

ANNUAL REPORT  
2009-2010



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## MESSAGE FROM THE MAYOR

I am extremely proud to present the 2009/10 Annual Report for the City of Canada Bay, highlighting another busy, yet extremely successful year for Council.

Throughout the year, we have worked hard to continue our commitment to improve facilities and services for all residents to ensure that our living experience is a pleasant one, surrounded by great parks, facilities and things to do. Some of these key achievements are:

- renovating and extending Drummoyne Oval to provide a fantastic new grandstand with state of the art lighting to bring it up to international sporting standards. This also included a new car park, landscaping and stunning public artwork to help to further improve facilities at Drummoyne;
- providing a new community bus and additional bus services for older residents who rely on this service to go shopping and attend medical appointments;
- constructing a unique all abilities playground called Livvi's Place at Timbrell Park. This unique playground was recognised for its excellence when Council was awarded the Special Communities Facilities Award from the Institute of Public Works Engineering Australia (IPWEA). The park was also voted the best Australian play space by Parks and Leisure Australia;
- winning the IPWEA award for New or Improved Techniques in Asset Management which reflects the great methods which Council uses to manage its assets, such as buildings and roads, around the City; and
- launching the Food Safety Star Rating Project to provide Canada Bay residents with a greater understanding about the quality of food being provided by businesses in the local area.

This financial year we reviewed our FuturesPlan20 and created our 2010-13 Delivery Plan and 2010-11 Budget and Operating Plan. During the review, the community was invited to make comment and get involved. Over 760 detailed comments and ideas were provided by the community which helps with our long term planning.

During the year, we have continued to engage local business and have held a number of business breakfasts and seminars, developing positive business

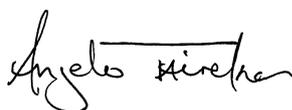
relationships within our City. Building relationships with local businesses is a key objective. A major achievement in this area this year was our Sustainable Business Program flagging potential water savings of up to \$10,000 in some cases for local businesses.

I am pleased to report that we also delivered a series of great events this year, with increased numbers attending Ferragosto and Concord Carnival. Bay Day held at Rhodes Park was a celebration of tea and an enjoyable community day out for all the family. We also entered into partnership with Communities for Communities to provide Carols in the Park at Christmas.

The environment and management of parks, foreshores and open space within the City remains a key priority. A reflection of this commitment was Council's Powell's Creek Reserve Stormwater Harvesting project receiving a highly commended award by the IPWEA for a project that aims to save over two million litres of drinking water each year. In addition, the installation of two Gross Pollutant Traps near the Kokoda Track Memorial Walkway in Concord West will prevent up to eight tonnes of litter and sediment reaching the mangrove area at Lovedale Place and Brays Bay.

The year 2010 is also an important one for the City of Canada Bay as it marks the tenth anniversary since Drummoyne and Concord Council's merged. During this time we have worked hard to ensure the long term sustainability of our assets, facilities and services.

Finally, I would like to take this opportunity to thank my fellow Councillors, the General Manager and staff of the City of Canada Bay for their continuing hard work and commitment throughout 2009-10.



Angelo Tsirekas



## MESSAGE FROM THE GENERAL MANAGER

It is with great pleasure I present the 2009/10 Annual Report for the City of Canada Bay. The Report outlines Council's performance in relation to the 2009/10 Operating Plan.

The Annual Report is divided into two sections:

- The main report documents the financial and strategic outcomes of the Council and corporate wide achievements. Also detailed is a report on Council's performance against its principal activities as derived from the City of Canada Bay Community Strategic Plan (FuturesPlan20) and outlined in the 2009-10 Operating Plan.
- The Annual Report Appendices comprise:
  - o Appendix A - a copy of the Payment of Expenses and the Provision of Facilities to Councillors Policy that was in effect for the 2009/10 year;
  - o Appendix B - details of grants and sponsorships of Council Activities; and
  - o Appendix C - the financial reports.

Council's financial records have been assessed by our auditors PricewaterhouseCoopers, and they have summarised our results with the following statement: "Council is considered to be in a sound and stable financial position. All indicators stand better than accepted industry benchmarks." A copy of the auditors report is contained in this report.

The maintenance of Council's long term financial sustainability is of paramount importance and as such Council has developed a long term financial strategy, which is being implemented to ensure Council's financial position long into the future. In the last year Council's Operating Result improved from a surplus of \$10.7million in the previous financial year to a surplus of \$16.7million this year. The increase was mainly the result of higher capital grants and contributions of up to \$3.7million. The Debt Service Ratio improved to 1.57% of operating revenue reflecting the drop in outstanding loans from \$3.3million to \$2.6million. The ratio is well below the industry benchmark of 10% maximum. The Rates Outstanding Ratio increased to 2.43% of collectables but remains better than the industry benchmark of 5%. All factors when taken into consideration demonstrate continuous good financial management by Council.

Council continues to endeavour to deliver the highest level of service to the community and has made some significant improvements to existing facilities, such as Drummoyne Oval, and new areas like Livvi's Place at Timbrell Park. Livvi's Place was purposely designed to enable children and families of all abilities to play together. The aim is to dramatically reduce the barriers experienced by children with special needs and their families, helping to give them a level playing field for life.



Council remains committed to the principles of access and equity and aims to continuously improve the services provided to people with disabilities, Indigenous Australians, non English speaking individuals and the aged. Among other things, Council's Access Committee meets regularly to discuss issues of importance, and implement positive changes and, as such, several projects have been conducted over the year to achieve this.

Our organisation is working hard to reduce its carbon footprint and preserve the environment, in particular our beautiful parklands and foreshore areas. Council's sustainability team meets regularly to provide a forum for staff members to develop "Green Ideas" and put forward other environmentally conscious improvements Council can implement. You will also find details of Council's comprehensive Sustainable City Program within this report.

I would also like to take this opportunity to thank the Mayor, Deputy Mayor, Councillors and dedicated staff for the efforts, professionalism and commitment in achieving our goals.

A handwritten signature in black ink that reads "Gary Sawyer". The signature is written in a cursive, flowing style.

Gary Sawyer



The City of Canada Bay is located in the inner-western suburbs of Sydney, about 6-12 kilometres from the Sydney GPO. The City of Canada Bay is bounded by the Parramatta River in the north and east, the Council areas of Ashfield, Burwood and Strathfield in the south and Auburn Council in the west. The City of Canada Bay includes the suburbs of Abbotsford, Breakfast Point, Cabarita, Canada Bay, Chiswick, Concord, Concord West, Drummoyne, Five Dock, Liberty Grove, Mortlake, North Strathfield, Rhodes, Rodd Point, Russell Lea, Strathfield (part) and Wareemba.

Canada Bay is named in remembrance of the 58 French Canadian prisoners deported in 1840, following the Lower Canada Rebellion.

The City of Canada Bay is a predominantly residential area, but also has significant commercial and industrial areas. The City encompasses a total land area of 20 square kilometres, including 140 parks and reserves, and many kilometres of accessible public foreshore.

### Our Vision

To create a City that is innovative, dynamic and sustainable through active partnership with the community and the environment.

### Our Mission

To maximise the advantages of inner city living through an attitude of pride and dedication by:

- Planning and delivering appropriate services and facilities
- Promoting and encouraging a diverse and consultative community
- Inviting an active partnership between Council and its community
- Providing sensible planning and economic initiatives
- Achieving desirable environmental standards

## The Area

- Canada Bay is the product of the amalgamation of Concord and Drummoyne Municipal Councils.
- Canada Bay covers an area of 1,982 hectares or 19.82km<sup>2</sup>.
- The City spans across 17 suburbs.
- Parks and Recreational areas make up 303.4 hectares (15.3%) of the total area.
- There are 31,540 rateable properties in Canada Bay.
- Canada Bay provides 2 state of the art library facilities to the community.
- The Council provides the area with 2 world class swimming facilities in Drummoyne and Cabarita.

## The People

- 65,747 people live in the City of Canada Bay Local Government Area (2006). Of that 31,634 (48.1%) were males and 34,113 (51.9%) were females.
- 221 residents of Canada Bay identify as Indigenous Australians (2006).

- 43,656 (66.4%) of Canada Bay's population are aged between 18 and 64.
- 20,681 (31.5%) of population were born overseas - Italy, United Kingdom, China, Republic of Korea and New Zealand.
- Overall, 61.7% of the population spoke English only, and 31.3% spoke a non English language. The dominant language other than English spoken in households was Italian with 10.1% of the population or 6,649 people.
- 14.9% of the population reported performing voluntary work.
- Of the 34,975 person labour force (aged over 15 years) in Canada Bay 96.7% were employed and 3.3% unemployed. 23,760 (67.9%) were employed full time and 9,315 (26.6%) employed part time.
- 66.6% of the households in Canada Bay are connected to the internet with 50.8% having a broadband high speed connection.





The City of Canada Bay Council has nine (9) elected Councillors. The area of Canada Bay Council is not divided into Wards and as such, all nine Councillors represent the area as a whole.



Councillor Angelo Tsirekas  
Mayor



Councillor Jeanette O'Hara  
Deputy Mayor



Councillor Mirjana Cestar



Councillor Tony Fasanella



Councillor Neil Kenzler



Councillor Helen McCaffrey



Councillor Michael Megna



Councillor Marian O'Connell



Councillor Pauline Tyrrell



## OUR LEADERSHIP



Our vision is to create a City that is innovative, dynamic and sustainable through active partnership with the community and the environment.

Our mission is to maximise the advantages of inner city living through an attitude of pride and dedication by:

- Planning and delivering appropriate services and facilities;
- Promoting and encouraging a diverse and consultative community;
- Inviting an active partnership between Council and its community;
- Providing sensible planning and economic initiatives; and
- Achieving desirable environmental standards.

### Our Principles

As enunciated in the Local Government Act 1993, Council's charter is to:

- Provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively;
- Exercise community leadership;
- Exercise its functions in a manner that is consistent with and actively promotes the principles of multiculturalism;
- Promote and to provide and plan for the needs of children;

- Properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development;
- Have regard to the long term and cumulative effects of its decisions;
- Bear in mind that it is the custodian and trustee of public assets and to effectively plan for, account for and manage the assets for which it is responsible;
- Engage in long-term strategic planning on behalf of the local community;
- Exercise its functions in a manner that is consistent with and promotes social justice principles of equity, access, participation and rights;
- Facilitate the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and coordination of local government;
- Raise funds for local purposes by the fair imposition of rates, charges and fees, by income earned from investments and, when appropriate, by borrowings and grants;
- Keep the local community and the NSW Government (and through it, the wider community) informed about its activities;
- Ensure that, in the exercise of its regulatory functions, it acts consistently and without bias, particularly where an activity of the council is affected; and
- Be a responsible employer.

The statements in this charter outline the underlying principles by which Council seeks to operate, engage with the community and to work with residents and stakeholders to achieve FuturesPlan20.

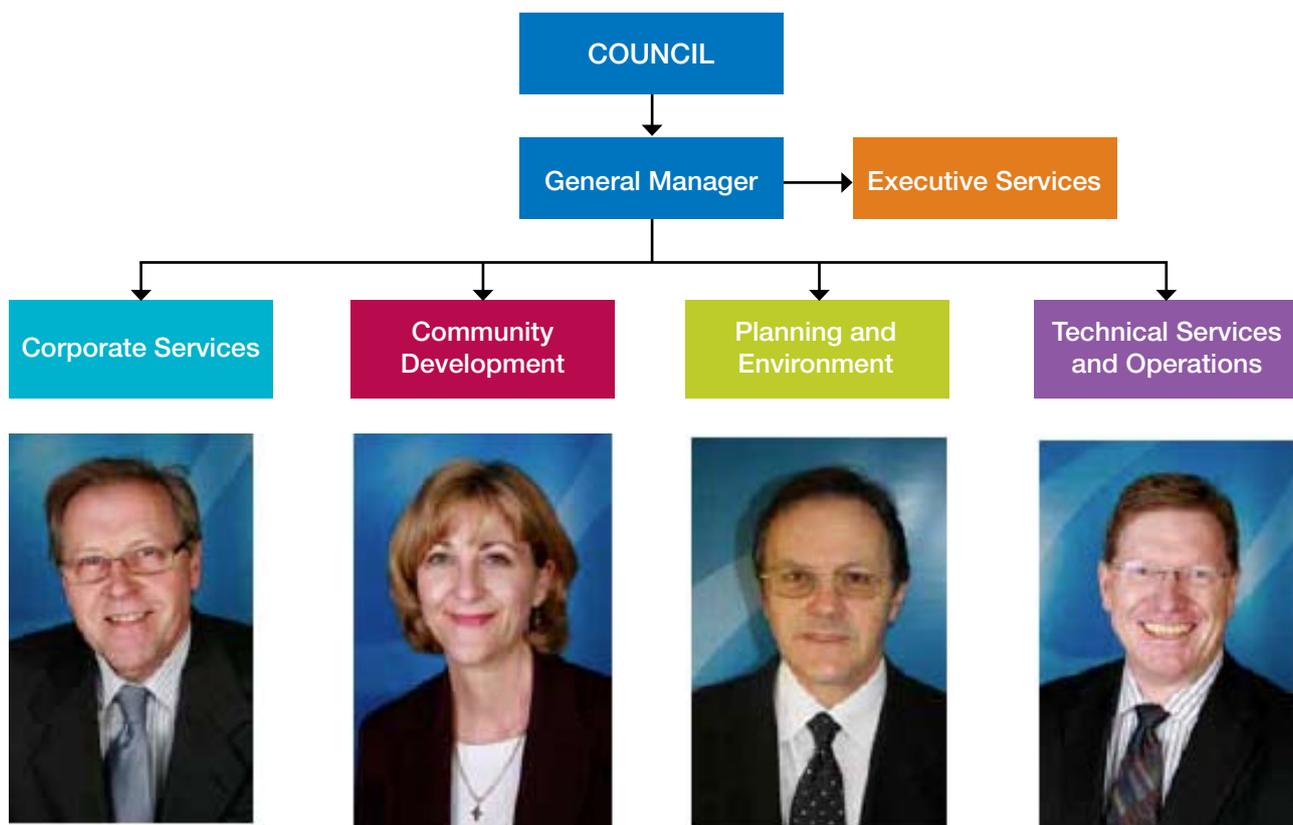
## Achieving social justice outcomes

Council also has an obligation to uphold the NSW Government's social justice strategy, as based on the following interrelated requirements:

- **Equity:** there should be fairness in decision making, prioritising and allocation of resources, particularly for those in need. Everyone should have a fair opportunity to participate in the future of the community. The planning process should take particular care to involve and protect the interests of people in vulnerable circumstances
- **Access:** all people should have fair access to services, resources and opportunities to improve their quality of life
- **Participation:** everyone should have the maximum opportunity to genuinely participate in decisions which affect their lives
- **Rights:** equal rights should be established and promoted, with opportunities provided for people from diverse linguistic, cultural and religious backgrounds to participate in community life. Council must ensure that FuturesPlan20 and its associated sub-plans reflect the four social justice principles and these social considerations are adequately addressed in the planning process.

Council's organisation is headed by General Manager, Gary Sawyer. The General Manager has responsibility for policy development and administrative operations that allow Council to function efficiently. The General Manager is directly responsible for Executive Services, Human Resources, Communications and Public Relations and Customer Services.

Other departments of Council are outlined on the next page.



**Bruce Cook**  
Director, Corporate Services

Council's Corporate Services division is responsible for Finance, the collection of rates, Governance, Insurance, Records, Information Systems and Property Services. Corporate Services provides support to other departments of Council in fulfilling their responsibilities to the Community.



**Lisa Miscamble**  
Director, Community Development

Community Development aims to provide a quality of services and programs to the people of Canada Bay through Economic Development, Community Services, Vacation Activities for children and the libraries. Community Development undertakes planning to enhance our parks and recreation facilities.



**Tony McNamara**  
Director, Planning and Environment

Planning & Environment is responsible for all Statutory Planning matters such as development applications and subdivisions; Strategic Planning, responsible for upgrading the city's planning framework; and Environmental Health & Building who look after construction certificates, building inspections, health, waste and law enforcement.

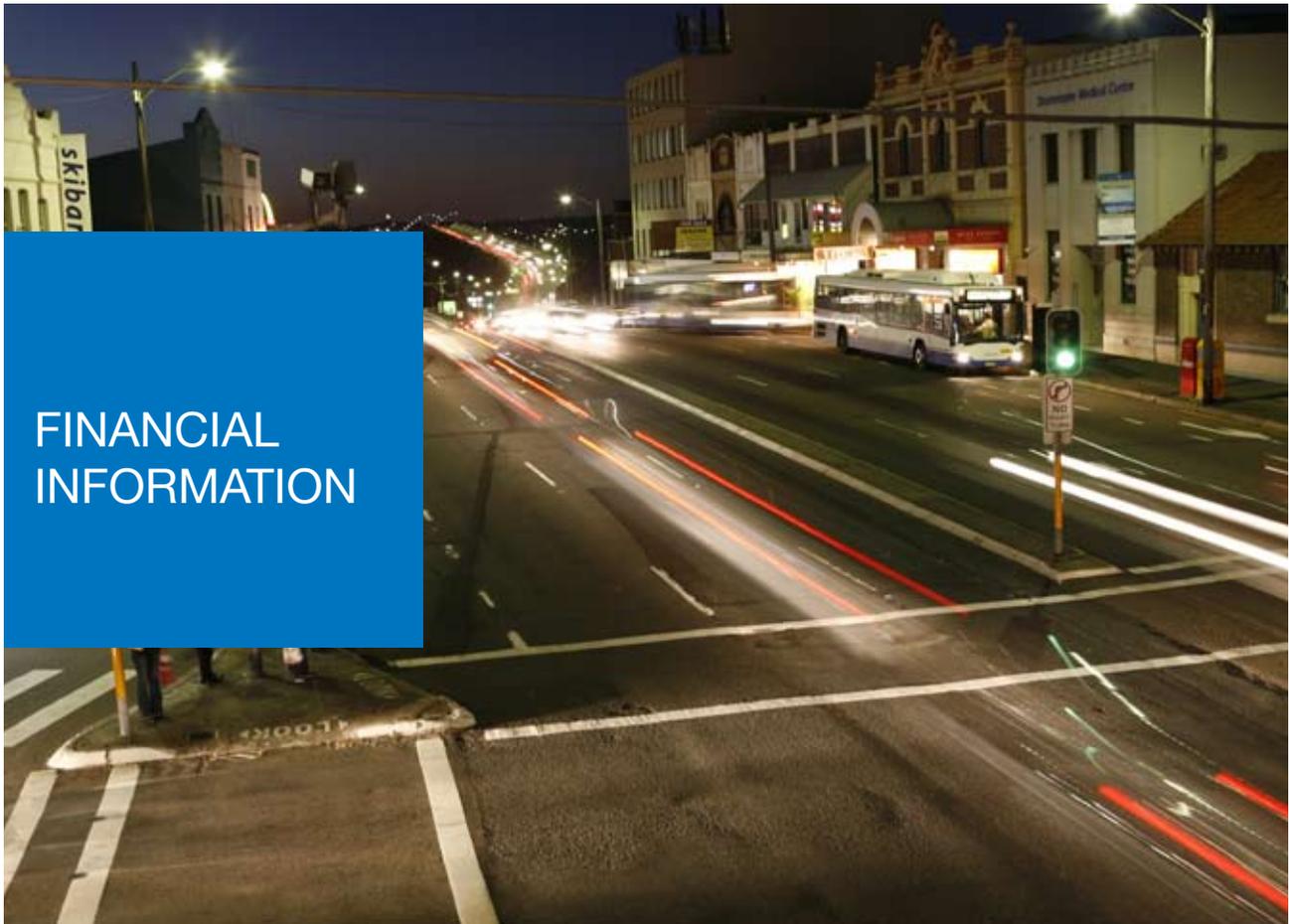


**John Osland**  
Director, Technical Services and Operations

Technical Services & Operations provides comprehensive servicing to roads, open space and building assets. The department handles major construction projects for Council and maintains all parks and gardens, nature strips natural bushland. Technical Services and Operations also provides the public with services to private property.

## Remuneration packages for senior staff member

|  | Salary    | Bonus,<br>performance<br>other payments | Employer's<br>contribution to<br>Superannuation | Total Non-cash<br>Benefits | Total     |
|--|-----------|---|---|----------------------------|-----------|
| General<br>Manager                                 | \$211,594 | \$4,000                                 | \$13,129  | \$9,000                    | \$237,723 |
| Director,<br>Corporate<br>Services                 | \$142,798 |   | \$14,461  | \$9,636                    | \$166,895 |
| Director,<br>Community<br>Development              | \$141,839 |   | \$16,285  | \$8,282                    | \$166,406 |
| Director,<br>Planning &<br>Environment             | \$156,715 |   | \$13,745  | \$10,109                   | \$180,569 |
| Director,<br>Technical<br>Services &<br>Operations | \$141,824 |   | \$13,129  | \$11,047                   | \$166,000 |



A complete copy of Council's Audited Financial Report is contained in Appendix C at the back of this report. The Financial Reports are also available on Council's website at [www.canadabay.nsw.gov.au](http://www.canadabay.nsw.gov.au)

## Written Off Rates and Charges

|                                   | Amount                |
|-----------------------------------|-----------------------|
| Rates - Pensioner Concessions     | 1,011,771.64          |
| Rates - Postponements Written Off | 7,406.10              |
| Interest waived - postponements   | 3,026.24              |
| Interest waived - write offs      | 520.24                |
| <b>Total</b>                      | <b>\$1,022,724.22</b> |

## Works Carried Out on Private Land by Council

| Summary of details of works      | Cost of work fully or partly subsidised by Council | Total amount subsidised by Council |
|----------------------------------|--|------------------------------------|
| Graffiti Removal                 | \$33,828.16  | \$32,298.61                        |
| Kokoda Track Walkway             | \$358,078.47                                       | \$158,078.47                       |
| South Punchbowl Stage 1          | \$174,517.96                                       | \$0.00                             |
| Manly Program H/P2               | \$166,350.87                                       | \$0.00                             |
| Nyrang St Auburn                 | \$141,851.85                                       | \$0.00                             |
| Wigram Rd, Glebe                 | \$77,410.68  | \$0.00                             |
| Dobroyd Canal                    | \$74,896.78  | \$0.00                             |
| Marrickville Council Tender      | \$54,637.10  | \$0.00                             |
| North Sefton Zone                | \$39,408.40  | \$0.00                             |
| Homer/St James Restoration Works | \$32,354.45  | \$0.00                             |
| 47 Walton Crescent               | \$23,470.00  | \$23,470.00                        |
| Gillies Taylor Restoration       | \$19,276.10  | \$0.00                             |
| Enerserve-Harold Park Glebe      | \$17,092.38  | \$0.00                             |
| Enerserve-Burwood Restorations   | \$16,383.92  | \$0.00                             |
| Abbotsford Cove Community Assoc  | \$8,482.93   | \$0.00                             |
| 31 Phillips Street               | \$8,000.00   | \$0.00                             |
| 9 Wolseley Street                | \$7,128.62   | \$0.00                             |
| Other Works                      | \$64,287.26  | \$0.00                             |
| <b>Total</b>                     | <b>\$1,317,455.93</b>                              | <b>\$213,847.08</b>                |

## Contributions and Grants

| Donations & Contributions  | 09/10               |
|----------------------------|---------------------|
| Barricades-Street Parties  | \$1,756.64          |
| Civic Functions            | \$18,000.00         |
| Community Events           | \$30,500.00         |
| Community Grants           | \$53,058.64         |
| Community Projects         | \$12,773.56         |
| Councillor Administration  | \$2,962.27          |
| Drummoyne Community Centre | \$66,700.00         |
| Executive Administration   | \$21,585.92         |
| Heritage Assistance        | \$20,110.84         |
| Individual Grants          | \$3,668.18          |
|                            |                     |
| <b>Grand Total</b>         | <b>\$231,116.05</b> |

## Major Contracts Awarded

| Name of Contractor(s)  | Summary   | Estimated Amount Payable        |
|--|---|---------------------------------|
| Downer EDI   | Roads resurfacing program.  | \$1.333 Million                 |
| Belgravia Health and Leisure Group   | Manage & Operate both Drummoyne Pool & Cabarita Pool for a term of 5 years.   | \$548,645 over a five year term |
| Momentum Electricity Pty Ltd   | Provision of Electricity for large sites, street lighting and green power.  | \$1,057,550 over two years      |
| Clement Marine Services  | Construct the Taplin Park Boat Ramp Extension and Articulated Pontoon.  | \$243,118                       |
| Sullivans Constructions  | Demolition of existing Amenities Building and construction of a new clubhouse at Cintra Park near netball courts.                 | \$501,044                       |
| Bibliotheca RFID Library Systems Australia Pty Ltd   | Provision of RFIP tags to Council Libraries.  | \$35,100                        |
| Bibliotheca RFID Library Systems Australia Pty Ltd   | Provision of Systems required to support RFID tags to Council Libraries.  | \$173,250                       |
| National Buildplan Group Pty Ltd   | Drummoyne Oval Community Facility - Stage 2 Drummoyne Oval Precinct Development.  | \$5,465,830                     |
| DA Information Services Pty Ltd; Southern Scene Pty Ltd; Library AV Pty Ltd Bolinda Publishing Pty Ltd | Supply of shelf ready library materials.  | Approx \$130,000 pa             |
| Bitupave Limited (trading as Boral Asphalt)  | Contractor appointed for the supply and lay of asphalt and associated services.   | \$1,457,344                     |
| Citiguard Protection Services Pty Ltd Southern Cross Protection Pty Ltd                                | Provision of alarm monitoring and maintenance. Provision of locking and unlocking park gates, security patrols and static guards. | \$21,900 pa                     |

## Cost incurred in relation to Legal Proceedings

| Category              | 09/10            |
|-----------------------|------------------|
| Statutory Planning    | \$180,089        |
| Professional Services | \$319,396        |
| <b>Total</b>          | <b>\$499,485</b> |
|                       |                  |
| Recovered Costs       | \$4,227          |

## Councillor Fees and Expenses etc

| Fee Payment                          | 09/10            |
|--------------------------------------|------------------|
| To Mayor                             | \$33,840         |
| To Councillors                       | \$139,500        |
| <b>Total Fee Payments</b>            | <b>\$173,340</b> |
| Per Councillor                       | \$15,500         |
| <b>Expenses and Facilities</b>       |                  |
| Office Equipment                     | \$22,500         |
| Telephone Calls                      | \$6,309          |
| Conferences and Seminars             | \$16,939         |
| Travelling Expenses                  | \$5,698          |
| Childcare                            | \$619            |
| <b>Total Expenses and Facilities</b> | <b>\$52,065</b>  |
|                                      |                  |
| <b>Delegations and Visits</b>        |                  |
| Interstate Visits                    | \$0              |
| Overseas Visits                      | \$0              |
| Accompanying Spouse Expenses         | \$0              |
| <b>Total Delegations and Visits</b>  | <b>\$0</b>       |



**Category 1 Business Activities**

(LGA Act s428 (2)(r) & Reg. Cl217 (1)(d)(ii,iv,v,vi & vii))

Council is not involved in any Category 1 businesses which meet the determined criteria.

**Category 2 Business Activities**

(LGA Act s428 (2)(r) & Reg. Cl217 (1)(d)(iii))

Council is not involved in any Category 2 businesses which meet the determined criteria.

**Competitive Neutrality**

(LGA Act s428 (2)(r) & Reg. Cl217 (1)(d)(v))

Council pricing for service provision competing with other businesses is based on full cost recovery having regard to all direct and indirect costs. Any complaints received by Council regarding Competitive Neutrality are registered in Council’s Customer Request Management System (CRMS) and sent to the appropriate Council Officer to address.

There have been no Competitive Neutrality complaints received by Council.

**Handling Competitive Neutrality**

(LGA Act s428 (2)(r) & Reg. Cl217 (1)(d)(vii-ix))

**Complaint handling procedure**

Council has developed a Complaints Handling Policy which has been designed to include all Competitive Neutrality Complaints that Council may receive.

If an actual or potential competitor of a Council business lodges a complaint, as it believes it is being adversely affected through failure to adopt competitive neutrality – that is, Council is operating with an unfair competitive advantage – the details of the complaint are entered in the Customer Request Management System, and are sent to the appropriate officer.

The General Manager conducts a regular review of all resolved and unresolved Competitive Neutrality Complaints as required. The General Manager is also

responsible for forwarding all allegations of corruption to the ICAC under S11 of the NSW Independent Commission Against Corruption Act 1988.

### Summary of complaints

No complaints received.

### External bodies exercising Council functions

(LGA Act s428 (2)(o))

During 2009/10, there were several external bodies who exercised functions delegated by Council. The City of Canada Bay Access Committee provided advice on building and development applications; The Canada Bay Traffic Committee assisted and advised on traffic and transport issues; the Canada Bay Community Recreation Association was responsible for the provision of staff to the Five Dock Leisure Centre, and the Great North Road Committee was also in operation throughout the 2009/10 Financial Year.

### Companies in which Council has a controlling interest

(LGA Act s428 (2)(p))

Council did not hold a controlling interest in any company during 2009/10.

### Statement of partnerships, cooperatives or joint ventures involving Council

(LGA Act s428 (2)(q))

Council is a member of Statewide Mutual and Statecover-Workers Compensation, self insurance groups for public liability/professional indemnity and workers compensation insurances.

Council is part of the Southern Sydney Regional Organisation of Councils (SSROC), an association of 16 major municipal and city councils in the southern area of Sydney. Together these councils represent more than 1.4 million residents. It provides a forum for the councils to discuss common issues and facilitates joint activities. It provides all councils with economic benefits and can greatly reduce the overall cost of major projects.

Council was approached in 07/08 by the Touched by Olivia Foundation, who in partnership with Council has helped develop an upgraded, all abilities children's playground in Timbrell Park. The Touched by Olivia Foundation contributed \$140,000 towards the planning and construction of the playground, named Livvi's Place. Since, the Friends of Livvi's Place, a partnership between Leighton Contractors, Council and the Touched by Olivia Foundation, organises community activities at the playground.

Council is in partnership and currently developing a MOU with the Friends of McIllwaine Park Group. This is a group of local residents who work with Council to organise activities at the regional playground at McIllwaine Park.

Sydney Water, Leichhardt Council and Canada Bay Council entered into partnership to provide a Sustainable Business Project officer at both Councils for a two year period. The program aims to implement long term energy and water saving solutions to major businesses in the area who are considered to be high demand users.

Council continued its partnership with the Department of State and Regional Development to provide monthly business training events under the name of the Small Business Book Club. The Club provides a leading business author, invited to speak at a Council hosted event in the Library.

Council is in partnership with four other Sydney, inner west Councils (Strathfield, Marrickville, Leichhardt and Ashfield) as part of the Inner West Business Expo. The Expo was targeted at all businesses throughout the different local government areas, to provide them with information and advice on how the current economic crisis was likely to impact on business and the best ways to deal with it.

Public Health Forums is a partnership between Council and Concord Repatriation General Hospital which is providing current health information to the community through a panel of expert speakers from Concord Repatriation General Hospital, allied community health services and local health and wellbeing businesses.

Council has a Memorandum of Understanding (MOU) with Communities for Communities to provide to the community joint events in the Canada Bay Area. The events held were three Foundations for Communities breakfasts, Carols in the Park and Cinema in the Park.

The Men's Intergenerational Project is a positive ageing program, where older men mentor younger men to build a form of sustainable transport, and in doing so, share their skills and knowledge. This program which is a partnership between Council, Mary Mackillop Outreach, Concord High School, Older Men's Group and Drummoyne Community Centre will culminate in a family fun and race day.

The Looking Local, Volunteering Opportunities in Canada Bay is a partnership between Council, Inner West Neighbourhood Aid and Communities for Communities. It is a program of connecting residents to the local community through a supported volunteer group that meets regularly and links volunteers to local volunteering projects.

Council has in place with four inner west councils (Strathfield, Burwood, Leichhardt and Ashfield) a MOU for an Ashfield Youth Theatre. The youth theatre provides an annual theatre program across the inner west region, developed, produced and performed by local young people under the artistic direction of the Ashfield Youth Theatre Director.

Council is working with the Inner West Special Olympics, in a partnership which supports programs for People with Disabilities. This includes Indoor Soccer, Dance and Sailability (a sailing program for people with disabilities) Programs.

## Freedom of Information Act 1989

In accordance with Section 428 of the Local Government Act, Council must record all Freedom of Information (FOI) requests during the year.

### New FOI Applications for 09-10

| How many FOI applications were received, discontinued or completed? | Total     |
|---|-----------|
| New   | 23        |
| Brought Forward   | 0         |
| Total to be processes   | 23        |
| Completed   | 18        |
| Discontinued  | 2         |
| <b>Total Processed</b>  | <b>20</b> |
| Unfinished (Carried Forward)  | 3         |

### Discontinued Applications 09-10

| Why were FOI applications discontinued?   | Total    |
|---|----------|
| Request transferred to another agency (s.20)  | 0        |
| Applicant withdrew request  | 2        |
| Applicant failed to pay advance deposit   | 0        |
| Applicant failed to amend a request that would have been an unreasonable diversion of resources to complete (s.25(1)(a1)) | 0        |
| <b>Total Discontinued</b>   | <b>2</b> |

### Completed Applications 09-10

| What happened to completed FOI applications? | Total     |
|--|-----------|
| Granted or otherwise available in full       | 15        |
| Granted or otherwise available in part       | 1         |
| Refused                                      | 1         |
| No documents held                            | 1         |
| <b>Total Completed</b>                       | <b>18</b> |

## Human Resource Activities

(LGA Act s428 (2) (m))

The Human Resources Team has had another very busy year providing a complete range of Human Resource services and advice to the Council as a whole.

Human Resources policies and procedures are continually being reviewed, updated and implemented. Accessing Human Resources Policies and Procedures is simple for all members of staff, via Council's electronic records system, and through the use of the intranet. This service is constantly expanding with more Human Resources documents made available to staff via the intranet all the time.

Last year the "Work, Life, Community at City of Canada Bay" guidelines were developed which encourages more flexible working arrangements. This has enabled employees to manage the demands of work and their other life activities, while they achieve the objectives of Council for the community we serve. The organisation continues to shift its cultural mind set from a one size fits all approach to one that is based on each area's stakeholder requirements.

The Recognition of Service Awards and the Employee Excellence Awards continue to be a tremendous success and highlights the effort made by Council staff during the year.

