

# Griffith City Council

SPECIAL SCHEDULES  
for the year ended 30 June 2016

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# Griffith City Council

## Special Schedules for the year ended 30 June 2016

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<sup>1</sup> Special Schedules are not audited (with the exception of Special Schedule 8).

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### Background

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

## Griffith City Council

## Special Schedule 1 – Net Cost of Services

for the year ended 30 June 2016

\$'000

| Function or activity                                   | Expenses from continuing operations | Income from continuing operations |              | Net cost of services |
|--|-------------------------------------|-----------------------------------|--------------|----------------------|
|  |                                     | Non-capital                       | Capital      |                      |
| <b>Governance</b>                                      | <b>1,774</b>                        | <b>1,079</b>                      | <b>6,124</b> | <b>5,429</b>         |
| <b>Administration</b>                                  | <b>6,206</b>                        | <b>621</b>                        | <b>16</b>    | <b>(5,569)</b>       |
| <b>Public order and safety</b>                         |                                     |                                   |              |                      |
| Fire service levy, fire protection, emergency services | 507                                 | 186                               | –            | (321)                |
| Beach control  | –                                   | –                                 | –            | –                    |
| Enforcement of local government regulations            | –                                   | –                                 | –            | –                    |
| Animal control   | 90                                  | 64                                | –            | (26)                 |
| Other  | 351                                 | 172                               | –            | (179)                |
| <b>Total public order and safety</b>                   | <b>948</b>                          | <b>422</b>                        | <b>–</b>     | <b>(526)</b>         |
| <b>Health</b>  | <b>704</b>                          | <b>303</b>                        | <b>–</b>     | <b>(401)</b>         |
| <b>Environment</b>                                     |                                     |                                   |              |                      |
| Noxious plants and insect/vermin control               | 267                                 | 148                               | –            | (119)                |
| Other environmental protection                         | –                                   | –                                 | –            | –                    |
| Solid waste management                                 | 3,063                               | 5,997                             | 22           | 2,956                |
| Street cleaning  | 253                                 | 37                                | –            | (216)                |
| Drainage   | –                                   | –                                 | –            | –                    |
| Stormwater management                                  | 609                                 | 212                               | 113          | (284)                |
| <b>Total environment</b>                               | <b>4,192</b>                        | <b>6,394</b>                      | <b>135</b>   | <b>2,337</b>         |
| <b>Community services and education</b>                |                                     |                                   |              |                      |
| Administration and education                           | 413                                 | 74                                | 44           | (295)                |
| Social protection (welfare)                            | –                                   | –                                 | –            | –                    |
| Aged persons and disabled                              | 18                                  | 12                                | –            | (6)                  |
| Children's services                                    | –                                   | –                                 | –            | –                    |
| <b>Total community services and education</b>          | <b>431</b>                          | <b>86</b>                         | <b>44</b>    | <b>(301)</b>         |
| <b>Housing and community amenities</b>                 |                                     |                                   |              |                      |
| Public cemeteries                                      | 406                                 | 498                               | –            | 92                   |
| Public conveniences                                    | 216                                 | –                                 | –            | (216)                |
| Street lighting  | 359                                 | 107                               | 2            | (250)                |
| Town planning  | 3,125                               | 1,113                             | 181          | (1,831)              |
| Other community amenities                              | –                                   | –                                 | –            | –                    |
| <b>Total housing and community amenities</b>           | <b>4,106</b>                        | <b>1,718</b>                      | <b>183</b>   | <b>(2,205)</b>       |
| <b>Water supplies</b>                                  | <b>6,042</b>                        | <b>8,913</b>                      | <b>423</b>   | <b>3,294</b>         |
| <b>Sewerage services</b>                               | <b>6,482</b>                        | <b>8,298</b>                      | <b>325</b>   | <b>2,141</b>         |

## Griffith City Council

Special Schedule 1 – Net Cost of Services (continued)  
for the year ended 30 June 2016

\$'000

| Function or activity  | Expenses from continuing operations | Income from continuing operations |              | Net cost of services |
|---|-------------------------------------|-----------------------------------|--------------|----------------------|
|   |                                     | Non-capital                       | Capital      |                      |
| <b>Recreation and culture</b>   |                                     |                                   |              |                      |
| Public libraries  | 913                                 | 187                               | –            | (726)                |
| Museums   | 339                                 | 140                               | –            | (199)                |
| Art galleries   | 228                                 | 41                                | –            | (187)                |
| Community centres and halls   | –                                   | –                                 | –            | –                    |
| Performing arts venues  | 1,293                               | 548                               | 5            | (740)                |
| Other performing arts   | –                                   | –                                 | –            | –                    |
| Other cultural services   | –                                   | –                                 | –            | –                    |
| Sporting grounds and venues   | 940                                 | 140                               | –            | (800)                |
| Swimming pools  | 2,135                               | 1,337                             | –            | (798)                |
| Parks and gardens (lakes)   | 2,624                               | 32                                | 216          | (2,376)              |
| Other sport and recreation  | –                                   | –                                 | –            | –                    |
| <b>Total recreation and culture</b>   | <b>8,472</b>                        | <b>2,425</b>                      | <b>221</b>   | <b>(5,826)</b>       |
| <b>Fuel and energy</b>  | <b>–</b>                            | <b>–</b>                          | <b>–</b>     | <b>–</b>             |
| <b>Agriculture</b>  | <b>–</b>                            | <b>–</b>                          | <b>–</b>     | <b>–</b>             |
| <b>Mining, manufacturing and construction</b>                                     |                                     |                                   |              |                      |
| Building control  | –                                   | –                                 | –            | –                    |
| Other mining, manufacturing and construction                                      | 1                                   | 114                               | –            | 113                  |
| <b>Total mining, manufacturing and const.</b>                                     | <b>1</b>                            | <b>114</b>                        | <b>–</b>     | <b>113</b>           |
| <b>Transport and communication</b>  |                                     |                                   |              |                      |
| Urban roads (UR) – local  | 2,960                               | 9                                 | 914          | (2,037)              |
| Urban roads – regional  | –                                   | –                                 | –            | –                    |
| Sealed rural roads (SRR) – local  | 502                                 | 1,769                             | 629          | 1,896                |
| Sealed rural roads (SRR) – regional   | 539                                 | 514                               | –            | (25)                 |
| Unsealed rural roads (URR) – local  | 2,531                               | –                                 | –            | (2,531)              |
| Unsealed rural roads (URR) – regional   | –                                   | –                                 | –            | –                    |
| Bridges on UR – local   | –                                   | –                                 | –            | –                    |
| Bridges on SRR – local  | –                                   | –                                 | –            | –                    |
| Bridges on URR – local  | –                                   | –                                 | –            | –                    |
| Bridges on regional roads   | –                                   | –                                 | –            | –                    |
| Parking areas   | 61                                  | –                                 | –            | (61)                 |
| Footpaths   | 277                                 | –                                 | 78           | (199)                |
| Aerodromes  | 673                                 | 749                               | 424          | 500                  |
| Other transport and communication   | 722                                 | 788                               | –            | 66                   |
| <b>Total transport and communication</b>  | <b>8,265</b>                        | <b>3,829</b>                      | <b>2,045</b> | <b>(2,391)</b>       |
| <b>Economic affairs</b>   |                                     |                                   |              |                      |
| Camping areas and caravan parks   | 841                                 | 217                               | 191          | (433)                |
| Other economic affairs  | 764                                 | 482                               | –            | (282)                |
| <b>Total economic affairs</b>   | <b>1,605</b>                        | <b>699</b>                        | <b>191</b>   | <b>(715)</b>         |
| <b>Totals – functions</b>   | <b>49,228</b>                       | <b>34,901</b>                     | <b>9,707</b> | <b>(4,620)</b>       |
| <b>General purpose revenues</b> <sup>(1)</sup>                                    |                                     | <b>20,463</b>                     |              | <b>20,463</b>        |
| <b>Share of interests – joint ventures and associates using the equity method</b> | <b>–</b>                            | <b>–</b>                          |              | <b>–</b>             |
| <b>NET OPERATING RESULT</b> <sup>(2)</sup>  | <b>49,228</b>                       | <b>55,364</b>                     | <b>9,707</b> | <b>15,843</b>        |

