



Camden Council

2012/13 Financial Statements



Camden Council

General Purpose Financial Statements

for the financial year ended 30 June 2013

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Overview

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

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

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

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

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

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

(iv) These financial statements were authorised for issue by the Council on 08 October 2013. Council has the power to amend and reissue these financial statements.

Camden Council

General Purpose Financial Statements

for the financial year ended 30 June 2013

Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the Local Government Act 1993 (as amended)

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

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

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

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

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

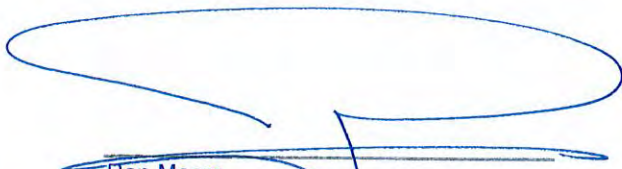
Signed in accordance with a resolution of Council made on 08 October 2013.



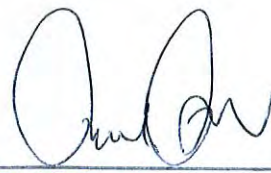
Cr Lara Symkowiak
MAYOR



Cr Penelope Fischer
DEPUTY MAYOR



Ron Moore
GENERAL MANAGER



Paul Rofe
RESPONSIBLE ACCOUNTING OFFICER

2012/13 Annual Financial Statements

EXECUTIVE SUMMARY

Introduction

Camden is one of the fastest growing areas in New South Wales. The population growth is placing more pressure on Council's finances and resources as we plan for an extra 250,000 people over the next 20-30 years. The cost of planning is an up front cost that is required before additional rate income is realised through growth.

Council will continue to work with all levels of Government and our community to ensure there is a balance between providing for existing residents and those we welcome to Camden in the future.

The information below provides a snap shot of Council's financial performance over the past 12 months, more detailed information is provided within the financial report.

Financial Performance

The following table highlights the 'financial performance' comparison between 2011/12 and 2012/13:

	2012/13 \$'000	2011/12 \$'000
Total Income from Continuing Operations	\$129,517	\$135,457
Total Expenses from Continuing Operations	\$71,414	\$64,360
Operating Result from Continuing Operations	\$58,103	\$71,097
Grants and Contributions provided for Capital Purposes	\$66,752	\$70,551
Net Operating Result before Grants and Contributions provided for Capital Purposes	(\$8,649)	\$546

Operating Result (after capital items)

The 2012/13 Operating Result after accounting for capital income is a surplus of \$58.1 million (\$71.1 million 2011/12). The surplus result is predominately due to non-cash contributions such as road and open space dedications from developers to Council. The value of non-cash dedications for 2012/13 is \$56.5 million (2011/12 \$61.7 million). The accounting standards require the dedication of assets to be brought to account as income which inflates the surplus reported.

The decrease in the Operating Result (after capital) from \$71.1 million in 2011/12 to \$58.1 million in 2012/13 is predominately a result of one-off movements in both 2011/12 and 2012/13 including, a reduction in assets being dedicated to Council in 2012/13 (decrease \$5.2 million) a one-off recognition of income in 2011/12 (\$3.8 million (net)) upon adopting fair value for an interest free loan and a one-off expense contribution in 2012/13 (\$2.68 million) towards the upgrade of utilities on Lodges Road.

Operating Result (before capital items)

Council's operating result before capital items is a deficit of \$8.65 million. This result excludes capital income of \$66.8 million. In comparing this result to 2011/12 the decrease of \$9.2 million is predominately a result of operating income decreasing in 2012/13 by \$3.8 million (net) which was a one-off recognition in 2011/12 of an interest free loan at fair value. In 2012/13 Council was also required to pay a one-off expense contribution of \$2.68 million towards the upgrade of utilities on Lodges Road. Depreciation increased by \$967k and staffing costs increased by just over \$2 million which is representative of a growing organisation.

Council continues to monitor its operating result and although Council's liquidity position is sound, in the long-term operating deficits are not sustainable. An indication of this is Council's inability at this point in time to maintain an asset renewal ratio that is equal to or above benchmark. Council has in part tried to address this through the continuation of its Community Infrastructure Renewal Program and created an Asset Renewal Reserve for future asset renewal needs. Council continues to prudently manage its budget and take advantage of both State and Federal funding opportunities to fund infrastructure renewal when made available to Local Government.

Balance Sheet

The net value of assets owned by our community is \$929 million (\$834 million in 2011/12). The majority of this equity relates to the ownership of land and infrastructure assets such as roads, stormwater drainage, footpaths and bridges. The increase in equity (\$95 million) is predominately a result of asset dedications (\$56.5 million) from developers and the revaluation of Operational Land and Buildings (\$36.7 million) as required by the Code of Accounting Practice and Council's asset revaluation cycle (every 5 years) .

Financial Health Indicators

It should be noted that the Operating Result is not Council's budget position (cash). Council continues to maintain a balanced budget position and its liquidity is sound. Council has received a moderate (neutral outlook) rating from New South Wales Treasury Corporation (TCorp). TCorp's report also indicated that Council is currently financially sustainable and that this position will not change with continued prudent financial management.

Further information can be found in Note 13 (pages 49-50) which provides a more detailed explanation of Council's financial health and performance indicators.

2012/13 & Beyond

Council will continue to employ good financial management practices to ensure the future needs of our community are met. Through long term financial planning, asset management planning and workforce planning, Council will continue to address its infrastructure renewal backlog and provide for the expected growth over the next 20-30 years.

Council is committed to building a new administration building to accommodate the workforce that will be required to service its growing community. Stage 1 of this project is expected to cost \$28.9 million (gross) it is expected that loan borrowings will in part fund this project. Council has continued to limit loan borrowings to ensure it has the capacity to fund this major project.

Council will encourage a whole of Government approach to ensure the best possible outcome for the Camden community.



P.ROFE
Manager Corporate Services
Responsible Accounting Officer

Camden Council

Income Statement

for the financial year ended 30 June 2013

Budget ⁽¹⁾				Actual	Actual
2013	\$ 000		Notes	2013	2012
Income from Continuing Operations					
Revenue:					
39,560	Rates & Annual Charges		3a	39,415	36,672
9,739	User Charges & Fees		3b	11,652	10,407
1,882	Interest & Investment Revenue		3c	2,744	8,584
2,323	Other Revenues		3d	1,267	1,220
5,131	Grants & Contributions provided for Operating Purposes		3e, f	7,687	8,023
23,481	Grants & Contributions provided for Capital Purposes		3e, f	66,752	70,551
82,116	Total Income from Continuing Operations			129,517	135,457
Expenses from Continuing Operations					
26,962	Employee Benefits & On-Costs		4a	27,376	25,349
758	Borrowing Costs		4b	1,178	1,783
19,337	Materials & Contracts		4c	18,279	16,758
15,108	Depreciation & Amortisation		4d	14,272	13,322
4,184	Other Expenses		4e	8,528	5,031
	Net Losses from the Disposal of Assets		5	1,781	2,117
66,349	Total Expenses from Continuing Operations			71,414	64,360
15,767	Operating Result from Continuing Operations			58,103	71,097
15,767	Net Operating Result for the Year			58,103	71,097
15,767	Net Operating Result attributable to Council			58,103	71,097
(7,714)	Net Operating Result for the year before Grants and Contributions provided for Capital Purposes			(8,649)	546

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

Camden Council

Statement of Comprehensive Income

for the financial year ended 30 June 2013

\$ 000	Notes	Actual 2013	Actual 2012
Net Operating Result for the year (as per Income statement)		58,103	71,097
Other Comprehensive Income:			
Gain (loss) on revaluation of Buildings	20b (ii)	12,135	-
Gain (loss) on revaluation of Operational Land	20b (ii)	24,538	-
Total Items which will not be reclassified subsequently to the Operating Result		36,673	-
Revaluation adjustment - Land Under Roads	20b (ii)	-	(6,934)
Total Items which will be reclassified subsequently to the Operating Result when specific conditions are met		-	(6,934)
Total Other Comprehensive Income for the year		36,673	(6,934)
Total Comprehensive Income for the Year		94,776	64,163
Total Comprehensive Income attributable to Council		94,776	64,163

Council had valuations performed for Operational land and buildings in the 2012/2013 financial year, in accordance with the Division of Local Government. The revaluation resulted in a substantial increase in the carrying value of both operational land and specialised buildings. It also resulted in a decrease in carrying value for non-specialised buildings. This decrease has been offset in the Asset Revaluation Reserve against prior revaluations for the same asset category.

Adjusted Income Statement

for the financial year ended 30 June 2013

Budget ⁽¹⁾ 2013	\$000	Notes	Actual 2013	Actual 2012
82,116	Total Income from Continuing Operations		129,517	135,457
	Adjusted Expenses from Continuing Operations			
26,962	Employee Benefits & On-Costs	3b	27,376	25,349
758	Borrowing Costs		1,178	1,783
19,337	Materials & Contracts		18,279	16,758
15,108	Depreciation & Amortisation		14,272	13,322
4,184	Other Expenses		8,528	5,031
-	Net Losses from Disposal of Assets		1,781	2,117
66,349	Adjusted Total Expenses from Continuing Operations		71,414	64,360
15,767	Adjusted Net Operating Result for the Year		58,103	71,097

Camden Council

Statement of Financial Position

as at 30 June 2013

\$ 000	Notes	Actual 2013	Actual 2012
ASSETS			
Current Assets			
Cash & Cash Equivalents	6a	1,917	3,512
Investments	6b	46,550	47,000
Receivables	7	5,462	5,515
Inventories	8	407	432
Other	8	628	708
Total Current Assets		54,964	57,167
Non-Current Assets			
Investments	6b	5,200	2,000
Receivables	7	37,411	29,737
Infrastructure, Property, Plant & Equipment	9	860,472	776,076
Total Non-Current Assets		903,083	807,813
TOTAL ASSETS		958,047	864,980
LIABILITIES			
Current Liabilities			
Payables	10	6,563	7,692
Borrowings	10	1,921	1,664
Provisions	10	7,669	7,127
Total Current Liabilities		16,153	16,483
Non-Current Liabilities			
Borrowings	10	12,633	13,963
Provisions	10	301	350
Total Non-Current Liabilities		12,934	14,313
TOTAL LIABILITIES		29,087	30,796
Net Assets		928,960	834,184
EQUITY			
Retained Earnings	20	600,856	542,753
Revaluation Reserves	20	328,104	291,431
Council Equity Interest		928,960	834,184
Total Equity		928,960	834,184

Camden Council

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

\$000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
2013						
Opening Balance (as per Last Year's Audited Accounts)		542,753	291,431	834,184	-	834,184
Revised Opening Balance (as at 1/7/12)		542,753	291,431	834,184	-	834,184
Net Operating Result for the Year		58,103	-	58,103	-	58,103
Other Comprehensive Income						
- Revaluations: Buildings	20b (ii)	-	12,135	12,135	-	12,135
- Revaluations: Operational Land	20b (ii)		24,538	24,538	-	24,538
Other Comprehensive Income		-	36,673	36,673	-	36,673
Total Comprehensive Income (c&d)		58,103	36,673	94,776	-	94,776
Equity - Balance at end of the reporting period		600,856	328,104	928,960	-	928,960

\$ 000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
2012						
Opening Balance (as per Last Year's Audited Accounts)		471,656	298,365	770,021	-	770,021
Revised Opening Balance (as at 1/7/11)		471,656	298,365	770,021	-	770,021
Net Operating Result for the Year		71,097	-	71,097	-	71,097
Other Comprehensive Income						
- Revaluations : Land Under Roads	20b (ii)	-	(6,934)	(6,934)	-	(6,934)
Other Comprehensive Income		-	(6,934)	(6,934)	-	(6,934)
Total Comprehensive Income (c&d)		71,097	(6,934)	64,163	-	64,163
Equity-Balance at end of reporting period		542,753	291,431	834,184	-	834,184