The Induction Day Program for all new staff is a continuing success. Always evolving, this program allows new staff to meet the Executive and gain an understanding of the structure and functions of Council. Detailed explanations are provided about significant Council policies and procedures, and a tour of the City and major Council facilities is also conducted. Held every 2 months or when suitable numbers are available, this program greatly assists new staff in feeling part of the team and becoming productive members of the organisation.

### Training

Council continues to provide many training opportunities for staff to acquire additional skills and ensure development of skills in the areas of safety, legislative, and professional development. Ongoing mandatory and regulatory training continues to be provided, particularly relating to Occupational Health and Safety. (This includes OHS Construction Induction, Traffic Control, First Aid, Dial before you Dig, and Chemical Use)

Annual training plans are developed for each staff member to ensure that position specific training needs are identified and undertaken. Corporate wide training that has been implemented this year includes:

## Leadership Development Program

The Leadership Development Program or LDP has been run over the last 12 months. Based on the feedback received from the Employee Opinion Survey conducted in 2008 and with the theme of continuous improvement, the following subjects were offered: Time Management, Coaching, Presentation Skills, Counselling Skills, Conflict Resolution, Problem Solving & Decision Making, Innovation/Change Management, Negotiation Skills, Delegation Skills, Conducting Effective Meetings, Project Management and Managing Poor Performance.

## Staff Education Assistance Policy

The number of staff making use of Council's Staff Education Assistance Policy continues to increase. The Staff Education Assistance program is available to staff who are undertaking tertiary study relevant to their positions, in their own time, to mutual benefit of the employee and Council. The Staff Education Assistance Policy provides staff with both financial assistance and paid leave to attend examinations.

## Equal Employment Opportunity (EEO)

(LGA Act s428 (2)(n))

EEO is a fundamental practice within the City of Canada Bay Council. Evidence of this is through Council's EEO Management Plan which demonstrates a strong commitment to Equal Employment through the adoption, implementation and regular review of EEO principles and strategies. Council's EEO Management Plan was updated in 2009 and endorsed for the 2008 -2011 period.

The plan outlines specific strategies to ensure that the principles of EEO are normal considerations in day to day operations.

During the year, the following activities were undertaken to implement the plan:

- Establishment of a number of new part time positions.
- The regular conduct of exit interviews.
- All recruitment activities undertaken on the basis of merit selection, as per policy.
- Induction program for new staff includes information on the EEO Management Plan and related policies and procedures.
- Work, Life, Community at City of Canada Bay Council guidelines implemented
- Bullying Prevention Policy presented to all teams

## Legal proceedings - Land and Environment Court Appeals

(Legal Proceedings under the EPAA 1979 for 2009/10)

|                                 | Class  | Status  | Costs Incurred           |
|---------------------------------|--|---|--------------------------|
| Hakim & Hakim v CCBC (11203/05) | Class 1 Appeal against refusal to grant Development Consent for a proposed swimming pool and retaining walls. (Council was not able to grant consent as NSW Maritime declined to issue a Part 3A Permit) | Recovery procedures commenced for remaining amount. Writ of Execution was served in May 2010. If equal value goods unable to be seized by Sheriff, next action will be Bankruptcy proceeding. | \$41,901                 |
| Meriton Apartments Pty Ltd      | Class 1 Appeal against deemed refusal of Application to Modify Development Consent for Multi-Unit Housing Development  | Minister of Planning intervened in proceeding and has now negotiated a resolution for the matter with applicants. Notice of Determination for S96 has now been issued by department           | Estimated costs \$25,000 |
| Cristavao v CCB                 | Class 1 Appeal against deemed refusal of Application to Modify Consent for alterations and additions to existing dwelling  | Court approved the S96 Modification on 17 November 2009 subject to reduction in the area of the terrace the subject of the Appeal and other conditions  | \$8,530                  |
| Gioxle Pty Ltd v CCB            | Class 1 Appeal against refusal to issue a Development Consent for a sex services premises  | Judgement handed down on 8 January 2010. Court refused the Development Application  | \$23,540                 |
| Amavid Pty Ltd v CCB            | Class 1 Appeal against refusal to issue Development Consent for conversion of an outbuilding to a 4 car garages on commercial property   | Court refused Development Application on 16 December 2009   | \$8,930                  |
| Peresa v CCB                    | Class 1 Appeal against refusal of Application to Modify Development Consent for alterations and additions to existing dual occupancy   | Proceedings were discontinued by the applicant on 11 May 2010   | \$6,406                  |
| Liu V CCB                       | Class 1 Appeal against refusal of Development Application for Torrens Title Subdivision and construction of new two storey dwelling.   | Proceedings were discontinued by the applicant  | \$866                    |
| Gioxle Pty Ltd v CCB            | Class 1 Appeal against deemed Refusal of Development Application for change of use to a sex services premises  | Hearing set down for 23 - 24 September 2010   | Nil                      |
| Obeid v CCB                     | Class 1 Appeal against refusal of Development Application for a boarding house   | Call over date set down for 21 July 2010  | Nil                      |

## Section 93F Planning Agreements

Council entered into the following Planning Agreements in 2009/2010. Below are the details of, compliance with, and the effect of, planning agreements in force during the year.

| Land Subject of agreement         | Development to which the agreement applies | Provisions made by the developer for community benefit. | Agreement compliance mechanisms  |
|-----------------------------------|--|---|--|
| 54A Blackwall Point Road Chiswick | DA 123/05                                  | \$575,000   | Payment made at time of agreement  |
| 90 Tennyson Road Mortlake         | DA 434/08                                  | \$432,919   | 1) Bank guarantee for full value<br>2) Registration of the agreement on the land title<br>3) Developer acknowledges council has a caveatable interest. |



# ENVIRONMENT AND SUSTAINABILITY



## State of the Environment Report

(LGA Act s428 (2)(c) & Reg. cl 218-226)

Council is responding to the increasing demands that the rapidly increasing City population places on our natural environment. Council is addressing these additional demands by developing new environmental programs as part of the Sustainable City Levy.

The State of Environment Report (SoE) is a mechanism to report on the broad range of environmental issues and to communicate this information to the community. This is done by providing information on the state or condition of the local environment, the pressures of human impact upon it and society's responses to those pressures. The report is broken up into eight sections: Heritage, Land, Water, Air, Noise, Biodiversity, Waste and Sustainability.

The process of SoE reporting allows Council to demonstrate how it has addressed these matters

and regulatory control. The SoE process also allows Council to prioritise future planning and identify issues that need to be resourced.

Under Local Government Regulations, Council is required to produce a comprehensive SoE Report each year after a full Council election. During intervening years a supplementary SoE Report is required. These supplementary reports contain details of new impacts that have been identified during the previous annual reporting period, as well as the results of any ongoing environmental improvement programs.

This year's report is the final report prior to Council moving towards a mandated integrated reporting system for State of the Environment Reporting. This report details activities and initiatives such as: Council's Moving Messages Campaign, the review of the energy and water savings action plans, and water leak monitoring program as well as details of the Bushcare program in Canada Bay.

A copy of the Report is available upon application or will be available on Council's Website.  
www.canadabay.nsw.gov.au

## Companion Animals Act and Regulation Activities

(LGA Act s428 (2)(r) & Reg. Cl217 (1)(f))

All pound data returns were lodged with the Department in accordance with the Guidelines on the Exercise of Function under the Companion Animals Act.

Cost of companion animal management and activities:  
**- pound fees for the year were \$5,942**

- Companion Animal Education Programs:  
There were no specific Companion Animal Programs held during the year. However, brochures were produced and distributed at Council's Customer Service Centre, Libraries and at major events such as Ferragosto and Concord Street Fairs.
- Promotion of animal de-sexing of dogs and cats:  
Brochures were produced and distributed at Council's Customer Service Centre, Libraries and at major events such as Ferragosto and Concord Street Fairs.
- Strategies to seek alternatives to euthanasia for unclaimed animals - Council actively investigated owners of animals by following up on microchip data. This strategy proved successful.

Council provides off leash areas for dogs at the following locations:

- Battersea Park (the Concord end of the park)
- Charles Heath Reserve
- Cintra Park
- Drummoyne Park (above Drummoyne Oval)
- Five Dock Park (between Bowling Club and Ingham Avenue)
- Lysaght Park (on Five Dock Bay)
- Majors Bay Reserve
- Powells Creek Reserve
- St Georges Crescent Reserve (opposite the Sailing Club)
- Timbrell Park (the western end, beyond the children's play area)
- Storey Park
- Brett Park (the flat area)
- Halliday Park (on Hen & Chicken Bay)
- Queen Victoria Reserve
- Taplin Park (western end near Thompson St)

Council did not receive any Companion Animals Funds during the year.

## Sustainable City Program

In 2005/06 Council introduced a Sustainability Levy to implement a series of projects to enhance the well being of the City under the Sustainable City Program which includes Economic Development, Cultural Development and Social Cohesion. Below is a report on the outcomes of the Sustainable City Program for 2009/2010.

### Economic Development

#### Communications

- Distributed a monthly business e-newsletter, Bayside Business eNews to educate and inform over 1000 local businesses.

#### Skill Development

- 26 Business events hosted. Each event featured business education and networking. More than 700 participants attended these events. Satisfaction rating of above average on each event was achieved.
- Hosted a Green Business breakfast to support local business and encourage more sustainable practices. Attracted more than 60 participants.
- Hosted Sustainability Awards recognising businesses, individuals and community organisations who excel in economic, environment and social sustainability. Achieved an increase of 76% in nominations from 2008/2009.
- Two part time Sustainable Business Project Officers appointed for two years to work with local businesses to reduce their water and energy consumption. Sydney Water provided the grant funding and Leichhardt Council is equal partner in the project.

### Key Industry Support

- Health and Wellbeing
  - Four public Health Forums hosted promoting local businesses to the community.
  - Cluster marketing promotion featuring 12 local businesses provided at Council events, Concord Carnival and Ferragosto.
- Building and Renovation
  - Four Before Your Renovate Seminars with more than 150 residents and 12 businesses participating.
  - Making Your Property Greener Online (featuring over 60 local building and renovating businesses with over 300 downloads of the publication) and Online Green Business toolkit was developed and promoted to all residents.
  - Unique website experienced, over 6500 individual visitors.
  - Ongoing print advertising.

- More than 2000 residents directly mailed information on renovating with local businesses.
- Meeting Incentive, Conference and Events
  - www.sydneybusinessevents.com.au - 673 unique web visitors
  - Australian Business Events Expo Stand promoting over 30 local event businesses: Over 500 promotions bags given out. Event Manager List for direct Campaign developed - 250 contacts.
  - DVD was developed, duplications and cases made. Also available on youtube.com.
  - Christmas Events promotion undertaken.
  - Due to success of 2008 Expo, two local venues purchased their own stands stalls.
- Food Industries
  - Eat Out Every Week Promotion launched, featuring 22 local businesses and over 650 unique visitors to webpage in 2 months.
  - Food Safety Supervisors Course facilitated.
- Home Based Business
  - Hosted ten Home Based Business training programs reaching over 240 home based business practitioners over the year.

#### **Precinct Development**

- Place Making Plans Commenced: draft City wide strategy in progress with audits for Cabarita and Mortlake commenced and progressing well. Five Dock and Wareemba audited; Rhodes nearly completed.
- Action Plans developed for Great North Road and Majors Bay Road.
- Christmas event: Festive Five Dock event held successfully 200 - 300 attendees and featured 8 local businesses.
- Developed and displayed three sets of street banners.
- Information kiosks maintained.
- Branded items developed for Council's annual street event in Five Dock.

#### **Market Development**

- Hosted two local shopping promotions Mothers Day and Christmas. Promotions supported local business and encouraged residents to shop locally.
- Produced and distributed three promotional DVDs.
- Hosted an attraction campaign for the corporate event market hosting trade stalls, in partnership with local event industry at the Australian Business Event Expo and campaign to attract corporate Christmas parties to the area.

## **Social Cohesion**

- Developed and distributed expressions of interest, and engaged Curious Works as facilitators of a youth cultural program in the Five Dock Laneways CBD. The project includes multi media art workshops; a public art exhibition of works produced, and the development of an ongoing blog site. Young people will reflect on their use of the Five Dock Laneways and CBD area. The project was developed in 09/10 and will commence in 2010/11.
- Completed the Safe Spaces in Canada Bay project in partnership with the Burwood Police and the Office of the NSW Attorney General's Department. Implemented works arising from Community Safety Audits including lighting improvements, tree trimming and signage to reduce stealing from motor vehicle and similar offences. Printed the fact sheet and post card developed by the Office of the NSW Attorney General. A public education campaign was implemented to raise awareness of and reduce theft from motor vehicle offences in Drummoyne, Five Dock, Rhodes and North Strathfield.
- Partnered with the Drummoyne Community Centre to provide an additional days Bayrider service. The Bayrider will now also operate on a Wednesday (in addition to the regular Mondays) and will collect frail, aged, disabled or financially disadvantaged clients from their homes and transport them to medical appointments, shops and services in Drummoyne, Five Dock, Concord, at the Concord Library and Concord Hospital.
- Provided an online community profile, supported by software packages Atlas Maps and Profile Id. These tools provide the community, local businesses and services with demographic and statistical information on the City of Canada Bay.
- Provided community development programs for people with disabilities, people from culturally diverse backgrounds, young people, children and families.
- Library events and programs such as author talks, book groups and knitting circles are facilitated to provide activities for community members to share interests and build connections within the community.

## Cultural Development 2009/10

- Successfully delivered the arts strategy for the Drummoyne Oval Precinct Upgrade Masterplan.
- Commissioned and project managed a new major public art work for Drummoyne Oval by artist Anderson Hunt.
- Developed public art strategies for Drummoyne and Five Dock business precincts including three new public art projects.
- Commenced Riverside Project - a scoping study of the Parramatta River that sets the direction for re-interpreting the river foreshore through contemporary cultural forms such as public art.
- Commenced Cultural Infrastructure Report, a major study to provide direction for the future development of arts/cultural facilities within the City of Canada Bay.
- Supported Indigenous artists to engage with Council's arts and cultural program through exhibitions and public art such as NAIDOC week and partnership development with the Metropolitan Lands Council.
- Led the strategic planning for youth based performance programs across the inner west region through the Urban Corridor Project.
- Participated in regional cultural planning and arts development initiatives including the development of the Victoria Road public art strategy and Urban Corridor Project spanning five inner west local government areas.
- Established inaugural artist in residence program to support projects to have local people, local issues and themes as the paramount focus.
- Advocated within an arts sector, regional and state context for support for arts and cultural development within the City of Canada Bay including making funding submissions to State and Federal Government, attendance and participating in arts /cultural sector forums.
- Provided specialist advice, professional development and resources to Council and the community in relation to sustainable arts and cultural development, business planning, place and precinct making enterprises through arts/culture, local film making activity, community cultural development, arts/cultural strategies for parks and playgrounds.
- Embedded principles of sustainability across the cultural program including commissioning artists to engage with issues associated with environment, social and cultural histories of the Canada Bay area.

| Sustainability Levy  | Begin Balance       | Income              | Expenditure         | End Balance         |
|----------------------|---------------------|---------------------|---------------------|---------------------|
| Social Cohesion      | \$117,892.08        | \$63,263.37         | \$20,446.22         | \$160,709.23        |
| Cultural Development | \$271,630.20        | \$210,808.08        | \$257,019.50        | \$225,418.78        |
| Economic Development | \$48,621.42         | \$428,605.56        | \$437,163.91        | \$40,063.07         |
|                      | <b>\$438,143.70</b> | <b>\$702,677.01</b> | <b>\$714,629.63</b> | <b>\$426,191.08</b> |



**Activities to develop and promote services and programs that provide for the needs of children**

(LGA Act s428(2)(r) & Reg. CI217 (1)(c))

Council recognises the importance in ensuring the needs of children are addressed. In doing so, Council provided a four pronged approach.

Supported children’s services in the area:

- Worked in partnership with five Inner West Councils to produce a resource booklet titled “Starting School: Practical advice for families” and hosted one Transition to School Session in each Local Government Area.
- Worked in partnership with Drummoyne Community Centre to fund and deliver parenting program “Transiting New Territory” for expecting parents and new parents with infants.
- Operated a 51 place long day care centre, “The

Wellbank Centre” in Concord, and the City of Canada Bay Family Day Care Scheme.

- Provided financial assistance to local children’s services through Council’s annual Community Grants Program.
- Provided low cost accommodation in Council owned premises for four preschools, three long day services and two occasional child care centres. Developed and implemented a Rental Assistance and Subsidy Policy to improve transparency and equity in providing subsidised accommodation to non-profit children’s services.
- Provided free accommodation in Council owned premises for three early childhood health clinics operated by Sydney South West Area Health Service.
- Convened bi-monthly Children’s Services Network meetings to assist local children’s services in keeping up with the latest industry information and to encourage greater cooperation.

- Provided activities during NSW Children's Week at Concord Carnival in October 2009.
- Provided playground facilities in many of the parks; with highlights including the completion of a regional playground at McIllwaine Park in Rhodes and the completion of an all abilities playground "Livvi's Place in Drummoyne. Livvi's Place was awarded the Australian Playground of the Year in 2010.
- Held four school holiday programs for children during the year.
- Library Services provided 189 Story Time Sessions, 74 Baby Rhyme Time sessions and 73 Toddler Time sessions aimed at developing early childhood literacy in the community.
- After School Book Group, School Holiday Activities, Summer Reading Club, Children's Author Visits and visits to the libraries from childcare centres are also run by the library.
- Visits to schools to promote the use of research tools for students were conducted by library staff.

### Access and equity activities to meet residents' needs

(LGA Act s428 (2)(r) & Reg. Cl217 (1)(d)(i))

- The City of Canada Bay Council is committed to the principles of access and equity. It is continually working towards improving access to its services, facilities and decision making processes on an equitable basis to all whom, live, work and visit the City.
- Below is a summary of Council's actions to addressing Access and Equity issues during 2009/10. Please also note that specific Equity Access and Equity strategies are identified in Council's principal activities report.

#### People with a Disability

- Council administered bi-monthly meetings of the City of Canada Bay Access Committee and hosted an annual access forum in partnership with the Committee. The Forum focused on opportunities for people with disabilities to participate in sport within the City of Canada Bay.
- Development applications relating to community facilities are referred to Council's Access Committee for input, to ensure facilities meet the needs of the aged and people with disabilities. Council and the Committee have developed guidelines to assist the Committee in reviewing development applications.
- Council implemented activities for International Day for People with a Disability
- Completed "Livvi's Place" all abilities playground at Timbrell Park, Drummoyne. "Livvi's Place" was awarded the Australian Playground of the Year in 2010.

- Provided library materials in alternative formats such as audio books for print disabled community members.

#### Aboriginal Persons

- Implemented activities to celebrate NAIDOC Week including an art exhibition featuring Aboriginal Artist Joe Hirst; Aboriginal Art Workshops and Pre-school Story Time featuring Aboriginal Artist and Author Elaine Russell; Yulunga Traditional Aboriginal Games and a Dance Workshop featuring Aboriginal Dancer Matthew Doyle.
- Commenced the preparation of Principles of Cooperation between Council and the Metropolitan Local Aboriginal Land Council.

#### People from Culturally and Linguistically Diverse Backgrounds

- Adopted the City of Canada Bay Community Harmony Strategy and commenced the implementation of the Strategy.
- Provided activities to celebrate the Chinese Moon Festival in October 2009 by involving children and families in a day of lantern making, story telling and tea and moon cake tasting.
- Provided activities to celebrate International Harmony Day throughout February and March 2010. A creative and inspiring photography project was implemented which engaged local residents to learn about photography and capture the images of places, people and objects which signify diversity and harmony in the City of Canada Bay. An on-line Cultural Diversity resource was created through Flickr. The group continues to add images to the resource beyond the Harmony Day celebrations.
- Participated in a Migrant Employment Expo in partnership with the Korean Welfare Association, the Chinese Welfare Association, Burwood Police, Ashfield, Burwood and Strathfield Councils in October 2009.
- Participated in the Inner West Ethnic Network working group to develop a Needs Assessment paper for the Inner West Region. Provided information from a local survey, local statistical profile and Council's Community Harmony Strategy for inclusion in the report.
- Consulted with English class students at Drummoyne Community Centre and Concord Senior Citizens' Centre on their views and interest in participating in a community garden.
- Provide library materials in languages other than English, including Italian, Greek, Chinese and Korean material.

## Older People

- Operated the Drummoyne Meals on Wheels Service. Hosted “Tastes of the Bay” culturally diverse food tasting sessions for inclusion in the MOW menu.
- Operated the Concord Senior Citizens’ Centre and convened the Concord Senior Citizens Centre Advisory Committee
- Managed two seniors leisure bus trips programs, the Gold Group for isolated seniors and their carers and the Active Adults Group.
- Increased funding from one to two days of the Bay Rider Shuttle Service which provides point to point transport for people with mobility limitations in partnership with the Drummoyne Community Centre.
- Adopted the City of Canada Bay Positive Ageing Strategy.
- Developed and secured grant funding for a Men’s Intergenerational Healthy Ageing program.
- Facilitated a series of Public Health Forums in Partnership with Concord Repatriation Hospital, allied health services and local businesses.
- Funded and promoted Multi-cultural Men’s Health Group at Concord Senior Citizen’s Centre.
- Implemented a calendar of events across the City for NSW Senior’s Week in April 2010.
- Participation in the Inner West Regional HACC Forum
- Operated a home library service to deliver library materials, often in alternative formats such as large print books and audio books to housebound community members.

## Women

- Implemented activities to celebrate International Women’s Day: hosted a women’s breakfast to recognise achievements of women
- Commenced planning a calendar of activities to support the International Year of Women in Local Government.

## Young People

- Funded performances of the Ashfield Youth Theatre in partnership with five Inner West Councils and contributed towards the development of the 09/10 artistic program.
- Hosted the Inner West Regional Youth In Action Summit in April 2010. Developed a series of projects and working groups for each Local Government Area to continue on from the Summit.
- Developed ProjectY youth engagement activities. An on-line Facebook page, a regular committee and project working groups.
- Developed a youth multi-media cultural program to be facilitated by artists Curious Works in 2010/11. The project will comprise the development of an ongoing blog site, multi-media workshops and a public art component in the Five Dock CBD.
- Planned and implemented a youth outreach program for two days per week at Five Dock Library in response to local youth needs.
- Participated in the Inner West Youth Interagency & developed in partnership with the five Inner West Councils, a calendar of events during Youth Week in April 2010.
- Delivered a range of youth activities during school holiday periods through Council’s library services.



## MAINTAINING OUR CITY



### Report on condition of public works

Council is responsible for maintaining all of its public assets including public buildings and structures, roads and drainage infrastructure. The combined value of these assets, owned and maintained by Council, as at 30 June, 2010 was in excess of \$340 million.

In assessing the standard of Council's public assets, the condition, function and location of each asset has been taken into consideration. The asset has been assessed based on its current state and no potential or proposed works have been factors in the determination of its condition.

Assets within each Asset Category have been assessed on an overall basis, recognising that an average standard of "satisfactory" may be achieved even though certain assets may be above or below that standard on an individual basis. Council recognises that the standard that it considers to be

"satisfactory" may be different from that adopted by other councils.

The information contained in Council's report on the condition of public works comprises accounting estimates formulated in accordance with the NSW Local Government Code of Accounting Practice and Financial Reporting. The full report can be viewed in Special Schedule 7 in Council's Audited Financial Reports, contained in Appendix C.

## Report pursuant to Local Government Regulation 217 (1) (e) regarding stormwater management services provided from funds raised by the Stormwater Management Services Charge.

Council's Delivery and Operational Plan for 2009-2013 referred at page 19 to drainage services proposed to be provided with funds generated by the Stormwater Management Services Charge.

| The actual stormwater management services made available by the council during the year (measured in accordance with the criteria set out in the relevant management plan).   | The projected stormwater management services that were proposed to be made available (outlined in the management plan relating to the year concerned).  | A statement of the reasons for any difference between them or comments  |
|---|---|---|
| Continue to develop the asset register and condition assessments of Council's drainage assets by validating data  | Continue to develop the asset register and condition assessments of Council's drainage assets by validating data  | Ongoing. No difference.   |
| Identify substandard drainage and required upgrades to drainage facilities to improve stormwater flow and minimise flooding. Upgrade drainage facilities to improve stormwater flow and minimise flooding. Construct and maintain stormwater infrastructure items funded by Stormwater Management Services Charge SMSC and upgrade known problem areas. | Identify substandard drainage and required upgrades to drainage facilities to improve stormwater flow and minimise flooding. Upgrade drainage facilities to improve stormwater flow and minimise flooding. Construct and maintain stormwater infrastructure items funded by Stormwater Management Services Charge SMSC and upgrade known problem areas. | On- going program of drainage upgrades. No difference   |
| Design work commenced   | Polding and Tranmere Streets, Drummoyne stormwater drainage works   | Project is ongoing. Project concept has had to be revisited because of heritage and tree preservation considerations.   |
| Drainage augmentation in Boronia St and Nullawarra Ave connecting to existing culvert near Moala St   | Boronia Street, Concord West (stage 2, pit and pipe construction)   | No differences. Work completed  |
| Team created and program of works prepared and implemented  | Stormwater Pit and Pipe clearing  | No differences. Work is ongoing   |
| Various investigations and designs commenced and completed including St Albans St near Gow St and Abbotsford Pd, Queen St near #226, Queens Rd near Harris Rd, Wrights Rd, Colane St.   | Preparation of Stormwater Management Charge Designs (to address localised flooding issues)  | No differences. Work is ongoing.  |
| Formation of a Floodplain Risk Management Committee commenced.  | Formation of a Floodplain a Risk Management Committee   | Implementation has been delayed but is ongoing over a projected span of at least three years.   |
| Investigation and concept design undertaken for works to reduce nuisance surface flows in section Mayne Lane to Glenn Ormond Ave  | Wymston Parade improvements   | Project is controversial and has been delayed by extended resident consultation.  |
| Replacement of deteriorated pipes and pits near Loch Maree Pd   | Killoola Street works   | Project Complete.   |
| Design and investigation undertaken.  | Brewer Street, Concord (overland flow construction)   | The investigation determined that the project was not justifiable in terms of benefit cost ratio. Alternatives with much reduced cost and scope are now proposed. |

## Bushfire hazard reduction activities

As the City of Canada Bay is in the Inner Western Sydney it is not classified as a bush fire district.

Manual fuel reduction and hazard reduction through bush regeneration (weed control) activities has occurred in the following bushland areas:

- Queen Elizabeth Park II, Concord.
- Sisters Bay, Drummoyne.
- Fig Tree Reserve, Chiswick.
- Lovedale Place, Concord West.

Council encourages its residents to minimise fire hazards by clearing gutters, removing unwanted wood and debris from around their homes.



COUNCIL'S  
PRINCIPAL  
ACTIVITIES



A report on Council's performance against Council's principal activities as derived from the City of Canada Bay Community Strategic Plan (FuturesPlan20) and outlined in the 2009-10 City of Canada Bay Operating Plan is detailed below. Relative achievement of each item has been determined based on percentage of completion. Supporting comments are provided to outline the item's delivery and effectiveness. Items are listed in order of achievement, and also identified in relation to the relevant FuturesPlan20 theme area.

## End of year report - 2009-10 Operating Plan

| Theme   | Operating Plan activity   | Status at end of year | Summary of delivery and effectiveness  |
|---------|---|-----------------------|--|
| Engaged | <p>Corporate Planning</p> <ul style="list-style-type: none"> <li>• Prepare and review FuturePlan20, Delivery Plan and Operational Plan</li> <li>• Prepare and review Resourcing Strategy comprising Financial Plan, Asset Management Plan and Workforce Plan</li> </ul>   | 100% achieved         | All documents completed and adopted by Council   |
| Engaged | <p>Prepare a Communication, Consultation and Engagement Strategy including:</p> <ul style="list-style-type: none"> <li>• Assess best practice in local government communication and consultation</li> <li>• Draft strategy using best practice placed in a Canada Bay setting</li> <li>• Develop matrix for consultation methods, approaches and timeframes</li> <li>• Investigate opportunities for a community panel or similar and report to Council for assessment and implementation as appropriate</li> <li>• Investigate avenues for online consultation add-ons to Council's website</li> <li>• Develop and implement various in-house training for communication activities to up skill Council staff (writing, corporate identity etc)</li> </ul> | 100% achieved         | Training held over to 2010   |
| Engaged | <p>Human Resources Strategy</p> <ul style="list-style-type: none"> <li>• Strategy to be prepared and implemented</li> </ul>   | 100% achieved         | Strategy adopted as part of integrated planning framework with implementation ongoing over rolling three year timeframe. |
| Engaged | <p>Salary System Implementation</p> <ul style="list-style-type: none"> <li>• Complete review of current payroll structure, in light of goals of creating a progressive, performance-based system</li> <li>• Implement salary system</li> </ul>  | 100% achieved         | Completed and implemented.   |
| Engaged | <p>Long Term Financial Plan</p> <ul style="list-style-type: none"> <li>• Plan developed and formalised</li> <li>• Key outcomes integrated into FuturesPlan20 reporting structure</li> </ul>   | 100% achieved         | Finalised during final quarter   |
| Engaged | <p>Local Sport &amp; Recreation groups</p> <ul style="list-style-type: none"> <li>• Conduct summer and winter season forums (including joint summer-winter user forums) to:</li> <li>• Present the direction and priorities being pursued by Council; and provide an opportunity for groups to discuss (and action) issues of common concern</li> </ul>   | 100% achieved         | Forums were facilitated by the Manager, Customer Services.   |

| Theme   | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness   |
|---------|--|-----------------------|---|
| Engaged | Friends of the Park<br>Develop & support a pilot program for McIlwaine Park with members of the local community  | 100% achieved         | Friends group established ongoing support required.   |
| Engaged | Marketing & Promotion of Recreation facilities and programs <ul style="list-style-type: none"> <li>• Work with managing agents of golf courses, pools and leisure centres for effective promotional and marketing programs for facilities</li> <li>• Link marketing opportunities to Council's Events Program</li> <li>• Include information about foreshore recreation opportunities on website and campaigns to drive visitors to the web</li> <li>• Promote opportunities to visitor market and linked promotions as part of tourism activities</li> <li>• Link with wider access programs and initiatives to promote accessibility across media opportunities</li> </ul> | 100% achieved         | Effective communication undertaken in conjunction with lessees of leisure facilities. Drummoyne SC linked with PassionArt. Walking volunteers have prepared a draft plan to promote foreshore access this will be linked to tourism in 2010/11. |
| Green   | Sustainable Transport Choice for Council <ul style="list-style-type: none"> <li>• Investigate green fleet initiatives for review</li> </ul> Develop cycling to work programs   | 100% achieved         |   |
| Green   | Recognition of Biodiversity in Council's Comprehensive Local Environmental Plan <ul style="list-style-type: none"> <li>• Prepare appropriate provisions for inclusion into the draft Local Environmental Plan</li> </ul>   | 100% achieved         | Provisions have been provided in the draft Local Environmental Plan   |
| Green   | Introduce & Trial New Waste Service <ul style="list-style-type: none"> <li>• Commence, trial &amp; new waste services</li> </ul>   | 100% achieved         | Food Waste trial completed, further trials to be conducted as part of new contract.   |
| Green   | Food Safety Week <ul style="list-style-type: none"> <li>• Prepare and distribute promotional and education material for Food Safety Week 2009.</li> <li>• Consult with relevant stakeholders.</li> <li>• Plan activities within the scope of the 2009 theme for Food Safety Week.</li> <li>• Undertake Food Safety Week activities.</li> </ul>   | 100% achieved         |   |
| Green   | Cultural and Community Projects <ul style="list-style-type: none"> <li>• Support two public exhibitions at libraries and other community venues</li> <li>• Coordinate two environmental art workshops</li> </ul>   | 100% achieved         |   |
| Green   | Council Sustainability Action Plan <ul style="list-style-type: none"> <li>• Develop Action Plan with targets for measuring success</li> </ul>  | 100% achieved         | Project completed   |

| Theme   | Operating Plan activity   | Status at end of year | Summary of delivery and effectiveness  |
|---------|---|-----------------------|--|
| Green   | Water Quality Management and Sensitive Urban Design <ul style="list-style-type: none"> <li>• Review current policies and specifications in relation to storm water</li> <li>• Develop a Water Sensitive Urban Design Policy</li> <li>• Engage in 5 year Water Sensitive Cities National Project</li> </ul>  | 100% achieved         | Stormwater policies and Water sensitive urban design policy completed and is contained in the Engineering Development Control Plan<br>Council will achieve greater benefit undertaking its own water sensitive projects than funding a national project.                               |
| Healthy | Crime and Safety <ul style="list-style-type: none"> <li>• Develop a memorandum of understanding between Council and the Police to review DAs for community facilities and public spaces</li> <li>• Liaise with Burwood Local Area Command Crime Prevention Officers to host community safety audits for key community facilities and public open space</li> </ul> | 100% achieved         | DA's on public/community building developments referred to Police.<br>Community Safety Audits completed in Drummoyne, Five Dock, North Strathfield & Rhodes.   |
| Healthy | Positive Ageing Strategy <ul style="list-style-type: none"> <li>• Consult with key stakeholders</li> <li>• Promote agreed actions across Council</li> <li>• Develop an evaluation for each strategy</li> </ul>  | 100% achieved         | Strategy adopted. Strategy implementation commenced. Project planning commenced for a series of public forums on themes and issues within the Strategy: Financial Matters; Housing Matters; Health Matters; Mind Matters; Driving Matters and Healthy Ageing for the Korean Community. |
| Healthy | Public Building Management Implement public toilet upgrades in: <ul style="list-style-type: none"> <li>• Rodd, Park</li> <li>• Edwards Park</li> <li>• Russell Park</li> <li>• McIlwaine Park</li> <li>• Timbrell Park &amp; Ron Routley Oval</li> </ul>  | 100% achieved         | All toilets renovated  |
| Healthy | Let's Play Strategy <ul style="list-style-type: none"> <li>• Complete literature review and provide key lessons to implementation group</li> <li>• Develop project plan for Play Van</li> <li>• Identify sponsorship opportunities for play equipment</li> <li>• Deliver the Timbrell Park playground upgrade</li> </ul>  | 100% achieved         | Monthly meetings of Playground working group undertaken. Literature reviewed. Daft project plan for play van developed. FOP groups seeking sponsorship. Livvi's Place playground in Timbrell Park complete.  |
| Healthy | Golf Course Management Plans <ul style="list-style-type: none"> <li>• Audit golf courses</li> <li>• Consult users</li> <li>• Develop program of works</li> </ul>  | 100% achieved         | Regular meetings held with pro shop operators and club boards. Annual activity reporting undertaken.   |
| Healthy | Recreation Funding <ul style="list-style-type: none"> <li>• Department of Planning</li> <li>• NSW Maritime</li> <li>• Federal Government grants as available</li> <li>• Complete grant application</li> </ul>   | 100% achieved         | Metropolitan Green space and Sharing Sydney Harbour Access Program grant funding applications made.  |