(1) Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges (2) As reported in the Income Statement

## Griffith City Council

## Special Schedule 2(a) – Statement of Long Term Debt (all purpose)

for the year ended 30 June 2016

\$'000

| Classification of debt      | Principal outstanding at beginning of the year |               |               | New loans raised during the year | Debt redemption during the year |               | Transfers to sinking funds | Interest applicable for year | Principal outstanding at the end of the year |               |               |
|-----------------------------|--|---------------|---------------|----------------------------------|---------------------------------|---------------|----------------------------|------------------------------|--|---------------|---------------|
|                             | Current  | Non-current   | Total         |                                  | From revenue                    | Sinking funds |                            |                              | Current                                      | Non-current   | Total         |
| <b>Loans (by source)</b>    |  |               |               |                                  |                                 |               |                            |                              |  |               |               |
| Commonwealth government     | –  | –             | –             | –                                | –                               | –             | –                          | –                            | –  | –             | –             |
| Treasury corporation        | –  | –             | –             | –                                | –                               | –             | –                          | –                            | –  | –             | –             |
| Other state government      | 180  | 720           | <b>900</b>    | –                                | 180                             | –             | –                          | –                            | 180  | 540           | <b>720</b>    |
| Public subscription         | –  | –             | –             | –                                | –                               | –             | –                          | –                            | –  | –             | –             |
| Financial institutions      | 1,078  | 19,860        | <b>20,938</b> | –                                | 1,078                           | –             | –                          | 1,487                        | 831  | 19,029        | <b>19,860</b> |
| Other                       | 195  | 206           | <b>401</b>    | –                                | 195                             | –             | –                          | 24                           | 206  | –             | <b>206</b>    |
| <b>Total loans</b>          | <b>1,453</b>                                   | <b>20,786</b> | <b>22,239</b> | –                                | <b>1,453</b>                    | –             | –                          | <b>1,511</b>                 | <b>1,217</b>                                 | <b>19,569</b> | <b>20,786</b> |
| <b>Other long term debt</b> |  |               |               |                                  |                                 |               |                            |                              |  |               |               |
| Ratepayers advances         | –  | –             | –             | –                                | –                               | –             | –                          | –                            | –  | –             | –             |
| Government advances         | –  | –             | –             | –                                | –                               | –             | –                          | –                            | –  | –             | –             |
| Finance leases              | –  | –             | –             | 61                               | 14                              | –             | –                          | 1                            | 15   | 32            | <b>47</b>     |
| Deferred payments           | –  | –             | –             | –                                | –                               | –             | –                          | –                            | –  | –             | –             |
| <b>Total long term debt</b> | –  | –             | –             | <b>61</b>                        | <b>14</b>                       | –             | –                          | <b>1</b>                     | <b>15</b>                                    | <b>32</b>     | <b>47</b>     |
| <b>Total debt</b>           | <b>1,453</b>                                   | <b>20,786</b> | <b>22,239</b> | <b>61</b>                        | <b>1,467</b>                    | –             | –                          | <b>1,512</b>                 | <b>1,232</b>                                 | <b>19,601</b> | <b>20,833</b> |

Notes: excludes (i) internal loans and (ii) principal inflows/outflows relating to loan re-financing.

This schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

## Griffith City Council

Special Schedule 2(b) – Statement of Internal Loans [Section 410(3) of the *Local Government Act* 1993]  
for the year ended 30 June 2016

\$'000

## Summary of internal loans

| Borrower (by purpose)     | Amount originally raised | Total repaid during the year<br>(principal and interest) | Principal outstanding<br>at end of year |
|---------------------------|--------------------------|--|---|
| General                   | 2,138                    | 344  | 878                                     |
| Water                     |                          |  |   |
| Sewer                     |                          |  |   |
| Domestic waste management |                          |  |   |
| Gas                       |                          |  |   |
| Other                     |                          |  |   |
| <b>Totals</b>             | <b>2,138</b>             | <b>344</b>   | <b>878</b>                              |

Note: the summary of internal loans (above) represents the total of Council's internal loans categorised according to the borrower.

