset to asset Poor to Excellent 5-50 years 0% to 40% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life of residual value would result in significant changes to fair value measurement.
Other Structures	1285	<ul style="list-style-type: none"> Gross Replacement Cost Asset Condition Remaining Useful life Residual Value 	<ul style="list-style-type: none"> Varies significantly from asset to asset Poor to Excellent 5-50 years 0% to 40% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life of residual value would result in significant changes to fair value measurement.
Roads, Bridges, Footpaths	79,682	<ul style="list-style-type: none"> Gross Replacement Cost Asset Condition Remaining Useful life Residual Value 	<ul style="list-style-type: none"> Varies significantly from asset to asset Poor to Excellent 2-100 years 0% to 100% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life of residual value would result in significant changes to fair value measurement.

Bogan Shire Council

Notes to the Financial Statements

for the financial year ended 30 June 2014

Note 27. Fair Value Measurement (continued)

(4). Fair value measurements using significant unobservable inputs (Level 3) (continued)

c. Significant unobservable valuation inputs used (for Level 3 asset classes) and their relationship to fair value (continued).

Class	Fair Value (30/6/14) \$'000	Unobservable Inputs	Range of Inputs (incl probable)	Relationship of unobservable inputs to Fair Value
Bulk Earthworks	65,095	<ul style="list-style-type: none"> Gross Replacement Cost Asset Condition Remaining Useful life Residual Value 	<ul style="list-style-type: none"> Varies significantly from asset to asset Poor to Excellent 2-100 years 0% to 100% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life of residual value would result in significant changes to fair value measurement.
Strom Water Drainage	7,091	<ul style="list-style-type: none"> Gross Replacement Cost Asset Condition Remaining Useful life Residual Value 	<ul style="list-style-type: none"> Varies significantly from asset to asset Poor to Excellent 0-80 years 0% to 70% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life of residual value would result in significant changes to fair value measurement.
Water Supply Network	13,801	<ul style="list-style-type: none"> Gross Replacement Cost Asset Condition Remaining Useful life Residual Value 	<ul style="list-style-type: none"> Varies significantly from asset to asset Poor to Excellent 5-100 years 0% to 70% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life of residual value would result in significant changes to fair value measurement.
Sewer network	7,088	<ul style="list-style-type: none"> Gross Replacement Cost Asset Condition Remaining Useful life Residual Value 	<ul style="list-style-type: none"> Varies significantly from asset to asset Poor to Excellent 3-100 years 0% to 70% 	Significant changes in the gross replacement value, pattern of consumption effecting the remaining useful life of residual value would result in significant changes to fair value measurement.

(5). Highest and best use

All of Council's non-financial assets are considered to being utilised for their highest and best use.

Bogan Shire Council

Notes to the Financial Statements for the financial year ended 30 June 2014

Note 28. Council Information & Contact Details

Principal Place of Business:

81 Cobar Street
Nyngan NSW 2825

Contact Details

Mailing Address:

PO Box 221
Nyngan NSW 2825

Opening Hours:

8:00am to 4:30pm
Monday to Friday

Telephone: 02 6835 9000

Facsimile: 02 6835 9011

Internet: www.bogan.nsw.gov.au

Email: admin@bogan.nsw.gov.au

Officers

GENERAL MANAGER

D A Francis

RESPONSIBLE ACCOUNTING OFFICER

L F Taberner

PUBLIC OFFICER

Luke Taberner

AUDITORS

Hill Rogers Spencer Steer
Chartered Accountants

Elected Members

MAYOR

R L Donald

COUNCILLORS

J E Hampstead OAM (Deputy Mayor)

J L Douglas

L H Dutton

H J Griffiths

W G Deacon

E M McLaughlin

G R J Neill

K M Ryan

Other Information

ABN: 68 886 242 083

BOGAN SHIRE COUNCIL
GENERAL PURPOSE FINANCIAL STATEMENTS
INDEPENDENT AUDITORS' REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying general purpose financial statements of Bogan Shire Council, which comprises the Statement of Financial Position as at 30 June 2014, Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management. The financial statements include the consolidated financial statements of the economic entity and the entities it controlled at year end or from time to time during the year.

Responsibility of Council 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) and the Local Government Act 1993. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. Our audit responsibility does not extend to the original budget information disclosed in the Income Statement, Statement of Cash Flows, and Note 2(a) or the budget variation explanations disclosed in Note 16. Accordingly, no opinion is expressed on these matters.

Assurance Partners

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Sydney NSW 2001

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Practising as Hill Rogers Spencer
Steer Assurance Partners

ABN 56 435 338 966

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 statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial 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. Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

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.

Auditor's Opinion

In our opinion,

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13 part 3 Division 2; and
- (b) the financial statements:
 - (i) have been presented in accordance with the requirements of this Division;
 - (ii) are consistent with the Council's accounting records;
 - (iii) present fairly the Council's financial position, the results of its operations and its cash flows; and
 - (iv) are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia.
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that we have become aware of during the course of the audit.

HILL ROGERS SPENCER STEER



GARY MOTTAU

Partner

Dated at Sydney this 31st day of October 2014

Hill Rogers
Spencer Steer

31 October 2014

The Mayor
Bogan Shire Council
PO Box 221
NYNGAN NSW 2825

Mayor,

Audit Report - Year Ended 30 June 2014

We are pleased to advise completion of the audit of Council's books and records for the year ended 30 June 2014 and that all information required by us was readily available. We have signed our reports as required under Section 417(1) of the Local Government Act, 1993 and the Local Government Code of Accounting Practice and Financial Reporting to the General and Special Purpose Financial Statements.

Our audit has been conducted in accordance with Australian Auditing Standards so as to express an opinion on both the General and Special Purpose Financial Statements of the Council. We have ensured that the financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Local Government Code of Accounting Practice and Financial Reporting.

This report on the conduct of the audit is also issued under Section 417(1) and we now offer the following comments on the financial statements and the audit;

I. RESULTS FOR THE YEAR

1.1 Operating Result

The operating result for the year was a deficit of \$1.092 million as compared with \$215,000 in the previous year.

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The following table sets out the results for the year and the extent (%) that each category of revenue and expenses contributed to the total.

	2014	% of	2013	% of	Increase
	\$'000	Total	\$'000	Total	(Decrease)
					\$'000
Revenues before capital items					
Rates & annual charges	4,066	31%	3,806	29%	260
User charges, fees & other revenues	4,422	34%	3,145	24%	1,277
Grants & contributions provided for operating purposes	4,267	33%	6,002	45%	(1,735)
Interest & investment revenue	280	2%	324	2%	(44)
	13,035	100%	13,277	100%	(242)
Expenses					
Employee benefits & costs	5,132	36%	5,097	38%	35
Materials, contracts & other expenses	5,754	40%	5,524	41%	230
Depreciation, amortisation & impairment	3,384	24%	2,953	22%	431
Borrowing costs	-	0%	1	0%	(1)
	14,270	100%	13,575	100%	695
Surplus (Deficit) before capital items	(1,235)		(298)		(937)
Grants & contributions provided for capital purposes	143		83		60
Net Surplus (Deficit) for the year	(1,092)		(215)		(877)
Performance Measures					
Operating Performance		2014		2013	
		-9.10%		-3.82%	
Own Source Operating Revenue		66.54%		53.76%	

The above table shows an overall decrease of \$877,000 from the previous year and is mainly attributable to reduced untied grants (\$1.259 million).

Operating Performance measures the ability to contain operating expenditure within operating revenue excluding capital amounts. For 2014, this indicator was -9.10% and was below the benchmark of 0%.

Own Source Operating Revenue measures the degree of reliance on external funding sources such as grants and contributions. For 2014, this indicator was 66.54% and exceeded the benchmark of 60%.

1.2 Funding Result

As the operating result only accounts for operating income and expenditure, in reviewing the overall financial performance of Council, it is useful to consider the total source of revenues and how they were applied during the year which is illustrated in the table below.

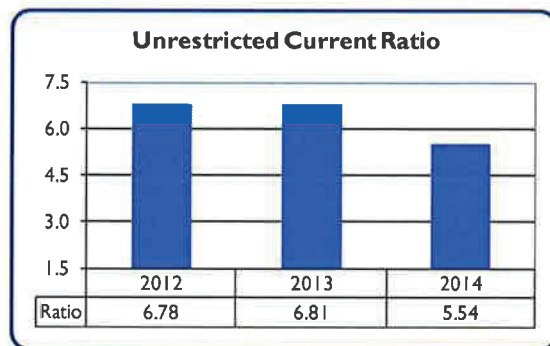
	2014	2013
	\$000	\$000
Funds were provided by:-		
Operating Result (as above)	(1,092)	(215)
Add back non funding items:-		
- Depreciation, amortisation & impairment	3,384	2,953
- Book value of non-current assets sold	223	643
- (Surplus)/Deficit in joint ventures	4	(3)
	<u>2,519</u>	<u>3,378</u>
Transfers from externally restricted assets (net)	42	0
Transfers from internal reserves (net)	630	0
Repayments from deferred debtors	15	16
Net Changes in current/non-current assets & liabilities	50	381
	<u>3,256</u>	<u>3,775</u>
Funds were applied to:-		
Purchase and construction of assets	(3,773)	(2,039)
Principal repaid on loans	(1)	(24)
Transfers to externally restricted assets (net)	0	(1,235)
Transfers to internal reserves (net)	0	(615)
	<u>(3,774)</u>	<u>(3,913)</u>
Increase/(Decrease) in Available Working Capital	(518)	(138)

2. FINANCIAL POSITION

2.1 Unrestricted Current Ratio

The Unrestricted Current Ratio is a financial indicator specific to local government and represents Council's ability to meet its debts and obligations as they fall due.

After eliminating externally restricted assets and current liabilities not expected to be paid within the next 12 months net current assets amounted to \$3.776 million representing a factor of 5.54 to 1.



2.2 Available Working Capital – (Working Funds)

At the close of the year the Available Working Capital of Council stood at \$1.977 million as detailed below;

	2014	2013	Change
	\$'000	\$'000	\$'000
Net Current Assets (Working Capital) as per Accounts	7,121	8,322	(1,201)
Add: Payables & provisions not expected to be realised in the next 12 months included above	724	756	(32)
Adjusted Net Current Assets	7,845	9,078	(1,233)
Add: Budgeted & expected to pay in the next 12 months			
- Borrowings	2	3	(1)
- Employees leave entitlements	444	406	38
- Deferred debtors	(9)	(15)	6
Less: Externally restricted assets	(4,069)	(4,111)	42
Less: Internally restricted assets	(2,236)	(2,866)	630
Available Working Capital as at 30 June	1,977	2,495	(518)

The balance of Available Working Capital should be at a level to manage Council's day to day operations including the financing of hard core debtors, stores and to provide a buffer against unforeseen and unbudgeted expenditures. Taking into consideration the nature and level of the internally restricted assets (Reserves) set aside to fund future works and services and liabilities, Council's Available Working Capital at year end was sound.

2.3 Debt

After repaying principal and interest of \$1,000, total debt as at 30 June 2014 stood at \$2,000 (2013 - \$3,000).

The debt service cover ratio measures the availability of operating cash to service debt repayments. For 2014, the ratio indicated that operating results before capital, interest and depreciation covered payments required to service debt by a factor of 2,198 to 1.

2.4 Summary

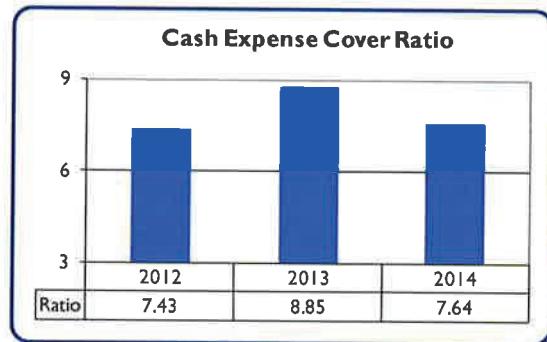
Council's overall financial position, when taking into account the above financial indicators was, in our opinion, sound.

3. CASH ASSETS

3.1 Cash Expense Cover Ratio

This liquidity ratio indicates the number of months of expenditure requirements that can be met with available cash and term deposit balances without the need for additional cash inflow.

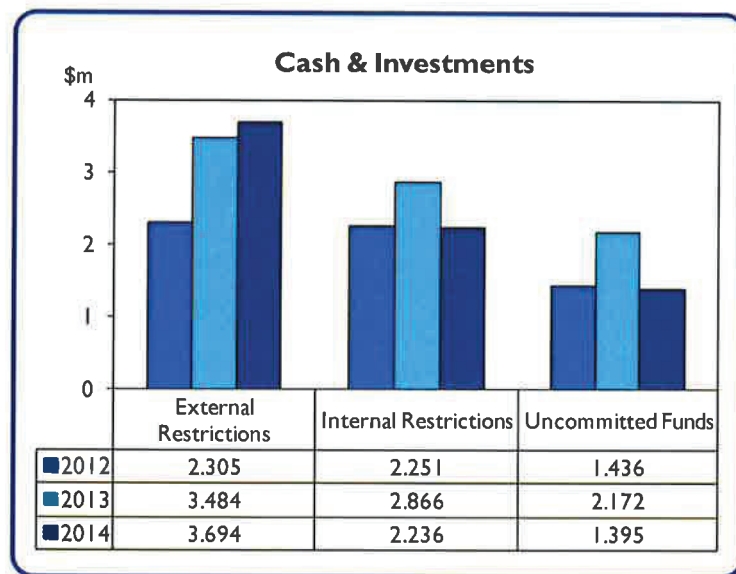
For 2014, this ratio stood at 7.64 months compared to the benchmark of 3.



3.2 Cash & Investment Securities

Cash and investments amounted \$7.325 million at 30 June 2014 as compared with \$8.522 million in 2013 and \$5.992 million in 2012.

The chart alongside summarises the purposes for which cash and investments securities were held.



Externally restricted cash and investments are restricted in their use by externally imposed requirements and consisted of unexpended grants of \$225,000 and water and sewerage funds of \$3.469 million.

Internally restricted cash and investments have been restricted in their use by resolution or policy of Council to reflect forward plans, identified programs of works, and are, in fact, Council's "**Reserves**". These Reserves totalled \$2.236 million and their purposes are more fully disclosed in Notes 6 of the financial statements.

Unrestricted cash and investments amounted to \$1.395 million, which is available to provide liquidity for day to day operations.

3.3 Cash Flows

The Statement of Cash Flows illustrates the flow of cash (highly liquid cash and investments) moving in and out of Council during the year and reveals that cash decreased by \$4.682 million to \$2.025 million at the close of the year.

In addition to operating activities which contributed net cash of \$2.438 million were the proceeds from the sale of investment securities (\$15,000), receipt of deferred debts (\$15,000) and the sale of assets (\$178,000). Cash outflows other than operating activities were used to purchase investment securities (\$3.5 million), repay borrowings (\$1,000) and to purchase and construct assets (\$3.827 million).

4. RECEIVABLES

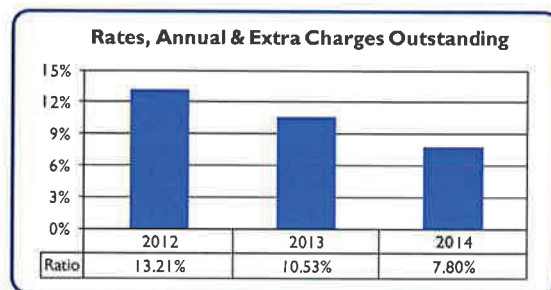
4.1 Rates & Annual Charges (excluding interest & extra charges)

Net rates and annual charges levied during the year totalled \$4.066 million and represented 31% of Council's total revenues.

Including arrears, the total rates and annual charges collectible was \$4.4 million of which \$4.069 million (92%) was collected.