Camden Council

Statement of Cash Flows

for the financial year ended 30 June 2013

Budget 2013	\$000	Notes	Actual 2013	Actual 2012
Cash Flows from Operating Activities				
Receipts:				
39,369	Rates & Annual Charges		39,305	36,689
9,739	User Charges & Fees		11,388	10,294
2,114	Investment & Interest Revenue Received		2,907	3,569
10,369	Grants & Contributions		9,731	6,984
-	Bonds, Deposits & Retention amounts received		1,245	1,261
2,306	Other		6,010	4,642
Payments:				
(26,707)	Employee Benefits & On-Costs		(27,302)	(25,181)
(19,318)	Materials & Contracts		(19,531)	(15,479)
(758)	Borrowing Costs		(578)	(681)
-	Bonds, Deposits & Retention amounts refunded		(453)	(1,850)
(4,067)	Other		(12,615)	(11,335)
<u>13,047</u>	Net Cash provided (or used in) Operating Activities	11b	<u>10,107</u>	<u>8,913</u>
Cash Flows from Investing Activities				
Receipts:				
18,000	Sale of Investment Securities		81,550	117,900
359	Sale of Infrastructure, Property, Plant & Equipment		362	143
Payments:				
(10,400)	Purchase of Investment Securities		(84,300)	(118,900)
(21,128)	Purchase of Infrastructure, Property, Plant & Equipment		(7,641)	(8,559)
<u>(13,169)</u>	Net Cash provided (or used in) Investing Activities		<u>(10,029)</u>	<u>(9,416)</u>
Cash Flows from Financing Activities				
Receipts:				
1,600	Proceeds from Borrowings & Advances		-	-
Payments:				
(1,833)	Repayment of Borrowings & Advances		(1,673)	(1,747)
<u>(233)</u>	Net Cash Flow provided (used in) Financing Activities		<u>(1,673)</u>	<u>(1,747)</u>
<u>(355)</u>	Net Increase/(Decrease) in Cash & Cash Equivalents		<u>(1,595)</u>	<u>(2,250)</u>
2,468	plus: Cash & Cash Equivalents - beginning of year	11a	3,512	5,762
<u>2,113</u>	Cash & Cash Equivalents - end of the year	11a	<u>1,917</u>	<u>3,512</u>
	plus: Investments on hand - end of year	6b	51,750	49,000
	Total Cash, Cash Equivalents & Investments		<u>53,667</u>	<u>52,512</u>

Please refer to Note 11 for information on the following:

- Non Cash Financing & Investing Activities.
- Financing Arrangements.
- Net cash flow disclosures relating to any Discontinued Operations

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies

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

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standard and Interpretations issued by the Australian Accounting Standard Board, the Local Government Act (1993) and Regulation, and the Local Government Code of Accounting Practice and Financial Reporting. Camden Council is a not-for-profit entity for the purpose of preparing the financial statements.

- ***New and amended standards adopted by Council***
None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2012 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.
- ***Early adoption of standards***
Camden Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2012.
- ***Historical cost convention***
These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available for sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.
- ***Critical accounting estimates and judgements***
The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on Council and that are

believed to be reasonable under the circumstances.

- ***Critical accounting estimates and assumptions***
Camden Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.
 - i) Estimated fair values of infrastructure, property, plant and equipment
- ***Critical judgements in applying Council's accounting policies***
 - i) ***Impairment of Receivables***
Council has made a significant judgement about the impairment of a number of its receivables in Note 7.
 - ii) ***Projected Section 94 Commitments***
Council has used significant judgement in determining future Section 94 income and expenditure in Note 17.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Council's activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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

Rates, annual charges, grants and contributions
Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required but the Council may apply contributions according to the priorities established in work schedules.

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies (continued)

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

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

Revenue is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g). The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

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

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

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

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

User charges and fees

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

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

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

Sale of plant, property, infrastructure and equipment

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

Interest and rents

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

(c) Principles of consolidation

The Consolidated Fund

In accordance with the provisions of Section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund. The consolidated fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following Committees of Council have been included as part of the Consolidated fund:

- Camden Bicentennial Equestrian Park Committee
- Camden Town Farm Committee
- Camden Seniors Programs Committee
- Camden International Friendship Association

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies (continued)

- **The Trust Fund**

In accordance with the provisions of Section 411 of the Local Government Act 1993 (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of or in accordance with the trusts relating to those monies. Trust monies and property subject to Council's control have been included in these reports.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these reports. A separate statement of monies held in the Trust Fund is available for inspection at Camden Council offices by any person free of charge.

- **Associates**

Camden Council does not currently have any associated entities, ie, entities where Council has the power to participate in the financial and operating decisions of the entity.

- **Joint ventures**

Council does not currently participate in any Joint Venture partnerships.

It should be noted that Council is a Shareholder in the Southern Phone Company for two shares at \$1.00 each being one A class share and one in the B to ZZ class.

- **County Councils**

Council is not a member of any County Councils.

(d) Leases

- **Finance leases**

Leases of property, plant and equipment, where Council is the lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The property, plant and equipment acquired under finance leases is depreciated over the assets useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that Council will obtain ownership at the end of the lease term.

Council does not currently have any finance leases.

- **Operating leases**

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.

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

(e) Acquisition of assets

The purchase method of accounting is used to account for all acquisitions of assets. Cost is measured as the fair value of the assets given, plus costs directly attributable to the acquisition.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discounted rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(f) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested 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.

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies (continued)

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

(g) Cash and cash equivalents

For Cash Flow Statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(h) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Receivables are generally due for settlement within 30 days.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in accordance with Council policy. A provision for impairment (ie. an allowance account) relating to receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

The amount of the provision (impairment allowance) is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the income statement within other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

(i) Inventories

(i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(j) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from the requirement.

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies (continued)

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of the impairment loss previously recognised. A gain or loss previously recognised by the date of sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are represented separately from other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from their liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the income statement.

(k) Investments and other financial assets

Classification

Council classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investment was acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

- **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets that are held for trading. A financial asset is classified in this category if

acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

- **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in other receivables (note 8) and receivables (note 7) in the statement of financial position.

- **Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

- **Available-for-sale financial assets**

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

- **Financial assets – reclassification**

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, Council may also choose to reclassify financial assets that would meet the

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies (continued)

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

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

- **Recognition and de-recognition**

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

When securities classified as held-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains or losses from investment securities.

- **Subsequent measurement**

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

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are included in the income statement in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of

revenue from continuing operations when Council's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security (note Council's obligations under Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005). The translation differences related to changes in the amortised cost are recognised in profit or loss, and the other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities are classified as available-for-sale are recognised in equity.

Details on how the fair value of financial instruments is determined are disclosed in note 1(1).

- **Impairment**

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss' event) and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

- (i) **Assets carried at amortised cost**

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised as profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring impairment loss is the current effective interest rate determined under the contract.

Camden Council

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

Note 1. Summary of Significant Accounting Policies (continued)

Investment Policy

Council has an approved Investment Policy in order to undertake its investment of money in accordance with (and to comply with) Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005. Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order. Council maintains an investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. As at 30 June 2013 Council does not hold any of these non-prescribed investments, (eg. managed funds, CDOs, and equity linked notes).

(I) Fair value estimation

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

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

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(m) Infrastructure, property, plant and equipment (IPP&E)

Council's assets have been progressively re-valued to fair value in accordance with a staged implementation advised by the Division of Local Government. At balance date, the following classes of IPPE were stated at their fair value;

- **Operational land** (External Valuation)
- **Buildings – Specialised/Non Specialised** (External Valuation)
- **Plant and equipment** (as approximated by depreciated historical cost)
- **Roads assets - roads, bridges and footpaths** (Internal Valuation)
- **Drainage assets** (Internal Valuation)
- **Bulk earthworks** (Internal Valuation)
- **Community land** (Internal Valuation – Valuer General)
- **Land improvements** (External and Internal Valuation)
- **Other structures** (External and Internal Valuation)
- **Other assets** (External and Internal Valuation)

For all assets, Council assesses at each reporting date whether there is any indication that a re-valued asset's carrying amount may differ materially from that which would be determined if the asset were re-valued at the reporting date. If any such indication exists, Council determines the asset's fair value and re-values the asset to that amount. Full revaluations are undertaken for all assets on a 5 year cycle.

Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve. To the extent that the increase reverses a decrease previously recognised via the profit or loss relating to that asset class, the increase is first recognised in profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the income statement.

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies (continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they occurred.

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

Land	
- Council land	100% Capitalised
- open space	100% Capitalised
- land under roads	100% Capitalised

Plant & Equipment	
Office Furniture	> \$2,000
Office Equipment	> \$2,000
Other Plant & Equipment	> \$2,000

Buildings & Land Improvements	
Park Furniture & Equipment	100% Capitalised
Building	
- construction/extensions	100% Capitalised
- renovations	100% Capitalised
Other Structures	100% Capitalised

Stormwater Assets	
Drains & Culverts	100% Capitalised
Other	100% Capitalised

Transport Assets	
Road construction & reconstruction	100% Capitalised
Reseal/Re-sheet & major repairs:	100% Capitalised
Bridge construction & reconstruction	100% Capitalised

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Plant & Equipment	
- Office Equipment	5 years
- Office furniture	7 years
- Vehicles	5 to 7 years
- Heavy Plant/Road Making equip.	5 to 7 years
- Other plant and equipment	5 to 7 years

Other Equipment / Assets	
- Playground equipment	10 years
- Benches, seats etc	10 years
- Library Books	10 years

Buildings	
- Structure	40-50 years
- Roof Membrane & Air Conditioning	20 years
- Lift & Escalators	25 years
- Fire Services	30 years
- Floor Coverings	10 years

Stormwater Drainage	
- Drains	100 years
- Culverts	70 years
- Flood Control Structures	10 to 100 years

Transportation Assets	
- Sealed Roads: Surface	50 years
- Sealed Roads: Structure	50 years
- Bridge: Concrete	100 years
- Footpaths	50 year

Other Infrastructure Assets	
- Bulk earthworks	Infinite

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

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

Gains and losses disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

Land, other than land under roads, is classified as either operational or community in accordance with Part 2 of Chapter 6 of the Local Government Act (1993)

(n) Investment property

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

Camden Council does not own any investment properties.

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies (continued)

(o) Payables

These amounts represent liabilities for goods and services provided to the Council prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash asset transferred or liabilities assumed, is recognised in other income or finance cost.

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

In April 2010 Council received an \$11.8M interest free loan from the NSW Local Infrastructure Fund. In accordance with *AASB 139 Financial Instruments: Recognition and Measurement* this loan has been recognised at fair value. Camden Council's indebtedness, as per our bank audit confirmation certificates, equates to \$17.809M as shown in Special Schedule 2.

(q) Borrowing costs

Borrowing costs are expensed.

(r) Provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

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

(s) Employee benefits

• Short-term obligations

Short-term employee benefit obligations include liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be settled within the 12 months after the end of the period in which the employees render the related service.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables. These provisions are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for non-accumulating sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these

Camden Council

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

Note 1. Summary of Significant Accounting Policies (continued)

reports. Wages & salaries, annual leave and accumulating sick leave are all classified as payables.

- **Other long-term obligations**

The liability for long service and annual leave which is not expected to be settled within the 12 months after the end of the period in which the employees render the related services 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 the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date 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.

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

- **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.

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 the expected future wage and salary levels, experience of employee departures and periods of service. However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans (see below).

The Local Government Superannuation Scheme – Pool B (the Scheme) is a defined benefit plan that has been determined to be a “multi-employer fund” for purposes of AASB119. Sufficient information under AASB119 is not available to account for the Scheme as a defined benefit plan, because the assets to the Scheme are pooled together for all employers.

The amount of employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2013 was \$628,047. The last valuation of the Scheme was performed by Mr Martin Stevenson BSc, FIA, FIAA on 20 February 2013 and covers the period ended 30 June 2013. However, the position is monitored annually and the Actuary has estimated that as at 30 June 2013 a deficit still exists.

Effective from 1 July 2013, employers are required to contribute additional contributions to assist in extinguishing this deficit. The annual amount of additional contributions payable until the deficit is extinguished is \$261,779. The additional contributions remitted during the year are included in the total employer contributions set out in the beginning of this paragraph.

The share of this deficit that can be broadly attributed to Council is estimated to be in the order of \$1,217,102 as at 30 June 2013.

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies (continued)

As Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member Councils, no liability for the deficiency has been recognised in Council's accounts. Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

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.

- **Employee benefit on-costs**

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

These amounts include superannuation and workers compensation expenses which will be payable upon the future payment of certain leave liabilities accrued as at 30 June 2013.

