



Snow Powell



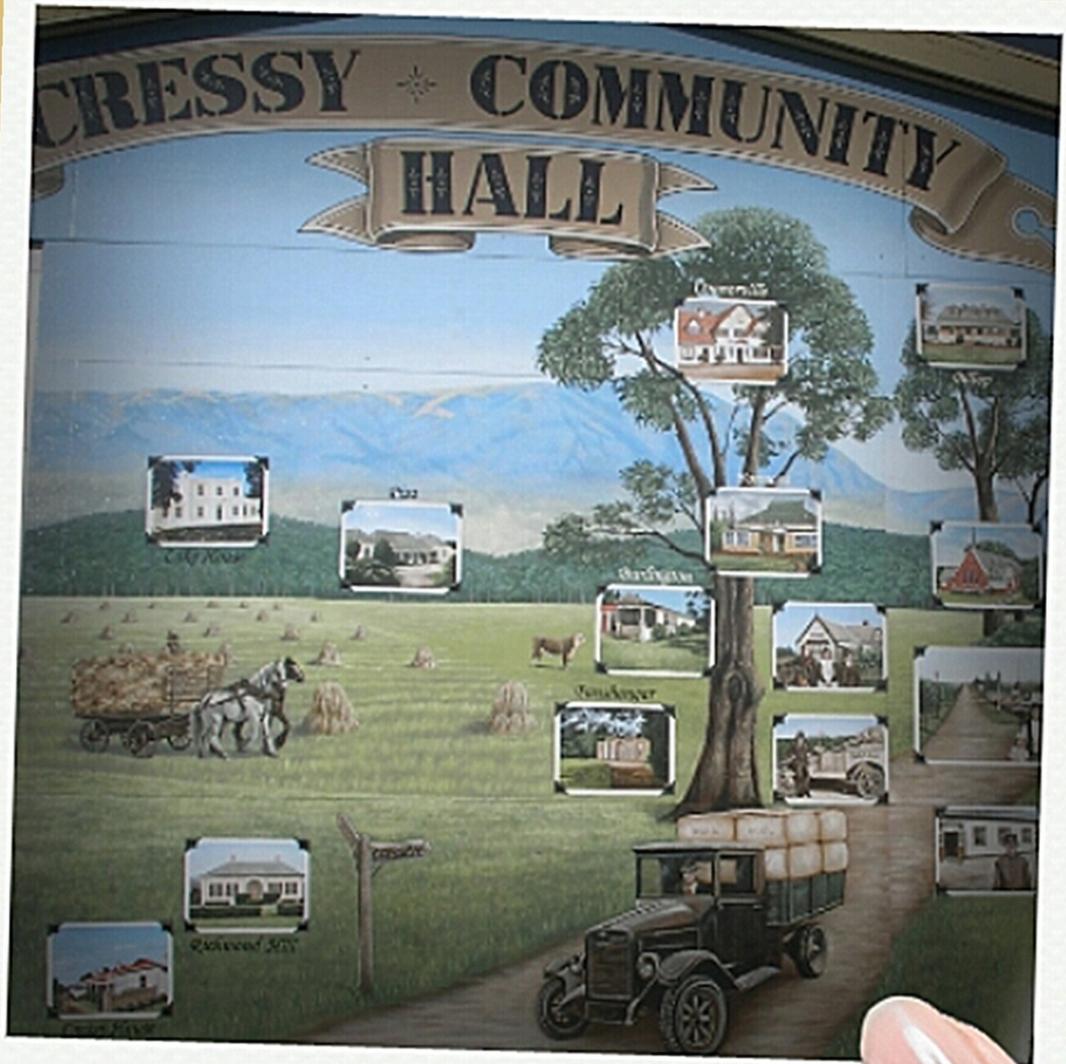
Main Street



Cressy School



"Children of the Empire" waiting for the arrival of Queen Elizabeth II, 1954



Annual Report - 2013-2014



TABLE OF CONTENTS

	PAGE NO.
Mission Statement	3
Our Vision	3
Our Guiding Principles	3
The Annual Report	4
Profile	4
Message from the Mayor	5
Acting General Manager’s Review	7
Our Council, People & Organisation	9
Council Facts in Brief	9
Facilities Maintained	9
Organisation Structure	10
Role of Council	11
Council Meetings	11
Elected Members of Council	13
Mayor Kim Polley	13
Deputy Mayor David Downie	13
Councillor Matthew Brooks	13
Councillor Andrew Calvert	13
Councillor Jeff Carins	14
Councillor Ian Goninon	14
Councillor Richard Goss	14
Councillor Mary Knowles	14
Councillor Janet Lambert	15





Council's Executive Committee	15
Members who have served on District Committees in the 2013/2014 year	16
Major Strategic Issues	17
Introduction	17
Economic Development	17
Sustainable Development	18
Community Wellbeing	18
Water Quality & Sewer Services	18
Maintaining Core Functions of Council	19
Future Funding	19
Understanding the Financial Report	20
What are the Financial Statements?	20
The Financial Statements	20
<i>The Statement of Comprehensive Income</i>	
<i>Statement of Financial Position</i>	
<i>Statement of Changes in Equity</i>	
<i>Statement of Cash Flows</i>	
<i>Notes to the Accounts</i>	
<i>Certification</i>	
<i>Auditor General's Report</i>	
Annual Review of Council Programmes	25
Governance	25
Corporate Services	29
Economic & Community Development	32
Planning & Development	43
Works & Infrastructure	48
Major Works	52
Reporting on Legislative Requirements	54

MISSION STATEMENT

Northern Midlands Council is committed to providing effective, innovative and efficient service to the community it represents. It aims to encourage active local communities of distinct character and to foster a sense of pride in the Northern Midlands area.

OUR VISION

- Northern Midlands communities will be vibrant, sustainable and resilient, promoting diversity and conserving the heritage values of our towns.
- Our competitive strengths will attract more people to the municipality, increase employment, business activity and property values.
- Our community pride will be based on co-operation and self help, evident by our care of natural and constructed assets and our leadership in environmental management.
- Each community's needs will be met with fair and appropriate quality services, creating high community satisfaction with Council's performance and high employee morale and well-being.

OUR GUIDING PRINCIPLES

- Respect for people
- Highest levels of integrity and honesty
- Open representation for all ratepayers and residents
- Equitable distribution of services, costs and opportunities for all members of the community
- Provide progressive community leadership by formulating clear, positive policies and strategies
- Continuous quality improvement
- Encourage community confidence through communication, consultation and participation
- Consideration of economic, environmental and social sustainability when making decisions
- Consistency – being fair and accountable in decision-making and actions
- Commitment to working with facts and accurate data.

THE ANNUAL REPORT

The Annual Report to the community concludes the annual corporate planning and reporting cycle of Council.

As a Council we have a statutory duty to annually report on how well we have performed as an organisation, the Annual Report is Council's report card and provides Council with the opportunity to formally inform the community of the achievements of Council over the past year and how the monies raised via rates, charges, fees and from grants received have been expended.

It is specifically required by the *Local Government Act 1993* that Council report on

- The context in which Council worked
- An organisational overview
- Council's operations, our achievements
- The key activities and priorities identified in the budget
- A set of audited standard, financial and performance statements.

Each year Council, in consultation with the community, prepares an Annual Budget within the context of the actions identified in the Strategic Plan 2007-2017 (2012-2013 revision).

PROFILE

The Northern Midlands Council was created on the 2nd April 1993 from the merger of the former Municipalities of Longford, Evandale, Campbell Town and Ross, together with the towns of Rossarden, Avoca and Royal George from the Fingal municipality.

It covers an area of 5,130 square kilometres, extending from Liffey Bluff in the west to Mount St John in the east (150 kms) and from Relbia in the north to Tooms Lake in the south (95 kms).

Northern Midlands is one of the largest and most diverse municipal areas in Tasmania. It ranges from mountainous country on its eastern and western boundaries to extensive grazing lands renowned for fine wool production, the rich agricultural river flats of the Esk, Lake and Macquarie Rivers; historic towns and villages, and from small businesses to multi-million dollar enterprises. Many of the towns and villages have distinctive heritage qualities which make them attractive places to live.

The population of the Northern Midlands was estimated to be 12,754 by the June 2013 ABS figures. This was 2.48% of the estimated State population that totalled 513,159.



MESSAGE FROM THE MAYOR

On behalf of Council, I have pleasure in presenting to you the Northern Midlands Council 2013/2014 Annual Report.

Over the past 12 months, the Council and its professional staff have focused on delivery of projects within the 2012-2017 revision of the Strategic Plan. This Plan sets out how Council will continue to do its share towards making our district a better place to live, work and raise our families.

Key corporate administrative projects undertaken during 2013/2014 included:

- Lobbying for funding of priority projects during the State & Federal elections
- Supporting creation of the statewide water authority - TasWater
- Adoption of an Independent Financial & Risk Management Audit Committee
- Introduction of the Interim Planning Scheme in accordance with the State Government directives
- Support and establishment of a Northern Midlands Economic Development Committee
- External Governance and Human Resource Audits
- Review of the Corporate Business Continuity Plan
- Ongoing review of Council policies and plans.

This year the community was captured with Longford 200 years celebrations during the 1-2 March weekend. This event was launched by His Excellency the late Honourable Peter Underwood AC former Governor of Tasmania, celebratory activities were hosted by media personality Neil Kearney, including a Longford Bike Race, a Longford Celebrity Foot Race, planting of a tree to commemorate the occasion, birthday cake, bands playing, a community photo, vehicle displays, memorabilia displays, photo displays, sheath tossing, pet parades, kids activities and so much more including on Sunday a 200 Years themed street parade and Blessing of the Harvest.

Following on from last year's 2013 Gathering on the Norfolk Plains event, Council launched "The Norfolk Plains : A History of Longford, Cressy, Perth & Bishopsbourne Tasmania" book at Petrarch's Bookshop in August 2013. The final component of the Gathering on the Norfolk Plains 1813-2013 was achieved with the placement of the time capsule in the Christ Church clocktower, with the capsule to be opened in 2063.

Australia Day was celebrated with breakfast at Valentine's Park Campbell Town, and I was delighted to present the Australia Day Citizen of the Year Award to Mr Peter Maher who has worked tirelessly over many years with various sporting and community organisations. Congratulations to Miss Chloe Pavia who was awarded Young Citizen of the Year and Certificate of Merit to Mrs Laura Double for their outstanding contributions to our community; the 175th Midlands Agricultural Show which was awarded



the Community Event of the Year. (Photo)

Other special events held and supported by Council throughout the year are listed later in this report.

Our Council, in conjunction with community groups and volunteers continued to deliver projects in 2013/2014 including:

- *Avoca Local District Committee with the creation of plaques to display the history of buildings throughout the town, as well as amenities and landscaping improvements to Boucher Park (Photo)*
- Campbell Town Local District Committee to prepare a Campbell Town Recreation Ground Development Plan, and along with the About Campbell Town Committee to renovate the Campbell Town Hall for relocation of the Museum and Information Centre
- Cressy Local District Committee with the replacement of the Town Hall mural. The mural, painted by Ms Leanne Hodgetts, depicts the working history of the area
- *Evandale Local District Committee with the purchase and re-opening of the Evandale Doctors Surgery for that community (Photo)*
- Longford Local District Committee and Velodrome Development Committee to redevelop the Longford cycling track for a much needed outdoor training and community use facility as well as to improve the CBD to Mill Dam Recreation precinct
- Perth Local District Committee and Perth Recreation Ground committees to officially open in April a new and improved amenities building to cater for both male and female sporting enthusiasts
- Ross Local District Committee to subdivide and offer for sale the former Ross Primary School.

Council remained cognisant of the increasing cost of living pressures on our community and kept rate increases largely in accordance with the cost of living index and Council's 10 Year Financial forecast to enable long term sustainability and to retain a debt free status.

Finally, I wish to pay tribute to the contribution made by my fellow Councillors and staff of the Northern Midlands Council who through their dedication and hard work have made these achievements possible.

I have enjoyed representing the Northern Midlands over the last 15 years and wish the new Council all the best in their endeavours to continue to assist our municipal area to thrive.

MIATON





ACTING GENERAL MANAGER'S REVIEW

The 2013/2014 financial year has been busy and rewarding. Council continue to play a major role in the area's social capital as well as maintaining a focus on continually delivering quality infrastructure and other community services.

I look back with pride and satisfaction with how much that has been achieved as detailed throughout the content of this report by Council's workforce who continues to strive to ensure challenges are met and difficult deadlines achieved.

Responsibly managing the Council's financial resources is always a key priority and this year was no exception. During the year, the Northern Midlands Council successfully delivered against its 2013/2014 Budget and achieved a surplus underlying operating result for the first time. By maintaining financial disciplines and all working together to

provide best value services to the community, I believe the Council now has good reason to face the future with confidence.

Council constructed/purchased Capital works projects amounting to a \$6.0 million and received donated infrastructure assets amounting to \$0.65 million for vital community infrastructure to ensure our local community offers a quality lifestyle to live and work.

I am also pleased to report on some of the year's key infrastructure milestones which included:

- Reconstruction of \$0.235 million of urban sealed streets including Napoleon & Edward Streets at Perth, William Street at Cressy, section of Pultney/Pakenham streets at Longford
- Reconstruction of \$0.881 million of rural sealed roads including Barton Road, Mt Joy Road and Bishopbourne Road; and widening and reconstruction of the rural gravel Kingston Road near Deddington at a cost of \$0.235 million.
- Construction of \$0.404 million of new footpaths in sections of William, Napoleon, Elizabeth & Fairtlough Streets at Perth; St George's Square, Catherine Street, and Tannery Road at Longford; sections of Main Street at Cressy; and Glover Court and a section on Leighlands Road to the railway line at Evandale
- *Redevelopment of the Longford Cycling Track and a walkway from the CBD to Mill Dam precinct (Photo's)*



- Replacement of four timber deck bridges with concrete structures, including the Barton Road Bridge for \$389,000
- The official opening of the \$405,000 Perth Recreation Ground Amenities building
- Purchase and reopening of the Evandale Doctors Surgery
- Renovations of the Campbell Town Hall for relocation of the Campbell Town Museum
- Installed outdoor street furniture across the municipal area and gym equipment at Avoca, Cressy & Evandale
- Provision of new heating in the Elderly person residential units, and at the Longford Town Hall
- Street tree planting across the municipal area.

Council worked closely with Launceston City Council and supported the adoption of the Greater Launceston Strategic Plan which is designed to guide Northern Tasmania's strategic direction for some 20 years into the future. This plan includes major projects in Northern Midlands including the development of the Translink Industrial area, and the development inside the Perth Bypass route.

Council has continued to promote the area through regional associations and ongoing partnerships with the Heritage Highway Tourism Association, and the Northern Midlands Business Association. This year Council has also established an Economic Development Committee to deliver the economic strategy for the municipal area. Joint efforts of these committees were highlighted by the Translink television promotion campaign early in 2014.

The highlight on the years calendar of events was the Longford bi-centennial celebrations (200 Year Birthday) and I thank the organising committee and staff for all their hard work in making this event such a success. (Photo).

A focus of the year has also been reviewing and enhancing the organisation's operations particularly in the areas of risk management and worker safety. Key organisational initiatives include the implementation of an audit committee, a strategic risk management plan, risk registers, fraud policy and plan, and approved contractor management systems.

During the past twelve months this Council has participated in resource sharing with other northern councils which aims to share the knowledge and skills of our staff and other resources to the advantage of the region.

I would like to take this opportunity to thank Council staff for their commitment to the municipality. Congratulations to those staff who reached career milestones, and to those who received qualifications under our professional development program. A special thank you to former General Manager Adam Wilson for his energy and leadership until his departure in October 2013.

Thank you to the Local District Committee members and Management Committee volunteers for their valuable feedback and efforts to improve the wellbeing of our local community.

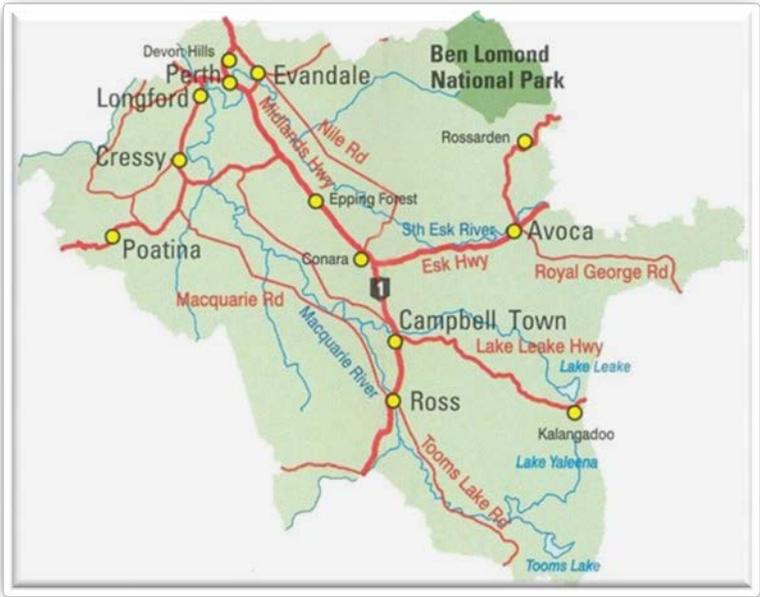
Finally, I wish to thank Councillors for their continued delivery of Council's *Strategic Plan* and the vision for our municipality.



OUR COUNCIL, PEOPLE & ORGANISATION

COUNCIL FACTS IN BRIEF

- Approximately 60% of the population resides in 5% of the area, that is, generally in the North which includes Longford, Perth and Evandale.
- Council is responsible for maintenance of 972 kms roads and 10,135m² bridge deck area; more than any other council in the state.
- Council's annual turnover (all functions) in 2013/2014 was \$14.1 million (2012/2013 \$16.0 million).
- 63% of the total recurrent revenue of the municipality comes from rates; 16% from Government Grants, the remainder comes from user fees and other sundry revenue.
- Council's total ratepayer equity is \$258.9 million.



Many of the features that make the Northern Midlands unique also present some challenges for Council and residents, such as

- the size of the Council area: although large, is an area with overall low population density, generating its financial resources from a comparatively small number of ratepayers;
- the various constituent communities: these have different levels of involvement in local government activities and services, and vary widely in their priorities and objectives.

FACILITIES MAINTAINED

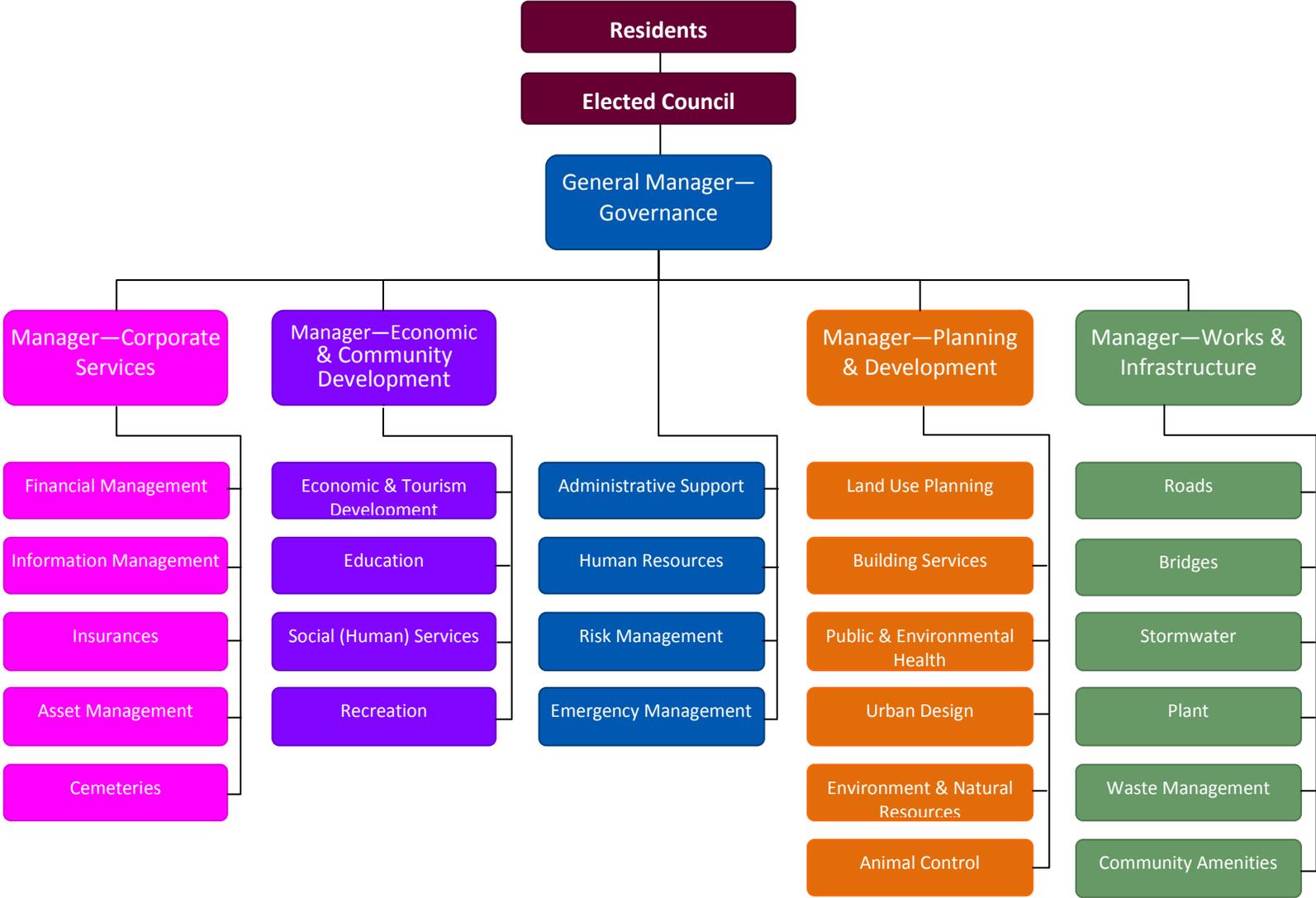
- 572kms of sealed roads
- 120 concrete structures (8,211m²)
- 400kms of unsealed roads
- 20 timber deck bridges (1,514m² or 15.5%)
- 8 ovals for sporting activities
- 25 community halls/centres
- 2 caravan parks
- 3 swimming pools
- 7 waste transfer stations

Council controls property, plant and infrastructure assets amounting to \$212.9 million; including \$37.9 million of land and buildings, \$141.6 million of roads and bridges and \$29.4 million of stormwater.

OUR STAFF

Status	2013/2014	
	No. of Employees	FTE
Permanent	59	54
Casual	22	3
Status	2012/2013	
	No. of Employees	FTE
Permanent	66	60
Casual	24	4

ORGANISATION STRUCTURE



ROLE OF COUNCIL

The Local Government Act 1993 provides that Councillors have the following functions:

- To provide for the health, safety and welfare of the community;
- To represent and promote the interests of the community;
- To provide for the peace, order and good government of the municipal area.

In performing its functions, the Councillors are to consult, involve and be accountable to the community.