4.2 Rates, Annual & Extra Charges

Arrears of rates, annual and extra charges stood at \$358,000 at the end of the year and represented 7.8% of those receivables.



4.3 Other Receivables

Receivables (other than rates & annual charges) totalled \$874,000 and consisted mainly of user charges and fees (\$664,000) and government debts (\$168,000).

Those considered to be uncertain of collection have been provided for as doubtful debts and this provision amounted to \$6,000.

5. PAYABLES

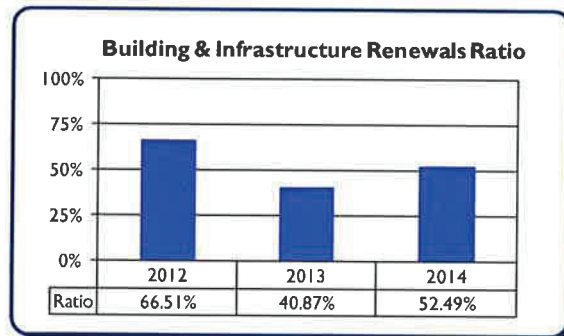
5.1 Employees Leave Entitlements

Council's provision for its liability toward employees leave entitlements and associated on costs amounted to \$1.247 million. Internally restricted cash and investments of \$305,000 was held representing 24% of this liability and was, in our opinion, sufficient to meet unbudgeted and unanticipated retirements.

6. BUILDING AND INFRASTRUCTURE RENEWALS

The Building and Infrastructure Renewals ratio measures the rate at which these assets are renewed against the rate at which they are depreciating.

Special Schedule No. 7 discloses that asset renewals for 2014 represented 52% of the depreciation charges for these assets. An industry benchmark is considered to be 100%, measured annually over the long term.



7. MANAGEMENT LETTER

An audit management letter addressing the findings from our interim audit was issued on 13 May 2014. This included our recommendations on possible ways to strengthen and/or improve procedures and management's comments and proposed actions.

8. CONCLUSION

We wish to record our appreciation to your General Manager and his staff for their ready co-operation and the courtesies extended to us during the conduct of the audit.

Yours faithfully,

HILL ROGERS SPENCER STEER

GARY MOTTAU

Partner

Bogan Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2014



Comfortable Country Living

Bogan Shire Council

Special Purpose Financial Statements

for the financial year ended 30 June 2014

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Income Statement - Sewerage Business Activity	4
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Statement of Financial Position - 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).
-

Bogan Shire Council

Special Purpose Financial Statements

for the financial year ended 30 June 2014

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government".
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality".
- The Local Government Code of Accounting Practice and Financial Reporting.
- The NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

To the best of our knowledge and belief, these Financial Statements:

- 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 these Statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 25 September 2014.



R L Donald
MAYOR



J E Hampstead
COUNCILLOR



D A Francis
GENERAL MANAGER



L F Taberner
RESPONSIBLE ACCOUNTING OFFICER

Bogan Shire Council

Income Statement of Council's Water Supply Business Activity

for the financial year ended 30 June 2014

\$ '000	Actual 2014	Actual 2013
Income from continuing operations		
Access charges	692	589
User charges	924	981
Fees	-	-
Interest	49	46
Grants and contributions provided for non capital purposes	28	4
Profit from the sale of assets	-	-
Other income	126	91
Total income from continuing operations	1,819	1,711
Expenses from continuing operations		
Employee benefits and on-costs	288	240
Borrowing costs	-	-
Materials and contracts	1,185	900
Depreciation and impairment	418	415
Water purchase charges	41	25
Loss on sale of assets	-	-
Calculated taxation equivalents	-	-
Debt guarantee fee (if applicable)	-	-
Other expenses	28	-
Total expenses from continuing operations	1,960	1,580
Surplus (deficit) from Continuing Operations before capital amounts	(141)	131
Grants and contributions provided for capital purposes	-	-
Surplus (deficit) from Continuing Operations after capital amounts	(141)	131
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	(141)	131
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	(39)
SURPLUS (DEFICIT) AFTER TAX	(141)	92
plus Opening Retained Profits	6,262	6,131
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	-	-
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	39
less:		
- Tax Equivalent Dividend paid	-	-
- Surplus dividend paid	-	-
Closing Retained Profits	6,121	6,262
Return on Capital %	-1.0%	1.0%
Subsidy from Council	632	384
Calculation of dividend payable:		
Surplus (deficit) after tax	(141)	92
less: Capital grants and contributions (excluding developer contributions)	-	-
Surplus for dividend calculation purposes	-	92
Potential Dividend calculated from surplus	-	46

Bogan Shire Council

Income Statement of Council's Sewerage Business Activity

for the financial year ended 30 June 2014

\$ '000	Actual 2014	Actual 2013
Income from continuing operations		
Access charges	442	380
User charges	234	163
Liquid Trade Waste charges	-	-
Fees	-	-
Interest	66	62
Grants and contributions provided for non capital purposes	-	15
Profit from the sale of assets	-	-
Other income	-	-
Total income from continuing operations	742	620
Expenses from continuing operations		
Employee benefits and on-costs	64	59
Borrowing costs	-	-
Materials and contracts	331	200
Depreciation and impairment	84	85
Loss on sale of assets	-	7
Calculated taxation equivalents	-	-
Debt guarantee fee (if applicable)	-	-
Other expenses	23	15
Total expenses from continuing operations	502	366
Surplus (deficit) from Continuing Operations before capital amounts	240	254
Grants and contributions provided for capital purposes	-	-
Surplus (deficit) from Continuing Operations after capital amounts	240	254
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	240	254
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(72)	(76)
SURPLUS (DEFICIT) AFTER TAX	168	178
plus Opening Retained Profits	6,852	6,598
plus/less: Prior Period Adjustments	-	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	-	-
- Debt guarantee fees	-	-
- Corporate taxation equivalent	72	76
less:		
- Tax Equivalent Dividend paid	-	-
- Surplus dividend paid	-	-
Closing Retained Profits	7,092	6,852
Return on Capital %	3.4%	3.6%
Subsidy from Council	12	9
Calculation of dividend payable:		
Surplus (deficit) after tax	168	178
less: Capital grants and contributions (excluding developer contributions)	-	-
Surplus for dividend calculation purposes	168	178
Potential Dividend calculated from surplus	84	89

Bogan Shire Council

Statement of Financial Position - Council's Water Supply Business Activity

as at 30 June 2014

\$ '000	Actual 2014	Actual 2013
ASSETS		
Current Assets		
Cash and cash equivalents	307	990
Investments	1,000	-
Receivables	283	453
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	1,590	1,443
Non-Current Assets		
Investments	-	-
Receivables	30	92
Inventories	-	-
Infrastructure, property, plant and equipment	13,801	13,650
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
Total non-Current Assets	13,831	13,742
TOTAL ASSETS	15,421	15,185
LIABILITIES		
Current Liabilities		
Bank Overdraft	-	-
Payables	-	6
Interest bearing liabilities	-	-
Provisions	-	-
Total Current Liabilities	-	6
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	-	6
NET ASSETS	15,421	15,179
EQUITY		
Retained earnings	6,121	6,262
Revaluation reserves	9,300	8,917
Council equity interest	15,421	15,179
Non-controlling equity interest	-	-
TOTAL EQUITY	15,421	15,179

Bogan Shire Council

Statement of Financial Position - Council's Sewerage Business Activity

as at 30 June 2014

\$ '000	Actual 2014	Actual 2013
ASSETS		
Current Assets		
Cash and cash equivalents	1,162	1,852
Investments	1,000	-
Receivables	92	76
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	2,254	1,928
Non-Current Assets		
Investments	-	-
Receivables	14	23
Inventories	-	-
Infrastructure, property, plant and equipment	7,088	6,976
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
Total non-Current Assets	7,102	6,999
TOTAL ASSETS	9,356	8,927
LIABILITIES		
Current Liabilities		
Bank Overdraft	-	-
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
Total Current Liabilities	-	-
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	-	-
NET ASSETS	9,356	8,927
EQUITY		
Retained earnings	7,092	6,852
Revaluation reserves	2,264	2,075
Council equity interest	9,356	8,927
Non-controlling equity interest	-	-
TOTAL EQUITY	9,356	8,927

Bogan Shire Council

Special Purpose Financial Statements for the financial year ended 30 June 2014

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	8
2	Water Supply Business Best Practice Management disclosure requirements	11
3	Sewerage Business Best Practice Management disclosure requirements	13

Bogan Shire Council

Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2014

Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Office 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 Office of Local Government in July 1997 has also been adopted.

The pricing & 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

Nil

Category 2

a. **Bogan Shire Council Combined Water Supplies**

Water supply operations servicing the town of Nyngan and the villages of Hermidale, Girilambone and Coolabah.

b. **Bogan Shire Council Sewerage Service**

Sewerage reticulation and treatment operations and net assets servicing the town of Nyngan.

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.

(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

Bogan Shire Council

Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2014

Note 1. Significant Accounting Policies

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 **\$412,000** of combined land values attracts **0%**. From \$412,001 to \$2,519,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$2,519,000, a premium marginal rate of **2.0%** applies.

Payroll Tax – **5.45%** on the value of taxable salaries and wages in excess of \$750,000.

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 of 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.

Bogan Shire Council

Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2014

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 3.56% at 30/6/14.

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 2014 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.

Bogan Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2014

Note 2. Water Supply Business Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2014

1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	-
(ii)	No of assessments multiplied by \$3/assessment	3,372
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	-
(iv)	Amounts actually paid for Tax Equivalents	-

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 multiplied by \$30/assessment, less tax equivalent charges/assessment	33,720
(iii)	Cumulative surplus before Dividends for the 3 years to 30 June 2014, less the cumulative dividends paid for the 2 years to 30 June 2013 & 30 June 2012	(247,300)

2014 Surplus	(141,000)	2013 Surplus	91,700	2012 Surplus	(198,000)
		2013 Dividend	-	2012 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 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]	NO
(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

Bogan Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 2. Water Supply Business
Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2014

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	1,770
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)]	%	60.26%
NWI F9	Written Down Replacement Cost of Fixed Assets (Water) Written down current cost of system assets (w47)	\$'000	13,801
NWI F11	Operating Cost (OMA) (Water) Management Expenses (w1) + Operational & Maintenance Expenses (w2)	\$'000	1,440
NWI F14	Capital Expenditure (Water) Acquisition of fixed assets (w16)	\$'000	187
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)]	%	-0.64%
NWI F26	Capital Works Grants (Water) Grants for the Acquisition of Assets (w11a)	\$'000	-

- Notes:
- References to w (eg. w12) refer to item numbers within Special Schedules No. 3 & 4 of Council's Annual Financial Statements.
 - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

Bogan Shire Council

Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2014

Note 3. Sewerage Business Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2014

1. Calculation and Payment of Tax-Equivalents

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	-
(ii)	No of assessments multiplied by \$3/assessment	2,784
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	-
(iv)	Amounts actually paid for Tax Equivalents	-

2. Dividend from Surplus

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	84,000
(ii)	No. of assessments x (\$30 less tax equivalent charges per assessment)	27,840
(iii)	Cumulative surplus before dividends for the 3 years to 30 June 2014, less the cumulative dividends paid for the 2 years to 30 June 2013 & 30 June 2012	421,400

2014 Surplus	168,000	2013 Surplus	177,800	2012 Surplus	75,600
		2013 Dividend	-	2012 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	27,840
(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

Bogan Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 3. Sewerage Business
Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2014

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	676
NWI F10	Written Down Replacement Cost of Fixed Assets (Sewerage) Written down current cost of system assets (s48)	\$'000	7,088
NWI F12	Operating Cost (Sewerage) Management Expenses (s1) + Operational & Maintenance Expenses (s2)	\$'000	419
NWI F15	Capital Expenditure (Sewerage) Acquisition of Fixed Assets (s17)	\$'000	7
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)]	%	2.45%
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	2,446
NWI F8	Revenue from Community Service Obligations (Water & Sewerage) Community Service Obligations (NWI F25) x 100 divided by Total Income (NWI F3)	%	0.00%
NWI F16	Capital Expenditure (Water & Sewerage) Acquisition of Fixed Assets (w16 + s17)	\$'000	194
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)]	%	0.41%
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%

Bogan Shire Council

Notes to the Special Purpose Financial Statements
for the financial year ended 30 June 2014Note 3. Sewerage Business
Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2014

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)]	%	-14.00%
NWI F23	Interest Cover (Water & Sewerage) Earnings before Interest & Tax (EBIT) divided by Net Interest Earnings before Interest & Tax (EBIT): 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: Interest Expense (w4a + s4a) - Interest Income (w9 + s10)		> 100
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	99
NWI F25	Community Service Obligations (Water & Sewerage) Grants for Pensioner Rebates (w11b + s12b)	\$'000	-

- Notes:
1. References to w (eg. s12) refer to item numbers within Special Schedules No. 5 & 6 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.

BOGAN SHIRE COUNCIL
SPECIAL PURPOSE FINANCIAL STATEMENTS
INDEPENDENT AUDITORS' REPORT

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying special purpose financial statements of Bogan Shire Council, which comprises the Statement of Financial Position as at 30 June 2014, Income Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management.

Responsibility of Council for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with the Local Government Act 1993 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 financial reporting requirements of the Division of Local Government. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. Our audit responsibility does not extend to the best practice management disclosures in Notes 2 and 3 and, accordingly, no opinion is expressed on these disclosures.

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 statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial 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.

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Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

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.

Auditor's Opinion

In our opinion, the special purpose financial statements of the Council are presented fairly 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 describes 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.

HILL ROGERS SPENCER STEER



GARY MOTTAU

Partner

Dated at Sydney this 31st day of October 2014

Bogan Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2014



Comfortable Country Living

Bogan Shire Council

Special Schedules

for the financial year ended 30 June 2014

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¹ Special Schedules are not audited (with the exception of Special Schedule 9).

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 (NOW), and
 - the Office of Local Government (OLG).
- (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.