## Details of individual internal loans

| Borrower<br>(by purpose) | Lender<br>(by purpose) | Date of<br>minister's<br>approval | Date raised | Term<br>(years) | Dates of<br>maturity | Rate of<br>interest | Amount<br>originally<br>raised | Total repaid<br>during year<br>(princ. and int.) | Principal<br>outstanding<br>at end of year |
|--------------------------|------------------------|-----------------------------------|-------------|-----------------|----------------------|---------------------|--------------------------------|--|--|
| Library Services         | Water Fund             | N/A                               | 25/06/04    | 10              | 24/06/14             | 6.00%               | 488                            | –  | –  |
| Library Services         | Water Fund             | N/A                               | 21/03/05    | 10              | 21/03/15             | 6.00%               | 50                             | –  | –  |
| Aerodrome                | Water Fund             | 04/07/12                          | 04/07/12    | 10              | 01/04/17             | 3.57%               | 500                            | 109  | 107  |
| Land (Medical Students)  | Water Fund             | 04/07/12                          | 04/07/12    | 10              | 01/04/17             | 3.57%               | 200                            | 43   | 43   |
| Governance (Building)    | Water Fund             | 24/04/15                          | 24/04/15    | 10              | 24/04/25             | 2.35%               | 900                            | 192  | 728  |
| <b>Totals</b>            |                        |                                   |             |                 |                      |                     | <b>2,138</b>                   | <b>344</b>                                       | <b>878</b>                                 |

## Griffith City Council

## Special Schedule 3 – Water Supply Income Statement

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2016

| \$'000   | Actuals<br>2016 | Actuals<br>2015 |
|--|-----------------|-----------------|
| <b>A Expenses and income</b>                         |                 |                 |
| <b>Expenses</b>                                      |                 |                 |
| <b>1. Management expenses</b>                        |                 |                 |
| a. Administration                                    | 2,121           | 2,113           |
| b. Engineering and supervision                       | 451             | 404             |
| <b>2. Operation and maintenance expenses</b>         |                 |                 |
| – <b>dams and weirs</b>                              |                 |                 |
| a. Operation expenses                                | –               | –               |
| b. Maintenance expenses                              | –               | –               |
| – <b>Mains</b>                                       |                 |                 |
| c. Operation expenses                                | 727             | 749             |
| d. Maintenance expenses                              | 186             | 168             |
| – <b>Reservoirs</b>                                  |                 |                 |
| e. Operation expenses                                | 7               | 7               |
| f. Maintenance expenses                              | 3               | 8               |
| – <b>Pumping stations</b>                            |                 |                 |
| g. Operation expenses (excluding energy costs)       | 5               | 5               |
| h. Energy costs                                      | 66              | 40              |
| i. Maintenance expenses                              | 23              | 14              |
| – <b>Treatment</b>                                   |                 |                 |
| j. Operation expenses (excluding chemical costs)     | 936             | 866             |
| k. Chemical costs                                    | 284             | 334             |
| l. Maintenance expenses                              | 131             | 92              |
| – <b>Other</b>                                       |                 |                 |
| m. Operation expenses                                | 386             | 532             |
| n. Maintenance expenses                              | 156             | 159             |
| o. Purchase of water                                 | 476             | 455             |
| <b>3. Depreciation expenses</b>                      |                 |                 |
| a. System assets                                     | 1,971           | 1,956           |
| b. Plant and equipment                               | 132             | 120             |
| <b>4. Miscellaneous expenses</b>                     |                 |                 |
| a. Interest expenses                                 | –               | –               |
| b. Revaluation decrements                            | –               | –               |
| c. Other expenses                                    | 40              | 41              |
| d. Impairment – system assets                        | –               | –               |
| e. Impairment – plant and equipment                  | –               | –               |
| f. Aboriginal Communities Water and Sewerage Program | –               | –               |
| g. Tax equivalents dividends (actually paid)         | –               | –               |
| <b>5. Total expenses</b>                             | <b>8,101</b>    | <b>8,063</b>    |

## Griffith City Council

## Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2016

| \$'000   | Actuals<br>2016 | Actuals<br>2015 |
|--|-----------------|-----------------|
| <b>Income</b>  |                 |                 |
| <b>6. Residential charges</b>  |                 |                 |
| a. Access (including rates)  | 1,231           | 1,230           |
| b. Usage charges   | 4,831           | 4,561           |
| <b>7. Non-residential charges</b>                                    |                 |                 |
| a. Access (including rates)  | 580             | 580             |
| b. Usage charges   | 2,142           | 2,027           |
| <b>8. Extra charges</b>  | –               | –               |
| <b>9. Interest income</b>  | 402             | 300             |
| <b>10. Other income</b>  | 492             | 298             |
| <b>10a. Aboriginal Communities Water and Sewerage Program</b>        | –               | –               |
| <b>11. Grants</b>  |                 |                 |
| a. Grants for acquisition of assets                                  | –               | –               |
| b. Grants for pensioner rebates                                      | 68              | 68              |
| c. Other grants  | –               | –               |
| <b>12. Contributions</b>   |                 |                 |
| a. Developer charges   | 410             | 64              |
| b. Developer provided assets   | –               | –               |
| c. Other contributions   | 136             | 71              |
| <b>13. Total income</b>  | <b>10,292</b>   | <b>9,199</b>    |
| <b>14. Gain (or loss) on disposal of assets</b>                      | 33              | 27              |
| <b>15. Operating result</b>  | <b>2,224</b>    | <b>1,163</b>    |
| <b>15a. Operating result (less grants for acquisition of assets)</b> | 2,224           | 1,163           |

## Griffith City Council

## Special Schedule 3 – Water Supply Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2016

| \$'000   | Actuals<br>2016 | Actuals<br>2015 |
|--|-----------------|-----------------|
| <b>B Capital transactions</b>                                      |                 |                 |
| <b>Non-operating expenditures</b>                                  |                 |                 |
| <b>16. Acquisition of fixed assets</b>                             |                 |                 |
| a. New assets for improved standards                               | –               | –               |
| b. New assets for growth   | 188             | 154             |
| c. Renewals  | 678             | 483             |
| d. Plant and equipment   | 220             | 196             |
| <b>17. Repayment of debt</b>                                       | –               | 913             |
| <b>18. Totals</b>  | <b>1,086</b>    | <b>1,746</b>    |
| <b>Non-operating funds employed</b>                                |                 |                 |
| <b>19. Proceeds from disposal of assets</b>                        | 92              | 97              |
| <b>20. Borrowing utilised</b>                                      | –               | –               |
| <b>21. Totals</b>  | <b>92</b>       | <b>97</b>       |
| <b>C Rates and charges</b>   |                 |                 |
| <b>22. Number of assessments</b>                                   |                 |                 |
| a. Residential (occupied)  | 8,033           | 7,961           |
| b. Residential (unoccupied, ie. vacant lot)                        | 246             | 316             |
| c. Non-residential (occupied)                                      | 1,513           | 1,507           |
| d. Non-residential (unoccupied, ie. vacant lot)                    | 175             | 178             |
| <b>23. Number of ETs for which developer charges were received</b> | 100 ET          | 14 ET           |
| <b>24. Total amount of pensioner rebates (actual dollars)</b>      | \$ 122,798      | \$ 123,834      |