COUNCIL MEETINGS

The Northern Midlands Council held Ordinary Council meetings monthly on a Monday in accordance with the following schedule for 2013/2014:

Monday	22 July 2013	Monday	11 November 2013	Monday	17 March 2014
Monday	19 August 2013	Monday	9 December 2013	Monday	14 April 2014
Monday	16 September 2013	Monday	20 January 2014	Monday	26 May 2014
Monday	14 October 2013	Monday	17 February 2014	Monday	23 June 2014

At the monthly meetings officers of Council provide Councillors with reports on a range of issues which are dealt with under the following Business Units:

- Governance;
- Economic & Community Development;
- Corporate Services;
- Works & Infrastructure; and
- Planning & Development.

Ordinary Council meetings are open to the general public and commence at 5pm, Council adjourns for a 45 minute break at 6pm and recommences the second session of the meeting with Public Question Time at 6.45pm. At this time members of the public are given the opportunity to ask questions or to make a representation/ present information, on a matter in which they have an interest, which is before the Council for decision e.g. development applications. Proceedings of the open session of Council Meetings are recorded.

Generally two Councillor workshops are held monthly, one just prior to the Council meeting and the other two weeks before, at this time Councillors and Officers meet to discuss forthcoming reports, key strategies and hear presentations from industry stakeholders.

COUNCIL ATTENDANCE		
2013/14	2012/13	2011/12
89.5%	91%	97%
TOTAL REIMBURSEMENTS		
2013/14	2012/13	2011/12
\$181,883	\$173,445	\$168,742
NUMBER OF ITEMS CONSIDERED BY COUNCIL		
2013/14	2012/13	2011/12
359	360	360

COUNCILLOR ALLOWANCES & REIMBURSEMENTS		
	2013/2014	2012/2013
Mayor Polley	\$50,812	\$48,331
Deputy Mayor Downie	\$27,214	\$26,898
Cr M Brooks	\$13,385	\$13,476
Cr A Calvert	\$13,380	\$13,476
Cr J Carins	\$13,385	\$13,476
Cr I Goninon	\$13,385	\$13,745
Cr R Goss	\$16,815	\$14,522
Cr M Knowles	\$18,331	\$16,248
Cr J Lambert	\$15,126	\$13,273

COUNCILLOR ATTENDANCE										
Date	Meeting	Councillor								
		Brooks	Calvert	Carins	Downie	Goninon	Goss	Knowles	Lambert	Polley
22/07/13	Ordinary	✓	✗	✓	✓	✓	✓	✓	✗	✗
12/08/13	Special	✓	✗	✓	✓	✓	✓	✗	✓	✓
19/08/13	Ordinary	✓	✗	✓	✓	✓	✓	✓	✓	✓
16/09/13	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
30/09/13	Special	✗	✓	✓	✓	✓	✓	✗	✓	✗
14/10/13	Ordinary	✓	✗	✓	✓	✓	✓	✓	✓	✓
28/10/13	Special	✗	✓	✓	✓	✓	✓	✓	✓	✓
11/11/13	Ordinary	✓	✓	✓	✓	✓	✗	✓	✓	✓
9/12/13	Annual	✓	✓	✓	✓	✓	✓	✓	✓	✓
9/12/13	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
20/01/14	Ordinary	✓	✓	✗	✓	✗	✓	✓	✓	✓
03/02/14	Special	✗	✓	✓	✓	✓	✓	✓	✓	✓
17/02/14	Ordinary	✓	✗	✓	✓	✓	✓	✓	✓	✓
17/03/14	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
14/04/14	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
26/05/14	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓
23/06/14	Ordinary	✓	✓	✓	✓	✓	✓	✓	✓	✓



Councillor Bus Tour 2014 – Campbell Town

ELECTED MEMBERS OF COUNCIL

Nine (9) Councillors elected by the community under a single electoral district.

The Mayor and Deputy Mayor were elected by public polls in until the next election, which is to be held in October 2014.

MAYOR KIM POLLEY

I was elected to Council in early 1999 becoming Mayor in October 2000. I am a former teacher and now run a small beef fattening enterprise. Apart from my interests in family, art and agriculture, I devote my time to my role as Councillor and Mayor. I aim to assist Council to provide effective, innovative and efficient service to all ratepayers in the municipal area. I want all to enjoy living in the Northern Midlands of Tasmania.

DEPUTY MAYOR DAVID DOWNIE

I am a farmer within the Cressy/Campbell Town area. I have been a Councillor on the Northern Midlands Council since its inception actively steering Council to a strong financial position. I believe our community has great potential for future progress and development that requires a consultative council that works with the people of our communities to develop our region in an appropriate way, whilst respecting the diversity that exists.

COUNCILLOR MATTHEW BROOKS

I was born and live in Longford with my wife Louisa and our young family. I am currently employed in the transport industry. I consider myself to be a caring and compassionate person who enjoys being with people and working for them throughout the Northern Midlands community. I pride myself in helping people with problems relating to completing forms relating to planning and building applications. I also like to see people get treated the same across the municipality and given a fair go, I suppose you could say I love to help the battler. I have been an active member of local community clubs. My goals are to ensure Council is open and transparent at all times, to work with local communities to progress the Northern Midlands and to represent the public to the best of my ability.

COUNCILLOR ANDREW CALVERT

I am a family man and live at Longford. I was elected on to Council in October 2007. My profession is farming and rural consultancy. I respect the needs of both town and country ratepayers and the importance of communities pulling together. I support sound financial management, maintaining and improving essential services, generating economic growth and development creating job opportunities whilst respecting our heritage.

COUNCILLOR JEFF CARINS

I was born in 1948, married to Kathryn with six children between us. I have lived and worked most of my life in Northern Midlands. Apart from my business as an electrical contractor and of late, a partner in Roberts Regional North, I have a long history of involvement with the community through sporting bodies, RSL, Show Society and numerous other organisations. I believe we have a strong and efficient Council which should continue to encourage sensible development in all areas of our community.

COUNCILLOR IAN GONINON

I live in Devon Hills on a hobby farm with my wife. I am involved in owning and managing a variety of successful local businesses as well as being an active member of the community volunteering on various boards and committees within the Northern Midlands region and beyond. As a councillor I am committed to supporting and representing our community to ensure it is a place that we, and those after us, can enjoy. I work hard for the growth of local businesses and strive to see the development of our community's heritage. I will continue to work towards minimising rate rises, encouraging the employment of young people, ensuring our towns are strategically planned, the betterment of our roads and infrastructure as well as developing and assisting local businesses.

COUNCILLOR RICHARD GOSS

First elected in 2007, I am a high school teacher with a mechanical and construction trade background. I gained a tertiary education at the University of Tasmania – Bachelor of Education. I am married with three children and live at Longford. I grew up at Cressy and have gained first hand experience living, working and building my dreams and hopes in the Northern Midlands. I have a strong commitment to the environment and heritage and will ensure that all residents and businesses are fairly represented and consulted on the future decisions of the Northern Midlands.

COUNCILLOR MARY KNOWLES

First elected to Council in October 2009 I live at Gipps Creek where my husband and I run a deer and fine wool farm. For the past 26 years I have been an active community member, listened to and worked tirelessly to enable community projects to happen. On the Board of Greater Esk Tourism, Heritage Highway Association, Heart FM and other community groups I bring a common sense, down to earth approach to getting things done while using rates wisely. I will continue to promote the Northern Midlands as a place for families and progressive development which supports farmers, industry, small business, tourist opportunities and infrastructure maintenance to keep our towns vibrant and viable.

COUNCILLOR JANET LAMBERT

For the past 21 years, my family and I have been proud to call the Northern Midlands home. I am a secondary school teacher, who is an active member within the Northern Midlands area. I am really passionate about seeing our region prosper. This is a wonderful place to live— and I want to do all I can to secure our community's long-term future. Through my community activities and my role within the council, I hope to leave a lasting legacy for the future, ensuring our region is strong and sustainable.

COUNCIL'S EXECUTIVE COMMITTEE

Council's executive committee consists of Mayor Kim Polley, Deputy Mayor David Downie and Councillor Richard Goss.



MEMBERS WHO HAVE SERVED ON DISTRICT COMMITTEES IN THE 2013/2014 YEAR

Avoca, Royal George & Rossarden Local District Committee	Chairperson	Mrs C Freeman	Councillor	Cr M Knowles	
	Members	Mrs S Squires	Mrs M Dennis*	Ms M Hunt*	Mrs H Reynolds
	Mrs S Freeman	Mr A Hicks	Mr T Gee		
Campbell Town Local District Forum	Chairperson	Mrs J Clarke	Councillor	Deputy Mayor D Downie	
	Members	Mrs M-A Orchard*	Mrs J Davis	Mr J Ashman	Mr M Roach
	Mrs J Lyne	Mr B Perkins	Ms S Hills	Mrs D Thomas	
Cressy Local District Committee	Chairperson	Mrs F Cox	Councillor	Cr R Goss	
	Members	Mrs H Williams	Mr A Turnham	Mrs H Howard	Mrs A Jenkins
	Mr P Goss	Mrs M Cables	Mrs M Taylor	Mrs A Green	
Evandale Local District Committee	Chairperson	Mr J Lewis	Councillor	Cr J Carins	
	Members	Mr R von Bibra	Mr P Page	Mr J Hewlett	Mrs J Crosswell*
	Mr T Terhorst*	Mrs C Brown	Mr A Jobson	Mrs H Houghton*	Mrs R Whitemore*
Longford Local District Committee	Chairperson	H Mackinnon	Councillor	Cr M Brooks	
	Members	Mrs V Wallace	Mrs M Stebbings	Mr J Cauchi	Mrs D Alty
	Mr R Thomas	Mr H Galea	Mr L Grant	Mr R Henley	
Perth Local District Committee	Chairperson	Mr M Geeves	Councillor	Cr J Lambert	
	Members	Mr G Eberhardt	Mrs O Nilon *	Mr J Stagg	Mr P Dell
	Mrs C Beswick *				
Ross Local District Committee	Chairperson	Mr K Draper*	Councillor	Cr A Calvert	
	Members	Mrs J Bennett	Mrs G Jenkinson	Mr A Petrie*	Mr P Bewg*
	Mr A Cameron	Mrs F Doe	Mrs J Cummins*	Mr S Kummerow*	Mr T Jacobson*
	Ms R Quill*	Mrs D Cadogan-Cowper*			

* Part of period

MAJOR STRATEGIC ISSUES

INTRODUCTION

Council worked on a number of key issues which were identified in the Strategic Plan 2007-2017 (2012-2013 revision). The Council has undertaken projects to address these issues and further initiatives have been identified in the Annual Plan for 2014/15.

ECONOMIC DEVELOPMENT

Council is committed to promoting economic development in the Northern Midlands and works in collaboration with the Northern Midlands Business Association, the Heritage Highway Tourism Region Association and other relevant stakeholders to achieve the following objectives:

- To identify economic development opportunities in the Northern Midlands and environs,
- To initiate and co-ordinate local community input on the directions and priorities for local economic development,
- To promote and market local economic development,
- To strengthen and diversify the economic base of the Northern Midlands and environs,
- To facilitate sustainable and profitable tourism opportunities through the provision of a series of distinct visitor experiences, by engaging all communities in the development of their individual and complementary identities,
- To maximise business for the region's tourism industry, to develop new market segments and to raise demand for tourism and other businesses in the region.

Key economic development initiatives in 2013/14 included:

- The establishment of the Northern Midlands Economic Development Committee to drive priority economic development projects and the development of a Northern Midlands Economic Development Strategy;
- Undertaking a First Impression Tourism Assessment of Longford;
- Developing a 'Convict Connections' tour through the Midlands' in partnership with the National Trust;
- Working with the new owners of the Longford Revival Festival towards the resurrection of the festival in 2015;
- Celebrating Longford's bicentennial across the weekend of March 2-3 with celebratory activities on the Village Green and a Longford Memorabilia Exhibition;
- The launch of 'The Essential Doggy Guide: For all dogs travelling Tasmania's Heritage Highway Region with their humans' that aims to increase our region's share of the growing visitors-with-canine-companions travelling market.

Ongoing projects of significance included the Chambers Alliance with the Tasmanian Chamber of Commerce and Industry, the extensive online promotion of the business development opportunities in the TRANSlinc precinct; and collaborating with the World Heritage Listed convict-built properties, Woolmers and Brickendon Estates, to leverage tourism number growth by increasing the range of visitor experiences available at the estates.

SUSTAINABLE DEVELOPMENT

Council recognises that economic development is not the only measure of progress for our community. Environmental and social issues must be taken into account when encouraging economic development and also in the provision of land use planning, engineering infrastructure, waste management and environmental health. The community is also looking towards Council to play a pro-active role in natural resource management through programs such as Landcare initiatives.

Council continued to work closely with the Regional Natural Resource Management Committee on implementing the Natural Resource Management (NRM) Strategic Plan for the Region. The Council has worked closely with NRM North, and the local community groups to facilitate and administer a number of projects, including Water Quality in the Nile Catchment, Mill Dam revegetation project and supported the Northern Midlands Council Natural Resource Management Special Committee.

COMMUNITY WELLBEING

Council provides leadership in the community and embraces the concept of community capacity building: that is, facilitating the ability of communities, government and business, to take the steps to find solutions to issues within their own communities.

Significant community development achievements across 2013/2014 included: completion of the 'Health and Wellbeing Needs Assessment of the communities of Perth, Longford, Evandale and Cressy' and commencement of the implementation of the study's recommendations; development of the Northern Midlands Further Education Bursary Program; establishment of the Northern Midlands Toy Library; completion of the 'Healthy Communities' initiative undertaken collaboratively with the Southern Midlands and Central Highlands Councils; partnering with the State Government Environmental Protection Authority to undertake the '2014 Burn Brighter this Winter' community education program; re-opening of the Evandale Doctors Surgery; and facilitating the Launceston General Hospital's introduction of a Midwifery Group Practice Service to the Longford District.

Council is committed to promoting the health and wellbeing of Northern Midlands residents and visitors to the region through the development and enhancement of recreational and sporting facilities. Significant achievements in 2013/2014 included the restoration of the Longford velodrome; the redevelopment of the amenities facility at the Perth Recreation Ground; and the installation of outdoor community gyms at Avoca, Cressy and Evandale.

The Council has continued to resource the Local District Committees at Campbell Town, Ross, Evandale, Perth, Longford, Cressy and the Avoca, Royal George and Rossarden area.

WATER QUALITY & SEWER SERVICES

TasWater assumed responsibility for water and sewerage services from 1 July 2013.

Council continues to lobby TasWater, as the responsible entity:

- To provide good, clean drinking water to the smaller villages such as Avoca, Conara and Epping Forest;
- To consider options for sewage disposal at Avoca;
- Not to increase fees in excess of consumer price index.

MAINTAINING CORE FUNCTIONS OF COUNCIL

One of the Council's core responsibilities is the on-going management of its total asset base. While Council has acknowledged its expanding role in community development, it must balance this with adequate maintenance and renewal of its assets. Council maintained its Long Term Financial Plan & Asset Management Plans during 2013/14 which provide a framework for Council to create, renew and maintain major infrastructure in a sustainable manner.

During 2013/2014 Council spent \$3.4 million towards upgrading the road network and \$2.2 million towards maintaining the road asset base. An amount of \$748,733 was spent on the replacement of four (4) bridges with concrete structures, and \$329,531 on additional stormwater assets recognised.

FUTURE FUNDING

Council continues to object to the problem of continued reallocation of responsibilities to Local Government from the Commonwealth and Federal Government without commensurate financial support. Council is continuing to lobby the Federal Government for the continuation of the Roads to Recovery Program after 2019 as, being the Council with the most road length in the State, it is imperative to ensure maintenance of this important infrastructure into the future.

Council will also continue to apply for grant funding including the Blackspot road program, Regional Development funding rounds, the Bridge Renewal grant program.

Council will also continue to look for new development and other financial revenue streams to lighten the rate burden on its community.

The Annual Plan sets out the objectives as listed in Council's Strategic Plan and shows the performance in each activity.

UNDERSTANDING THE FINANCIAL REPORT

Council prepares its financial statements in accordance with the Australian Accounting Standards, using particular terminology and conventions that may not be familiar to some readers. This overview may assist readers understand outcomes stated in the financial statements.

WHAT ARE THE FINANCIAL STATEMENTS?

The four major disclosures, which are

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows

are collectively known as the “Financial Statements”, these documents provide an overview of the transactions that occurred during the year and a summary of the financial status of Council at the end of the year.

THE FINANCIAL STATEMENTS

The Statement of Comprehensive Income

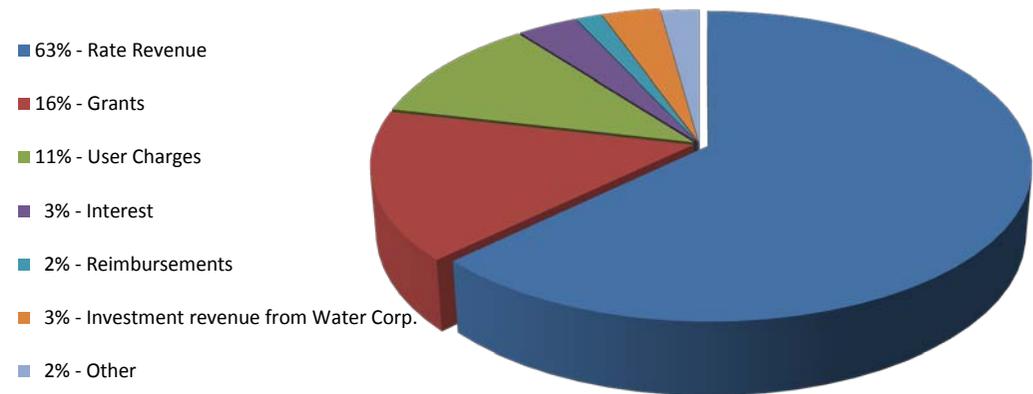
The Statement of Comprehensive Income provides information relating to:

- the sources of revenue earned (where the money comes from); and
- the operating expenses incurred (what the money has been spent on);

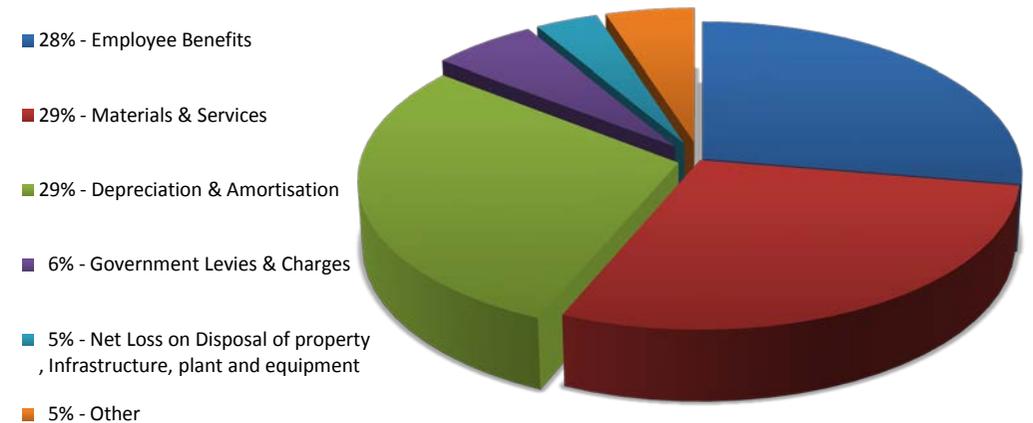
during the financial year.

It should be noted that the expenses relate only to the operating expenses (or day-to-day expenses) and do not include costs associated with the purchase or building of assets.

Where the dollars come from Operating Income
\$14,083,063



Where the dollars go Operating Expenditure
\$15,949,128



Although the costs of the purchase or building of assets are not included in these operating expenses, provision for the cost of the depreciation of these assets is included in the operating expenses.

The depreciation expense is the equivalent portion of the asset that has been used during the financial year. The inclusion of depreciation on these assets in the operating expenses ensures that Council matches the cost of the asset to the period in which it is used rather than just the period in which it was constructed or purchased.

It is important to note the “Surplus(Deficit)” for the period.

Statement of Financial Position

The Statement of Financial Position provides a snapshot of Council’s financial situation at the end of the financial year (30 June).

It reflects

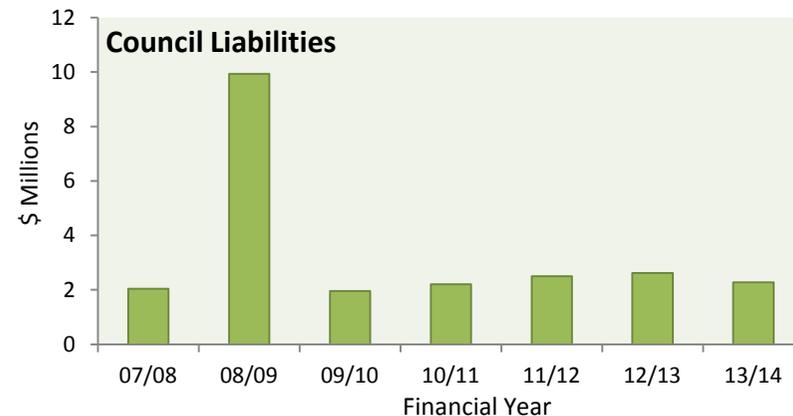
- what Council owns – its assets; and
- what Council owes – its liabilities.

The bottom line of the Statement of Financial Position is Net Assets (Liabilities). This reflects the net worth of Council. The Assets and Liabilities are separated into Current and Non-Current categories, Current Assets and Liabilities are those which will fall due within the next reporting period (the next financial year).

Current & Non-Current Assets

Current & Non-Current Assets include:

- Cash & cash equivalents –cash held in the bank, petty cash and cash investments such as term deposits.
- Trade & other Receivables – monies owed to Council by ratepayers and others who have been invoiced or billed.
- Other Assets – inventory and services which have been prepaid and monies owed to Council for which no invoice had been raised as at 30 June.
- Property held for Resale – land which Council plans to sell in the next financial year.
- Property, Plant & Infrastructure – land, buildings, roads, vehicles, equipment, etc. which have been accumulated by Council.



Current & Non-Current Liabilities

Current & Non-Current Liabilities include:

- Trade and other Payables – people and businesses to whom Council owes money.
- Trust Funds and Deposits – money held by Council on behalf of third parties.
- Provisions (Employee Benefits) – the accrued value of Long Service Leave and Annual Leave payable to employees of Council.
- Interest Bearing Liabilities – the outstanding balance Council owes on bank loans or on any bank overdraft. Current borrowings represent the amount to be repaid in the next financial year.