(t) Rounding of amounts

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

(u) Land under roads

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

Council initially recognised land under roads in 2011. In accordance with AASB 116, as Council already owned the land under roads, the initial movement in valuation was recorded in the Asset Revaluation Reserve. All land under roads has been recognised on an Englobo valuation basis, based upon a municipal rate.

Any land under roads dedicated to Council in the 2013 financial year have been recognised as additional assets, with the value being calculated according to the revised municipal rate.

(v) Provisions for close down and restoration and for environmental clean-up costs – tips and quarries

Camden Council does not own any land fill facilities. Therefore, we are not subject to remediation costs.

(w) Allocation between current and non-current assets and liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

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

(x) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods. NSW Council's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 Financial Instruments, AASB 2009 11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and transitional disclosures (effective from 1 January 2015)

AASB 9 *Financial Instruments* addresses the classification, measurement and de-recognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption.

When adopted, the standard will affect in particular the Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies (continued)

comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss although there is currently a proposal by the IASB to introduce a Fair value through Other Comprehensive Income category for debt instruments.

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

Applicable to Local Government but no implications for Council;

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

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

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 *Consolidated and Separate Financial Statements*, and Interpretation 12 *Consolidation – Special Purpose Entities*. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of the consolidation. However, the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns.

Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns. There is also new guidance on

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

AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Camden Council does not have any joint arrangements at this time.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128. Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

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

Council is not affected by these amendments, as we are not involved in any joint arrangements.

Camden Council

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

Note 1. Summary of Significant Accounting Policies (continued)

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

AASB 13 explains how to measure fair value and aims to enhance fair value disclosures. Council has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements. Council does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

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

The revised standard on accounting for employee benefits requires the recognition of all re-measurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset. This replaces the expected return on plan assets that is currently included in profit or loss. The standard also introduces a number of additional disclosures for defined benefit liabilities/assets and could affect the timing of the recognition of termination benefits. The amendments will have to be implemented retrospectively.

Council does not recognise defined benefit assets and liabilities for the reasons set out in note 1 (s) and so these changes will not have an impact on its reported results.

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

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

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

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

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

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

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

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

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

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

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies (continued)

AASB 116 - clarifies the classification of servicing equipment.

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

AASB 134 - provides clarification about segment reporting.

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

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

(y) Self insurance

Camden Council does not self-insure.

(z) Intangible assets

Council has not classified any assets as Intangible.

(aa) Crown reserves

Crown Reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

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

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

(bb) Rural Fire Service assets

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

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

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

(cc) Goods and Services Tax (GST)

Revenues, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(dd) Carbon Tax

A carbon pricing scheme, commonly referred to as Carbon Tax, was introduced in Australia with the inception of the *Clean Energy Bill 2011*. The scheme became effective on 1 July 2012, requiring entities which emit over 25,000 tonne per year of Carbon dioxide equivalent greenhouse gases, and which are not in the transport or agriculture sectors, to surrender emissions permits.

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 1. Summary of Significant Accounting Policies (continued)

Camden Council has been assessed as falling below this emission threshold for the 2013 reporting period. Therefore, no Carbon Tax is payable by Council.

(ee) Comparative figures

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

(ff) Disclaimer

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

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

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

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Original Budget 2013	Actual 2013	Actual 2012	Original Budget 2013	Actual 2013	Actual 2012	Original Budget 2013	Actual 2013	Actual 2012	Actual 2013	Actual 2012	Actual 2013	Actual 2012
Governance	-	-	-	-	-	-	-	-	-	-	-	-	-
Managing Camden's Growth	8,418	4,792	15,087	6,950	5,448	6,649	1,468	(656)	8,438	27	6,482	7,313	
Urban and Natural Environments	19,498	35,821	28,316	18,410	17,209	15,584	1,088	18,612	12,732	647	193,483	183,125	
Prosperous Economy	8	108	26	460	509	323	(452)	(401)	(297)	-	739	752	
Sustainable Transport	8,041	41,311	42,258	15,030	21,556	15,881	(6,989)	19,755	26,377	620	434,825	401,569	
Enriched and Connected Community	7,425	7,458	6,445	10,191	13,608	8,847	(2,766)	(6,150)	(2,402)	2,568	285,962	250,929	
Strong Local Leadership	1,430	2,469	1,956	15,308	13,084	17,076	(13,878)	(10,615)	(15,120)	19	36,556	21,292	
Total Functions & Activities	44,820	91,959	94,088	66,349	71,414	64,360	(21,529)	20,545	29,728	3,881	958,047	864,980	
General Purpose Income ¹	37,296	37,558	41,369				37,296	37,558	41,369	2,945		3,451	
Operating Result from Continuing Operations	82,116	129,517	135,457	66,349	71,414	64,360	15,767	58,103	71,097	6,826	958,047	864,980	

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

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

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

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

ACTIVELY MANAGING CAMDEN'S GROWTH

Managing growth determined under the State Government's Metropolitan Strategy while retaining Camden's rural setting, country town feel and the lifestyle of the community.

Costs relating to the delivery of this strategic outcome include: Development Control, Heritage Protection and Urban and Rural Planning.

HEALTHY URBAN AND NATURAL ENVIRONMENTS

A Camden in which its unique natural systems have been protected and enhanced and are enjoyed and valued by the community.

Costs relating to the delivery of this strategic outcome include: Regulating the Use of Public Areas, Public Health, Protecting Natural Environment, Parks and Playgrounds, Environmental Activities, Enforcement of Legislation and Policies and Appearance of Public Areas.

EFFECTIVE AND SUSTAINABLE TRANSPORT

A Camden that provides affordable, convenient and integrated public transport system for equitable access to services, facilities and places for all members of the community

Costs relating to the delivery of this strategic outcome include: Transport Options, Road Safety, Local Traffic Management, Construction and Maintenance of Local Roads, Footpath and Kerbing.

AN ENRICHED AND CONNECTED COMMUNITY

A Camden which has achieved a broad range of opportunities for a prosperous and complete lifestyle.

Costs relating to the delivery of this strategic outcome include: Recreational Services and Facilities, Community and Cultural Development & Planning, Community Support Facilities and Services, Community Safety, Community Events and Library Services.

STRONG LOCAL LEADERSHIP

A Camden which has strong leadership who are responsible to community and who are working together to achieve the community's vision for the future.

Costs relating to the delivery of this strategic outcome include: Strong Local Democracy, Stewardship of Community Resources, Community Engagement, Community Information, Management of Emergency Events, and Support Services.

Camden Council

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

Note 3. Income from Continuing Operations

\$ 000	Notes	Actual 2013	Actual 2012
(a) Rates & Annual Charges			
Ordinary Rates			
Residential		25,354	23,071
Farmland		577	861
Business		6,942	6,725
Total Ordinary Rates		32,873	30,657
Domestic Waste Management Services		6,174	5,640
Section 611 Charges		25	24
Stormwater Management Levy		343	351
Total Annual Charges		6,542	6,015
TOTAL RATES & ANNUAL CHARGES		39,415	36,672
Council has used 2010 year valuations provided by the NSW Valuer General in calculating its rates.			
(b) User Charges & Fees			
Specific User Charges (per s.502 - Specific "actual use" charges)			
Domestic Waste Management Services		36	36
Waste Management Services (non-domestic)		589	552
Commercial Waste Management		189	174
Total User Charges		814	762
Other User Charges & Fees			
(i) Fees & Charges - Statutory & Regulatory Functions (per s.608)			
Building Services - Other		2,046	1,546
Private Works - Section 67		117	77
Section 149 Certificates (EPA Act)		220	200
Section 603 Certificates		154	130
Town Planning		2,335	2,106
Total Fees & Charges - Statutory/Regulatory		4,872	4,059
(ii) Fees & Charges - Other (incl. General User Charges) (per s.608)			
Cemeteries		159	161
Child Care		184	203
Leaseback Fees - Council Vehicles		554	558
Library Services		57	55
Public Halls		1,085	995
Recreational Services		3,885	3,570
Other		42	44
Total Fees & Charges - Other		5,966	5,586
TOTAL USER CHARGES & FEES		11,652	10,407

Camden Council

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

Note 3. Income from Continuing Operations (continued)

\$ 000	Notes	Actual 2013	Actual 2012
(c) Interest & Investment Revenue (incl. losses)			
Interest & Dividends			
- Interest on Overdue Rates & Annual Charges (incl. Special Purpose Rates)		207	226
- Interest earned on Investments (interest & coupon payment income)		2,537	3,410
- Interest Free Loan - Concessional Discount		-	4,948
<u>TOTAL INTEREST & INVESTMENT REVENUE</u>		<u>2,744</u>	<u>8,584</u>
Interest Revenue is attributable to:			
Unrestricted Investments/Financial Assets:			
Overdue Rates & Annual Charges (General Fund)		207	226
General Council Cash & Investments		1,498	2,086
Interest free loan from State Government		-	4,948
Restricted Investments/Funds - External:			
Development Contributions			
- Section 94 (under plans)		1,023	1,318
- Section 93F (under plans)		11	-
- Section 94 (not under plans)		5	6
<u>Total Interest & Investment Revenue Recognised</u>		<u>2,744</u>	<u>8,584</u>
(d) Other Revenues			
Fines - Other		117	120
Legal Fees Recovery - Rates & Charges (Extra Charges)		138	184
Legal Fees Recovery - Other		7	14
Bushfire Services		59	68
Commissions & Agency Fees		114	98
Domestic Waste Management		6	6
Employee Relations		127	202
Insurance Claim Recoveries		12	85
Sales - General		140	140
State Road Grass Cutting & Rubbish Collection		204	102
Contributions to Long Service Leave - Other Councils		59	141
Tourism Income		7	22
Information Technology Holding Account		186	-
Other		91	38
<u>TOTAL OTHER REVENUE</u>		<u>1,267</u>	<u>1,220</u>

Camden Council

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

Note 3. Income from Continuing Operations (continued)

\$ 000	2013 Operating	2012 Operating	2013 Capital	2012 Capital
(e) Grants				
General Purpose (Untied)				
Financial Assistance - General Component	1,687	2,018	-	-
Financial Assistance - Local Roads Component	919	1,110	-	-
Pensioners' Rates Subsidies - General Component	339	323	-	-
Total General Purpose	2,945	3,451	-	-
Specific Purpose				
Child Care	1,100	1,062	-	-
Community Care Services	1,264	335	26	97
Employment & Training Programs	19	34	-	-
Health Services	-	37	-	-
Library	177	150	-	-
Noxious Weeds	176	-	-	-
NSW Rural Fire Services	164	92	18	12
Recreational Services	232	147	58	165
Street Lighting	128	125	-	-
Transport (Other Roads & Bridges Funding)	117	61	375	356
Other- Planning & Development	27	-	-	-
Total Specific Purpose	3,404	2,043	477	630
Total Grants	6,349	5,494	477	630
Grant Revenue is attributable to:				
- Commonwealth Funding	3,650	4,170	375	453
- State Funding	2,699	1,324	102	177
	6,349	5,494	477	630

Camden Council

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

Note 3. Income from Continuing Operations (continued)

\$000	2013 Operating	2012 Operating	2013 Capital	2012 Capital
(f) Contributions				
Developer Contributions:				
(s93 & s94 - EP&A Act, s64 of the LGA & S93F):				
- Roadworks	-	-	1,282	1,350
- Roadworks (In kind)	-	-	4,417	4,004
- Drainage	-	-	1,012	1,296
- Drainage (In kind)	-	-	1,284	3,701
- Traffic Facilities	-	-	55	17
- Open Space	-	-	2,501	1,980
- Recreational & Open Space (In kind)	-	-	2,700	2,260
- Community Facilities	-	-	3,099	2,768
- Other	301	312	123	11
Total Developer Contributions	301	312	16,473	17,387
Other Contributions:				
Community Facilities	467	659	50	-
Dedicated Drainage	-	-	16,194	14,444
Dedicated Open Space	-	-	2,479	113
Dedicated Subdivision Roads	-	-	21,913	35,158
Dedicated Land Under Roads	-	-	3,913	1,506
Development Pilot Project	-	1,500	-	-
Roads & Bridges	499	-	-	-
RMS Contributions (Regional Roads, Block Grant)	64	54	1,289	763
VPA:	-	-	-	-
- Dedicated Drainage	-	-	1,272	250
- Dedicated Roads	-	-	72	300
- Dedicated Open Space	-	-	2,253	-
VPA - Other Cash Revenue	-	-	367	-
Other	7	4	-	-
Total Other Contributions	1,037	2,217	49,802	52,534
Total Contributions	1,338	2,529	66,275	69,921
TOTAL GRANTS & CONTRIBUTIONS	7,687	8,023	66,752	70,551