## Griffith City Council

## Special Schedule 4 – Water Supply Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis  
as at 30 June 2016

| \$'000  | Actuals<br>Current | Actuals<br>Non-current | Actuals<br>Total |
|---|--------------------|------------------------|------------------|
| <b>ASSETS</b>   |                    |                        |                  |
| <b>25. Cash and investments</b>                                   |                    |                        |                  |
| a. Developer charges  | 2,217              | –                      | 2,217            |
| b. Special purpose grants   | –                  | –                      | –                |
| c. Accrued leave  | –                  | –                      | –                |
| d. Unexpended loans   | –                  | –                      | –                |
| e. Sinking fund   | –                  | –                      | –                |
| f. Other  | 11,620             | –                      | 11,620           |
| <b>26. Receivables</b>  |                    |                        |                  |
| a. Specific purpose grants  | –                  | –                      | –                |
| b. Rates and availability charges                                 | 366                | –                      | 366              |
| c. User charges   | 2,309              | –                      | 2,309            |
| d. Other  | 326                | 553                    | 879              |
| <b>27. Inventories</b>  | 2,559              | –                      | 2,559            |
| <b>28. Property, plant and equipment</b>                          |                    |                        |                  |
| a. System assets  | –                  | 130,754                | 130,754          |
| b. Plant and equipment  | –                  | –                      | –                |
| <b>29. Other assets</b>   | –                  | –                      | –                |
| <b>30. Total assets</b>   | <u>19,397</u>      | <u>131,307</u>         | <u>150,704</u>   |
| <b>LIABILITIES</b>  |                    |                        |                  |
| <b>31. Bank overdraft</b>   | –                  | –                      | –                |
| <b>32. Creditors</b>  | 2                  | –                      | 2                |
| <b>33. Borrowings</b>   | –                  | –                      | –                |
| <b>34. Provisions</b>   |                    |                        |                  |
| a. Tax equivalents  | –                  | –                      | –                |
| b. Dividend   | –                  | –                      | –                |
| c. Other  | –                  | –                      | –                |
| <b>35. Total liabilities</b>                                      | <u>2</u>           | <u>–</u>               | <u>2</u>         |
| <b>36. NET ASSETS COMMITTED</b>                                   | <u>19,395</u>      | <u>131,307</u>         | <u>150,702</u>   |
| <b>EQUITY</b>   |                    |                        |                  |
| <b>37. Accumulated surplus</b>                                    |                    |                        | 84,597           |
| <b>38. Asset revaluation reserve</b>                              |                    |                        | 66,105           |
| <b>39. TOTAL EQUITY</b>   |                    |                        | <u>150,702</u>   |
| <b>Note to system assets:</b>                                     |                    |                        |                  |
| <b>40. Current replacement cost</b> of system assets              |                    |                        | 181,982          |
| <b>41. Accumulated current cost</b> depreciation of system assets |                    |                        | (51,228)         |
| <b>42. Written down current cost</b> of system assets             |                    |                        | <u>130,754</u>   |

## Griffith City Council

## Special Schedule 5 – Sewerage Service Income Statement

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2016

| \$'000  | Actuals<br>2016 | Actuals<br>2015 |
|---|-----------------|-----------------|
| <b>A Expenses and income</b>  |                 |                 |
| <b>Expenses</b>   |                 |                 |
| <b>1. Management expenses</b>   |                 |                 |
| a. Administration   | 1,028           | 1,152           |
| b. Engineering and supervision  | 412             | 345             |
| <b>2. Operation and maintenance expenses</b>  |                 |                 |
| – mains   |                 |                 |
| a. Operation expenses   | 504             | 498             |
| b. Maintenance expenses   | 87              | 91              |
| – Pumping stations  |                 |                 |
| c. Operation expenses (excluding energy costs)  | 685             | 628             |
| d. Energy costs   | 83              | 125             |
| e. Maintenance expenses   | 109             | 62              |
| – Treatment   |                 |                 |
| f. Operation expenses (excl. chemical, energy, effluent and biosolids management costs) | 575             | 548             |
| g. Chemical costs   | 270             | 155             |
| h. Energy costs   | 280             | 270             |
| i. Effluent management  | 23              | 28              |
| j. Biosolids management   | –               | –               |
| k. Maintenance expenses   | 118             | 123             |
| – Other   |                 |                 |
| l. Operation expenses   | 131             | 121             |
| m. Maintenance expenses   | 16              | 14              |
| <b>3. Depreciation expenses</b>   |                 |                 |
| a. System assets  | 1,763           | 1,743           |
| b. Plant and equipment  | 114             | 113             |
| <b>4. Miscellaneous expenses</b>  |                 |                 |
| a. Interest expenses  | 1,436           | 1,491           |
| b. Revaluation decrements   | –               | –               |
| c. Other expenses   | 4               | 4               |
| d. Impairment – system assets   | –               | –               |
| e. Impairment – plant and equipment   | –               | –               |
| f. Aboriginal Communities Water and Sewerage Program                                    | –               | –               |
| g. Tax equivalents dividends (actually paid)  | –               | –               |
| <b>5. Total expenses</b>  | <b>7,638</b>    | <b>7,511</b>    |