Bogan Shire Council

Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2014

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Governance	144	-	-	(144)
Administration	3,246	107	-	(3,139)
Public Order and Safety				
Fire Service Levy, Fire Protection, Emergency Services	199	158	-	(41)
Beach Control	-	-	-	-
Enforcement of Local Govt. Regulations	-	-	-	-
Animal Control	78	15	-	(63)
Other	-	-	-	-
Total Public Order & Safety	277	173	-	(104)
Health	17	12	-	(5)
Environment				
Noxious Plants and Insect/Vermin Control	141	-	-	(141)
Other Environmental Protection	356	4	-	(352)
Solid Waste Management	394	468	-	74
Street Cleaning	-	-	-	-
Drainage	-	36	-	36
Stormwater Management	47	-	-	(47)
Total Environment	938	508	-	(430)
Community Services and Education				
Administration & Education	80	37	-	(43)
Social Protection (Welfare)	1	-	-	(1)
Aged Persons and Disabled	-	-	-	-
Children's Services	250	450	130	330
Total Community Services & Education	331	487	130	286
Housing and Community Amenities				
Public Cemeteries	34	18	-	(16)
Public Conveniences	-	-	-	-
Street Lighting	-	-	-	-
Town Planning	-	-	-	-
Other Community Amenities	-	-	-	-
Total Housing and Community Amenities	34	18	-	(16)
Water Supplies	1,960	1,819	-	(141)
Sewerage Services	502	742	-	240

Bogan Shire Council

Special Schedule No. 1 - Net Cost of Services (continued)
for the financial year ended 30 June 2014

\$'000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Recreation and Culture				
Public Libraries	188	25	-	(163)
Museums	-	1	-	1
Art Galleries	-	-	-	-
Community Centres and Halls	48	2	-	(46)
Performing Arts Venues	3	16	-	13
Other Performing Arts	-	-	-	-
Other Cultural Services	495	-	-	(495)
Sporting Grounds and Venues	25	39	-	14
Swimming Pools	214	-	-	(214)
Parks & Gardens (Lakes)	495	-	-	(495)
Other Sport and Recreation	9	-	-	(9)
Total Recreation and Culture	1,477	83	-	(1,394)
Fuel & Energy	-	-	-	-
Agriculture	-	-	-	-
Mining, Manufacturing and Construction				
Building Control	4	10	-	6
Other Mining, Manufacturing & Construction	-	-	-	-
Total Mining, Manufacturing and Const.	4	10	-	6
Transport and Communication				
Urban Roads (UR) - Local	26	-	-	(26)
Urban Roads - Regional	-	-	-	-
Sealed Rural Roads (SRR) - Local	572	-	-	(572)
Sealed Rural Roads (SRR) - Regional	2,327	4,529	-	2,202
Unsealed Rural Roads (URR) - Local	1,051	-	-	(1,051)
Unsealed Rural Roads (URR) - Regional	-	-	-	-
Bridges on UR - Local	-	-	-	-
Bridges on SRR - Local	-	-	-	-
Bridges on URR - Local	-	-	-	-
Bridges on Regional Roads	-	-	-	-
Parking Areas	1	-	-	(1)
Footpaths	-	-	-	-
Aerodromes	68	1	-	(67)
Other Transport & Communication	91	15	-	(76)
Total Transport and Communication	4,136	4,545	-	409
Economic Affairs				
Camping Areas & Caravan Parks	-	-	-	-
Other Economic Affairs	1,200	241	13	(946)
Total Economic Affairs	1,200	241	13	(946)
Totals – Functions	14,266	8,745	143	(5,378)
General Purpose Revenues ⁽²⁾		4,290		4,290
Share of interests - joint ventures & associates using the equity method	4	-		(4)
NET OPERATING RESULT ⁽¹⁾	14,270	13,035	143	(1,092)

(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

Bogan Shire Council

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)
for the financial year ended 30 June 2014

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		From Revenue	Sinking Funds			Current	Non Current
Loans (by Source)									
Commonwealth Government	-	-	-	-	-	-	-	-	-
Treasury Corporation	-	-	-	-	-	-	-	-	-
Other State Government	-	-	-	-	-	-	-	-	-
Public Subscription	-	-	-	-	-	-	-	-	-
Financial Institutions	-	-	-	-	-	-	-	-	-
Other	3	-	-	1	-	-	-	2	2
Total Loans	3	-	-	1	-	-	-	2	2
Other Long Term Debt									
Ratepayers Advances	-	-	-	-	-	-	-	-	-
Government Advances	-	-	-	-	-	-	-	-	-
Finance Leases	-	-	-	-	-	-	-	-	-
Deferred Payments	-	-	-	-	-	-	-	-	-
Total Long Term Debt	-	-	-	-	-	-	-	-	-
Total Debt	3	-	-	1	-	-	-	2	2

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).

Bogan 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 2014

\$'000	Actuals 2014	Actuals 2013
A Expenses and Income		
Expenses		
1. Management expenses		
a. Administration	403	252
b. Engineering and Supervision	-	-
2. Operation and Maintenance expenses		
- Dams & Weirs		
a. Operation expenses	-	-
b. Maintenance expenses	1	6
- Mains		
c. Operation expenses	220	171
d. Maintenance expenses	299	251
- Reservoirs		
e. Operation expenses	-	-
f. Maintenance expenses	1	10
- Pumping Stations		
g. Operation expenses (excluding energy costs)	31	28
h. Energy costs	92	90
i. Maintenance expenses	144	133
- Treatment		
j. Operation expenses (excluding chemical costs)	-	-
k. Chemical costs	133	120
l. Maintenance expenses	-	-
- Other		
m. Operation expenses	-	-
n. Maintenance expenses	46	104
o. Purchase of water	70	-
3. Depreciation expenses		
a. System assets	418	415
b. Plant and equipment	-	-
4. Miscellaneous expenses		
a. Interest expenses	-	-
b. Revaluation Decrements	-	-
c. Other expenses	102	-
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalents Dividends (actually paid)	-	-
5. Total expenses	1,960	1,580

Bogan 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 2014

\$'000	Actuals 2014	Actuals 2013
Income		
6. Residential charges		
a. Access (including rates)	635	544
b. Usage charges	963	999
7. Non-residential charges		
a. Access (including rates)	-	-
b. Usage charges	-	-
8. Extra charges	5	8
9. Interest income	49	46
10. Other income	22	21
10a. Aboriginal Communities Water and Sewerage Program	-	-
11. Grants		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	-	17
c. Other grants	-	-
12. Contributions		
a. Developer charges	-	-
b. Developer provided assets	-	-
c. Other contributions	145	76
13. Total income	<u>1,819</u>	<u>1,711</u>
14. Gain (or loss) on disposal of assets	-	-
15. Operating Result	<u>(141)</u>	<u>131</u>
15a. Operating Result (less grants for acquisition of assets)	(141)	131

Bogan 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 2014

\$'000	Actuals 2014	Actuals 2013
B Capital transactions		
Non-operating expenditures		
16. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	-	-
b. New Assets for Growth	-	-
c. Renewals	187	-
d. Plant and equipment	-	-
17. Repayment of debt		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
18. Transfer to sinking fund	-	-
19. Totals	187	-
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)	982	954
b. Residential (unoccupied, ie. vacant lot)	-	-
c. Non-residential (occupied)	142	130
d. Non-residential (unoccupied, ie. vacant lot)	-	-
25. Number of ETs for which developer charges were received	- ET	- ET
26. Total amount of pensioner rebates (actual dollars)	\$ 15,312	\$ 16,538

Bogan Shire Council

Special Schedule No. 3 - Water Supply Cross Subsidies

for the financial year ended 30 June 2014

\$'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" value="-"/>
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.			

Bogan 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 2014

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
30. Cash and investments			
a. Developer charges	-	-	-
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	1,307	-	1,307
31. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	73	30	103
c. User Charges	-	-	-
d. Other	210	-	210
32. Inventories	-	-	-
33. Property, plant and equipment			
a. System assets	-	13,801	13,801
b. Plant and equipment	-	-	-
34. Other assets	-	-	-
35. Total assets	<u>1,590</u>	<u>13,831</u>	<u>15,421</u>
LIABILITIES			
36. Bank overdraft	-	-	-
37. Creditors	-	-	-
38. Borrowings			
a. Loans	-	-	-
b. Advances	-	-	-
c. Finance leases	-	-	-
39. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
40. Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
41. NET ASSETS COMMITTED	<u>1,590</u>	<u>13,831</u>	<u>15,421</u>
EQUITY			
42. Accumulated surplus			6,121
43. Asset revaluation reserve			9,300
44. TOTAL EQUITY			<u>15,421</u>
Note to system assets:			
45. Current replacement cost of system assets			31,718
46. Accumulated current cost depreciation of system assets			(17,917)
47. Written down current cost of system assets			<u>13,801</u>

Bogan 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 2014

\$'000	Actuals 2014	Actuals 2013
A Expenses and Income		
Expenses		
1. Management expenses		
a. Administration	190	110
b. Engineering and Supervision	12	7
2. Operation and Maintenance expenses		
- Mains		
a. Operation expenses	12	15
b. Maintenance expenses	85	40
- Pumping Stations		
c. Operation expenses (excluding energy costs)	82	77
d. Energy costs	16	17
e. Maintenance expenses	11	7
- Treatment		
f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	-	-
g. Chemical costs	3	1
h. Energy costs	-	-
i. Effluent Management	-	-
j. Biosolids Management	-	-
k. Maintenance expenses	-	-
- Other		
l. Operation expenses	1	1
m. Maintenance expenses	7	7
3. Depreciation expenses		
a. System assets	83	84
b. Plant and equipment	-	-
4. Miscellaneous expenses		
a. Interest expenses	-	-
b. Revaluation Decrements	-	-
c. Other expenses	-	-
d. Impairment - System assets	-	-
e. Impairment - Plant and equipment	-	-
f. Aboriginal Communities Water & Sewerage Program	-	-
g. Tax Equivalent Dividends (actually paid)	-	-
5. Total expenses	502	366

Bogan 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 2014

\$'000	Actuals 2014	Actuals 2013
Income		
6. Residential charges (including rates)	442	380
7. Non-residential charges		
a. Access (including rates)	-	-
b. Usage charges	234	163
8. Trade Waste Charges		
a. Annual Fees	-	-
b. Usage charges	-	-
c. Excess mass charges	-	-
d. Re-inspection fees	-	-
9. Extra charges	-	-
10. Interest income	66	61
11. Other income	-	-
11a. Aboriginal Communities Water & Sewerage Program	-	-
12. Grants		
a. Grants for acquisition of assets	-	-
b. Grants for pensioner rebates	-	15
c. Other grants	-	-
13. Contributions		
a. Developer charges	-	-
b. Developer provided assets	-	-
c. Other contributions	-	-
14. Total income	742	619
15. Gain (or loss) on disposal of assets	-	-
16. Operating Result	240	253
16a. Operating Result (less grants for acquisition of assets)	240	253

Bogan 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 2014

\$'000	Actuals 2014	Actuals 2013
B Capital transactions		
Non-operating expenditures		
17. Acquisition of Fixed Assets		
a. New Assets for Improved Standards	-	-
b. New Assets for Growth	-	-
c. Renewals	7	-
d. Plant and equipment	-	-
18. Repayment of debt		
a. Loans	-	-
b. Advances	-	-
c. Finance leases	-	-
19. Transfer to sinking fund	-	-
20. Totals	7	-
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)	819	854
b. Residential (unoccupied, ie. vacant lot)	-	-
c. Non-residential (occupied)	109	120
d. Non-residential (unoccupied, ie. vacant lot)	-	-
26. Number of ETs for which developer charges were received	- ET	- ET
27. Total amount of pensioner rebates (actual dollars)	\$ 13,300	\$ 14,438

Bogan Shire Council

Special Schedule No. 5 - Sewerage Cross Subsidies
for the financial year ended 30 June 2014

\$'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.

Bogan 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 2014

\$'000	Actuals Current	Actuals Non Current	Actuals Total
ASSETS			
31. Cash and investments			
a. Developer charges	-	-	-
b. Special purpose grants	-	-	-
c. Accrued leave	-	-	-
d. Unexpended loans	-	-	-
e. Sinking fund	-	-	-
f. Other	2,162	-	2,162
32. Receivables			
a. Specific purpose grants	-	-	-
b. Rates and Availability Charges	36	14	50
c. User Charges	-	-	-
d. Other	56	-	56
33. Inventories	-	-	-
34. Property, plant and equipment			
a. System assets	-	7,088	7,088
b. Plant and equipment	-	-	-
35. Other assets	-	-	-
36. Total Assets	<u>2,254</u>	<u>7,102</u>	<u>9,356</u>
LIABILITIES			
37. Bank overdraft	-	-	-
38. Creditors	-	-	-
39. Borrowings			
a. Loans	-	-	-
b. Advances	-	-	-
c. Finance leases	-	-	-
40. Provisions			
a. Tax equivalents	-	-	-
b. Dividend	-	-	-
c. Other	-	-	-
41. Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
42. NET ASSETS COMMITTED	<u>2,254</u>	<u>7,102</u>	<u>9,356</u>
EQUITY			
42. Accumulated surplus			7,092
44. Asset revaluation reserve			2,264
45. TOTAL EQUITY			<u>9,356</u>
Note to system assets:			
46. Current replacement cost of system assets			10,819
47. Accumulated current cost depreciation of system assets			(3,731)
48. Written down current cost of system assets			<u>7,088</u>

Bogan Shire Council

Notes to Special Schedule No.'s 3 & 5

for the financial year ended 30 June 2014

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.

Bogan Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets
as at 30 June 2014

Asset Class		Asset Category	Estimated cost to bring up to a satisfactory standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Actual ⁽³⁾ Maintenance 2013/14	Written Down Value (WDV) ⁽⁴⁾	Assets in Condition as a % of WDV ^{(4), (5)}								
							1	2	3	4	5				
Buildings		Council Offices / Administration Centres	125	20	18	647		50%	50%						0%
		Public Order and Safety	8	2	-	162		50%	50%						0%
		Health	65	5	3	178				100%					0%
		Community Services & Education	-	10	7	208		100%							0%
		Housing & Community Amenities	236	130	129	1,597		61%		39%					0%
		Recreation & Culture	599	50	24	5,156	10%	46%		44%					0%
		Transport & Communication	-	-	1	989		100%							0%
		Economic Affairs	46	5	-	161		15%		85%					0%
		sub total	1,079	222	182	9,098	5.7%	54.6%	39.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other Structures		Other Structures	115	30	26	1,285	5%	44%		51%					0%
		sub total	115	30	26	1,285	5.0%	44.0%	51.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Roads		Bridges	-	-	-	9,922	100%								0%
		Culverts	80	40	20	13,922	13%	83%		2%					0%
		Footpaths	80	40	20	2,082		27%		73%					0%
		Kerb & Gutter	60	30	10	861				100%					0%
		Bus Shelter	-	-	-	23		78%		19%					0%
		Traffic Island	-	-	-	282		78%		19%					0%
		Road Sign	60	30	20	167		78%		19%					0%
		Road Pavement	2,900	2,000	1,802	23,590		97%		3%					0%
		Road Surface	800	300	250	28,833	6%	56%		35%					0%
		sub total	3,980	2,440	2,122	79,682	16.9%	64.6%	17.0%	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%

Bogan Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued) as at 30 June 2014

\$'000

Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Actual ⁽³⁾ Maintenance 2013/14	Written Down Value (WDV) ⁽⁴⁾	Assets in Condition as a % of WDV ^{(4), (5)}								
						1	2	3	4	5				
Stormwater Drainage	Levee	-	-	-	6,027	100%								0%
	Storm Water Drainage	-	-	-	1,064			100%						0%
	sub total	-	-	-	7,091	85.0%	0.0%	15.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	TOTAL - ALL ASSETS	5,504	3,167	2,773	118,045	19.0%	54.5%	21.6%	4.9%	0.0%	0.0%	0.0%	0.0%	0.0%

Notes:

- (1). Satisfactory is defined as "satisfying expectations or needs, leaving no room for complaint, causing satisfaction, adequate".
The estimated cost to bring assets to a satisfactory standard is the amount of money that is required to be spent on an asset to ensure that it is in a satisfactory standard.
- (2). This estimated cost should not include any planned enhancements (ie.to heighten, intensify or improve the facilities).
- (3). Required Annual Maintenance is "what should be spent to maintain assets in a satisfactory standard."
Actual Maintenance is what has been spent in the current year to maintain the assets.
- (4). Actual Maintenance may be higher or lower than the required annual maintenance due to the timing of when the maintenance actually occurs.
Written Down Value is in accordance with Note 9 of Council's General Purpose Financial Statements
- (5). **Infrastructure Asset Condition Assessment "Key"**

1	Excellent	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Average	Maintenance work required
4	Poor	Renewal required
5	Very Poor	Urgent renewal/upgrading required

Bogan Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
for the financial year ended 30 June 2014

\$ '000	Amounts 2014	Indicator 2014	Prior Periods	
			2013	2012
Infrastructure Asset Performance Indicators Consolidated				
1. Building and Infrastructure Renewals Ratio				
Asset Renewals (Building and Infrastructure) ⁽¹⁾	<u>1,390</u>	52.49%	40.87%	66.51%
Depreciation, Amortisation & Impairment	<u>2,648</u>			
2. Infrastructure Backlog Ratio				
Estimated Cost to bring Assets to a Satisfactory Condition	<u>5,504</u>	0.05	0.00	
Total value ⁽²⁾ of Infrastructure, Building, Other Structures & depreciable Land Improvement Assets	<u>118,045</u>			
3. Asset Maintenance Ratio				
Actual Asset Maintenance	<u>2,773</u>	0.88	0.00	
Required Asset Maintenance	<u>3,167</u>			
4. Capital Expenditure Ratio				
Annual Capital Expenditure	<u>3,550</u>	1.05	0.00	
Annual Depreciation	<u>3,384</u>			

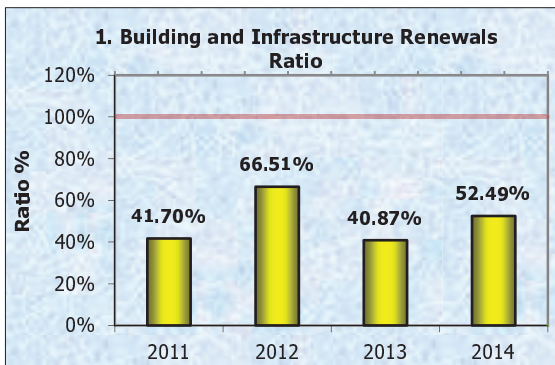
Notes

⁽¹⁾ 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.