Camden Council

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

Note 3. Income from Continuing Operations (continued)

\$ 000	Actual 2013	Actual 2012
(g) Restrictions relating to Grants and Contributions		
Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:		
Unexpended at the Close of the Previous Reporting Period	20,716	23,725
add: Grants & contributions recognised in the current period but not yet spent:	10,685	9,460
less: Grants & contributions recognised in a previous reporting period now spent:	(6,953)	(12,469)
Net Increase (Decrease) in Restricted Assets during the Period	3,732	(3,009)
Unexpended and held as Restricted Assets	24,448	20,716
Comprising:		
- Specific Purpose Unexpended Grants	935	502
- Developer Contributions	23,119	20,214
- Other Contributions - S93F Planning Agreements	394	-
	24,448	20,716

Camden Council

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

Note 4. Expenses from Continuing Operations

\$ 000	Notes	Actual 2013	Actual 2012
(a) Employee Benefits & On-Costs			
Salaries and Wages		19,554	17,703
Travelling		1,442	1,549
Employee Leave Entitlements (ELE)		2,485	2,367
Superannuation		2,284	2,182
Workers' Compensation Insurance		1,067	1,051
Fringe Benefit Tax (FBT)		100	135
Training Costs (other than Salaries & Wages)		364	352
Other		475	398
Total Employee Costs		27,771	25,737
less: Capitalised Costs		(395)	(388)
TOTAL EMPLOYEE COSTS EXPENSED		27,376	25,349
Number of "Equivalent Full Time" Employees at year end		304	301
(b) Borrowing Costs			
(i) Interest Bearing Liability Costs			
Interest on Loans		578	682
Total Interest Bearing Liability Costs		578	682
Total Interest Bearing Liability Costs Expensed		578	682
(ii) Other Borrowing Costs			
Amortisation of Discounts and Premiums - Interest Free Loan		600	1,101
Total Other Borrowing Costs		600	1,101
TOTAL BORROWING COSTS EXPENSED		1,178	1,783

Camden Council

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

Note 4. Expenses from Continuing Operations (continued)

\$ 000	Notes	Actual 2013	Actual 2012
(c) Materials & Contracts			
Contractor & Consultancy Costs		786	795
Auditors Remuneration ⁽¹⁾		41	32
Legal Expenses:			
- Legal Expenses: Planning & Development		93	150
- Legal Expenses: Other		280	257
Agency Agreements		100	219
Building Maintenance		776	609
Community Support Programs		1,579	1,390
Companion Animal Control		89	97
Emergency Services		99	104
Function Centre Administration		160	104
Information Technology		483	456
Infrastructure Maintenance and Repairs		2,403	1,992
Noxious Weeds Control		45	14
Office Administration		308	402
Parks & Gardens Maintenance		2,478	2,000
Plant Management		1,765	2,015
Pollution Control		27	18
Private Works		3	4
Recreational Services		3,370	3,149
Tree Maintenance		295	204
Waste Management Disposal Cost		3,020	2,726
Other		79	21
Total Materials & Contracts		18,279	16,758
TOTAL MATERIALS & CONTRACTS		18,279	16,758

1. Auditor Remuneration

During the year, the following fees were incurred for services provided by the Council's Auditor (& the Auditors of other Consolidated Entities):

(i) Audit and Other Assurance Services

- Audit & review of financial statements: Council's Auditor	41	32
Remuneration for audit and other assurance services	41	32
Total Auditor Remuneration	41	32

Camden Council

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

Note 4. Expenses from Continuing Operations (continued)

\$000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2013	Actual 2012	Actual 2013	Actual 2012
(d) Depreciation, Amortisation & Impairment					
Plant and Equipment		-	-	1,399	1,471
Office Equipment		-	-	172	174
Furniture & Fittings		-	-	40	38
Land Improvements (depreciable)		-	-	222	224
Buildings - Non Specialised		-	-	63	70
Buildings - Specialised		-	-	1,713	1,675
Other Structures		-	-	869	906
Infrastructure:					
- Roads, Bridges & Footpaths		-	-	7,984	7,108
- Stormwater Drainage		-	-	2,079	1,920
- Library Books		-	-	141	126
- Other		-	-	172	175
Total Depreciation & Impairment Costs		-	-	14,854	13,887
less: Capitalised Costs		-	-	(582)	(565)
TOTAL DEPRECIATION & IMPAIRMENT COSTS EXPENSED		-	-	14,272	13,322

Camden Council

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

Note 4. Expenses from Continuing Operations (continued)

\$000	Notes	Actual 2013	Actual 2012
(e) Other Expenses			
Other Expenses for the year include the following:			
Advertising		221	219
Bad & Doubtful Debts		15	9
Bank Charges		135	99
Bushfire Services		48	48
Emergency Services Levy		587	563
Councillor Expenses - Mayoral Fee		34	34
Councillor Expenses - Councillors' Fees		137	140
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		54	58
Development Operating Expenses		108	147
Donations, Contributions & Assistance to other organisations (Section 356)		270	264
Election Expenses		236	-
Electricity & Heating		453	455
Information Technology Expenses		224	256
Insurance		746	719
Postage		75	69
Printing & Stationery		73	66
Rates Collection Charges		180	168
Street Lighting		1,446	1,176
Telephone & Communications		257	170
Water Charges		214	148
Contribution Towards Upgrade of Utilities - Lodges Rd		2,679	-
Other		336	223
Total Other Expenses		8,528	5,031
TOTAL OTHER EXPENSES		8,528	5,031

Camden Council

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

Note 5. Gains or Losses from the Disposal of Assets

\$000	Notes	Actual 2013	Actual 2012
Plant & Equipment			
Proceeds from Disposal - Plant & Equipment		362	143
less: Carrying Amount of P&E Assets Sold / Written Off		(59)	(36)
Net Gain/(Loss) on Disposal		303	107
Infrastructure			
Proceeds from Disposal - Infrastructure		-	-
less: Carrying Amount of Road Base/ Written Off		(2,084)	(2,224)
Net Gain/(Loss) on Disposal		(2,084)	(2,224)
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		(1,781)	(2,117)

Camden Council

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

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

\$000	Notes	2013 Actual Current	2013 Actual Non Current	2012 Actual Current	2012 Actual Non Current
Cash & Cash Equivalents (Note 6a)					
Cash on Hand and at Bank		102	-	222	-
Cash-Equivalent Assets ¹					
- Deposits at Call		1,815	-	3,290	-
Total Cash & Cash Equivalents		1,917	-	3,512	-
Investments (Note 6b)					
- Term Deposits		46,550	5,200	47,000	2,000
Total Investments		46,550	5,200	47,000	2,000
TOTAL CASH ASSETS, CASH EQUIVALENTS & INVESTMENTS		48,467	5,200	50,512	2,000

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

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

Cash & Cash Equivalents

a. "At Fair Value through the Profit & Loss"

1,917	-	3,512	-
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b. "Held to Maturity"

Investments

6(b-ii)

46,550	5,200	47,000	2,000
46,550	5,200	47,000	2,000

Note 6b. Investments

Balance at the Beginning of the Year	47,000	2,000	48,000	-
Additions	79,100	5,200	116,900	2,000
Disposals (sales & redemptions)	(79,550)	(2,000)	(117,900)	-
Balance at End of Year	46,550	5,200	47,000	2,000
Comprising:				
- Term Deposits	46,550	5,200	47,000	2,000
Total	46,550	5,200	47,000	2,000

Camden Council

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

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

\$000	2013	2013	2012	2012
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Total Cash, Cash Equivalents and Investments	48,467	5,200	50,512	2,000
attributable to:				
External Restrictions (refer below)	26,354	5,200	30,436	2,000
Internal Restrictions (refer below)	21,771	-	19,201	-
Unrestricted	342	-	875	-
	48,467	5,200	50,512	2,000

2013 \$000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
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Details of Restrictions

External Restrictions - Included in Liabilities				
Specific Purpose Unexpended Loans-General (A)	6,451	185	(3,546)	3,090
Retention Bonds - S94 Developer Contribution	495	-	-	495
External Restrictions - Included in Liabilities	6,946	185	(3,546)	3,585
External Restrictions - Other				
Developer Contributions - General (B)	19,719	9,779	(6,480)	23,018
Specific Purpose Unexpended Grants (C)	502	906	(542)	866
Domestic Waste Management (D)	3,345	1,506	(1,732)	3,119
Stormwater Management (D)	335	416	(298)	453
Development Assessment Acceleration Fund	1,068	31	(1,099)	-
Other	521	227	(235)	513
External Restrictions - Other	25,490	12,865	(10,386)	27,969
Total External Restrictions	32,436	13,050	(13,932)	31,554

Camden Council

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

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

2013 \$000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
Internal Restrictions				
Plant & Vehicle Replacement	712	858	-	1,570
Employees Leave Entitlement	1,564	743	(534)	1,773
Deposits, Retentions & Bonds	3,225	1,613	(590)	4,248
Camden Parking Reserve	121	-	-	121
Camden Town Centre Reserve	1,184	-	(51)	1,133
Capital Works Reserve	163	2,869	(2,913)	119
Central Administration Building Reserve	2,749	2,237	(1,667)	3,319
Cemetery Improvements	440	106	(30)	516
Commercial Waste Services	935	177	(8)	1,104
Community Infrastructure Renewal Program	600	1,228	(1,706)	122
DOP Loan Repayment Reserve	2,821	1,185	(250)	3,756
Elections Reserve	224	75	(299)	-
Engineering Services Deposits	180	14	(35)	159
Expenditure Revote Reserve	1,947	1,356	(996)	2,307
Family Day Care Trust	127	-	(80)	47
Public Appeals Reserve	36	-	-	36
Risk Management Reserve	243	-	-	243
Road Improvement Reserve	-	864	(864)	-
Sec 355 Committee Reserve	184	119	(22)	281
Water Savings Action Plan Reserve	33	20	-	53
Working Funds Reserve	1,261	3,712	(4,907)	66
General Fund Stormwater Reserve	452	59	(8)	503
Asset Renewal Reserve	-	143	-	143
Information Technology Reserve	-	152	-	152
Total Internal Restrictions	19,201	17,530	(14,960)	21,771
TOTAL RESTRICTIONS	51,637	30,580	(28,892)	53,325

- A Loan moneys which must be applied for the purposes for which the loans were raised.
- B Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).
- C Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)
- D Stormwater Management, Domestic Waste Management (DWM) & other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.

Camden Council

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

Note 7. Receivables

\$000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
Purpose					
Rates & Annual Charges		2,067	286	1,865	378
Interest & Extra Charges		145	79	173	78
Private Works		52	-	13	-
Accrued Revenues					
- Interest on Investments		465	-	601	-
Government Grants & Subsidies		1,100	-	654	-
Community Services Income		259	-	246	-
Deferred Debtors - Australand		-	-	502	-
Net GST Receivable		342	-	407	-
Employee Accounts		13	-	24	-
Health & Environment Inspections		42	-	33	-
Lease Rentals		3	-	5	-
Sec 94 Works in Kind Agreements		-	37,046	-	29,281
Road Works		64	-	-	-
Water/Electricity		99	-	256	-
Road And Maritime		-	-	112	-
Department of Planning		-	-	122	-
Endeavour Energy		-	-	302	-
Other Debtors - YMCA		106	-	-	-
Workers Compensation		177	-	-	-
Sale of Assets		105	-	-	-
Other Debtors		469	-	230	-
Total		5,508	37,411	5,545	29,737
less: Provision for Doubtful Debts					
Other Debtors		(46)	-	(30)	-
Total Provision for Doubtful Debts		(46)	-	(30)	-
TOTAL NET RECEIVABLES		5,462	37,411	5,515	29,737
Externally Restricted Receivables					
Domestic Waste Management		387	103	371	93
Stormwater Management		26	4	26	3
Other					
- Sec 94 Works in Kind Agreements		-	37,046	-	29,281
- Specific Purpose Grants		69	-	-	-
Total External Restrictions		482	37,153	397	29,377
Internally Restricted Receivables					
- Commercial Waste Reserve		7	1	16	5
- Capital Works Reserve		2,653	-	607	-
- Working Funds Reserve		1,466	-	2,180	-
Internally Restricted Receivables		4,126	1	2,803	5
Unrestricted Receivables		854	257	2,315	355
TOTAL NET RECEIVABLES		5,462	37,411	5,515	29,737

Notes on Debtors above:

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates & charges at 10.00% (2012 11.00%).
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.
- (v) Works In Kind Agreements are brought to account upon signing of the Agreement. As assets are completed, they are capitalised within Council's financial statements, thus reducing the debtor. Assets yet to be received by Council remain in the debtor balance.