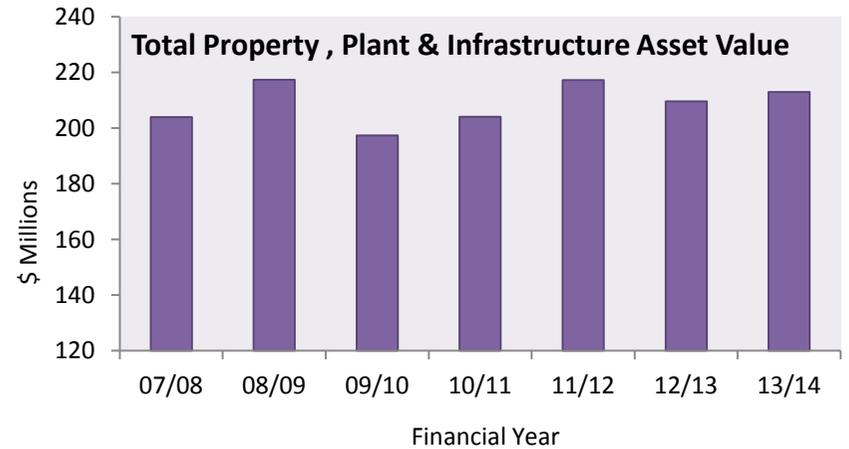
Net Assets

This term describes the difference between the value of Total Assets and Total Liabilities and represents the net worth of Council as at 30 June.

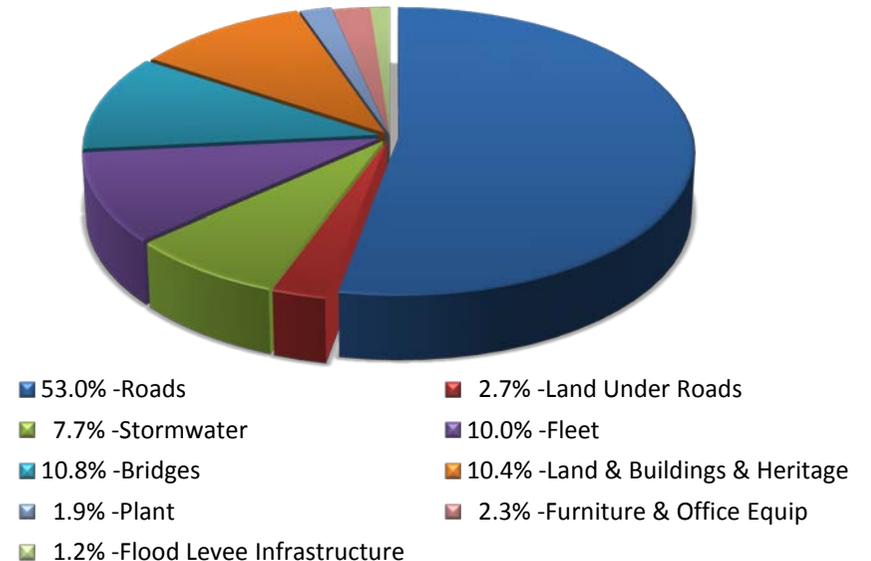
Ratepayer Equity

This is the term used to describe the components of the Net Assets, which are:

- Accumulated Surplus – the value of all net assets, other than the Asset Revaluation Reserve and Other Reserves (listed below), which have been accumulated over time.
- Asset Revaluation Reserve – the difference between the previously recorded value of assets and their current valuations.
- Other Reserves – Fund that have restrictions placed on their use and are not readily available for use by Council.



**Assets Purchased/Constructed/Received
\$6,915,062**



Statement of Changes in Equity

During the course of the year the values which make up Equity can change. This statement shows the values of such changes and how these changes arose.

The main reasons for a change in equity stem from:

- the “Surplus(Deficit)” from operations, described in the Statement as Surplus(Deficit) from continuing operations;
- the use of monies from Council’s reserves;
- revaluation of assets - this takes place on a regular basis and when existing assets are taken up in the books for the first time.



Statement of Cash Flows

The Statement of Cash Flows summarises cash payments and cash receipts for the year. The value in this Statement may differ from those shown in the Income Statement because the Income Statement is prepared on an accrual accounting basis. Council’s cash arises from, and is used in, three main areas:

Cash Flows from Operating Activities

- Payments (outflows) – all cash paid by Council from its bank account to staff, creditors and other persons, but does not include any costs associated with the creation of any assets.
- Receipts (inflows) – all cash receipts arising from the general operations of Council. It includes rates, general trading sales and debtors, grants and interest earnings, but does not include cash from the sale of any assets.

Cash Flows from Investing Activities

The accounting term Investing Activities relates to the construction and purchase of fixed assets (outflows) and sale of assets (inflows) such as land, buildings, equipment and other long-term revenue producing assets.

Cash Flows from Financing Activities

This is where the receipt and repayment of borrowed funds are recorded.

The bottom line of the Statement of Cash Flows is the Cash at the End of the Financial Year. This shows the cash position of Council to meet its debts and other liabilities.

Notes to the Accounts

The Notes are a very important and informative section of the report. The Australian Accounting Standards are not prescriptive in a lot of issues. Therefore, to enable the reader to understand the basis on which the values shown in the Statements are established it is necessary to provide details of Council's accounting policies. These are described in Note 1.

Apart from the accounting policies, the Notes also give details behind many of the summary figures contained in the Statements. The Note numbers are shown beside the relevant items in the Income Statement, Balance Sheet and the Statement of Cash Flows.

Where Council wishes to disclose other information which cannot be incorporated into the Statements then this information is shown in the following Notes. Other Notes, include:

- the cost of the various functions of Council;
- the breakdown of expenses, revenues, reserves and other assets;
- contingent assets and liabilities;
- transactions with persons related to Council; and
- financial performance indicators.

The Notes should be read at the same time as, and together with, the other parts of the Financial Statements to have a clear understanding of the accounts.

Certification

The Certification of the Accounts is made by the General Manager that, in his opinion, the Financial Statements met all the statutory and professional report requirements.

Auditor General's Report

The Independent Audit Report provides the reader with an external independent opinion of the Financial Statements. It confirms that the Financial Report has been prepared in accordance with relevant legislation and professional standards and that it is a fair representation of the financial affairs of Council.

ANNUAL REVIEW OF COUNCIL PROGRAMMES

GOVERNANCE

Governance includes provision of elected representation, executive support, strategic planning and public relations.

Objective:

Governance

To provide quality governance and effective leadership to support and enrich community life.

Performance:

12 Ordinary and 4 Special Meetings were held during 2013/2014. Attendance by the public was welcomed and copies of Meeting Agendas and supporting documentation were made available. A twenty (20) minute public question time was provided at each Council meeting at 6.45 pm.

Council held its Annual General Meeting on 9 December 2013.

Councillors had a Bus Tour of the municipal area, meeting community groups and assessing budget priorities on 23 April 2014 (Photo).

Cr Brooks and Miss Bricknell attended the ALGA National Roads & Transport Conference in Alice Springs from 12-14 November.

Deputy Mayor Downie attended the 2014 National General Assembly of Local Government in Canberra during May.

Local District Committees at Evandale, Campbell Town, Ross, Longford, Cressy, Perth and Avoca, Royal George & Rossarden, continued to provide

valuable input into various issues considered by Council throughout the year.

Adopted/reviewed the following Council policies:

- Code of Tendering and Procurement
- Audit Committee
- Use of Council Chambers, Longford
- Councillors Allowances, Travelling & Other Expenses
- Reporting Policy

Completed a review of Council's Business Continuity Plan.

Completed an independent Governance Audit of organization.

Established a Financial & Risk Management Audit Committee.



Objective:

Community Representation & Relations

To strive to advance Council's guiding principle of 'Encouragement of community confidence through communication, consultation and participation' with equitable, transparent, accessible and consistent governance by genuine engagement with the community

Performance:

Lobbied the Government

- to undertake urgent remediation to the intersection on the Midland Highway at Eskleigh and agreed to contribute 20% capped at \$40,000 towards the works
- for the upgrade of the Evandale Main Road from the Breadalbane roundabout to Evandale
- for the Perth Bypass (including the upgrade of the Devon Hills intersection with the Midlands Highway)
- to support the Tasmanian poppy industry as an integral and important part of the Tasmanian agricultural industry
- to banning of Super Fishing Trawlers in Australian waters
- supporting the retention of the existing speed limits for rural sealed roads
- to support the Tasmanian Freight Equalisation Scheme
- for the removal of the qualifying period requirement for Mayors from the Local Government Act 1993

Continued to be an active member of Northern Tasmania Development.

Supported the Regional Tourism Organisation for Northern Tasmania.

Supported the adoption of the Greater Launceston Plan.

Supported the Integrated Transport Plan.

Mayor Polley appointed as Council's owners' and to the Selection Committee for TasWater.

Actively participated in the Sub-Regional Alliance Group.

Implemented the Tasmanian Municipal Emergency Management Plan for Northern Midlands.

Council news and activities were brought to the attention of residents via

- the Northern Midlands section published by the Examiner's issued on a weekly basis, and
- a one page monthly publication in the Country Courier Newspaper.

Under Council's policy for Australia Day celebrations and award presentations, venues are alternated between venues in the north and south of the municipal area. A Citizenship Ceremony and the 2014 Australia Day Awards were presented as part of a community event held at Campbell Town.

The following Australia Day Awards were presented:

- Citizen of the Year 2014: Peter Maher of Longford for his service to the Northern Midlands area with involvement in community and sporting organisations in Longford & Evandale
- Young Citizen of the Year 2014: Chloe Pavia of Longford. President of the Cressy District High School Student Representative Council, volunteering and fundraising
- Event of the Year 2014: 175th Midlands Agricultural Show. The Midlands Agricultural Association has facilitated the holding of the show over the past 175 years and it is the longest continuous show in the southern hemisphere; and
- Certificate of Merit to Mrs Laura Double for her outstanding contribution to our community.

Objective:

Human Resources

To provide a workplace that promotes high productivity and job satisfaction

Performance:

Total payroll cost in 2013/2014 was \$3,963,897 compared to \$3,827,768 in the previous year. Other employee costs including payroll tax, superannuation, workers compensation insurance, corporate uniform and leave provisions amounted to \$641,121.

Continued to allocate a minimum of 2% of wage expenditure to staff training.

During 2013/14 Service Certificates were presented for the following staff member milestones:

- Peter Garrett – 10 Years Service
- Rodney Thompson – 10 Years Service
- Leigh McCullagh – 10 Years Service
- Adam Wilson - 25 Years Service
- *Bronwyn Rigby - 30 Years Service (Photo)*

Council continued to support staff to further their education during the past 12 months:

- Bachelor of Urban Design studies being undertaken by Erin Boer.
- Brendon Burn, Lewis White and Sam Fish completed Certificate III in Civil Construction.
- Monique Case and Gail Eacher completed Certificate IV in Local Government; and
- Elizabeth Butt completed Certificate III in Business thus completing her traineeship.

Provided performance appraisal and salary reviews for all staff.

Implemented the first of the three year *Northern Midlands Council Workplace Agreement 2013-2016* which became operational from the



first full pay period commencing after 1 July 2013. The agreement providing staff with a minimum 2.7% wage increase per annum in the first year, and an increase of 2.85% in the two subsequent years.

Completed an independent Human Resource Audit for the organization.

Continued a commitment to Workplace Health and Safety with the Employee Safety Committee and the Risk Management Committee meeting regularly throughout the year.

Reviewed office accommodation and staff security in office environment.

Adopted/reviewed the following Council policies:

- Training & Development Policy
- Fraud & Corruption Policy & Plan
- Working from Home Policy – work, health and safety considerations.

Senior Staff Remuneration		2013/2014	2012/2013	2011/2012	2010/2011
Between \$ 200,000 - \$ 220,000		1			
Between \$ 160,000 - \$ 180,000			1	1	
Between \$ 140,000 - \$ 160,000		1		1	
Between \$ 120,000 - \$ 140,000		3	2	1	
Between \$ 100,000 - \$ 120,000		2	4	4	5
Total Remuneration		\$ 967,954	\$ 862,403	\$ 874,000	

Specific Data	2013/2014	2012/2013	2011/12	2010/11
Payroll costs	\$ 3,963,897	\$ 3,827,768	\$ 3,862,704	\$ 3,653,041
Superannuation contributions	\$ 439,582	\$ 456,001	\$ 450,352	\$ 430,165
Workers Compensation Insurance/Expenses	\$ 110,602	\$ 85,015	\$ 59,828	\$ 67,159
Annual & Long Service Leave Provisions	\$ 1,284,423	\$ 1,423,231	\$ 1,399,360	\$ 1,382,668
% of Payroll Capitalised	5.0%	8.1%	8.0%	6.4%
Permanent Staff	54 EFT	60 EFT	61 EFT	61 EFT
Casual	3 EFT	4 EFT	4 EFT	3 EFT
Sick Leave Taken/Permanent Employees (paid days)	6.0	9.0	8.4	9.6

CORPORATE SERVICES

Corporate Services includes provision of financial services and information systems.

Objective:

Financial Resources

To provide practical, viable, sustainable financial management policies and procedures.

Performance:

Adopted a 2013/2014 Annual Plan and Budget on the 24 June 2013.

The Financial Statement for the year ended 30 June 2014 is appended to this report; included is the Independent Audit report provided by the Tasmanian Audit Office.

Adopted/reviewed the following Council policies:

- Customer Service Charter
- Rates & Charges Policy
- Donations Policy



Council's recurrent revenue during 2013/2014 was \$14.08 million, capital income \$0.78 million resulting in total income of \$14.8 million. Operating expenditure was \$15.9 million, which resulted in a deficit of \$1,077,529.

The deficit was less than the 2013/2014 budgeted deficit of \$1.23 million mainly due to higher than expected contributions of non-monetary assets from subdividers of \$0.6 million.

Rate Revenue continued to be raised via a differential rating system in 2013/2014 based generally on the same amount of rate revenue, plus indexation and development, as previous years for each land use category. The General Rate in the dollar of assessed annual value was increased by 3.05% resulting in total rate revenue amounting to \$8.8 million or 62% of operating revenue and was generally within budget expectations. Rate receivables at 30 June 2014 represent 9.6% (June 2013 \$3.4%) of rate revenue. The increase mainly due to one large rate debtor.

The Longford Flood Levee Separate Rate was raised for the 10th and last rating period.

Commonwealth Financial Assistance Grant Revenue increased by \$123,696 in 2013/2014 to \$3.816 million (adjusted for advance payments). In addition, Council received \$464,108 special grant funding for projects including:

▪ Rural & Remote Child Care	\$ 182,058
▪ Longford Velodrome Upgrade	\$ 95,000
▪ Heavy Vehicle Motor Tax	\$ 81,023
▪ Perth Child Care Service	\$ 40,850
▪ Aged Care Units Heating Upgrades	\$ 30,000
▪ Kids Club	\$ 26,260
▪ Longford Flood Mitigation	\$ 5,000
▪ Morven Park Outdoor Gym Equipment	\$ 3,917

Reimbursement Revenue was higher than budget which was mainly due to additional revenue from Workers Compensation \$53,897, Long Service Leave reimbursements from other councils \$26,427, and for fuel tax rebates \$34,034.

Investment revenue from TasWater dividend/tax equivalent income increased from \$4,325 to \$467,111 due to non-priority distributions being allocated to councils for the first time in 2013/2014.

Operating Expenditure for the year was \$609,596 higher than budgeted mainly due to loss on disposal of property, infrastructure, plant and equipment which was not budgeted for of \$510,488.

Depreciation cost increased from previous year by \$183,483 to \$4.6m.

Council recorded a net increase in asset revaluation of non-current assets of \$2.5 million on Property and Infrastructure. However, it incurred a \$6.2 million dollar decrement in fair value of its investment in TasWater due to its revaluation of assets held following amalgamation of the three regional water authorities.

Council's total equity in 2013/2014 reduced by \$4.789 to \$258.9 million.

Council recorded non-current infrastructure assets with a written down value of \$212.9 million (or Gross Value of \$300.2 million) as at 30 June 2014. (Note 14 in the financial statement provides a breakdown of asset values recognised).

Payments for purchase/construction of fixed assets totaled \$6.0 million, representing 41.6% of annual cashflow during 2013/2014.

Derived proceeds of \$217,909 from sale of fleet/plant items during 2013/2014.

Cash and investments totaling \$7.49 million were on hand at the end of the reporting period, which is a decrease of \$2.8 million on last year's balance of \$10.3 million. Cash and investments on hand represent money quarantined for the following areas:

▪ Infrastructure Reserve	\$ 3.002m
▪ Unspent Grant Payments	\$ 0.095m
▪ Trust Funds & Employee Entitlements	\$ 1.638m
▪ Special Committees	\$ 0.243m
▪ General Funds	\$ 2.511m

Trade and Other Receivables increased by \$569,311 as at 30 June 2014 mainly due to exposure to a significant rate debtor payable under a commonwealth lease agreement. Sold a number of properties during the year for unpaid rates.

The Tasmanian State Audit Office was appointed auditor for financial period ending 30 June 2014 at a cost of \$20,280 (2012/2013 \$19,590).

Council adopted a 2013/2014 Annual Plan and Budget on 24th June 2013.

The Auditor General advised that to be sustainable, local government needs to have sufficient capacity to be able to manage future financial risks and shocks without having to radically adjust their current revenue or expenditure policies. Council's 2013/14 underlying result is a \$0.071 million surplus or balanced underlying surplus ratio (see note 27).

Objective:

Information Systems

To provide practical, viable, sustainable financial management policies and procedures.

To deliver information management services to meet organisation, statutory and community needs

Performance:

Active member of the Tasmanian Technology One (Records Management) User Group.

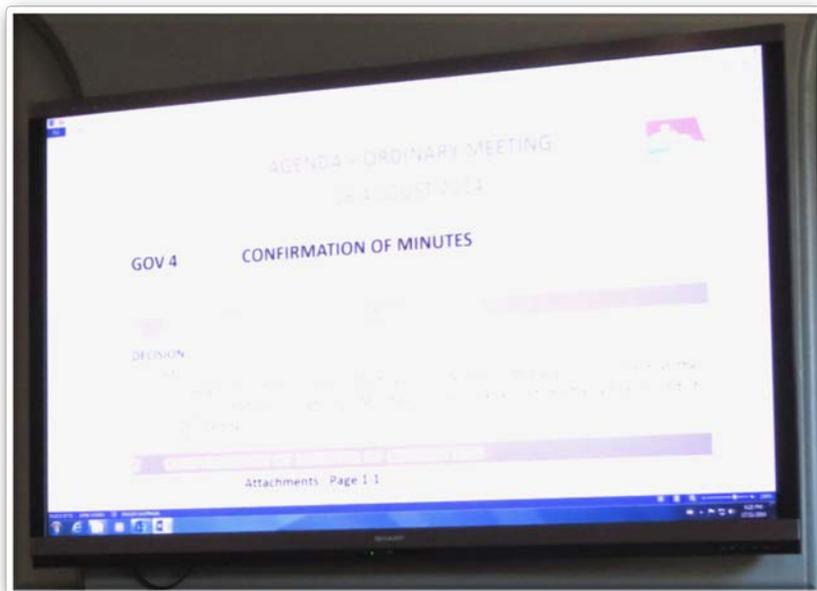
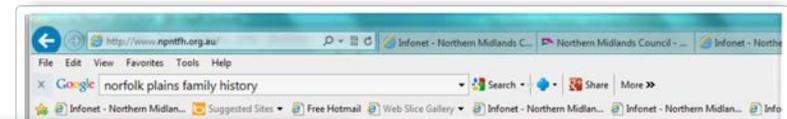
Improvements to Information Technology systems as follows:

- Replacement/upgrade of servers, \$40,000;
- Upgraded 11 staff desktop/ laptop computers, \$9,800;
- Upgraded printers, several mobile phones and sundry electronic items, \$8,126;

- Community Televisions/projector screens at the Council Chamber, Evandale Doctors Surgery and Cressy Hall \$9,079;
- Upgraded the sound system at the Longford Town Hall, \$1,606;
- Upgraded to the latest versions of software for all users and network servers;
- Continued development of the secure electronic Councillor website for all Council

documents, meeting dates, corporate documents, and provided electronic Council Meeting agendas on iPads;

- Continued to upgrade Council website and facebook presence for the community;
- Created a Norfolk Plains Northern Tasmania Family History facebook site.



ECONOMIC & COMMUNITY DEVELOPMENT

The Economic and Community Development Unit's areas of responsibility include : Economic Development, Tourism, Social (Human) Services and Recreation

Objective:

Economic Development

To encourage sustainable economic development for the Northern Midlands region in conjunction with the Northern Midlands Business Association Inc., Northern Tasmania Development, Regional Development Australia and other relevant stakeholders

Performance:

Supported the Northern Midlands Business Association Inc. (NMBA) \$6,677 plus secondment of Council's Economic and Community Development Manager to serve as the Association's Executive Officer for the equivalent of one day per week.

Collaborated with NMBA on:

- The continuation of the Chambers Alliance with the Tasmanian Chamber of Commerce and Industry;
- The provision of Northern Midlands input to the Tasmanian Jobs Summit;
- Working towards the resurrection of HeartFM radio station;
- The ongoing management of the Northern Midlands Business Promotion and Visitor Information Centre at JJ's Bakery, Longford.
- The ongoing implementation of the TRANSlink marketing strategy – with the major project being the production of a TRANSlink promotional video for television and online promotion of the precinct;
- The provision of educational and networking forums and visits for business owners and operators in the Northern Midlands, including a tour of businesses in the Burlington Road precinct, a forum with the Parliamentary Secretary for Small Business, a forum providing an overview of the new Work Health and Safety Laws and a tour of the convict-built Long Marsh Dam site;
- The 2013 Excellence in Customer Service Awards ("Are you being served?" awards) in collaboration with the Longford Rotary Club;
- The ongoing management and maintenance of the Heritage Highway interactive iPhone, Android and iPad app; and
- The management of the TRANSlink billboard that promotes Northern Midlands businesses and events.

Established the Northern Midlands Economic Development Committee and progressed of the committee's strategy and projects.

Continued to seek support and funding for the "Ben Lomond Snow Driven Economic Growth" project.



Objective:

Recreation

To promote the use of existing Sport & Recreation facilities and plan for the development of new projects to meet the communities needs.

Performance:

Ongoing management of the Northern Midlands Community Sports Centre including the ongoing contracting of a private provider to lease the centre. Membership increased from approximately 50 to 400 during 2013/2014.

Ongoing management of the leases of the Longford Riverside and Ross Caravan Parks.

Secured funding to install outdoor gyms at Avoca, Cressy and Evandale (Photo).

Managed the consultancy brief for the Campbell Town War Memorial Oval Precinct Development Plan.

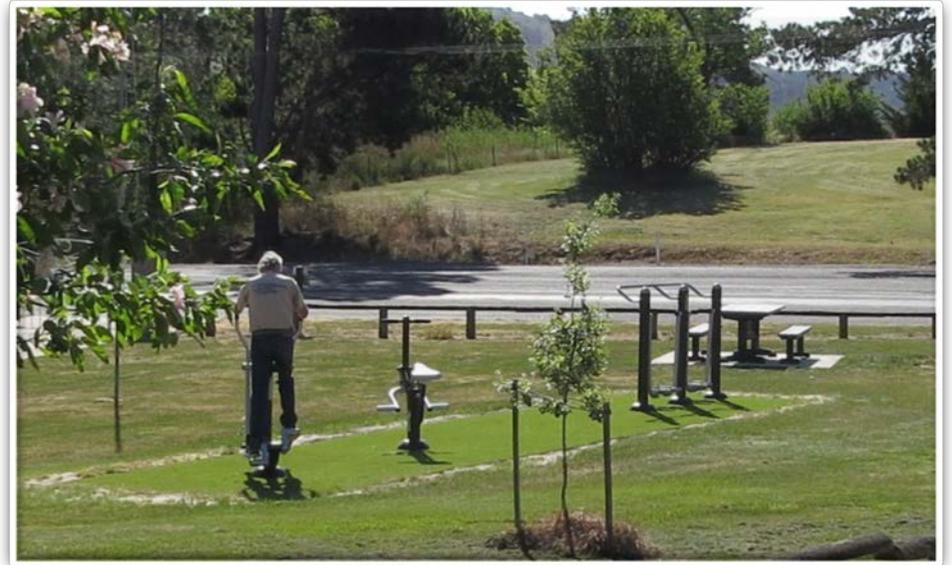
Secured funding to enable the restoration of the Longford velodrome, established a Project Management Committee, and commenced site works for the training and community use track designed up to a safe speed of 65 km/h gradient.