⁽²⁾ Written down value

Bogan Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued) for the financial year ended 30 June 2014



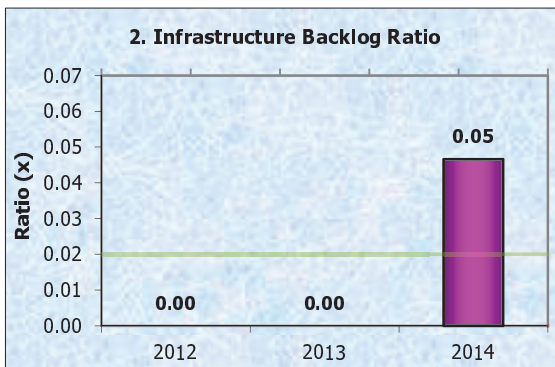
Purpose of Asset Renewals Ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

2013/14 Ratio 52.49%

— Minimum 100.00%

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)



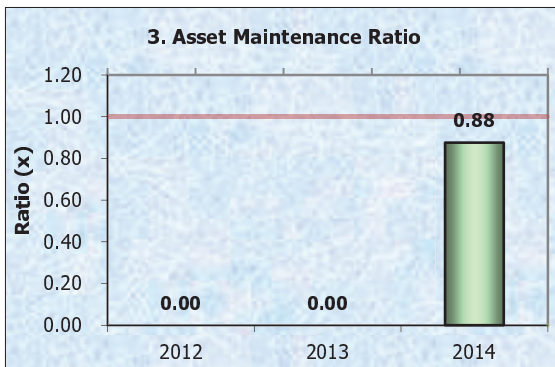
Purpose of Infrastructure Backlog Ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

2013/14 Ratio 0.05 x

— Maximum .02

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)



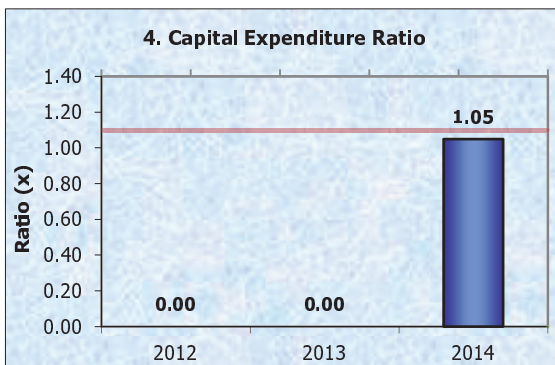
Purpose of Asset Maintenance Ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the Infrastructure Backlog growing.

2013/14 Ratio 0.88 x

— Minimum 1.00

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)



Purpose of Capital Expenditure Ratio

To assess the extent to which a Council is expanding its asset base thru capital expenditure on both new assets and the replacement and renewal of existing assets.

2013/14 Ratio 1.05 x

— Minimum 1.10

Source for Benchmark: TCorp Sustainability Review of NSW Local Govt. (2013)

Bogan Shire Council

Special Schedule No. 7 - Report on Infrastructure Assets (continued)
for the financial year ended 30 June 2014

\$ '000	Water 2014	Sewer 2014	General ⁽¹⁾ 2014
Infrastructure Asset Performance Indicators By Fund			
1. Building and Infrastructure Renewals Ratio			
<u>Asset Renewals (Building and Infrastructure)⁽¹⁾</u>	68.90%	36.90%	49.91%
Depreciation, Amortisation & Impairment			
prior period:	0.00%	0.00%	51.91%
2. Infrastructure Backlog Ratio			
<u>Estimated Cost to bring Assets to a Satisfactory Condition</u>	0.02	0.00	0.05
Total value ⁽³⁾ of Infrastructure, Building, Other Structures & Depreciable Land Improvement Assets			
prior period:	0.00	0.00	0.00
3. Asset Maintenance Ratio			
<u>Actual Asset Maintenance</u>	0.96	0.88	0.87
Required Asset Maintenance			
prior period:	0.00	0.00	0.00
4. Capital Expenditure Ratio			
<u>Annual Capital Expenditure</u>	0.45	0.08	1.16
Annual Depreciation			
prior period:	0.00	0.00	0.00

Notes

⁽¹⁾ General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

⁽²⁾ 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.

⁽³⁾ Written down value

Bogan Shire Council

Special Schedule No. 8 - Financial Projections

as at 30 June 2014

	Actual ⁽¹⁾	Forecast ⁽³⁾	Forecast ⁽³⁾	Forecast ⁽³⁾	Forecast ⁽³⁾	Forecast ⁽³⁾	Forecast ⁽³⁾	Forecast ⁽³⁾	Forecast ⁽³⁾	Forecast ⁽³⁾	
\$'000	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24
(i) OPERATING BUDGET											
Income from continuing operations	13,178	12,727	12,741	13,116	13,414	13,737	14,086	14,459	14,830	15,229	15,636
Expenses from continuing operations	14,270	13,307	13,596	13,715	14,066	14,415	14,768	15,128	15,501	15,880	16,271
Operating Result from Continuing Operations	(1,092)	(580)	(855)	(599)	(652)	(678)	(682)	(669)	(671)	(651)	(635)
(ii) CAPITAL BUDGET											
New Capital Works ⁽²⁾	-	-	-	-	-	-	-	-	-	-	-
Replacement/Refurbishment of Existing Assets	3,770	3,673	3,817	4,730	3,854	3,538	3,248	3,676	3,322	3,534	3,636
Total Capital Budget	3,770	3,673	3,817	4,730	3,854	3,538	3,248	3,676	3,322	3,534	3,636
Funded by:											
- Loans	-	-	-	-	-	-	-	-	-	-	-
- Asset sales	-	-	-	-	-	-	-	-	-	-	-
- Reserves	924	671	1,069	1,884	994	648	308	672	264	403	433
- Grants/Contributions	-	-	-	-	-	-	-	-	-	-	-
- Recurrent revenue	2,846	3,002	2,748	2,846	2,860	2,890	2,940	3,004	3,058	3,131	3,203
- Other	-	-	-	-	-	-	-	-	-	-	-
	3,770	3,673	3,817	4,730	3,854	3,538	3,248	3,676	3,322	3,534	3,636

Notes:

- (1) From 13/14 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.

Bogan Shire Council

Special Schedule No. 9 - Permissible Income Calculation

for the financial year ended 30 June 2015

\$'000		Calculation 2013/14	Calculation 2014/15
Notional General Income Calculation ⁽¹⁾			
Last Year Notional General Income Yield	a	2,417	2,558
Plus or minus Adjustments ⁽²⁾	b	12	6
Notional General Income	c	2,429	2,564
Permissible Income Calculation			
Special variation percentage ⁽³⁾	d		
or Rate peg percentage	e	3.40%	2.30%
or Crown land adjustment incl. rate peg percentage	f		
less expiring Special variation amount	g	-	-
plus Special variation amount	h = c x d	-	-
or plus Rate peg amount	i = c x e	83	59
or plus Crown land adjustment and rate peg amount	j = c x f	-	-
sub-total	k = (c+g+h+i+j)	2,512	2,623
plus (or minus) last year's Carry Forward Total	l	113	67
less Valuation Objections claimed in the previous year	m	-	-
sub-total	n = (l + m)	113	67
Total Permissible income	o = k + n	2,625	2,690
less Notional General Income Yield	p	2,558	2,659
Catch-up or (excess) result	q = o - p	67	31
plus Income lost due to valuation objections claimed ⁽⁴⁾	r	-	-
less Unused catch-up ⁽⁵⁾	s	-	(31)
Carry forward to next year	t = q + r - s	67	(0)

Notes

- ¹ The Notional General Income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- ² Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called "supplementary valuations" as defined in the Valuation of Land Act 1916.
- ³ The Special Variation Percentage is inclusive of the Rate Peg percentage and where applicable crown land adjustment.
- ⁴ Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- ⁵ Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.

BOGAN SHIRE COUNCIL

SPECIAL SCHEDULE NO. 9

INDEPENDENT AUDITORS' REPORT

REPORT ON SPECIAL SCHEDULE NO. 9

We have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 9) of Bogan Shire Council for the year ending 30 June 2015.

Responsibility of Council for Special Schedule No. 9

The Council is responsible for the preparation and fair presentation of Special Schedule No. 9 in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update No. 22. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Special Schedule No. 9 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.

Auditors' Responsibility

Our responsibility is to express an opinion on Special Schedule No. 9 based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether Special Schedule No. 9 is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in Special Schedule No. 9. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Special Schedule No. 9, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of Special Schedule No. 9.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

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ABN 56 435 338 966

In making our risk assessments, we consider internal controls relevant to the entity's preparation of Special Schedule No. 9 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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, Special Schedule No. 9 of Bogan Shire Council for 2014/15 is properly drawn up in accordance with the requirements of the Office of Local Government and in accordance with the books and records of the Council.

Basis of Accounting

Without modifying our opinion, we advise that this schedule has been prepared for distribution to the Office of Local Government for the purposes of confirming that Council's reconciliation of Council's total permissible general income is presented fairly. As a result, the schedule may not be suitable for another purpose.

HILL ROGERS SPENCER STEER

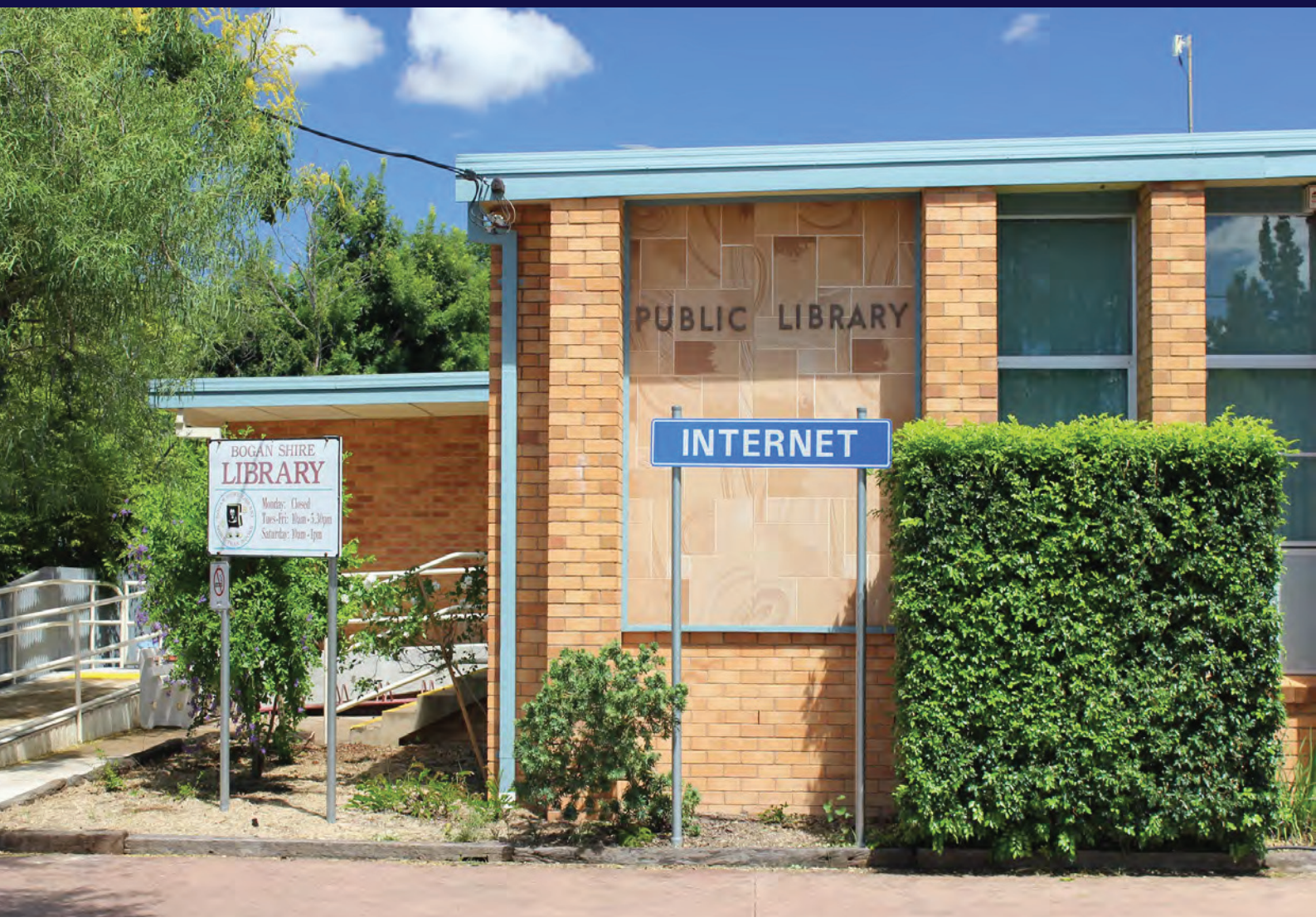


GARY MOTTAU

Partner

Dated at Sydney this 31st day of October 2014

Annexure Two Objectives and Performance



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Annexure Two

Objectives and Performance

2013/2014

1 - Building our Community

1.1 Culture and Social

Our community enjoys and actively participates in our rich culture, social environment and communal vibe.