Camden Council

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

Note 8. Inventories & Other Assets

\$000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
Inventories					
Stores & Materials		364	-	400	-
Trading Stock		43	-	32	-
Total Inventories		407	-	432	-
Other Assets					
Prepayments		476	-	708	-
Information Technology Holding Account		152	-	-	-
Total Other Assets		628	-	708	-
TOTAL INVENTORIES / OTHER ASSETS		1,035	-	1,140	-
Externally Restricted Assets					
There are no restrictions applicable to the above assets.					
Domestic Waste Management					
Stores & Materials		12	-	21	-
Total Domestic Waste Management		12	-	21	-
Total Externally Restricted Assets		12	-	21	-
Total Unrestricted Assets		1,023	-	1,119	-
TOTAL INVENTORIES & OTHER ASSETS		1,035	-	1,140	-

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

Note 9a. Infrastructure, Property, Plant & Equipment

	as at 30/6/2012						Asset Movements during the Reporting Period						as at 30/6/2013			
	At Cost	At Fair Value	Accumulated Dep'n	Carrying Value	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Revaluation Decrements to Equity (ARR)	Revaluation Increments to Equity (ARR)	At Cost	At Fair Value	Accumulated Dep'n	Accumulated Impairment	Carrying Value		
\$ 000																
Capital Work in Progress	19,634	-	-	19,634	867	-	-	-	-	20,501	-	-	-	20,501		
Plant & Equipment	-	13,450	8,416	5,034	1,106	(59)	(1,399)	-	-	-	13,372	8,689	-	4,683		
Office Equipment	-	3,160	2,717	443	276	-	(172)	-	-	-	3,436	2,888	-	548		
Furniture & Fittings	-	1,321	1,172	149	52	-	(40)	-	-	-	1,372	1,212	-	160		
Land:																
- Operational Land	-	59,348	-	59,348	3,885	-	-	24,538	-	-	87,771	-	-	87,771		
- Community Land	-	92,869	-	92,869	5,027	-	-	-	-	-	97,896	-	-	97,896		
- Land under Roads (post 30/6/08)	-	33,268	-	33,268	3,913	-	-	-	-	-	37,181	-	-	37,181		
Land Improvements - depreciable	-	47,296	7,850	39,446	133	-	(222)	-	-	-	47,443	8,085	-	39,358		
Buildings - Non Specialised	-	2,871	904	1,967	-	-	(63)	(1,550)	-	-	1,376	1,021	-	355		
Buildings - Specialised	-	54,285	24,513	29,772	581	-	(1,713)	13,684	-	-	78,546	36,222	-	42,324		
Other Structures	-	4,951	2,429	2,522	635	(109)	(869)	-	-	-	5,385	3,205	-	2,180		
Infrastructure:																
- Roads, Bridges, Footpaths	-	383,265	73,847	309,418	32,761	(1,975)	(7,984)	-	-	-	413,299	81,080	-	332,219		
- Bulk Earthworks (non-depreciable)	-	15,493	-	15,493	-	-	-	-	-	-	15,493	-	-	15,493		
- Stormwater Drainage	-	194,197	28,921	165,276	15,079	-	(2,079)	-	-	-	209,276	31,000	-	178,276		
Other Assets:																
- Library Books	-	2,879	2,036	843	168	-	(141)	-	-	-	2,877	2,007	-	870		
- Other	-	4,007	3,413	594	236	-	(172)	-	-	-	4,240	3,583	-	657		
TOTAL INFRASTRUCTURE,	19,634	912,660	156,218	776,076	64,719	(2,143)	(14,854)	38,222	(1,550)	20,501	1,018,963	178,992	-	860,472		
PROPERTY, PLANT & EQUIP.																

Camden Council

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

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

\$ 000 Class of Asset	Actual 2013				Actual 2012			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
Domestic Waste Management								
Plant & Equipment	-	7,875	5,636	2,239	-	6,931	4,050	2,881
Land								
- Operational Land	-	1,657	-	1,657	-	644	-	644
- Improvements - depreciable	-	-	-	-	-	100	78	22
Buildings	-	1,167	633	534	-	458	233	225
Total DWM	-	10,699	6,269	4,430	-	8,133	4,361	3,772
TOTAL RESTRICTED I,PP&E	-	10,699	6,269	4,430	-	8,133	4,361	3,772

Camden Council

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

Note 10a. Payables, Borrowings & Provisions

\$000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - operating expenditure		1,817	-	3,094	-
Payments Received In Advance		364	-	589	-
Accrued Expenses:					
- Borrowings		2	-	2	-
- Salaries & Wages		1	-	420	-
Security Bonds, Deposits & Retentions		3,884	-	3,092	-
Section 94 - Retention Bonds		495	-	495	-
Total Payables		6,563	-	7,692	-
Borrowings					
Loans - Secured ^{1,2}		1,921	12,633	1,664	13,963
Total Borrowings		1,921	12,633	1,664	13,963
Provisions					
Employee Benefits;					
Annual Leave		2,293	-	2,095	-
Long Service Leave		5,376	301	5,032	350
Sub Total - Aggregate Employee Benefits		7,669	301	7,127	350
Total Provisions		7,669	301	7,127	350
Total Payables, Borrowings & Provisions		16,153	12,934	16,483	14,313
(i) Liabilities relating to Restricted Assets					
		2013		2012	
		Current	Non Current	Current	Non Current
Externally Restricted Assets					
Domestic Waste Management		76	-	79	-
Section 94 - Retention Bonds		495	-	495	-
Liabilities relating to externally restricted assets		571	-	574	-
Total Liabilities relating to restricted assets		571	-	574	-
Total Liabilities relating to Unrestricted Assets		15,582	12,934	15,909	14,313
TOTAL PAYABLES, BORROWINGS & PROVISIONS		16,153	12,934	16,483	14,313

¹ Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 15.

² Loans are represented at the fair value, however, the face value of the loans are shown in Schedule 2(a).

Camden Council

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

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

\$000	Actual 2013	Actual 2012
(ii) Current Liabilities not anticipated to be settled within the next 12 months		
The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions - Employees Benefits	5,779	5,406
Payables - Security Bonds, Deposits & Retentions	3,023	1,640
	8,802	7,046

Note 10b. Description of and movements in Provisions

Class of Provision	2012			2013		Closing Balance as at 30/6/13
	Opening Balance as at 1/7/12	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	
Annual Leave	2,095	1,673	(1,475)	-	-	2,293
Long Service Leave	5,382	829	(514)	(20)	-	5,677
TOTAL	7,477	2,502	(1,989)	(20)	-	7,970

Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

Camden Council

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

Note 11. Statement of Cash Flows - Additional Information

\$000	Notes	Actual 2013	Actual 2012
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	69	1,917	3,512
BALANCE as per the STATEMENT of CASH FLOWS		1,917	3,512
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities			
Net Operating Result from Income Statement		58,103	71,097
Adjust for non cash items:			
Depreciation & Amortisation		14,272	13,322
Net Losses/(Gains) on Disposal of Assets		1,781	2,117
Non Cash Capital Grants and Contributions		(56,497)	(61,736)
- Favourable Financial Liabilities (ie. Initial Recognition at Fair Value)		-	(4,948)
- Interest Exp. on Interest Free Loans received by Council (previously Fair Valued)		600	1,101
+/- Movement in Operating Assets and Liabilities & Other Cash Items:			
Decrease/(Increase) in Receivables		(7,637)	(12,642)
Increase/(Decrease) in Provision for Doubtful Debts		16	8
Decrease/(Increase) in Inventories		25	(7)
Decrease/(Increase) in Other Assets		80	(159)
Increase/(Decrease) in Payables		(1,277)	1,286
Increase/(Decrease) in accrued Interest Payable		-	1
Increase/(Decrease) in other accrued Expenses Payable		(419)	112
Increase/(Decrease) in Other Liabilities		567	(695)
Increase/(Decrease) in Employee Leave Entitlements		493	56
NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS		10,107	8,913
(c) Non-Cash Investing & Financing Activities			
S94 Contributions "in kind"		8,401	9,965
Other Dedications		48,096	51,771
Total Non-Cash Investing & Financing Activities		56,497	61,736
(d) Financing Arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdraft Facilities ⁽¹⁾		150	150
Credit Cards / Purchase Cards		390	380
Total Financing Arrangements		540	530

1. The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.
Interest rates on overdrafts are Interest Rates on Loans & Other Payables are disclosed in Note 15.

Camden Council

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

Note 12. Commitments for Expenditure

\$000	Notes	Actual 2013	Actual 2012
(a) Capital Commitments (exclusive of GST)			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Property, Plant & Equipment			
Infrastructure Assets		1,643	4,965
Total Commitments		1,643	4,965
These expenditures are payable as follows:			
Within the next year		1,643	4,965
Total Payable		1,643	4,965
Sources for Funding of Capital Commitments:			
Unrestricted General Funds		1,643	4,965
Total Sources of Funding		1,643	4,965

(b) Finance Lease Commitments**(c) Operating Lease Commitments (Non Cancellable)****a. Commitments under Non Cancellable Operating Leases at the Reporting date, but not recognised as Liabilities are payable:**

Within the next year	1,018	1,745
Later than one year and not later than 5 years	324	2,648
Total Non Cancellable Operating Lease Commitments	1,342	4,393

**b. Non Cancellable Operating Leases include the following assets:
Motor Vehicles, Photocopiers and Other Equipment****Conditions relating to Operating Leases:**

- All Operating Lease Agreements are secured only against the Leased Asset.
- No Lease Agreements impose any financial restrictions on Council regarding future debt etc.

Camden Council

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

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

\$000	Amounts	Indicator	Prior Periods	
	2013	2013	2012	2011
Local Government Industry Indicators - Consolidated				
1. Unrestricted Current Ratio				
Current Assets less all External Restrictions ⁽¹⁾	<u>28,116</u>	2.87 : 1	2.51	2.27
Current Liabilities less Specific Purpose Liabilities ^(2,3)	<u>9,803</u>			
2. Debt Service Ratio				
Debt Service Cost	<u>2,251</u>	3.88%	4.02%	4.96%
Income from Continuing Operations (excl. Capital Items & Specific Purpose Grants/Contributions)	<u>58,023</u>			
3. Rates & Annual Charges Coverage Ratio				
Rates & Annual Charges	<u>39,415</u>	30.43%	27.05%	31.24%
Income from Continuing Operations	<u>129,517</u>			
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual & Extra Charges Outstanding	<u>2,577</u>	6.10%	6.31%	6.79%
Rates, Annual & Extra Charges Collectible	<u>42,254</u>			
5. Building & Infrastructure Renewals Ratio				
Asset Renewals ⁽⁴⁾	<u>3,752</u>	31.69%	54.70%	37.71%
Depreciation, Amortisation & Impairment	<u>11,839</u>			

Notes

⁽¹⁾ Refer Notes 6-8 inclusive.

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

⁽²⁾ Refer to Note 10(a).

⁽³⁾ Refer to Note 10(a)(ii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).

⁽⁴⁾ Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance. Asset Renewals include building and infrastructure assets only.