Secured funding to enable the construction of a new amenities facility at the Perth Recreation Ground (Photo).

Council represented on the Northern Region Tourism Cycling Group.

Provided a complete inoculation programme for Elm Leaf Beetle treatment.

Instigated an engineering report on the possibility of construction of a boat ramp at Macquarie Street, Cressy.



Objective:

Tourism Promotion

To promote Northern Midlands as a tourist destination to the benefit of the local economy, and to maximum advantage for residents.

Performance:

Supported Tasmania's Heritage Highway Tourism Region Association Inc. (HHTRA) with \$17,294.

Worked with HHTRA's Board to:

- Provide Northern Midlands input to the quarterly Regional Tourism Association forums held by Tourism Northern Tasmania (TNT);
- Develop a 'Convict Connections' tour through the Northern Midlands estates and landscape for the Heritage Highway App (project in partnership with the National Trust);
- Develop and implement a business plan for the Association 2014/2015;
- Blog, twitter and facebook the Heritage Highway website;
- Undertake a First Impression Tourist Assessment of Longford;
- Develop a new contemporary, cutting edge website for the Heritage Highway Region;
- Continue the upgrade of the town welcome signs across the Northern Midlands;
- *Launch, promote and manage the sales of the "The Essential Doggy Guide: For all dogs travelling Tasmania's Heritage Highway Region with their humans" (Photo).*
- Undertake, in collaboration with TNT, an audit of Heritage Highway Touring Route signage.



Collaborated with TNT to develop the annual funding agreement between Council and TNT.

Facilitated the trial of the Australian Export Council "China Ready" training program.

Assisted with the development of a Tasmanian Made Product and Visitor Information Centre at Turners Blackwood Furniture in Western Junction.

Instigated a brief for a study on improvement options for the Longford Information Centre.

Assisted a film company with a proposal to produce a documentary on the convict connections between Norfolk Island and the Norfolk Plains.

Working with the new owners of the Longford Revival Festival to resurrect the festival in 2015.

Established a Norfolk Plains Northern Tasmania Family History Group using facebook, pinterest and website to promote the region.

Working with Woolmers and Brickendon Estates World Heritage Listed convict-built properties to leverage tourist number growth off the World Heritage listing. Projects undertaken include the development of children's activity guides for Woolmers Estate, and the development of digital interpretation of the convict stories, utilising a Community Heritage Grant.

Working with a Special Committee of Council to plan and carry through the Longford 200 years celebration across the weekend of 1-2 March 2014 that included the event launch by His Excellency the Honourable Peter Underwood AC Governor of Tasmania, a day of celebratory activities on the Village Green and a Longford Memorabilia Exhibition (Photo).

Launched "The Norfolk Plains : A History of Longford, Cressy, Perth & Bishopsbourne Tasmania" book at Petrarch's Bookshop in August 2013.

The final component of the Gathering on the Norfolk Plains 1813-2013 was achieved with the placement of the time capsule in the Christ Church clocktower, with time capsule to be opened in 50 years - 2063.

Participating in the forums and focus groups facilitated by Tourism Northern Tasmania on the development and implementation of the Northern Tasmania Destination Management Plan.

Ongoing project management of the Northern Midlands Historic Cemeteries Preservation project.

Adopted an Event Management Plan and Guidelines.

Bob Pitt, a long-term dedicated and enthusiastic volunteer at the Northern Midlands Visitor Centre, was the winner of the inaugural Tourism Northern Tasmania Best Story Teller Award; in recognition of Bob's deep well of local historical knowledge that he communicates with such passion and gusto to visitors to our region (Photo).



Supported and promoted Special Events within the area and provided \$38,278 Grants to:

- Longford 200 Years Celebration \$11,983
- ANZAC Day \$7,349
- Blessing of the Harvest \$4,791
- Evandale Village Fair \$2,254
- Australia Day Celebrations \$1,716
- Tas Trout Fishing Expo (Cressy) \$1,550
- Longford Boat & Water Safety Day \$1,398
- Longford New Year's Day Horse Race Cup \$1,055
- Ross Marathon \$699
- Evandale Mud Runs \$693
- Volunteer Recognition Event \$650
- 150th Anniversary of Tasmania's wild brown trout \$549
- *Tasmanian Municipal Bowls Championships Longford (Photo)* \$516
- Longford Show \$458
- PE Green memorial cycling road race \$350
- Longford Revival Festival \$324
- Fusion Australia Day Family Festival & Open Day \$500
- Car Shows \$380
- *Woolmers Festival of Roses (Photo)* \$342
- Ross Rodeo \$267
- Longford Garden Club \$220
- Remembrance Day \$143
- Tasmanian Band Championships Evandale \$92



Objective:

Social (Human) Services

To develop a system for provision of human services within the limits of resource availability and without detriment to existing 'traditional' provision. Emphasis on provision by private and government services rather than Council.

Performance:

Continued to manage the Northern Midlands Child Care Service which provides a long day care service at Perth (5 days per week) and a mobile service 3 days per week at Cressy, 1 day per week at Avoca and 1 day operating the Northern Midlands Toy Library; and before and after school care and vacation care at Perth.

Continued the implementation of Council's Youth Policy through the activities of Council's Youth Development Officer which included:

- Assisting local young people to provide input to local issues by strengthening the two Youth Support Networks;
- Representation on the Inter-Agency Support Team and liaising with Tas Police;
- Continued the implementation of the Northern Midlands Employment Intensive Assistance Initiative;
- Working with at-risk young people and their families, providing individualised assistance/ referral as appropriate;
- Supporting the Inspiring Futures (formerly 'No Dole') Program in the two District High Schools;
- Promoting a positive image of youth through National Youth Week and Leadership projects;
- Continued provision of YASAG in Longford, a group combining social activities and support for young people aged 16-24 years;
- Providing a weekly mobile youth activities program in Perth and Longford; and
- In collaboration with Campbell Town Health and Community Services, managing a Youthspace after-school program.

Adopted/reviewed the Council's Youth Policy.

Collaborated with the University Department of Rural Health and the Department of Health and Human Services to manage the Northern Midlands Rural Health Teaching Site in Campbell Town.

Collaborated with Central Highlands and Southern Midlands councils to complete the 'Healthy Communities' initiative.

Partnered with Riverlands Inc. to prepare funding applications for a Youth Mental Health Resilience Project for the Northern Midlands.

Partnered with Department of Health and Human Services staff to develop a health and wellbeing service directory for the Longford district.

Established a working group to drive the implementation of the recommendations of the "Health and Wellbeing Assessment of the Communities of Perth, Longford, Evandale and Cressy Study" that was undertaken in partnership with the University Department of Rural Health and released in October 2013.

Collaborated with Launceston General Hospital to introduce a Midwifery Group Practice Service to the Longford District.

Objective:

Community Services

To develop a system for provision of human services within the limits of resource availability and without detriment to existing 'traditional' provision. Emphasis on provision by private and government services rather than Council.

Performance:

Developed a Memorandum of Understanding between Council and Longford Care-A-Car Inc. and associated operational policies and procedures.

Facilitated the establishment and operation of the Northern Midlands Toy Library based at the Perth Child Care Centre.

Assisted the Campbell Town Area Community Services Board Inc. to identify its future directions and preparation of a business plan.

Partnered with the State Government Environmental Protection Authority to undertake the "2014 Burn Brighter this Winter" community education campaign in Longford.

Participated on the steering committee for the Tasmanian Equine Emergency Planning and Biosecurity project.

Collaborated with the Road Safety Branch, Tasmania Police, Longford Rotary and Cressy District High School to plan a road safety clinic for Cressy District High School students in 2014.

In accordance with Council's Volunteer Recognition Policy, held an award function recognising community service organisations in the municipal area (Photo's courtesy of The Country Courier).

Facilitated the development of the Northern Midlands Further Education Bursary Program.



Organised new Dog pound arrangements.

Partnered with the Northern Midlands RSL Sub-Branch to:

- *Plan and carry through the Northern Midlands ANZAC Day 2014 that included screening via satellite on the Village Green the Auckland Dawn Service and a special service from Chunuk Bair in Turkey (Photo);*
- Plan the 2015 ANZAC Day Centenary program for Longford and a Centenary of ANZAC Commemoration Concert to be held at the Door of Hope, Launceston, on 18 April 2015.

Council provided donations totalling \$18,606 under *Section 77* of the *Local*

- Anglican Church – Reimbursement of Waste Disposal Fees \$ 54
- Australian Red Cross \$ 150
- Avoca Primary School – School Achievement Awards \$ 30
- Campbell Town District High School – Chaplaincy, School Achievement Awards, Inspiring Positive Futures Program \$ 9,590
- Council wages and plant – Assistance to Campbell Town SES \$ 102
- Cressy District High School – School Achievement Awards, Inspiring Positive Futures Program \$ 8,190
- Cressy Family – House Fire \$ 100

Government Act to:

- Eskleigh Home – Donation – Doll Bear & Miniature Fair \$ 110
- Evandale Primary School – School Achievement Awards \$ 30
- Longford Primary School – School Achievement Awards \$ 30
- Launceston Youth & Community Orchestra – Longford Event \$ 90
- Motor Neurone Disease Research Institute – Kim Evans Personal Challenge \$ 50
- Perth Fire Brigade \$ 50
- Perth Primary School – School Achievement Awards \$ 30



Sporting Achievement Donations totalling \$1,025 were provided to:

■ Mr B Ross	U12 Nth Tasmanian Junior Soccer Team	\$	55
■ Ms N Cawthen	Indoor Bowls Championships, Toowoomba 2013	\$	55
■ Miss K Cawthen	Indoor Bowls Championships, Toowoomba 2013	\$	55
■ Mr Logan Bailey	Champions Youth Club	\$	55
■ Mrs H Farrow	Indoor Bowls Championships, Toowoomba 2013	\$	55
■ Mrs Julie Zaporozec	Indoor Bowls Championships, Toowoomba 2013	\$	55
■ Mr Simon Zaporozec	Indoor Bowls Championships, Toowoomba 2013	\$	55
■ Miss Shenaye Zaporozec	Indoor Bowls Championships, Toowoomba 2013	\$	55
■ Miss Sophie Parkin	U15 National Cricket Carnival 2013	\$	55
■ Mr J Morris	Aust Darts Junior Championships 2013	\$	55
■ Miss M Bingley	Track & Field Championships 2013	\$	55
■ Miss I Darsaklis	U13 State Little Athletics Team	\$	60
■ Miss Tommie Glover	Australian Vigro Championships	\$	60
■ Mrs Lucy Glover	Australian Vigro Championships	\$	60
■ Mr Harry Heathcote	International Robotics Championships	\$	60
■ Mr Jon Heathcote	International Robotics Championships	\$	60
■ Mr Alex Mountney	International Robotics Championships	\$	60
■ Mr Damon Ercole	International Robotics Championships	\$	60



Burials/Placements performed in:	2013/2014	2012/2013	2011/2012	2010/2011
■ Lawn Cemetery	33	19	24	26
■ Rose Gardens (Photo)	8	10	8	13
■ Niche Wall	1	3	3	2
Animal Control				
■ Dog Registration	3,575	3,666	3,651	3,180
■ Kennel Licences	72	71	69	63
■ No. of Impounded Animals	92	107	83	96

Objective:

Committees of Management & Non-Profit Organisations

To support Council Committees of Management and Community Organisations.

Performance:

Provided ongoing support for recreation facility Management Committees and non-profit community organisations.

Special Committees represent \$233,153 (including Council maintenance grants) operating income and \$196,685 operating expenditure in Council's financial statement. Special Committees capitalised assets of \$12,248 in 2013/2014 and ended the year with \$243,629 net assets.

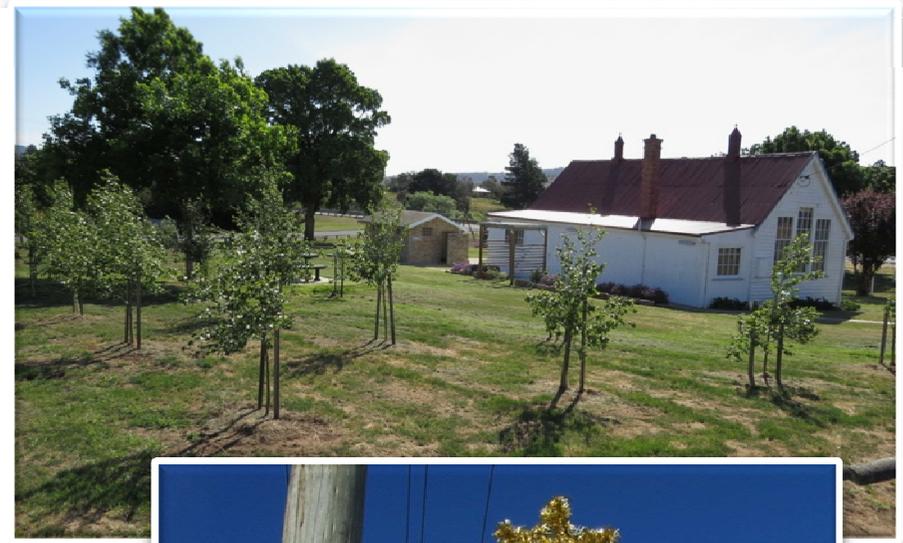
Special committees of Council managed the following facilities during 2013/2014:

- Avoca Hall/Community Centre
- Avoca Tourism Centre
- Bishopsbourne Community Centre
- Campbell Town Pool
- Campbell Town Court House/Museum
- *Cressy Memorial Hall (Photo)*
- Cressy Recreation Ground
- Cressy War Memorial Pool
- Epping Hall
- Evandale Community Centre
- Evandale War Memorial Hall
- Liffey Hall
- Longford Velodrome and Road Rules Park Management Committee
- Longford Recreation Ground
- Morven Park Recreation Ground (Evandale)
- Perth Community Centre
- Perth Recreation Ground
- Ross Recreation Ground & Swimming Pool



Council allocated Special Project grants totalling \$50,791 to sporting and community groups as follows:

- Evandale Tennis Club – Court Resurfacing \$ 6,927
- Bishopsbourne Community Centre – Electrical Upgrade \$ 3,500
- Evandale Light Rail – Signal Box Relocation \$ 1,100
- Perth Tennis Club – Seating Deck Extension \$ 1,100
- Evandale Tourism Centre – Heat Pump Installation \$ 2,000
- Perth Football Club – New Change Sheds \$ 5,000
- Perth Cricket Club – New Change Sheds \$ 5,000
- Ross Cricket Club – Mower \$ 1,000
- Ross Community Sports Club – Roller \$ 4,000
- *Evandale Football Club – Goal Post Replacement & Irrigation (Photo)* \$ 4,789
- Fusion Australia – Poatina Pantry Project \$ 1,100
- Midlands Agriculture Society – Clubroom upgrade \$ 5,000
- Liffey Hall – Weatherboard Replacement \$ 5,000
- Perth Community Centre – New Table tops \$ 1,650
- Longford Football Club – Baby Change table \$ 375
- *Avoca Museum & Info Centre – Landscaping (Photo)* \$ 250
- *Longford Rotary – Longford Christmas Tree Decorations* \$ 3,000



PLANNING & DEVELOPMENT

Planning & Development includes the provision of the following: Building, Health, Planning Services & Environmental Management:

Objective:

Building Services

To provide the regulatory framework to ensure all private and public buildings are constructed in accordance with the Building Code of Australia and other regulatory standards.

Performance:

Issued 262 building approvals totalling \$26 million.

Issued 987 Property Certificates (Sec 132 & 337), compared to 859 last year.

Encouraged electronic submission of applications and plans.

Adopted "Bluebeam" electronic application of approval stamps.

Adopted/reviewed the following Council policies:

- Landscaping Requirements for Development Proposals
- Fireworks Policy

Adopted Revised Heritage Code.

Specific Data	2013/2014	2012/2013	2011/2012	2010/2011
Applications approved	262	273	236	284
Dwellings	69	50	75	84
Add. to dwelling & out buildings	114	200	146	165
Industrial/Commercial	24	23	15	35
Value	\$26.13m	\$24.94m	\$25.00m	\$83.13m
Average Processing Time (Days)				
▪ Building Permit	5	6	5	3
▪ Certificate of Likely Compliance	8	11	6	5
▪ Plumbing Permit	12	14	17	14
No of Inspections	815	842	785	829
Septic Tank & AWTS Applications	9	10	19	23
Licensed places of assembly	55	57	50	46

Objective:

Land Use & Planning

To provide a co-ordinated land use plan to facilitate controlled growth within the parameters of infrastructure availability, while maintaining certainty and harmony with local environments and community expectations.

Performance:

Approved 246 planning applications including:

- Track lighting to sand training track (22 poles) - heritage-listed place at Longford Racecourse
- Service centre (extensions to rear of Midlands Tractors), Wellington Street, Longford
- 3 poultry sheds for Pure Foods at Woolmers Lane & Panshanger Road, Longford
- Change of use (existing shop to bakery/cafe) – Devil Bakery, Perth
- Change rooms for Perth Recreation Ground
- Installation of a right-turn lane at Eskleigh entrance
- Office & site redevelopment for Digga Excavations at 16523 Midland Highway, Breadalbane
- Dwelling & tourist facility (8 cabins) at 832 Hobart Road, Breadalbane
- Additional workshop for accident repair centre for Micra Bodyworks at Breadalbane
- Extension to Haywards offices at 11 Boral Road, Western Junction
- Transport depot at 40 Translink Avenue, Western Junction
- Extension to southern end of Symmons Plains racetrack & associated infrastructure
- Tassie Truckies Memorial Wall (at rear of Epping Forest service station)
- *Intensification of use of saleyards, cattle shed & sheep yards for Roberts at Powranna (Photo)*
- Upgrade of hatchery (stage 2) for Petuna Aquaculture at Burlington Road, Cressy
- Storage shed & relocation of bio-filter for Western Tiers Protein at Burlington Road, Cressy
- Bejo Tasmania seed-cleaning facility, 1389 Cressy Road, Cressy
- Dairy, manager's residence, calf shed for Annandale Properties, 887 Tunbridge Tier Road, Tunbridge

Approved 48 new dwellings, 18 units, 77 sheds and 25 new lots.

Received 0 Notices of Appeal from RMPAT.

Refused 1 application and actively followed-up illegal works and non-compliance with planning permits.

Extended the Heritage Precinct to the entire Evandale township area.

Lobbied state government for the establishment of a State Tyre Recycling facility



Objective:

Health

To provide for community well being through a healthy living environment, promoting healthy lifestyles and reducing disease.

Performance:

Completed Poatina potable water management registration project in conjunction with Hydro Tasmania.

Introduced electronic management and scheduling of all food premise inspections and other environmental health tasks.

Received donation of water fountain from TasWater in recognition of Longford 200 year anniversary (Photo).

Council supports local businesses. At the 2014 Baking Industry Tasmania, JJ's Bakery received awards for the "Best Cakes & Pastires" and "Champion Bread of Show" (Photo).

Council environmental health officers have worked in conjunction with the Environment Protection Authority in the assessment and resolution of incidents of potential environmental harm, including:

- Plant emissions at Mt Joy Road
- Smoke from agricultural burn-offs.

The Community Health Report addressed targets within the areas of:

- Infection Disease Control
- Prevent and Control of Disease
- Unhealthy Premises
- Public Health Risk Activities
- Regulated Systems for Air (Cooling Towers)
- Water Quality
 - Lobbied for sewer incident protocols to be reviewed by the State Health Department
 - Recreation water quality
- Environmental waterways
- Environmental Protection
 - Refuse Transfer Stations
 - Environmental Incidents & Environment Nuisance Complaints
- Food Surveillance
 - Registered food premises
 - Food sampling program
 - Temporary food premises
- Cemeteries
- Management and Administration.



Specific Achievements/Issues within the Community Health Report	2013/2014	2012/2013	2011/2012	2010/2011
Notifiable diseases investigated	7	7	3	7
School immunisations administered	211	266	190	389
Recreation water tests	92.8%	80.4%	75%	60.2%
Environmental nuisance complaints	50	53	36	49
Registered food premises	124	122	126	124
Food premises inspected	128	124	128	124
Registered temporary food premises	85	104	72	79
Public environmental incidents	1	2	3	6



Objective:

Environmental Management

To facilitate and co-ordinate Council and community projects that protect and enhance the environment in a sustainable manner.

Performance:



Managed Council's NRM Facilitator position – which delivers mechanisms as outlined in the Caring for Our Country Business Plan and Regional Strategy. For further details of these projects, visit www.nrm.gov.au or www.nrmnorth.org.au

Ongoing facilitation of Natural Resource Management Special Committee of Council.

Ongoing facilitation of Mill Dam Action Group – Special Committee of Council.

Member of Tamar Estuary and Esk River program – Steering Committee.

Support and facilitation of devolved grant submissions for landholders.

Ongoing collaboration with Department of Primary Industries, Parks, Water and the Environment.

Supervised NRM exhibition at the Royal Campbell Town Show (Photo) and Longford Show.

Supervised NRM exhibition at Cressy Trout Fishing Expo and Woolmers Rose Festival.

State Partnership Agreement – Investigating opportunities to resolve the Nile River Log Jam.

Ongoing participation in the Nile Catchment Community Forum.

Participation on the Macquarie River Water Management Consultancy Group.

Facilitated a connectivity corridor and infill planting of some 600 stems at a Maitland Lane property by over twenty Certificate 2 and 3 horticulture students, in conjunction with TAFE (Photo).



WORKS & INFRASTRUCTURE

Works includes the provision of maintenance and construction of Council infrastructure and facilities.

Engineering Services includes the provision of the Engineering Design and Services, Waste Management & Infrastructure Management

Objective:

Roads

To maintain by cost effective operations, a safe and effective road network to meet the needs of residents and visitors.

Performance:

Road Reconstruction

Reconstructed 376m² of urban, and 3,218m² rural pavement at a total cost of \$1,117,000.

Reconstructed 1,620m² of gravel road on *English Town Road (Photo)*, and resheeted gravel roads at a total cost of \$599,950.

Reseals

Sealed 39,920m² new or reconstructed pavement; and resealed 139,301m² of the total sealed road network at a cost of \$1,098,436.

There were no works funded by Roads to Recovery during 2013/2014.

Other Road Infrastructure

- Constructed 752m kerb and channel at a cost of \$45,482.
- Purchased road plant/ vehicles at a net cost of \$691,717.
- Recognised subdivision road assets transferred to Council, \$262,420.
- Supported the retention of the 100km/h default speed limit on rural sealed roads.
- Supported the successful delivery of the Roads to Recovery program on a permanent basis and to increase the level of funding.