Strategy		Activities 2013/2014	Status
1.1.1	Continue to support and create opportunities for community festivals, events and cultural activities through planning, marketing, direct involvement and various forms of assistance.	Provide facilities and administrative support for the Nyngan Easter Challenge	Completed
1.1.1	Continue to support and create opportunities for community festivals, events and cultural activities through planning, marketing, direct involvement and various forms of assistance.	Support and encourage a variety of artistic exhibitions	Completed
1.1.1	Continue to support and create opportunities for community festivals, events and cultural activities through planning, marketing, direct involvement and various forms of assistance.	Provide facilities for the Nyngan Show, Ag Expo and Duck Creek	Completed
1.1.1	Continue to support and create opportunities for community festivals, events and cultural activities through planning, marketing, direct involvement and various forms of assistance.	Provide community events, activities and venues to celebrate Australia Day	Completed
1.1.1	Continue to support and create opportunities for community festivals, events and cultural activities through planning, marketing, direct involvement and various forms of assistance.	Support a range of local community organisations	Completed
1.1.1	Continue to support and create opportunities for community festivals, events and cultural activities through planning, marketing, direct involvement and various forms of assistance.	Source funding and support community organisations to host an event to celebrate International Women's Day	Completed
1.1.1	Continue to support and create opportunities for community festivals, events and cultural activities through planning, marketing, direct involvement and various forms of assistance.	Seek sponsorship and organise the Nyngan Christmas Lights Competition	Completed
1.1.1	Continue to support and create opportunities for community festivals, events and cultural activities through planning, marketing, direct involvement and various forms of assistance.	Provide administrative support and facilities to support the Bogan Day Out Festival and the Bogan River Ball	Completed
1.1.2	Support all local communities, heritage and cultural groups to reconnect to, preserve and share our Shire's heritage and social history.	Conduct citizenship ceremonies	Completed

	Strategy	Activities 2013/2014	Status
1.1.2	Support all local communities, heritage and cultural groups to reconnect to, preserve and share our Shire's heritage and social history.	Examine opportunities for public art/murals on existing council amenities	Completed
1.1.2	Support all local communities, heritage and cultural groups to reconnect to, preserve and share our Shire's heritage and social history.	Support groups to source funding (e.g. Heritage or Historical Buildings maintenance and repairs)	Completed
1.1.2	Support all local communities, heritage and cultural groups to reconnect to, preserve and share our Shire's heritage and social history.	Maintain and preserve Council owned historic buildings	Progressing - No Issues
1.1.2	Support all local communities, heritage and cultural groups to reconnect to, preserve and share our Shire's heritage and social history.	Continue with the Community Based Heritage Study	Progressing - No Issues
1.1.2	Support all local communities, heritage and cultural groups to reconnect to, preserve and share our Shire's heritage and social history.	Continue to support the Nyngan Museum and Mid-State Shearing Shed Museum	Completed
1.1.3	Identify, respect and preserve sites and items of historical significance.	Maintain and preserve Council owned historic buildings	Progressing - No Issues
1.1.3	Identify, respect and preserve sites and items of historical significance.	Continue with the Community Based Heritage Study	Completed
1.1.4	Continue to support and promote attractions contributing to the cultural and economic development of the Shire.	Continue to promote the Nyngan Museum and Mid-State Shearing Shed Museum	Completed
1.1.4	Continue to support and promote attractions contributing to the cultural and economic development of the Shire.	Promote annual events calendar via website, digital message board and council column (e.g. WSPA End of Year Concert, Deb Ball, ANZAC Day Events etc.)	Completed
1.1.5	Develop and support volunteer groups to carry out functions and projects for the benefit of the community and the volunteer.	Develop and maintain a volunteer database	Completed
1.1.5	Develop and support volunteer groups to carry out functions and projects for the benefit of the community and the volunteer.	Provide a range of information to families on children's services and childcare within the Bogan Shire	Completed

	Strategy	Activities 2013/2014	Status
1.1.5	Develop and support volunteer groups to carry out functions and projects for the benefit of the community and the volunteer.	Work with volunteer groups to support their activities. (e.g. administrative support and assistance with grant applications Shire)	Completed
1.1.5	Develop and support volunteer groups to carry out functions and projects for the benefit of the community and the volunteer.	Provide and promote widely accessible information on support services	Completed
1.1.5	Develop and support volunteer groups to carry out functions and projects for the benefit of the community and the volunteer.	Produce and update the Community Directory - both the hard copy and on Council's website	Completed
1.1.5	Develop and support volunteer groups to carry out functions and projects for the benefit of the community and the volunteer.	Support and promote National Volunteer Week	Completed
1.1.5	Develop and support volunteer groups to carry out functions and projects for the benefit of the community and the volunteer.	Support Clean Up Australia Day and National Tree Day	Completed

1.2 Community Facilities

We have attractive and well managed community facilities that are regularly used and provide for valued recreational, sporting and cultural programs for our community and visitors.

Strategy		Activities 2013/2014		Status
1.2.1	Maintain Nyngan Pool facilities to meet community expectations and relevant regulations.		Monitor pool water and facilities and maintain to regulated standards	Progressing - No Issues
1.2.1	Maintain Nyngan Pool facilities to meet community expectations and relevant regulations.		Annually review patronage	Progressing - No Issues
1.2.2	Improve and upgrade Nyngan Pool to cater for a variety of users.		Improve operational contract period to suit seasonal conditions	Completed
1.2.2	Improve and upgrade Nyngan Pool to cater for a variety of users.		Develop a program for the upgrading of pool facilities	Progressing - No Issues
1.2.2	Improve and upgrade Nyngan Pool to cater for a variety of users.		Review potential for wider usage of pool facilities outside existing user groups	Progressing - No Issues
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.		Management and maintenance of the cemetery in accordance with the Plan of Management	Progressing - No Issues
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.		Consult with Nyngan Garden Club regularly to gather suggestions for garden improvements	Progressing - No Issues
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.		Seek grants for development of M&R Program	Progressing - No Issues
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.		Initiate a Community Street Tree Planting Program	Progressing - No Issues
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.		Progressively conduct safety and access audits for reserves	Completed
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.		Renew lawn planting of Rotary Park areas damaged by floodwater	Completed

	Strategy	Activities 2013/2014	Status
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.	Construct pedestrian path connecting Rotary Park to town levee	Completed
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.	Continue to support the Nyngan Garden Club in volunteer activities in our parks and gardens	Completed
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.	Review existing Operational Program for Maintenance	Progressing - No Issues
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.	Review existing access to O'Reilly Park playground and parking areas for travellers	Progressing - No Issues
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.	Develop landscaping plans for Davidson and Vanges Parks	Progressing - No Issues
1.2.3	Maintain and improve our parks, gardens and playgrounds to promote their use and enjoyment by the whole community and our visitors.	Continue to upgrade and enhance recreational spaces and facilities	Progressing - No Issues
1.2.4	Maintain and improve our sports grounds and active recreational facilities to promote the good health and well-being of the community through the diversity of sport and recreation on offer.	Liaise with stakeholders for self-funded maintenance and improvements incorporating sustainable principles	Progressing - No Issues
1.2.4	Maintain and improve our sports grounds and active recreational facilities to promote the good health and well-being of the community through the diversity of sport and recreation on offer.	Budget for ongoing maintenance of existing facilities	Progressing - No Issues
1.2.4	Maintain and improve our sports grounds and active recreational facilities to promote the good health and well-being of the community through the diversity of sport and recreation on offer.	Maintain smooth playing surfaces and full grass cover on all sports grounds through a planned watering and fertilising program	Progressing - No Issues
1.2.4	Maintain and improve our sports grounds and active recreational facilities to promote the good health and well-being of the community through the diversity of sport and recreation on offer.	Extend Showground irrigation system to Cemetery	Progressing - No Issues
1.2.4	Maintain and improve our sports grounds and active recreational facilities to promote the good health and well-being of the community through the diversity of sport and recreation on offer.	Seek grant funding to develop new facilities	Progressing - No Issues
1.2.4	Maintain and improve our sports grounds and active recreational facilities to promote the good health and well-being of the community through the diversity of sport and recreation on offer.	Maintenance improvements to Junior Rugby League change rooms	Completed

	Strategy	Activities 2013/2014	Status
1.2.4	Maintain and improve our sports grounds and active recreational facilities to promote the good health and well-being of the community through the diversity of sport and recreation on offer.	Cemetery operations are carried out in an efficient and dignified manner by keeping accurate cemetery records and paying due respect to bereaved families	Progressing - No Issues
1.2.4	Maintain and improve our sports grounds and active recreational facilities to promote the good health and well-being of the community through the diversity of sport and recreation on offer.	Seek grant funding to improve existing facilities	Progressing - No Issues
1.2.5	Provide well maintained community halls and other similar facilities for community use.	Conduct an audit of all Shire halls and community facilities for M&R and capital works program	Progressing - No Issues
1.2.5	Provide well maintained community halls and other similar facilities for community use.	Seek grants to improve all Shire halls and community facilities	Progressing - No Issues
1.2.5	Provide well maintained community halls and other similar facilities for community use.	Review user groups of all Shire halls and community facilities	Progressing - No Issues
1.2.5	Provide well maintained community halls and other similar facilities for community use.	Seek grants to develop and improve village facilities	Progressing - No Issues
1.2.5	Provide well maintained community halls and other similar facilities for community use.	Promote the utilisation of community buildings	Completed
1.2.6	Provide well maintained Shire showground and equestrian facilities for community use.	Maintain existing Operations and Procedures	Progressing - No Issues
1.2.6	Provide well maintained Shire showground and equestrian facilities for community use.	Maintain racecourse track drainage, landscape areas and buildings to acceptable standard	Completed
1.2.6	Provide well maintained Shire showground and equestrian facilities for community use.	Consult with Showground user groups on facility requirements and programming of events	Completed
1.2.7	Develop a plan of management for the Palais Theatre to support community activities.	Develop progressive upgrade program for compliance with BCA provisions	Progressing - No Issues
1.2.7	Develop a plan of management for the Palais Theatre to support community activities.	Develop detailed works program for renewal of seating and interior furnishings	Completed

	Strategy	Activities 2013/2014	Status
1.2.7	Develop a plan of management for the Palais Theatre to support community activities.	Seek grants for redevelopment of Palais Theatre	Progressing - No Issues
1.2.7	Develop a plan of management for the Palais Theatre to support community activities.	Review outdoor theatre area for usage/alternative usage	Progressing - No Issues
1.2.8	Provide a youth centre that is maintained for recreational, educational and cultural activities.	Work with community organisations to seek funding or assist with fundraising for a dedicated youth centre	Not Progressing

1.3 Ageing and Disability Support

Older people and people with disabilities feel safe, secure, valued, included and are able to actively participate in community life.

	Strategy	Activities 2013/2014	Status
1.3.1	Create an environment and culture that allows the community to feel safe, empowered and included.	Work with the community and Government agencies to understand issues and lobby Government to address them	Completed
1.3.2	Identify and monitor the social services needs of older people and people with disabilities in the community and provide infrastructure to support assisted and independent living and social interaction.	Work with the community and Government agencies to understand issues, such as community transport and lobby Government to address them	Completed
1.3.3	Promote a range of recreational, sporting and other opportunities for personal development, interaction and healthy lifestyle for older people and people with a disability through education, support networks and facilities.	Work with the community and Government agencies to understand issues and lobby Government to address them	Completed
1.3.3	Promote a range of recreational, sporting and other opportunities for personal development, interaction and healthy lifestyle for older people and people with a disability through education, support networks and facilities.	Sponsor and organise Senior Citizen of the Year Awards, Morning Tea and Concert in Seniors Week	Completed
1.3.3	Promote a range of recreational, sporting and other opportunities for personal development, interaction and healthy lifestyle for older people and people with a disability through education, support networks and facilities.	Investigate opportunities for funding for activities and/or events in Seniors Week	Completed
1.3.4	Support Community Transport (volunteer driver scheme).	Work with the community and Government agencies to understand issues and lobby Government to address them	Completed

1.4 Children and Young People Support

Children and young people are cared for, safe and are actively engaged with support and development opportunities to encourage them to reach their potential.

Strategy		Activities 2013/2014		Status
1.4.1	Provide childcare facilities, preschools, after hours care and playgroups that meet the needs of the community.	Work with organisations on behalf of the community to support their needs, including providing facilities for a preschool	Progressing - No Issues	Progressing - No Issues
1.4.1	Provide childcare facilities, preschools, after hours care and playgroups that meet the needs of the community.	Provide a range of information on children's services and childcare	Completed	Completed
1.4.2	Continue to provide the Bush Mobile playgroup service.	Review the strategic direction and operations of the BBM playgroup to ensure the optimum provision of services	Completed	Completed
1.4.2	Continue to provide the Bush Mobile playgroup service.	Continue to provide the BBM playgroup sessions throughout the Shire	Completed	Completed
1.4.3	Improve the education, health, employment and economic development opportunities for young people.	Work with the community and Government agencies to understand issues and lobby Government to address them	Completed	Completed
1.4.4	Provide opportunities for young people to be actively engaged in the development, design and planning of programs, services and infrastructure in which they are a stakeholder or user group.	Provide facilities, equipment and administrative support to StormCo group of volunteers	Completed	Completed
1.4.4	Provide opportunities for young people to be actively engaged in the development, design and planning of programs, services and infrastructure in which they are a stakeholder or user group.	Source funding for Youth Week activities and/or events	Completed	Completed
1.4.4	Provide opportunities for young people to be actively engaged in the development, design and planning of programs, services and infrastructure in which they are a stakeholder or user group.	Incorporate consultation with young people into community engagement activities for Council programs and events wherever possible	Completed	Completed
1.4.4	Provide opportunities for young people to be actively engaged in the development, design and planning of programs, services and infrastructure in which they are a stakeholder or user group.	Work with local secondary schools to support youth events and community education and awareness programs	Completed	Completed

1.5 Library

Our library is used by all as a centre for information, learning and recreational reading.

Strategy		Activities 2013/2014		Status
1.5.1	Focus on community needs in providing and promoting quality facilities and access to printed and online	Provide and promote a well maintained and accessible library service	Completed	Completed
1.5.1	Focus on community needs in providing and promoting quality facilities and access to printed and online	Investigate ways to encourage greater numbers of both traditional and non-traditional library users	Not started	Not started
1.5.2	Maintain North Western Regional Library Service partnership.	Bogan Librarian to provide adequate information to Regional Librarian for the acquisition of suitable and necessary resources for our community	Completed	Completed
1.5.2	Maintain North Western Regional Library Service partnership.	Bogan Librarian to provide information to Regional Librarian re the problems and upgrade needs for the Spydus Library system	Completed	Completed

1.6 Education

Our community has access to quality education and learning opportunities at all levels to increase their skills especially in the areas we have a local skills deficit, to support the development of our community and increase their capacity to prosper and contribute to the community.

Strategy		Activities 2013/2014		Status
1.6.1	Identify training and skill development needs and foster a mentoring program for distance education that includes our whole community.	Assist/facilitate TAFE Western Connect to engage with the community to understand its needs and deliver appropriate training programs	Completed	Completed
1.6.2	Provide a range of high quality primary and secondary education and vocational training facilities and opportunities.	Provide scholarships to all schools at annual awards nights	Completed	Completed
1.6.2	Provide a range of high quality primary and secondary education and vocational training facilities and opportunities.	Work with the community and Government agencies to understand issues and lobby Government to address them	Completed	Completed
1.6.2	Provide a range of high quality primary and secondary education and vocational training facilities and opportunities.	Work with Nyngan High School to support youth events	Completed	Completed
1.6.2	Provide a range of high quality primary and secondary education and vocational training facilities and opportunities.	Support the schools in the Shire through website advertising of events and volunteer support	Completed	Completed
1.6.3	Provide support and encouragement for local people to complete tertiary education and to work in Bogan Shire.	Work with the community and Government agencies to understand issues and lobby Government to address them	Completed	Completed

2 - Connecting our Community

2.1 Road Networks

Our well-constructed and maintained road network enables safe and efficient movement of people and freight throughout the Shire.

	Strategy	Activities 2013/2014	Status
2.1.1	Adopt and implement the asset management plan for all shire roads.	Identify road priorities for asset renewal to implement Transport Asset Management Plan	Progressing - No Issues
2.1.2	Maintain State Roads on behalf of RMS.	Review requirements to engage additional staff and purchase equipment to meet requirements of expanded RMCC	Progressing - No Issues
2.1.2	Maintain State Roads on behalf of RMS.	Prepare bids for submission to Roads and Maritime Services for Ordered Works component of State Roads Maintenance Contract (RMCC) and undertake work as agreed	Progressing - No Issues
2.1.3	Maintain Shire Roads in accordance with standards expressed in our asset management plan and our annual maintenance program.	Reseal and rehabilitate sealed local roads based on condition assessment and in accordance with the Asset Management capital renewal program	Completed
2.1.3	Maintain Shire Roads in accordance with standards expressed in our asset management plan and our annual maintenance program.	Provide road grading and gravel patching of unsealed road network based on priority parameters including condition assessment and traffic volumes	Progressing - No Issues
2.1.4	Design and construct new roads to support the needs of the community.	Construct and bitumen seal a 2 kilometre section of Colane Road extending from the end of the existing bitumen seal	Completed
2.1.5	Work with the RMS to ensure current standards of road safety are maintained and to assist in the education of the community.	Construct traffic calming device at Flashman Avenue & Derrybong Street intersection as identified through the Traffic Committee	Completed

	Strategy	Activities 2013/2014	Status
2.1.5	Work with the RMS to ensure current standards of road safety are maintained and to assist in the education of the community.	Work with the Traffic Committee to develop and implement a Road Safety Strategy	Progressing - No Issues
2.1.5	Work with the RMS to ensure current standards of road safety are maintained and to assist in the education of the community.	Implement Council Fleet Road Safety Policy	Progressing - No Issues
2.1.5	Work with the RMS to ensure current standards of road safety are maintained and to assist in the education of the community.	Construct pedestrian kerb ramps as identified in Pedestrian Access Mobility Plan through RMS grant funding	Completed
2.1.6	Maintain supporting infrastructure such as parking, kerbs and gutters, signage and street lighting to current standards.	Clean and maintain pipe culvert and levee drainage system once per year	Progressing - No Issues
2.1.6	Maintain supporting infrastructure such as parking, kerbs and gutters, signage and street lighting to current standards.	Implement footpath repairs identified through inspection for public liability risk reduction	Completed
2.1.6	Maintain supporting infrastructure such as parking, kerbs and gutters, signage and street lighting to current standards.	Inspect street lighting and report deficiencies to Essential Energy	Progressing - No Issues
2.1.7	Encourage community feedback on road issues.	Conduct village and rural road tour with Councillors and meet with road users to resolve local issues	Completed

2.2 Public Road Transport

We have reliable, cost-effective and regular public road transport linking the Shire to Dubbo and beyond as well as in Nyngan itself, increasing mobility for people without their own transport and providing a more sustainable alternative.