## Griffith City Council

## Special Schedule 5 – Sewerage Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2016

| \$'000   | Actuals<br>2016 | Actuals<br>2015 |
|--|-----------------|-----------------|
| <b>Income</b>  |                 |                 |
| <b>6. Residential charges</b> (including rates)                      | 6,273           | 6,026           |
| <b>7. Non-residential charges</b>                                    |                 |                 |
| a. Access (including rates)  | 802             | 788             |
| b. Usage charges   | 748             | 707             |
| <b>8. Trade waste charges</b>  |                 |                 |
| a. Annual fees   | 41              | 41              |
| b. Usage charges   | 158             | 163             |
| c. Excess mass charges   | –               | –               |
| d. Re-inspection fees  | –               | –               |
| <b>9. Extra charges</b>  | –               | –               |
| <b>10. Interest income</b>   | 197             | 159             |
| <b>11. Other income</b>  | 20              | 25              |
| <b>11a. Aboriginal Communities Water and Sewerage Program</b>        | –               | –               |
| <b>12. Grants</b>  |                 |                 |
| a. Grants for acquisition of assets                                  | –               | –               |
| b. Grants for pensioner rebates                                      | 59              | 59              |
| c. Other grants  | –               | –               |
| <b>13. Contributions</b>   |                 |                 |
| a. Developer charges   | 318             | 43              |
| b. Developer provided assets   | –               | –               |
| c. Other contributions   | 7               | 8               |
| <b>14. Total income</b>  | <u>8,623</u>    | <u>8,019</u>    |
| <b>15. Gain (or loss) on disposal of assets</b>                      | 20              | 3               |
| <b>16. Operating result</b>  | <u>1,005</u>    | <u>511</u>      |
| <b>16a. Operating result (less grants for acquisition of assets)</b> | 1,005           | 511             |

## Griffith City Council

## Special Schedule 5 – Sewerage Service Income Statement (continued)

Includes all internal transactions, i.e. prepared on a gross basis  
for the year ended 30 June 2016

| \$'000   | Actuals<br>2016 | Actuals<br>2015 |
|--|-----------------|-----------------|
| <b>B Capital transactions</b>                                      |                 |                 |
| <b>Non-operating expenditures</b>                                  |                 |                 |
| <b>17. Acquisition of fixed assets</b>                             |                 |                 |
| a. New assets for improved standards                               | –               | 34              |
| b. New assets for growth   | 165             | 95              |
| c. Renewals  | 634             | 150             |
| d. Plant and equipment   | 99              | 149             |
| <b>18. Repayment of debt</b>                                       | –               | –               |
| <b>19. Totals</b>  | <b>898</b>      | <b>428</b>      |
| <b>Non-operating funds employed</b>                                |                 |                 |
| <b>20. Proceeds from disposal of assets</b>                        | 63              | 13              |
| <b>21. Borrowing utilised</b>                                      | –               | –               |
| <b>22. Totals</b>  | <b>63</b>       | <b>13</b>       |
| <b>C Rates and charges</b>   |                 |                 |
| <b>23. Number of assessments</b>                                   |                 |                 |
| a. Residential (occupied)  | 7,217           | 7,138           |
| b. Residential (unoccupied, ie. vacant lot)                        | 216             | 286             |
| c. Non-residential (occupied)                                      | 738             | 738             |
| d. Non-residential (unoccupied, ie. vacant lot)                    | 103             | 106             |
| <b>24. Number of ETs for which developer charges were received</b> | 135 ET          | 14 ET           |
| <b>25. Total amount of pensioner rebates (actual dollars)</b>      | \$ 107,452      | \$ 107,817      |

## Griffith City Council

## Special Schedule 6 – Sewerage Service Statement of Financial Position

Includes internal transactions, i.e. prepared on a gross basis  
as at 30 June 2016

| \$'000  | Actuals<br>Current | Actuals<br>Non-current | Actuals<br>Total |
|---|--------------------|------------------------|------------------|
| <b>ASSETS</b>   |                    |                        |                  |
| <b>26. Cash and investments</b>                                   |                    |                        |                  |
| a. Developer charges  | 1,108              | –                      | 1,108            |
| b. Special purpose grants   | –                  | –                      | –                |
| c. Accrued leave  | –                  | –                      | –                |
| d. Unexpended loans   | –                  | –                      | –                |
| e. Sinking fund   | –                  | –                      | –                |
| f. Other  | 4,707              | –                      | 4,707            |
| <b>27. Receivables</b>  |                    |                        |                  |
| a. Specific purpose grants  | –                  | –                      | –                |
| b. Rates and availability charges                                 | 1,787              | –                      | 1,787            |
| c. User charges   | 275                | –                      | 275              |
| d. Other  | –                  | –                      | –                |
| <b>28. Inventories</b>  | –                  | –                      | –                |
| <b>29. Property, plant and equipment</b>                          |                    |                        |                  |
| a. System assets  | –                  | 135,022                | 135,022          |
| b. Plant and equipment  | –                  | –                      | –                |
| <b>30. Other assets</b>   | –                  | –                      | –                |
| <b>31. Total assets</b>   | <u>7,877</u>       | <u>135,022</u>         | <u>142,899</u>   |
| <b>LIABILITIES</b>  |                    |                        |                  |
| <b>32. Bank overdraft</b>   | –                  | –                      | –                |
| <b>33. Creditors</b>  | –                  | –                      | –                |
| <b>34. Borrowings</b>   | 715                | 18,425                 | 19,140           |
| <b>35. Provisions</b>   |                    |                        |                  |
| a. Tax equivalents  | –                  | –                      | –                |
| b. Dividend   | –                  | –                      | –                |
| c. Other  | –                  | –                      | –                |
| <b>36. Total liabilities</b>                                      | <u>715</u>         | <u>18,425</u>          | <u>19,140</u>    |
| <b>37. NET ASSETS COMMITTED</b>                                   | <u>7,162</u>       | <u>116,597</u>         | <u>123,759</u>   |
| <b>EQUITY</b>   |                    |                        |                  |
| <b>38. Accumulated surplus</b>                                    |                    |                        | 64,109           |
| <b>39. Asset revaluation reserve</b>                              |                    |                        | 59,650           |
| <b>40. TOTAL EQUITY</b>   |                    |                        | <u>123,759</u>   |
| <b>Note to system assets:</b>                                     |                    |                        |                  |
| <b>41. Current replacement cost</b> of system assets              |                    |                        | 179,663          |
| <b>42. Accumulated current cost</b> depreciation of system assets |                    |                        | (44,641)         |
| <b>43. Written down current cost</b> of system assets             |                    |                        | <u>135,022</u>   |

## Griffith City Council

### Notes to Special Schedules 3 and 5

for the year ended 30 June 2016

#### Administration <sup>(1)</sup>

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.
- Meter reading
- Bad and doubtful debts
- Other administrative/corporate support services

#### Engineering and supervision <sup>(1)</sup>

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.
- Other technical and supervision staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.