| Theme    | Operating Plan activity   | Status at end of year | Summary of delivery and effectiveness  |
|----------|---|-----------------------|--|
| Liveable | Prepare Planning Controls that Promote a Mix of Housing Types <ul style="list-style-type: none"> <li>• Introduce Apartment Mix criteria into the Canada Bay Development Control Plan.</li> <li>• Review controls in relation to providing adaptable and accessible housing stock.</li> </ul>  | 100% achieved         | Development Control Plan is continually under review   |
| Liveable | Partnerships <ul style="list-style-type: none"> <li>• Implement a Memorandum of Understanding with the City of Canada Bay Museum and identify new opportunities for partnership</li> </ul>  | 100% achieved         | Finalisation of lease underway   |
| Moving   | Community Transport <ul style="list-style-type: none"> <li>• Work with inner west community transport to assess community needs</li> <li>• Undertake review of community buses</li> <li>• Explore opportunities to extend Bay Rider</li> </ul>  | 100% achieved         | Community Bus Review Completed. Council adopted the provision of an additional day for the Bayrider Service. MOU signed to cover the partnership between Council and Drummoyne Community Centre to deliver the additional day of service provision. Service to commence in October 2010. |
| Moving   | Capital Works Program <ul style="list-style-type: none"> <li>• Traffic calming McNamara Ave, Concord</li> </ul>   | 100% achieved         | Traffic calming treatments were installed in Macnamara Avenue and surrounding streets following extensive community consultation.  |
| Moving   | Road Safety Program Implement the following: <ul style="list-style-type: none"> <li>• Speed Management Program</li> <li>• Drink Driving Campaign - Mobile RBT</li> <li>• Safety Around Schools</li> <li>• Occupant Restraints - Buckle Up Every Time</li> <li>• Pedestrian Safety - Local Hot Spot Maps</li> <li>• Canada Bay Bicycle Fun Ride (Bike Week)</li> <li>• Senior Drivers Program</li> <li>• Supervisor of Learner Driver Workshops</li> <li>• Support Burwood Police Enhanced Enforcement Programs</li> <li>• Support Burwood Local Area Command Liquor Accord initiatives</li> </ul> | 100% achieved         | All road safety programs and projects completed successfully and outcome assessments forwarded to RTA.   |
| Moving   | Advocate for improvements to public transport links and options <ul style="list-style-type: none"> <li>• Participate in Sydney's Inner City Managers' Community Services Traffic Forum.</li> </ul>  | 100% achieved         | Attended forum and minutes and outcomes were completed.  |
| Moving   | Public Parking Management Strategies <ul style="list-style-type: none"> <li>• Undertake parking study for Rhodes and Hospital Road, Concord West</li> </ul>   | 100% achieved         | Parking study completed and strategy plan for Resident Parking and Parking Meters was completed.   |

| Theme      | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness   |
|------------|--|-----------------------|---|
| Moving     | Pedestrian Access and Mobility Plan (PAMP)<br>Consult with stakeholders and review existing PAMP to ensure accessibility to: <ul style="list-style-type: none"> <li>• centres and transit nodes (bus stops and train stations)</li> <li>• public open space</li> <li>• areas that receive high use by families, including connectivity to playgrounds and parks</li> </ul>   | 100% achieved         | Adoption by Access Committee of methodology of framework for selection of sites to install pedestrian access ramps based on prioritised rationale.  |
| Prosperous | Bayside Business Development <ul style="list-style-type: none"> <li>• Deliver four breakfast events</li> <li>• Deliver four evening business events</li> <li>• Deliver four events for opportunities to increase corporate social responsibilities</li> <li>• Communicate green opportunities to business, host training, promote grant and fundraising opportunities and recognise local good practice</li> </ul> | 100% achieved         | <ul style="list-style-type: none"> <li>• 4 Breakfasts completed (International Women's Day 170 attendees, Green Business Breakfast 65 attendees, 2 X Foundations for communities Breakfasts with 136 Attendees all with a social responsibility element along with business development)</li> <li>• 8 Evening events delivered with business authors in partnership with the Department of Industry and Investment 240 attendees</li> <li>• Sustainable business program providing case studies, Provided 30 \$50 incentives to business to have a carbon emissions reduction audit. Had 20 Business through program so far. Hosted Sustainable Business Breakfast and attracted 65 business people. (Businesses completed sustainable business water audits and in implementation phase).<br/>Online Green Business Toolkit developed and promoted which includes all rebates - promoted monthly through eNews<br/>Domain name www.sustainablebiz.com.au developed and registered to assist in promoting the SB Program and Green Business Toolkit<br/>Making Your Property Greener Book developed and promotion undertaken. Book to be updated annually. 311 web downloads</li> </ul> |

| Theme      | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness  |
|------------|--|-----------------------|--|
| Prosperous | Partnerships with Tertiary Institutions <ul style="list-style-type: none"> <li>• Identify opportunities for partnerships with TAFE</li> </ul>  | 100% achieved         | Food Safety Supervisors Accreditation Course - 11/09 - 18 attendees<br>TAFE Programs promoted through eNews  |
| Vibrant    | Services and Programs for Celebrating Diversity <ul style="list-style-type: none"> <li>• Implement Council's local Ethnic Priorities Statement</li> <li>• Apply for funding for the 'Diverse Australia Program' project in conjunction with the Smith Family</li> <li>• Work with Inner West Ethnic Network to address key issues affecting new migrants and refugees</li> </ul> | 100% achieved         | Community Harmony Strategy adopted & included in Council's delivery plan.<br>Harmony Day Celebrations hosted.<br>Funding application made to Diverse Australia Program for Outreach Settlement Services.<br>Inner West Ethnic Network attended and projects supported. |
| Vibrant    | Carnival Themes Implement themes of: <ul style="list-style-type: none"> <li>• An Australian Sports carnival</li> <li>• A Jamaican carnivale and</li> <li>• Indian diwali (Festival of Lights)</li> </ul>   | 100% achieved         | Achieved in 2009/2010. Event delivered.  |
| Vibrant    | Cultural and Community Events <ul style="list-style-type: none"> <li>• Research potential sites and concepts fir cultural and community events for village centres</li> </ul>  | 100% achieved         |  |
| Vibrant    | Public Art & Cultural Program <ul style="list-style-type: none"> <li>• Develop the PassionArt program</li> <li>• Indentify and map appropriate sites along the foreshore</li> </ul>  | 100% achieved         |  |
| Vibrant    | Neighbourhood & Place Based Projects <ul style="list-style-type: none"> <li>• Research opportunities for cultural event, partnership and program</li> <li>• Engage management committees in cultural program</li> <li>• Work with local artists and provide exhibition at Five Dock and Concord Libraries</li> </ul>   | 100% achieved         | Developed through CPO projects in Five Dock and Mc Ilwaine Park. Funding applications made through ArtsNSW and Australia Council of the Arts, exhibitions program achieved   |
| Vibrant    | Art in Council spaces <ul style="list-style-type: none"> <li>• Develop exhibition program</li> <li>• Investigate display for art in public spaces</li> </ul>   | 100% achieved         | Exhibitions delivered through Libraries  |
| Green      | Bush Regeneration & Management <ul style="list-style-type: none"> <li>• Restoration of bush areas at: <ul style="list-style-type: none"> <li>- Dame Eadith Walker Estate (Yaralla)</li> <li>- Brett Park</li> <li>- Sisters and Half Moon Bays</li> <li>- Lovedale Place</li> <li>- Queen Elizabeth Park</li> </ul> </li> </ul>  | 1-25% achieved        |  |

| Theme    | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness   |
|----------|--|-----------------------|---|
| Green    | Community Bush Care Implement bush regeneration activities at: <ul style="list-style-type: none"> <li>• Yaralla</li> <li>• Lovedale Place</li> <li>• Sister and Half Moon Bays</li> <li>• Queen Elizabeth Park</li> <li>• Figtree Reserve</li> <li>• Prince Edward Park</li> </ul>   | 1-25% achieved        |   |
| Green    | Street Tree Planting Strategy (STPS) Continue with audit of street trees   | 1-25% achieved        |   |
| Green    | Water Mining <ul style="list-style-type: none"> <li>• Conduct community engagement</li> <li>• Complete project planning (approvals, tender design)</li> </ul>  | 1-25% achieved        | Storm water harvesting being investigated to supply water to the project and reduce project costs.  |
| Healthy  | Liquor Accord <ul style="list-style-type: none"> <li>• Deliver strategies to reduce alcohol related violence</li> <li>• Implement Crime Prevention through Environmental Design recommendations on all new licensed premises developments</li> </ul>   | 1-25% achieved        | Council officer representation at liquor accord meetings commenced.   |
| Liveable | Entry Points in Canada Bay <ul style="list-style-type: none"> <li>• Research appropriate place making frameworks</li> <li>• Map cultural icons, emblems and heritage for the neighbourhood centres</li> <li>• Consult with key stakeholder about cultural identity of three places in the city</li> </ul>  | 1-25% achieved        | Elements completed through public art program (Drummoyne, Five Dock), otherwise deferred until 2010/11 to be considered as part of the broader place making program |
| Liveable | Cultural Plan Implementation <ul style="list-style-type: none"> <li>• Facilitate a developer and key stakeholder forum to discuss opportunities arising from the cultural plan</li> <li>• Complete public art policies and distribute public art information kits to developers and business</li> <li>• Research potential sites for public and cultural activities within the City</li> </ul> | 1-25% achieved        | Forum deferred until 2010/11, public art policies commenced, sites identification under taken through River scoping and Cultural infrastructure reports-commenced   |
| Liveable | Interpretive Material <ul style="list-style-type: none"> <li>• Scope heritage walks</li> <li>• Research locations and materials for two walking guides</li> <li>• Identify and develop materials featuring heritage for the website</li> <li>• Investigate indigenous signage and heritage markers for key places in the city</li> </ul>   | 1-25% achieved        | Investigate indigenous signage and heritage markers for key places in the city - within the scope of the relevant component of public art program                   |
| Vibrant  | Cultural use of Council Spaces <ul style="list-style-type: none"> <li>• Map sites and potential use</li> <li>• Consult stakeholders</li> </ul>   | 1-25% achieved        |   |

| Theme      | Operating Plan activity   | Status at end of year | Summary of delivery and effectiveness  |
|------------|---|-----------------------|--|
| Engaged    | Post Occupancy Surveys <ul style="list-style-type: none"> <li>• Develop survey and consult with residents from the housing development at George St, North Strathfield</li> </ul>   | 26-50% achieved       | Initial research conducted through Council's Planning & Environment Department. Developer post occupancy survey results obtained for Liberty Grove development. Further research continues into the Rhodes development.  |
| Engaged    | LivingLocal Promotion <ul style="list-style-type: none"> <li>• Host a program of entertainment in partnership with local businesses or groups, and activities in region</li> <li>• Offer five children and five family entertainment sessions in neighbourhood centres</li> </ul> | 26-50% achieved       | <ul style="list-style-type: none"> <li>• Hosted one program - Festive Five Dock (200-300 attendees and 8 Local businesses involved).</li> <li>• Working with local business to provide 5 + Child health talks and programs with Library</li> <li>• 17 Events programmed for July in Money month to be hosted in Concord and Five Dock in partnership with local business and aimed at the community</li> </ul> |
| Healthy    | Five Dock Leisure Centre <ul style="list-style-type: none"> <li>• Survey Leisure Centre Users</li> <li>• Develop strategies to meet needs</li> </ul>  | 26-50% achieved       | University of Technology Sydney has been engaged to undertake survey, with results obtained in November  |
| Prosperous | Program of Events in Centres <ul style="list-style-type: none"> <li>• Integrate living local and go local programs in centres</li> </ul>  | 26-50% achieved       | <ul style="list-style-type: none"> <li>• Hosted one program - Festive Five Dock (200-300 attendees and 8 Local businesses involved).</li> <li>• Working with local business to provide 5 + Child health talks and programs with Library</li> <li>• 17 Events programmed for July in Money month to be hosted in Concord and Five Dock in partnership with local business and aimed at the community</li> </ul> |
| Vibrant    | Public Art Strategy for Rhodes <ul style="list-style-type: none"> <li>• Meet with Rhodes developers and present public art pack.</li> <li>• Provide mentoring support where necessary</li> </ul>  | 26-50% achieved       | Process reviewed, internal processes require consolidation for Rhodes West inc development of Public Art Master plan - deferred  |
| Green      | Waste Services – Domestic and Commercial Premises Collection for New Waste Contract <ul style="list-style-type: none"> <li>• Establish internal steering committee</li> <li>• Engage Consultant to oversee tender preparation and process</li> </ul>                              | 51-75% achieved       | Work on the new tender commenced, consultant engaged.  |
| Green      | Waste Contamination Management Strategy <ul style="list-style-type: none"> <li>• Prepare, exhibit &amp; adopt new Strategy in line with new Waste Contract</li> </ul>   | 51-75% achieved       | Work commenced   |

| Theme   | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness  |
|---------|--|-----------------------|--|
| Green   | <p>Interpretative Cultural Projects</p> <ul style="list-style-type: none"> <li>• Investigate key environmental issues and plan for educational programs and activities</li> <li>• Scope sites and concepts for artworks along the foreshore</li> </ul>   | 51-75% achieved       | Scoping study commenced, environmental art workshops held  |
| Healthy | <p>Community Wellbeing</p> <ul style="list-style-type: none"> <li>• Host Wellness Week</li> <li>• Host four public health and economic development programs</li> <li>• Host a Seniors Wellness program</li> <li>• Host children's activities, focused on improving health and wellbeing</li> </ul>           | 51-75% achieved       | Wellness week delivered by Economic Development Section and Five Dock Leisure Centre (Five Dock Leisure Centre) and in partnership with Concord Hospital and over 40 local businesses. A health expo was delivered at Five Dock Leisure Centre on 4 September 2010. 2 of 4 Public Health Forums have been delivered by Council in partnership with Concord Hospital. The forums were: Communicable Diseases (Mar) Dementia (June). Planning commenced for Arthritis Forum in August and Senior's Health Forum in September 2010. |
| Healthy | <p>Crime Prevention Plan</p> <ul style="list-style-type: none"> <li>• Implement strategies to minimise theft from motor vehicles</li> <li>• Develop a unified regional strategy to prevent robbery and stealing offences</li> </ul>  | 51-75% achieved       | City of Canada Bay Safe Spaces Program implemented to reduce Steal From Motor Vehicles. \$25,000 provided by NSW Attorney General's Office to implement the program. The program included: gathering statistical evidence; conducting safety audits in statistical hot spots; implementing CPTED treatments in hot spots i.e. improved lighting, tree trimming and signage to raise awareness; implementing a community education campaign distributing 9,500 fact sheets & post cards to residents in hot spots.                |
| Healthy | <p>Children and Family Needs Study</p> <ul style="list-style-type: none"> <li>• Undertake community wide needs analysis and consult key stakeholders</li> <li>• Research best practice and innovation</li> <li>• Develop strategy</li> <li>• Research and establish a Play Van Service</li> </ul>            | 51-75% achieved       | Children and Family Needs Study to be completed. Plan Van Study completed. Awaiting external funding source.   |
| Healthy | <p>Community use of school facilities</p> <ul style="list-style-type: none"> <li>• Create and maintain key contact list for schools</li> <li>• Prepare workshop opportunities</li> <li>• Seek functional and value incentives to joint projects</li> <li>• Develop agreement for use with schools</li> </ul> | 51-75% achieved       | Parks and Leisure Australia workshop on Game Plan 2012 attended. Draft agreements being developed by Department of Education and training. Further objectives developed for 2010/11  |

| Theme      | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness  |
|------------|--|-----------------------|--|
| Liveable   | Inventory Sheets for Buildings within Conservation areas <ul style="list-style-type: none"> <li>• Commence audit of buildings within Heritage Conservation Areas</li> </ul>  | 51-75% achieved       | Heritage Advisor works on this project intermittently when time is available   |
| Liveable   | Aboriginal Cultural Heritage Study <ul style="list-style-type: none"> <li>• Provide learning opportunities for key stakeholders on developing the plan</li> <li>• Identify appropriate designers and artists and site opportunities</li> </ul>   | 51-75% achieved       |  |
| Prosperous | Local Tourism Promotion <ul style="list-style-type: none"> <li>• Provide visitor promotions which highlight bike tourism, children and family tourism and food tourism through Eat Out Week</li> <li>• Identify activities which attract visitors to watch or participate in sport</li> <li>• Local precinct activities and promotions so visitors spending promotes local business</li> </ul> | 51-75% achieved       | Rolled into the development of a wider tourism strategy. Achievements have been made through MICE Cluster attracting a number of business events to the area. Bike activities operated within Community Services and new Bike map launched on Web to support visitors. Range of promotions under Go Local program included Christmas which attracted over 20% of non local visitor responses. Food promotion |
| Vibrant    | Art in the Environment <ul style="list-style-type: none"> <li>• Research Aboriginal text and language features in the environment to develop understanding and community awareness</li> <li>• Deliver two workshops</li> <li>• Research potential for outdoor exhibitions</li> </ul>   | 51-75% achieved       | Community Projects Officer led, workshops delivered  |
| Vibrant    | Art in the Public Domain <ul style="list-style-type: none"> <li>• Finalise public art procedures</li> <li>• Investigate sites and uses for public art</li> <li>• Research potential grant funding and partnerships</li> <li>• Research potential sites and themes</li> </ul>   | 51-75% achieved       | Stage 1 developed and delivered  |
| Engaged    | Risk Management Plan <ul style="list-style-type: none"> <li>• Develop Plan and supporting processes, in line with industry standards and best practice models</li> </ul>   | 51-75% achieved       | Draft Plan developed. Risk Register to be incorporated into Plan.  |
| Engaged    | Local Major Events<br>Stage the following events: <ul style="list-style-type: none"> <li>• Ferragosto (16 August)</li> <li>• Concord Carnival (17 October)</li> <li>• PassionArt (14 February)</li> <li>• BayDay (28 March)</li> </ul>   | 75-99% achieved       | Achieved in 2009/2010 (unfortunately PassionArt was cancelled on event day due to inclement weather)   |
| Engaged    | Sponsorship of Council Events <ul style="list-style-type: none"> <li>• Devise sponsorship guidelines (including criteria) for external organisations seeking Council support for events</li> <li>• Publicise opportunities and implement accordingly</li> </ul>  | 75-99% achieved       | Both rounds achieved and implemented.  |

| Theme      | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness  |
|------------|--|-----------------------|--|
| Green      | Review of Open Space Management Plans <ul style="list-style-type: none"> <li>Review site specific park plans of management, in consultation with key stakeholders</li> <li>Identify opportunities for development of more sustainable management within parks, in consultation with the Sustainability Team</li> </ul>   | 75-99% achieved       | Drummoyne Oval Precinct Plan completed August 2009. Opportunities for future sustainability projects identified with sustainability team and raised in 2010/11 draft budget. |
| Green      | Foreshore Access <ul style="list-style-type: none"> <li>Identify and map future pathways and linkages</li> </ul>   | 75-99% achieved       | A draft plan is prepared.  |
| Healthy    | Community Garden <ul style="list-style-type: none"> <li>Develop a Memorandum of Understanding with Concord Hospital to outline use, promotion and development of the garden</li> <li>Implement a research study of the pilot program and identify key lessons</li> <li>Identify interested community members</li> </ul>  | 75-99% achieved       | Management at Concord Hospital resolved not proceed with this project. Alternate Council site options being investigated - seed funding scheduled in draft 2010/11 budget.   |
| Liveable   | Strathfield Triangle <ul style="list-style-type: none"> <li>Prepare and implement a new Development Control Plan for the Strathfield Triangle</li> <li>Cooper St widening - design specifications</li> </ul>   | 75-99% achieved       | Draft Plans complete. To be placed on public exhibition in the 2010-11 financial year  |
| Liveable   | Reduce the Cost of Development <ul style="list-style-type: none"> <li>Review the Development Control Plan car parking controls which apply to residential flat buildings.</li> <li>Undertake feasibility testing for infill development near centres and train stations and where appropriate amend development controls to increase take up rate of redevelopment.</li> </ul>   | 75-99% achieved       | Review under taken and report prepared. Implementation subject to Engineer's and Councillor review   |
| Liveable   | Comprehensive Local Environmental Plan <ul style="list-style-type: none"> <li>Prepare, exhibit and gazette Local Environmental Plan</li> </ul>   | 75-99% achieved       | Draft Local Environment Plan prepared. To be placed on exhibition 2010-11 financial year   |
| Liveable   | Rhodes Master Plan <ul style="list-style-type: none"> <li>Prepare, exhibit and adopt new Master Plan</li> </ul>  | 75-99% achieved       | Project is 75% finished. Final reports are being completed for consideration by Council in October.  |
| Prosperous | Mix of Local Businesses <ul style="list-style-type: none"> <li>Review land use tables in Canada Bay Local Environmental Plan to ensure a variety of retail, light industrial and business uses are permissible in the local government area.</li> <li>Facilitate opportunities in the Development Control Plan for small shop frontages in Neighbourhood Centres</li> <li>Review Development Control Plan to ensure small scale office space is provided in Council's Neighbourhood Centres</li> </ul> | 75-99% achieved       | Review undertaken and amendments made to draft Local Environment Plan & Development Control Plan.  |

| Theme   | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness   |
|---------|--|-----------------------|---|
| Vibrant | PassionART <ul style="list-style-type: none"> <li>• Develop event concept</li> <li>• Seek grant funding to supplement Council's allocation</li> <li>• Devise means of involving local artists, cultural initiatives, residents and businesses</li> <li>• Investigate involvement of an appropriate charity or community organisation (e.g. Heart Foundation)</li> <li>• Seek support and involvement of Ashfield and Leichhardt councils</li> <li>• Stage event</li> </ul> | 75-99% achieved       | Unfortunately PassionArt was cancelled on event day due to inclement weather. The event was ready to go ahead. Support and involvement of Ashfield and Leichhardt Council was pursued but neither Council was able to commit financial support.   |
| Green   | Integrated Transport Strategy <ul style="list-style-type: none"> <li>• Commence consultation with public transport providers and key user groups</li> </ul>  | No longer relevant    | Integrated Transport Strategy is in 2010/11 Delivery Plan.  |
| Green   | Development Sites - Waste Auditing Program <ul style="list-style-type: none"> <li>• Develop project plan.</li> <li>• Undertake preliminary survey of development sites and provide evaluation.</li> <li>• Update and develop documentation and education material.</li> <li>• Develop working relationship with Department of Environment and Climate Change.</li> </ul>   | No longer relevant    | Due to limited resources program terminated.  |
| Green   | Waste Disposal Service <ul style="list-style-type: none"> <li>• Let tender for Regional Organics Disposal Contract and implement new service</li> </ul>  | No longer relevant    | No plans to be part of the regional tender, anymore.  |
| Green   | Climate Change Adaptation and Mitigation <ul style="list-style-type: none"> <li>• Undertake risk assessment</li> <li>• Determine consultation program</li> <li>• Commence development of adaptation actions</li> <li>• Commence development of mitigation policies</li> </ul>  | No longer relevant    | Climate Change program has been developed - (including the development of concept plans, issue briefs, climate change goals and actions)<br>External consultants have been engaged, and are currently completing a Climate Change Adaptation (Mitigation) Plan whilst reviewing existing Council procedures/ documentation such that Climate Change is integrated into Council's daily operational activities |

| Theme   | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness   |
|---------|--|-----------------------|---|
| Green   | Energy Savings Action Plan <ul style="list-style-type: none"> <li>• Implement energy performance contract</li> <li>• Install energy improvements in selected Council buildings and facilities, Civic Centre, Council Depot, Drummoyne pool, Five Dock Leisure Centre Five Dock Library</li> <li>• Install automated lighting control in sports fields</li> </ul> | No longer relevant    | Council is currently in the process of engaging an external contractor to review the recommendations that are contained within the Energy Savings Action Plan. Based on the recommendations made by the external party, council will develop a scope of works, and implement energy savings across the aforementioned sites over a period of 3-5 years (working with The Department of Environment Climate Change and Water) in accordance with the WaSIP Program.  |
| Green   | Water Savings Action Plan <ul style="list-style-type: none"> <li>• Install rainwater re-use systems in Council buildings and facilities</li> <li>• Install water efficient devices in Council buildings and facilities</li> <li>• Install automated irrigation control system in all irrigated parks</li> </ul>  | No longer relevant    | Council is currently in the process of engaging an external contractor to review the recommendations that are contained within the Water Savings Action Plan. Based on the recommendations made by the external party, council will develop a scope of works, and implement water savings across the aforementioned sites over a period of 3-5 years (working with The Department of Environment Climate Change and Water) in accordance with the WaSIP Program. Council has implemented an automated control system which controls both irrigation and lighting systems across a number of sites within the local government area. |
| Healthy | Regional Youth Centre <ul style="list-style-type: none"> <li>• Liaise with inner west Councils for facility development</li> <li>• Identify possible funding sources</li> <li>• Apply for state and federal grants to support recreation facilities and programs</li> </ul>  | No longer relevant    | To be achieved through the development of the Rhodes Community Centre.  |
| Healthy | Active Australia <ul style="list-style-type: none"> <li>• Promote programs to relevant community groups</li> </ul>   | No longer relevant    | Active Australia disbanded  |

| Theme      | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness   |
|------------|--|-----------------------|---|
| Liveable   | Urban design within Centres <ul style="list-style-type: none"> <li>• Prepare Urban Design Studies, including appropriate planning controls for Mixed Use and Neighbourhood Centres</li> </ul>  | No longer relevant    | Carried over to 2010-11   |
| Liveable   | Provision of a Greater Share of Low Cost Housing and Affordable Housing <ul style="list-style-type: none"> <li>• Prepare a Business Case for lodgement with the Department of Planning</li> <li>• Investigate statutory mechanisms for the provision of affordable housing</li> <li>• Prepare standards for inclusion in the Local Environmental Plan</li> </ul> | No longer relevant    | Legislative changes   |
| Moving     | Integrated Transport Strategy <ul style="list-style-type: none"> <li>• Commence consultation with public transport providers and key user groups</li> <li>• Provide a process for advocating for improved public transport services</li> <li>• Identify strategies for implementation</li> </ul>   | No longer relevant    | Integrated Transport Strategy is in 2010/11 Delivery Plan.  |
| Moving     | Car Parking Controls <ul style="list-style-type: none"> <li>• Outcomes of review are to be implemented in the Canada Bay Development Control Plan.</li> </ul>  | No longer relevant    | Development Control Plan review was extended into 2010/11.  |
| Moving     | Car Share Schemes <ul style="list-style-type: none"> <li>• Investigate opportunities for inclusion in new centre based mixed use/residential developments</li> <li>• Encourage operators to move into Council's commercial centres</li> </ul>  | No longer relevant    | GoGet withdrew due to lack of use to Council support  |
| Prosperous | Local Retail Strategy <ul style="list-style-type: none"> <li>• Research models and opportunities for effective retail strategies</li> </ul>  | No longer relevant    | Looked at models and relevant information covered in the Local Employment and Housing Strategy and Local Planning Strategy. Separate plan not required. |
| Vibrant    | Showcasing Art in Centres <ul style="list-style-type: none"> <li>• Investigate potential partnerships</li> </ul>   | No longer relevant    |   |
| Vibrant    | Art/Culture Partnerships <ul style="list-style-type: none"> <li>• Identify possible partnerships with community organisations</li> <li>• Stage a HSC art exhibition at both libraries working with local high schools</li> <li>• Investigate the demand for and content of cultural school packs</li> </ul>  | No longer relevant    |   |
| Engaged    | Library & Community Services Promotion <ul style="list-style-type: none"> <li>• Develop and implement a marketing strategy to promote Library &amp; Community Services and Community events</li> </ul>   | Not yet started       | Broader Library Strategic plan being developed  |
| Green      | Sustainable Event Management <ul style="list-style-type: none"> <li>• Prepare event management guidelines</li> </ul>   | Not yet started       | Carried over for 2010-11 year due to staffing arrangements.   |

| Theme    | Operating Plan activity   | Status at end of year | Summary of delivery and effectiveness   |
|----------|---|-----------------------|---|
| Healthy  | Five Dock Meeting Space <ul style="list-style-type: none"> <li>• Audit facilities</li> <li>• Publish any results and partnerships</li> </ul>  | Not yet started       | To be completed.  |
| Liveable | Council owned Landscape Heritage <ul style="list-style-type: none"> <li>• Prepare Policy for use by City Assets &amp; City Services</li> </ul>  | Not yet started       |   |
| Engaged  | Develop appropriate mechanisms to consult with key community groups and stakeholders: <ul style="list-style-type: none"> <li>• Audit existing communications processes and research new opportunities</li> <li>• Consult stakeholders with proposals for funding</li> <li>• Confirm new communications strategy and promote across Council</li> </ul> | Ongoing               | Project Y engagement structure completed. On-line Project Y - Facebook account operating. Face to face meeting structure established. Monthly Project Y Committee meetings & fortnightly working group meetings of the My Community, Operation Green Bottle and Media and Culture Project Groups. Two meetings held for Project Y Committee   |
| Engaged  | Volunteer Involvement<br>Facilitate training opportunities including <ul style="list-style-type: none"> <li>• Promoting volunteer involvement</li> <li>• Leadership programs</li> <li>• Disability awareness</li> <li>• Child Protection obligations and awareness</li> </ul>   | Ongoing               | Volunteer induction and training program completed for Meals on Wheels, Senior Bus Trips and School Holiday Program volunteers. Volunteering opportunities web page established on Council's website. Volunteer program registration process developed and promoted to local non-profit organisations. Partnership established between Council, Communities for Communities and Inner West Neighbour Aid to develop a volunteering program called C4C's Looking Local Volunteer Program. Two program launches held. Inaugural volunteering opportunities provided through the IWNA Garden Aid Program and Five Dock Library Home Library Service. The Program registered 28 volunteers at the two launches and continues to connect the volunteers with volunteering opportunities. |
| Engaged  | Links with Community Associations<br>Identify and contact all community associations and consult to develop programs and services required to plan methods of engagement and develop programs and services required.  | Ongoing               | Ongoing relationship pursued. Regular meetings held.  |

| Theme   | Operating Plan activity   | Status at end of year | Summary of delivery and effectiveness   |
|---------|---|-----------------------|---|
| Engaged | Developer Contributions Plans <ul style="list-style-type: none"> <li>• Review new planning legislation</li> <li>• Review existing plans</li> <li>• Prepare new Developer Contributions Plans</li> </ul>   | Ongoing               | This project has been subject to changes in Planning legislation throughout the 2009- 10 financial year   |
| Engaged | Information Systems Strategy <ul style="list-style-type: none"> <li>• Strategy to be prepared and implemented</li> </ul>  | Ongoing               | Carried over to 2010-11   |
| Engaged | Asset Management Plan <ul style="list-style-type: none"> <li>• Complete assessment of Council owned assets</li> <li>• Develop and prepare programs of works, inspections and maintenance</li> <li>• Create GIS layers for various asset classes</li> </ul>  | Ongoing               |   |
| Green   | Sea Level Rise and Flooding <ul style="list-style-type: none"> <li>• Commence foreshore vulnerability mapping</li> <li>• Establish a Floodplain Risk Management Committee</li> </ul>  | Ongoing               | Committee Established. Project will be ongoing for a number of years  |
| Green   | Drainage and Stormwater Management <ul style="list-style-type: none"> <li>• Brewer Street, Concord (overland flow construction)</li> <li>• Polding and Tranmere Streets, Drummoyne (stormwater drainage works)</li> <li>• Boronia Street, Concord West (stage 2, pit and pipe construction)</li> <li>• Stormwater Pit and Pipe clearing</li> <li>• Preparation of Stormwater Management Charge Designs (to address localised flooding issues)</li> <li>• Formation of a Floodplain a Risk Management Committee</li> </ul> | Ongoing               | Completed projects include: Boronia Street, Stormwater pit and pipe clearing, Stormwater Management Charge Designs, and formation of Floodplain Risk Management Committee. Ongoing projects include Brewer Street, Polding and Tranmere St. |
| Green   | Shade Planting and Sensory Gardens <ul style="list-style-type: none"> <li>• Identify appropriate sites</li> </ul>   | Ongoing               | Shade plantings were considered in conjunction with playground project undertaken in 2009/10. Sensory garden areas to be considered in 2010/11 Community Garden project.  |