Stormwater

Installed various stormwater pipes and associated manholes and gully pits at a cost of \$329,531.

Longford Flood Levee detention basin works of \$81,914. Compulsory acquired the Paton Street Stormwater Detention Basin at Longford.

Instigated stormwater flooding study at Translink industrial area.

Committed to being a member of the Northern Stormwater Program, \$5,000.

Footpaths

Initiated an assessment and engineering solution to make safe the heritage brick walls near footpaths within municipal area.

Inserted Penny farthing inserts in footpath handrail on corner of Leighlands Road at Evandale.
Constructed/reconstructed footpaths at a cost of \$404,966:

- 162m² washed concrete
- 2,714m² concrete.



Objective:

Bridges

To manage bridges to ensure safety and maximum life span.

Performance:

Replaced 4 bridges or 351m² of timber bridge deck area with concrete structures and associated guard rail on *Barton Road, Campbell Town (Photo's)*; Kingston Road, Deddington; Royal George Road, Royal George; and Malcombe Street, Longford; at a total cost of \$748,733.



Objective:

Waste Management

To manage the disposal of all forms of waste economically and effectively with a high level of environmental awareness. Strategy emphasises recycling, waste minimisation, litter reduction and service availability.

Performance

Participated in the Northern Tasmanian Development Regional Waste Management Committee, and adopted the Waste Management Budget for 2013-14.

Provided a 'Special' refuse collection service for all urban areas for the purpose of assisting those with limited access to dispose of unwanted goods to Council's Waste Transfer Stations.

Introduced kerbside waste collection for the township of Avoca.

Extended contract for Avalon Waste Management to supervise the Avoca waste transfer station and introduce gate fees.

Replaced mobile garbage bins as required.

Objective:

Building Services & Property Management

To provide and also manage the infrastructure needs of Council's public buildings

Performance:

Replacement of the Perth Recreation Ground Amenities Building \$405,952.

Purchased the Evandale Doctors Surgery, \$180,000 and facilitated the re-establishment of a doctor's practice to service the community (Advanced Rural Health Services).

Renovations to relocate the Campbell Town Museum to the Campbell Town Hall, \$67,853.

Upgrade hot water and heating systems for the eight (8) residential units, \$54,524.

Construction of a new barbeque shelter at Cressy, \$25,828.

Installed 25 new black litter bins through the township of Ross \$19,063.

Installed outdoor fitness equipment at Morven Park, Evandale and the War Memorial grounds at Cressy, \$19,629.

Improvement to the public toilets \$13,319 and park furniture \$8,223 at Avoca.

Constructed a new shelter/amenities at the Avoca Town Waste Transfer Station, \$12,389.

Upgrade of Longford Hall heating, \$10,616.

Fenced a dog exercise area at Coronation Park at Longford \$7,199 (Photo).

Contribute towards the upgrade the five (5) kitchenettes at the Ross Caravan Park, \$5,909.



Subdivided the Ross School buildings and offered for freehold sale.

Agreed to dispose of land at Conara.

Secured title to the Avoca Museum & Visitors Centre.

Restoration of Godfrey Rivers paintings named the 'Cabarlah' and 'The Harvest' (Photo).

Named the reserve on Leighlands Road at Evandale as 'Sandbanks Reserve'.

Adopted Tasmanian Subdivision Guidelines.

Adopted/reviewed the following Council policies:

- Council's CCTV Program & Code of Practice
- Local Businesses and Community Organisations' Participation in Council's CCTV Program.

Installed CCTV at the Perth War Memorial grounds at Perth following repeated vandalism at the site.



Replaced the mural on the front of the Cressy Town Hall \$4,745.

Purchased land adjacent to the Longford Flood Levee in Union Street to improve drainage and access for maintenance of the levee system.

MAJOR WORKS

Action Plan Checklist - Legend

● Achieved

● Ongoing / In Progress

● Alert Action Required

● Deferred

ROAD INFRASTRUCTURE:

Action		Action	
Campbell Town		Longford	
Barton Road – Road Reconstruction	●	Catherine Street – Footpath Reconstruction	●
Bridge Street – Footpath Reconstruction	●	William Street – Footpath Reconstruction	●
Cressy		Wellington Street – Footpath Reconstruction	●
Main Street – Footpath Reconstruction	●	Tannery Road – Footpath Reconstruction	●
Saundridge Road – Footpath Reconstruction	●	Bishopsbourne Road – Road Reconstruction	●
Mt Joy Road – Road Reconstruction	●	Pultney Street – Road Reconstruction	●
Green Rises Road – Road Reconstruction	●	Pakenham Street – Road Reconstruction	●
William Street – Road Reconstruction & kerb	●	Perth	
Main Street – Road Reconstruction	●	Eskleigh Road – Intersection Reconstruction	●
Evandale		Napoleon Street – Road Reconstruction	●
Morven Park – Reconstruct entrance and car parking areas	●	Main Street – Road Reconstruction	●
Evandale Hall – Reconstruct and replace kerb in car parking areas	●	William Street – Footpath Reconstruction	●
Coachmans Road – Concrete Footpath	●	William Street – Footpath Reconstruction	●
Saddlers Court – Concrete Footpath	●	George Street – Footpath Reconstruction	●
Stockmans Road – Concrete Footpath	●	Elizabeth Street – Footpath Reconstruction	●
Shearers Court – Concrete Footpath	●	Community Centre – Footpath Reconstruction	●
Ploughmans Court – Concrete Footpath	●	Fairtlough Street – Footpath Reconstruction	●
		Ross	
		Main Street Improvements	●

BRIDGES:

Bridge	Action	Bridge	Action
Bridge – Kingston Road, Broad Valley Creek (Timber to Concrete)	6500 ●	Bridge – Barton Road, Macquarie River (Timber to Concrete)	3415 ●

URBAN STORMWATER:

	Action		Action
Campbell Town		Longford	
Glenelg & Main Street	●	Flood Levee and associated works	●
Cressy		Flood Map Modelling	
Spencer Street	●	Ross	
Perth		Cnr Bond & Badajos Street	
Napoleon Street	●		●

RECREATION, BUILDING & COMMUNITY:

	Action		Action
Undertake improvements to the Waste Transfer Stations		●	
Avoca		Evandale	
Old recreation area cleanup and disposal	●	Falls Park Replace hedge & install dump point	●
Hall Floor Improvements	●	Russell Street Heritage lighting	●
Waste Transfer Station Improvements	●	Residential Units Hot Water and Heating improvements	●
Campbell Town		Falls Park Paint exterior and improvements	
Valentine Park Garden bed replacement	●	Longford	
Valentine Park Sign replacement	●	Public Open Space Stokes Park Area	●
Hall Relocation of Museum	●	Coronation Park Fencing	●
Recreation Ground Recreation Study	●	Recreation Ground Improvements	●
Residential Units Hot Water and Heating improvements	●	Caravan Park Fence improvements	●
Waste Transfer Station Improvements	●	Little Athletics Improvements	●
Cressy		Longford Entrance Landscaping	
Hall Improvements	●	Depot Improvements	●
Perth		Dog/Stock Pound	
Riverbank Walkway Replace shelter	●	Town Hall Heating	●
Cemetery Extension	●	Sports Centre Improvements	●
Recreation Ground Amenities Building	●	Ross	
		Accommodation Units Improvements	
			●

REPORTING ON LEGISLATIVE REQUIREMENTS

List of Contracts Awarded Over \$100,000 excl GST (Local Government Act)

Public Tenders:

Description of Contract	Period of Contract	Periods of any option for extending the contract	Value of Tender Awarded (excl. GST)	Business Name (successful contractor)	Business Address (successful contractor)	Minute Reference	Contract No.
Kerbside Waste Collection	1 July 2010 to 1 May 2019	4 years	\$130,964 p.a. plus cpi	Aussie Waste Management	128 Mornington Road, Mornington 7018	132/10	10/01
Kerbside Recycling Collection	1 July 2010 to 1 May 2019		\$158,081 p.a. plus cpi	Veolia Waste Management	PO Box 431, Rosny 7018	133/10	10/02
Kerbside Recycling Processing	1 July 2010 to 1 May 2019		\$60,600 p.a. plus cpi	Veolia Waste Management	PO Box 431, Rosny 7018	134/10	10/03A
Management of Waste Transfer Stations	1 July 2012 to 30 June 2016		\$324,391 p.a. plus cpi	Avalon Waste Management	186 Forest Hall Road, Cleveland	107/12	12/02
Clearance of Waste Material from Waste Transfer Stations	1 July 2011 to 30 June 2014		\$150,516 p.a. plus cpi	Aussie Waste Management	128 Mornington Road, Mornington 7018	144/11	11/01
Dynapac CA152D smooth drum vibratory roller			\$109,500	JF Machinery Pty Ltd		285/13	13/03
Construction of New Changerooms – Perth Recreation Ground			\$358,685	Badcock Constructions		286/13	
Replacement of Kingston Road Bridge No. 6500			\$122,652	Tas Span		352/13	13/05
Komatsu GD655-5 grader			\$313,900 (Changeover \$206,900)	Komatsu Australia Pty Ltd		353/13	13/21
Northern Campbell Town Stormwater Mains			\$266,708	Baker Civil Contracting		26/14	13/07
English Town Road upgrade		\$221,197	Gradco Pty Ltd		55/14	13/02	

Non Application of Public Tender Policy:

	Value of Tender Awarded (excl. GST)	Business Name (successful contractor)	Business Address (successful contractor)	Minute Reference	Contract No.
No item during 2013/14					

Attendance at Council and Committee Meetings by Councillors (Local Government Act)

Please refer to table on page 12 for details of attendance.

Elected Member Allowances and Expenses (Local Government Act)

During 2013/2014 Council provided allowances and reimbursements of all reasonable expenses to the Mayor, Deputy Mayor and Councillors. The total amount of these payments was \$181,833 (compared to \$173,445 the previous year). Please refer to page 12 for further breakdown of allowance and expense payments.

Remuneration Statement (Local Government Act)

The remuneration statement is provided for those positions designated by Council as senior positions under the Act, and includes salary payable plus any other allowances or benefits paid or provided for the benefit of the employee. Refer table on page 28 .

Grants & Benefits (Local Government Act)

During 2013/2014 Council donations under section 77 as listed on page 40, and rate remissions under its Rate Remission Policy totaling \$45,675 (2012/2013 \$43,491); plus \$93,222 under *Policy 17 - Rate Incentive For New Development*.

Donation of Land (Local Government Act)

During 2013/2014 Council made no donations of land under section 177.

Public Interest Disclosures Statement (Public Interest Disclosures Act 2002)

There were no disclosures raised or determined during the year.

Environmental Health Statement (Public Health Act 1997 and the Food Act 2003)

Council is committed to protect and promote the health and well being of its communities and spent \$94,555 on health projects in 2013/2014 (2012/2013 \$91,744). Please refer to page 46 for further details of Council’s Community Health Report.

Right to Information Act

The Right to Information Act provides the opportunity for public access to Council documents. The Act establishes a legally enforceable right for the community to access information in document form held by Council. Council received no new applications under the Right to Information for the period 1 July 2013 to 30 June 2014. Requests for access to information under the Right to Information Act should be in writing. Requests are to be lodged with the General Manager at the Council Chambers in Longford. Enquiries regarding Right to Information can also be made by telephone.

Customer Requests/Complaints Received (Local Government Act)

In accordance with s339F(5) of the *Local Government Act*, the general manager is to provide the council with a report at least once a year of the number and nature of complaints received.

The following graph depicts the number of all customer requests/complaints received during the relevant period.



Financial Statement

30 June 2014

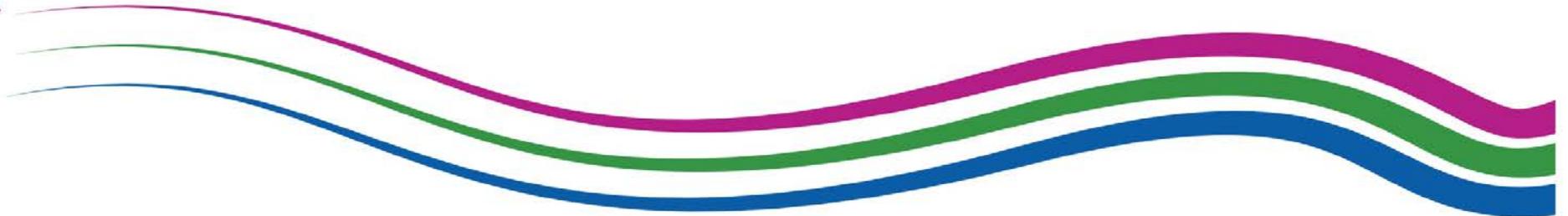


TABLE OF CONTENTS

	PAGE NO.
Statement of Comprehensive Income – for year ended 30 June 2014	4
Statement of Financial Position – as at 30 June 2014	5
Statement of Changes in Equity – for year ended 30 June 2014	6
Statement of Cash Flows – for year ended 30 June 2014	7
Notes to and forming part of the Financial Report – for the year ended 30 June 2014	8
1. INTRODUCTION	8
Significant Accounting Policies	9
(a) Basis of Accounting	9
(b) Adoption of New Accounting Standards	10
(c) Local Government Reporting Entity	11
(d) Revenue Recognition	11
(e) Expense Recognition	12
(f) Recognition and Measurement of Assets	13
(g) Cash & Cash Equivalents	17
(h) Inventories	17
(i) Investment in Water Corporation	17
(j) Trust Funds	18
(k) Employee Benefits	18
(l) Accruals/Prepayments	20
(m) Net Fair Values of Financial Assets & Liabilities	20
(n) Significant Business Activities	20
(o) Leases	21
(p) Taxation	22
(q) Budget Figures	22
(r) Contingent Assets, Contingent Liabilities and Commitments	22
(s) Rounding	23



(t)	Pending Accounting Standards	23
2.	Functions/Activities of the Council	25
(a)	Functions/Activities of the Council	25
(b)	Component Functions/Activities	28
3.	Grant Revenue	29
4.	Investment Revenue from Water Corporation	31
5.	Gain/(Loss) on Sale and Disposal of Assets	31
6.	Employee Benefits	33
7.	Materials & Services	34
8.	Depreciation & Amortisation Expense	35
9.	Other Expenses	35
10.	Cash & Cash Equivalents	36
11.	Trade & Other Receivables	37
12.	Inventory	37
13.	Assets Held for Sale	37
14.	Property, Plant & Infrastructure	38
15.	Investment in Water Corporation	42
16.	Trade & Other Payables	43
17.	Provisions	43
18.	Capital Expenditure Commitments	44
(a)	Capital/Contractual Commitments	44
19.	Contingent Liabilities	44
20.	Auditors Remuneration	44
21.	Special Committees	45
22.	Reconciliation of Cash Flows from Operations Activities to Surplus/(Deficit)	46
23.	Related Party Disclosure	46
(a)	Allowances & Reimbursements	46
(b)	Register of Interests – 2013/2014	46



TABLE OF CONTENTS

	PAGE NO.
24. Superannuation	47
25. Financial Instruments	49
(a) Accounting Policy, Terms & Conditions	49
(b) Financing Arrangements	50
(c) Financial Risk Exposure & Mitigation	50
(d) Impairment Losses	54
(e) Sensitivity Disclosure Analysis	54
(f) Categories of Financial Assets & Liabilities	55
(g) Analysis of Unimpaired Financial Assets	55
(h) Fair Value Hierarchy	56
26. Significant Business Activities	57
27. Management Indicators	58
(a) Financial Management Indicators	58
(b) Asset Management Indicators	59
28. Fair Value Measurement	61
(a) Fair Value Hierarchy	62
(b) Highest and Best Use	63
(c) Valuation Techniques and Significant Inputs Used to Derive Fair Values	64
(d) Changes in recurring level 3 fair value measurements	67
(e) Valuation processes	67
(f) Assets and liabilities not measured at fair value but for which fair value is disclosed	67
g) Significant unobservable inputs and sensitivities	68
Certification	70
Independent Audit Report	71



STATEMENT OF COMPREHENSIVE INCOME – FOR YEAR ENDED 30 JUNE 2014

	Note	2014		2013		2014 Budgeted
		\$	%	\$	%	\$
INCOME						
Recurrent Income						
Rate Revenue		8,861,273	62.92	8,400,335	52.36	8,922,556
Grants	3	2,210,284	15.69	5,020,318	31.29	2,199,252
User Charges		1,537,733	10.92	1,389,355	8.66	1,392,933
Interest		485,245	3.45	539,244	3.36	466,239
Reimbursements		210,971	1.50	207,070	1.29	96,607
Investment Revenue from Water Corporation	4	467,111	3.32	4,325	0.03	465,988
Other		310,446	2.20	482,488	3.01	73,738
		14,083,063		16,043,135		13,617,313
Capital Income						
Capital Grants Received Specifically for New or Upgraded Assets	3	133,917		275,600		137,342
Contribution of Non-Monetary Assets	14	654,619		1,011,204		350,000
		788,536		1,286,804		487,342
		14,871,599		17,329,939		14,104,655
EXPENSES						
Employee Benefits	6	4,407,509	27.64	4,318,886	28.52	4,705,584
Materials & Services	7	4,585,910	28.75	3,980,998	26.29	4,196,406
Depreciation and Amortisation	8	4,639,094	29.09	4,455,611	29.42	4,747,434
Net (Loss)/Gain on Disposal of Property, Infrastructure, Plant and Equipment	5	943,298	5.91	929,532	6.14	432,810
Government Levies & Charges		568,319	3.56	586,837	3.87	604,306
Other	9	804,998	5.05	872,549	5.76	652,992
		15,949,128		15,144,143		15,339,532
		(1,077,529)		2,185,526		(1,234,877)
SURPLUS						
OTHER COMPREHENSIVE INCOME						
Items that will not be reclassified to surplus or deficit						
Net Asset Revaluation Increment/Decrement	14	2,561,375		(8,551,540)		
Items that may be reclassified to surplus or deficit:						
Fair value adjustment on						
Investment in Water Corporation	15	(6,273,455)		842,885		
		(3,712,080)		(7,708,655)		
		(4,789,609)		(5,523,129)		
COMPREHENSIVE RESULT						

The above Statement of Comprehensive Income is to be read in conjunction with the notes to and forming part of the financial report.



STATEMENT OF FINANCIAL POSITION – AS AT 30 JUNE 2014

		Note	2014	2013
			\$	\$
ASSETS				
CURRENT ASSETS				
	Cash and Cash Equivalents	10	7,490,930	10,300,583
	Trade and Other Receivables	11	1,235,492	666,181
	Inventory	12	31,612	65,140
	Assets Held for Sale	13	305,000	-
	Total Current Assets		9,063,034	11,031,904
NON-CURRENT ASSETS				
	Work in Progress		462,996	723,153
	Property, Plant & Infrastructure	14	212,943,414	209,572,772
	Investment in Water Corporation	15	38,707,200	44,980,655
	Total Non-Current Assets		252,113,610	255,276,580
	TOTAL ASSETS		261,176,644	266,308,484
LIABILITIES				
CURRENT LIABILITIES				
	Trade and Other Payables	16	993,038	1,196,461
	Provisions	17	983,435	1,042,920
	Total Current Liabilities		1,976,473	2,239,381
NON-CURRENT LIABILITIES				
	Provisions	17	300,988	380,311
	Total Non-Current Liabilities		300,988	380,311
	TOTAL LIABILITIES		2,277,461	2,619,692
	NET ASSETS		258,899,183	263,688,792
EQUITY				
	Accumulated Surplus		136,733,729	137,811,259
	Reserves		122,165,454	125,877,533
	TOTAL RATEPAYER EQUITY		258,899,183	263,688,792

The above Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial report.



STATEMENT OF CHANGES IN EQUITY – FOR YEAR ENDED 30 JUNE 2014

	Total	Accumulated Surplus	Asset Revaluation Reserve	Fair Value Reserves
2014	\$	\$	\$	\$
Equity at Beginning of the Year	263,688,792	137,811,259	124,294,524	1,583,009
Surplus/(Deficit)	(1,077,529)	(1,077,529)	-	-
Fair Value Adjustment on Available for Sale Assets	(6,273,455)	-	-	(6,273,455)
Net Revaluation Increment/(Decrement) Reversal	2,561,375	-	2,561,375	-
Equity at end of the year	258,899,183	136,773,730	126,855,899	(4,690,446)

	Total	Accumulated Surplus	Asset Revaluation Reserve	Fair Value Reserves
2013	\$	\$	\$	\$
Equity at Beginning of the Year	269,211,921	135,625,733	132,846,064	740,124
Surplus/(Deficit)	2,185,526	2,185,526	-	-
Fair Value Adjustment on Available for Sale Assets	842,885	-	-	842,885
Net Revaluation Increment/(Decrement) Reversal	(8,551,540)	-	(8,551,540)	-
Equity at end of the year	263,688,792	137,811,259	124,294,524	1,583,009

The above Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the financial report.



STATEMENT OF CASH FLOWS – FOR YEAR ENDED 30 JUNE 2014



		Note	2014	2013
			\$	\$
CASHFLOWS FROM OPERATING ACTIVITIES				
Outflows	Employee Costs		(4,530,126)	(4,296,222)
	Materials and Services		(5,850,358)	(4,907,038)
	Levies Paid		(568,319)	(586,837)
	Other		(642,468)	(821,939)
Inflows	Receipts from Ratepayers		8,131,358	8,418,823
	Government Grants		2,158,593	4,923,116
	User Charges		1,760,248	1,504,011
	Interest Received		462,439	572,857
	Investment Revenues from Water Corporation		467,111	4,325
	Other		521,417	689,558
	Receipts from Australian Taxation Office		928,914	813,352
	Net Cash Provided by Operating Activities	22	2,838,809	6,314,006
CASHFLOWS FROM INVESTING ACTIVITIES				
Outflows	Payments for Property, Plant & Equipment		(6,000,288)	(6,123,007)
Inflows	Capital Grants		133,917	275,600
	Proceeds from Sale of Fixed Assets		217,909	288,909
	Net Cash Provided by (Used in) Investing Activities		(5,648,462)	(5,558,498)
	Net Increase (Decrease) in Cash and Cash Equivalents for the Period		(2,809,653)	755,508
	Cash and Cash Equivalents at the Commencement of the Period		10,300,583	9,545,075
	Net Cash and Cash Equivalents at the end of the Reporting Period	10	7,490,930	10,300,583

The above Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the financial report.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT – FOR THE YEAR ENDED 30 JUNE 2014

1. INTRODUCTION

- (i) The Northern Midlands Council was established on 02 April 1993 and is a body corporate with perpetual succession and a common seal. Council's main office is located at 13 Smith Street Longford Tasmania.
- (ii) The purpose of this Council is to:
- provide for the peace, order and good government in the municipality;
 - to promote the social, economic and environmental viability and sustainability of the municipal area;
 - to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
 - to improve the overall quality of life of people in the local community;
 - to promote appropriate business and employment opportunities;
 - to ensure that services and facilities provided by the Council are accessible and equitable;
 - to ensure the equitable imposition of rates and charges; and
 - to ensure transparency and accountability in Council decision making.