**Operational expenses** (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

**Maintenance expenses** (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

**Other expenses** (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

**Revaluation decrements** (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

**Impairment losses** (item 4d and 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

**Aboriginal Communities Water and Sewerage Program** (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and sewerage revenue.

**Residential charges** <sup>(2)</sup> (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a access charges (including rates if applicable) and 6b usage charges.

**Non-residential charges** <sup>(2)</sup> (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a access charges (including rates if applicable) and 7b usage charges.

**Trade waste charges** (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a annual fees, 8b usage charges and 8c excess mass charges and 8d re-inspection fees.

**Other income** (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

**Other contributions** (items 12c and 13c of Special Schedules 3 and 5 respectively) including capital contributions for water supply or sewerage services received by Council under Section 565 of the *Local Government Act*.

#### Notes:

<sup>(1)</sup> Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

<sup>(2)</sup> To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

## Griffith City Council

## Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016

\$'000

| Asset class             | Asset category          | Estimated cost to bring assets to satisfactory standard | Estimated cost to bring to the agreed level of service set by Council | 2015/16 Required maintenance <sup>a</sup> | 2015/16 Actual maintenance | Carrying value | Gross replacement cost (GRC) | Assets in condition as a percentage of gross replacement cost |              |              |              |             |
|-------------------------|-------------------------|---|---|---|----------------------------|----------------|------------------------------|---|--------------|--------------|--------------|-------------|
|                         |                         |   |   |   |                            |                |                              | 1   | 2            | 3            | 4            | 5           |
| <b>Buildings</b>        | Buildings – specialised | 500   | –   | 200                                       | 250                        | 57,989         | 64,940                       | 15%   | 34%          | 37%          | 12%          | 2%          |
|                         | <b>Sub-total</b>        | <b>500</b>  | <b>–</b>  | <b>200</b>                                | <b>250</b>                 | <b>57,989</b>  | <b>64,940</b>                | <b>15.0%</b>  | <b>34.0%</b> | <b>37.0%</b> | <b>12.0%</b> | <b>2.0%</b> |
| <b>Other structures</b> | Other structures        | –   | –   | 40  | 50                         | 9,580          | 13,673                       | 66%   | 27%          | 7%           | 0%           | 0%          |
|                         | <b>Sub-total</b>        | <b>–</b>  | <b>–</b>  | <b>40</b>                                 | <b>50</b>                  | <b>9,580</b>   | <b>13,673</b>                | <b>66.0%</b>  | <b>27.0%</b> | <b>7.0%</b>  | <b>0.0%</b>  | <b>0.0%</b> |
| <b>Roads</b>            | Sealed roads            | 4,315   | –   | 3,135                                     | 3,075                      | 144,166        | 155,668                      | 80%   | 17%          | 3%           | 0%           | 0%          |
|                         | Unsealed roads          | 64  | –   | 1,532                                     | 1,525                      | 70,007         | 97,308                       | 21%   | 75%          | 4%           | 0%           | 0%          |
|                         | Bridges                 | 4   | –   | 6   | 1                          | 3,009          | 5,311                        | 4%  | 77%          | 19%          | 0%           | 0%          |
|                         | Footpaths               | 103   | –   | 35  | 20                         | 6,641          | 11,960                       | 12%   | 52%          | 35%          | 1%           | 0%          |
|                         | Other road assets       | 152   | –   | 106                                       | 75                         | 33,479         | 44,424                       | 38%   | 45%          | 17%          | 0%           | 0%          |
|                         | <b>Sub-total</b>        | <b>4,638</b>  | <b>–</b>  | <b>4,814</b>                              | <b>4,696</b>               | <b>257,302</b> | <b>314,671</b>               | <b>52.0%</b>  | <b>41.2%</b> | <b>6.8%</b>  | <b>0.0%</b>  | <b>0.0%</b> |

## Griffith City Council

## Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2016 (continued)

\$'000

| Asset class                    | Asset category                 | Estimated cost to bring assets to satisfactory standard | Estimated cost to bring to the agreed level of service set by Council | 2015/16 Required maintenance <sup>a</sup> | 2015/16 Actual maintenance | Carrying value | Gross replacement cost (GRC) | Assets in condition as a percentage of gross replacement cost |              |              |             |             |
|--------------------------------|--------------------------------|---|---|---|----------------------------|----------------|------------------------------|---|--------------|--------------|-------------|-------------|
|                                |                                |   |   |   |                            |                |                              | 1   | 2            | 3            | 4           | 5           |
| Water supply network           | Water supply network           | 2,505   | –   | 672                                       | 625                        | 125,929        | 175,715                      | 38%   | 41%          | 10%          | 8%          | 3%          |
|                                | <b>Sub-total</b>               | <b>2,505</b>  | <b>–</b>  | <b>672</b>                                | <b>625</b>                 | <b>125,929</b> | <b>175,715</b>               | <b>38.0%</b>  | <b>41.0%</b> | <b>10.0%</b> | <b>8.0%</b> | <b>3.0%</b> |
| Sewerage network               | Sewerage network               | 2,676   | –   | 1,097                                     | 1,100                      | 129,720        | 173,108                      | 35%   | 22%          | 39%          | 3%          | 1%          |
|                                | <b>Sub-total</b>               | <b>2,676</b>  | <b>–</b>  | <b>1,097</b>                              | <b>1,100</b>               | <b>129,720</b> | <b>173,108</b>               | <b>35.0%</b>  | <b>22.0%</b> | <b>39.0%</b> | <b>3.0%</b> | <b>1.0%</b> |
| Stormwater drainage            | Other                          | –   | –   | 67  | 130                        | 54,035         | 67,886                       | 58%   | 21%          | 19%          | 2%          | 0%          |
|                                | <b>Sub-total</b>               | <b>–</b>  | <b>–</b>  | <b>67</b>                                 | <b>130</b>                 | <b>54,035</b>  | <b>67,886</b>                | <b>58.0%</b>  | <b>21.0%</b> | <b>19.0%</b> | <b>2.0%</b> | <b>0.0%</b> |
| Open space/recreational assets | Parks & Gardens Infrastructure | –   | –   | 255                                       | 300                        | 6,773          | 15,536                       | 60%   | 40%          | 0%           | 0%          | 0%          |
|                                | <b>Sub-total</b>               | <b>–</b>  | <b>–</b>  | <b>255</b>                                | <b>300</b>                 | <b>6,773</b>   | <b>15,536</b>                | <b>60.0%</b>  | <b>40.0%</b> | <b>0.0%</b>  | <b>0.0%</b> | <b>0.0%</b> |
|                                | <b>TOTAL – ALL ASSETS</b>      | <b>10,319</b>   | <b>–</b>  | <b>7,145</b>                              | <b>7,151</b>               | <b>641,328</b> | <b>825,529</b>               | <b>43.4%</b>  | <b>34.7%</b> | <b>17.5%</b> | <b>3.5%</b> | <b>1.0%</b> |

## Notes:

a Required maintenance is the amount identified in Council's asset management plans.