| Theme   | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness   |
|---------|--|-----------------------|---|
| Healthy | <p>Graffiti Strategy</p> <ul style="list-style-type: none"> <li>• Establish improved graffiti reporting</li> <li>• Present regular graffiti reports to LAC</li> <li>• Implement strategy in consultation with key partners</li> <li>• Identify a site to pilot a mural project</li> </ul>  | Ongoing               | <p>Graffiti Management Strategy Revised and Adopted. Removal Service offered free to business and residential clients. Two removal vans operational. (An increase from one van). Flyer completed promoting Graffiti Removal Service. Five Dock Laneways Project Plan Completed. Contractor Curious Works engaged as facilitating artist. Project will engage local young people to interpret and display their concept of the Five Dock area using multi media. Project to commence in November 2010.</p> |
| Healthy | <p>Meals on Wheels</p> <ul style="list-style-type: none"> <li>• Work with food providers to introduce appropriate meals</li> <li>• Analyse user's needs and cultural background to guide menu planning</li> </ul>  | Ongoing               | <p>Tastes of the Bay - culturally diverse food tasting session for MOW clients held. Two styles of meals selected for trial. Meal provider contacted to supply meals. Six month trial to commence in June 2010.</p>   |
| Healthy | <p>Health, Safety and Wellbeing Program</p> <ul style="list-style-type: none"> <li>• Work with community associations to provide programs on site</li> <li>• Promote participation in wider Council programs at target locations</li> </ul>  | Ongoing               | <p>Research conducted into provision of on-site play van service. Awaiting external funding source.</p>   |
| Healthy | <p>Capital Works Program</p> <ul style="list-style-type: none"> <li>• Nield Park (new amenities)</li> <li>• Cintra Park (new amenities)</li> <li>• Urhs Point Reserve (new amenities)</li> <li>• Campbell Park (new floodlighting)</li> <li>• Drummoyne Oval facility upgrade</li> <li>• Taplin Park (new boat ramp)</li> <li>• Cabarita Pool (new shade, lighting, access)</li> </ul> | Ongoing               | <p>Completed Projects: Cintra Park, Campbell Park, Drummoyne Oval, Taplin Park, Cabarita Pool.<br/>Ongoing projects: Nield park, Urhs Point,</p>  |
| Healthy | <p>Open Space Needs Strategy</p> <ul style="list-style-type: none"> <li>• Undertake mapping exercise to quantify active and passive recreational space</li> </ul>  | Ongoing               | <p>Preliminary investigations underway.</p>   |
| Healthy | <p>Design Guide for Public Open Spaces &amp; Playgrounds</p> <ul style="list-style-type: none"> <li>• Provide Crime Prevention through Design guidelines to the playground implementation group for review</li> </ul>  | Ongoing               | <p>Staff training undertaken. Discussions underway with Alice Kang to consider pilot investigation at Kokoda car park.</p>  |
| Healthy | <p>Sports Activities for People with a Disability</p> <ul style="list-style-type: none"> <li>• Work access committee to establish opportunities</li> <li>• Pilot project with Inner West Special Olympic Committee</li> </ul>  | Ongoing               | <p>CPO liaison ongoing. Sports disability forum scheduled.</p>  |

| Theme    | Operating Plan activity   | Status at end of year | Summary of delivery and effectiveness   |
|----------|---|-----------------------|---|
| Liveable | Design Quality of Residential Flat Buildings <ul style="list-style-type: none"> <li>• Undertake Study, exhibit, prepare new planning controls for Local Environmental Plan &amp; Development Control Plan</li> </ul>  | Ongoing               |   |
| Liveable | Support the Local Studies Collection in Council's Libraries <ul style="list-style-type: none"> <li>• Work with the heritage and historical societies to utilise museum space</li> <li>• Implement a program of events in the library</li> </ul>   | Ongoing               | <ul style="list-style-type: none"> <li>• Assistance provided to evaluating the Museum's industrial records collection for deselection to improve storage.</li> <li>• Displays held include: St Luke's 150th anniversary; Canadian Exiles; Your Local Shop - where did it go.</li> </ul> |
| Liveable | Signage <ul style="list-style-type: none"> <li>• Research best practices and identify program</li> <li>• Develop work plan</li> <li>• Consult playground users</li> </ul>   | Ongoing               | 2009/10 Playground project signage completed. Way finding signage strategy developed for Drummoyne Oval Precinct  |
| Moving   | Canada Bay Bike Plan <ul style="list-style-type: none"> <li>• Consult with stakeholders</li> <li>• Review bike plan</li> <li>• Make recommendations and develop program of works</li> <li>• Continue to seek funding from State and Federal governments</li> </ul>  | Ongoing               | Consultation meeting to review and update Council Bike Plan with bicycle user group representatives occurred June 2010.   |
| Moving   | City Road Network Improvements <ul style="list-style-type: none"> <li>• Council to act as a catalyst for road improvements</li> <li>• Liaise with RTA to work towards reducing traffic in local roads</li> <li>• Liaise with RTA to improve the functioning of the Victoria Road and Lyons Road intersection</li> <li>• Seek funding opportunities</li> </ul> | Ongoing               | RTA is conducting a study into Lyons Rd between Victoria Rd and Bayswater St, to improve capacity and keep arterial traffic on the main roads. Funding submission for \$188,000 road safety works on Nullawarra Road approved.  |
| Moving   | Public Transport Provision <ul style="list-style-type: none"> <li>• Advocate on behalf of local community for an improved and regular L03 and 502 bus services</li> <li>• Advocate for the introduction of a 'City Circle' bus service loop</li> <li>• Advocate for new services such as Metro or Light Rail</li> </ul>                                       | Ongoing               | Council submission on Region 6 bus review completed, including advocacy for City Loop bus service. Also prepared and submitted the Independent Report into the Metropolitan Transport Plan Impact on Canada Bay to State Government.  |
| Moving   | Capital Works Program <ul style="list-style-type: none"> <li>• Hamilton Street bridge</li> <li>• Footpath and gutter expansion - the Esplanade, Hezlet St and Crane Street</li> <li>• Kerb ramps - various locations throughout local government area</li> </ul>  | Ongoing               | Completed Projects: The Esplanade, Hezlet St, Crane St, Kerb Ramps<br>Ongoing Project: Hamilton Street Bridge   |
| Moving   | Promotion of Walking and Cycling <ul style="list-style-type: none"> <li>• Install bike racks in shopping centres and public buildings</li> <li>• Continue to implement Bike Week activities and Education programs for children</li> </ul>  | Ongoing               | Promotions incorporated into event programs.  |

| Theme      | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness   |
|------------|--|-----------------------|---|
| Moving     | Alternative transport to Council Events <ul style="list-style-type: none"> <li>• Incorporate messages regarding alternative transport opportunities into relevant event marketing</li> <li>• Incorporate secure bicycle parking options at each event</li> </ul>                       | Ongoing               | Messages incorporated in event advertising. Bike parking options offered at events.   |
| Moving     | Ongoing Activities and Services <ul style="list-style-type: none"> <li>• Maintain in line with provisions in Asset Management Plan</li> <li>• Determine annual maintenance program</li> <li>• Investigate traffic calming initiatives where identified</li> </ul>                      | Ongoing               |   |
| Prosperous | Neighbourhood Centres' Place Making Projects <ul style="list-style-type: none"> <li>• Complete precinct audits</li> <li>• Survey users</li> <li>• Develop action plans for each centre</li> <li>• Identify implementable physical and partner opportunities to improve area</li> </ul> | Ongoing               | Precinct Audits: a draft city-wide strategy is in progress. Audits for Cabarita and Mortlake well progressed, Rhodes nearing completion and Five Dock and Wareemba both completed. Great North Road Action Plan prepared subject to consultation. Majors Bay Road Action Plan prepared subject to consultation. Both plans have been endorsed by Council with a view to implementation of physical works in coming years. |
| Prosperous | Home Based Business <ul style="list-style-type: none"> <li>• Provide regular meeting and training opportunities for home based business</li> </ul>   | Ongoing               | 10 Home based business meetings delivered with attendance at over 200   |

| Theme      | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness   |
|------------|--|-----------------------|---|
| Prosperous | Business Support<br>Work with: <ul style="list-style-type: none"> <li>• MICE</li> <li>• Health and Wellbeing businesses</li> <li>• food Industry</li> <li>• Creative industries</li> </ul>                           | Ongoing               | MICE: www.sydneybusinessevents.com.au<br>673 unique web visitors<br>EXPO: Over 500 promotions bags given out. Event Manager list for direct Campaign developed - 250 contacts<br>DVD developed and duplications and cases made. Also available on youtube<br>Christmas Events promotion undertaken<br>Due to success of 2009 Expo, Club Five Dock and Dedes to have own stalls<br>2010 Opportunities identified including familiarisation tours, unique website, DVD distribution, partnering with networks<br>Health:<br>4 Public Health Forums delivered (2 of this by CS)<br>12 businesses participated at Council events<br>Food:<br>Food Safety Course delivered in November 2009 for 18 attendees development and delivery of the food star rating program's promotional arm, Eat Out Every Week, 664 unique web visitors |
| Prosperous | Film and Industry <ul style="list-style-type: none"> <li>• Research best practice models for film industry</li> </ul>  | Ongoing               | Research under way. Report due in 2010/11   |
| Prosperous | Visitor Market <ul style="list-style-type: none"> <li>• Investigate creation of a recreation and tourism cluster through existing partners and networks</li> <li>• Identify joint marketing opportunities</li> </ul> | Ongoing               | Destination assets reviewed. Brief commenced for consultant   |
| Prosperous | Kokoda Track <ul style="list-style-type: none"> <li>• Work with Concord hospital to promote activities at the Kokoda Track</li> <li>• Install lighting into public car park</li> </ul>                               | Ongoing               | Council holds monthly meetings with Hospital representatives.   |

| Theme      | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness  |
|------------|--|-----------------------|--|
| Prosperous | <p>Rhodes to Employment</p> <ul style="list-style-type: none"> <li>• Support continued growth of the area through planning controls and assessment</li> <li>• Promote the area positively to help encourage tenants to the area</li> <li>• Promote the area to prospective employees</li> <li>• Provide information to support relocating companies</li> <li>• Connect employees at Rhodes with local business to provide opportunities for social, recreation, wellbeing and leisure opportunities</li> <li>• Create investing working and visiting Canada Bay packs</li> </ul> | Ongoing               | <p>Rhodes 2 Employment draft project plan developed</p> <p>DVD created to promote to investors, potential tenants and relocating businesses as well as employees</p> <p>Implementation of the following 2010/2011</p> <ul style="list-style-type: none"> <li>• Promote the area positively to help encourage tenants to the area</li> <li>• Promote the area positively to help encourage tenants to the area</li> <li>• Promote the area to prospective employees</li> <li>• Provide information to support relocating companies</li> <li>• Connect employees at Rhodes with local business to provide opportunities for social, recreation, wellbeing and leisure opportunities</li> <li>• Create investing working and visiting Canada Bay packs</li> </ul> |
| Vibrant    | <p>Housing Affordability</p> <ul style="list-style-type: none"> <li>• Investigate affordability of housing options, with view to developing action plan</li> </ul>   | Ongoing               | <p>St George Community Housing (SGCH) Housing Manager appointed. Regular liaison occurring between Council and SGCH on property management. Affordable Housing Policy amended to reflect National Rental Affordability Scheme criteria. Funding secured under National Rental Affordability Scheme to support existing 24 Affordable Housing Units. Affordable Housing Units tenanted. Research has commenced into Affordable Housing models, property management, resourcing and sustainability.</p>  |
| Vibrant    | <p>Diverse Community Needs</p> <ul style="list-style-type: none"> <li>• Implement Harmony program</li> <li>• Research culturally and linguistically diverse events and activities</li> </ul>   | Ongoing               |  |

| Theme   | Operating Plan activity  | Status at end of year | Summary of delivery and effectiveness  |
|---------|--|-----------------------|--|
| Vibrant | <p>Aboriginal Cultural Heritage</p> <ul style="list-style-type: none"> <li>• Develop, promote and deliver walk</li> <li>• Participate in regional discussions and develop appropriate programs</li> <li>• Research, consult and develop cultural protocols\</li> <li>• Establish and build relationships with Indigenous and Torres Strait Islander groups</li> <li>• Run a NAIDOC program across libraries and community venues</li> <li>• Develop a reconciliation project in consultation with the community</li> </ul> | Ongoing               |  |
| Vibrant | <p>Library Services</p> <ul style="list-style-type: none"> <li>• Develop feasibility for implementation of radio-frequency identification in libraries</li> <li>• Implement program to digitise photograph collection in local studies</li> <li>• Review existing on line programs and indentify new opportunities</li> </ul>  | Ongoing               | <ul style="list-style-type: none"> <li>• RFID feasibility completed, project underway: collection tagged, equipment ordered</li> <li>• Digitisation program completed, blog &amp; flickr account set up, Cumulus storage and retrieval software installed and populated with digital images</li> <li>• Online resources reviewed, databases added to ensure wide subject coverage appropriate to Canada Bay's community</li> </ul> |
| Vibrant | <p>Library Displays</p> <ul style="list-style-type: none"> <li>• Develop and implement 12 exhibitions in the library in partnership with community groups</li> </ul>   | Ongoing               | Twelve displays and exhibitions have been held in the libraries including exhibitions from local organisations and artists.  |
| Vibrant | <p>Education Services at the Library</p> <ul style="list-style-type: none"> <li>• Review and develop HSC lecture program</li> </ul>  | Ongoing               | 2009 HSC Lecture program reviewed, 2010 program delivered, 2 lectures: Business Studies in May, & Belonging in June  |
| Vibrant | <p>Capacity of Outdoor Venues</p> <ul style="list-style-type: none"> <li>• Review and audit potential venues</li> </ul>  | Ongoing               | Preliminary investigations underway.   |

# APPENDIX A

## PAYMENT OF EXPENSES & THE PROVISION OF FACILITIES TO COUNCILLORS

Date of Adoption: 17 November 2009

Effective Date: 17 November 2009

### Definitions

The Act - The Local Government Act 1993

The Regulation - The Local Government (General) Regulation 2005

The Division - The Division of Local Government, Department of Premier and Cabinet (previously the Department of Local Government)

### Part 1 - Introduction

#### 1.1 Purpose of the Policy

Councillor expenses and facilities policies should allow for councillors to receive adequate and reasonable expenses and facilities to enable them to carry out their civic duties as elected representatives of the residents and ratepayers of the City of Canada Bay.

#### 1.2 Scope of the Policy

This Policy has been prepared to provide for the payment or reimbursement of expenses and the provision of facilities by the City of Canada Bay Council, to the Mayor and Councillors when performing their civic duties.

#### 1.3 Making and Adoption of the Policy

This Policy has been drafted in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005, Council's Code of Conduct, relevant publications released by the Division of Local Government and ICAC.

This Policy was adopted by Council on 17 November 2009

Amendments to the Policy may only occur by resolution of Council.

#### 1.4 Legislative Provisions

Local Government Act 1993

- Section 248 and 249 of the Local Government Act, 1993 provides for the payment of an annual fee to the Mayor and Councillors in accordance with the appropriate determination of the Local Government Remuneration Tribunal.
- Councillors are entitled to receive reimbursement for prescribed expenses as outlined in this policy pursuant to Section 252 of the Local Government Act, 1993.
- Before adopting a policy for the Payment of Expenses and Provision of Facilities for Councillors, the Council

must publicly exhibit the policy for a period of 28 days and consider any public submission received under Section 253 (1) and (2) Local Government Act, 1993. A Council need not give public notice of a proposed amendment to its policy if the Council is of the opinion that the proposed amendment is not substantial.

- Within 28 days after adopting the policy or making an amendment for which public notice was given, Council must forward the relevant documentation, in accordance with the Act, to the Director General.
- The Council or a Council Committee of the Whole must not close to the public that part of its meeting at which a policy for the Payment of Expenses and Provision of Facilities is adopted or at which any proposed amendment is discussed or considered -- Section 254 Local Government Act, 1993.
- Council is required to review and adopt this policy within 5 months after the end of each financial year.

#### **Local Government (General) Regulation 2005**

- Clause 217 of the Regulation requires Councils include detailed information in the Annual Report about the payment of expenses and provision of facilities to Councillors.
- Clause 403(a) refers to restrictions on Council in providing for the payment of a general expense allowance to Councillors.
- Clause 403(b) places restrictions on Council in making motor vehicles available for the exclusive use of a Councillor other than the Mayor.

#### **1.5 Other Government Policy Provisions**

Councils Policy has been written to comply with:

- guidelines released by the Division under Section 23A of the Act;
- circulars issued by the Division which related to expense and facilities policies;
- Council's adopted Code of Conduct and the Division's Model Code of Conduct.
- ICAC' publication on the misuse of Council resources has also been taken into account - No Excuse for Misuse, preventing the misuse of council resources (September 2008)

## **Part 2 - Payment of Expenses**

### **2.1 General Provisions**

Councillors must act lawfully, honestly and exercise a reasonable degree of care and diligence in carrying their duties to the community in line with the relevant legislation. This Policy is in place to clearly outline all the specific expenses Councillors are entitled to receive reimbursement for, and all the specific facilities Councillors are entitled to use. Councillors may only receive reimbursement when the expense is clearly outlined in the policy.

#### **2.1.1 General Expense Allowance**

Section 403 of the Regulation states that Councillors are not entitled to a general expense allowance.

#### **2.1.2 No Private Benefit unless Payment is made**

Councillors are not entitled to obtain private benefit from the provision of equipment and facilities, nor from travel bonuses such as 'frequent flyer' schemes or any other loyalty programs while on Council business. However, where incidental private use occurs, unless substantial, no compensatory payment back to Council is required.

#### **2.1.3 No use of Council Resources for Political Purposes**

Council facilities, equipment and services are not to be used to produce election material or for any other political purpose.

As outlined in Council's Code of Conduct, a Councillors re-election is considered to be a personal interest, as is fundraising activities for political parties, and political events. Council will not pay expenses or provide facilities to Councillors in relation to supporting and/or attending such events and activities.

#### **2.1.4 Gifts and Benefits to be of Token Value**

In circumstances where it is appropriate for Councillors to give a gift or benefit, these gifts and benefits should be of token value and in accordance with this policy. For clarification of what token gifts are, please refer to Council's Code of Conduct.

#### **2.1.5 Participation, Equity, and Access**

Members of the community from different backgrounds and demographics are encouraged to seek election. This ensures that the needs of the community are represented in as many ways as possible.

Council will also consider any special needs of Councillors, whenever required so as to allow them to perform their civic duties. If required, Council will make provisions for Councillors who need assistance with matters such as transportation, access, hearing or seeing.

#### **2.1.6 Approval and Dispute Resolution Process**

Where possible, a Councillor should gain approval prior to an expense being incurred.

Approval for discretionary trips, attendance at conferences, and/or other significant expenses and facilities should be determined, where possible, at a full meeting of Council. Where approval is not possible, approval should be given jointly by the Mayor and the General Manager. If the approval relates to the Mayor, it should be given jointly by the Deputy Mayor and the General Manager, or another Councillor and the General Manager. Where a dispute occurs over an expense, the matter will be referred to the General Manager for review.

#### **2.1.7 Reimbursement and Reconciliation of Expenses Processes**

All claims for payment of expenses are to be reconciled within three (3) months of the expense being incurred. Should a Councillor cease to hold office, then the expense claims are to be reconciled within one (1) month of the Councillor ceasing to hold office.

Councillors are required to substantiate any out of pocket expenses with relevant documentation.

#### **2.1.8 Payment in Advance Process**

Councillors are entitled to receive payments in advance in anticipation of expenses to be incurred in attending conferences, seminars, training programs or carrying out their civic duty.

Advanced payments must always be reconciled at a future date, within the time frames outlined in 2.1.7 of this policy.

## **2.2 Specific Expenses for Councillors**

### **2.2.1 Attendance at Seminars and Conferences**

Where a Councillor attends a seminar or conference, Council will pay for the registration fees charged for attendance. Where overnight accommodation is required, Council will meet all necessary costs for accommodation. In addition, Council will provide reimbursement for reasonable costs associated with attendance at the conference such as transportation and meals, when they have not been included in the conference fees.

### **2.2.2 Training and Educational Expenses**

Council supports and encourages Councillors to actively develop their skills and knowledge to assist them in carrying out their civic duties. Council makes provisions in its budget for the payment of Councillor training and development expenses, in accordance with NSW Government Policy.

As stated in 2.2.1, where overnight accommodation is required, Council will meet all necessary reasonable costs for accommodation, transportation and meals associated with the training.

### **2.2.3 Local Travel Arrangements and Expenses**

Travel to community or civic functions, seminars, conferences or a training course will be by Council motor vehicle, taxi cab or Councillor's own vehicle. Where the mode of transport is the Councillor's own vehicle, a 'per kilometre' allowance will be paid in accordance with the Local Government Award.

Note – The driver of a Council or private vehicle is personally responsible for any traffic or parking infringements incurred whilst travelling on Council business.

### **2.2.4 Intrastate/Interstate Travel**

Travel to seminars, conferences or a training course will be by economy air, Council vehicle or other suitable transportation mode. Prior approval of Intrastate/Interstate Travel is required, and full details of the travel including itinerary, costs, accommodation and reasons for the travel need to be provided.

Note – any overseas travel or related expenses must be approved by a meeting of the full council prior to any travel being undertaken.

### 2.2.5 Legal Expenses

In the event of:

- a. An inquiry, investigation or hearing by any of:
  - The Independent Commission Against Corruption
  - The Office of the Ombudsman
  - Department of Local Government and Co-operatives
  - The Police
  - The Director of Public Prosecutions
  - A Parliamentary Committee or
  - The Local Government Pecuniary Interest Tribunal into the conduct of a Councillor, or
- b. Legal proceedings being taken by or against a Councillor, arising out of or in connection with the Councillor's performance of his or her civic duties or exercise of his or her functions as a Councillor.  
Council shall reimburse such Councillor, after the conclusion of the inquiry, investigation, hearing or proceeding, for all legal expenses properly and reasonably incurred, given the nature of the inquiry, investigation, hearing or proceeding, on a solicitor/client basis, provided that:
  - i. the amount of such reimbursement is to be reduced by the amount of any monies that may be or are recouped by the Councillor on any basis;
  - ii. in the opinion of the Council the inquiry, investigation, hearing or proceeding results in a finding substantially favourable to the Councillor; and
  - iii. the Council authorising the reimbursement by resolution.
- c. Council will not meet the costs of an action in defamation taken by a Councillor or Council employee as plaintiff in any circumstances.
- d. Council will not meet the costs of a Councillor or Council employee seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation.

### 2.2.6 Insurance Expenses

Councillors are to receive the benefit of insurance cover for:

- a. Personal injury whilst on Council business.
- b. Professional Indemnity.  
For matters arising out of Councillor's performance of civic duties or exercise of their functions as Councillors, provided the performance or exercise of the relevant civic duty or function is bona fide. BUT subject to any limitations or conditions set out in the policy of insurance which is at the discretion of Council, taken out.
- c. Public Liability  
For matters arising out of Councillor's performance of civic duties or exercise of their functions as Councillors; BUT subject to any limitations or conditions set out in the policy of insurance which is, at the discretion of Council, taken out.

### 2.2.7 Incidental Expenses

Reasonable out of pocket expenses associated with Councillors attending conferences, seminars, training courses or other activities relating to their civic duty will be reimbursed by council, provided that established reconciliation processes are followed. A claim form should be submitted, providing an itemised account of all expenses.

Incidental expenses could reasonably include telephone calls, facsimiles, light refreshments, internet costs, transportation and parking fees, meals not included in event costs etc.

### 2.2.8 Care and Other Related Expenses

Council will pay reasonable child/dependant care costs incurred by Councillors attending Council meetings, Committee meetings, workshops, briefing sessions and official site inspections relating to Council's operations.

Councillors will be reimbursed for expenses associated with child/dependant care paid to providers other than immediate family, spouse or partner up to 1 hour before and after such meetings (based on advertised commencement time) subject to the production of appropriate documentation/receipts.

The maximum entitlement for reimbursement for each Councillor is \$2,500 per annum.

## 2.2.9 Spouse and Partner Expense

Council will meet the reasonable costs of a spouse, partner or accompanying person at official council functions that are formal or ceremonial in nature, where it would be reasonable for a spouse, partner or accompanying person could be expected to attend.

An accompanying person is defined as someone who has a close personal relationship with the Councillor and provides carer support.

Expenses of spouses, partners or accompanying persons associated with attendance at the Local Government and Shires Associations' annual conferences are the personal responsibilities of individual councillors.

## Part 3 - Provision of Facilities

### 3.1 Provision of Equipment and Facilities for Councillors

- i. A mobile phone to allow Councillors to undertake their official duties. Upon submission of a claim to the General Manager, Council will reimburse Councillors a maximum of \$200 per month for all call costs and rental charges associated with official duties.
- ii. Provision of a laptop, home-based computer or blackberry device, fax/answering machine and ancillary equipment (for example, a scanner) and software to the value of \$3,000. This equipment may be replaced from time to time, as to ensure the currency of the technology, at the discretion of the General Manager, on advice from the Manager, Information Systems.
- iii. Council stationery, business cards and postage for use for Council correspondence.
- iv. Meals and beverages in conjunction with Council, Committee meetings and workshops.
- v. Provision of a name badge and corporate clothing as provided by Council.
- vi. Access to the Charles Halliday and Brian Hudson Rooms for official functions, meetings and the like.
- vii. All equipment and software supplied to Councillors is to remain the property of Council and is to be returned to Council when the position of Councillor is vacated.

### 3.2 Provision of Equipment and Facilities for the Mayor

- i. A suitably furnished office.
- ii. A fully serviced and maintained motor vehicle to the standard of a Holden Statesman Caprice or equivalent and be made available for official purposes and personal use.
- iii. An allotted parking space underneath the Civic Centre complex.
- iv. A Personal Assistant plus a driver of the Mayoral vehicle on a casual basis, when required.
- v. A mobile phone or alternative communication device, including all call costs and rental charges to be used for official Council purposes.
- vi. A laptop computer and fax/answering machine installed and serviced in the Mayor's home.
- vii. Mayoral stationery, business cards, Christmas cards, bereavement and congratulatory letters, information and public relations correspondence on behalf of Council and associated postage costs.
- viii. Food and beverage use associated with hosting meetings in conjunction with Council business. Beverage supplies for Mayoral and visitor use in the Mayoral office. Meals and beverages in conjunction with Council, Committee Meetings and Workshops.
- ix. Provision of name badge and Mayoral pendant for civic and other functions and corporate clothing, as provided by Council.
- x. All equipment and software supplied to the Mayor is to remain the property of Council and is to be returned to Council when the position of Mayor is vacated.

## Part 4 - Other Matters

### 4.1 Amendments to the Policy

Amendments to the Policy may only occur by resolution of Council.

### 4.2 Availability of the Policy

This Policy is available on to the public on request, and is also displayed on Councils website.

## APPENDIX B

### Incoming Sponsorships 2009/10

| Item / Event         | Sponsor                                      | Amount / In-kind value            |
|----------------------|--|-----------------------------------|
| Ferragosto '09       | Adshel                                       | In kind support valued at \$6,000 |
|                      | Canada Bay Club                              | \$5,000                           |
|                      | Club Five Dock                               | \$3,000                           |
|                      | Cumberland                                   | In kind support valued at \$2,055 |
|                      | Transpacific Cleanaway                       | In kind support valued at \$3,750 |
| Concord Carnival '09 | Adshel                                       | In kind support valued at \$6,000 |
|                      | Canada Bay Club                              | \$4,000                           |
|                      | Inner West Courier                           | \$1,020                           |
|                      | Transpacific Cleanaway                       | In kind support valued at \$2,300 |
| Mayoral Golf Day     | Recoveries and Reconstructions Australia Ltd | \$2,500                           |
|                      | Canada Bay Club                              | \$1,500                           |
|                      | Massey Park Golf Course                      | \$1,500                           |
|                      | The Briars                                   | \$909                             |
| Bay Day              | Mirvac                                       | \$5,000                           |
|                      | Transpacific Cleanaway                       | In kind support valued at \$1,600 |
| PassionArt           | Commonwealth Bank                            | \$8,000                           |

## Outgoing Sponsorships 2009/10

| Item / Event                        | Sponsor   | Amount / In-kind value  |
|-------------------------------------|---|---|
| Opera Night at Rivendell            | Concord Reparation General Hospital   | Cash contribution of \$6,000  |
| Inner West Relay for Life           | NSW Cancer Council  | Waiver of associated fees totalling \$1,225<br>Provision of stall and Concord Carnival and Ferragosto valued at \$660 |
| Great Strides Walkathon             | Cystic Fibrosis NSW   | Waiver of associated fees totalling \$735   |
| Family Fun Fair                     | Touched by Olivia Foundation  | Waiver of associated fees totalling \$4,680   |
| Annual Charity Ball                 | Communities for Communities   | Cash contribution of \$2,000  |
| NSW Corporate Games                 | Diabetes Australia - NSW  | Waiver of associated fees totalling \$680   |
| S. Antonio Festival                 | Organizzato Dalla Associazione S Antonio da Padova Protettore di Poggioreale Trapani (Sydney) Limited | Waiver of associated fees totalling \$1,610   |
| San Bartolomeo Festa                | Associazione Isole Eolie Confraternita San Bartolomeo   | Cash contribution of \$500<br>Waiver of associated fees totalling \$3010  |
| Inner West Local Business Awards    | Precedent Productions   | Cash contribution of \$2,500  |
| Inner West Business Achiever Awards | Cumberland Newspapers   | Cash contribution of \$2,500  |



FINANCIAL  
REPORTS  
2009/10

GENERAL PURPOSE FINANCIAL STATEMENT

For the year ended 30 June 2010

# City of Canada Bay

## General Purpose Financial Statements for the financial year ended 30 June 2010

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### Overview

(i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for City of Canada Bay.

(ii) City of Canada Bay is a body corporate 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 specified in Section 8 of the LGA and includes;

- carrying out activities and providing goods, services & facilities appropriate to the current & future needs of the Local community and of the wider public
- responsibility for administering regulatory requirements under the LGA and other applicable legislation, &
- a role in the management, improvement and development of the resources of the local government 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 21/10/10.  
Council has the power to amend and reissue the financial statements.

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# City of Canada Bay

## General Purpose Financial Statements for the financial year ended 30 June 2010

### 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:

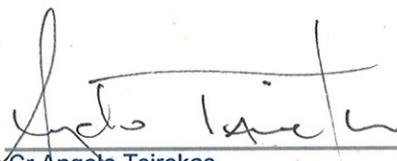
- The Local Government Act 1993 (as amended) and the Regulations made thereunder,
- The Australian Accounting Standards and professional pronouncements, and
- The Local Government Code of Accounting Practice and Financial Reporting.

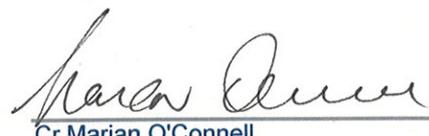
To the best of our knowledge and belief, these Financial Statements:

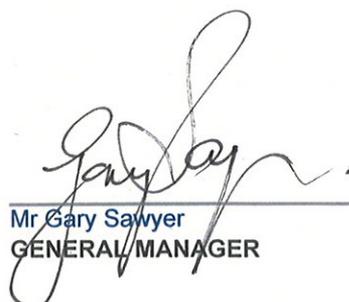
- present fairly the Council's operating result and financial position for the year, and
- accords with Council's accounting and other records.

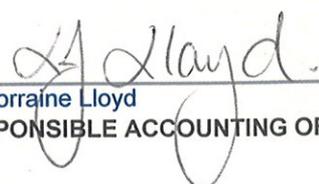
We are not aware of any matter that would render the Reports false or misleading in any way.

Signed in accordance with a resolution of Council made on 21 September 2010.