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

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

<p>1. Unrestricted Current Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio : 1</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>1.95</td> </tr> <tr> <td>2011</td> <td>2.27</td> </tr> <tr> <td>2012</td> <td>2.51</td> </tr> <tr> <td>2013</td> <td>2.87</td> </tr> </tbody> </table>	Year	Ratio : 1	2010	1.95	2011	2.27	2012	2.51	2013	2.87	<p>Purpose of Unrestricted Current Ratio</p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 2.87 : 1</p> <p>This ratio has averaged 2.40:1 for the past 4 years. The industry benchmark is 1.50:1. The ratio has steadily improved from 1.95:1 in 2009/10 to 2.87:1 in 2012/13. The ratio indicates that for every \$1 of current liability Council has \$2.87 in current assets to fund that liability. This indicates that Council has sufficient cash reserves to satisfy its short term obligations such as creditors, loan repayments, payroll and leave entitlements.</p>
Year	Ratio : 1											
2010	1.95											
2011	2.27											
2012	2.51											
2013	2.87											
<p>2. Debt Service Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>5.56%</td> </tr> <tr> <td>2011</td> <td>4.96%</td> </tr> <tr> <td>2012</td> <td>4.02%</td> </tr> <tr> <td>2013</td> <td>3.88%</td> </tr> </tbody> </table>	Year	Ratio %	2010	5.56%	2011	4.96%	2012	4.02%	2013	3.88%	<p>Purpose of Debt Service Ratio</p> <p>To assess the impact of loan principal & interest repayments on the discretionary revenue of council.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 3.88%</p> <p>This ratio has averaged 4.60% for the past 4 years. The industry benchmark is less than 10% or less than 15% for a growing Council. The ratio has steadily improved from 5.56% in 2009/10 to 3.88% in 2012/13. This ratio indicates that Council is in a good position to service its current debt and take on more debt in the future in order to fund capital intensive projects such as the new administration building. The steady improvement in this ratio is predominately a result of Council's loan reduction program for "recurrent borrowing".</p>
Year	Ratio %											
2010	5.56%											
2011	4.96%											
2012	4.02%											
2013	3.88%											
<p>3. Rates & Annual Charges Coverage Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>26.39%</td> </tr> <tr> <td>2011</td> <td>31.24%</td> </tr> <tr> <td>2012</td> <td>27.05%</td> </tr> <tr> <td>2013</td> <td>30.43%</td> </tr> </tbody> </table>	Year	Ratio %	2010	26.39%	2011	31.24%	2012	27.05%	2013	30.43%	<p>Purpose of Rates & Annual Charges Coverage Ratio</p> <p>To assess the degree of Council's dependence upon revenue from rates and annual charges and to assess the security of Council's income.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 30.43%</p> <p>This ratio has averaged 28.78% for the past 4 years. The industry benchmark is greater than 60%. The ratio has fluctuated since 2009/10 from 26.39% to 30.43% in 2012/13. This ratio would indicate that Council does not generate enough income from rates and annual charges and has a very high reliance on other sources of income to fund its operations. This ratio is poor as a result of the high volume of non-cash income (\$56.5 million) Council receives from the dedication of assets. If non-cash dedications are removed from total ordinary income Council's ratio increases to 53.97% which is a more realistic indication of Council financial position and reliance on other sources of income.</p>
Year	Ratio %											
2010	26.39%											
2011	31.24%											
2012	27.05%											
2013	30.43%											
<p>4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>6.16%</td> </tr> <tr> <td>2011</td> <td>6.79%</td> </tr> <tr> <td>2012</td> <td>6.31%</td> </tr> <tr> <td>2013</td> <td>6.10%</td> </tr> </tbody> </table>	Year	Ratio %	2010	6.16%	2011	6.79%	2012	6.31%	2013	6.10%	<p>Purpose of Rates & Annual Charges Outstanding Ratio</p> <p>To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 6.10%</p> <p>This ratio has averaged 6.34% for the past 4 years. The industry benchmark is less than 5%. The ratio has fluctuated over 4 years but has steadily improved from 6.16% in 2009/10 to 6.10% in 2012/13. Council has a policy of not taking legal action against pensioners for unpaid rates and annual charges, upon removing the amount outstanding for pensioners the ratio further decreases to 4.68%. Council has sound recovery processes including a third party recovery agent who complies with the DLG guidelines for the recovery of outstanding rates and annual charges. Council also allows all ratepayers the opportunity to make arrangements where their economic situation makes its difficult to pay their rates within 12 months.</p>
Year	Ratio %											
2010	6.16%											
2011	6.79%											
2012	6.31%											
2013	6.10%											
<p>5. Building & Infrastructure Renewals Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>69.40%</td> </tr> <tr> <td>2011</td> <td>37.71%</td> </tr> <tr> <td>2012</td> <td>54.70%</td> </tr> <tr> <td>2013</td> <td>31.69%</td> </tr> </tbody> </table>	Year	Ratio %	2010	69.40%	2011	37.71%	2012	54.70%	2013	31.69%	<p>Purpose of Asset Renewals Ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on 2012/13 Result</p> <p>2012/13 Ratio 31.69%</p> <p>This ratio has averaged 48.38% for the past 4 years. The industry benchmark is better than 100%. The ratio has varied over 4 years predominately a result of asset revaluations that have had material impacts on the value of depreciation used to calculate this ratio (the higher the depreciation the more you need to spend on asset renewal). The ratio improved in 2011/12 due to major renewal works undertaken as part of the Lodges Road and Hilder St upgrade. Council continues to monitor its asset renewal backlog and look for ways to improve this ratio over the long-term. Council has not ignored its responsibility for asset renewal by applying for Special Rate Variations and endorsing the creation of an asset renewal reserve to provide for asset renewal in the future.</p>
Year	Ratio %											
2010	69.40%											
2011	37.71%											
2012	54.70%											
2013	31.69%											

Camden Council

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

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

\$ '000	Water 2013	Sewer 2013	General ¹ 2013
Local Government Industry Indicators - by Fund			
1. Unrestricted Current Ratio			
Current Assets less all External Restrictions ⁽¹⁾	n/a	n/a	2.87 : 1
Current Liabilities less Specific Purpose Liabilities ^(2,3)			
2. Debt Service Ratio			
Debt Service Cost	n/a	n/a	3.88%
Income from Continuing Operations (excl. Capital Items & Specific Purpose Grants/Contributions)			
3. Rates & Annual Charges Coverage Ratio			
Rates & Annual Charges	n.a	n/a	30.43%
Income from Continuing Operations			
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage			
Rates, Annual & Extra Charges Outstanding	n/a	n/a	6.10%
Rates, Annual & Extra Charges Collectible			
5. Building & Infrastructure Renewals Ratio			
Asset Renewals (Building & Infrastructure assets)	n/a	n/a	31.69%
Depreciation, Amortisation & Impairment			

Notes

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

Camden Council

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

Note 14. Investment Properties

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

Note 15. Financial Risk Management

Risk Management

Council's activities expose it to a variety of financial risks including (1) price risk, (2) credit risk, (3) liquidity risk and (4) interest rate risk. The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

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

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

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

	Carrying Value		Fair Value	
	2013	2012	2013	2012
Financial Assets				
Cash and Cash Equivalents	1,917	3,512	1,917	3,512
Investments				
- "Held to Maturity"	51,750	49,000	51,750	49,000
Receivables	42,873	35,252	42,873	35,252
Total Financial Assets	96,540	87,764	96,540	87,764
Financial Liabilities				
Payables	6,199	7,103	6,199	7,103
Loans	17,801	19,474	14,554	15,627
Total Financial Liabilities	24,000	26,577	20,753	22,730

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates market value.
- **Borrowings & Held to Maturity Investments** - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) "at fair value through profit & loss" or (ii) **Available for Sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Fair Value Hierarchy

The fair value of financial instruments carried at fair value have been classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Arriving at fair values for financial assets & liabilities can be broken up into 3 distinct measurement hierarchies:

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)

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

The following table presents the financial assets and financial liabilities that have been measured & recognised at fair values:

2013	Level 1	Level 2	Level 3	Total
Financial Liabilities				
- Loans	14,554	-	-	14,554
Total Financial Liabilities	14,554	-	-	14,554
2012				
Financial Liabilities				
- Loans	15,627	-	-	15,627
Total Financial Liabilities	15,627	-	-	15,627

Camden Council

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

Note 15. Financial Risk Management (continued)

\$000

(b) Cash & Cash Equivalents, Financial assets 'at fair value through the profit & Loss'
"Available-for-sale" financial assets & "Held-to-maturity" Investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's Finance area manages the Cash & Investments portfolio with the assistance of independent advisors.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and its staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

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

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

A further risk associated with Cash & Investments is credit risk - the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

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

Council also seeks advice from independent advisers before placing any funds in Cash Equivalents & Investments.

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
2013				
Possible impact of a 1% movement in Interest Rates	581	581	(581)	(581)
2012				
Possible impact of a 1% movement in Interest Rates	711	711	(711)	(711)

Camden Council

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

Note 15. Financial Risk Management (continued)

\$000

(c) Receivables

Council's major receivables comprise (i) Rates & Annual charges and (ii) User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates & annual charges at higher than market rates which further encourages the payment of debt.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

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

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

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	2013	2013	2012	2012
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
(i) Ageing of Receivables				
Current (not yet overdue)	2,067	3,441	1,865	3,680
Past due by more than 1 year	286	37,125	378	29,359
	2,353	40,566	2,243	33,039

(ii) Movement in Provision for Impairment
of Receivables

	2013	2012
Balance at the beginning of the year	30	22
+ new provisions recognised during the year	16	8
Balance at the end of the year	46	30

Camden Council

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

Note 15. Financial Risk Management (continued)

\$000

(d) Payables & Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended & overdraft facilities utilised as required.

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

\$000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
2013									
Trade/Other Payables	4,379	1,820	-	-	-	-	-	6,199	6,199
Loans & Advances	-	1,921	2,208	2,633	2,784	2,801	5,454	17,801	14,554
Total Financial Liabilities	4,379	3,741	2,208	2,633	2,784	2,801	5,454	24,000	20,753
2012									
Trade/Other Payables	3,587	3,516	-	-	-	-	-	7,103	7,103
Loans & Advances	-	1,664	1,920	2,208	2,633	2,784	8,264	19,473	15,627
Total Financial Liabilities	3,587	5,180	1,920	2,208	2,633	2,784	8,264	26,576	22,730

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

The following interest rates were applicable to Council's Borrowings at balance date:

	2013		2012	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	6,199	0.0%	7,103	0.0%
Loans & Advances - Fixed Interest Rate	14,554	6.8%	15,627	6.6%
	20,753		22,730	

Camden Council

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

Note 16. Material Budget Variations

\$000

Council's Original Financial Budget for 12/13 was adopted by the Council on 26 June 2013.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

Note that for Variations* of Budget to Actual :

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

F = Favourable Budget Variation, U = Unfavourable Budget Variation

\$000	2013 Budget	2013 Actual	2013 ----- Variance* -----		
REVENUES					
User Charges & Fees	9,739	11,652	1,913	20%	F
The actual user charges and fees received exceeded the budget by \$1,913K (F) (20%) mainly due to increases in development activity in the Camden LGA and increase in leisure centre operating revenues. Building and Town Planning revenues increased by \$1,190 K, Leisure Centre revenues increased by \$328 K and Community Services revenue by \$395 K.					
Interest & Investment Revenue	1,882	2,744	862	46%	F
The Interest received was over budget by \$862K (F) (46%). This was mainly due higher interest rate achieved than was budgeted and some planned capital expenditures were delayed resulting in a higher level of funds being available for investment during the year.					
Other Revenues	2,323	1,267	(1,056)	(45%)	U
Other Revenues received was less than the budget by \$1,056K (U) (45%) mainly due to incomes budgeted under Other Revenues but the actuals received were reclassified to Operating Grants & Contributions.					
Operating Grants & Contributions	5,131	7,687	2,556	50%	F
Actual amounts for Operating Grants & Contributions received exceeded the budget by \$2,556K (F) (50%). Additional grant funding was received for Financial Assistance \$1,337K, additional budget allocation of \$1,056K to Other Revenues (rather than Operating Grants) and other increases in Community Facilities.					
Capital Grants & Contributions	23,481	66,752	43,271	184%	F
Actual amounts for Capital Grants & Contributions received exceeded the budget by \$43,271K (F) (184%) due to grants and contributions received during the year that were not known at the time of preparing the original budget. The increases were mainly for Dedicated Roads \$27,007K, and Dedicated Drainage \$16,194K.					