## Infrastructure asset condition assessment 'key'

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

## Griffith City Council

Special Schedule 7 – Report on Infrastructure Assets (continued)  
for the year ended 30 June 2016

| \$ '000   | Amounts        | Indicator     | Prior periods |         |
|---|----------------|---------------|---------------|---------|
|   | 2016           | 2016          | 2015          | 2014    |
| <b>Infrastructure asset performance indicators *<br/>consolidated</b> |                |               |               |         |
| <b>1. Infrastructure renewals ratio</b>                               |                |               |               |         |
| Asset renewals <sup>(1)</sup>   | <u>6,779</u>   | <b>74.32%</b> | 82.25%        | 162.23% |
| Depreciation, amortisation and impairment                             | <u>9,121</u>   |               |               |         |
| <b>2. Infrastructure backlog ratio</b>                                |                |               |               |         |
| Estimated cost to bring assets to a satisfactory standard             | <u>10,319</u>  | <b>1.61%</b>  | 1.63%         | 0.86%   |
| Carrying value of infrastructure assets                               | <u>641,328</u> |               |               |         |
| <b>3. Asset maintenance ratio</b>                                     |                |               |               |         |
| Actual asset maintenance  | <u>7,151</u>   | <b>1.00</b>   | 1.01          | 1.15    |
| Required asset maintenance  | <u>7,145</u>   |               |               |         |
| <b>4. Capital expenditure ratio</b>                                   |                |               |               |         |
| Annual capital expenditure  | <u>23,927</u>  | <b>2.16</b>   | 1.02          | 1.26    |
| Annual depreciation   | <u>11,102</u>  |               |               |         |

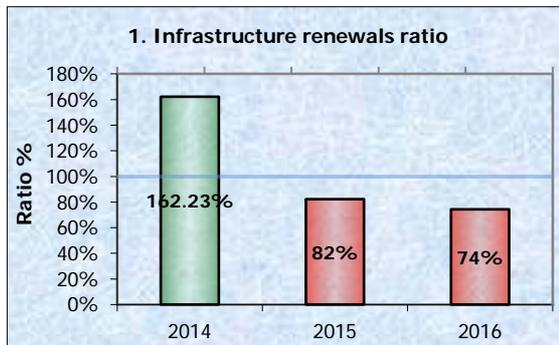
## Notes

\* All asset performance indicators are calculated using the asset classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

# Griffith City Council

## Special Schedule 7 – Report on Infrastructure Assets (continued) for the year ended 30 June 2016



**Purpose of asset renewals ratio**

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

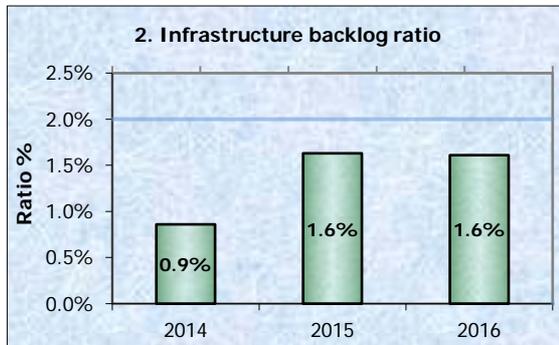
**Commentary on 2015/16 result**

**2015/16 Ratio 74.32%**

The ratio remains below the benchmark due to a number of Infrastructure Renewal Projects within the Water and Sewer Funds being incomplete. Council has also been completing some large scale new infrastructure projects which are not included in this ratio.

Benchmark: ——— Minimum  $\geq 100.00\%$   
Source for benchmark: Code of Accounting Practice and Financial Reporting #24

■ Ratio achieves benchmark  
■ Ratio is outside benchmark



**Purpose of infrastructure backlog ratio**

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

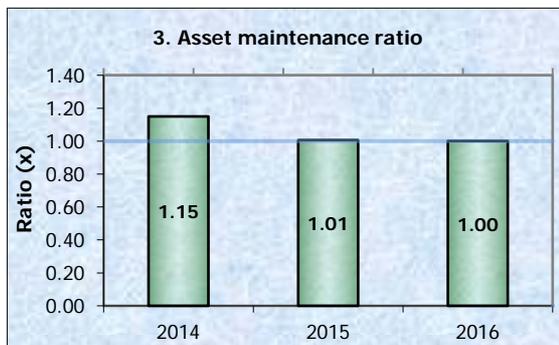
**Commentary on 2015/16 result**

**2015/16 Ratio 1.61%**

This ratio has remained stable of the past 2 years and demonstrates that Council is committed to renewing and maintaining its assets to a satisfactory standard.

Benchmark: ——— Maximum  $< 2.00\%$   
Source for benchmark: Code of Accounting Practice and Financial Reporting #24

■ Ratio achieves benchmark  
■ Ratio is outside benchmark



**Purpose of asset maintenance ratio**

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

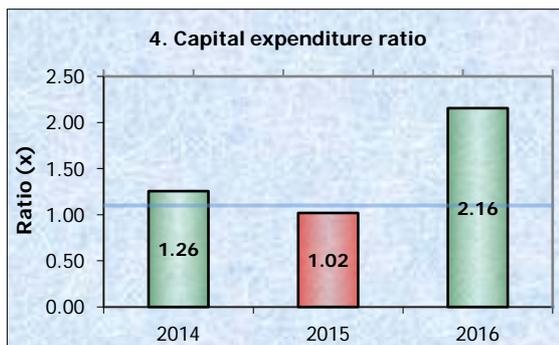
**Commentary on 2015/16 result**

**2015/16 Ratio 1.00 x**

Council has maintained a satisfactory asset maintenance ratio and is committed to not allowing any backlog to occur in its asset base into the future.