  
Cr Angelo Tsirekas  
MAYOR

  
Cr Marian O'Connell  
COUNCILLOR

  
Mr Gary Sawyer  
GENERAL MANAGER

  
Ms Lorraine Lloyd  
RESPONSIBLE ACCOUNTING OFFICER

## City of Canada Bay

## Income Statement

for the financial year ended 30 June 2010

| Budget <sup>(1)</sup>                      |  |       | Actual        | Actual         |
|--|--|-------|---------------|----------------|
| 2010                                       | \$ '000  | Notes | 2010          | 2009           |
| <b>Income from Continuing Operations</b>   |  |       |               |                |
| <b>Revenue:</b>                            |  |       |               |                |
| 36,887                                     | Rates & Annual Charges   | 3a    | 37,583        | 34,816         |
| 6,084                                      | User Charges & Fees  | 3b    | 10,557        | 7,404          |
| 735  | Interest & Investment Revenue  | 3c    | 1,120         | -              |
| 3,679                                      | Other Revenues   | 3d    | 4,264         | 3,569          |
| 3,699                                      | Grants & Contributions provided for Operating Purposes   | 3e,f  | 4,032         | 4,558          |
| 4,651                                      | Grants & Contributions provided for Capital Purposes   | 3e,f  | 17,517        | 13,810         |
| <b>Other Income:</b>                       |  |       |               |                |
| -  | Net gains from the disposal of assets  | 5     | 591           | 52             |
| <b>55,735</b>                              | <b>Total Income from Continuing Operations</b>   |       | <b>75,664</b> | <b>64,209</b>  |
| <b>Expenses from Continuing Operations</b> |  |       |               |                |
| 22,454                                     | Employee Benefits & On-Costs   | 4a    | 23,497        | 20,700         |
| 227  | Borrowing Costs  | 4b    | 178           | 219            |
| 18,173                                     | Materials & Contracts  | 4c    | 19,503        | 17,333         |
| 8,000                                      | Depreciation & Amortisation  | 4d    | 8,471         | 7,980          |
| 6,803                                      | Other Expenses   | 4e    | 7,314         | 7,096          |
| -  | Interest & Investment Losses   | 3c    | -             | 145            |
| <b>55,657</b>                              | <b>Total Expenses from Continuing Operations</b>   |       | <b>58,963</b> | <b>53,473</b>  |
| <b>78</b>                                  | <b>Operating Result from Continuing Operations</b>   |       | <b>16,701</b> | <b>10,736</b>  |
| <b>78</b>                                  | <b>Net Operating Result for the Year</b>   |       | <b>16,701</b> | <b>10,736</b>  |
| 78   | <b>Net Operating Result attributable to Council</b>  |       | <b>16,701</b> | <b>10,736</b>  |
| <b>(4,573)</b>                             | <b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b> |       | <b>(816)</b>  | <b>(3,074)</b> |

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

## City of Canada Bay

Statement of Comprehensive Income  
for the financial year ended 30 June 2010

| \$ '000  | Notes    | Actual<br>2010   | Actual<br>2009 |
|--|----------|------------------|----------------|
| Net Operating Result for the year (as per Income statement)          |          | <b>16,701</b>    | <b>10,736</b>  |
| <b>Other Comprehensive Income</b>                                    |          |                  |                |
| Gain (loss) on revaluation & impairment of I,PP&E                    | 20b (ii) | 40,590           | -              |
| Recognition of land under roads acquired prior to 1/7/08             | 20b (ii) | 895,327          | -              |
| Adjustment to correct prior period depreciation errors               |          | 53,484           | -              |
| Total Other Comprehensive Income for the year                        |          | <b>989,401</b>   | -              |
| <b>Total Comprehensive Income for the Year</b>                       |          | <b>1,006,102</b> | <b>10,736</b>  |
| <b>Total Comprehensive Income attributable to Council</b>            |          | 1,006,102        | 10,736         |
| <b>Total Comprehensive Income attributable to Minority Interests</b> |          | -                | -              |

## City of Canada Bay

## Balance Sheet

as at 30 June 2010

| \$ '000                                     | Notes | Actual<br>2010   | Actual<br>2009 |
|---|-------|------------------|----------------|
| <b>ASSETS</b>                               |       |                  |                |
| <b>Current Assets</b>                       |       |                  |                |
| Cash & Cash Equivalents                     | 6a    | 15,874           | 13,060         |
| Investments                                 | 6b    | 1,113            | 1,031          |
| Receivables                                 | 7     | 4,809            | 2,640          |
| Inventories                                 | 8     | 29               | 15             |
| Other                                       | 8     | 144              | 320            |
| <b>Total Current Assets</b>                 |       | <b>21,969</b>    | <b>17,066</b>  |
| <b>Non-Current Assets</b>                   |       |                  |                |
| Investments                                 | 6b    | 500              | 943            |
| Receivables                                 | 7     | 103              | 95             |
| Infrastructure, Property, Plant & Equipment | 9     | 1,945,836        | 941,019        |
| Investment Property                         | 14    | 14,342           | 16,156         |
| <b>Total Non-Current Assets</b>             |       | <b>1,960,781</b> | <b>958,213</b> |
| <b>TOTAL ASSETS</b>                         |       | <b>1,982,750</b> | <b>975,279</b> |
| <b>LIABILITIES</b>                          |       |                  |                |
| <b>Current Liabilities</b>                  |       |                  |                |
| Payables                                    | 10    | 11,472           | 10,084         |
| Borrowings                                  | 10    | 696              | 713            |
| Provisions                                  | 10    | 6,452            | 5,861          |
| <b>Total Current Liabilities</b>            |       | <b>18,620</b>    | <b>16,658</b>  |
| <b>Non-Current Liabilities</b>              |       |                  |                |
| Borrowings                                  | 10    | 1,885            | 2,578          |
| Provisions                                  | 10    | 418              | 318            |
| <b>Total Non-Current Liabilities</b>        |       | <b>2,303</b>     | <b>2,896</b>   |
| <b>TOTAL LIABILITIES</b>                    |       | <b>20,923</b>    | <b>19,554</b>  |
| <b>Net Assets</b>                           |       | <b>1,961,827</b> | <b>955,725</b> |
| <b>EQUITY</b>                               |       |                  |                |
| Retained Earnings                           | 20    | 1,887,872        | 922,360        |
| Revaluation Reserves                        | 20    | 73,955           | 33,365         |
| Council Equity Interest                     |       | 1,961,827        | 955,725        |
| <b>Total Equity</b>                         |       | <b>1,961,827</b> | <b>955,725</b> |

## City of Canada Bay

Statement of Changes in Equity  
for the financial year ended 30 June 2010

| \$ '000  | Notes    | Retained<br>Earnings | Reserves<br>(Refer 20b) | Council<br>Equity<br>Interest | Minority<br>Interest | Total<br>Equity  |
|--|----------|----------------------|-------------------------|-------------------------------|----------------------|------------------|
| <b>2010</b>  |          |                      |                         |                               |                      |                  |
| <b>Opening Balance</b> (as per Last Year's Audited Accounts) |          | 922,360              | 33,365                  | 955,725                       | -                    | 955,725          |
| a. Correction of Prior Period Errors                         | 20 (c)   | -                    | -                       | -                             | -                    | -                |
| b. Changes in Accounting Policies (prior year effects)       | 20 (d)   | -                    | -                       | -                             | -                    | -                |
| <b>Revised Opening Balance</b> (as at 1/7/09)                |          | <b>922,360</b>       | <b>33,365</b>           | <b>955,725</b>                | <b>-</b>             | <b>955,725</b>   |
| <b>c. Net Operating Result for the Year</b>                  |          | <b>16,701</b>        | <b>-</b>                | <b>16,701</b>                 | <b>-</b>             | <b>16,701</b>    |
| d. Other Comprehensive Income                                |          |                      |                         |                               |                      |                  |
| - Revaluations : IPP&E Asset Revaluation Rsve                | 20b (ii) | -                    | 40,590                  | 40,590                        | -                    | 40,590           |
| - Revaluations: Other Reserves                               | 20b (ii) | -                    | -                       | -                             | -                    | -                |
| - Transfers to Income Statement                              | 20b (ii) | -                    | -                       | -                             | -                    | -                |
| - Other Movements  | 20b (ii) | 948,811              | -                       | 948,811                       | -                    | 948,811          |
| <b>Other Comprehensive Income</b>                            |          | <b>948,811</b>       | <b>40,590</b>           | <b>989,401</b>                | <b>-</b>             | <b>989,401</b>   |
| <b>Total Comprehensive Income</b> (c&d)                      |          | <b>965,512</b>       | <b>40,590</b>           | <b>1,006,102</b>              | <b>-</b>             | <b>1,006,102</b> |
| <b>Equity - Balance at end of the reporting period</b>       |          | <b>1,887,872</b>     | <b>73,955</b>           | <b>1,961,827</b>              | <b>-</b>             | <b>1,961,827</b> |

| \$ '000  | Notes    | Retained<br>Earnings | Reserves<br>(Refer 20b) | Council<br>Equity<br>Interest | Minority<br>Interest | Total<br>Equity |
|--|----------|----------------------|-------------------------|-------------------------------|----------------------|-----------------|
| <b>2009</b>  |          |                      |                         |                               |                      |                 |
| <b>Opening Balance</b> (as per Last Year's Audited Accounts) |          | 911,624              | 33,365                  | 944,989                       | -                    | 944,989         |
| a. Correction of Prior Period Errors                         | 20 (c)   | -                    | -                       | -                             | -                    | -               |
| b. Changes in Accounting Policies (prior year effects)       | 20 (d)   | -                    | -                       | -                             | -                    | -               |
| <b>Revised Opening Balance</b> (as at 1/7/08)                |          | <b>911,624</b>       | <b>33,365</b>           | <b>944,989</b>                | <b>-</b>             | <b>944,989</b>  |
| <b>c. Net Operating Result for the Year</b>                  |          | <b>10,736</b>        | <b>-</b>                | <b>10,736</b>                 | <b>-</b>             | <b>10,736</b>   |
| d. Other Comprehensive Income                                |          |                      |                         |                               |                      |                 |
| - Revaluations : IPP&E Asset Revaluation Rsve                | 20b (ii) | -                    | -                       | -                             | -                    | -               |
| - Revaluations: Other Reserves                               | 20b (ii) | -                    | -                       | -                             | -                    | -               |
| - Transfers to Income Statement                              | 20b (ii) | -                    | -                       | -                             | -                    | -               |
| - Other Movements  | 20b (ii) | -                    | -                       | -                             | -                    | -               |
| <b>Other Comprehensive Income</b>                            |          | <b>-</b>             | <b>-</b>                | <b>-</b>                      | <b>-</b>             | <b>-</b>        |
| <b>Total Comprehensive Income</b> (c&d)                      |          | <b>10,736</b>        | <b>-</b>                | <b>10,736</b>                 | <b>-</b>             | <b>10,736</b>   |
| e. Distributions to/(Contributions from) Minority Interests  |          | -                    | -                       | -                             | -                    | -               |
| f. Transfers between Equity                                  |          | -                    | -                       | -                             | -                    | -               |
| <b>Equity - Balance at end of the reporting period</b>       |          | <b>922,360</b>       | <b>33,365</b>           | <b>955,725</b>                | <b>-</b>             | <b>955,725</b>  |

## City of Canada Bay

## Statement of Cash Flows

for the financial year ended 30 June 2010

| Budget<br>2010                              | \$ '000   | Notes | Actual<br>2010 | Actual<br>2009  |
|---|---|-------|----------------|-----------------|
| <b>Cash Flows from Operating Activities</b> |   |       |                |                 |
| <b>Receipts:</b>                            |   |       |                |                 |
| 36,887                                      | Rates & Annual Charges  |       | 37,490         | 34,782          |
| 6,084                                       | User Charges & Fees   |       | 10,409         | 7,383           |
| 735   | Investment & Interest Revenue Received                        |       | 905            | 1,161           |
| 9,350                                       | Grants & Contributions  |       | 10,666         | 10,161          |
| 3,679                                       | Other   |       | 2,027          | 3,108           |
| <b>Payments:</b>                            |   |       |                |                 |
| (22,454)                                    | Employee Benefits & On-Costs                                  |       | (22,791)       | (19,864)        |
| (17,573)                                    | Materials & Contracts   |       | (17,736)       | (20,345)        |
| (227)                                       | Borrowing Costs   |       | (178)          | (219)           |
| (6,803)                                     | Other   |       | (7,309)        | (5,979)         |
| <u>9,678</u>                                | <b>Net Cash provided (or used in) Operating Activities</b>    | 11b   | <u>13,483</u>  | <u>10,188</u>   |
| <b>Cash Flows from Investing Activities</b> |   |       |                |                 |
| <b>Receipts:</b>                            |   |       |                |                 |
| 500   | Sale of Investment Securities                                 |       | 500            | 2,500           |
| 750   | Sale of Investment Property                                   |       | 825            | -               |
| 1,103                                       | Sale of Infrastructure, Property, Plant & Equipment           |       | 1,393          | 817             |
| <b>Payments:</b>                            |   |       |                |                 |
| -   | Purchase of Investment Securities                             |       | -              | (501)           |
| (12,000)                                    | Purchase of Infrastructure, Property, Plant & Equipment       |       | (12,677)       | (14,087)        |
| <u>(9,647)</u>                              | <b>Net Cash provided (or used in) Investing Activities</b>    |       | <u>(9,959)</u> | <u>(11,271)</u> |
| <b>Cash Flows from Financing Activities</b> |   |       |                |                 |
| <b>Receipts:</b>                            |   |       |                |                 |
| Nil   |   |       |                |                 |
| <b>Payments:</b>                            |   |       |                |                 |
| (967)                                       | Repayment of Borrowings & Advances                            |       | (710)          | (739)           |
| <u>(967)</u>                                | <b>Net Cash Flow provided (used in) Financing Activities</b>  |       | <u>(710)</u>   | <u>(739)</u>    |
| <u>(936)</u>                                | <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b> |       | <u>2,814</u>   | <u>(1,822)</u>  |
| 13,060                                      | plus: <b>Cash &amp; Cash Equivalents - beginning of year</b>  | 11a   | 13,060         | 14,882          |
| <u>12,124</u>                               | <b>Cash &amp; Cash Equivalents - end of the year</b>          | 11a   | <u>15,874</u>  | <u>13,060</u>   |
| Additional Information:                     |   |       |                |                 |
|   | plus: <b>Investments on hand - end of year</b>                | 6b    | 1,613          | 1,974           |
|   | <b>Total Cash, Cash Equivalents &amp; Investments</b>         |       | <u>17,487</u>  | <u>15,034</u>   |

Please refer to Note 11 for additional cash flow information

# City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

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n/a - not applicable

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies

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

Under Australian Accounting Standards, 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,
- Urgent Issues Group Interpretations,
- the Local Government Act (1993) and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

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

Because Australian Accounting Standards (AASB's) 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.

Examples include;

- excluding Local Government from applying AASB 120 (IAS 20) for Grant Accounting and AASB 118 (IAS 18) for Segment Reporting, &
- different requirements on (a) Impairment of Assets relating to Not-For-Profit AASB 136 (IAS 36) and (b) AASB 116 (IAS 16) regarding accounting for the Revaluation of Assets.

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

Under the Local Government Act, 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 Australian Accounting Standards.

###### (iii) Basis of Accounting

These financial statements have been prepared under the **historical cost convention** except for (i) financial assets and liabilities at fair value through profit or loss, available-for-sale financial assets and investment properties which are all valued at fair value, (ii) the write down of any Asset on the basis of Impairment (if warranted) and (iii) certain classes of Infrastructure, property, plant & equipment that are accounted for at fair valuation.

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

###### (iv) Changes in Accounting Policies

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

Unless otherwise stated, there have also been no changes in accounting policies when compared with previous financial statements.

###### (v) Critical Accounting Estimates

The preparation of these financial statements requires the use of certain critical accounting estimates (in conformity with AASB's).

It also requires Council management to exercise their judgement in the process of applying Council's accounting policies.

###### (vi) Financial Statements Presentation

The Council has applied the revised **AASB 101, Presentation of Financial Statements** which became effective on 1 January 2009.

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

The revised standard requires the separate presentation of a statement of comprehensive income and a statement of changes in equity.

All non-owner changes in equity must now be presented in the statement of comprehensive income.

As a consequence, the Council had to change the presentation of its financial statements.

Comparative information has been re-presented so that it is also in conformity with the revised standard.

#### (b) Revenue recognition

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

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

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

Revenue is measured on major income categories as follows:

#### **Rates, Annual Charges, Grants and Contributions**

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

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

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

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

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

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

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

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

#### Sale of Infrastructure, Property, Plant and Equipment

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

#### Interest and Rents

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

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

#### (c) Principles of Consolidation

These financial statements incorporate (i) the assets and liabilities of Council and any entities (or operations) that it **controls** (as at 30/6/10) and (ii) all the related operating results (for the financial year ended the 30th June 2010).

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.

#### (i) The Consolidated Fund

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

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

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

- General Purpose Operations
- The (i) total income and expenditure from continuing operations and (ii) total income and expenditure from continuing operations Five Dock Leisure Centre managed by the Canada Bay Community Recreation 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 subject to Council's control have been included in these statements.

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

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

#### (iii) Joint Venture Entities

##### 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 are 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.

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

##### (iv) Associated Entities

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

Such entities are usually termed Associates.

##### (v) County Councils

Council is not a member of any County Councils.

##### (vi) Additional Information

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

##### (d) Leases

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

###### Finance Leases

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

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

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

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

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

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

###### Operating Leases

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

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

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

##### (e) Cash and Cash Equivalents

Cash and cash equivalents includes;

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

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

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) Financial assets at fair value through profit or loss

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

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

Derivatives are classified as held for trading unless they are designated as hedges.

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

##### (ii) Loans and receivables

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

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

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

##### (iii) Held-to-maturity investments

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

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

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

##### (iv) Available-for-sale financial assets

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

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

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

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

##### Financial Assets – Reclassification

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

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

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.

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

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.

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired.

If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the income statement.

Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

##### (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 Local Government Investment Order.

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

Council amended its policy following revisions to the Investment Order arising from the Cole Inquiry recommendations. Certain investments the 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.

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

##### (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.

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.

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

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 being progressively revalued to fair value in accordance with a staged implementation as advised by the Division of Local Government.

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

- **Investment Properties** – refer Note 1(p),
- **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)

The only remaining asset class that is to be revalued in a future reporting period is;

- **2010/11:** Community land, land improvements, other structures and other assets

Until the designated future reporting periods, the above remaining asset class is stated at cost (or deemed cost) less accumulated depreciation and any accumulated impairment losses.

##### Initial Recognition

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

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

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

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

##### Subsequent costs

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

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

##### Asset Revaluations (including Indexation)

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

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

- Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve.
- To the extent that the increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss.
- Decreases that reverse previous increases of the same asset 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.

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 | 100% Capitalised |

##### Plant & Equipment

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

##### Buildings & Land Improvements

|                            |            |
|----------------------------|------------|
| Park Furniture & Equipment | > \$10,000 |
|----------------------------|------------|

##### Building

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

|                  |            |
|------------------|------------|
| Other Structures | > \$10,000 |
|------------------|------------|

##### Stormwater Assets

|                   |            |
|-------------------|------------|
| Drains & Culverts | > \$10,000 |
| Other             | > \$10,000 |

##### Transport Assets

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

##### 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   | 80 to 100 years |
| - Culverts | 50 to 80 years  |

##### Transportation Assets

|                                |          |
|--------------------------------|----------|
| - Sealed Roads: Wearing Course | 20 years |
| - Sealed Roads: Road Base      | 50 years |
| - Unsealed roads               | 20 years |

##### Transportation Assets (continued)

|                        |             |
|------------------------|-------------|
| - Bridge: Concrete     | 80 years    |
| - Bridge: Other        | 30-50 years |
| - Kerb, Gutter & Paths | 50 years    |

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

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

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

##### IT Development and Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems.

Costs capitalised include external direct costs of materials and service, direct payroll and payroll related costs of employees' time spent on the project.

Amortisation is calculated on a straight line bases over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where Council has an intention and ability to use the asset.

#### (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 accounting treatment for Crown Reserves across both tiers of government.

#### (o) Investment property

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

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

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

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

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

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

#### **(p) Non-Current Assets (or Disposal Groups) "Held for Sale" & Discontinued Operations**

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

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

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

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

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

A Discontinued Operation is a component of the entity that has been disposed of or is classified as "held for sale" and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of

such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

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

#### **(q) 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.

For non-cash generating assets of Council such as roads, drains, and public buildings etc - value in use is represented by the "deprival value" of the asset which is approximated as it's written down replacement cost.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

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

#### **(r) 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.

#### **(s) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred.

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

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.

#### (t) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Council's outstanding borrowings during the year.

#### (u) Provisions

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

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

Provisions are not recognised for future operating losses.

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

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

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

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

#### (v) 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 (which is not expected to be settled within the 12 months after the reporting period) are recognised in the provision for employee benefits in respect of services provided by employees up to the reporting date.

Long Service Leave is measured at the present value of expected future payments to be made using the projected unit credit method.

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

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

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 5 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 5 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

#### (iii) Retirement benefit obligations

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

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

#### Defined Benefit Plans

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

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

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

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

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

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.

Accordingly, Council's contributions to the scheme for the current reporting year have been recognised as an expense and disclosed as part of Superannuation Expenses at Note 4(a).

The Local Government Superannuation Scheme has advised member councils that, as a result of the global financial crisis, it has a significant deficiency of assets over liabilities amounting to around \$286 million at 30 June 2010.

As a result, they have asked for significant increases in future contributions to recover that deficiency.

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

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

the future payment of certain Leave Liabilities accrued as at 30/6/10.

#### (w) Self insurance

A provision for self-insurance has been made to recognise outstanding claims the amount of which is detailed in Note10.

#### (x) Allocation between current and non-current assets & liabilities

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

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

#### Exceptions

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

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

#### (y) 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).

Council's associated entity, the Canada Bay Community Recreation Association is also subject to Payroll Tax.

#### 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.

#### (z) New accounting standards and UIG interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2010.

**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 and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (effective from 1 January 2013)***

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

AASB 9 Financial Instruments addresses the classification and measurement of financial assets and is likely to affect Council's accounting for its financial assets.

The standard is not applicable until 1 January 2013 but is available for early adoption.

Council is yet to assess its full impact.

However, initial indications are that it may affect 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.

**Applicable to Local Government but no implications for Council;**

***AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash-Settled Share-based Payment Transactions [AASB 2] (effective from 1 January 2010)***

The amendments made by the AASB to AASB 2 confirm that an entity receiving goods or services in a group share-based payment arrangement must recognise an expense for those goods or services regardless of which entity in the group settles the transaction or whether the transaction is settled in shares or cash.

They also clarify how the group share-based payment arrangement should be measured, that is, whether it is measured as an equity- or a cash-settled transaction.

***AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB 132] (effective from 1 February 2010)***

In October 2009 the AASB issued an amendment to AASB 132 Financial Instruments: Presentation which addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer.

Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities.

The amendment must be applied retrospectively in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

***AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement (effective from 1 January 2011)***

In December 2009, the AASB made an amendment to Interpretation 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

The amendment removes an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity's defined benefit scheme.

It permits entities to recognise an asset for a prepayment of contributions made to cover minimum funding requirements.

Council does not make any such prepayments. The amendment is therefore not expected to have any impact on Council.

***AASB Interpretation 19 Extinguishing financial liabilities with equity instruments and AASB 2009-13 Amendments to Australian Accounting Standards arising from Interpretation 19 (effective from 1 July 2010)***

AASB Interpretation 19 clarifies the accounting when an entity renegotiates the terms of its debt with the result that the liability is extinguished by the debtor issuing its own equity instruments to the creditor (debt for equity swap).

It requires a gain or loss to be recognised in profit or loss which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 1. Summary of Significant Accounting Policies (continued)

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

None

##### **Not applicable to Local Government per se;**

##### ***Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards (effective from 1 January 2011)***

In December 2009 the AASB issued a revised AASB 124 Related Party Disclosures. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively.

The amendment removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies and simplifies the definition of a related party.

##### **(aa) Rounding of amounts**

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

##### **(ab) 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.

##### **(ac) Disclaimer**

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

# City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

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

| Functions/Activities                               | Income, Expenses and Assets have been directly attributed to the following Functions / Activities.<br>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 2010   | Actual 2010   | Actual 2009   | Original Budget 2010                | Actual 2010   | Actual 2009   | Original Budget 2010                        | Actual 2010     | Actual 2009     | Actual 2010  | Actual 2009  | Actual 2010                               | Actual 2009    |
|  |  |               |               |                                     |               |               |   |                 |                 |  |              |   |                |
| Governance   | -  | -             | 31            | 1,971                               | -             | 2,129         | (1,971)                                     | -               | (2,098)         | -  | 10           | 332                                       | 330            |
| Administration                                     | 3,348  | 10,129        | 13,138        | 16,002                              | 17,686        | 15,749        | (12,654)                                    | (7,557)         | (2,611)         | -  | 36           | 46,535                                    | 43,833         |
| Public Order & Safety                              | 1,109  | 1,148         | 1,067         | 2,238                               | 2,242         | 2,129         | (1,129)                                     | (1,094)         | (1,062)         | -  | -            | 244                                       | 243            |
| Health   | 144  | 111           | 68            | 777                                 | 887           | 237           | (633)                                       | (776)           | (169)           | -  | -            | 127                                       | 126            |
| Environment  | -  | 10,399        | -             | -                                   | 11,032        | -             | -   | (633)           | -               | 228  | -            | -   | -              |
| Community Services & Education                     | 1,634  | 1,595         | 1,558         | 2,383                               | 2,289         | 2,158         | (749)                                       | (694)           | (600)           | 357  | 393          | 7,510                                     | 7,510          |
| Housing & Community Amenities                      | 11,158   | 1,117         | 10,941        | 15,326                              | 4,932         | 13,961        | (4,168)                                     | (3,815)         | (3,020)         | 163  | 994          | 90,596                                    | 90,587         |
| Recreation & Culture                               | 6,546  | 7,804         | 5,475         | 7,256                               | 9,464         | 6,749         | (710)                                       | (1,660)         | (1,274)         | 2,669  | 2,930        | 680,190                                   | 680,180        |
| Mining, Manufacturing & Construction               | 265  | 468           | 274           | 1,204                               | 1,140         | 1,860         | (939)                                       | (672)           | (1,586)         | -  | -            | 393                                       | 374            |
| Transport & Communication                          | 1,317  | 10,637        | 2,359         | 7,912                               | 7,523         | 7,629         | (6,595)                                     | 3,114           | (5,270)         | 449  | 560          | 1,156,802                                 | 152,076        |
| Economic Affairs                                   | 727  | 2,067         | 1,060         | 588                                 | 1,768         | 872           | 139   | 299             | 188             | -  | -            | 21  | 20             |
| <b>Total Functions &amp; Activities</b>            | <b>26,248</b>  | <b>45,475</b> | <b>35,971</b> | <b>55,657</b>                       | <b>58,963</b> | <b>53,473</b> | <b>(29,409)</b>                             | <b>(13,488)</b> | <b>(17,502)</b> | <b>3,866</b>   | <b>4,923</b> | <b>1,982,750</b>                          | <b>975,279</b> |
| General Purpose Income <sup>1</sup>                | 29,487   | 30,189        | 28,238        | -                                   | -             | -             | 29,487                                      | 30,189          | 28,238          | 2,268  | 2,658        | -   | -              |
| <b>Operating Result from Continuing Operations</b> | <b>55,735</b>  | <b>75,664</b> | <b>64,209</b> | <b>55,657</b>                       | <b>58,963</b> | <b>53,473</b> | <b>78</b>                                   | <b>16,701</b>   | <b>10,736</b>   | <b>6,134</b>   | <b>7,581</b> | <b>1,982,750</b>                          | <b>975,279</b> |

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

## City of Canada Bay

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### 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, together with related administration costs.

##### **ADMINISTRATION**

Costs not otherwise attributed to other functions / activities.

##### **PUBLIC ORDER & SAFETY**

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

##### **HEALTH**

Administration and inspection, immunisations, food control, insect/vermin control, noxious plants, health centres, other.

##### **COMMUNITY SERVICES & EDUCATION**

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

##### **HOUSING & COMMUNITY AMENITIES**

Housing, town planning, domestic waste management services, other waste management services, street cleaning, other sanitation and garbage, urban stormwater drainage, environmental protection, public cemeteries, public conveniences, other community amenities.

##### **WATER SUPPLIES**

##### **SEWERAGE SERVICES**

##### **RECREATION & CULTURE**

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

##### **FUEL & ENERGY - Gas Supplies**

##### **MINING, MANUFACTURING & CONSTRUCTION**

Building control, abattoirs, quarries and pits, other.

##### **TRANSPORT & COMMUNICATION**

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

##### **ECONOMIC AFFAIRS**

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

## City of Canada Bay

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 3. Income from Continuing Operations

| \$ '000   | Notes | Actual<br>2010 | Actual<br>2009 |
|---|-------|----------------|----------------|
| <b>(a). Rates &amp; Annual Charges</b>            |       |                |                |
| <b>Ordinary Rates</b>                             |       |                |                |
| Residential                                       |       | 23,005         | 21,590         |
| Business  |       | 4,087          | 3,990          |
| <b>Total Ordinary Rates</b>                       |       | <b>27,092</b>  | <b>25,580</b>  |
| <b>Special Rates</b>                              |       |                |                |
| Sustainable City Levy                             |       | 703            | 678            |
| <b>Total Special Rates</b>                        |       | <b>703</b>     | <b>678</b>     |
| <b>Annual Charges</b> (pursuant to s.496 & s.501) |       |                |                |
| Domestic Waste Management Services                |       | 9,135          | 7,914          |
| Stormwater Management Services                    |       | 653            | 644            |
| <b>Total Annual Charges</b>                       |       | <b>9,788</b>   | <b>8,558</b>   |
| <b>TOTAL RATES &amp; ANNUAL CHARGES</b>           |       | <b>37,583</b>  | <b>34,816</b>  |

Council has used 2006 year valuations provided by the NSW Valuer General in calculating its rates.

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 3. Income from Continuing Operations (continued)

| \$ '000   | Notes | Actual<br>2010 | Actual<br>2009 |
|---|-------|----------------|----------------|
| <b>(b). User Charges &amp; Fees</b>   |       |                |                |
| <b>Specific User Charges</b> (per s.502 - Specific "actual use" charges)                    |       |                |                |
| Waste Management Services (non-domestic)  |       | 451            | 424            |
| <b>Total User Charges</b>   |       | <b>451</b>     | <b>424</b>     |
| <b>Other User Charges &amp; Fees</b>  |       |                |                |
| <b>(i) Fees &amp; Charges - Statutory &amp; Regulatory Functions</b> (per s608, 610A & 611) |       |                |                |
| Building Regulation   |       | 363            | 269            |
| Planning & Building Regulation  |       | 666            | 890            |
| Private Works   |       | 1,387          | 635            |
| Registration Fees   |       | 28             | 20             |
| Section 149 Certificates (EPA Act)  |       | 188            | 170            |
| Section 603 Certificates  |       | 135            | 105            |
| Section 611 Charges   |       | 43             | 42             |
| <b>Total Fees &amp; Charges - Statutory/Regulatory</b>                                      |       | <b>2,810</b>   | <b>2,131</b>   |
| <b>(ii) Fees &amp; Charges - Other (incl. General User Charges</b> (per s.610C))            |       |                |                |
| Admission & Service Fees  |       | 719            | 655            |
| Aged Care   |       | 109            | 92             |
| Child Care  |       | 1,036          | 956            |
| Golf Course Fees  |       | 1,519          | 1,388          |
| Halls & Meeting Rooms   |       | 178            | 162            |
| Leaseback Fees - Council Vehicles   |       | 274            | 270            |
| Leisure Centre  |       | 2,188          | 50             |
| Library   |       | 28             | 45             |
| Park Rents  |       | 260            | 315            |
| Parking Fees  |       | 125            | 89             |
| Restoration Charges   |       | 775            | 827            |
| Grant of Easement   |       | 85             | -              |
| <b>Total Fees &amp; Charges - Other</b>   |       | <b>7,296</b>   | <b>4,849</b>   |
| <b>TOTAL USER CHARGES &amp; FEES</b>  |       | <b>10,557</b>  | <b>7,404</b>   |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 3. Income from Continuing Operations (continued)

| \$ '000   | Notes | Actual<br>2010      | Actual<br>2009      |
|---|-------|---------------------|---------------------|
| <b>(c). Interest &amp; Investment Revenue (incl. losses)</b>          |       |                     |                     |
| <b>Interest &amp; Dividends</b>                                       |       |                     |                     |
| - Interest on Overdue Rates & Annual Charges                          |       | 81                  | 83                  |
| - Interest earned on Investments (interest & coupon payment income)   |       | 900                 | 1,009               |
| <b>Fair Value Adjustments</b>   |       |                     |                     |
| - Fair Valuation movements in Investments (at FV or Held for Trading) |       | 139                 | (1,237)             |
| <b><u>TOTAL INTEREST &amp; INVESTMENT REVENUE</u></b>                 |       | <b><u>1,120</u></b> | <b><u>(145)</u></b> |
| <b>Interest Revenue is attributable to:</b>                           |       |                     |                     |
| <b>Unrestricted Investments/Financial Assets:</b>                     |       |                     |                     |
| Overdue Rates & Annual Charges  |       | 81                  | 83                  |
| General Council Cash & Investments                                    |       | 829                 | (276)               |
| <b>Restricted Investments/Funds - External:</b>                       |       |                     |                     |
| Development Contributions   |       | 145                 | -                   |
| RCCIP Grant - Drummoyne Oval  |       | 65                  | -                   |
| <b>Restricted Investments/Funds - Internal:</b>                       |       |                     |                     |
| Internally Restricted Assets  |       | -                   | 48                  |
| <b><u>Total Interest &amp; Investment Revenue Recognised</u></b>      |       | <b><u>1,120</u></b> | <b><u>(145)</u></b> |
| <b>(d). Other Revenues</b>  |       |                     |                     |
| Fair Value Adjustments - Investment Properties                        | 14    | 480                 | -                   |
| Rental Income - Investment Properties                                 | 14    | 227                 | 259                 |
| Rental Income - Other Council Properties                              |       | 1,884               | 1,835               |
| Fines (Building Compliance)   |       | 99                  | -                   |
| Parking Fines   |       | 1,039               | 989                 |
| Other Fines   |       | -                   | 27                  |
| Legal Fees Recovery - Rates & Charges (Extra Charges)                 |       | 116                 | 86                  |
| Legal Fees Recovery - Other   |       | 4                   | 84                  |
| Commissions & Agency Fees   |       | 7                   | 6                   |
| Diesel Rebate   |       | 12                  | 19                  |
| Sale of Abandoned Vehicles  |       | 8                   | 16                  |
| Sales - General   |       | 11                  | 3                   |
| Sponsorships  |       | 28                  | 56                  |
| Waste Management Performance Bonus                                    |       | 273                 | 169                 |
| Other   |       | 76                  | 20                  |
| <b><u>TOTAL OTHER REVENUE</u></b>                                     |       | <b><u>4,264</u></b> | <b><u>3,569</u></b> |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 3. Income from Continuing Operations (continued)

| \$ '000   | 2010<br>Operating | 2009<br>Operating | 2010<br>Capital | 2009<br>Capital |
|---|-------------------|-------------------|-----------------|-----------------|
| <b>(e). Grants</b>                              |                   |                   |                 |                 |
| <b>General Purpose (Untied)</b>                 |                   |                   |                 |                 |
| Financial Assistance                            | 1,856             | 2,238             | -               | -               |
| Pensioners' Rates Subsidies - General Component | 412               | 420               | -               | -               |
| <b>Total General Purpose</b>                    | <b>2,268</b>      | <b>2,658</b>      | <b>-</b>        | <b>-</b>        |
| <b>Specific Purpose</b>                         |                   |                   |                 |                 |
| Pensioners' Rates Subsidies:                    |                   |                   |                 |                 |
| - Domestic Waste Management                     | 144               | 134               | -               | -               |
| Aged Care                                       | 1                 | 1                 | -               | -               |
| Community Care                                  | 340               | 388               | -               | -               |
| Employment & Training Programs                  | 16                | 40                | -               | -               |
| Environmental Projects                          | 89                | 92                | 139             | 442             |
| Heritage & Cultural                             | 19                | -                 | -               | -               |
| Library   | 197               | 188               | 89              | 20              |
| Planning / Building                             | -                 | 33                | -               | -               |
| Recreation & Culture                            | -                 | -                 | 50              | -               |
| Sport & Recreation                              | -                 | -                 | 2,333           | 3,015           |
| Street Lighting                                 | 146               | 142               | -               | -               |
| Traffic Route Subsidy                           | 34                | 49                | -               | -               |
| Transport (Roads to Recovery)                   | -                 | -                 | 269             | 169             |
| Transport (Other Roads & Bridges Funding)       | -                 | -                 | -               | 200             |
| Other   | -                 | 10                | -               | -               |
| <b>Total Specific Purpose</b>                   | <b>986</b>        | <b>1,077</b>      | <b>2,880</b>    | <b>3,846</b>    |
| <b>Total Grants</b>                             | <b>3,254</b>      | <b>3,735</b>      | <b>2,880</b>    | <b>3,846</b>    |
| <b>Grant Revenue is attributable to:</b>        |                   |                   |                 |                 |
| - Commonwealth Funding                          | 2,030             | 2,278             | 2,242           | 3,123           |
| - State Funding                                 | 1,224             | 1,457             | 638             | 723             |
|   | <b>3,254</b>      | <b>3,735</b>      | <b>2,880</b>    | <b>3,846</b>    |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 3. Income from Continuing Operations (continued)