This financial report is a general purpose financial report that consists of the Statements of Comprehensive Income, Financial Position, Changes in Equity, Cash Flows, and notes accompanying these financial statements. The general purpose financial report of complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Local Government Act 1993* (LGA 1993) (as amended). Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities. As a result this financial report does not comply with International Financial Reporting Standards.



Significant Accounting Policies

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

(a) Basis of Accounting

This report has been prepared under the historical cost convention, as modified by the revaluation of certain classes of property, plant and infrastructure.

Management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Council has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. Judgements made by Council that have significant effects on the Financial Report are disclosed in the relevant notes as follows:

- *Fair Value of Property Plant & Infrastructure*
Assumptions and judgements are utilised in determining the fair value of Council's property, plant and infrastructure including useful lives and depreciation rates. These assumptions are discussed in Note 1(e) on page 12 and Note 14 on page 38.
- *Defined benefit superannuation fund obligations*
Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation fund obligations. These assumptions are discussed in Note 24 on page 47.
- *Employee entitlements*
Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in Note 1(j) on page 18.



- *Investment in Water Corporation*
Assumptions utilised in determination of Council's valuation of its investment in TasWater are discussed in Note 1(i) on page 17 and in Note 15 on page 42.

(b) Adoption of New Accounting Standards

i) AASB 13 Fair Value Measurement

Council has applied AASB 13 for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements. The fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items for which other A-IFRS require or permit fair value measurements and disclosures about fair value measurements, except for leasing transactions that are within the scope of AASB 17 Leases, and measurements that have some similarities to fair value but not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements.

AASB 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, Council has not made any new disclosures required by AASB 13 for the 2013 comparative period (refer note 28 on page 61), except for financial instruments, of which the fair value disclosures are required under AASB 7: Financial Instruments, Disclosures.

Other than the additional disclosures, the application of AASB 13 has not had any material impact on the amounts recognised in the financial statements.

ii) AASB 119 Employee benefits

In the current year, Council has applied AASB 119 Employee Benefits (as revised) and the related consequential amendments for the first time. AASB 119 changes the definition of short-term employee benefits. These were previously benefits that were due to be settled within twelve months after the end of the reporting period in which the employees render the related service, however, short-term employee benefits are now defined as benefits expected to be settled



wholly before twelve months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously calculated/measured by Council as short-term benefits no longer meet this definition and are now classified as long-term benefits. This has resulted in a change of measurement for that portion of annual leave provision from an undiscounted to discounted basis.

This change in classification has not materially altered Council's measurement of the annual leave provision.

(c) Local Government Reporting Entity

All funds through which Council controls resources to carry out its functions have been included in the financial report.

In the process of reporting on the Northern Midlands Council as a single unit, all transactions and balances between those funds (e.g. loans and transfers) have been eliminated. The recording of transactions and balances for internal borrowings has been eliminated.

(d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

i) Rates, grants and contributions

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

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured.

Donations and other contributions that are not subject to accompanying conditions that they be expended in a particular manner or for a particular purpose are recognised as revenue in the reporting period when Council obtains control over the assets comprising the contributions and donations.

Non-monetary contributions (including developer contributions) with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets. Non-monetary contributions below the thresholds are recorded as revenue.



ii) User charges

User charges 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 impairment of debts is recognised when collection in full is no longer probable.

iii) Sale of property, plant and Infrastructure

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

iv) Interest and rents

Interest and 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.

(e) Expense Recognition

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

i) Employee benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

ii) Depreciation of Property, Plant & Infrastructure

Buildings, land improvements, plant, infrastructure and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Land is not depreciated.



Straight line depreciation is charged based on the residual useful life as determined each year.

Major depreciation period used are listed below and are consistent with prior periods:

Asset	Life (Years)
Land	Unlimited
Land Under Roads	Unlimited
Buildings	100
Flood Levee Infrastructure - Depreciable Component	100
- Non-Depreciable Component	Unlimited
Furniture, Fittings, Office Equipment & Computers	2 – 20
Fleet	2 – 20
Heritage Assets - Depreciable Component	20 - 100
- Non-Depreciable Component	Unlimited
Plant	10
Roads Infrastructure - Depreciable Component	10 – 100
- Non-Depreciable Component	Unlimited
Bridges	30 – 100
Stormwater & Drainage	80 – 100

iii) Repairs & Maintenance

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

(f) Recognition and Measurement of Assets

(i) The Council controls and owns assets that are required to provide the services for which it has responsibility. These assets include:

- land,
- buildings,
- fleet,



- plant and infrastructure; i.e. roads, bridges and stormwater.

ii) Council has elected not to recognise land under roads prior to the 1st of July 2008 as an asset in accordance with AASB 1051 Land under Roads. Council has accounted for land under roads acquired subsequent to 1 July 2008 at cost and subsequently revalued it on a fair value basis.

iii) Acquisition and Recognition

The cost method of accounting is used for the initial recording of all acquisitions of assets.

'Cost' represents the fair value of these assets given as consideration plus costs incidental to their acquisition (including architects fees, engineering design fees, and administration charges and all other costs incurred) in getting the asset ready for use.

Property, infrastructure, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

In determining the cost of non-current assets constructed by the Council, 'Cost' includes all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. The cost of all materials includes all consulting and engineering fees.

Non-monetary assets received in the form of grants or donations are recognised as assets and revenues at their fair value at the date of receipt.

'Fair value' means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arms length transaction. In relation to infrastructure assets it is represented by depreciated replacement cost.

Council applies a capitalisation threshold and assets purchased or constructed with a value less than this threshold are charged to the Statement of Comprehensive Income in the year of purchase (Other than where they form part of a group of similar items which are material in total).



The following classes of assets have been recognised in Note 14 on page 38. In accordance with Council's policy, the threshold limits detailed below have been applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Asset	Threshold \$
Land	Nil
Land Under Roads	Nil
Buildings	5,000
Flood Levee Infrastructure	3,000
Furniture, Fittings, Office Equipment & Computers	500
Fleet	1,000
Plant	1,000
Roads Infrastructure	5,000
Bridges	5,000
Stormwater & Drainage	3,000
Heritage Assets	1,000

iv) Valuation of Non-Current Assets

Subsequent to the initial recognition of assets, non-current physical assets, other than asset categories listed in the table below as at cost, are measured at their fair value in accordance with AASB 116 Property, Plant and Equipment and AASB 13 Fair Value Measurement. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

In addition, Council undertakes a formal revaluation of land, buildings and infrastructure assets on a regular basis to ensure valuations represent fair value. The valuation is performed either by experienced Council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation surplus except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation surplus for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation



increments and decrements within the year are offset.

Land under roads acquired after 30 June 2008 brought to account at cost and subsequently revalued on a fair value basis. Council does not recognise land under roads that it controlled prior to that period.

Council has adopted the following valuation basis for its non-current assets:

Asset	Valuation basis
Land	Fair value
Land Under Roads	Fair value
Buildings	Fair value
Flood Levee Infrastructure	Cost
Furniture, Fittings, Office Equipment & Computers	Cost
Fleet	Cost
Plant	Cost
Roads Infrastructure	Fair value
Bridges	Fair value
Stormwater & Drainage	Fair value
Heritage Assets	Cost

v) Impairment of Assets

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value of its recoverable amount is expensed to the Statement of Comprehensive Income, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for 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, bridges, stormwater & drainage and the like, value in use is represented by the deprival value of the asset approximated by its written down replacement cost.

vi) Maintenance vs Capitalisation

Officers of the Council will determine at the occurrence of an event whether to capitalise or expense costs incurred in property, plant and infrastructure. The following formula is provided as a guide, "maintenance, repair costs and minor renewals are charged as expenses as incurred unless their total value exceeds 10% of the written down current value and increases the economic life by more than 10%."

(g) Cash & Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits at call with financial institutions, other short-term, highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(h) Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential.

(i) Investment in Water Corporation

Council's investment in TasWater is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date based on the Final Treasurer's Allocation Order in 2011. Council has an ownership interest of 2.52% in the corporation.

Any unrealised gains and losses on holdings at balance date are recognised through the Statement of Comprehensive Income to a Financial assets available for sale Reserve each year (refer Note 15, page 42).

Council has classified this asset as an Available-for-Sale financial asset as defined in AASB 139 Financial Instruments: Recognition



and Measurement and has followed AASB 132 Financial Instruments: Presentation and AASB 7 Financial Instruments: Disclosures to value and present the asset in the financial report.

Council has derived returns from the corporation as disclosed at Note 4, page 31.

(j) Trust Funds

The financial reports of the Council incorporate only those items over which the Council has control.

Amounts received as tender deposit and retention amounts controlled by Council are included in the amount disclosed as creditors with current liabilities until they are refunded or forfeited.

(k) Employee Benefits

i) Short Term Obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

ii) Other long term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.



The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Defined benefit plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the statement of financial position, 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 accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans i.e as an expense when it becomes payable.

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund, which is a sub fund of the Quadrant Superannuation Scheme. The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 32(b) of AASB 119 Employee Benefits, Council does not use defined benefit accounting for these contributions.

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) Sick Leave

Council does not recognise a liability for sick leave because such leave is non-vesting and because it is probable that sick leave expected to be taken in future reporting periods will be less than entitlements which are expected to accrue in those periods. Employees receive 10 days sick leave per year and the average sick leave taken by each employee for the 2013/14 financial year was 6.0 days (2012/13 was 9 days).

v) Rostered Days Off

A liability for accrued rostered days off is recognised at the current rates of pay including related oncosts, for expected future payments to be made in respect of accruals by employees of the Council.

(l) Accruals/Prepayments

Accruals and Prepayments are recognised in accordance with generally accepted accounting practices with materiality a major factor in determining their applicability.

(m) Net Fair Values of Financial Assets & Liabilities

Net fair values of financial instruments are determined on the following basis:

- *Monetary financial assets and liabilities* - carrying amounts of trade debtors, trade creditors and accruals (which approximates net market value).
- *Interest bearing loans* – are carried at their principal amount, which represents the present value of future cash flows associated servicing the debt. Interest is accrued.

(n) Significant Business Activities

The Local Government Act requires the reporting of operating capital and competitive neutrality in respect of each significant business activity undertaken by Council. Council disclosure is recorded in Note 26 on page 57.

Council has determined, based upon materiality, that Road Infrastructure is Council's only significant business activity for the 2014 year.



In preparing the information disclosed in relation to significant business activities, the following assumptions have been applied:

- The notional opportunity cost of capital was calculated by applying an interest rate of 5% (6% 2012/13) which council has determined as an appropriate interest rate adjusted for a risk margin.
- Taxation equivalents were calculated by an applicable taxation rate of 30% applied to the activities notional accounting profit.
- The impact of fringe benefits tax credits, stamp duty and debits were determined to be immaterial and have not been included.

(o) Leases

Operating leases as lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee 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.

Council leases several parcels of Crown land under lease agreements with the State Government. These leases, in general, do not reflect commercial arrangements, are long-term and have minimal lease payments. Crown land is recognised as an asset in the Statement of Financial Position and carried at fair value when Council establishes that (i) it has control over the land and (ii) it will derive economic benefits from it.

Operating leases as lessor

Council is a lessor and enters into agreements with a number of lessees. These include commercial and non-commercial agreements.

Where leases are non-commercial agreements, these are generally with not for profit, such as sporting, organisations. In these cases subsidised or peppercorn rents are charged because Council recognises part of its role is community service and community support. In these situations, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.



Where leases are commercial agreements, but properties leased are part of properties predominantly used by Council for its own purposes, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.

Where leases are commercial agreements, but properties leased are part of properties predominantly used by Council for its own purposes, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.

(p) Taxation

Council is exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax and Goods and Services Tax.

Revenues, expenses and assets are recognised net of the amount of goods and services tax (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 an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable or payable to the ATO is included as a current asset or current liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recovered from, or paid to, the ATO are classified as operating cash flows.

(q) Budget Figures

The estimated revenue and expense amounts in the Statement of Comprehensive Income represent revised budget amounts and are not audited.

(r) Contingent Assets, Contingent Liabilities and Commitments

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.



Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value inclusive of the GST payable.

(s) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest dollar.

(t) Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2014 reporting periods. Council's assessment of the impact of these new standards and interpretations is set out below

(i) AASB 9 Financial Instruments and the relevant amending standards (effective from 1 January 2017)

AASB 9 is one of a series of amendments that are expected to replace AASB 139 Financial Instruments: Recognition and Measurement. The main impact of the standard is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four categories of financial assets in AASB 139 will be replaced with two measurement categories: fair value and amortised cost.

Amortised cost is to be used for assets with contractual terms giving rise to principal and interest payments.

Fair value is to be used for all other financial assets. Gains or losses on financial assets at fair value are to be recognised in profit and loss unless the asset is part of a hedging relationship or an irrevocable election has been made to present in other comprehensive income changes in the fair value of an equity instrument not held for trading.

When adopted, the standard will affect, in particular, Council's accounting for its available-for-sale financial assets. Currently, Council recognises changes in the fair value of its available-for-sale assets through other comprehensive income. It is expected the new requirement will not change the accounting treatment currently adopted.

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such liabilities. The derecognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed.



(ii) AASB 1031 Materiality (effective from 1 January 2014)

The objective of this standard is to make cross-references to other standards and the Framework for the Preparation and Presentation of Financial Statements (as identified in AASB 1048 Interpretation of Standards) that contain guidance on materiality.

(iii) AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets (effective from 1 January 2014)

This standard amends the disclosure requirements of AASB 136. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal. The adoption of this standard will not impact Council's accounting policies but may result in changes to information disclosed in the financial statements.

(iv) AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments (Part A - Conceptual Framework effective from 20 December 2013; Part B - Materiality effective from 1 January 2014; Part C - Financial Instruments effective from 1 January 2015).

Part A of this standard updates references to the Framework for the Preparation and Presentation of Financial Statements in other standards as a consequence of the issue of AASB CF 2013-1 in December 2013.

Part B of this standard deletes references to AASB 1031 Materiality in various other standards. Once all references to AASB 1031 have been deleted from all Australian Accounting Standards, AASB 1031 will be withdrawn.

Part C of this standard amends AASB 9 Financial Instruments to add Chapter 6 Hedge Accounting and makes consequential amendments to AASB 9 and numerous other standards. Part C also amends the effective date of AASB 9 to annual reporting periods beginning on or after 1 January 2017, instead of 1 January 2015.

The adoption of this standard will not impact Council's accounting policies.



2. FUNCTIONS/ACTIVITIES OF THE COUNCIL

(a) Functions/Activities of the Council

Income, expenses and assets have been attributed to the following functions/activities:

Details of the functions/activities of each Business Unit are set out in Note 2 (b) on page 28.

		2014		2013	
		\$	\$	\$	\$
Governance					
Recurrent Income					
	Grants	56,259		170,319	
	Other	1,773,148		1,327,278	
	<i>Total</i>		1,829,407		1,497,597
Capital Income					
	Grants	-			
	Other	-			
	<i>Total</i>		-		-
	Total Income		1,829,407		1,497,597
Expenses					
			1,622,029		1,329,983
	Surplus / (Deficit)		207,378		167,614
	ASSETS		79,792,605		89,164,326



		2014		2013	
		\$	\$	\$	\$
<u>Economic & Community Development</u>					
<i>Recurrent Income</i>					
	Grants	290,700		437,427	
	Other	1,079,364		1,106,999	
	Total		1,370,064		1,544,426
<i>Capital Income</i>					
	Grants	30,000		-	
	Other	-		-	
	Total		30,000		-
Total Income			1,400,064		1,544,426
<i>Expenses</i>					
			1,197,399		1,302,624
	Surplus / (Deficit)		202,665		241,802
	ASSETS		380,785		366,600
<u>Planning & Development</u>					
<i>Recurrent Income</i>					
	Grants	44,252		175,774	
	Other	1,268,055		1,248,901	
	Total		1,312,307		1,424,675
<i>Capital Income</i>					
	Grants	-		-	
	Other	-		-	
	Total		-		-
Total Income			1,312,307		1,424,675
<i>Expenses</i>					
			1,275,825		1,372,591
	Surplus / (Deficit)		36,482		52,084
	ASSETS		342,218		266,709



	2014		2013	
	\$	\$	\$	\$
Works & Infrastructure				
Recurrent Income				
Grants	1,819,073		4,236,798	
Other	7,752,213		7,339,639	
<i>Total</i>		9,571,286		11,576,437
Capital Income				
Grants	103,917		275,600	
Other	654,618		1,011,204	
<i>Total</i>		758,535		1,286,804
Total Income		10,329,821		12,863,241
Expenses				
		11,853,875		11,139,215
Surplus (Deficit)		(1,524,054)		1,724,026
ASSETS		180,661,036		176,510,849
TOTAL				
Recurrent Income				
Grants	2,210,284		5,020,318	
Other	11,872,780		11,022,817	
<i>Total</i>		14,083,064		16,043,135
Capital Income				
Grants	133,917		275,600	
Other	654,618		1,011,204	
<i>Total</i>		788,535		1,286,804
Total Income		14,871,599		17,329,939
Expenses				
		15,949,128		15,144,413
Surplus (Deficit)		(1,077,529)		2,185,526
ASSETS		261,176,644		266,308,484



(b) Component Functions/Activities

The activities relating to the Council's components reported in Note 2 (a), on page 25, are as follows:

Governance

The provision of elected representation, executive support, strategic planning and public relations services to Council.

Economic & Community Development

The provision of Community Services Management, Economic Development, Tourism Promotion and Recreation Management services to Council.

Planning & Development

The provision of Planning, Building, Health & Environmental Management and Natural Resource Management services to Council.

Works & Infrastructure

The maintenance and construction of Council's infrastructure and facilities.



3. GRANT REVENUE

Grants were received in respect of the following:

	2014		2013	
	\$	\$	\$	\$
Federally funded capital grants				
Aged Care Units LGEEP	30,000		-	
Longford Velodrome Redevelopment	15,000		135,000	
		45,000		135,000
Federally funded recurrent grants:				
Employee Training Programs		-		6,500
Midlands Kids Club		26,260		24,316
Perth Child Care Service		40,850		40,290
Roads to Recovery		-		908,533
Rural & Remote Child Care Service		167,058		164,751
Rural & Remote Child Care Service – project support		15,000		-
Commonwealth financial assistance grant				
- General Purpose		553,194		2,289,399
- Roads		1,326,899	1,880,093	1,477,976
		2,129,261		4,911,765
State funded capital grants				
Bus Shelters		-		9,600
Flood Mitigation Longford		5,000		-
Longford Velodrome Redevelopment		80,000		-
Longford Boat Ramp		-		30,000
Morven Park Outdoor Gym Equipment		3,917		-
Perth Recreation Ground Amenities		-		80,000
Roads Black Spot		-		21,000
		88,917		140,600
State funded recurrent grants:				
Heavy Vehicle Motor Tax Grant		81,023		100,529
Keep Australia Beautiful Projects		-		325
Neighbourhood Watch Projects		-		1,999
Toy Library Establishment		-		5,700
		81,023		108,553



	2014		2013	
	\$	\$	\$	\$
Total Capital Grants		133,917		275,600
Total Recurrent Grants		2,210,284		5,020,318
Total Government Grants		2,344,201		5,295,918

The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. In 2011-12 and 2012-13 the Commonwealth made early payment of the two quarterly instalments for the following year. In accordance with AASB1004 Contributions, Council recognises these grants as revenue when it receives the funds and obtains control. The early receipt of instalments resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2012-13 by \$1,936,898. This has impacted the Statement of Comprehensive Income resulting in the Surplus/(deficit) being higher in 2012-13 by \$1,936,898. In the 2013-14 Budget the Commonwealth announced it would discontinue the approach of prepaying instalments. Therefore there was no prepayment in 2013-14.

Government funds received in relation to pensioner rates of \$389,852 (\$364,667 2012/13) have been treated in the Statement of Comprehensive Income as rate revenue.