Camden Council

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

Note 16. Material Budget Variations (continued)

\$000	2013 Budget	2013 Actual	2013 ----- Variance* -----	
EXPENSES				
Borrowing Costs	758	1,178	(420)	(55%) U
Actual borrowing cost was more than the budget by \$420 (U) (55%) mainly due to the amortisation of the interest free loan by \$600K. Further details are available in note 4(b).				
Other Expenses	4,184	8,528	(4,344)	(104%) U
Other Expenses exceeded the budget by \$4,344K (U) (104%) mainly due to contributions towards upgrade of Lodges Road \$2,680K and Street Lighting expense \$1,330K was budgeted under Materials & Contracts and actual expense reflected under Other Expenses. Other increases were in utility expenses.				
Net Losses from Disposal of Assets	-	1,781	(1,781)	0% U
Disposal of assets consisted of a profit from sale of plant and equipment of \$303K, combined with a loss on disposal of infrastructure assets of approximately \$2,054K. This loss was predominantly attributable to the write-off of the road surface upon renewal of the asset.				

Note 17. Statement of Developer Contributions

\$'000

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

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

SUMMARY OF CONTRIBUTIONS & LEVIES

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	6,658	1,012	1,284	363	(1,284)	-	8,033	143,995	(152,011)	17	17
Roads	1,027	1,282	4,417	(53)	(9,804)	-	(3,131)	134,363	(126,889)	4,343	4,343
Traffic Facilities	817	55	-	42	(14)	-	900	6,246	(7,146)	-	-
Parking	(31)	-	-	(1)	-	-	(32)	17,719	(17,687)	-	-
Open Space	7,727	2,501	2,453	428	(2,453)	-	10,656	78,588	(93,604)	(4,360)	(4,360)
Community Facilities	4,399	3,133	247	265	(1,117)	-	6,927	84,207	(91,134)	-	-
Other	(535)	390	-	(21)	(176)	-	(342)	10,405	(10,063)	-	-
S94 Contributions - under a Plan	20,062	8,373	8,401	1,023	(14,848)	-	23,011	475,523	(498,534)	-	-
Total S94 Revenue Under Plans	20,062	8,373	8,401	1,023	(14,848)	-	23,011				-
S94 not under Plans	103	-	-	5	-	-	108	-	(108)	-	-
S93F Planning Agreements	49	367	3,597	11	(3,630)	-	394	196,313	(196,707)	-	-
S64 Contributions	-	-	-	-	-	-	-	-	-	-	-
Total Contributions	20,214	8,740	11,998	1,039	(18,478)	-	23,513	671,836	(695,349)	-	-

Note 17. Statement of Developer Contributions (continued)

\$000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN - MANAGEMENT & PROVISION OF INFRASTRUCTURE IN LGA

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	2,903	949	1,284	173	(1,284)	-	4,025	87,263	(91,271)	17	17
Roads	(433)	1,276	4,417	(126)	(9,752)	-	(4,618)	92,761	(83,664)	4,479	4,479
Traffic Facilities	12	925	-	45	(14)	-	968	5,517	(6,485)	-	-
Parking	(31)	-	-	(1)	-	-	(32)	17,719	(17,687)	-	-
Open Space	2,706	2,251	2,453	180	(2,453)	651	5,788	59,380	(65,166)	-	-
Community Facilities	2,398	3,051	247	162	(1,117)	-	4,741	78,221	(82,962)	-	-
Other	(720)	320	-	(32)	(153)	-	(585)	9,964	(9,379)	-	-
Total	6,835	8,772	8,401	401	(14,773)	651	10,287	350,825	(356,616)	4,496	4,496

CONTRIBUTION PLAN NO 3 - UPPER NARELLAN CREEK (TRUNK DRAINAGE & WATER QUALITY FACILITIES)

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	2,045	63	-	104	-	-	2,212	7,974	(10,186)	-	-
Roads	-	-	-	-	-	-	-	-	-	-	-
Traffic Facilities	-	-	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	-	-	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total	2,045	63	-	104	-	-	2,212	7,974	(10,186)	-	-

Camden Council

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

Note 17. Statement of Developer Contributions (continued)

\$000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NO 5 - TRUND DRAINAGE CATHERINEFIELD - PRECINCT 3

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	93	-	-	5	-	-	98	245	(343)	-	-
Roads	-	-	-	-	-	-	-	-	-	-	-
Traffic Facilities	-	-	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	-	-	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total	93	-	-	5	-	-	98	245	(343)	-	-

CONTRIBUTION PLAN NO 6 - REHABILITATION & MANAGEMENT - ELDERSLIE SAND & SOIL DEPOSITS

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	-	-	-	-	-	-	-	-	-	-	-
Roads	(1,140)	-	-	(57)	-	-	(1,197)	1,197	-	-	-
Traffic Facilities	-	-	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	2,189	-	-	110	-	-	2,299	-	(6,659)	(4,360)	(4,360)
Community Facilities	(368)	-	-	(19)	-	-	(387)	387	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total	681	-	-	34	-	-	715	1,584	(6,659)	(4,360)	(4,360)

Camden Council

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

Note 17. Statement of Developer Contributions (continued)

\$000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NO 7 - ROAD MAINTENANCE - EXTRACTIVE INDUSTRIES

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	-	-	-	-	-	-	-	-	-	-	-
Roads	702	-	-	35	(52)	-	685	-	(685)	-	-
Traffic Facilities	-	-	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	-	-	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total	702	-	-	35	(52)	-	685	-	(685)	-	-

CONTRIBUTION PLAN NO 8 - NARELLAN RELEASE AREA: PRIMARY & SECONDARY ROUNDABOUTS

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	-	-	-	-	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-	-	-	-	-
Traffic Facilities	872	(872)	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	-	-	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total	872	(872)	-	-	-	-	-	-	-	-	-

Note 17. Statement of Developer Contributions (continued)

\$000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NO 11 - SMEATON GRANGE ROADWORKS

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	-	-	-	-	-	-	-	-	-	-	-
Roads	250	-	-	13	-	-	263	7,205	(7,468)	-	-
Traffic Facilities	-	-	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	-	-	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total	250	-	-	13	-	-	263	7,205	(7,468)	-	-

CONTRIBUTION PLAN NO 16 - ELLIS LANE / GRASMERE DEVELOPMENT

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	-	-	-	-	-	-	-	-	-	-	-
Roads	446	6	-	22	-	-	474	-	(610)	(136)	(136)
Traffic Facilities	128	-	-	6	-	-	134	-	(134)	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	-	-	-	-	-	-	-	-	-	-	-
Community Facilities	85	-	-	4	-	-	89	-	(89)	-	-
Other	(57)	2	-	(2)	-	-	(57)	71	(14)	-	-
Total	602	8	-	30	-	-	640	71	(847)	(136)	(136)

Camden Council

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

Note 17. Statement of Developer Contributions (continued)

\$000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN NO 17 - NARELLAN TOWN CENTRE

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	-	-	-	-	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-	-	-	-	-
Traffic Facilities	(195)	2	-	(9)	-	-	(202)	729	(527)	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	862	7	-	43	-	-	912	1,406	(2,318)	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-	-
Other	465	50	-	24	(23)	-	516	-	(516)	-	-
Total	1,132	59	-	58	(23)	-	1,226	2,135	(3,361)	-	-

CONTRIBUTION PLAN NO 18 - HARRINGTON PARK RELEASE AREA (COMMUNITY & RECREATION FACILITIES)

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	-	-	-	-	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-	-	-	-	-
Traffic Facilities	-	-	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	389	179	-	27	-	-	595	-	(595)	-	-
Community Facilities	(44)	-	-	(2)	-	-	(46)	46	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total	345	179	-	25	-	-	549	46	(595)	-	-

Camden Council

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

Note 17. Statement of Developer Contributions (continued)

\$000

CONTRIBUTION PLAN - ORAN PARK AND TURNER ROAD PRECINCTS

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	1,617	-	-	81	-	-	1,698	48,513	(50,211)	-	-
Roads	1,202	-	-	60	-	-	1,262	33,200	(34,462)	-	-
Traffic Facilities	-	-	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	1,581	64	-	68	-	(651)	1,062	17,802	(18,864)	-	-
Community Facilities	1,960	82	-	101	-	-	2,143	5,940	(8,083)	-	-
Other	145	18	-	8	-	-	171	(17)	(154)	-	-
Total	6,505	164	-	318	-	(651)	6,336	105,438	(111,774)	-	-

S93F LEVIES - UNDER A PLANNING AGREEMENT

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	-	-	1,272	-	(1,272)	-	-	17,428	(17,428)	-	-
Roads	-	-	72	-	(72)	-	-	27,267	(27,267)	-	-
Traffic Facilities	-	-	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	-	119	-	3	-	-	122	69,407	(69,529)	-	-
Community Facilities	-	177	2,253	4	(2,253)	-	181	81,476	(81,657)	-	-
Other	49	71	-	4	(33)	-	91	735	(826)	-	-
Total	49	367	3,597	11	(3,630)	-	394	196,313	(196,707)	-	-

Camden Council

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

Note 17. Statement of Developer Contributions (continued)

\$000

S94 CONTRIBUTIONS - NOT UNDER A PLAN

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Drainage	18	-	-	1	-	-	19	-	(19)	-	-
Roads	-	-	-	-	-	-	-	-	-	-	-
Traffic Facilities	-	-	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-	-	-
Open Space	49	-	-	2	-	-	51	-	(51)	-	-
Community Facilities	36	-	-	2	-	-	38	-	(38)	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Total	103	-	-	5	-	-	108	-	(108)	-	-

Camden Council

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

Note 18. Contingencies & Other Assets/Liabilities Not Recognised

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

LIABILITIES NOT RECOGNISED:

Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

Member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category with member Councils required to make significantly higher contributions in future years.

The position is monitored annually and the Actuary has estimated that as at 30 June 2013 a deficit still exists. The share of this deficit that can be broadly attributed to the Council was estimated to be in the order of \$1.2 million as at 30 June 2013.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable - similar to the accounting for Defined Contributions Plans.

S94 Plans

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

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

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

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

(iv) Other Guarantees

Council has provided no other Guarantees other than those listed above.

Third Party Claims

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

As at 30 June 2013 Council has one contingent liability for Insurance Claims amounting to \$19,995.

Camden Council

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

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

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

Council has no interest in any Subsidiaries.

(b) Associated Entities & Joint Venture Entities

Council has no interest in any Associated Entities & Joint Venture Entities.

(c) Joint Venture Operations

Council has no interest in any Joint Venture Operations.

Camden Council

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

Note 20. Equity - Retained Earnings and Revaluation Reserves

(a) Retained Earnings

Movements in Retained Earnings were as follows:

Balance at beginning of Year (from previous years audited accounts)	542,753	471,656
a. Net Operating Result for the Year	58,103	71,097
Balance at End of the Reporting Period	600,856	542,753

(b) Reserves

(i) Reserves are represented by:

- Infrastructure, Property, Plant & Equipment Revaluation Reserve	328,104	291,431
Total	328,104	291,431

(ii) Reconciliation of movements in Reserves:**Infrastructure, Property, Plant & Equipment Revaluation Reserve**

- Opening Balance	291,431	298,365
- Revaluations: Operational Land	9(a) 24,538	-
- Revaluations: Buildings	9(a) 12,135	-
- Revaluations: Land Under Roads	-	(6,934)
- Balance at End of Year	328,104	291,431

TOTAL VALUE OF RESERVES

328,104	291,431
----------------	----------------

(iii) Nature & Purpose of Reserves**Infrastructure, Property, Plant & Equipment Revaluation Reserve**

- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.

Camden Council

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 21. Financial Result & Financial Position by Fund

Income Statement by Fund	Actual	Actual	Actual	Actual
\$ '000	2013	2013	2013	2013

Council utilises only a General Fund for its operations.