| \$ '000   | 2010<br>Operating | 2009<br>Operating | 2010<br>Capital | 2009<br>Capital |
|---|-------------------|-------------------|-----------------|-----------------|
| <b>(f). Contributions</b>                                     |                   |                   |                 |                 |
| <b>Developer Contributions:</b>                               |                   |                   |                 |                 |
| <b>(s93 &amp; s94 - EP&amp;A Act, s64 of the NSW LG Act):</b> |                   |                   |                 |                 |
| S 93F - Contributions using Planning Agreements               | -                 | -                 | 3,338           | 8,065           |
| S 94 - Contributions towards amenities/services               | -                 | -                 | 289             | 298             |
| S 94A - Fixed Development Consent Levies                      | -                 | -                 | 1,735           | 1,288           |
| <b>Total Developer Contributions</b>                          | <b>17</b>         | <b>-</b>          | <b>5,362</b>    | <b>9,651</b>    |
| <b>Other Contributions:</b>                                   |                   |                   |                 |                 |
| Recreation & Culture  | -                 | -                 | 625             | 281             |
| RTA Contributions (Regional/Local, Block Grant)               | 458               | 701               | -               | 32              |
| Leisure Centre Assets Transfer                                | 129               | -                 | -               | -               |
| Transport Planning Contribution                               | 72                | -                 | -               | -               |
| Insurance Incentive Scheme Contribution                       | 83                | -                 | -               | -               |
| Rhodes Peninsula Dedication of Land under Roads               | -                 | -                 | 8,650           | -               |
| Other   | 36                | 122               | -               | -               |
| <b>Total Other Contributions</b>                              | <b>778</b>        | <b>823</b>        | <b>9,275</b>    | <b>313</b>      |
| <b>Total Contributions</b>                                    | <b>778</b>        | <b>823</b>        | <b>14,637</b>   | <b>9,964</b>    |
| <b>TOTAL GRANTS &amp; CONTRIBUTIONS</b>                       | <b>4,032</b>      | <b>4,558</b>      | <b>17,517</b>   | <b>13,810</b>   |

| \$ '000  | Actual<br>2010 | Actual<br>2009 |
|--|----------------|----------------|
| <b>(g). Restrictions relating to Grants and Contributions</b>  |                |                |
| <b>Certain grants &amp; contributions are obtained by Council on condition that they be spent in a specified manner:</b> |                |                |
| Unexpended at the Close of the Previous Reporting Period   | 8,080          | 7,329          |
| <b>add:</b> Grants & contributions recognised in the current period not yet spent:                                       | 4,303          | 5,865          |
| <b>less:</b> Grants & contributions recognised in a previous reporting period - now spent                                | (6,125)        | (5,114)        |
| <b>Net Increase (Decrease) in Restricted Assets - Current Reporting Period</b>   | <b>(1,822)</b> | <b>751</b>     |
| <b>Unexpended at the Close of this Reporting Period</b> (held as Restricted Assets)                                      | <b>6,258</b>   | <b>8,080</b>   |
| <b>Comprising:</b>   |                |                |
| - Specific Purpose Unexpended Grants   | 3,352          | 5,682          |
| - Developer Contributions  | 2,906          | 2,304          |
| - Other Contributions  | -              | 94             |
|  | <b>6,258</b>   | <b>8,080</b>   |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 4. Expenses from Continuing Operations

| \$ '000  | Notes | Actual<br>2010 | Actual<br>2009 |
|--|-------|----------------|----------------|
| <b>(a) Employee Benefits &amp; On-Costs</b>                              |       |                |                |
| Salaries and Wages   |       | 18,282         | 16,226         |
| Travelling   |       | 20             | 18             |
| Employee Leave Entitlements (ELE)  |       | 2,181          | 2,173          |
| Superannuation - Defined Contribution Plans                              |       | 1,448          | 1,248          |
| Superannuation - Defined Benefit Plans                                   |       | 835            | 419            |
| Workers' Compensation Insurance  |       | 677            | 746            |
| Fringe Benefit Tax (FBT)   |       | 124            | 109            |
| Payroll Tax  |       | 39             | -              |
| Training Costs (other than Salaries & Wages)                             |       | 165            | 202            |
| Protective Clothing  |       | 57             | 52             |
| Maternity Leave  |       | 46             | 13             |
| Other  |       | 139            | 8              |
| <b>Total Employee Costs</b>  |       | <b>24,013</b>  | <b>21,214</b>  |
| less: Capitalised Costs  |       | (516)          | (514)          |
| <b>TOTAL EMPLOYEE COSTS EXPENSED</b>                                     |       | <b>23,497</b>  | <b>20,700</b>  |
| <br>   |       |                |                |
| Number of "Equivalent Full Time" Employees at year end                   |       | 295            | 298            |
| Number of "Equivalent Full Time" Employees at year end (incl. vacancies) |       | 311            | 310            |
| <br>   |       |                |                |
| <b>(b) Borrowing Costs</b>   |       |                |                |
| <b>(i) Interest Bearing Liability Costs</b>                              |       |                |                |
| Interest on Loans  |       | 178            | 219            |
| <b>Total Interest Bearing Liability Costs Expensed</b>                   |       | <b>178</b>     | <b>219</b>     |
| <br>   |       |                |                |
| <b>(ii) Other Borrowing Costs</b>  |       |                |                |
| Nil  |       |                |                |
| <b>TOTAL BORROWING COSTS EXPENSED</b>                                    |       | <b>178</b>     | <b>219</b>     |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 4. Expenses from Continuing Operations (continued)

| \$ '000   | Notes | Actual<br>2010 | Actual<br>2009 |
|---|-------|----------------|----------------|
| <b>(c) Materials &amp; Contracts</b>                            |       |                |                |
| Raw Materials & Consumables                                     |       | 2,624          | 2,295          |
| Contractor & Consultancy Costs                                  |       |                |                |
| - Waste Management  |       | 7,070          | 6,505          |
| - Information Technology  |       | 472            | 482            |
| - Cleaning  |       | 298            | 305            |
| - Swimming Pool Management                                      |       | 277            | 176            |
| - Golf Course Management  |       | 213            | 206            |
| - Rate Payment Agencies   |       | 111            | 102            |
| - Leisure Centre Memberships Payment Agency                     |       | 42             | -              |
| - Other Contractor & Consultancy Costs                          |       | 6,824          | 5,840          |
| Auditors Remuneration   |       |                |                |
| i. Audit Services - Council's Auditor                           |       | 43             | 40             |
| Infringement Notice Contract Costs (SEINS)                      |       | 161            | 143            |
| Legal Expenses:   |       |                |                |
| - Legal Expenses - Planning & Development                       |       | 180            | 402            |
| - Legal Expenses - Other  |       | 223            | 248            |
| - Legal Expenses - Debt Recovery                                |       | 97             | 83             |
| Operating Leases:   |       |                |                |
| Operating Lease Rentals - Minimum Lease Payments <sup>(1)</sup> |       | 848            | 506            |
| Other   |       | 20             | -              |
| <b>Total Materials &amp; Contracts</b>                          |       | <b>19,503</b>  | <b>17,333</b>  |
| less: Capitalised Costs   |       | -              | -              |
| <b>TOTAL MATERIALS &amp; CONTRACTS</b>                          |       | <b>19,503</b>  | <b>17,333</b>  |
| <b>1. Operating Lease Payments are attributable to:</b>         |       |                |                |
| - Computers   |       | -              | 506            |
| - Other   |       | 848            | -              |
|   |       | <b>848</b>     | <b>506</b>     |

## City of Canada Bay

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 4. Expenses from Continuing Operations (continued)

| \$ '000   | Notes | Impairment Costs |                | Depreciation/Amortisation |                |
|---|-------|------------------|----------------|---------------------------|----------------|
|   |       | Actual<br>2010   | Actual<br>2009 | Actual<br>2010            | Actual<br>2009 |
| Plant and Equipment   |       | -                | -              | 605                       | 647            |
| Office Equipment  |       | -                | -              | 272                       | 245            |
| Furniture & Fittings  |       | -                | -              | 95                        | 77             |
| Land Improvements (depreciable)                               |       | -                | -              | 607                       | 456            |
| Buildings - Non Specialised                                   |       | -                | -              | 1,593                     | 1,412          |
| Buildings - Specialised                                       |       | -                | -              | 185                       | 186            |
| Other Structures  |       | -                | -              | 474                       | 472            |
| Infrastructure:   |       |                  |                |                           |                |
| - Roads, Bridges & Footpaths                                  |       | -                | -              | 3,326                     | 3,264          |
| - Stormwater Drainage   |       | -                | -              | 884                       | 879            |
| Other Assets  |       |                  |                |                           |                |
| - Library Books   |       | -                | -              | 350                       | 319            |
| - Other   |       | -                | -              | 80                        | 23             |
| <b>Total Depreciation &amp; Impairment Costs</b>              |       | <b>-</b>         | <b>-</b>       | <b>8,471</b>              | <b>7,980</b>   |
| less: Capitalised Costs                                       |       | -                | -              | -                         | -              |
| less: Impairments offset in ARR (Equity)                      | 9a    | -                | -              | -                         | -              |
| <b>TOTAL DEPRECIATION &amp;<br/>IMPAIRMENT COSTS EXPENSED</b> |       | <b>-</b>         | <b>-</b>       | <b>8,471</b>              | <b>7,980</b>   |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 4. Expenses from Continuing Operations (continued)

| \$ '000  | Notes | Actual<br>2010 | Actual<br>2009 |
|--|-------|----------------|----------------|
| <b>(e) Other Expenses</b>  |       |                |                |
| Other Expenses for the year include the following:                 |       |                |                |
| Advertising  |       | 190            | 187            |
| Agency Personnel   |       | 208            | 272            |
| Bad & Doubtful Debts   |       | 155            | 130            |
| Bank Charges   |       | 46             | 42             |
| Child Care - Parent Fees   |       | 98             | 136            |
| Contributions/Levies to Other Levels of Government                 |       |                |                |
| - NSW Fire Brigade Levy  |       | 1,171          | 1,165          |
| - Department of Planning Levy                                      |       | 137            | 134            |
| - Emergency Services Levy  |       | 56             | -              |
| - Other Contributions/Levies                                       |       | 1              | -              |
| Councillor Expenses - Mayoral Fee                                  |       | 34             | 32             |
| Councillor Expenses - Councillors' Fees                            |       | 139            | 135            |
| Councillors' Expenses (incl. Mayor) - Other (excluding fees above) |       | 7              | 5              |
| Donations, Contributions & Assistance to other organisations       |       |                |                |
| - Meals on Wheels Volunteers                                       |       | 8              | 7              |
| - Other Donations, Contributions & Assistance                      |       | 226            | 239            |
| Election Expenses  |       | -              | 270            |
| Electricity & Heating  |       | 491            | 333            |
| Fuel & Oil   |       | 479            | 531            |
| Insurance - Premiums   |       | 971            | 792            |
| Insurance - Excess   |       | 153            | 199            |
| Motor Vehicle Registrations  |       | 76             | 72             |
| Postage  |       | 115            | 125            |
| Printing & Stationery  |       | 155            | 155            |
| Strata Levies  | 14    | 38             | 45             |
| Street Lighting  |       | 875            | 787            |
| Subscriptions & Publications                                       |       | 181            | 165            |
| Telephone & Communications   |       | 313            | 406            |
| Valuation Fees   |       | 110            | 90             |
| Water  |       | 255            | 259            |
| Workcover  |       | 140            | -              |
| Other  |       | 486            | 383            |
| <b>Total Other Expenses</b>  |       | <b>7,314</b>   | <b>7,096</b>   |
| <b>TOTAL OTHER EXPENSES</b>  |       | <b>7,314</b>   | <b>7,096</b>   |

## City of Canada Bay

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 5. Gains or Losses from the Disposal of Assets

| \$ '000   | Notes | Actual<br>2010 | Actual<br>2009 |
|---|-------|----------------|----------------|
| <b>Property</b> (excl. Investment Property)               |       |                |                |
| Proceeds from Disposal                                    |       | 300            | -              |
| less: Carrying Amount of Property Assets Sold             |       | (212)          | -              |
| <b>Net Gain/(Loss) on Disposal</b>                        |       | <b>88</b>      | <b>-</b>       |
| <b>Plant &amp; Equipment</b>                              |       |                |                |
| Proceeds from Disposal                                    |       | 1,093          | 817            |
| less: Carrying Amount of P&E Assets Sold                  |       | (915)          | (765)          |
| <b>Net Gain/(Loss) on Disposal</b>                        |       | <b>178</b>     | <b>52</b>      |
| <b>Investment Properties</b>                              |       |                |                |
| Proceeds from Disposal                                    |       | 825            | -              |
| less: Carrying Amount of Investment Properties Sold       |       | (500)          | -              |
| <b>Net Gain/(Loss) on Disposal</b>                        |       | <b>325</b>     | <b>-</b>       |
| <b>Financial Assets*</b>                                  |       |                |                |
| Proceeds from Disposal                                    |       | 500            | 2,500          |
| less: Carrying Amount of Financial Assets Sold / Redeemed |       | (500)          | (2,500)        |
| <b>Net Gain/(Loss) on Disposal</b>                        |       | <b>-</b>       | <b>-</b>       |
| <b>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</b>              |       | <b>591</b>     | <b>52</b>      |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 6a. - Cash Assets and Note 6b. - Investment Securities

| \$ '000  | Notes | 2010<br>Actual<br>Current | 2010<br>Actual<br>Non Current | 2009<br>Actual<br>Current | 2009<br>Actual<br>Non Current |
|--|-------|---------------------------|-------------------------------|---------------------------|-------------------------------|
| <b>Cash &amp; Cash Equivalents (Note 6a)</b>                     |       |                           |                               |                           |                               |
| Cash on Hand and at Bank   |       | 675                       | -                             | 1,751                     | -                             |
| Cash-Equivalent Assets <sup>1</sup>                              |       |                           |                               |                           |                               |
| - Deposits at Call   |       | 3,402                     | -                             | 1,148                     | -                             |
| - Short Term Deposits  |       | 11,797                    | -                             | 10,161                    | -                             |
| <b>Total Cash &amp; Cash Equivalents</b>                         |       | <b>15,874</b>             | <b>-</b>                      | <b>13,060</b>             | <b>-</b>                      |
| <b>Investment Securities (Note 6b)</b>                           |       |                           |                               |                           |                               |
| - Equity Linked Notes  |       | 862                       | -                             | 780                       | -                             |
| - NCD's, FRN's (with Maturities > 3 months)                      |       | -                         | 500                           | -                         | 943                           |
| - CDO's  |       | 251                       | -                             | 251                       | -                             |
| <b>Total Investment Securities</b>                               |       | <b>1,113</b>              | <b>500</b>                    | <b>1,031</b>              | <b>943</b>                    |
| <b>TOTAL CASH ASSETS, CASH<br/>EQUIVALENTS &amp; INVESTMENTS</b> |       | <b>16,987</b>             | <b>500</b>                    | <b>14,091</b>             | <b>943</b>                    |

<sup>1</sup> 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" | <b>15,874</b> | <b>-</b> | <b>13,060</b> | <b>-</b> |
|--|---------------|----------|---------------|----------|

**Investments**

|  |        |              |            |              |            |
|--|--------|--------------|------------|--------------|------------|
| a. "At Fair Value through the Profit & Loss" |        |              |            |              |            |
| - "Held for Trading"                         | 6(b-i) | 1,113        | 500        | 1,031        | 943        |
| <b>Investments</b>                           |        | <b>1,113</b> | <b>500</b> | <b>1,031</b> | <b>943</b> |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 6b. Investments (continued)

| \$ '000  | 2010<br>Actual<br>Current | 2010<br>Actual<br>Non Current | 2009<br>Actual<br>Current | 2009<br>Actual<br>Non Current |
|--|---------------------------|-------------------------------|---------------------------|-------------------------------|
| <b>Note 6(b-i)</b>   |                           |                               |                           |                               |
| <b>Reconciliation of Investments classified as<br/>"At Fair Value through the Profit &amp; Loss"</b> |                           |                               |                           |                               |
| Balance at the Beginning of the Year   | 1,031                     | 943                           | 3,064                     | 2,146                         |
| Revaluations (through the Income Statement)  | 82                        | 57                            | (1,261)                   | 24                            |
| Additions  | -                         | -                             | -                         | 500                           |
| Disposals (sales & redemptions)  | -                         | (500)                         | (772)                     | (1,728)                       |
| Transfers between Current/Non Current  | -                         | -                             | -                         | 1                             |
| <b>Balance at End of Year</b>  | <b>1,113</b>              | <b>500</b>                    | <b>1,031</b>              | <b>943</b>                    |
| <b>Comprising:</b>   |                           |                               |                           |                               |
| - Equity Linked Notes  | 862                       | -                             | 780                       | -                             |
| - NCD's, FRN's (with Maturities > 3 months)  | -                         | 500                           | -                         | 943                           |
| - CDO's  | 251                       | -                             | 251                       | -                             |
| <b>Total</b>   | <b>1,113</b>              | <b>500</b>                    | <b>1,031</b>              | <b>943</b>                    |

**Note 6(b-ii)****Reconciliation of Investments  
classified as "Held to Maturity"**

Nil

**Note 6(b-iii)****Reconciliation of Investments  
classified as "Loans & Receivables"**

Nil

**Note 6(b-iv)****Reconciliation of Investments  
classified as "Available for Sale"**

Nil

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 6c. Restricted Cash, Cash Equivalents &amp; Investments

| \$ '000   | 2010              | 2010                  | 2009              | 2009                  |
|---|-------------------|-----------------------|-------------------|-----------------------|
|   | Actual<br>Current | Actual<br>Non Current | Actual<br>Current | Actual<br>Non Current |
| <b>Total Cash, Cash Equivalents and Investment Securities</b> | <b>16,987</b>     | <b>500</b>            | <b>14,091</b>     | <b>943</b>            |
| <b>attributable to:</b>                                       |                   |                       |                   |                       |
| External Restrictions (refer below)                           | 7,614             | 500                   | 8,538             | 943                   |
| Internal Restrictions (refer below)                           | 4,229             | -                     | 2,573             | -                     |
| Unrestricted  | 5,144             | -                     | 2,980             | -                     |
|   | <b>16,987</b>     | <b>500</b>            | <b>14,091</b>     | <b>943</b>            |

| 2010<br>\$ '000 | Opening<br>Balance | Transfers to<br>Restrictions | Transfers from<br>Restrictions | Closing<br>Balance |
|-----------------|--------------------|------------------------------|--------------------------------|--------------------|
|-----------------|--------------------|------------------------------|--------------------------------|--------------------|

## Details of Restrictions

## External Restrictions - Included in Liabilities

Nil

## External Restrictions - Other

|  |              |              |                |              |
|--|--------------|--------------|----------------|--------------|
| Developer Contributions - General (D)  | 2,304        | 3,427        | (2,825)        | 2,906        |
| RTA Contributions (E)                  | 94           | -            | (94)           | -            |
| Specific Purpose Unexpended Grants (F) | 5,682        | -            | (2,330)        | 3,352        |
| Domestic Waste Management (G)          | 792          | 512          |                | 1,304        |
| Stormwater Management (G)              | 171          | 653          | (697)          | 127          |
| Sustainability Levy (G)                | 438          | 702          | (715)          | 425          |
| <b>External Restrictions - Other</b>   | <b>9,481</b> | <b>5,294</b> | <b>(6,661)</b> | <b>8,114</b> |
| <b>Total External Restrictions</b>     | <b>9,481</b> | <b>5,294</b> | <b>(6,661)</b> | <b>8,114</b> |

- D** Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).
- E** RTA Contributions which are not yet expended for the provision of services and amenities in accordance with those contributions.
- 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.

## City of Canada Bay

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 6c. Restricted Cash, Cash Equivalents &amp; Investments (continued)

| 2010<br>\$ '000                    | Opening<br>Balance | Transfers to<br>Restrictions | Transfers from<br>Restrictions | Closing<br>Balance |
|------------------------------------|--------------------|------------------------------|--------------------------------|--------------------|
| <b>Internal Restrictions</b>       |                    |                              |                                |                    |
| Plant & Vehicle Replacement        | 710                | -                            | -                              | 710                |
| Bus Reserve                        | 50                 | 50                           | (75)                           | 25                 |
| Employees Leave Entitlement        | 949                | 151                          | -                              | 1,100              |
| Carry Over Works                   | 381                | 500                          | (402)                          | 479                |
| Wellbank Childrens Centre          | 47                 | 85                           | -                              | 132                |
| Concord Oval                       | 209                | -                            | -                              | 209                |
| Drummoyne Oval                     | 146                | 74                           | (220)                          | -                  |
| Investment Fund                    | 13                 | 1,210                        | -                              | 1,223              |
| Election of Councillors            | 30                 | 110                          | -                              | 140                |
| Massey Park Golf Course            | -                  | 47                           | -                              | 47                 |
| Rhodes Traffic Management Reserve  | -                  | 72                           | (35)                           | 37                 |
| Building Reserve                   | 38                 | 100                          | (11)                           | 127                |
| <b>Total Internal Restrictions</b> | <b>2,573</b>       | <b>2,399</b>                 | <b>(743)</b>                   | <b>4,229</b>       |
| <b>TOTAL RESTRICTIONS</b>          | <b>12,054</b>      | <b>7,693</b>                 | <b>(7,404)</b>                 | <b>12,343</b>      |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 7. Receivables

| \$ '000   | Notes | 2010                |                   | 2009                |                  |
|---|-------|---------------------|-------------------|---------------------|------------------|
|   |       | Current             | Non Current       | Current             | Non Current      |
| <b>Purpose</b>                                      |       |                     |                   |                     |                  |
| Rates & Annual Charges                              |       | 772                 | 52                | 682                 | 49               |
| Interest & Extra Charges                            |       | 63                  | 51                | 42                  | 46               |
| User Charges & Fees                                 |       | 29                  | -                 | 51                  | -                |
| Private Works                                       |       | 251                 | -                 | 2                   | -                |
| Accrued Revenues                                    |       |                     |                   |                     |                  |
| - Interest on Investments                           |       | 100                 | -                 | 50                  | -                |
| Government Grants & Subsidies                       |       | 215                 | -                 | 191                 | -                |
| Net GST Receivable                                  |       | 254                 | -                 | 140                 | -                |
| Road Restorations                                   |       | 1,231               | -                 | 596                 | -                |
| Employee Advances                                   |       | 43                  | -                 | 44                  | -                |
| General Debtors                                     |       | 1,408               | -                 | 764                 | -                |
| Property Leases                                     |       | 93                  | -                 | 140                 | -                |
| Legal Costs Awarded                                 |       | 18                  | -                 | -                   | -                |
| Voluntary Planning Agreement S93F                   |       | 478                 | -                 | -                   | -                |
| Other Debtors                                       |       | 93                  | -                 | 68                  | -                |
| <b>Total</b>  |       | <b>5,048</b>        | <b>103</b>        | <b>2,770</b>        | <b>95</b>        |
| <b>less: Provision for Impairment</b>               |       |                     |                   |                     |                  |
| Other Debtors                                       |       | (239)               | -                 | (130)               | -                |
| <b>Total Provision for Impairment - Receivables</b> |       | <b>(239)</b>        | <b>-</b>          | <b>(130)</b>        | <b>-</b>         |
| <b><u>TOTAL NET RECEIVABLES</u></b>                 |       | <b><u>4,809</u></b> | <b><u>103</u></b> | <b><u>2,640</u></b> | <b><u>95</u></b> |
| <b>Externally Restricted Receivables</b>            |       |                     |                   |                     |                  |
| Domestic Waste Management                           |       | 233                 | -                 | 206                 | -                |
| Stormwater Management                               |       | 22                  | -                 | 22                  | -                |
| Other   |       |                     |                   |                     |                  |
| - Environmental Levy                                |       | 1                   | -                 | 2                   | -                |
| - Sustainability Levy                               |       | 17                  | -                 | 15                  | -                |
| - Voluntary Planning Agreement S93F                 |       | 478                 | -                 | -                   | -                |
| <b>Total External Restrictions</b>                  |       | <b>751</b>          | <b>-</b>          | <b>245</b>          | <b>-</b>         |
| <b>Internally Restricted Receivables</b>            |       |                     |                   |                     |                  |
| Nil   |       |                     |                   |                     |                  |
| <b>Unrestricted Receivables</b>                     |       | <b>4,058</b>        | <b>103</b>        | <b>2,395</b>        | <b>95</b>        |
| <b>TOTAL NET RECEIVABLES</b>                        |       | <b>4,809</b>        | <b>103</b>        | <b>2,640</b>        | <b>95</b>        |

**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 is charged on overdue rates & charges at 9.00% (2009 10.00%). All other receivables bear no interest.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

## City of Canada Bay

Notes to the Financial Statements  
for the financial year ended 30 June 2010

## Note 8. Inventories &amp; Other Assets

| \$ '000  | Notes | 2010       |             | 2009       |             |
|--|-------|------------|-------------|------------|-------------|
|  |       | Current    | Non Current | Current    | Non Current |
| <b>Inventories</b>                                 |       |            |             |            |             |
| Stores & Materials                                 |       | 29         | -           | 15         | -           |
| <b>Total Inventories</b>                           |       | <b>29</b>  | <b>-</b>    | <b>15</b>  | <b>-</b>    |
| <b>Other Assets</b>                                |       |            |             |            |             |
| Prepayments  |       | 144        | -           | 320        | -           |
| <b>Total Other Assets</b>                          |       | <b>144</b> | <b>-</b>    | <b>320</b> | <b>-</b>    |
| <b><u>TOTAL INVENTORIES &amp; OTHER ASSETS</u></b> |       |            |             |            |             |
|  |       | <b>173</b> | <b>-</b>    | <b>335</b> | <b>-</b>    |
| (i) Externally Restricted Assets                   |       |            |             |            |             |
| Nil  |       |            |             |            |             |
| Total Externally Restricted Assets                 |       | -          | -           | -          | -           |
| Total Internally Restricted Assets                 |       | -          | -           | -          | -           |
| Total Unrestricted Assets                          |       | 173        | -           | 335        | -           |
| <b>TOTAL INVENTORIES &amp; OTHER ASSETS</b>        |       | <b>173</b> | <b>-</b>    | <b>335</b> | <b>-</b>    |

Notes to the Financial Statements  
for the financial year ended 30 June 2010

Note 9a. Infrastructure, Property, Plant & Equipment

| \$ '000   | as at 30/6/2009  |                |                |                | Asset Movements during the Reporting Period |                        |                      |                         |                                      |  | as at 30/6/2010 |                  |                |                  |
|---|------------------|----------------|----------------|----------------|---|------------------------|----------------------|-------------------------|--------------------------------------|--|-----------------|------------------|----------------|------------------|
|   | At               | At             | Accumulated    | Carrying       | Asset Additions                             | WDV of Asset Disposals | Depreciation Expense | Adjustments & Transfers | Tfrs from/(to) Investment Properties | Revaluation Increments to Equity (ARR) | At              | At               | Accumulated    | Carrying         |
|   | Cost             | Fair Value     | Deprec.        | Value          |   |                        |                      |                         |                                      |  | Cost            | Fair Value       | Dep'n          | Value            |
| Capital Work in Progress                                      | -                | -              | -              | -              | 5,442                                       | -                      | -                    | -                       | -                                    | -                                      | 5,442           | -                | -              | 5,442            |
| Plant & Equipment   | -                | 5,921          | 2,044          | 3,877          | 1,809                                       | (915)                  | (605)                | -                       | -                                    | -                                      | -               | 6,267            | 2,101          | 4,166            |
| Office Equipment  | -                | 915            | 461            | 454            | 34  | -                      | (272)                | -                       | -                                    | -                                      | -               | 949              | 733            | 216              |
| Furniture & Fittings  | -                | 1,022          | 369            | 653            | 40  | -                      | (95)                 | -                       | -                                    | -                                      | -               | 1,063            | 465            | 598              |
| Plant & Equipment (under Finance Lease)                       | -                | -              | -              | -              | -   | -                      | -                    | -                       | -                                    | -                                      | -               | -                | -              | -                |
| <b>Land:</b>  |                  |                |                |                |   |                        |                      |                         |                                      |  |                 |                  |                |                  |
| - Operational Land  | -                | 39,499         | -              | 39,499         | -   | -                      | -                    | -                       | -                                    | -                                      | -               | 39,499           | -              | 39,499           |
| - Community Land  | 633,856          | -              | -              | 633,856        | -   | -                      | -                    | -                       | 1,794                                | -                                      | -               | 635,650          | -              | 635,650          |
| - Land under Roads (pre 1/7/08)                               | -                | -              | -              | -              | -   | -                      | -                    | 895,327                 | -                                    | -                                      | -               | 895,327          | -              | 895,327          |
| - Land under Roads (post 30/6/08)                             | -                | -              | -              | -              | 8,650                                       | -                      | -                    | -                       | -                                    | -                                      | -               | 8,650            | -              | 8,650            |
| Land Improvements - depreciable                               | 13,112           | -              | 2,316          | 10,796         | 2,460                                       | -                      | (607)                | (99)                    | -                                    | -                                      | 15,573          | -                | 3,023          | 12,550           |
| Buildings - Non Specialised                                   | -                | 69,676         | 27,023         | 42,653         | 2,817                                       | (212)                  | (1,593)              | (2)                     | -                                    | -                                      | -               | 72,041           | 28,378         | 43,663           |
| Buildings - Specialised                                       | -                | 6,622          | 3,629          | 2,993          | -   | -                      | (185)                | -                       | -                                    | -                                      | -               | 6,622            | 3,814          | 2,808            |
| Other Structures  | 16,426           | -              | 3,660          | 12,766         | 330   | -                      | (474)                | 101                     | -                                    | -                                      | 16,754          | -                | 4,031          | 12,723           |
| <b>Infrastructure:</b>  |                  |                |                |                |   |                        |                      |                         |                                      |  |                 |                  |                |                  |
| - Roads, Bridges, Footpaths                                   | 263,857          | -              | 122,900        | 140,957        | 858   | -                      | (3,326)              | 55,653                  | -                                    | 31,857                                 | -               | 308,151          | 82,152         | 225,999          |
| - Stormwater Drainage   | 91,582           | -              | 39,864         | 51,718         | 552   | -                      | (884)                | (2,169)                 | -                                    | 8,733                                  | -               | 108,485          | 50,535         | 57,950           |
| <b>Other Assets:</b>  |                  |                |                |                |   |                        |                      |                         |                                      |  |                 |                  |                |                  |
| - Library Books   | 1,753            | -              | 1,124          | 629            | 164   | -                      | (350)                | -                       | -                                    | -                                      | 1,913           | -                | 1,470          | 443              |
| - Other   | 358              | -              | 190            | 168            | 63  | -                      | (80)                 | 1                       | -                                    | -                                      | 422             | -                | 270            | 152              |
| <b>TOTAL INFRASTRUCTURE,<br/>PROPERTY, PLANT &amp; EQUIP.</b> | <b>1,020,944</b> | <b>123,655</b> | <b>203,580</b> | <b>941,019</b> | <b>23,219</b>                               | <b>(1,127)</b>         | <b>(8,471)</b>       | <b>948,812</b>          | <b>1,794</b>                         | <b>40,590</b>                          | <b>40,104</b>   | <b>2,082,704</b> | <b>176,972</b> | <b>1,945,836</b> |

Additions to Buildings and Infrastructure are made up of Asset Renewals and New Assets amounting to \$3.316M. Renewals are defined as replacements of existing assets with equivalent capacity or performance as opposed to the acquisition of new assets.

## City of Canada Bay

### Notes to the Financial Statements for the financial year ended 30 June 2010

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

Council has no Externally Restricted Infrastructure, Property, Plant & Equipment.

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

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\$ '000

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

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 10a. Payables, Borrowings &amp; Provisions

| \$ '000  | Notes | 2010          |              | 2009          |              |
|--|-------|---------------|--------------|---------------|--------------|
|  |       | Current       | Non Current  | Current       | Non Current  |
| <b>Payables</b>  |       |               |              |               |              |
| Goods & Services - operating expenditure               |       | 3,679         | -            | 1,898         | -            |
| Goods & Services - capital expenditure                 |       | 40            | -            | 356           | -            |
| Payments Received In Advance                           |       | 106           | -            | 27            | -            |
| - Other Expenditure Accruals                           |       | 163           | -            | 688           | -            |
| Security Bonds, Deposits & Retentions                  |       | 7,482         | -            | 6,926         | -            |
| Payroll  |       | 2             | -            | 189           | -            |
| <b>Total Payables</b>                                  |       | <b>11,472</b> | <b>-</b>     | <b>10,084</b> | <b>-</b>     |
| <b>Borrowings</b>                                      |       |               |              |               |              |
| Loans - Secured <sup>1</sup>                           |       | 696           | 1,885        | 713           | 2,578        |
| <b>Total Borrowings</b>                                |       | <b>696</b>    | <b>1,885</b> | <b>713</b>    | <b>2,578</b> |
| <b>Provisions</b>                                      |       |               |              |               |              |
| <b>Employee Benefits;</b>                              |       |               |              |               |              |
| Annual Leave   |       | 1,826         | -            | 1,677         | -            |
| Sick Leave   |       | 405           | -            | 392           | -            |
| Long Service Leave                                     |       | 4,164         | 418          | 3,720         | 318          |
| <b>Sub Total - Aggregate Employee Benefits</b>         |       | <b>6,395</b>  | <b>418</b>   | <b>5,789</b>  | <b>318</b>   |
| Self Insurance - Other (Claims Incurred)               |       | 57            | -            | 72            | -            |
| <b>Total Provisions</b>                                |       | <b>6,452</b>  | <b>418</b>   | <b>5,861</b>  | <b>318</b>   |
| <b>Total Payables,<br/>Borrowings &amp; Provisions</b> |       | <b>18,620</b> | <b>2,303</b> | <b>16,658</b> | <b>2,896</b> |

## (i) Liabilities relating to Restricted Assets

|   | 2010       |             | 2009       |             |
|---|------------|-------------|------------|-------------|
|   | Current    | Non Current | Current    | Non Current |
| <b>Externally Restricted Assets</b>                         |            |             |            |             |
| Domestic Waste Management                                   | 632        | -           | 562        | -           |
| <b>Liabilities relating to externally restricted assets</b> | <b>632</b> | <b>-</b>    | <b>562</b> | <b>-</b>    |
| <b>Internally Restricted Assets</b>                         |            |             |            |             |
| Nil   |            |             |            |             |
| <b>Total Liabilities relating to restricted assets</b>      | <b>632</b> | <b>-</b>    | <b>562</b> | <b>-</b>    |

<sup>1</sup>. 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.