Grants recognised as revenues during the reporting period which have yet to be applied to the purpose for which they were provided as at the reporting date:

	2014		2013	
	\$	\$	\$	\$
Commonwealth Financial Assistance Grant				
- General Purpose	-		1,181,508	
- Roads	-		755,390	1,936,898
Longford Velodrome Redevelopment		80,000		135,000
Perth Recreation Ground Amenities Building		-		80,000
Restoration of Military Field Guns at Perth and Ross		-		10,000
Rural & Remote Child Care – project support		15,000		-
		95,000		2,161,898



4. INVESTMENT REVENUE FROM WATER CORPORATION

	2013 \$	2013 \$
Dividend Revenue	297,477	-
Tax Equivalents	114,435	4,325
Guarantee Fee	55,199	-
Total investment revenue from water corporation	467,111	4,325

5. GAIN/(LOSS) ON SALE AND DISPOSAL OF ASSETS

The gain/(loss) on sale and disposal of fixed assets for the period was comprised of:

	2014 \$	2013 \$
Land		
Proceeds from sales / disposals	-	50,673
Written down value of assets sold	-	71,613
Gain /(loss) on sale	-	(20,940)
Buildings		
Written down value of assets disposed with no proceeds	285,981	-
Gain /(loss) on disposal	(285,981)	-
Furniture, Fittings, Office Equipment & Computers		
Written down value of assets disposed with no proceeds	-	1,533
Gain /(loss) on disposal	-	(1,533)
Fleet		
Proceeds from sales	217,909	238,236
Written down value of assets sold	326,254	240,160
Gain /(loss) on sale	(108,345)	(1,924)



	2014 \$	2013 \$
Plant		
Written down value of assets disposed with no proceeds	-	33,361
Gain /(loss) on disposal	-	(33,361)
Roads Infrastructure		
Written down value of assets disposed with no proceeds	425,530	657,467
Gain /(loss) on disposal	(425,530)	(657,467)
Bridges		
Written down value of assets disposed with no proceeds	89,319	46,936
Gain /(loss) on disposal	(89,319)	(46,936)
Stormwater & Drainage		
Written down value of assets disposed with no proceeds	34,123	167,371
Gain /(loss) on disposal	(34,123)	(167,371)
Total		
Proceeds from sales	217,909	288,909
Written down value of assets sold	326,254	311,773
Gain /(loss) on sale of fixed assets	(108,345)	(22,864)
Written down value of assets disposed with no proceeds	834,953	906,668
Gain /(loss) on sale and disposal of Fixed Assets	(943,298)	(929,532)



6. EMPLOYEE BENEFITS

	2014		2013	
	\$	\$	\$	\$
Wages and Salaries	3,249,217		3,198,904	
Superannuation	439,582		456,001	
Annual/ Sick/ Long Service/ Other Leave	714,680		628,864	
Total Employee Benefits Expenses		4,403,479		4,283,769
State Government Payroll Tax	210,596		218,686	
Workers Compensation	110,604		85,015	
Provision for Leave Entitlements	(151,828)		15,922	
Other Employee Oncost Expenses	32,167		27,725	
Total Other Employee Related Expenses		201,539		347,348
		4,605,018		4,631,117
Less Amounts Capitalised				
Non-current assets constructed		(197,509)		(312,231)
TOTAL EMPLOYEE BENEFITS AND RELATED EXPENSES		4,407,509		4,318,886

Number of employees as at 30 June are:

	2014		2013	
	Total	Full Time Equivalent	Total	Full Time Equivalent
Permanent	59	54	66	60
Casual	22	3	24	4
Total	81	57	90	64



7. MATERIALS & SERVICES

	2014		2013	
	\$	\$	\$	\$
Contractor Payments				
Community Buildings and Halls	32,484		65,716	
Kerbside Garbage and Recycling	538,622		490,587	
Parks and Reserves	174,639		142,871	
Roads and Bridges	596,171		486,816	
Urban Stormwater	56,961		71,358	
Waste Transfer Stations	525,490		467,550	
Other Contractor Payments	429,717	2,354,084	423,045	2,147,943
Materials				
Community Buildings and Halls	23,696		12,621	
Corporate Services and Governance	127,162		104,794	
Parks and Reserves	53,867		50,614	
Roads and Bridges	475,333		365,915	
Urban Stormwater	33,020		30,569	
Other Material Purchases	280,981	961,039	84,087	648,600
Consultants Fees		400,564		500,777
Electricity Costs		337,745		264,397
Insurance		135,479		126,123
Telecommunication Costs		72,627		62,335
Other		324,372		230,823
TOTAL MATERIALS & SERVICES		4,585,910		3,980,998



8. DEPRECIATION & AMORTISATION EXPENSE

Depreciation and amortisation expense for the year is as follows:

	2014	2013
	\$	\$
Buildings	383,393	401,100
Plant	165,512	156,209
Flood Levee Infrastructure	18,063	17,669
Furniture, Fittings, Office Equipment & Computers	111,018	102,527
Fleet	354,441	334,537
Road Infrastructure	2,908,200	2,778,645
Bridges	306,518	303,844
Stormwater & Drainage	384,227	354,568
Heritage Assets	7,722	6,512
TOTAL DEPRECIATION & AMORTISATION EXPENSE	4,639,094	4,455,611

9. OTHER EXPENSES

Other expenses for the year are as follows:

	2014	2013
	\$	\$
Bad & Doubtful Debts	12,061	10,270
Contributions & Donations	136,946	148,457
Councillors' Remuneration	181,833	173,445
Fringe Benefits Tax	37,313	34,042
Rate Remissions & Discounts	149,973	167,328
Special Committee Expenditure	196,685	235,977
Refunds & Reimbursements	36,731	87,359
Work in Progress from prior years Not Capitalised	52,323	14,393
Other Expenses	1,133	1,278
	804,998	872,549



10. CASH & CASH EQUIVALENTS

	2014	2013
	\$	\$
Cash on Hand	600	300
Cash at Bank	36,184	406,603
Cash held by Special Committees of Council	243,629	172,468
Money Market Call Accounts	7,536	543,724
Short Term Fixed Deposits	7,202,981	9,177,488
Total Cash & Cash Equivalents	7,490,930	10,300,583

Councils cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

	2014	2013
	\$	\$
Leave provisions (Note 17, page 43).	1,284,423	1,423,231
Monies held in Trust (Note 16, page 43).	354,287	400,553
Special Committee Cash Held	243,629	172,468
Grants received which have not yet been applied to the purpose for which they were provided (Note 3, page 29)	95,000	2,161,898
Cash required to maintain objectives set out in asset Management and Long term Financial Plans calculated at 1% of gross value of Property, Plant and Infrastructure.	3,002,132	2,937,428
Restricted Funds	4,979,471	7,095,578
Unrestricted Cash & Cash Equivalents	2,511,459	3,205,005



11. TRADE & OTHER RECEIVABLES

	2014 \$	2013 \$
Current		
Trade Debtors - Sundry	302,573	320,766
Rates Outstanding	933,431	356,671
Less Provision for Impairment of Debts	(80,633)	(68,571)
Accrued Income	80,121	57,315
	1,235,492	666,181

Rates payments received in advance are treated as rate revenue in the year in which they are received, in 2013/14 this amounted to \$160,725 (2012/13 \$161,927).

Council as at 30th June 2014 has significant exposure to an individual rate debtor payable under a Commonwealth Lease Agreement. At this stage the debtor has not been provided for as Council is confident of full recovery.

12. INVENTORY

	2014 \$	2013 \$
Fuel – held for distribution at average cost	-	11,124
Timber – held for distribution at average cost	2,319	5,496
Norfolk Plains History Book – held for sale at cost	24,646	48,520
Longford 200 Years Medallions – held for sale at cost	4,647	-
	31,612	65,140

13. ASSETS HELD FOR SALE

	2014 \$	2013 \$
Internal transfer from Land	70,000	-
Internal transfer from Buildings	235,000	-
	305,000	-

Council has subdivided a portion of Land from what was formerly the Ross School and has decided to sell the portion containing the school house and associated buildings while retaining the former oval as a public reserve. It has been placed with real estate agents and is expected to be sold within one year. The land is valued at the lower of carrying value and fair value less costs to sell.



14. PROPERTY, PLANT & INFRASTRUCTURE

LAND	2014		2013	
	\$	\$	\$	\$
Gross Value				
Opening balance	11,588,028		11,540,329	
Transfer to Assets Held for Sale	(70,000)		-	
Additions - Purchased	104,401		119,313	
Sales	-		(71,614)	
Revaluation Adjustment	(1,487,089)		-	
NET AMOUNT AT FAIR VALUE		10,135,340		11,588,028
LAND UNDER ROADS	2014		2013	
	\$	\$	\$	\$
Gross Value				
Opening balance	913,173		788,594	
Additions – Donated or Contributed	186,900		124,579	
Revaluation Adjustment	194,116		-	
NET AMOUNT AT FAIR VALUE		1,294,189		913,173
BUILDINGS	2014		2013	
	\$	\$	\$	\$
Gross Value				
Opening Balance	40,552,454		40,551,006	
Additions – Purchased or Constructed	614,182		309,221	
Transfer to Assets Held for Sale	(235,000)		-	
Disposals with no proceeds	(375,125)		-	
Revaluation Adjustment	(1,472,357)		(307,773)	
Closing Balance		39,084,154		40,552,454
Accumulated Depreciation				
Opening Balance	13,600,324		12,923,741	
Depreciation Expense	383,393		401,100	
Disposals with no proceeds	(89,144)		-	
Revaluation Adjustment	(471,403)		275,483	
Closing Balance		13,423,170		13,600,324
NET AMOUNT AT FAIR VALUE		25,660,984		26,952,130



HERITAGE ASSETS		2014		2013	
		\$	\$	\$	\$
Gross Value					
Opening Balance		1,020,288		765,288	
Additions – Purchased or Constructed		-		6,749	
Additions – Donated or Contributed		-		248,251	
	Closing Balance		1,020,288		1,020,288
Accumulated Depreciation					
Opening Balance		142,141		135,629	
Depreciation Expense		7,722		6,512	
	Closing Balance		149,863		142,141
	NET AMOUNT AT COST		870,425		878,147

FLOOD LEEVE INFRASTRUCTURE		2014		2013	
		\$	\$	\$	\$
Gross Value					
Opening Balance		5,124,028		5,075,521	
Additions – Purchased or Constructed		81,914		48,507	
	Closing Balance		5,205,942		5,124,028
Accumulated Depreciation					
Opening Balance		97,497		79,828	
Depreciation Expense		18,063		17,669	
	Closing Balance		115,560		97,497
	NET AMOUNT AT COST		5,090,382		5,026,531

FURNITURE, FITTINGS, OFFICE EQUIPMENT & COMPUTERS		2014		2013	
		\$	\$	\$	\$
Gross Value					
Opening Balance		1,846,428		1,775,475	
Additions – Purchased or Constructed		155,714		82,027	
Disposals with no proceeds		-		(11,074)	
	Closing Balance		2,002,142		1,846,428
Accumulated Depreciation					
Opening Balance		1,376,134		1,282,655	
Depreciation Expense		111,018		103,019	
Disposals with no proceeds		-		(9,540)	
	Closing Balance		1,487,152		1,376,134
	NET AMOUNT AT COST		514,990		470,294



FLEET	2014		2013	
	\$	\$	\$	\$
Gross Value				
Opening Balance	4,174,723		3,965,467	
Additions – Purchased or Constructed	691,717		714,107	
Sales	(532,021)		(504,851)	
Closing Balance		4,334,419		4,174,723
Accumulated Depreciation				
Opening Balance	1,688,292		1,618,444	
Depreciation Expense	354,441		334,537	
Sales	(205,767)		(264,689)	
Closing Balance		1,836,966		1,688,292
NET AMOUNT AT COST		2,497,453		2,486,431

PLANT	2014		2013	
	\$	\$	\$	\$
Gross Value				
Opening Balance	2,446,425		2,388,543	
Additions – Purchased or Constructed	130,845		160,492	
Disposals with no proceeds	(6,795)		(102,610)	
Closing Balance		2,570,475		2,446,425
Accumulated Depreciation				
Opening Balance	1,509,288		1,422,321	
Depreciation Expense	165,512		156,216	
Disposals with no proceeds	(6,795)		(69,249)	
Closing Balance		1,668,005		1,509,288
NET AMOUNT AT COST		902,470		937,137

ROADS INFRASTRUCTURE	2014		2013	
	\$	\$	\$	\$
Gross Value				
Opening Balance	172,396,007		185,627,380	
Additions – Purchased or Constructed	3,403,407		3,632,210	
Additions – Donated or Contributed	262,420		294,962	
Disposals with no proceeds	(2,703,037)		(2,932,895)	
Revaluation Adjustment	4,051,306		(14,225,650)	
Closing Balance		177,410,103		172,396,007



ROADS INFRASTRUCTURE		2014		2013	
	\$	\$	\$	\$	
Accumulated Depreciation					
Opening Balance	53,183,893		57,024,580		
Depreciation Expense	2,908,195		2,778,637		
Disposals with no proceeds	(2,277,507)		(2,275,430)		
Revaluation Adjustment	1,248,150		(4,343,894)		
Closing Balance		55,062,731		53,183,893	
NET AMOUNT AT FAIR VALUE		122,347,372		119,212,114	

BRIDGES		2014		2013	
	\$	\$	\$	\$	
Gross Value					
Opening Balance	23,967,922		22,988,450		
Additions – Purchased or Constructed	748,733		275,619		
Disposals with no proceeds	(378,191)		(297,320)		
Revaluation Adjustment	601,474		1,001,173		
Closing Balance		24,939,938		23,967,922	
Accumulated Depreciation					
Opening Balance	5,511,504		5,264,688		
Depreciation Expense	306,518		303,844		
Disposals with no proceeds	(288,872)		(250,385)		
Revaluation Adjustment	124,127		193,357		
Closing Balance		5,653,277		5,511,504	
NET AMOUNT AT FAIR VALUE		19,286,661		18,456,418	

STORMWATER & DRAINAGE		2014		2013	
	\$	\$	\$	\$	
Gross Value					
Opening Balance	29,713,275		28,024,415		
Additions – Purchased or Constructed	329,531		173,665		
Additions – Donated or Contributed	205,298		343,412		
Disposals with no proceeds	(34,800)		(182,449)		
Revaluation Adjustment	2,002,904		1,354,232		
Closing Balance		32,216,208		29,713,275	



STORMWATER & DRAINAGE		2014		2013	
	\$	\$	\$	\$	
Accumulated Depreciation					
Opening Balance		7,061,405		6,473,340	
Depreciation Expense		384,227		354,568	
Disposals with no proceeds		(677)		(15,079)	
Revaluation Adjustment		428,105		248,576	
Closing Balance			7,873,060		7,061,405
NET AMOUNT AT FAIR VALUE			24,343,148		22,651,870
TOTAL PROPERTY, PLANT & INFRASTRUCTURE		2014		2013	
	\$	\$	\$	\$	
Gross Value					
Opening Balance		293,742,751		303,490,468	
Transfer to Assets Held for Sale		(305,000)		-	
Additions – Purchased or Constructed		6,260,444		5,521,910	
Additions – Donated or Contributed		654,618		1,011,204	
Sales		(532,021)		(576,465)	
Disposals with no proceeds		(3,497,948)		(3,526,348)	
Revaluation Adjustment		3,890,354		(12,178,018)	
Closing Balance			300,213,198		293,742,751
Accumulated Depreciation					
Opening Balance		84,170,478		86,225,218	
Depreciation Expense		4,639,089		4,456,110	
Sales		(205,767)		(264,689)	
Disposals with no proceeds		(2,662,995)		(2,619,683)	
Revaluation Adjustment		1,328,979		(3,626,478)	
Closing Balance			87,269,784		84,170,478
NET AMOUNT			212,943,414		209,572,273

For details on asset valuation refer Note 28 on page 61.

15. INVESTMENT IN WATER CORPORATION

	2014	2013
	\$	\$
Opening Balance Investment in Water and Sewerage Corporation	44,980,655	44,137,770
Fair Value adjustments on Available-for-Sale Assets	(6,273,455)	842,885
Total Investment in Water and Sewerage Corporation	38,707,200	44,980,655



Council has derived returns from the water corporation as disclosed at Note 4, page 31.

At 30 June 2013, Council held a 8.9% ownership interest in Ben Lomond Water based on the Final Treasurer's Allocation Order in 2011. From 1 July 2013 a new State-wide water and sewerage corporation trading as "TasWater", commenced in accordance with the Water and Sewerage Corporation Act 2012. TasWater took over the water and sewerage services and assets previously operated by Ben Lomond Water, Cradle Mountain Water and Southern Water.

At 30 June 2014, Council held a 2.52% ownership interest in TasWater based on the equity proportions per member for voting purposes, as set out in Schedule 2 of TasWater's Constitution.

16. TRADE & OTHER PAYABLES

	2014	2013
	\$	\$
Current		
Trade Creditor	581,257	754,605
Accrued Wages	57,494	41,303
Money Held in Trust	354,287	400,553
	993,038	1,196,461

17. PROVISIONS

	2014		2013	
	\$	\$	\$	\$
Current				
Employee Benefits - Annual Leave	418,803		475,952	
Employee Benefits - Long Service Leave	402,337		394,601	
Employee Benefits - Oncosts	162,295		172,367	
		983,435		1,042,920
Non-Current				
Employee Benefits - Long Service Leave	250,823		316,741	
Employee Benefits - Oncosts	50,165		63,570	
		300,988		380,311
AGGREGATE EMPLOYEE BENEFITS		1,284,423		1,423,231



18. CAPITAL EXPENDITURE COMMITMENTS

(a) Capital/Contractual Commitments

	2014	2013
	\$	\$
Estimated expenditure contracted for at balance date but not yet incurred:		
- payable not later than one year	986,692	1,251,589
- payable later than one year but no later than two years	713,003	686,168
- payable later than two years	1,174,032	1,825,159
	2,873,727	3,762,916

19. CONTINGENT LIABILITIES

Council has no contingent liabilities.

20. AUDITORS REMUNERATION

	2014	2013
	\$	\$
Audit fees to conduct external audit – Tasmanian Audit Office	20,280	19,590



21. SPECIAL COMMITTEES

The statements include transactions for the following committees:

Committee Name	2014				2013			
	Operating Income	Operating Expenditure	Amounts Capitalised	Net Assets	Operating Income	Operating Expenditure	Amounts Capitalised	Net Assets
	\$	\$	\$	\$	\$	\$	\$	\$
About Campbell Town	9,096	7,622	-	8,732	10,396	35,900	-	7,259
Avoca Community Centre	4,051	2,962	249	8,465	4,097	2,797	390	7,904
Avoca Museum & Information Centre	10,215	10,557	-	(871)	-	-	-	150
Avoca, Royal George and Rossarden Local District Committee	-	246	-	-	-	-	-	244
Bishopsbourne Community Centre	14,680	11,264	-	44,239	17,308	12,393	6,780	65,588
Campbell Town Swimming Pool	17,675	12,723	120	39,080	19,641	14,053	7,000	40,825
Campbell Town Recreation Ground	5,506	3,556	1,000	4,008	2,871	8,057	-	2,315
Cressy Hall	3,823	2,948	534	6,390	3,026	3,659	-	14,387
Cressy War Memorial Swimming Pool	31,741	35,527	10,345	14,256	33,084	38,382	-	36,921
Cressy Recreation Ground	10,945	6,892	-	8,201	6,471	2,906	-	21,564
Devon Hills Residents	-	550	-	1,699	575	115	-	2,314
Epping Hall	2,195	3,809	-	1,599	2,104	1,148	-	3,309
Evandale Community Centre & War Memorial Hall	23,068	24,223	-	10,424	25,608	24,395	-	25,575
Liffey Hall	2,492	1,348	-	2,125	111	360	-	1,046
Longford Recreation Ground	9,203	4,354	-	12,795	4,620	5,563	-	14,489
Morven Park Recreation Ground	16,255	10,492	-	5,686	13,956	15,499	-	12,151
Perth Community Centre	22,049	14,590	-	13,925	19,271	26,205	-	6,687
Perth Recreation Ground	11,626	4,235	-	8,120	3,966	8,458	568	5,867
Ross Community Sports Club	38,533	38,787	-	54,756	47,274	36,087	3,841	67,148
	233,153	196,685	12,248	243,629	214,379	235,977	18,579	335,743



22. RECONCILIATION OF CASH FLOWS FROM OPERATIONS ACTIVITIES TO SURPLUS/(DEFICIT)

	2014 \$	2013 \$
Surplus/(Deficit)	(1,077,530)	2,185,526
Capital grants received specifically for new or upgraded assets	(133,917)	(275,600)
Contribution of non-monetary assets	(654,618)	(1,011,204)
Net gain/(Loss) on disposal of property, Infrastructure, Plant and Equipment	943,298	929,532
Depreciation	4,639,094	4,455,611
Changes in Operating Assets & Liabilities		
(Increase)/Decrease in Trade and Other Receivables	(568,816)	(32,331)
(Increase)/Decrease in Inventory	33,528	(49,912)
Increase/(Decrease) in Creditors	(203,423)	88,513
Increase/(Decrease) in Provisions	(138,808)	23,871
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,838,809	6,314,006

23. RELATED PARTY DISCLOSURE

(a) Allowances & Reimbursements

	2014 \$	2013 \$
Councillors Allowances and Reimbursements	181,833	173,445

(b) Register of Interests – 2013/2014

Interests of Councillors notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings are detailed below:

No Material Interest Declared:

Cr Matthew Brooks	Deputy Mayor David Downie	Cr Janet Lambert
Cr Andrew Calvert	Cr Richard Goss	Mayor Kim Polley
Cr Jeff Carins	Cr Mary Knowles	



Material Interest Declared:

Cr Ian Goninon	Nature:	Shareholder/Director
	Company:	Specialist Collection Services
	Period:	1 July 2013 – 30 June 2014
	Relevant dealings:	Provision of Debt Collection Services under normal terms and conditions
	Value of dealings:	\$1,087 (2012/13 \$7,620)

24. SUPERANNUATION

The Northern Midlands Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund), which is a sub fund of the Quadrant Superannuation Scheme (the Scheme). The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 Employee Benefits, Council does not use defined benefit accounting for these contributions.

For the year ended 30 June 2014 the Council contributed 10.5% of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, the Council is required to meet its share of the deficiency.

Bendzulla Actuarial Pty Ltd undertook the last actuarial review of the Fund at 30 June 2011. The review disclosed that at that time the net market value of assets available for funding members benefits was \$57,588,247, the value of vested benefits was \$52,794,839, the surplus over vested benefits was \$4,793,408 and the value of total accrued benefits was \$57,330,437. These amounts relate to all members of the fund at the date of valuation and no asset or liability is recorded in the Quadrant Superannuation Schemes financial statements for Council employees.

The financial assumptions used to calculate the Accrued Benefits for the Fund were:

Net Investment Return	0% per annum for 2011/12 and 7.0% thereafter
Salary Inflation	4.0% per annum
Price Inflation	n/a

The actuarial review concluded that:

1. The value of the Quadrant Defined Benefit Fund was adequate to meet the liabilities of the Fund in respect of vested benefits as at 30 June 2011.



2. The value of assets of the Fund was adequate to meet the value of the liabilities of the fund in respect of accrued benefits as at 30 June 2011.
3. Based on the assumptions used, and assuming the Employer contributes at the levels described below, the value of the assets is expected to continue to be adequate to meet the value of the liabilities of the fund in respect of vested benefits at all times during the period up to 30 June 2014.

The Actuary recommended that in future the Council contribute 9.5% of salaries in 2012/13, 10.5% of salaries in 2013/14 and 11% of salaries in 2014/15.

The Actuary will continue to undertake a brief review of the financial position of the fund at the end of each financial year to confirm that the contribution rates remain appropriate. The next full triennial actuarial review of the Fund will have an effective date of 30 June 2014 and is expected to be completed in late 2014 or early 2015.

Council also contributes to accumulation schemes (Quadrant and Tasplan) on behalf of a number of employees; however, the Council has no ongoing responsibility to make good any deficiencies that may occur in these schemes.

During the year Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the *Superannuation Guarantee (Administration) Act 1992*.

During the reporting period the amount of contributions paid to defined benefits schemes was \$28,744 compared to \$28,729 in the previous reporting period, and the amount paid to accumulation schemes was \$410,838 compared to \$427,272 in the previous reporting period.



25. FINANCIAL INSTRUMENTS

(a) Accounting Policy, Terms & Conditions

Financial Instruments	Note	Accounting Policy	Terms & Conditions
Financial Assets			
Cash & Cash Equivalents		<p>Cash and cash equivalents are valued at face value.</p> <p>Interest is recognised as it accrues.</p> <p>Investments are valued at cash.</p> <p>Investments are held to maximise interest returns of surplus cash.</p> <p>Interest revenues are recognised as they accrue.</p>	<p>On call deposits returned a floating interest rate of 2.1% (2.4% 2012/13).</p> <p>Funds returned fixed interest rates between 3.35% (3.75% 2012/13) and 4.3% (5.85% 2012/13).</p>
Rate Debtors	11	<p>Rates are carried at nominal amounts due plus interest and penalty. Rate debtors are charges attached to the property and are recoverable on sale, therefore allowance for impairment is only made when it is unlikely the property could be sold for an amount which will cover the costs of the sale.</p>	<p>Rates are payable by three equal instalments during the year or alternatively by one payment within 30 days of demand, which provides a discount of 1.5% (any such discount allowed is shown as an expense of Council in its income statement). Overdue Rates attract a penalty of 5% (5% 2012/13), any such penalty imposed is shown as income of Council in its Income Statement. Arrears attract interest which is applied on a regular basis to the property at a rate of 7.5% p.a. (7.5% p.a. 2012/13) Furthermore Council instigates collection proceedings in accordance with provisions of the <i>Local Government Act 1993</i> (as amended), for any amounts which remain unpaid outside of Council's approved payment options.</p>



Financial Instruments	Note	Accounting Policy	Terms & Conditions
Trade Debtors	11	Receivables are carried at nominal amounts due less any allowance for impairment. An impairment loss is recognised when collection in full is no longer probable. Ability to collect overdue accounts is assessed on an ongoing basis.	Payment is required within 30 days of issue of the account. Should amounts remain unpaid beyond 30 days Council instigates collection proceedings in accordance with provisions of the <i>Local Government Act 1993</i> (as amended).