Benchmark: ——— Minimum  $> 1.00$   
Source for benchmark: Code of Accounting Practice and Financial Reporting #24

■ Ratio achieves benchmark  
■ Ratio is outside benchmark



**Purpose of capital expenditure ratio**

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

**Commentary on 2015/16 result**

**2015/16 Ratio 2.16 x**

Benchmark: ——— Minimum  $> 1.10$   
Source for benchmark: Code of Accounting Practice and Financial Reporting #24

■ Ratio achieves benchmark  
■ Ratio is outside benchmark

## Griffith City Council

Special Schedule 7 – Report on Infrastructure Assets (continued)  
for the year ended 30 June 2016

| \$ '000  | Water<br>2016 | Sewer<br>2016 | General <sup>(1)</sup><br>2016 |
|--|---------------|---------------|--------------------------------|
| <b>Infrastructure asset performance indicators<br/>by fund</b>   |               |               |                                |
| <b>1. Infrastructure renewals ratio</b>                          |               |               |                                |
| <u>Asset renewals <sup>(2)</sup></u>                             | <b>30.95%</b> | <b>36.35%</b> | <b>100.69%</b>                 |
| Depreciation, amortisation and impairment                        |               |               |                                |
| prior period:  | 48.32%        | 40.92%        | 106.94%                        |
| <b>2. Infrastructure backlog ratio</b>                           |               |               |                                |
| <u>Estimated cost to bring assets to a satisfactory standard</u> | <b>1.99%</b>  | <b>2.06%</b>  | <b>1.33%</b>                   |
| Carrying value of infrastructure assets                          |               |               |                                |
| prior period:  | 1.97%         | 2.05%         | 1.37%                          |
| <b>3. Asset maintenance ratio</b>                                |               |               |                                |
| <u>Actual asset maintenance</u>                                  | <b>0.93</b>   | <b>1.00</b>   | <b>1.01</b>                    |
| Required asset maintenance                                       |               |               |                                |
| prior period:  | 0.94          | 1.02          | 1.01                           |
| <b>4. Capital expenditure ratio</b>                              |               |               |                                |
| <u>Annual capital expenditure</u>                                | <b>0.52</b>   | <b>0.48</b>   | <b>3.08</b>                    |
| Annual depreciation  |               |               |                                |
| prior period:  | 0.35          | 0.17          | 1.44                           |

## Notes

- (1) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.
- (2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

## Griffith City Council

## Special Schedule 8 – Permissible Income Calculation

for the year ended 30 June 2017

| \$'000  |                         | Calculation<br>2015/16 | Calculation<br>2016/17 |
|---|-------------------------|------------------------|------------------------|
| <b>Notional general income calculation <sup>(1)</sup></b>           |                         |                        |                        |
| Last year notional general income yield                             | a                       | 15,393                 | 15,824                 |
| Plus or minus adjustments <sup>(2)</sup>                            | b                       | 46                     | 29                     |
| <b>Notional general income</b>                                      | c = (a + b)             | <b>15,439</b>          | <b>15,853</b>          |
| <b>Permissible income calculation</b>                               |                         |                        |                        |
| Special variation percentage <sup>(3)</sup>                         | d                       | 0.00%                  | 0.00%                  |
| Or rate peg percentage  | e                       | 2.40%                  | 1.80%                  |
| Or crown land adjustment (incl. rate peg percentage)                | f                       | 0.00%                  | 0.00%                  |
| Less expiring special variation amount                              | g                       | –                      | –                      |
| Plus special variation amount                                       | h = d x (c – g)         | –                      | –                      |
| Or plus rate peg amount   | i = c x e               | 371                    | 285                    |
| Or plus Crown land adjustment and rate peg amount                   | j = c x f               | –                      | –                      |
| <b>Sub-total</b>  | k = (c + g + h + i + j) | <b>15,810</b>          | <b>16,138</b>          |
| Plus (or minus) last year's carry forward total                     | l                       | 11                     | (3)                    |
| Less valuation objections claimed in the previous year              | m                       | –                      | –                      |
| <b>Sub-total</b>  | n = (l + m)             | <b>11</b>              | <b>(3)</b>             |
| <b>Total permissible income</b>                                     | o = k + n               | <b>15,821</b>          | <b>16,135</b>          |
| Less notional general income yield                                  | p                       | 15,824                 | 16,149                 |
| <b>Catch-up or (excess) result</b>                                  | q = o – p               | <b>(3)</b>             | <b>(14)</b>            |
| Plus income lost due to valuation objections claimed <sup>(4)</sup> | r                       | –                      | 1                      |
| Less unused catch-up <sup>(5)</sup>                                 | s                       | –                      | –                      |
| <b>Carry forward to next year</b>                                   | t = q + r – s           | <b>(3)</b>             | <b>(13)</b>            |

**Notes**

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Special Schedule 8 in the financial data return (FDR) to administer this process.

## **GRIFFITH CITY COUNCIL - SPECIAL SCHEDULE NO. 8 - INDEPENDENT AUDITORS REPORT FOR THE FINANCIAL YEAR ENDING 30 JUNE 2017**

### *Report on Special Schedule No. 8*

We have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 8) of Griffith City Council for the year ending 30 June 2017.

### *Responsibility of Council for Special Schedule No. 8*

The Council is responsible for the preparation and fair presentation of Special Schedule No. 8 in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update No. 24. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Special Schedule No. 8 that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on Special Schedule No. 8 based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether Special Schedule No. 8 is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in Special Schedule No. 8. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of Special Schedule No. 8, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of Special Schedule No. 8.

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

In making our risk assessments, we consider internal controls relevant to the entity's preparation of Special Schedule No. 8 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Independence*

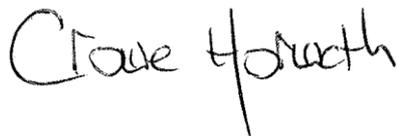
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

*Audit Opinion*

In our opinion, Special Schedule No. 8 of Griffith City Council for 2016/17 is properly drawn up in accordance with the requirements of the Office of Local Government and in accordance with the books and records of the Council.

*Basis of Accounting*

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



**CROWE HORWATH AUSWILD**



**BRADLEY D BOHUN**

Partner

Dated at Albury this 27 day of October 2016.