Strategy		Activities 2013/2014		Status
2.2.1	Identify gaps and opportunities and engage with stakeholders, including local bus operators to investigate options for improved public transport.	Talk to existing operators about issues and potential strategy to address these issues		Completed
2.2.2	Deliver improved public transport services within Nyngan.	Investigate mini-bus/taxi service in Nyngan		Not progressing

2.3 Active Transport

Our network supports and encourages people to take up active travel such as walking and cycling to enhance their social and physical well-being.

Strategy		Activities 2013/2014		Status
2.3.1	Engage with potential users, especially schools, to determine preferred bikeway routes.	Increase cyclists and drivers awareness of each other and the importance of obeying the road rules	Progressing - No Issues	
2.3.1	Engage with potential users, especially schools, to determine preferred bikeway routes.	Engage with schools to determine the preferred bikeway routes	Progressing - No Issues	
2.3.2	Design and construct bikeways and footpaths incorporating tree shade cover.	Continue implementation of pedestrian access improvements	Progressing - No Issues	
2.3.2	Design and construct bikeways and footpaths incorporating tree shade cover.	Continue to improve the number and length of walking and cycling paths, particularly to tourist sites	Completed	

2.4 Air Services

Our valuable airport assets are used to their full potential providing residents, workers and visitors with cost-effective, reliable and safe air services.

Strategy		Activities 2013/2014		Status
2.4.1	Maintain airport facilities to meet required standards	Twice yearly weed spraying on runway and taxi way		Progressing - No Issues
2.4.1	Maintain airport facilities to meet required standards	Review existing buildings M&R program and budget		Progressing - No Issues
2.4.2	Engage with community and existing airport users to identify opportunities for improvement	Implement a program to protect and maintain existing infrastructure assets identified by the community as high priority to economic and social sustainability		Progressing - No Issues
2.4.3	Advocate for the introduction of a regular commercial air service to Nyngan	Continue to lobby state and federal agencies to improve public transport to Nyngan		Not Progressing

2.5 Rail Services

Our rail connection provides a cost-effective and reliable alternative to other forms of transport for people and freight.

Strategy		Activities 2013/2014		Status
2.5.1	Protect, maintain and expand the existing freight rail services and infrastructure.	Work with the community and State Government on possible opportunities to protect, maintain and expand existing rails services and infrastructure	Completed	Completed
2.5.2	Investigate opportunities for the reintroduction of regular passenger services between Dubbo and Nyngan/Bourke.	Work with the community and State Government on possible opportunities to reintroduce regular passenger services to Nyngan	Not Started	Not Started

3 - Managing our Environment

3.1 Built Environment

The character, liveability and prosperity of our Shire are enhanced through sound urban planning processes and facilitation of developments in accordance with the Bogan Local Environmental Plan.

Strategy		Activities 2013/2014		Status
3.1.1	Conduct periodic reviews of Council's planning instruments to ensure that land use planning supports the long term sustainability of our local communities and our economy.	Monitor workability of LEP 2011 and DCP 2012	Progressing - No Issues	
3.1.1	Conduct periodic reviews of Council's planning instruments to ensure that land use planning supports the long term sustainability of our local communities and our economy.	Develop and implement DCP 2012	Completed	
3.1.1	Conduct periodic reviews of Council's planning instruments to ensure that land use planning supports the long term sustainability of our local communities and our economy.	Implement LEP 2011	Progressing - With Issues	
3.1.2	Identify opportunities to expand the availability of a range of housing options based on lifestyle choices and affordability.	Review alternative solutions to housing designs	Progressing - No Issues	
3.1.2	Identify opportunities to expand the availability of a range of housing options based on lifestyle choices and affordability.	Review existing subdivisions	Progressing - No Issues	
3.1.2	Identify opportunities to expand the availability of a range of housing options based on lifestyle choices and affordability.	Conduct inspections of vacant premises	Progressing - No Issues	
3.1.3	Development complies with the Local Environmental Plan legislation formed through the Regional Land Use Study Project.	Respond to reforms in planning process and advocate on behalf of Council	Progressing - No Issues	
3.1.3	Development complies with the Local Environmental Plan legislation formed through the Regional Land Use Study Project.	Incorporate sustainability controls into LEP	Progressing - No Issues	
3.1.3	Development complies with the Local Environmental Plan legislation formed through the Regional Land Use Study Project.	Provide quality evidence and document management	Progressing - No Issues	

Strategy	Activities 2013/2014	Status
3.1.3	Development complies with the Local Environmental Plan legislation formed through the Regional Land Use Study Project.	Progressing - No Issues
3.1.3	Development complies with the Local Environmental Plan legislation formed through the Regional Land Use Study Project.	Progressing - No Issues
3.1.3	Development complies with the Local Environmental Plan legislation formed through the Regional Land Use Study Project.	Progressing - No Issues
3.1.3	Development complies with the Local Environmental Plan legislation formed through the Regional Land Use Study Project.	Progressing - No Issues
3.1.4	Ensure our community's buildings are safe, healthy and maintained through regular inspections and compliance with the NSW Building Certification Scheme.	Progressing - No Issues
3.1.4	Ensure our community's buildings are safe, healthy and maintained through regular inspections and compliance with the NSW Building Certification Scheme.	Progressing - No Issues
3.1.4	Ensure our community's buildings are safe, healthy and maintained through regular inspections and compliance with the NSW Building Certification Scheme.	Progressing - No Issues
3.1.4	Ensure our community's buildings are safe, healthy and maintained through regular inspections and compliance with the NSW Building Certification Scheme.	Progressing - No Issues
3.1.4	Ensure our community's buildings are safe, healthy and maintained through regular inspections and compliance with the NSW Building Certification Scheme.	Progressing - No Issues
3.1.4	Ensure our community's buildings are safe, healthy and maintained through regular inspections and compliance with the NSW Building Certification Scheme.	Progressing - No Issues
3.1.4	Ensure our community's buildings are safe, healthy and maintained through regular inspections and compliance with the NSW Building Certification Scheme.	Progressing - No Issues
3.1.5	Develop and implement flood management plans for all urban flood plain areas.	Completed

3.2 Waste Management

Our waste stream is effectively managed, reducing waste to landfill and maximising resource recovery through recycling.

Strategy		Activities 2013/2014		Status
3.2.1	Provide efficient and cost effective kerbside collection of solid and recyclable waste.	Monitor all waste and recycling programs	Progressing - No Issues	
3.2.1	Provide efficient and cost effective kerbside collection of solid and recyclable waste.	Review kerbside waste collection service	Progressing - No Issues	
3.2.1	Provide efficient and cost effective kerbside collection of solid and recyclable waste.	Review and monitor 240lt kerbside recycling service	Progressing - No Issues	
3.2.1	Provide efficient and cost effective kerbside collection of solid and recyclable waste.	Audit the effectiveness of Council's internal waste management processes	Progressing - No Issues	
3.2.1	Provide efficient and cost effective kerbside collection of solid and recyclable waste.	Remove 20 year 240lt MGBs from service	Progressing - No Issues	
3.2.2	Operate the Nyngan Waste Depot to comply with standards and regulations, ensuring it is environmentally sound.	Monitor all deposited waste for separation procedures	Progressing - No Issues	
3.2.2	Operate the Nyngan Waste Depot to comply with standards and regulations, ensuring it is environmentally sound.	Develop new 2012 Waste Facility Operations Management Plan	Progressing - No Issues	
3.2.2	Operate the Nyngan Waste Depot to comply with standards and regulations, ensuring it is environmentally sound.	Engage the RFS for establish fire breaks to all waste facilities	Progressing - No Issues	

3.3 Natural Environment

Our reserves and other public places are clean, litter-free and appropriately managed, preserving their valued use, biodiversity and visual amenity whilst protecting our environment from waste and litter pollution.

Strategy		Activities 2013/2014		Status
3.3.1	Provide safe, high quality, well serviced and maintained reserves and recreational areas.	Provide litter and recycling bins at BBQ areas in Rotary Park	Progressing - No Issues	
3.3.1	Provide safe, high quality, well serviced and maintained reserves and recreational areas.	Seek grant funding for expansion of all recreational areas	Progressing - No Issues	
3.3.1	Provide safe, high quality, well serviced and maintained reserves and recreational areas.	Participate in National Tree Day	Completed	
3.3.1	Provide safe, high quality, well serviced and maintained reserves and recreational areas.	Seek community input into existing recreational areas	Progressing - No Issues	
3.3.1	Provide safe, high quality, well serviced and maintained reserves and recreational areas.	Review previous audits on all recreational areas and equipment	Progressing - No Issues	
3.3.2	Improve the amenity of the river corridor to enhance and increase utilisation for a range of recreational activities.	Investigate means of reducing litter in the river	Progressing - No Issues	
3.3.2	Improve the amenity of the river corridor to enhance and increase utilisation for a range of recreational activities.	Seek grant funding for Improvement of Recreational Areas	Progressing - No Issues	
3.3.2	Improve the amenity of the river corridor to enhance and increase utilisation for a range of recreational activities.	Support Nyngan Aboriginal Lands Council's submission for development of a natural lagoon area immediately downstream of the recreation weir on the Bogan River	Progressing - No Issues	
3.3.3	Provide a clean and pleasant streetscape, ensuring regular street sweeping and cleaning of public spaces.	Review existing Cleaning Program	Progressing - No Issues	
3.3.3	Provide a clean and pleasant streetscape, ensuring regular street sweeping and cleaning of public spaces.	Participate in Clean Up Australia Day	Completed	

	Strategy	Activities 2013/2014	Status
3.3.3	Provide a clean and pleasant streetscape, ensuring regular street sweeping and cleaning of public spaces.	Review existing street bin containers and emptying procedures	Progressing - No Issues
3.3.4	Implement programs which foster responsible and protective behaviours towards reducing waste and litter pollution.	Review existing methods of litter control	Progressing - No Issues
3.3.4	Implement programs which foster responsible and protective behaviours towards reducing waste and litter pollution.	Conduct random litter control patrols to reduce the incidence of littering	Progressing - No Issues
3.3.4	Implement programs which foster responsible and protective behaviours towards reducing waste and litter pollution.	Seek community input to areas of concern of litter control	Progressing - No Issues
3.3.5	Protect, preserve and enhance Bogan Shire's natural environments, waterways, flora and fauna through responsible development and management.	Undertake regular patrols and respond to community requests for enforcement of use restrictions on public reserves	Progressing - No Issues
3.3.5	Protect, preserve and enhance Bogan Shire's natural environments, waterways, flora and fauna through responsible development and management.	Support the Central West CMA Catchment Action Plan and the State Plan	Progressing - No Issues
3.3.5	Protect, preserve and enhance Bogan Shire's natural environments, waterways, flora and fauna through responsible development and management.	Enforce all development to comply with conditions of DA Consents	Progressing - No Issues
3.3.5	Protect, preserve and enhance Bogan Shire's natural environments, waterways, flora and fauna through responsible development and management.	Monitor LEP and DCP provisions for Environmental Protection	Progressing - No Issues

3.4 Noxious Weeds

Our local environment is protected from noxious weeds through inspection and control measures in compliance with the Noxious Weeds Act.

Strategy		Activities 2013/2014		Status
3.4.1	Meet Council's obligations under the Noxious Weeds Act 1993 in respect of maintenance of noxious weeds including density and distribution.	Review Shire and weed specific Control Plans	Progressing - No Issues	
3.4.1	Meet Council's obligations under the Noxious Weeds Act 1993 in respect of maintenance of noxious weeds including density and distribution.	Operations are in accordance with Regional Weed Control Plans	Completed	
3.4.1	Meet Council's obligations under the Noxious Weeds Act 1993 in respect of maintenance of noxious weeds including density and distribution.	Council to meet Noxious Weeds Control obligations	Progressing - No Issues	
3.4.2	Ensure Council operations are in accordance with endorsed Regional Weed Control Plans.	Review existing weed management program on public lands	Progressing - No Issues	
3.4.2	Ensure Council operations are in accordance with endorsed Regional Weed Control Plans.	Monitor and review Regional Weed Control Plans	Progressing - No Issues	
3.4.3	Implement the Shire's weed-specific Control Plans for targeted noxious weeds.	Conduct private property inspections under the noxious weed program	Progressing - No Issues	
3.4.4	Investigate the benefits of joining Castlereagh Macquarie County Council.	Investigate the benefits of joining Castlereagh Macquarie County Council.	Progressing - No Issues	

3.5 Water

We have access to a secure water supply that is well-managed to provide us with a reliable, safe and cost effective service.

Strategy		Activities 2013/2014		Status
3.5.1	Provide a financially viable, efficient, permanent potable water supply that has sufficient capacity for current and projected growth requirements.	Examine options for replacement of existing Water Treatment Plant	Completed	Completed
3.5.1	Provide a financially viable, efficient, permanent potable water supply that has sufficient capacity for current and projected growth requirements.	Take samples of and analyse potable water supplies	Progressing - No Issues	Progressing - No Issues
3.5.1	Provide a financially viable, efficient, permanent potable water supply that has sufficient capacity for current and projected growth requirements.	Continue implementation of the Strategic Business Plan for Water	Progressing - No Issues	Progressing - No Issues
3.5.2	Implement an ongoing program of capital works improvements and enhancements and asset management to ensure the responsible management of water supply to the area and surrounding villages.	Maintain water supply infrastructure to relevant Department of Health and Department of Primary Industries (NSW Office of Water) Standards, and in accordance with sustainability	Progressing - No Issues	Progressing - No Issues
3.5.2	Implement an ongoing program of capital works improvements and enhancements and asset management to ensure the responsible management of water supply to the area and surrounding villages.	Provide planning, investigation design and management of water management facilities	Progressing - No Issues	Progressing - No Issues
3.5.2	Implement an ongoing program of capital works improvements and enhancements and asset management to ensure the responsible management of water supply to the area and surrounding villages.	Replace chemical feeders; reline filter bed walls, re clad alum shed and replace turbidity meter at Water Treatment Plant.	Completed	Completed
3.5.2	Implement an ongoing program of capital works improvements and enhancements and asset management to ensure the responsible management of water supply to the area and surrounding villages.	Continue water main replacement program	Progressing - No Issues	Progressing - No Issues
3.5.3	Enhance the security of our water supply, ensuring long term drought management plans are developed and water losses are minimised through involvement in the Lower Macquarie Water Utilities Alliance.	Develop water loss reduction program	Progressing - No Issues	Progressing - No Issues

	Strategy	Activities 2013/2014	Status
3.5.3	Enhance the security of our water supply, ensuring long term drought management plans are developed and water losses are minimised through involvement in the Lower Macquarie Water Utilities Alliance.	Develop regional Water Quality Improvement Plans	Completed
3.5.3	Enhance the security of our water supply, ensuring long term drought management plans are developed and water losses are minimised through involvement in the Lower Macquarie Water Utilities Alliance.	Continue active involvement in Lower Macquarie Water User Alliance	Progressing - No Issues
3.5.3	Enhance the security of our water supply, ensuring long term drought management plans are developed and water losses are minimised through involvement in the Lower Macquarie Water Utilities Alliance.	Continue community education on water conservation practices	Progressing - No Issues

3.6 Sewerage

We have a reliable, safe and cost effective sewerage service.