## City of Canada Bay

Notes to the Financial Statements  
for the financial year ended 30 June 2010

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

| \$ '000   | 2010         | 2009         |
|---|--------------|--------------|
| <b>(ii) Current Liabilities not anticipated to be settled within the next 12 months</b>                             |              |              |
| The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months. |              |              |
| Provisions - Employees Benefits   | 3,864        | 3,662        |
| Payables - Security Bonds, Deposits & Retentions  | 5,800        | 5,300        |
|   | <u>9,664</u> | <u>8,962</u> |

## Note 10b. Description of and movements in Provisions

| Class of Provision | 2009                         |                       |                          | 2010                                     |                         | Closing Balance as at 30/6/10 |
|--------------------|------------------------------|-----------------------|--------------------------|--|-------------------------|-------------------------------|
|                    | Opening Balance as at 1/7/09 | Additional Provisions | Decrease due to Payments | Remeasurement effects due to Discounting | Unused amounts reversed |                               |
| Annual Leave       | 1,677                        | 1,422                 | (1,273)                  | -  | -                       | 1,826                         |
| Sick Leave         | 392                          | 16                    | (3)                      | -  | -                       | 405                           |
| Long Service Leave | 4,038                        | 743                   | (199)                    | -  | -                       | 4,582                         |
| Self Insurance     | 72                           | -                     | (15)                     | -  | -                       | 57                            |
| <b>TOTAL</b>       | <u>6,179</u>                 | <u>2,181</u>          | <u>(1,490)</u>           | -  | -                       | <u>6,870</u>                  |

- a. Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- b. Self Insurance Provisions represent both (i) Claims Incurred but Not reported and (ii) Claims Reported & Estimated as a result of Council's being a self insurer up to certain levels of Excess.

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 11. Statement of Cash Flows - Additional Information

| \$ '000   | Notes | Actual<br>2010 | Actual<br>2009 |
|---|-------|----------------|----------------|
| <b>(a) Reconciliation of Cash Assets</b>  |       |                |                |
| Total Cash & Cash Equivalent Assets   | 6a    | 15,874         | 13,060         |
| <b>BALANCE as per the STATEMENT of CASH FLOWS</b>   |       | <b>15,874</b>  | <b>13,060</b>  |
| <b>(b) Reconciliation of Net Operating Result<br/>to Cash provided from Operating Activities</b>  |       |                |                |
| <b>Net Operating Result from Income Statement</b>   |       | <b>16,701</b>  | <b>10,736</b>  |
| <b>Adjust for non cash items:</b>   |       |                |                |
| Depreciation & Amortisation   |       | 8,471          | 7,980          |
| Net Losses/(Gains) on Disposal of Assets  |       | (591)          | (52)           |
| Non Cash Capital Grants and Contributions   |       | (10,859)       | (8,065)        |
| Losses/(Gains) recognised on Fair Value Re-measurements through the P&L:                          |       |                |                |
| - Investments classified as "@ Fair Value" or "Held for Trading"                                  |       | (139)          | 1,237          |
| - Investment Properties   |       | (480)          | -              |
| <b>+/- Movement in Operating Assets and Liabilities &amp; Other Cash Items:</b>                   |       |                |                |
| Decrease/(Increase) in Receivables  |       | (2,286)        | (692)          |
| Increase/(Decrease) in Provision for Doubtful Debts   |       | 109            | 130            |
| Decrease/(Increase) in Inventories  |       | (14)           | 25             |
| Decrease/(Increase) in Other Current Assets   |       | 176            | 366            |
| Increase/(Decrease) in Payables   |       | 1,781          | (2,985)        |
| Increase/(Decrease) in accrued Interest Payable   |       | -              | -              |
| Increase/(Decrease) in other accrued Expenses Payable   |       | (525)          | 360            |
| Increase/(Decrease) in Other Current Liabilities  |       | 448            | 384            |
| Increase/(Decrease) in Employee Leave Entitlements  |       | 706            | 784            |
| Increase/(Decrease) in Other Provisions   |       | (15)           | (20)           |
| <b>NET CASH PROVIDED FROM/(USED IN)<br/>OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS</b> |       | <b>13,483</b>  | <b>10,188</b>  |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 11. Statement of Cash Flows - Additional Information (continued)

| \$ '000  | Notes | Actual<br>2010 | Actual<br>2009 |
|--|-------|----------------|----------------|
| <b>(c) Non-Cash Investing &amp; Financing Activities</b>                                       |       |                |                |
| S93F Property Contributions  |       | 2,080          | -              |
| Other Dedications  |       | 8,779          | -              |
| <b>Total Non-Cash Investing &amp; Financing Activities</b>                                     |       | <b>10,859</b>  | <b>-</b>       |
| <b>(d) Financing Arrangements</b>  |       |                |                |
| <b>(i) Unrestricted access was available at balance date to the following lines of credit:</b> |       |                |                |
| Bank Overdraft Facilities <sup>(1)</sup>   |       | 500            | 500            |
| Credit Cards / Purchase Cards  |       | 150            | 150            |
| <b>Total Financing Arrangements</b>  |       | <b>650</b>     | <b>650</b>     |
| <b>Amounts utilised as at Balance Date:</b>  |       |                |                |
| - Credit Cards / Purchase Cards  |       | 8              | 6              |
| <b>Total Financing Arrangements Utilised</b>   |       | <b>8</b>       | <b>6</b>       |

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.

**(ii) Secured Loan Liabilities**

Loans are secured by a mortgage over future years Rate Revenue only.

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 12. Commitments for Expenditure

| \$ '000  | Notes | Actual<br>2010 | Actual<br>2009 |
|--|-------|----------------|----------------|
| <b>(a) Capital Commitments (exclusive of GST)</b>  |       |                |                |
| Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:           |       |                |                |
| <b>Property, Plant &amp; Equipment</b>   |       |                |                |
| Buildings  |       | 1,221          | 4,968          |
| <b>Total Commitments</b>   |       | <b>1,221</b>   | <b>4,968</b>   |
| <b>These expenditures are payable as follows:</b>  |       |                |                |
| Within the next year   |       | 1,221          | 4,968          |
| <b>Total Payable</b>   |       | <b>1,221</b>   | <b>4,968</b>   |
| <b>Sources for Funding of Capital Commitments:</b>   |       |                |                |
| Unrestricted General Funds   |       | -              | 4,968          |
| Future Grants & Contributions  |       | 798            | -              |
| Internally Restricted Reserves   |       | 423            | -              |
| <b>Total Sources of Funding</b>  |       | <b>1,221</b>   | <b>4,968</b>   |
| <b>(b) Other Expenditure Commitments (exclusive of GST)</b>  |       |                |                |
| Other Non Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities: |       |                |                |
| DWM & Recycling Services   |       | -              | 6,218          |
| Audit Services   |       | 200            | 240            |
| <b>Total Commitments</b>   |       | <b>200</b>     | <b>6,458</b>   |
| <b>These expenditures are payable as follows:</b>  |       |                |                |
| Within the next year   |       | 40             | 6,418          |
| Later than one year and not later than 5 years   |       | 160            | 40             |
| <b>Total Payable</b>   |       | <b>200</b>     | <b>6,458</b>   |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 12. Commitments for Expenditure (continued)

| \$ '000   | Notes | Actual<br>2010 | Actual<br>2009 |
|---|-------|----------------|----------------|
| <b>(c) Finance Lease Commitments</b>  |       |                |                |
| Nil   |       |                |                |
| <b>(d) Operating Lease Commitments (Non Cancellable)</b>  |       |                |                |
| <b>a. Commitments under Non Cancellable Operating Leases at the Reporting date, but not recognised as Liabilities are payable:</b>  |       |                |                |
| Within the next year  |       | 310            | 316            |
| Later than one year and not later than 5 years  |       | 357            | 639            |
| Later than 5 years  |       | -              | -              |
| <b>Total Non Cancellable Operating Lease Commitments</b>  |       | <b>667</b>     | <b>955</b>     |
| <b>b. Non Cancellable Operating Leases include the following assets:</b>  |       |                |                |
| Computers and Office Equipment Rentals  |       |                |                |
| <b>Conditions relating to Operating Leases:</b>   |       |                |                |
| - All Operating Lease Agreements are secured only against the Leased Asset.   |       |                |                |
| - No Lease Agreements impose any financial restrictions on Council regarding future debt etc.   |       |                |                |
| <b>(e) Investment Property Commitments</b>  |       |                |                |
| Nil   |       |                |                |
| <b>(f) Remuneration Commitments</b>   |       |                |                |
| Commitments for the payment of salaries & other remuneration under long-term employment contracts in existence at reporting date but not recognised as liabilities are payable: |       |                |                |
| Within the next year  |       | 955            | 927            |
| Later than one year and not later than 5 years  |       | 2,611          | 782            |
| Later than 5 years  |       | 208            | -              |
| <b>Total Payable</b>  |       | <b>3,774</b>   | <b>1,709</b>   |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

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

| \$ '000  | Amounts<br>2010 | Indicator<br>2010 | Prior Periods<br>2009      2008 |        |
|--|-----------------|-------------------|---------------------------------|--------|
| <b>1. Unrestricted Current Ratio</b>   |                 |                   |                                 |        |
| Current Assets less all External Restrictions <sup>(1)</sup>   | <u>13,604</u>   | 1.63 : 1          | 1.16                            | 1.72   |
| Current Liabilities less Specific Purpose Liabilities <sup>(2,3)</sup>                                   | <u>8,324</u>    |                   |                                 |        |
| <b>2. Debt Service Ratio</b>   |                 |                   |                                 |        |
| Debt Service Cost  | <u>888</u>      | 1.57%             | 1.98%                           | 2.37%  |
| Revenue from Continuing Operations<br>excluding Capital Items & Specific<br>Purpose Grants/Contributions | <u>56,383</u>   |                   |                                 |        |
| <b>3. Rates &amp; Annual Charges<br/>Coverage Ratio</b>  |                 |                   |                                 |        |
| Rates & Annual Charges   | <u>37,583</u>   | 49.67%            | 54.22%                          | 59.62% |
| Revenue from Continuing Operations   | <u>75,664</u>   |                   |                                 |        |
| <b>4. Rates, Annual Charges, Interest &amp;<br/>Extra Charges Outstanding Percentage</b>                 |                 |                   |                                 |        |
| Rates, Annual & Extra Charges Outstanding  | <u>938</u>      | 2.43%             | 2.29%                           | 2.38%  |
| Rates, Annual & Extra Charges Collectible  | <u>38,599</u>   |                   |                                 |        |
| <b>5. Building &amp; Infrastructure<br/>Renewals Ratio</b>   |                 |                   |                                 |        |
| Asset Renewals <sup>(4)</sup> [Buildings & Infrastructure]   | <u>3,316</u>    | 55.38%            | 54.43%                          | 55.98% |
| Depreciation, Amortisation & Impairment<br>(Building & Infrastructure Assets)                            | <u>5,988</u>    |                   |                                 |        |

## Notes

<sup>(1)</sup> Refer Notes 6-8 inclusive.

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

<sup>(2)</sup> Refer to Note 10(a).<sup>(3)</sup> Refer to Note 10(c) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).<sup>(4)</sup> Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity or performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

City of Canada Bay

Notes to the Financial Statements  
for the financial year ended 30 June 2010

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

\$ '000

| <p><b>1. Unrestricted Current Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio : 1</th> </tr> </thead> <tbody> <tr> <td>2007</td> <td>1.36</td> </tr> <tr> <td>2008</td> <td>1.72</td> </tr> <tr> <td>2009</td> <td>1.16</td> </tr> <tr> <td>2010</td> <td>1.63</td> </tr> </tbody> </table>   | Year      | Ratio : 1 | 2007 | 1.36   | 2008 | 1.72   | 2009 | 1.16   | 2010 | 1.63   | <p><b>Purpose of Unrestricted Current Ratio</b></p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</p>         | <p><b>Commentary on 2009/10 Result</b></p> <p><b>2009/10 Ratio 1.63 : 1</b></p> <p>Improving ratio reflects realisation of funds from planned property sales.</p>  |
|---|-----------|-----------|------|--------|------|--------|------|--------|------|--------|---|--|
| Year  | Ratio : 1 |           |      |        |      |        |      |        |      |        |   |  |
| 2007  | 1.36      |           |      |        |      |        |      |        |      |        |   |  |
| 2008  | 1.72      |           |      |        |      |        |      |        |      |        |   |  |
| 2009  | 1.16      |           |      |        |      |        |      |        |      |        |   |  |
| 2010  | 1.63      |           |      |        |      |        |      |        |      |        |   |  |
| <p><b>2. Debt Service Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2007</td> <td>2.47%</td> </tr> <tr> <td>2008</td> <td>2.37%</td> </tr> <tr> <td>2009</td> <td>1.98%</td> </tr> <tr> <td>2010</td> <td>1.57%</td> </tr> </tbody> </table>   | Year      | Ratio %   | 2007 | 2.47%  | 2008 | 2.37%  | 2009 | 1.98%  | 2010 | 1.57%  | <p><b>Purpose of Debt Service Ratio</b></p> <p>To assess the impact of loan principal &amp; interest repayments on the discretionary revenue of council.</p>  | <p><b>Commentary on 2009/10 Result</b></p> <p><b>2009/10 Ratio 1.57%</b></p> <p>Improving ratio reflects repayment of debt and absence of new borrowings since 2004. An amount of \$710,000 of debt was repaid during 2010 leaving outstanding loans as at 30 June in the amount of \$2.58M. Council's long Term Financial Plan has set an upper limit for its Debt Service Ratio at 5%.</p> |
| Year  | Ratio %   |           |      |        |      |        |      |        |      |        |   |  |
| 2007  | 2.47%     |           |      |        |      |        |      |        |      |        |   |  |
| 2008  | 2.37%     |           |      |        |      |        |      |        |      |        |   |  |
| 2009  | 1.98%     |           |      |        |      |        |      |        |      |        |   |  |
| 2010  | 1.57%     |           |      |        |      |        |      |        |      |        |   |  |
| <p><b>3. Rates &amp; Annual Charges Coverage Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2007</td> <td>63.52%</td> </tr> <tr> <td>2008</td> <td>59.62%</td> </tr> <tr> <td>2009</td> <td>54.22%</td> </tr> <tr> <td>2010</td> <td>49.67%</td> </tr> </tbody> </table>                              | Year      | Ratio %   | 2007 | 63.52% | 2008 | 59.62% | 2009 | 54.22% | 2010 | 49.67% | <p><b>Purpose of Rates &amp; Annual Charges Coverage Ratio</b></p> <p>To assess the degree of Council's dependence upon revenue from rates and annual charges and to assess the security of Council's income.</p> | <p><b>Commentary on 2009/10 Result</b></p> <p><b>2009/10 Ratio 49.67%</b></p> <p>Slight increase in ratio reflects reduction in capital grants and contributions. This amounted to \$8.8M compared to \$13.8 in 2009.</p>  |
| Year  | Ratio %   |           |      |        |      |        |      |        |      |        |   |  |
| 2007  | 63.52%    |           |      |        |      |        |      |        |      |        |   |  |
| 2008  | 59.62%    |           |      |        |      |        |      |        |      |        |   |  |
| 2009  | 54.22%    |           |      |        |      |        |      |        |      |        |   |  |
| 2010  | 49.67%    |           |      |        |      |        |      |        |      |        |   |  |
| <p><b>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2007</td> <td>1.87%</td> </tr> <tr> <td>2008</td> <td>2.38%</td> </tr> <tr> <td>2009</td> <td>2.29%</td> </tr> <tr> <td>2010</td> <td>2.43%</td> </tr> </tbody> </table> | Year      | Ratio %   | 2007 | 1.87%  | 2008 | 2.38%  | 2009 | 2.29%  | 2010 | 2.43%  | <p><b>Purpose of Rates &amp; Annual Charges Outstanding Ratio</b></p> <p>To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.</p>            | <p><b>Commentary on 2009/10 Result</b></p> <p><b>2009/10 Ratio 2.43%</b></p> <p>Result is within Council's Target of 3% and remains significantly better than the industry benchmark of 5%.</p>  |
| Year  | Ratio %   |           |      |        |      |        |      |        |      |        |   |  |
| 2007  | 1.87%     |           |      |        |      |        |      |        |      |        |   |  |
| 2008  | 2.38%     |           |      |        |      |        |      |        |      |        |   |  |
| 2009  | 2.29%     |           |      |        |      |        |      |        |      |        |   |  |
| 2010  | 2.43%     |           |      |        |      |        |      |        |      |        |   |  |

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 14. Investment Properties

| \$ '000  | Notes | Actual<br>2010 | Actual<br>2009 |
|--|-------|----------------|----------------|
| <b>(a) Investment Properties at Fair value</b> |       |                |                |
| <b>Investment Properties on Hand</b>           |       | <b>14,342</b>  | <b>16,156</b>  |
| <b>Reconciliation of Annual Movement:</b>      |       |                |                |
| Opening Balance                                |       | 16,156         | 16,226         |
| - Disposals during Year                        |       | (500)          | -              |
| - Net Gain/(Loss) from Fair Value Adjustments  |       | 480            | -              |
| - Transfers from/(to) Owner Occupied (Note 9)  |       | (1,794)        | (70)           |
| <b>CLOSING BALANCE - INVESTMENT PROPERTIES</b> |       | <b>14,342</b>  | <b>16,156</b>  |

#### (b) Valuation Basis

The basis of Valuation of Investment Properties is Fair Value, being the amounts for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

The 2010 revaluations were based on Independent Assessments made by: Southern Alliance Valuation Services Pty Ltd (SAVS). Registered and Certified Practising Valuers - NSW Specialising in Sydney Inner West for all property types.

#### (c) Contractual Obligations at Reporting Date

Refer to Note 12 for disclosures relating to any Capital and Service obligations that have been contracted.

#### (d) Investment Property Income & Expenditure - summary

|  |  |            |            |
|--|--|------------|------------|
| <b>Rental Income from Investment Properties:</b>           |  |            |            |
| - Minimum Lease Payments                                   |  | 227        | 250        |
| - Other Income   |  | -          | 9          |
| <b>Direct Operating Expenses on Investment Properties:</b> |  |            |            |
| - that generated rental income                             |  | (35)       | (20)       |
| <b>Net Revenue Contribution from Investment Properties</b> |  | <b>192</b> | <b>239</b> |
| plus:  |  |            |            |
| <b>Fair Value Movement for year</b>                        |  | <b>480</b> | <b>-</b>   |
| <b>Total Income attributable to Investment Properties</b>  |  | <b>672</b> | <b>239</b> |

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 15. Financial Risk Management

\$ '000

##### Risk Management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

|                                    | Carrying Value |               | Fair Value    |               |
|------------------------------------|----------------|---------------|---------------|---------------|
|                                    | 2010           | 2009          | 2010          | 2009          |
| <b>Financial Assets</b>            |                |               |               |               |
| Cash and Cash Equivalents          | 15,874         | 13,060        | 15,874        | 13,060        |
| Investments                        |                |               |               |               |
| - "Held for Trading"               | 1,613          | 1,974         | 1,613         | 1,974         |
| Receivables                        | 4,912          | 2,735         | 4,912         | 2,735         |
| <b>Total Financial Assets</b>      | <b>22,399</b>  | <b>17,769</b> | <b>22,399</b> | <b>17,769</b> |
| <b>Financial Liabilities</b>       |                |               |               |               |
| Payables                           | 11,366         | 10,057        | 11,366        | 10,057        |
| Loans / Advances                   | 2,581          | 3,291         | 2,581         | 3,291         |
| <b>Total Financial Liabilities</b> | <b>13,947</b>  | <b>13,348</b> | <b>13,947</b> | <b>13,348</b> |

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.

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### 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 its staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is credit risk - the risk that the counterparty (to an investment) 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 (during 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 |
| <b>2010</b>  |                          |        |                          |        |
| Possible impact of a 10% movement in Market Values | 161                      | 161    | (161)                    | (161)  |
| Possible impact of a 1% movement in Interest Rates | 159                      | 159    | (159)                    | (159)  |
| <b>2009</b>  |                          |        |                          |        |
| Possible impact of a 10% movement in Market Values | 197                      | 197    | (197)                    | (197)  |
| Possible impact of a 1% movement in Interest Rates | 130                      | 130    | (130)                    | (130)  |

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### 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.

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:

|                                   | 2010                         | 2010                 | 2009                         | 2009                 |
|-----------------------------------|------------------------------|----------------------|------------------------------|----------------------|
|                                   | Rates &<br>Annual<br>Charges | Other<br>Receivables | Rates &<br>Annual<br>Charges | Other<br>Receivables |
| <b>(i) Ageing of Receivables</b>  |                              |                      |                              |                      |
| Current (not yet overdue)         | -                            | 2,293                | -                            | 1,688                |
| Past due by up to 30 days         | -                            | 139                  | -                            | 316                  |
| Past due between 31 and 180 days  | -                            | 834                  | -                            | 116                  |
| Past due between 181 and 365 days | 687                          | 781                  | 583                          | 14                   |
| Past due by more than 1 year      | 137                          | 280                  | 148                          | -                    |
|                                   | <b>824</b>                   | <b>4,327</b>         | <b>731</b>                   | <b>2,134</b>         |

##### (ii) Movement in Provision for Impairment of Receivables

|  | 2010       | 2009       |
|--|------------|------------|
| Balance at the beginning of the year                   | 130        | -          |
| + new provisions recognised during the year            | 154        | 130        |
| - amounts already provided for & written off this year | (45)       | -          |
| <b>Balance at the end of the year</b>                  | <b>239</b> | <b>130</b> |

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### 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.

As well, payment terms can (in extenuating circumstances) be extended & overdraft facilities can be drawn down.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the Liquidity Table below:

| \$ '000                            | Subject to no maturity | payable in:  |            |            |            |            |          | Total Cash Outflows | Actual Carrying Values |
|------------------------------------|------------------------|--------------|------------|------------|------------|------------|----------|---------------------|------------------------|
|                                    |                        | ≤ 1 Year     | 1-2 Yrs    | 2-3 Yrs    | 3-4 Yrs    | 4-5 Yrs    | > 5 Yrs  |                     |                        |
| <b>2010</b>                        |                        |              |            |            |            |            |          |                     |                        |
| Trade/Other Payables               | 7,482                  | 3,884        | -          | -          | -          | -          | -        | 11,366              | 11,366                 |
| Loans & Advances                   |                        | 831          | 831        | 831        | 380        | -          | -        | 2,873               | 2,581                  |
| <b>Total Financial Liabilities</b> | <b>7,482</b>           | <b>4,715</b> | <b>831</b> | <b>831</b> | <b>380</b> | <b>-</b>   | <b>-</b> | <b>14,239</b>       | <b>13,947</b>          |
| <b>2009</b>                        |                        |              |            |            |            |            |          |                     |                        |
| Trade/Other Payables               | 6,926                  | 3,131        | -          | -          | -          | -          | -        | 10,057              | 10,057                 |
| Loans & Advances                   | -                      | 888          | 831        | 831        | 831        | 380        | -        | 3,761               | 3,291                  |
| <b>Total Financial Liabilities</b> | <b>6,926</b>           | <b>4,019</b> | <b>831</b> | <b>831</b> | <b>831</b> | <b>380</b> | <b>-</b> | <b>13,818</b>       | <b>13,348</b>          |

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:

|  | 2010           |                       | 2009           |                       |
|--|----------------|-----------------------|----------------|-----------------------|
|  | Carrying Value | Average Interest Rate | Carrying Value | Average Interest Rate |
| Trade/Other Payables                   | 11,366         | 0.0%                  | 10,057         | 0.0%                  |
| Loans & Advances - Fixed Interest Rate | 2,581          | 6.3%                  | 3,291          | 6.3%                  |
|  | <u>13,947</u>  |                       | <u>13,348</u>  |                       |

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 09/10 was incorporated as part of its Management Plan and was adopted by the Council on 16 June 2009.

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.

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

**Note that for Variations: F** = Favourable Budget Variation, **U** = Unfavourable Budget Variation

| \$ '000  | 2010<br>Budget | 2010<br>Actual | 2010<br>Variance* |      |          |
|--|----------------|----------------|-------------------|------|----------|
| <b>REVENUES</b>  |                |                |                   |      |          |
| <b>Rates &amp; Annual Charges</b>  | 36,887         | 37,583         | 696               | 2%   | <b>F</b> |
| <b>User Charges &amp; Fees</b>   | 6,084          | 10,557         | 4,473             | 74%  | <b>F</b> |
| The Original Budget was prepared prior to Council resolving to take on the management of the Five Dock Leisure Centre. The Leisure Centre generated \$2.1M from user charges and fees. Private works income reflects large scale restoration projects for Energy Australia, Sydney Water and Manly Council. Income from private works and restorations amounted to \$1.5M better than originally budgeted. |                |                |                   |      |          |
| <b>Interest &amp; Investment Revenue</b>   | 735            | 1,120          | 385               | 52%  | <b>F</b> |
| Interest Rate rises of 2% over the year coupled with better than estimated amounts available for investment has resulted in interest income of \$300K better than forecast. Anticipated \$50K profit sharing income from Leisure Co not realised due to their entering into voluntary administration. Fair Valuation movements in Investments increased over 2010 by \$139K                                |                |                |                   |      |          |
| <b>Other Revenues</b>  | 3,679          | 4,264          | 585               | 16%  | <b>F</b> |
| Revaluation of Investment Properties resulted in an increase to their fair value of \$480K   |                |                |                   |      |          |
| <b>Operating Grants &amp; Contributions</b>  | 3,699          | 4,032          | 333               | 9%   | <b>F</b> |
| <b>Capital Grants &amp; Contributions</b>  | 4,651          | 17,517         | 12,866            | 277% | <b>F</b> |
| Original Budget did not include provision for the receipt of three residential units at Cooper St, Strathfield, one residential unit at Hilly St, Mortlake, and one commercial unit at Marlborough St Drummoyne. The properties were transferred to Council as part of a 93F Planning Agreement. The aggregate value of the units is \$2.1M  |                |                |                   |      |          |
| <b>Net Gains from Disposal of Assets</b>   | -              | 591            | 591               | 0%   | <b>F</b> |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 16. Material Budget Variations (continued)

| \$ '000   | 2010<br>Budget | 2010<br>Actual | ----- 2010<br>Variance* ----- |             |          |
|---|----------------|----------------|-------------------------------|-------------|----------|
| <b>EXPENSES</b>   |                |                |                               |             |          |
| <b>Employee Benefits &amp; On-Costs</b>   | <b>22,454</b>  | <b>23,497</b>  | <b>(1,043)</b>                | <b>(5%)</b> | <b>U</b> |
| <b>Borrowing Costs</b>  | <b>227</b>     | <b>178</b>     | <b>49</b>                     | <b>22%</b>  | <b>F</b> |
| Original Budget contained provision for new loan borrowings that were not drawn down. As a result, anticipated interest repayments on the loan were not required. |                |                |                               |             |          |
| <b>Materials &amp; Contracts</b>  | <b>18,173</b>  | <b>19,503</b>  | <b>(1,330)</b>                | <b>(7%)</b> | <b>U</b> |
| <b>Depreciation &amp; Amortisation</b>  | <b>8,000</b>   | <b>8,471</b>   | <b>(471)</b>                  | <b>(6%)</b> | <b>U</b> |
| <b>Other Expenses</b>   | <b>6,803</b>   | <b>7,314</b>   | <b>(511)</b>                  | <b>(8%)</b> | <b>U</b> |

| \$ '000 | 2010<br>Budget | 2010<br>Actual | ----- 2010<br>Variance* ----- |  |  |
|---------|----------------|----------------|-------------------------------|--|--|
|---------|----------------|----------------|-------------------------------|--|--|

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

|   |                |                |              |                |          |
|---|----------------|----------------|--------------|----------------|----------|
| <b>Cash Flows from Operating Activities</b>   | <b>9,678</b>   | <b>13,483</b>  | <b>3,805</b> | <b>39.3%</b>   | <b>F</b> |
| The Original Budget was prepared prior to Council resolving to take on the management of the Five Dock Leisure Centre. The Leisure Centre generated \$2.1M from user charges and fees. Private works income reflects large scale restoration projects for Energy Australia, Sydney Water and Manly Council. Income from private works and restorations amounted to \$1.5M better than originally budgetted. |                |                |              |                |          |
| <b>Cash Flows from Investing Activities</b>   | <b>(9,647)</b> | <b>(9,959)</b> | <b>(312)</b> | <b>3.2%</b>    | <b>U</b> |
| <b>Cash Flows from Financing Activities</b>   | <b>(967)</b>   | <b>(710)</b>   | <b>257</b>   | <b>(26.6%)</b> | <b>F</b> |
| Original Budget contained provision for new loan borrowings that were not drawn down. As a result, anticipated principal repayments on the loan were not required.  |                |                |              |                |          |

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 17. Statement of Developer Contributions

\$ '000

Council recovers contributions, raises levies & enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions & levies and the value of all remaining funds which are "restricted" in their future use.

**SUMMARY OF CONTRIBUTIONS & LEVIES**

| PURPOSE                                 | Opening Balance | Contributions received during the Year |              | Interest earned in Year | Expenditure during Year | Internal Borrowing (to)/from | Held as Restricted Asset | Projections   |                       |                         | Cumulative Internal Borrowings due/(payable) |
|---|-----------------|--|--------------|-------------------------|-------------------------|------------------------------|--------------------------|---------------|-----------------------|-------------------------|--|
|   |                 | Cash                                   | Non Cash     |                         |                         |                              |                          | Future income | Exp still outstanding | Over or (under) Funding |  |
| Drainage                                | 94              | -                                      | -            | 5                       | -                       | (5)                          | 94                       | -             | (94)                  | 0                       | 94   |
| Roads                                   | 694             | -                                      | -            | 30                      | (344)                   | -                            | 380                      | 3,000         | (3,380)               | 0                       | -  |
| Parking                                 | 127             | -                                      | -            | 7                       | -                       | (4)                          | 130                      | -             | (131)                 | (1)                     | 61   |
| Open Space                              | 1,477           | -                                      | -            | 60                      | (881)                   | -                            | 656                      | 3,000         | (3,656)               | 0                       | -  |
| Community Facilities                    | (124)           | 289                                    | -            | 10                      | (22)                    | 9                            | 162                      | 10,146        | (10,308)              | (0)                     | (155)  |
| <b>S94 Contributions - under a Plan</b> | <b>2,268</b>    | <b>289</b>                             | <b>-</b>     | <b>113</b>              | <b>(1,247)</b>          | <b>-</b>                     | <b>1,423</b>             | <b>16,146</b> | <b>(17,569)</b>       | <b>(0)</b>              | <b>-</b>                                     |
| <b>S94A Levies - under a Plan</b>       | <b>36</b>       | <b>1,735</b>                           | <b>-</b>     | <b>9</b>                | <b>(1,503)</b>          | <b>-</b>                     | <b>277</b>               |               |                       |                         | <b>-</b>                                     |
| <b>Total S94 Revenue Under Plans</b>    | <b>2,304</b>    | <b>2,024</b>                           | <b>-</b>     | <b>122</b>              | <b>(2,750)</b>          | <b>-</b>                     | <b>1,700</b>             |               |                       |                         | <b>-</b>                                     |
| S93F Planning Agreements                | -               | 1,258                                  | 2,080        | 23                      | (75)                    | -                            | 1,206                    |               |                       |                         |  |
| <b>Total Contributions</b>              | <b>2,304</b>    | <b>3,282</b>                           | <b>2,080</b> | <b>145</b>              | <b>(2,825)</b>          | <b>-</b>                     | <b>2,906</b>             |               |                       |                         | <b>-</b>                                     |

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 17. Statement of Developer Contributions (continued)

\$ '000

**S94 CONTRIBUTIONS - UNDER A PLAN**

CONTRIBUTION PLAN - Concord Area

| PURPOSE              | Opening Balance | Contributions received during the Year |          | Interest earned in Year | Expenditure during Year | Internal Borrowing (to)/from | Held as Restricted Asset | Projections   |                       |                         | Cumulative Internal Borrowings due/(payable) |
|----------------------|-----------------|--|----------|-------------------------|-------------------------|------------------------------|--------------------------|---------------|-----------------------|-------------------------|--|
|                      |                 | Cash                                   | Non Cash |                         |                         |                              |                          | Future income | Exp still outstanding | Over or (under) Funding |  |
| Roads                | 694             | -                                      | -        | 30                      | (344)                   | -                            | 380                      | 3,000         | (3,380)               | 0                       | -  |
| Parking              | 66              | -                                      | -        | 4                       | -                       | -                            | 70                       | -             | (70)                  | (0)                     | -  |
| Open Space           | 1,477           | -                                      | -        | 60                      | (881)                   | -                            | 656                      | 3,000         | (3,656)               | 0                       | -  |
| Community Facilities | 31              | 289                                    | -        | 10                      | (22)                    | -                            | 308                      | 10,000        | (10,308)              | (0)                     | -  |
| <b>Total</b>         | <b>2,268</b>    | <b>289</b>                             | <b>-</b> | <b>104</b>              | <b>(1,247)</b>          | <b>-</b>                     | <b>1,414</b>             | <b>16,000</b> | <b>(17,414)</b>       | <b>(0)</b>              | <b>-</b>                                     |

CONTRIBUTION PLAN - Drummoyne Area

| PURPOSE              | Opening Balance | Contributions received during the Year |          | Interest earned in Year | Expenditure during Year | Internal Borrowing (to)/from | Held as Restricted Asset | Projections   |                       |                         | Cumulative Internal Borrowings due/(payable) |
|----------------------|-----------------|--|----------|-------------------------|-------------------------|------------------------------|--------------------------|---------------|-----------------------|-------------------------|--|
|                      |                 | Cash                                   | Non Cash |                         |                         |                              |                          | Future income | Exp still outstanding | Over or (under) Funding |  |
| Drainage             | 94              | -                                      | -        | 5                       | -                       | (5)                          | 94                       | -             | (94)                  | 0                       | 94   |
| Parking              |                 |  |          |                         |                         |                              |                          |               |                       |                         |  |
| - Victoria Road      | 61              | -                                      | -        | 4                       | -                       | (4)                          | 61                       | -             | (61)                  | (0)                     | 61   |
| Community Facilities | (155)           | -                                      | -        | -                       | -                       | 9                            | (146)                    | 146           | -                     | -                       | (155)  |
| <b>Total</b>         | <b>-</b>        | <b>-</b>                               | <b>-</b> | <b>9</b>                | <b>-</b>                | <b>-</b>                     | <b>9</b>                 | <b>146</b>    | <b>(155)</b>          | <b>(0)</b>              | <b>-</b>                                     |

Notes to the Financial Statements

for the financial year ended 30 June 2010

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94A LEVIES - UNDER A PLAN

S94A LEVIES

| PURPOSE              | Opening Balance | Contributions received during the Year |          | Interest earned in Year | Expenditure during Year | Internal Borrowing (to)/from | Held as Restricted Asset | Projections   |                       |                         | Cumulative Internal Borrowings due/(payable) |
|----------------------|-----------------|--|----------|-------------------------|-------------------------|------------------------------|--------------------------|---------------|-----------------------|-------------------------|--|
|                      |                 | Cash                                   | Non Cash |                         |                         |                              |                          | Future income | Exp still outstanding | Over or (under) Funding |  |
| Community Facilities | 36              | 1,735                                  |          | 9                       | (1,503)                 | -                            | 277                      | 15,000        | (15,277)              | (0)                     | -  |
| <b>Total</b>         | <b>36</b>       | <b>1,735</b>                           | <b>-</b> | <b>9</b>                | <b>(1,503)</b>          | <b>-</b>                     | <b>277</b>               | <b>15,000</b> | <b>(15,277)</b>       | <b>(0)</b>              | <b>-</b>                                     |

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Balance Sheet, 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 and member Councils will need to make significantly higher contributions from 2009/10 & beyond.