Financial Liabilities

Trade and Other Payables	15	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date.	General creditors are unsecured, not subject to interest charges and are normally settled within Councils standard ordering terms of 30 day from date of purchase.
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(b) Financing Arrangements

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

	2014	2013
	\$	\$
Total Corporate Credit Cards Facility Limit	50,000	50,000
Corporate Credit Card Facility Limit Used at Reporting Date	4,580	1,575
Available at Reporting Date Corporate Credit Card	45,420	48,425

No other credit standby arrangements and loan facilities are used or available to be used as at 30/06/2014 (30/06/2013).

(c) Financial Risk Exposure & Mitigation

The General Manager has overall responsibility for the establishment and oversight of the Council's risk management framework. Risk Management policies are established to identify and analyse risks faced by the Council, to set appropriate risk limits and controls, and to monitor risk and adherence to limits.

The risk associated with Council's main financial instruments and our practices for minimising these risks are detailed below.



i) Credit Risk

Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted, and arises principally from trade and other receivables and cash and investments. The carrying amount of financial assets recorded in the financial statements, net of any allowances for impairment losses, represents the Council's maximum exposure to credit risk without taking account of any collateral or other security. Reference should be made to the Interest Rate Risk table on the following page for the carrying amount of Council's financial assets at reporting date.

Receivables consist of a large number of customers, with no material exposure to any individual debtor. To help manage credit risk Council ensures financial institutions maintaining Council cash deposits have sufficient security.

ii) Liquidity Risk

Liquidity risk is the risk that Council will not be able to meet its financial obligations as they fall due. Council's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities as they fall due. Due to significant amounts of readily available cash the exposure to liquidity risk is deemed insignificant. Council falls well within the lending benchmarks set by Treasury.

iii) Market Risk

Market risk is the risk that the fair value or future cash flows of Council's financial instruments will fluctuate because of changes in market prices, such as interest rates. The Council's exposure to market risks is primarily through interest rate risk with only insignificant exposure to other price risks and no direct exposure to foreign currency risk.

Council's liabilities are either non-interest bearing or at fixed rates, so there is no ongoing exposure to interest rate risk for existing financial liabilities. Council obtains loans with competitive fixed interest rates to manage its exposure to interest rate risk when loans are taken.

A component of Council's cash is subject to floating interest rates. It is predicted any variations in future cash flows from interest rate movements will not have a material effect on Council's income. Interest rate risk on deposits is managed by adopting practices that ensures:

- Conformity with State and Federal regulations and standards,
- Adequate safety,
- Appropriate liquidity,



- Monitoring of return on investments,
- Staggering maturity dates to provide for interest rate variations,
- Benchmarking of returns and comparisons with budget

Council's exposure to interest rate risk, repricing maturities and the effective interest rates on financial instruments at balance date, is detailed below:

2014	Weighted Average Effective Interest Rate	Floating Interest Rate	1 Year or Less	1 to 5 Years	Over 5 Years	Non-Interest Bearing	Total
		\$	\$	\$	\$	\$	\$
Assets							
Current Assets							
Cash and Cash Equivalents							
- Cash	2.10%	280,413					280,413
- Investments	3.80%	7,536	7,202,981				7,210,517
Trade and Other Receivables							
- Rates	7.50%		852,798				852,798
- Sundry						302,573	302,573
Revenue Accrual						80,121	80,121
Non Current Assets							
Available for Sale							
- Investment in TasWater						38,707,200	38,707,200
Total Financial Assets 2014		287,949	8,055,779	-	-	39,089,894	47,433,622
Liabilities							
Trade and Other Payables							
- Sundry Creditors						638,751	638,751
- Monies held in Trust						354,287	354,287
Total Financial Liabilities 2014		-	-	-	-	993,038	993,038
NET FINANCIAL ASSETS/(LIABILITIES) 2014		287,949	8,055,779	-	-	38,096,856	46,440,584



2013	Weighted Average Effective Interest Rate	Floating Interest Rate	1 Year or Less	1 to 5 Years	Over 5 Years	Non-Interest Bearing	Total
		\$	\$	\$	\$	\$	\$
Assets							
Current Assets							
Cash and Cash Equivalents							
- Cash	2.40%	579,371					579,371
- Investments	4.60%	543,724	9,177,488				9,721,212
Trade and Other Receivables							
- Rates	7.50%		288,100				288,100
- Sundry						320,766	320,766
Revenue Accrual						57,315	57,315
Non Current Assets							
Available for Sale							
- Investment in TasWater						44,980,655	44,980,655
Total Financial Assets 2013		1,123,095	9,465,588	-	-	45,358,736	55,947,419
Liabilities							
Trade and Other Payables							
- Sundry Creditors						795,908	795,908
- Monies held in Trust						400,553	400,553
Total Financial Liabilities 2013		-	-	-	-	1,196,461	1,196,461
NET FINANCIAL ASSETS/(LIABILITIES) 2013		1,123,095	9,465,588	-	-	44,162,275	54,750,958



iv) Credit Risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Statement of Financial Position.

(d) Impairment Losses

A provision for impairment loss is recognised when there is objective evidence that an individual receivable is impaired. The movement in the allowance for impairment for trade and rate receivables during the year was as follows:

	2014	2013
	\$	\$
Balance at 1 July	68,571	185,281
Charge for the year	12,062	7,710
Amounts previously charged no longer impaired	-	(124,420)
BALANCE AT 30 JUNE	80,633	68,571

(e) Sensitivity Disclosure Analysis

Taking into account past performances, future expectations, economic forecasts and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from the Federal Bank of Australia):

- A parallel shift of +1% and -1% in market interest rates (AUD) from year end rates of 2.5%.

The table below discloses the impact on net operating result and equity for each category of financial instrument held by Council at year-end, if the above movements were to occur:

2014	Carrying Amount Subject to Interest	INTEREST RATE RISK			
		-1% Profit	-100 base points Equity	1% Profit	100 basis points Equity
Financial Assets					
Cash & Cash Equivalents	7,490,930	(74,909)	(74,909)	74,909	74,909
Receivables	852,798	(8,528)	(8,528)	8,528	8,528
		(83,437)	(83,437)	83,437	83,437
2013					
Financial Assets					
Cash & Cash Equivalents	10,300,583	(103,006)	(103,006)	103,006	103,006
Receivables	288,100	(2,881)	(2,881)	2,881	2,881
		(105,887)	(105,887)	105,887	105,887



(f) Categories of Financial Assets & Liabilities

Carrying amounts classified as:

	2014	2013
	\$	\$
Financial Assets		
Loans and Receivables	1,235,492	666,181
Cash and Cash Equivalents	7,490,930	10,300,583
Available for Sale – Investment in TasWater	38,707,200	44,980,655
	47,433,622	55,947,419
Financial Liabilities measured at amortised cost		
Payables	993,038	1,196,461
	993,038	1,196,461
NET FINANCIAL ASSETS / (LIABILITIES)	46,440,584	54,750,958

(g) Analysis of Unimpaired Financial Assets

	2014	2013
	\$	\$
Rate debtors, not past due	-	-
Rate debtors, less than 30 days past due	1,053	-
Rate debtors over 60 days past due	929,196	288,100
Trade Debtors Sundry, not past due	265,971	305,280
Trade Debtors Sundry, less than 30 days past due	2,362	957
Trade Debtors Sundry, over 30 days less than 60 days past due	10,758	-
Trade Debtors Sundry, over 60 days past due	26,664	14,529
Accrued Income, Current	80,121	57,315
	1,316,125	666,181



(h) Fair Value Hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 inputs other than quoted prices included within level one that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3 inputs for the asset or liability that are not based on observable market data

30 JUNE 2014	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Available for sale financial assets	-	-	38,707,200	38,707,200
Financial assets at fair value through the comprehensive income statement	-	-	-	-
Financial assets held for trading	-	-	-	-
Derivative financial assets	-	-	-	-
30 JUNE 2013	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Available for sale financial assets	-	-	44,980,655	44,980,655
Financial assets at fair value through the comprehensive income statement	-	-	-	-
Financial assets held for trading	-	-	-	-
Derivative financial assets	-	-	-	-

There were no transfers between Level 1 and 2 in either period.

Reconciliation of Level 3 Fair Value Movements	2014 \$	2013 \$
Opening Balance	44,980,655	44,137,770
Gains (losses) recognised in other comprehensive income:		
Change in Fair Value of Investment in Ben Lomond Water	(6,273,455)	842,885
CLOSING BALANCE	38,707,200	44,980,655



26. SIGNIFICANT BUSINESS ACTIVITIES

Road & Bridge Infrastructure	2014 \$	2013 \$
Revenue		
Rates	2,215,300	2,149,730
Grants	1,193,729	2,521,638
Other	3,927	913
	3,412,956	4,672,281
Expenditure		
<i>Direct</i>		
Employee Costs	664,757	503,521
Materials and Services	1,645,187	1,264,734
Levies	-	-
Interest	-	-
Loss on Disposal/ Revaluation of Fixed Assets	514,848	704,402
Other	-	5,559
	2,824,792	2,478,216
<i>Indirect</i>		
Administration and Engineering	447,792	478,389
	447,792	478,389
Capital Costs		
Depreciation	3,214,713	3,082,481
Opportunity Cost of Capital	7,143,966	8,785,831
	10,358,679	11,868,312
Competitive Neutrality Costs	-	-



27. MANAGEMENT INDICATORS

(a) Financial Management Indicators

	Bench Mark	2014	2013	2012	2011
		\$,000's	\$,000's	\$,000's	\$,000's

i) Underlying Surplus/Deficit

Recurrent Income*		16,020	15,061	14,457	14,121
Less Recurrent Expenditure		15,949	15,144	16,240	14,876
Underlying Surplus/(Deficit)	0	71	(83)	(1,783)	(755)

* Recurrent income excludes income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature.

Comment: Council has this year met its long term goal to achieve a balanced underlying result.

ii) Underlying Surplus Ratio

Underlying Surplus or Deficit		71	(83)	(1,783)	(755)
Divided by Recurrent Income*		16,020	15,061	14,457	14,121
Underlying Surplus Ratio %	0%	0%	(1)%	(12)%	(5)%

This ratio serves as an overall measure of financial operating effectiveness.

Comment: Council has this year met its long term goal to achieve a balanced underlying result.

iii) Net Financial Assets (Liabilities)

Liquid Assets		8,726	10,962	10,179	9,310
Less Total Liabilities		2,277	2,614	2,507	2,212
Net Financial Assets (Liabilities)	0	6,449	8,348	7,672	7,098

This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets means that, if all liabilities fell due at once, additional revenue would be needed to fund the shortfall.

Comment: Council has consistently met the benchmark.



	Bench Mark	2014 S'000's	2013 S'000's	2012 S'000's	2011 S'000's
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iv) Net Financial Assets (Liabilities) Ratio

Net Financial Assets (Liabilities)		6,449	8,348	7,672	7,098
Divided by Recurrent Income*		16,020	15,061	14,457	14,121
Net Financial Assets (Liabilities)	0% to 50%	40%	55%	53%	50%

This ratio indicates the net financial obligations of Council compared to its recurrent income.

Comment: Council has consistently met the benchmark.



(b) Asset Management Indicators

i) Asset Consumption Ratio

An asset consumption ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.

	2014 \$,000's	2013 \$,000's	2012 \$,000's	2011 \$,000's
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▪ Buildings

Depreciated replacement cost	25,661	26,952	27,627	27,073
Divided by current replacement cost	39,084	40,552	40,551	39,434
Asset consumption ratio %	60%	66%	68%	69%

Comment: Council has consistently met the benchmark.

▪ Road Infrastructure

Depreciated replacement cost	141,634	137,669	146,327	135,098
Divided by current replacement cost	202,350	196,364	208,615	194,338
Asset consumption ratio %	60%	70%	70%	70%

Comment: Council has consistently met the benchmark.

	2014 \$,000's	2013 \$,000's	2012 \$,000's	2011 \$,000's
Stormwater & Drainage				
Depreciated replacement cost	24,343	22,652	21,551	20,385
Divided by current replacement cost	32,216	29,713	28,024	26,653
Asset consumption ratio %	76%	76%	77%	76%

Comment: Council has consistently met the benchmark.

ii) Asset Renewal Funding Ratio

An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.

	Bench Mark	2014 \$,000's	2013 \$,000's	2012 \$,000's	2011 \$,000's
Road & Bridge Infrastructure					
Projected capital funding outlays**		32,124	55,981	59,274	N/a
Divided by projected capital expenditure funding***		29,737	58,289	61,577	N/a
Asset renewal funding ratio%	90-100%	108%	96%	96%	N/a

Stormwater & Drainage					
Projected capital funding outlays**		2,625	561	594	N/a
Divided by projected capital expenditure funding***		0	596	596	N/a
Asset renewal funding ratio%	90-100%	0%	94%	100%	N/a

** Current value of projected capital funding outlays for an asset identified in Council's long-term financial plan.

*** Value of projected capital expenditure funding for an asset identified in Council's long-term strategic asset management plan.

This ratio measures Council's capacity to fund future asset replacement requirements.

The calculation of this ratio was not possible for the year ended 30th June 2011 as Council did not have asset management plans in place at that time.



iii) Asset Sustainability Ratio

	Bench Mark	2014 \$,000's	2013 \$,000's	2012 \$,000's	2011 \$,000's
Capital Expenditure on replacement/ renewal of existing assets		4,524	4,668	5,929	4,357
Divided by annual depreciation expense		4,639	4,456	4,649	4,410
Asset sustainability ratio%	100%	98%	105%	128%	99%

This ratio calculates the extent to which Council is maintaining operating capacity through renewal of their existing asset base.

	Capital Renewal Expenditure \$'000	Capital New/ Upgrade Expenditure \$'000	Total Capital Expenditure \$'000
Land	-	104	104
Buildings	474	208	682
Flood Levee Infrastructure	-	82	82
Furniture, Fittings, Office Equipment & Computers	91	65	156
Fleet	581	111	692
Plant	77	54	131
Road Infrastructure	2,828	585	3,413
Bridges	323	232	555
Stormwater & Drainage	150	35	185
	4,524	1,476	6,000



28. FAIR VALUE MEASUREMENT

Council measures and recognises the following assets at fair value on a recurring basis:

- ◆ Property, plant & infrastructure
 - Land
 - Land under roads
 - Buildings

- Roads Infrastructure
- Bridges
- Stormwater & Drainage

Council does not measure any liabilities at fair value on a recurring basis.

Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. These comprise land and buildings as disclosed in Note 13 on page 37. A description of the valuation techniques and the inputs used to determine the fair value of this land and buildings is included below under the heading 'Land held for sale' and 'Buildings held for sale'.

(a) Fair Value Hierarchy

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

- Level 1
Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2
Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3
Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2014. Comparative information has not been provided as allowed by the transitional provisions of AASB 13.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.



As at 30 June 2014:

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements					
▪ Land	14	-	10,135,340	-	101,135,340
▪ Land under roads	14	-	1,294,189	1,294,189	1,294,189
▪ Buildings	14	-	-	39,084,154	39,084,154
▪ Roads Infrastructure	14	-	-	122,347,372	122,347,372
▪ Bridges	14	-	-	19,286,661	19,286,661
▪ Stormwater & Drainage	14	-	-	24,343,148	24,343,148
		-	11,429,529	245,062,724	255,198,064
Non-Recurring fair value measurements					
Assets held for sale					
▪ Land	13	-	47,563	-	47,563
▪ Buildings	13	-	257,437	-	257,437
		-	305,000	-	305,000

Transfers between levels of the hierarchy

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels 1 and 2 during the year. An amount of \$257,437 was transferred from level 3 Buildings to level two buildings available for sale see Note 13 on page 37.

(b) Highest and Best Use

AASB 13 requires the fair value of non-financial assets to be calculated based on their "highest and best use", all assets valued at fair value in this note are being used for their highest and best use.



(c) Valuation Techniques and Significant Inputs Used to Derive Fair Values

Council adopted AASB 13 *Fair Value Measurement* for the first time this financial year and has reviewed each valuation to ensure compliance with the requirements of the new standard. There have been no changes in valuation techniques as a result of this review.

i) Land

Land fair values were determined by W.P. Coverdale the Valuer-General as at 1 July 2013. Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current planning provisions. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre.

ii) Land Held for Sale

Land classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less cost to sell at the time of reclassification. The fair value of the land was determined using the approach described in point (i) above and was valued by Mr D. Headlam of Roberts Real Estate.

iii) Land Under Roads

Valuation of Land was determined by Councils Officers through application of the average land value of the adjoining land, the value of this adjoining land being determined by W.P. Coverdale the Valuer-General as at 1 July 2013, this fair value of land was determined using the approach described in point (i) above.

iv) Buildings

The fair value of buildings was determined by Mr Murray A Bugg, Dip Val. AAPL, Independent Certified Valuer as at 1 July 2012. Council Officers have applied a Non Residential Building index factor obtained from the Australian Bureau of Statistics to determine a valuation as at 1 July 2013.

Where there is a market for Council building assets, fair value has been derived from the sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant input into this valuation approach was price per square metre.



Where Council buildings are of a specialist nature (e.g. heritage buildings, community buildings) and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. The gross current values have been derived from reference to market data for recent projects and costing guides.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component, residual value at the time the asset is considered to be no longer available for use.

While the unit rates based on square metres can be supported by market evidence (level 2), the estimates of residual value and useful life that are used to calculate accumulated depreciation comprise unobservable inputs (level 3). Where these other inputs are significant to the valuation the overall valuation has been classified as level 3. The table at (g) summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

v) Infrastructure assets

All Council infrastructure assets were fair valued using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

CRC was measured by reference to the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. The resulting valuation reflects the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output.

The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on a "Greenfield" assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks.

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in Note 1 on page 8.

The calculation of DRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different



valuation. The table at (g) summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

The methods for calculating CRC are described under individual asset categories below.

- Roads Infrastructure

A full Valuation of Roads and Streets was undertaken by Moloney Asset Management Systems as at 1 July 2012. Council Officers have applied a Road & Bridge Construction index factor obtained from the Australian Bureau of Statistics to determine a valuation as at 1 July 2013.

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. Urban roads and rural roads are managed in segments of varying lengths. All road segments are then componentised into formation, pavement, sub-pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials. As part of this valuation process each segment of road was individually assessed.

CRC is based on the road area multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates are based on Council's Enterprise Bargaining Agreement (EBA). Where construction is outsourced, CRC is based on the average of completed similar projects over the last few years.

- Bridges

A full valuation of Bridges was undertaken by Moloney Asset Management Systems as at 1 July 2011. Council Officers have applied a Road & Bridge Construction index factor obtained from the Australian Bureau of Statistics to determine a valuation as at 1 July 2013.

Each bridge was assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area.

- Stormwater & Drainage

A full valuation of Stormwater & Drainage was undertaken by Consulting Engineers Pitt & Sherry as at 1 July 2013. Similar to roads, drainage assets are managed in segments; pits and pipes being the major components.



Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the unit price for the component type. For pipes, the unit price is multiplied by the asset's length. The unit price for pipes is based on the construction material as well as the depth the pipe is laid.

(d) Changes in recurring level 3 fair value measurements

The changes in level 3 assets with recurring fair value measurements are detailed in Note 14 on page 38 (Property, plant & infrastructure) and Note 13 on page 37 (Assets held for sale).

(e) Valuation processes

Council's current policy for the valuation of property, infrastructure, plant and equipment and investment in water corporation is set out in Note 1(f) on page 13.

Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

(f) Assets and liabilities not measured at fair value but for which fair value is disclosed

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (Level 2).



g) Significant unobservable inputs and sensitivities

	Valuation Technique	Significant Unobservable	Range	Sensitivity of Fair Value
Bridges	Depreciated Replacement Cost	Cost per unit	\$1063 to \$4883 per m ²	A significant increase or decrease in the direct cost per m ² would result in a significantly higher or lower fair value.
		Useful Life	30 to 100 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
		Standard material usage quantities	Varies depending on material type	A significant increase or decrease in the quantities of standard materials would result in a significantly higher or lower valuation.
Stormwater & Drainage	Depreciated Replacement Cost	Cost per unit - Pits & manholes - Pipes	\$450-\$25,000 per unit \$77-\$1,656 per Lm	A significant increase or decrease in the direct cost per m ² would result in a significantly higher or lower fair value.
		Useful Life	80 to 100 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
		Standard material usage quantities	Varies depending on material type	A significant increase or decrease in the quantities of standard materials would result in a significantly higher or lower valuation.



	Valuation Technique	Significant Unobservable	Range	Sensitivity of Fair Value
Road Infrastructure	Depreciated Replacement Cost	Cost per unit		A significant increase or decrease in the direct cost per m ² / Lm would result in a significantly higher or lower fair value.
		- Formation	\$1 to \$120 per m ²	
		- Sealed pavement	\$20 to \$100 per m ²	
		- Unsealed pavement	\$5 to \$10 per m ²	
		- Road Surface	\$3 - \$21 per m ²	
		- Footpaths	\$10 - \$138 per m ²	
		- Kerb & Channel	\$75 - \$126 per Lm	
		Useful Life		A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation
		- Sealed pavement	50 to 90 years	
		- Unsealed pavement	10 to 25 years	
		- Road Surface	13 to 30 years	
		- Footpaths	15 to 70 years	
		- Kerb & Channel	60 to 100 years	
		Standard material usage quantities	Varies depending on material type	A significant increase or decrease in the quantities of standard materials would result in a significantly higher or lower valuation
		Condition rating	Condition 1 to 10	A significant increase or decrease in the condition assessment of the asset would result in a significantly higher or lower valuation.

* There were no significant inter-relationships between unobservable inputs that materially affect fair values.



CERTIFICATION

I, **DES JENNINGS**, certify that in my opinion:

The financial report presents fairly the financial position of the Northern Midlands Council as at 30 June 2014, the results of its operations for the year then ended and the cash flows of the Council, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards (including interpretations) and other authoritative pronouncements issued by the Australian Accounting Standards Board.



Des Jennings
GENERAL MANAGER

Dated at *Longford* this 19th day of *August 2014*.



INDEPENDENT AUDIT REPORT



Independent Auditor's Report

To the Councillors of Northern Midlands Council

Financial Report for the Year Ended 30 June 2014

Report on the Financial Report

I have audited the accompanying financial report of Northern Midlands Council (Council), which comprises the statement of financial position as at 30 June 2014 and the statements of comprehensive income, changes in equity and cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

Auditor's Opinion

In my opinion Council's financial report:

- (a) presents fairly, in all material respects, its financial position as at 30 June 2014 and financial performance, cash flows and changes in equity for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

The Responsibility of the General Manager for the Financial Report

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Section 84 of the *Local Government Act 1993*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information or the asset renewal funding ratio in Council's financial report.

Independence

In conducting this audit, I have complied with the Independence requirements of Australian Auditing Standards and other relevant ethical requirements. The *Audit Act 2008* further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of State Entities but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Tasmanian Audit Office are not compromised in their role by the possibility of losing clients or income.

Tasmanian Audit Office

H M Blake
Auditor-General

Hobart
1 October 2014



...1 of 2

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
Professionalism | Respect | Camaraderie | Continuous Improvement | Customer Focus

Strive | Lead | Excel | To Make a Difference

...2 of 2

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