Strategy		Activities 2013/2014		Status
3.6.1	Provide a financially viable and efficient sewerage system that has sufficient capacity for current and projected growth requirements.	Monitor and review operational costs to improve efficiency of system	Progressing - No Issues	
3.6.2	Implement an ongoing program of capital works improvements and enhancements and asset management to ensure the responsible management of waste water in Nyngan.	Replace gantry at Sewer Pump Station No. 1	Completed	
3.6.2	Implement an ongoing program of capital works improvements and enhancements and asset management to ensure the responsible management of waste water in Nyngan.	Purchase ride on mower and shed for Sewage Treatment Works	Completed	
3.6.3	Ensure our compliance with the EPA license by regularly testing the waste water for treated effluent re-use and disposal.	Engage consultants for monitoring and reporting on Effluent Quality for license reporting	Completed	
3.6.4	Ensure management of liquid trade waste through comprehensive licensing practices and a charging structure that reflects costs of treatment.	Commence implementation of Trade Waste Policy by collecting data on commercial premises waste treatment facilities	Completed	

4 - Our Health and Safety

4.1 Environmental Health

The health, safety and well-being of residents, workers and visitors is protected by providing effective licensing and regulatory services for commercial premises, essential services and animal management.

Strategy		Activities 2013/2014		Status
4.1.1	Ensure compliance with Local Liquor Accord strategies to maximise public health and safety.	Provide information regarding new Liquor License applications, and make submissions on new applications to the State Government as required	Progressing - No Issues	
4.1.1	Ensure compliance with Local Liquor Accord strategies to maximise public health and safety.	Provide advisory services to the Liquor Accord and assist in programs to encourage alternative transport options and responsible service of alcohol programs	Progressing - No Issues	
4.1.2	Conduct bi-annual inspections of food preparation businesses to ensure compliance with Safe Foods Standards.	Undertake bi-annual food premises inspections	Progressing - No Issues	
4.1.2	Conduct bi-annual inspections of food preparation businesses to ensure compliance with Safe Foods Standards.	Develop a food premises register	Progressing - No Issues	
4.1.2	Conduct bi-annual inspections of food preparation businesses to ensure compliance with Safe Foods Standards.	Ensure all food premises and food handlers comply	Completed	
4.1.3	Conduct annual inspections of commercial premises to ensure compliance of the Building Code of Australia.	Implement measures to encourage owners to comply with the provisions of the BCA	Progressing - No Issues	
4.1.3	Conduct annual inspections of commercial premises to ensure compliance of the Building Code of Australia.	Establish an essential service register	Progressing - No Issues	
4.1.4	Continue ongoing management and control of companion animals and ensure owner compliance with NSW Companion Animals Act 1998	Improve public awareness to animal control	Progressing - No Issues	

	Strategy	Activities 2013/2014	Status
4.1.4	Continue ongoing management and control of companion animals and ensure owner compliance with NSW Companion Animals Act 1998	Develop an Animal Control Management Plan	Progressing - No Issues
4.1.4	Continue ongoing management and control of companion animals and ensure owner compliance with NSW Companion Animals Act 1998	Data entry of lifetime registrations and fee reconciliation	Progressing - No Issues
4.1.4	Continue ongoing management and control of companion animals and ensure owner compliance with NSW Companion Animals Act 1998	Promote the registration of companion animals	Progressing - No Issues
4.1.4	Continue ongoing management and control of companion animals and ensure owner compliance with NSW Companion Animals Act 1998	Continue to develop and implement the Companion Animals Policy to control cats and dogs in accordance with the Companion Animals Act	Progressing - No Issues

4.2 Disaster Management

We have the capability in place to plan, organise and implement measures to respond to and recover from disasters.

Strategy		Activities 2013/2014		Status
4.2.1	Continue with the Local Emergency Management Committee to ensure appropriate response plans are in place.	Review implementation of Disaster and Emergency Management Strategy	Completed	Completed
4.2.1	Continue with the Local Emergency Management Committee to ensure appropriate response plans are in place.	Continue to fulfil Council's statutory obligations relevant to the LEMC	Completed	Completed
4.2.2	The Local Emergency Management Committee and local State Emergency Services are adequately resourced to ensure they are equipped, trained and prepared to respond to disasters and incidents.	Develop, distribute, communicate and review Flood Risk information and tools in partnership with SES	Progressing - No Issues	Progressing - No Issues
4.2.2	The Local Emergency Management Committee and local State Emergency Services are adequately resourced to ensure they are equipped, trained and prepared to respond to disasters and incidents.	Support volunteer agencies as required during a disaster event	Progressing - No Issues	Progressing - No Issues
4.2.2	The Local Emergency Management Committee and local State Emergency Services are adequately resourced to ensure they are equipped, trained and prepared to respond to disasters and incidents.	Provide a support role to the LEMC/SES by provision of office facilities, secretarial services and housing of equipment	Progressing - No Issues	Progressing - No Issues
4.2.3	Regularly maintain the pumps and the levee bank surrounding Nyngan to ensure the township remains safe and secure during adverse weather conditions and potential influx of floodwaters.	Grass and debris to be cleared from flood gates annually	Progressing - No Issues	Progressing - No Issues
4.2.3	Regularly maintain the pumps and the levee bank surrounding Nyngan to ensure the township remains safe and secure during adverse weather conditions and potential influx of floodwaters.	Amend maintenance procedures for floodgate outlets into the Bogan River and include in the levee maintenance manual	Progressing - No Issues	Progressing - No Issues
4.2.3	Regularly maintain the pumps and the levee bank surrounding Nyngan to ensure the township remains safe and secure during adverse weather conditions and potential influx of floodwaters.	Monitor compliance with levee maintenance manual and perform required maintenance works	Progressing - No Issues	Progressing - No Issues
4.2.3	Regularly maintain the pumps and the levee bank surrounding Nyngan to ensure the township remains safe and secure during adverse weather conditions and potential influx of floodwaters.	Review levee maintenance manual	Completed	Completed

4.3 Public Health

Our community has access to the medical services, programs and facilities it needs to enhance and protect our health.

Strategy	Activities 2013/2014	Status
4.3.1	Work with the community and the State Government to ensure medical, dental, specialist, mental health and allied health services and facilities meet the needs of residents and visitors.	Review incentives to attract and retain medical professionals in Nyngan
4.3.1	Work with the community and the State Government to ensure medical, dental, specialist, mental health and allied health services and facilities meet the needs of residents and visitors.	Work closely with Nyngan Health Council to lobby on behalf of the community
4.3.1	Work with the community and the State Government to ensure medical, dental, specialist, mental health and allied health services and facilities meet the needs of residents and visitors.	Discuss issues with CEO Western LHD
4.3.2	Provide an appropriate level of ambulance services for the community.	Seek availability of a 24 hour Ambulance Service for the Shire
4.3.3	Work with the community, volunteer organisations and the State Government on programs that promote health and wellbeing.	Work with Cancer Council NSW on projects to benefit the community
4.3.3	Work with the community, volunteer organisations and the State Government on programs that promote health and wellbeing.	Review and update the Smoke Free Outdoor Areas Policy as required

4.4 Fire Services

Our fire services provide effective and efficient services to the community to protect property and the safety of our community.

Strategy		Activities 2013/2014		Status
4.4.1	People and property located within the town and villages are protected from fire related incidents.	Liaise with Fire and Rescue NSW on appropriate development of commercial premises	Progressing - No Issues	
4.4.1	People and property located within the town and villages are protected from fire related incidents.	Support the activities of Fire and Rescue NSW and lobby in response to community issues and concerns	Progressing - No Issues	
4.4.1	People and property located within the town and villages are protected from fire related incidents.	Ensure compliance with BCA provisions to all premises	Progressing - No Issues	
4.4.2	People and property located within rural areas are protected from fire related incidents.	Implement hazard reduction program for villages and rural properties	Progressing - No Issues	
4.4.2	People and property located within rural areas are protected from fire related incidents.	Support the activities of RFS and lobby in response to community issues and concerns	Progressing - No Issues	
4.4.2	People and property located within rural areas are protected from fire related incidents.	Implement BCA and AS 3959 provisions to new DA Consents	Progressing - No Issues	

4.5 Policing

Our police services provide effective and efficient services to the community to protect property and the safety of our community.

Strategy		Activities 2013/2014	Status
4.5.1	Provide an appropriate level of police services for the community.	Support by agreement with NSW Police the recruitment of Police through provision of housing at market rental	Completed
4.5.1	Provide an appropriate level of police services for the community.	Lobby NSW Police for appropriate numbers in response to community concerns	Completed
4.5.2	Lobby NSW Police for increased policing and community safety initiatives.	Lobby on behalf of the community	Completed
4.5.3	Improve community safety and maintain low crime levels.	Respond to a range of community safety issues	Completed
4.5.3	Improve community safety and maintain low crime levels.	Participate in Community Safety Precinct meetings to discuss and address any issues	Completed

5 - Developing our Economy

5.1 Local Industries and Business

Local industries, including tourism, and the business that support them continue to grow and prosper.

Strategy	Activities 2013/2014	Status
5.1.1 Undertake an assessment of our local business and industry, in particular the retail industry, to identify gaps and develop initiatives to actively encourage the establishment of sustainable economic growth and local employment opportunities.	Maintain and develop relationship with Regional Development Australia (RDA) Orana	Completed
5.1.1 Undertake an assessment of our local business and industry, in particular the retail industry, to identify gaps and develop initiatives to actively encourage the establishment of sustainable economic growth and local employment opportunities.	Investigate the preparation of an Economic Development Plan for Bogan Shire	Not Progressing
5.1.1 Undertake an assessment of our local business and industry, in particular the retail industry, to identify gaps and develop initiatives to actively encourage the establishment of sustainable economic growth and local employment opportunities.	Develop and maintain a partnership program with key stakeholders including business groups and BCTBG	Completed
5.1.1 Undertake an assessment of our local business and industry, in particular the retail industry, to identify gaps and develop initiatives to actively encourage the establishment of sustainable economic growth and local employment opportunities.	Work with local businesses to identify issues	Completed
5.1.1 Undertake an assessment of our local business and industry, in particular the retail industry, to identify gaps and develop initiatives to actively encourage the establishment of sustainable economic growth and local employment opportunities.	3 industrial lots to be developed, connecting to utility services and construction of kerb and gutter	Progressing - No Issues
5.1.2 Create and maintain a diverse commercial sector that is sustainable, vibrant, located in safe, well designed and visually appealing premises and which meets the needs of our community and visitors.	Investigate programs to encourage ways to improve the appearance of shop fronts in our main street	Completed
5.1.2 Create and maintain a diverse commercial sector that is sustainable, vibrant, located in safe, well designed and visually appealing premises and which meets the needs of our community and visitors.	Work with local business community to ensure appropriate standards are maintained	Progressing - No Issues

	Strategy	Activities 2013/2014	Status
5.1.3	Support agricultural businesses so that they have the capacity to be a significant contributor to the local, regional and national economy.	Lobby in response to community concerns	Completed
5.1.4	Work in conjunction with the mines to obtain mutual benefit from an abundance of natural mining resources which provide our shire with opportunities for local economic growth and employment.	Develop relationships with the mines to explore opportunities for mutual benefit	Completed
5.1.5	Support and strengthen local business networks to encourage the sharing of information and resources to build the capacity of local business and industry.	Maintain and develop relationships with RDA Orana and EDO network	Completed
5.1.5	Support and strengthen local business networks to encourage the sharing of information and resources to build the capacity of local business and industry.	Council to continue shopping locally for services and products where possible	Completed
5.1.5	Support and strengthen local business networks to encourage the sharing of information and resources to build the capacity of local business and industry.	Produce and update the Business Directory on council's website	Completed
5.1.5	Support and strengthen local business networks to encourage the sharing of information and resources to build the capacity of local business and industry.	Continue to support the Bogan Community Tourism and Business Group (BCTBG)	Completed
5.1.6	Investigate opportunities to support the township of Nyngan and villages of Girilambone, Coolabah and Hermidale.	Produce and update the Bogan Shire Prospectus	Completed
5.1.6	Investigate opportunities to support the township of Nyngan and villages of Girilambone, Coolabah and Hermidale.	Meet with village communities to discuss and understand issues relating to the maintenance and servicing of town and village facilities	Completed
5.1.7	Liaise with Government Agency employers to encourage the provision of incentives for attraction and retention of essential service workers to relocate to Nyngan.	Identify requirements and discuss options with Government Agencies	Completed

5.2 Tourism

Bogan Shire is regarded as a welcoming and attractive place for people to visit, providing services, cultural experiences and recreational opportunities for our visitors.

Strategy		Activities 2013/2014		Status
5.2.1	Adopt and implement a streetscape master plan.		Enhance the first impressions tourists and newcomers have of Nyngan and the villages	Progressing - No Issues
5.2.1	Adopt and implement a streetscape master plan.		Complete Phase 1 of the plan	Completed
5.2.2	Develop and implement a visitor strategy which includes the identification of potential opportunities for growth and new tourism products through consultation with stakeholders.		Continue to update, produce and distribute the Official Tourist Guide to local businesses and VICs in neighbouring shires	Completed
5.2.2	Develop and implement a visitor strategy which includes the identification of potential opportunities for growth and new tourism products through consultation with stakeholders.		Continue to advertise Nyngan and Bogan Shire (in print media and on appropriate websites)	Completed
5.2.2	Develop and implement a visitor strategy which includes the identification of potential opportunities for growth and new tourism products through consultation with stakeholders.		Membership of Inland NSW Tourism	Completed
5.2.2	Develop and implement a visitor strategy which includes the identification of potential opportunities for growth and new tourism products through consultation with stakeholders.		Conduct photographic shoot to provide a source of up-to-date photographs for marketing and promotional material	Completed
5.2.3	Provide and maintain a quality Visitor Information Centre which encourages and supports growth across many sectors of the local economy.		In consultation with Nyngan Museum, design and refurbish the old waiting room at the Nyngan Museum into a new VIC	Progressing - No Issues
5.2.3	Provide and maintain a quality Visitor Information Centre which encourages and supports growth across many sectors of the local economy.		Investigate opportunities to distribute tourism information throughout the Shire	Completed
5.2.4	Provide an adequate supply of visitor accommodation.		Work with Bogan Community Tourism and Business Group to analyse visitor accommodation needs	Not Progressing

5.3 Communications

The community has access to the latest communications infrastructure and technology to facilitate communications for learning, business and providing services to our community.

Strategy		Activities 2013/2014		Status
5.3.1	Maximise the coverage and availability of telecommunications infrastructure across the shire.	Lobby service providers on behalf of the community	Completed	Completed
5.3.2	Provide appropriate communications infrastructure and services including lobbying for early inclusion into the National Broadband Network.	Monitor national broadband initiatives and capacity	Completed	Completed
5.3.2	Provide appropriate communications infrastructure and services including lobbying for early inclusion into the National Broadband Network.	Lobby for early inclusion into the National Broadband Network	Not Started	Not Started

6 - Responsible Local Government

6.1 Leadership, Advocacy and Governance

Bogan Shire council will deliver open, transparent and effective local government, lobbying on behalf of the community and working in partnership with regional bodies.