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 of any increased prudential requirements of 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.

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

\$ '000

##### **LIABILITIES NOT RECOGNISED** (continued):

##### **2. Other Liabilities**

##### **(i) Third Party Claims**

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its Insurance Coverage and does not expect any material liabilities to eventuate.

##### **(ii) S94 Plans**

Council levies Section 94/94A Contributions upon various development across the Council area through the required Contributions Plans.

As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Council's intention to spend funds in the manner and timing set out in those Plans.

##### **(iii) 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.

##### **(iii) Potential Land Acquisitions due to Planning Restrictions imposed by Council**

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

##### **(iv) Legal Matters**

##### **CITY OF CANADA BAY COUNCIL v PHOENIX COMMERCIAL ENTERPRISES**

Council is currently involved in a legal matter involving the termination of a contract with Phoenix Commercial Enterprises as a result of a breach of contract, viz a non-payment of a lease fee.

A counter claim for damages has been served against Council which, in the opinion of Council's solicitor is not likely to succeed.

##### **ASSETS NOT RECOGNISED:**

##### **(i) Infringement Notices/Fines**

Fines & Penalty Income, the result of Council issuing Infringement Notices is followed up and collected by the Infringement Processing Bureau.

Council's Revenue Recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at Year End, there is a potential asset due to Council representing issued but updated Infringement Notices.

Due to the limited information available on the status, value and duration of outstanding Notices, Council is unable to determine the value of outstanding income.

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

\$ '000

##### ASSETS NOT RECOGNISED: (continued)

###### (ii) Metro Pool

Council is a former member of an insurance group named Metro Pool, which is a cooperative organisation providing public liability and professional indemnity coverage for the Local Government Areas of Auburn, Botany Bay, Holroyd, Hunter's Hill, Lane Cove, Marrickville and Rockdale.

As at 30 June 2010 Council has a 5.74% interest in the equity of Metro Pool which amounts to \$255K. This equity position has not been recognised in this Financial Report.

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

Council has no interest in any Controlled Entities, Associated Entities or Joint Ventures.

#### Note 20. Equity - Retained Earnings and Revaluation Reserves

| \$ '000   | Notes  | Actual<br>2010          | Actual<br>2009        |
|---|--------|-------------------------|-----------------------|
| <b>a. Retained Earnings</b>   |        |                         |                       |
| <b>Movements in Retained Earnings were as follows:</b>                |        |                         |                       |
| Balance at beginning of Year (from previous years audited accounts)   |        | 922,360                 | 911,624               |
| a. Correction of Prior Period Errors                                  | 20 (c) | -                       | -                     |
| c. Other Comprehensive Income (excl. direct to Reserves transactions) |        | 948,811                 | -                     |
| d. Net Operating Result for the Year                                  |        | 16,701                  | 10,736                |
| e. Distributions to/(Contributions from) Minority Interests           |        | -                       | -                     |
| f. Transfers between Equity   |        | -                       | -                     |
| g. Other Changes  |        | -                       | -                     |
| <b>Balance at End of the Reporting Period</b>                         |        | <b><u>1,887,872</u></b> | <b><u>922,360</u></b> |

## City of Canada Bay

## Notes to the Financial Statements

for the financial year ended 30 June 2010

## Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

| \$ '000  | Notes | Actual<br>2010 | Actual<br>2009 |
|--|-------|----------------|----------------|
| <b>b. Reserves</b>   |       |                |                |
| <b>(i) Reserves are represented by:</b>                                    |       |                |                |
| - Infrastructure, Property, Plant & Equipment Revaluation Reserve          |       | 73,955         | 33,365         |
| <b>Total</b>   |       | <b>73,955</b>  | <b>33,365</b>  |
| <b>(ii). Reconciliation of movements in Reserves:</b>                      |       |                |                |
| <b>Infrastructure, Property, Plant &amp; Equipment Revaluation Reserve</b> |       |                |                |
| - Opening Balance  |       | 33,365         | 33,365         |
| - Revaluations for the year  | 9(a)  | 40,590         | -              |
| <b>- Balance at End of Year</b>  |       | <b>73,955</b>  | <b>33,365</b>  |
| <b>TOTAL VALUE OF RESERVES</b>   |       | <b>73,955</b>  | <b>33,365</b>  |

**(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.

## Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

| \$ '000 | Notes | Actual<br>2010 | Actual<br>2009 |
|---------|-------|----------------|----------------|
|---------|-------|----------------|----------------|

**c. Correction of Error/s relating to a Previous Reporting Period**

As part of Council's transition to measuring all it's I,PP&E at Fair Values, Council this year reviewed and brought to account Fair Values for the following Asset Classes:

As part of that evaluation & measurement process, the remaining useful life of each asset has been reassessed to actual.

This reassessment has resulted in a material difference as to where some assets actually sit in relation to their asset life cycle relative to what the value of accumulated depreciation in Council's Financial Reports had previously indicated.

## City of Canada Bay

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

| \$ '000   | Notes                                  | Actual<br>2010 | Actual<br>2009 |
|---|--|----------------|----------------|
| <b>c. Correction of Error/s relating to a Previous Reporting Period</b>   |  |                |                |
| <p>Council does not have sufficient and reliable information that will allow the restatement of information prior to 30/6/09 (the closing date for the comparative figures in this report).</p> <p>As a result, Council has adjusted the accumulated depreciation for the following asset classes as at 30/6/09 to reflect the correct value of accumulated depreciation;</p> |  |                |                |
| Roads, Bridges & Footpaths Asset Class  | decrease to accumulated depreciation   | 55,653         |                |
| Stormwater Drainage Asset Class   | (increase) to accumulated depreciation | <u>(2,169)</u> |                |
|   |  | 53,484         |                |
| <p>This adjustment resulted in net increase / (decrease) in Council's Accumulated Surplus as at 30/6/09.</p>  |  |                |                |

#### d. Voluntary Changes in Accounting Policies

Council recognised for the first time Land Under Road Assets in accordance with the application of AASB1051 - Land Under Roads.

This is a result of Council's election to recognise Land Under Roads owned by Council as at 30/6/08.

|   |         |   |
|---|---------|---|
| This has had the effect of increasing I,PP&E (& Equity) by: | 895,327 | - |
|---|---------|---|

#### Note 21. Financial Result & Financial Position by Fund

Council's activities are all funded from and operate within General Fund

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

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

## City of Canada Bay

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 23. Events occurring after Balance Sheet Date

---

Events that occur after the reporting date of 30 June 2010, up to and including 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 appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

**Accordingly, the "authorised for issue" date is 21/10/10.**

Events that occur after the Reporting Date represent one of two types:

##### **(i) Events that have provided evidence of conditions that existed at the Reporting Date**

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2010.

##### **(ii) Events that have provided evidence of conditions that arose after the Reporting Date**

These financial statements (and figures therein) do not incorporate any "non adjusting events" that have occurred after 30 June 2010 and which are only indicative of conditions that arose after 30 June 2010.

**Council is unaware of any material or significant "non adjusting events" that should be disclosed.**

#### Note 24. Discontinued Operations

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Council has not classified any of its Operations as "Discontinued".

#### Note 25. Intangible Assets

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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.

#### Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

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Council has no outstanding obligations to make, restore, rehabilitate or reinstate any of its assets/operations.

## City of Canada Bay

### Notes to the Financial Statements for the financial year ended 30 June 2010

#### Note 27. Additional Council Disclosures - Financial Information

\$ '000

#### Key Financial Figures of Council over the past 5 years - Consolidated

| <b>Financial Performance Figures</b>                               | <b>2010</b>    | <b>2009</b> | <b>2008</b> | <b>2007</b> | <b>2006</b> |
|--|----------------|-------------|-------------|-------------|-------------|
| <b>Inflows:</b>  |                |             |             |             |             |
| Rates & Annual Charges revenue                                     | <b>37,583</b>  | 34,816      | 32,954      | 30,696      | 29,112      |
| User Charges revenue   | <b>10,557</b>  | 7,404       | 5,918       | 4,927       | 4,839       |
| Interest & Investment revenue                                      | <b>1,120</b>   | (145)       | (138)       | 1,771       | 1,599       |
| Grants Income - Operating & Capital                                | <b>6,134</b>   | 7,581       | 4,013       | 4,953       | 3,629       |
| Total Income from Continuing Operations                            | <b>75,664</b>  | 64,209      | 55,272      | 48,328      | 46,848      |
| Sale Proceeds from I,PP&E  | <b>2,218</b>   | 817         | 803         | 885         | 815         |
| New Loan Borrowings & Advances                                     | -              | -           | -           | -           | -           |
| <b>Outflows:</b>   |                |             |             |             |             |
| Employee Benefits & On-cost expenses                               | <b>23,497</b>  | 20,700      | 17,890      | 16,885      | 15,364      |
| Borrowing Costs  | <b>178</b>     | 219         | 265         | 311         | 357         |
| Materials & Contracts expenses                                     | <b>19,503</b>  | 17,333      | 16,549      | 16,677      | 16,412      |
| Total Expenses from Continuing Operations                          | <b>58,963</b>  | 53,473      | 48,622      | 47,602      | 46,271      |
| Total Cash purchases of I,PP&E                                     | <b>12,677</b>  | 14,087      | 16,372      | 9,261       | 8,359       |
| Total Loan Repayments (incl. Finance Leases)                       | <b>710</b>     | 739         | 795         | 750         | 756         |
| Operating Surplus/(Deficit) (excl. Capital Income)                 | <b>(816)</b>   | (3,074)     | (2,474)     | (3,150)     | (3,941)     |
| <b>Financial Position Figures</b>                                  | <b>2010</b>    | <b>2009</b> | <b>2008</b> | <b>2007</b> | <b>2006</b> |
| Current Assets   | <b>21,969</b>  | 17,066      | 20,730      | 20,405      | 23,004      |
| Current Liabilities  | <b>18,620</b>  | 16,658      | 19,089      | 15,046      | 14,156      |
| Net Current Assets   | <b>3,349</b>   | 408         | 1,641       | 5,359       | 8,848       |
| Cash & Investments - Unrestricted                                  | <b>5,144</b>   | 2,980       | 6,798       | 3,854       | 2,583       |
| Cash & Investments - Internal Restrictions                         | <b>4,229</b>   | 2,573       | 4,729       | 4,831       | 4,941       |
| Cash & Investments - Total   | <b>17,487</b>  | 15,034      | 20,092      | 20,630      | 20,904      |
| Available Working Capital<br>(Unrestricted Net Current Assets)     | <b>(1,522)</b> | (3,884)     | (2,733)     | (5,123)     | (2,672)     |
| Total Borrowings Outstanding<br>(Loans, Advances & Finance Leases) | <b>2,581</b>   | 3,291       | 4,030       | 4,825       | 5,575       |
| Total Value of I,PP&E (excl. Land & Earthworks)                    | <b>543,682</b> | 471,244     | 452,124     | 417,960     | 410,087     |
| Total Accumulated Depreciation                                     | <b>176,972</b> | 203,580     | 196,098     | 175,065     | 169,453     |
| Indicative Remaining Useful Life (as a % of GBV)                   | 67%            | 57%         | 57%         | 58%         | 59%         |

**Source:** Published audited financial statements of Council (current year & prior year annual financial statements)

## City of Canada Bay

### Notes to the Financial Statements

for the financial year ended 30 June 2010

#### Note 28. Additional Council Disclosures - Council Information

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**Principal Place of Business:**

1A Marlborough Street  
Drummoyne NSW 2047

**Contact Details****Mailing Address:**

Locked Bag 1470  
Drummoyne NSW 2047

**Telephone:** 02 9911 6555

**Facsimile:** 02 9911 6550

**Opening Hours**

8.30 am to 4.30 pm  
Monday to Friday

**Internet:** [www.canadabay.nsw.gov.au](http://www.canadabay.nsw.gov.au)

**Email:** [council@canadabay.nsw.gov.au](mailto:council@canadabay.nsw.gov.au)

**Officers****GENERAL MANAGER**

Mr. Gary Sawyer

**RESPONSIBLE ACCOUNTING OFFICER**

Mr. Bruce Cook

**PUBLIC OFFICER**

Mr. Bob Pigott

**AUDITORS**

PriceWaterHouseCoopers

**Elected Members****MAYOR**

Mayor Angelo Tsirekas

**COUNCILLORS**

Cr. Mirjana Cestar

Cr. Tony Fasanella

Cr. Neil Kenzler

Cr. Helen McCaffrey

Cr. Michael Megna

Cr. Marian O'Connell

Cr. Jeanette O'Hara

Cr. Pauline Tyrrell

**Other Information**

**ABN:** 79 130 029 350

**City of Canada Bay Council  
Independent Audit Report to the Council  
(Section 417(2) – report on the general purpose financial report)**

## Scope

We have audited the financial report of **City of Canada Bay Council** for the financial year ended 30 June 2010 as set out on pages 1 to 7. The financial report consists of the general purpose financial report and Council's statement in the approved form as required by Section 413(2)(a) of the Local Government Act, 1993. Our audit responsibility does not extend to the Original Budget figures disclosed in the Income Statement, Statement of Cash Flows, Notes 2(a) and 16 to the financial statements nor the attached Special Schedules. The Council is responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the Council.

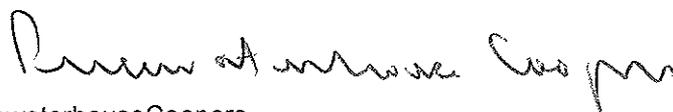
Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and statutory requirements so as to present a view which is consistent with our understanding of the Council's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

## Audit 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.
- b) The Council's financial report
  - i. has been properly prepared in accordance with the requirements of this Division;
  - ii. is consistent with the Council's accounting records;
  - iii. present fairly the Council's financial position and the results of its operations; and
  - iv. is in accordance with applicable Accounting Standards.
- c) All information relevant to the conduct of the audit has been obtained.
- d) There are no material deficiencies in the accounting records or financial reports that have come to light during the course of the audit.



PricewaterhouseCoopers



RL Gavin  
Partner

21 OCT 2010

The Mayor  
Councillor Angelo Tsirekas  
City of Canada Bay Council  
Locked Bag 1470  
DRUMMOYNE NSW 1470

Dear Councillor Tsirekas,

**REPORT ON THE CONDUCT OF THE AUDIT OF  
THE CITY OF CANADA BAY COUNCIL  
FOR YEAR ENDED 30TH JUNE, 2010 - SECTION 417(3)**

We have completed our audit of the financial reports of the City of Canada Bay Council for the year ended 30th June 2010, in accordance with Section 415 of the Local Government Act, 1993.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial reports are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial reports, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial reports are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements, as well as statutory requirements so as to present a view which is consistent with our understanding of the Council's financial position, the results of its operations and its cash flows.

Flowing from our audit there are a number of comments, which we wish to raise concerning the trends in Council's finances. These are set out below.

**Operating Result**

Council's Operating Result improved from a surplus of \$10.7m in the previous year to a surplus of \$16.7m in the current period. The increase was mainly the result of higher capital grants and contributions (up \$3.7m).

### Cash Position

The Council's overall cash position increased from \$15m to \$17m during the period under review, as the table below demonstrates:

|                       | 6/09        | 6/10        |
|-----------------------|-------------|-------------|
|                       | <u>\$m</u>  | <u>\$m</u>  |
| Externally Restricted | 9.5         | 8.1         |
| Internally Restricted | 2.6         | 4.2         |
| Unrestricted          | <u>3.0</u>  | <u>5.1</u>  |
| <i>Total</i>          | <i>15.1</i> | <i>17.4</i> |

### Working Capital

Council's net current assets increased from \$408K to \$3.3m during the period under review.

The value of net current assets needs to be adjusted in order to establish Council's available working capital.

|   | 6/09            | 6/10           |
|---|-----------------|----------------|
|   | <u>\$'000</u>   | <u>\$'000</u>  |
| Net Current Assets                                  | 408             | 3,349          |
| <u>Less</u>   |                 |                |
| External Restrictions                               | 8,538           | 7,614          |
| Internal Restrictions                               | <u>2,573</u>    | <u>4,229</u>   |
| <u>Sub Total</u>                                    | (10,703)        | ( 8,494)       |
| <u>Add</u>  |                 |                |
| Current Liabilities to be funded from other sources | <u>11,874</u>   | <u>12,948</u>  |
| <i>Available Working Capital</i>                    | <u>\$ 1,171</u> | <u>\$4,454</u> |

The Available Working Capital upon which Council could build its 2010/11 budget was \$4.5m.

### Performance Indicators

The financial reports disclose a number of indicators in Note 13 and these are detailed below:

|                            | 6/09 | 6/10 |
|----------------------------|------|------|
|                            | %    | %    |
| Unrestricted Current Ratio | 116  | 163  |
| Debt Service Ratio         | 1.98 | 1.57 |
| Rate Coverage Ratio        | 54   | 50   |
| Rates Outstanding Ratio    | 2.29 | 2.43 |
| Asset Renewal Ratio        | 54   | 55   |

The Unrestricted Current Ratio improved and remained above the industry benchmark of 100%.

The Debt Service Ratio improved to 1.57% of operating revenue reflecting the drop in outstanding loans from \$3.3m to \$2.6m. The ratio is well below the industry benchmark of 10%.

The Rate Coverage Ratio declined to 50% of total revenue, reflecting higher capital grants and contributions received during the period.

The Rates Outstanding Ratio increased to 2.43% of collectables but remains better than the industry benchmark of 5%.

The Asset Renewal Ratio indicates that key infrastructure is being renewed at 56% of the rate at which it is depreciating.

Council is considered to be in a sound and stable financial position. All indicators stand better than accepted industry benchmarks.

### **Land under Roads**

Council recognised land under roads acquired before 1 July 2008 in the current period based on an average Valuer General value for land in the City - \$895m was credited to retained earnings. A further \$9m was dedicated to Council in the current period from the Rhodes Peninsula.

### **Revaluations**

Council revalued its road and drainage infrastructure in accordance with the Division of Local Governments revaluation program. Following depreciation adjustments of \$53m, a revaluation of \$41m was credited to the Asset Revaluation Reserve.

### **General**

The books of accounts and records inspected by us have been kept in an accurate and conscientious manner. We thank the General Manager and his staff for the co-operation and courtesy extended to us during the course of our audit.

Yours faithfully,



PricewaterhouseCoopers



R L Gavin  
Partner  
Sydney

27 October 2010



FINANCIAL  
REPORTS  
2009/10

SPECIAL PURPOSE FINANCIAL STATEMENT

For the year ended 30 June 2010

## City of Canada Bay

### Special Purpose Financial Statements for the financial year ended 30 June 2010

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Council has resolved that it does not operate any Business Activities as set out in the National Competition Policy and Division of Local Government Guidelines.

As a result of this resolution, Council has no Special Purpose Financial Reports which are comprised of an Income Statement and Balance Sheet by Business Activity.

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FINANCIAL  
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2009/10

SPECIAL SCHEDULES

For the year ended 30 June 2010

# City of Canada Bay

## Special Schedules

for the financial year ended 30 June 2010

### Contents

### Page

#### Special Schedules<sup>1</sup>

|  |   |     |
|--|---|-----|
| - Special Schedule No. 1               | Net Cost of Services                                | 2   |
| - Special Schedule No. 2(a)            | Statement of Long Term Debt (all purposes)          | 4   |
| - Special Schedule No. 2(b)            | Statement of Internal Loans (Sect. 410(3) LGA 1993) | n/a |
| - Special Schedule No. 3               | Water Supply - Income Statement                     | n/a |
| - Special Schedule No. 4               | Water Supply - Balance Sheet                        | n/a |
| - Special Schedule No. 5               | Sewerage Service - Income Statement                 | n/a |
| - Special Schedule No. 6               | Sewerage Service - Balance Sheet                    | n/a |
| - Notes to Special Schedules No. 3 & 5 |   | n/a |
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| - Special Schedule No. 8               | Financial Projections                               | 7   |

<sup>1</sup> Special Purpose Schedules are not audited.

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#### Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
  - the Australian Bureau of Statistics (ABS),
  - the NSW Office of Water,
  - the Department of Environment, Climate Change and Water, and
  - the Division of Local Government (DLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
  - the incorporation of Local Government financial figures in national statistics,
  - the monitoring of loan approvals,
  - the allocation of borrowing rights, and
  - the monitoring of the financial activities of specific services.

## City of Canada Bay

## Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2010

\$'000

| Function or Activity                                   | Expenses from continuing operations | Income from continuing operations |              | Net Cost of Services |
|--|-------------------------------------|-----------------------------------|--------------|----------------------|
|  |                                     | Non Capital                       | Capital      |                      |
| <b>Administration</b>                                  | <b>17,686</b>                       | <b>4,766</b>                      | <b>5,363</b> | <b>(7,557)</b>       |
| <b>Public Order and Safety</b>                         |                                     |                                   |              |                      |
| Fire Service Levy, Fire Protection, Emergency Services | 1,355                               | 79                                | -            | (1,276)              |
| Beach Control  | -                                   | -                                 | -            | -                    |
| Enforcement of Local Govt Regs                         | 887                                 | 1,039                             | -            | 152                  |
| Animal Control   | -                                   | 30                                | -            | 30                   |
| Other  | -                                   | -                                 | -            | -                    |
| <b>Total Public Order &amp; Safety</b>                 | <b>2,242</b>                        | <b>1,148</b>                      | <b>-</b>     | <b>(1,094)</b>       |
| <b>Health</b>  | <b>887</b>                          | <b>111</b>                        | <b>-</b>     | <b>(776)</b>         |
| <b>Environment</b>                                     |                                     |                                   |              |                      |
| Noxious Plants and Insect/Vermin Control               | -                                   | -                                 | -            | -                    |
| Other Environmental Protection                         | 591                                 | 65                                | -            | (526)                |
| Solid Waste Management                                 | 8,591                               | 10,209                            | -            | 1,618                |
| Street Cleaning  | 757                                 | -                                 | -            | (757)                |
| Drainage   | 1,093                               | -                                 | 125          | (968)                |
| Stormwater Management                                  | -                                   | -                                 | -            | -                    |
| <b>Total Environment</b>                               | <b>11,032</b>                       | <b>10,274</b>                     | <b>125</b>   | <b>(633)</b>         |
| <b>Community Services and Education</b>                |                                     |                                   |              |                      |
| Administration & Education                             | 337                                 | 16                                | -            | (321)                |
| Social Protection (Welfare)                            | 13                                  | 1                                 | -            | (12)                 |
| Aged Persons and Disabled                              | 580                                 | 350                               | -            | (230)                |
| Childrens Services                                     | 1,359                               | 1,228                             | -            | (131)                |
| <b>Total Community Services &amp; Education</b>        | <b>2,289</b>                        | <b>1,595</b>                      | <b>-</b>     | <b>(694)</b>         |
| <b>Housing and Community Amenities</b>                 |                                     |                                   |              |                      |
| Public Cemeteries                                      | -                                   | -                                 | -            | -                    |
| Public Conveniences                                    | 282                                 | -                                 | -            | (282)                |
| Street Lighting  | 875                                 | 146                               | -            | (729)                |
| Town Panning   | 591                                 | 968                               | -            | 377                  |
| Other Community Amenities                              | 3,184                               | 3                                 | -            | (3,181)              |
| <b>Total Housing and Community Amenities</b>           | <b>4,932</b>                        | <b>1,117</b>                      | <b>-</b>     | <b>(3,815)</b>       |
| <b>Water Supplies</b>                                  | <b>-</b>                            | <b>-</b>                          | <b>-</b>     | <b>-</b>             |
| <b>Sewerage Services</b>                               | <b>-</b>                            | <b>-</b>                          | <b>-</b>     | <b>-</b>             |

## City of Canada Bay

## Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2010

\$'000

| Function or Activity  | Expenses from continuing operations | Income from continuing operations |               | Net Cost of Services |
|---|-------------------------------------|-----------------------------------|---------------|----------------------|
|   |                                     | Non Capital                       | Capital       |                      |
| <b>Recreation and Culture</b>   |                                     |                                   |               |                      |
| Public Libraries  | 1,989                               | 245                               | -             | (1,744)              |
| Museums   | -                                   | -                                 | -             | -                    |
| Art Galleries   | -                                   | -                                 | -             | -                    |
| Community Centres and Halls   | 95                                  | 205                               | -             | 110                  |
| Performing Arts Venues  | -                                   | -                                 | -             | -                    |
| Other Performing Arts   | -                                   | -                                 | -             | -                    |
| Other Cultural Services   | 460                                 | 295                               | -             | (165)                |
| Sporting Grounds and Venues   | 1,269                               | 210                               | 2,283         | 1,224                |
| Swimming Pools  | 464                                 | -                                 | -             | (464)                |
| Parks & Gardens (Lakes)   | 1,036                               | 65                                | 181           | (790)                |
| Other Sport and Recreation  | 4,151                               | 3,755                             | 565           | 169                  |
| <b>Total Recreation and Culture</b>   | <b>9,464</b>                        | <b>4,775</b>                      | <b>3,029</b>  | <b>(1,660)</b>       |
| <b>Fuel &amp; Energy</b>  | -                                   | -                                 | -             | -                    |
| <b>Agriculture</b>  | -                                   | -                                 | -             | -                    |
| <b>Mining, Manufacturing and Construction</b>                                       |                                     |                                   |               |                      |
| Building Control  | 1,140                               | 468                               | -             | (672)                |
| Other Mining, Manufacturing & Construction  | -                                   | -                                 | -             | -                    |
| <b>Total Mining, Manufacturing and Const.</b>                                       | <b>1,140</b>                        | <b>468</b>                        | -             | <b>(672)</b>         |
| <b>Transport and Communication</b>  |                                     |                                   |               |                      |
| Urban Roads (UR) - Local  | 4,413                               | -                                 | 8,969         | 4,556                |
| Urban Roads - Regional  | -                                   | 293                               | -             | 293                  |
| Sealed Rural Roads (SRR) - Local  | -                                   | -                                 | -             | -                    |
| Sealed Rural Roads - Regional   | -                                   | -                                 | -             | -                    |
| Unsealed Rural Roads (URR) - Local  | -                                   | -                                 | -             | -                    |
| Unsealed Rural Roads (URR) - Regional   | -                                   | -                                 | -             | -                    |
| Bridges on UR - Local   | -                                   | -                                 | -             | -                    |
| Bridges on SRR - Local  | -                                   | -                                 | -             | -                    |
| Bridges on URR - Local  | -                                   | -                                 | -             | -                    |
| Bridges on Regional Roads   | -                                   | -                                 | -             | -                    |
| Parking Areas   | 13                                  | -                                 | -             | (13)                 |
| Footpaths   | 732                                 | -                                 | 31            | (701)                |
| Aerodromes  | -                                   | -                                 | -             | -                    |
| Other Transport & Communication   | 2,365                               | 1,344                             | -             | (1,021)              |
| <b>Total Transport and Communication</b>  | <b>7,523</b>                        | <b>1,637</b>                      | <b>9,000</b>  | <b>3,114</b>         |
| <b>Economic Affairs</b>   |                                     |                                   |               |                      |
| Camping Areas & Caravan Parks   | -                                   | -                                 | -             | -                    |
| Other Economic Affairs  | 1,768                               | 2,067                             | -             | 299                  |
| <b>Total Economic Affairs</b>   | <b>1,768</b>                        | <b>2,067</b>                      | -             | <b>299</b>           |
| <b>Totals – Functions</b>   | <b>58,963</b>                       | <b>27,958</b>                     | <b>17,517</b> | <b>(13,488)</b>      |
| <b>General Purpose Revenues<sup>(1)</sup></b>                                       |                                     | <b>30,189</b>                     | -             | <b>30,189</b>        |
| <b>Share of interests - joint ventures &amp; associates using the equity method</b> | -                                   | -                                 | -             | -                    |
| <b>NET OPERATING RESULT FOR YEAR</b>  | <b>58,963</b>                       | <b>58,147</b>                     | <b>17,517</b> | <b>16,701</b>        |

(1) Includes: Rates &amp; Annual Charges (incl. Ex Gratia), Untied General Purpose Grants &amp; Interest on Investments (excl. Restricted Assets)

City of Canada Bay

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)  
for the financial year ended 30 June 2010

\$'000

| Classification of Debt      | Principal outstanding at beginning of the year |              |              | New Loans raised during the year | Debt redemption during the year |               | Transfers to Sinking Funds | Interest applicable for Year | Principal outstanding at the end of the year |              |              |
|-----------------------------|--|--------------|--------------|----------------------------------|---------------------------------|---------------|----------------------------|------------------------------|--|--------------|--------------|
|                             | Current  | Non Current  | Total        |                                  | From Revenue                    | Sinking Funds |                            |                              | Current                                      | Non Current  | Total        |
| <b>Loans (by Source)</b>    |  |              |              |                                  |                                 |               |                            |                              |  |              |              |
| Commonwealth Government     | -  | -            | -            |                                  |                                 |               |                            |                              |  | -            | -            |
| Treasury Corporation        | -  | -            | -            |                                  |                                 |               |                            |                              |  | -            | -            |
| Other State Government      | -  | -            | -            |                                  |                                 |               |                            |                              |  | -            | -            |
| Public Subscription         | -  | -            | -            |                                  |                                 |               |                            |                              |  | -            | -            |
| Financial Institutions      | 713  | 2,578        | 3,291        | -                                | 710                             | -             | -                          | 178                          | 696  | 1,885        | 2,581        |
| Other                       | -  | -            | -            |                                  |                                 |               |                            |                              |  | -            | -            |
| <b>Total Loans</b>          | <b>713</b>                                     | <b>2,578</b> | <b>3,291</b> | <b>-</b>                         | <b>710</b>                      | <b>-</b>      | <b>-</b>                   | <b>178</b>                   | <b>696</b>                                   | <b>1,885</b> | <b>2,581</b> |
| <b>Other Long Term Debt</b> |  |              |              |                                  |                                 |               |                            |                              |  |              |              |
| Ratepayers Advances         | -  | -            | -            |                                  |                                 |               |                            |                              |  | -            | -            |
| Government Advances         | -  | -            | -            |                                  |                                 |               |                            |                              |  | -            | -            |
| Finance Leases              | -  | -            | -            |                                  |                                 |               |                            |                              |  | -            | -            |
| Deferred Payments           | -  | -            | -            |                                  |                                 |               |                            |                              |  | -            | -            |
| <b>Total Long Term Debt</b> | <b>-</b>                                       | <b>-</b>     | <b>-</b>     | <b>-</b>                         | <b>-</b>                        | <b>-</b>      | <b>-</b>                   | <b>-</b>                     | <b>-</b>                                     | <b>-</b>     | <b>-</b>     |
| <b>Total Debt</b>           | <b>713</b>                                     | <b>2,578</b> | <b>3,291</b> | <b>-</b>                         | <b>710</b>                      | <b>-</b>      | <b>-</b>                   | <b>178</b>                   | <b>696</b>                                   | <b>1,885</b> | <b>2,581</b> |

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 (as per the GPFS's).





## City of Canada Bay

## Special Schedule No. 8 - Financial Projections

as at 30 June 2010

| \$'000   | Actual <sup>(1)</sup><br>09/10 | Forecast<br>10/11   | Forecast<br>11/12   | Forecast <sup>(3)</sup><br>12/13 |
|--|--------------------------------|---------------------|---------------------|----------------------------------|
| <b>(i) RECURRENT BUDGET</b>                        |                                |                     |                     |                                  |
| Income from continuing operations                  | 75,664                         | 60,234              | 59,882              | 60,946                           |
| Expenses from continuing operations                | 58,963                         | 60,797              | 60,234              | 63,604                           |
| <b>Operating Result from Continuing Operations</b> | <b><u>16,701</u></b>           | <b><u>(563)</u></b> | <b><u>(352)</u></b> | <b><u>(2,658)</u></b>            |
| <b>(ii) CAPITAL BUDGET</b>                         |                                |                     |                     |                                  |
| New Capital Works <sup>(2)</sup>                   | 5,257                          | 5,334               | 3,000               | 2,700                            |
| Replacement/Refurbishment of Existing Assets       | 9,312                          | 4,291               | 2,000               | 2,132                            |
| <b>Total Capital Budget</b>                        | <b><u>14,569</u></b>           | <b><u>9,625</u></b> | <b><u>5,000</u></b> | <b><u>4,832</u></b>              |
| <b>Funded by:</b>                                  |                                |                     |                     |                                  |
| – Loans  | -                              | -                   | -                   | -                                |
| – Asset sales                                      | 1,127                          | 941                 | 845                 | 845                              |
| – Reserves   | 743                            | 1,000               | -                   | 250                              |
| – Grants/Contributions                             | 7,404                          | 4,881               | 2,864               | 2,909                            |
| – Recurrent revenue                                | 5,295                          | 103                 | 1,291               | 828                              |
| – Other  | -                              | -                   | -                   | -                                |
|  | <b><u>14,569</u></b>           | <b><u>6,925</u></b> | <b><u>5,000</u></b> | <b><u>4,832</u></b>              |

**Notes:**

(1) From 09/10 Income Statement.

(2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.

(3) If Council has only adopted 3 years of projections then only show 3 years.