Strategy	Activities 2013/2014	Status
6.1.1	Facilitate meaningful engagement and consultation with the community and other stakeholders to progress the outcomes of the Community Strategic Plan.	Completed
6.1.1	Facilitate meaningful engagement and consultation with the community and other stakeholders to progress the outcomes of the Community Strategic Plan.	Completed
6.1.2	Provide accountability to the community by regularly reporting on Council activities through the publication of business papers, meeting minutes and general information.	Completed
6.1.2	Provide accountability to the community by regularly reporting on Council activities through the publication of business papers, meeting minutes and general information.	Completed
6.1.3	Promote accountability to the community by timely completion and publication of statutory reports.	Completed
6.1.3	Promote accountability to the community by timely completion and publication of statutory reports.	Completed
6.1.4	Represent the interests of the community through local Councillors.	Completed
6.1.5	Maintain effective partnerships through regional and industry bodies to collaborate on matters of mutual interest and lobby collectively on behalf of the community.	Completed
6.1.5	Maintain effective partnerships through regional and industry bodies to collaborate on matters of mutual interest and lobby collectively on behalf of the community.	Completed
6.1.5	Maintain effective partnerships through regional and industry bodies to collaborate on matters of mutual interest and lobby collectively on behalf of the community.	Completed

6.2 Managing our Business

Our business is resourced with a competent and motivated workforce and is effectively managed through sound procedures and financial practices to enable us to build and deliver community services and infrastructure both now and into the future.

Strategy		Activities 2013/2014		Status
6.2.1	Develop and implement our Operational Plan and Budget so as to manage our financial resources responsibly.	Develop and manage Council's long term financial strategy	Completed	
6.2.1	Develop and implement our Operational Plan and Budget so as to manage our financial resources responsibly.	Provide financial accounting services	Completed	
6.2.1	Develop and implement our Operational Plan and Budget so as to manage our financial resources responsibly.	Provide management accounting services	Completed	
6.2.1	Develop and implement our Operational Plan and Budget so as to manage our financial resources responsibly.	Provide effective investment of Council's funds	Completed	
6.2.1	Develop and implement our Operational Plan and Budget so as to manage our financial resources responsibly.	Provide effective investment of Council's insurance	Completed	
6.2.1	Develop and implement our Operational Plan and Budget so as to manage our financial resources responsibly.	Effectively manage Council's financial services	Completed	
6.2.2	Maximise revenue opportunities, such as grants for achievable projects	Coordinate grant opportunities across council	Completed	
6.2.3	Manage the recovery of all revenues raised by Council through efficient and systematic debt recovery policies.	Implement revised Debt Recovery Policy	Completed	
6.2.4	Conduct regular reviews of policies, reporting systems and plans including asset management and risk management plans to confirm that they are fit for purpose.	Review Asset Management Plan and amend as necessary	Progressing - No Issues	
6.2.4	Conduct regular reviews of policies, reporting systems and plans including asset management and risk management plans to confirm that they are fit for purpose.	Review existing Council Policies and progressively update them	Completed	
6.2.4	Conduct regular reviews of policies, reporting systems and plans including asset management and risk management plans to confirm that they are fit for purpose.	Implement procurement guidelines and procedures	Not Started	

	Strategy	Activities 2013/2014	Status
6.2.4	Conduct regular reviews of policies, reporting systems and plans including asset management and risk management plans to confirm that they are fit for purpose.	Maintain Council's corporate registers (e.g. policy, pecuniary interests and delegations register)	Completed
6.2.4	Conduct regular reviews of policies, reporting systems and plans including asset management and risk management plans to confirm that they are fit for purpose.	Implement approved Asset Management Plan	Progressing - No Issues
6.2.5	Conduct regular review of systems and processes to improve the effectiveness of risk management, control and governance processes.	Develop an IT Disaster Recovery Plan	Progressing - No Issues
6.2.6	Develop and implement workforce plans to develop and retain a skilled and motivated workforce including aspects such as organisational structure, training plans, performance appraisals and salary systems.	Conduct staff Induction and familiarisation programs	Completed
6.2.6	Develop and implement workforce plans to develop and retain a skilled and motivated workforce including aspects such as organisational structure, training plans, performance appraisals and salary systems.	Manage Council's recruitment process and procedures	Completed
6.2.6	Develop and implement workforce plans to develop and retain a skilled and motivated workforce including aspects such as organisational structure, training plans, performance appraisals and salary systems.	Implement a performance management system	Completed
6.2.6	Develop and implement workforce plans to develop and retain a skilled and motivated workforce including aspects such as organisational structure, training plans, performance appraisals and salary systems.	Develop, implement and review Council's HR guidelines	Completed
6.2.6	Develop and implement workforce plans to develop and retain a skilled and motivated workforce including aspects such as organisational structure, training plans, performance appraisals and salary systems.	Manage and promote awareness and effective use of the Employee Assistance Program.	Completed
6.2.6	Develop and implement workforce plans to develop and retain a skilled and motivated workforce including aspects such as organisational structure, training plans, performance appraisals and salary systems.	Manage educational assistance program	Completed
6.2.6	Develop and implement workforce plans to develop and retain a skilled and motivated workforce including aspects such as organisational structure, training plans, performance appraisals and salary systems.	Develop and implement annual training plans	Progressing - No Issues

	Strategy	Activities 2013/2014	Status
6.2.6	Develop and implement workforce plans to develop and retain a skilled and motivated workforce including aspects such as organisational structure, training plans, performance appraisals and salary systems.	Maintain current position descriptions	Completed
6.2.6	Develop and implement workforce plans to develop and retain a skilled and motivated workforce including aspects such as organisational structure, training plans, performance appraisals and salary systems.	Investigate opportunities for increasing the number of apprenticeships and traineeships across the organisation	Completed
6.2.6	Develop and implement workforce plans to develop and retain a skilled and motivated workforce including aspects such as organisational structure, training plans, performance appraisals and salary systems.	Ensure that Council's values are incorporated into our initiatives and activities	Completed
6.2.6	Develop and implement workforce plans to develop and retain a skilled and motivated workforce including aspects such as organisational structure, training plans, performance appraisals and salary systems.	Manage Council's payroll and leave administration function.	Completed
6.2.7	Promote a culture of customer service, including supporting processes, to deliver high quality services to the community.	Review the possibility of increasing council business transactions online	Progressing - No Issues
6.2.7	Promote a culture of customer service, including supporting processes, to deliver high quality services to the community.	Develop customer service charter	Not Started
6.2.7	Promote a culture of customer service, including supporting processes, to deliver high quality services to the community.	Initiate a customer service training program	Progressing - With Issues
6.2.7	Promote a culture of customer service, including supporting processes, to deliver high quality services to the community.	Council to provide information packs to new rate payers	Completed
6.2.7	Promote a culture of customer service, including supporting processes, to deliver high quality services to the community.	Investigate tracking of customer service requests and complaints via Council's website	Not Started
6.2.8	Identify, characterise and assess all potential risks to Workplace Health and Safety and public liability.	Review and implement Council's WH&S plan and systems	Not Started
6.2.8	Identify, characterise and assess all potential risks to Workplace Health and Safety and public liability.	Adequate insurance coverage provided and reviewed annually	Completed

	Strategy	Activities 2013/2014	Status
6.2.8	Identify, characterise and assess all potential risks to Workplace Health and Safety and public liability.	Ensure all managers understand their responsibilities in managing risk modify job descriptions and KPI's where appropriate.	Completed
6.2.8	Identify, characterise and assess all potential risks to Workplace Health and Safety and public liability.	Ongoing compliance with Council's statutory obligations and to properly discharge Council's common law duty of care to the community when managing risks	Completed
6.2.9	Adequately resource our IT and communications systems consistent with industry standards and technological development.	Conduct an initial audit of all existing information management systems for consistency	Not Progressing
6.2.9	Adequately resource our IT and communications systems consistent with industry standards and technological development.	Conduct a biennial audit of systems to evaluate their capability to respond to future business requirements	Not Progressing
6.2.9	Adequately resource our IT and communications systems consistent with industry standards and technological development.	Conduct a staff survey on systems use/problems undertaken biannually	Not Progressing
6.2.9	Adequately resource our IT and communications systems consistent with industry standards and technological development.	Maintain an up to date Council website	Completed
6.2.9	Adequately resource our IT and communications systems consistent with industry standards and technological development.	Manage Council's IT network and infrastructure	Completed
6.2.9	Adequately resource our IT and communications systems consistent with industry standards and technological development.	Ensure the IT resource plan reflects requirements	Not Started
6.2.9	Adequately resource our IT and communications systems consistent with industry standards and technological development.	Manage and maintain a Records Management System that meets the needs of the organisation, the community and legislative requirements	Progressing - With Issues

Annexure Three State of the Environment Report



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State of the Environment Snapshot

A State of the Environment (SoE) Report is an important management tool which aims to provide the community and Local Council with information on the condition of the environment in the local area to assist in decision-making.

Since 2007, the Councils of the Greater Central West Region of NSW (see map) have joined to produce Regional SoE Reports as part of Council reporting requirements.

Recent changes to NSW legislation mean that Councils are no longer required to produce SoE Reports each year, but only once every four years, in the year of the Council election (which

will next be in 2016). However, the participating Councils have decided to continue reporting on an annual basis so that they can provide a detailed Regional SoE report in 2016 that covers trends in the intervening years.

This is a brief snapshot of data for the Bogan Local Government Area in 2013-14 across a range of environmental indicators as shown in the tables below. The tables provide an understanding of trends by comparing this year's data with an average of previous years.

The Council snapshot report should be read in conjunction with the 2013-14 Regional SoE snapshot report.

2013-14 Highlights

- ↑ Lower salinity levels were reported for the Bogan River compared with last year.
- ↓ There was a considerable increase in the number of declared noxious weeds compared with last year.
- ↑ The average annual household use of water declined in comparison to last year.
- ↑ The volume of material recycled per person decreased from last year but was greater than the average from the past three years.
- ↑ There was an increase in small scale renewable energy uptake compared with last year.

Land

Issue	Indicator	2010-11	2011-12	2012-13	2013-14	Trend
Contamination	Contaminated land sites - Contaminated Land Register	0	0	0	0	→
	Contaminated land sites - potentially contaminated sites	15	15	15	15	→
	Contaminated sites rehabilitated	0	0	0	1	→
Land use planning and management	Landuse conflict complaints			0	3	→
	Loss of primary agricultural land through rezoning			0	0	→
Minerals & Petroleum	Number of mining and exploration titles			66	75	↓
	Area covered by mining and exploration titles (ha)			928,000	743,000	↑

↑ improvement → no or little change ↓ worsening trend

Note - the trend is based on comparing the average of the previous three years of reporting with 2013-14

Biodiversity

Issue	Indicator	2010-11	2011-12	2012-13	2013-14	Trend
Habitat Loss	Total area protected in Wildlife Refuges (ha)	0	0	0	0	→
	Total area protected in conservation reserves & under voluntary conservation agreements (ha)	951	951	1,036	1,036	↑
	Proportion of Council reserves that is bushland/remnant vegetation	1,333%	1,333%	1,333%	1,333%	→
	Habitat areas revegetated (ha)	0	0	0	2	↑
	Roadside vegetation management plan	0	1	1	1	↑
Threatened Species	Fish restocking activities: native species	2,959	0	15,150	15,150	↑
Noxious weeds and feral animals	Fish restocking activities: non-native species	0	0	0	0	→
	Number of declared noxious weeds	86	91	91	100	↓
	Invasive species (listed noxious or WONS) under active management		0	0	10	↑

Towards Sustainability

Issue	Indicator	2010-11	2011-12	2012-13	2013-14	Trend
Waste Generation	Total waste entombed at primary landfill (tonnes)	1,900	1,891	2,165	843	↑
	Average total waste generated per person (tonnes)	0.7	0.7	0.7	0.3	↑
	Average cost of waste service per residential household	\$175	\$433	\$459	\$459	↓
Reduce	Garden organics collected (diverted from landfill) (tonnes)	0	0	0	0	→
	E-Waste collected (diverted from landfill) (tonnes)	0	0	0	0	→
Recycle	Volume of material recycled (tonnes)	31	126	168	138	↑
	Volume of material recycled per person (kg)	10	42	56	45	↑
Littering and illegal dumping	Number of illegal waste disposal complaints to Council	0	3	0	0	↑
Engineering, Infrastructure and Civil Works	New road construction (km)			0	0	→
	Road upgrades (km)			2	64	↓
Risk Management	Hazard reduction burns			0	0	→
Climate Change Mitigation	Office paper used by Council (A4 reams)	800	1,000	815	820	↑
Council Greenhouse Gas Emissions	Annual electricity consumption for Council controlled facilities (MWh)			676	490	↑
	Total fuel consumption (KL)			278	334	↓
	Council total operational greenhouse gas emissions (tCO ₂ -e/year)			2,583	2,552	↑
Community Greenhouse Gas Emissions	Small scale renewable energy uptake (kw installed)		55	86	178	↑

Water And Waterways

Issue	Indicator	2010-11	2011-12	2012-13	2013-14	Trend
Surface & Ground Water Quality	Average salinity levels in selected streams (EC)	347	508	479	449	↓
Industrial/ Agricultural Pollution	Load Based Licencing volume (kg)	0	0	0	79	↓
	Erosion & Sediment Control complaints received by Council			0	11	↓
Stormwater Pollution	Number of gross pollutant traps installed	0	0	0	0	→
	Water pollution complaints	0	0	0	0	→
Water extraction	Number of irrigation licences from surface water sources			114	101	↑
	Volume of surface water permissible for extraction under licences (GL)			17	15	↑
	Number of bore licences from groundwater resources			210	156	↑
	Volume of groundwater permissible for extraction under licences (GL)			3	3	↓
Council water consumption	Area of irrigated Council managed parks, sportsgrounds, public open space (ha)	52	52	52	52	→
Town water consumption	Annual consumption (Total from WTP) (ML)			561	541	↑
	Average annual household use (kL/household)			438.7	357.0	↑
	Average level of water restrictions implemented	0.0	0.0	0.0	0.0	→
Town Water Quality	Number of instances drinking water guidelines not met	13	21	16	13	↑
	Number of drinking water complaints	1	0	2	0	↑

People and Communities

Issue	Indicator	2010-11	2011-12	2012-13	2013-14	Trend
Aboriginal Heritage	Inclusion in DCPs & rural strategies	1	1	1	1	→
	Development approvals on listed aboriginal sites		0	0	0	→
Non-Aboriginal Heritage	NSW Heritage Items	2	2	2	2	→
	Locally listed heritage items	2	4	4	4	↑
	Actions to protect non-aboriginal heritage (including management plans)			0	0	→
	Heritage buildings on statutory heritage lists demolished/ degraded in past year			0	0	→
	Heritage buildings on statutory heritage lists renovated/improved in past year			0	0	→

CASE STUDY: Development approval of the Nyngan Waste and Resource Management Facility (Bogan LGA)

The existing Nyngan landfill located five kilometres north of the township was opened in 1990. Since its opening the facility has reached capacity and requires an extension to allow Bogan Shire Council to continue to manage waste material within its Local Government Area.

The new development will extend the existing landfilling operations by approximately 190 metres to the northeast of the existing facility, thereby increasing the landfilling operational area to approximately 10.2 hectares and the life of the facility by approximately 16 years.

The facility will continue to manage the following classes of waste:

- General solid waste (putrescible) – e.g. household and food waste, manure, animal waste, waste from sewage treatment plants, etc.;
- General solid waste (non-putrescible) including recyclable materials – e.g. glass, plastics, waste oil, rubber, paper/cardboard, garden and wood wastes, virgin excavated natural material; and
- Special waste – e.g. clinical, asbestos and waste tyres.

The proposal was assessed by the Joint and Regional Planning Panel (JRPP) with approval being given in January 2014. The development application was approved in March 2014 under section 81(1)(a) of the *Environmental Planning and Assessment Act 1979*. Council is currently applying for a licence with the Environmental Protection Authority (EPA) to commence operation of the Nyngan Waste and Resource Management Facility.

Map of the proposed Nyngan Waste and Resource Management Facility (Bogan LGA)



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