<u>Continuing Operations</u>	Other	Water	Sewer	General ¹
Income from Continuing Operations				
Rates & Annual Charges		-	-	39,415
User Charges & Fees		-	-	11,652
Interest & Investment Revenue		-	-	2,744
Other Revenues		-	-	1,267
Grants & Contributions provided for Operating Purposes		-	-	7,687
Grants & Contributions provided for Capital Purposes		-	-	66,752
Total Income from Continuing Operations	-	-	-	129,517
Expenses from Continuing Operations				
Employee Benefits & on-costs		-	-	27,376
Borrowing Costs		-	-	1,178
Materials & Contracts		-	-	18,279
Depreciation & Amortisation		-	-	14,272
Other Expenses		-	-	8,528
Net Losses from the Disposal of Assets		-	-	1,781
Total Expenses from Continuing Operations	-	-	-	71,414
Operating Result from Continuing Operations	-	-	-	58,103
Net Operating Result for the Year	-	-	-	58,103
Net Operating Result attributable to each Council Fund	-	-	-	58,103
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes	-	-	-	(8,649)

¹ General Fund refers to all Council's activities other than Water, Sewer & Other

NB. All amounts disclosed above are Gross - that is, they include internal charges & recoveries made between the Funds.

Camden Council

Notes to the Financial Statements

as at 30 June 2013

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

Statement of Financial Position by Fund \$ '000	Actual 2013	Actual 2013	Actual 2013	Actual 2013
ASSETS	Other	Water	Sewer	General¹
Current Assets				
Cash & Cash Equivalents	-	-	-	1,917
Investments	-	-	-	46,550
Receivables	-	-	-	5,462
Inventories	-	-	-	407
Other	-	-	-	628
Total Current Assets	-	-	-	54,964
Non-Current Assets				
Investments	-	-	-	5,200
Receivables	-	-	-	37,411
Infrastructure, Property, Plant & Equipment	-	-	-	860,472
Total Non-Current Assets	-	-	-	903,083
TOTAL ASSETS	-	-	-	958,047
LIABILITIES				
Current Liabilities				
Payables	-	-	-	6,563
Borrowings	-	-	-	1,921
Provisions	-	-	-	7,669
Total Current Liabilities	-	-	-	16,153
Non-Current Liabilities				
Borrowings	-	-	-	12,633
Provisions	-	-	-	301
Total Non-Current Liabilities	-	-	-	12,934
TOTAL LIABILITIES	-	-	-	29,087
Net Assets	-	-	-	928,960
EQUITY				
Retained Earnings	-	-	-	600,856
Revaluation Reserves	-	-	-	328,104
Council Equity Interest	-	-	-	928,960
Total Equity	-	-	-	928,960

Camden Council

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

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

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

Note 23. Events occurring after the Reporting Period

Events that occur between the end of the reporting period (ending 30 June 2013) and the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 08/10/13.

Council is aware of the following "non-adjusting events" that merit disclosure;

Note 24. Discontinued Operations

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

Note 25. Intangible Assets

Intangible Assets represent identifiable non-monetary asset without physical substance.

Council is unaware of any control over Intangible Assets that warrant recognition in the Financial Statements, including either internally generated and developed assets or purchased assets.

Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

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



PITCHER PARTNERS

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CAMDEN COUNCIL

Independent Audit Report to the Council

General Purpose Financial Statements for the Year ended 30 June 2013

Report on the Financial Report

We have audited the general purpose financial statements of Camden Council, which comprises the Balance Sheet as at 30 June 2013, Statement by Councillors and Management, and the Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, a summary of significant accounting policies and other explanatory notes.

Council's Responsibilities for the Financial Statements

Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the statutory requirements under the Local Government Act, 1993, and for such internal control that Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on the financial statements based on our audit. Our audit responsibility does not extend to the Original Budget figures disclosed in the Income Statement and Cash Flow Statement, Notes 2(a), and 16 to the financial statements, estimated expenditure in note 17, additional Council disclosure notes, nor the attached Special Schedules.

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting

policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Camden Council as of 30 June 2013, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

Report on Other Legal and Regulatory Requirements

Council's Responsibilities for compliance with other legal and regulatory requirements

Council is responsible for ensuring compliance with the accounting and reporting requirements of Division 2 of Part 3, Chapter 12 of the Local Government Act, 1993. This responsibility includes maintaining such accounting records as are necessary to correctly record and explain its financial transactions and its financial position, and to facilitate convenient and proper auditing of its financial statements.

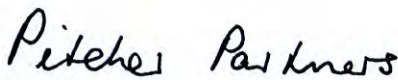
Auditor's Responsibilities under Section 417(2) of the Local Government Act, 1993

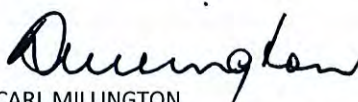
Our responsibility is to report on Council's compliance with the accounting and reporting requirements of the Local Government Act, 1993 and Local Government (General) Regulation 2005.

Auditors' Opinion on other legal and regulatory requirements

In our opinion:

- (a) The Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13, Part 3, Division 2 and the Local Government (General) Regulation 2005; and
- (b) the Council's general purpose financial statements
 - i) have been prepared in accordance with the requirements of this Division and Regulation;
 - ii) are consistent with the Council's accounting records;
 - iii) present fairly the Council's financial position and the results of its operations;
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that we have become aware of in the course of the audit.


PITCHER PARTNERS


CARL MILLINGTON
Partner

Sydney, 30 October 2013



PITCHER PARTNERS

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CAMDEN COUNCIL INDEPENDENT AUDITORS' REPORT ON THE CONDUCT OF THE AUDIT (Local Government Act, 1993 - Section 417(3)) YEAR ENDED 30 JUNE 2013

Camden Council has prepared general and special purpose financial reports for the year ended 30 June 2013 on which we issued separate audit reports to the Council dated 30 October 2013. This report has been prepared in accordance with the requirements of the Division of Local Government, and the provisions of Section 417(3) of the Local Government Act, 1993.

We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Council or the New South Wales Division of Local Government, or for any purpose other than that for which it was prepared.

Audit Conclusion

Our audit of the financial reports for the year ended 30 June 2013 resulted in unqualified independent audit reports for Council's General Purpose and Special Purpose Financial Statements.

Additional Audit Considerations and Comment

Income Statement

Summarised Income Statement

	2013 Actual	2013 Budget	* Budget	2012 Actual
	\$'000	\$'000	Variance %	\$'000
Operating result	58,103	15,767	268.51%F	71,097
Operating result before capital revenue	(8,649)	(7,714)	12.12%U	546
Rates & annual charges	39,415	39,560	0.37%U	36,672
Operating grants & contributions	7,687	5,131	49.82%F	8,023
Capital grants & contributions	66,752	23,481	184.28%F	70,551
Depreciation & amortisation	14,272	15,108	5.53%F	13,322

* Detailed explanations for material favourable (F) and unfavourable (U) budget variations are provided in Note 16 to the financial statements

Operating Result. Council's operating surplus decreased from \$71.097M in 2012 to \$58.103M in 2013. This compared with a budgeted surplus of \$15.767M for the year. The most significant variations impacting the operating result were grants and contributions provided for capital purposes.

Operating Result before Capital. The operating result before Capital grants and contributions was a deficit of \$8.649M compared with the prior year surplus of \$546K. This compared with the original budget deficit of \$7.714M.

Rates and Annual Charges. Revenue from rates and annual charges increased to \$39.415M from \$36.672M in the prior year, and was within 0.5% of budget for the 2013 year.

Grants and Contributions. Operating grants and contributions for the year totalled \$7.687M and represented 5.94% of total income from continuing operations. This compares with budget of \$5.131M.

Capital grants and contributions amounted to \$66.752M for the 2013 year and represented 51.54% of total income from continuing operations. This compares with budget of \$23.481M.

Depreciation. Included in the operating result was \$14.272M for the depreciation and amortisation of infrastructure, property, plant and equipment which increased from \$13.322M in the prior year and compared with the original budget of \$15.108M. Depreciation and amortisation represents 19.98% (2012: 20.70%) of total expenses and 11.02% (2012: 9.83%) of total income for the year. This is a continuation of the increased depreciation expense experienced in recent years as a result of the introduction of the "Fair Value" model.

Statement of Financial Position

Council's equity at 30 June 2013 amounted to \$928.960M comprised of retained earnings, and reserves arising from revaluation of infrastructure assets in prior years.

The most significant impact on retained earnings during 2013 was operating surplus of \$58.103M.

At balance date Council had not utilised any of its bank overdraft facility.

Movements in Cash and Cash Equivalents

Summarised Statement of Cash Flows

Activities	2013 Actual \$'000	2013 Budget \$'000	* Budget Variance %	2012 Actual \$'000
Net cash flows from operations	10,107	13,047	22.53%U	8,913
Net cash flows from investing	(10,029)	(13,169)	23.84%F	(9,416)
Net cash flows from financing	(1,673)	(233)	618.03%U	(1,747)
Net movement in cash	(1,595)	(355)		(2,250)

* Detailed explanations for material budget variations are provided in Note 16 to the financial statements

Council's cash and cash equivalent balances decreased to a total of \$1.917M during the year, with \$10.107M being provided from operations, \$10.029M utilised in net investing activities for the acquisition and sale of non-current assets, and \$1.673M being utilised in net movements in borrowings and advances.

Total Investments and Cash Balances

Council's total cash balance at 30 June 2013 was comprised of the following:

	2013 \$'000	2012 \$'000
Externally restricted cash	31,554	32,436
Internally restricted cash	21,771	19,201
Unrestricted cash	342	875
Total Cash, Cash Equivalents and Investments	53,667	52,512

Movements in externally restricted cash balances included the net reduction of \$3.361M in specific purpose unexpended loans, the net reduction of \$1.068M in development assessment acceleration funds and the net increase of \$3.299M in developer contributions.

Working Capital (Net Current Assets)

	2013 \$'000	2012 \$'000	2011 \$'000	2010 \$'000
Current assets	54,964	57,167	59,165	52,629
Current liabilities	16,153	16,483	15,354	14,527
Net current assets	38,811	40,684	43,811	38,102
Add: anticipated longer term liabilities	8,802	7,046	5,307	4,698
Adjusted net Current Assets	47,613	47,730	49,118	42,800
<i>Less: Working Capital Commitments</i>				
Net external restrictions	29,300	31,920	37,095	34,038
Unrestricted Working Capital	18,313	15,810	12,023	8,762

Council's balance of unrestricted working capital has increased from \$15.810M in 2012 to \$18.313M at the end of the 2013 financial year.

After taking into consideration Council's internal reserves, other liabilities that are anticipated to be funded from the 2013/14 operating budget and anticipated timing of rate revenues, Council's unrestricted working capital balance appears to provide a reasonable basis for funding the coming year's operations and is a continuation of the improvements experienced in the last three years.

Performance Indicators and Trends

Prescribed performance indicators are included in Note 13 to the financial report and provide a comparison of the 2013 year results with prior years.

	2013	2012	2011	2010
Unrestricted current ratio	2.87	2.51	2.27	1.95
Debt service ratio	3.88%	4.02%	4.96%	5.56%
Rate coverage ratio	30.43%	27.05%	31.24%	26.39%
Rates & annual charges outstanding ratio	6.10%	6.31%	6.79%	6.16%
Asset renewals ratio	31.69%	54.70%	37.71%	69.40%

Unrestricted Current Ratio. The ratio has continued the improvement experienced in recent years and remains above the industry benchmark of 2:1.

Debt Service Ratio. The debt service ratio is indicative of Councils current low debt levels and remains well below the industry benchmark of 10%

Rates and Annual Charges Coverage Ratio. Council's rates and annual charges revenue represented 30.43% of 2013 total revenue, again demonstrating the impact that increased developer and other capital contributions has on Council's operations.

Rates and Annual Charges Outstanding Percentage. The amount of rates uncollected at year end expressed as a percentage of the total rates and annual charges collectible was 6.1%. This is a slight improvement on the prior year, and continues the trend of gradual improvements experienced in recent years, but the ratio remains above the industry benchmark of 5%.

Asset Renewals Ratio. The ratio decreased from 54.7% in 2012 to 31.7% in the current year. This is below the industry guidelines of 100%. Council would have needed to spend an additional \$8.087M on infrastructure renewals to meet the current industry benchmark.

Legislative Compliance

As a result of our audit we advise that no material deficiencies in the accounting records or financial reports have come to our attention during the conduct of the audit, and that Council's accounting records have been kept accurately and conscientiously and in accordance with requirements of the Local Government Act, 1993, and Regulations.

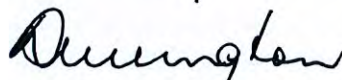
Council has complied with all statutory reporting requirements relating to Division 2 of Chapter 12 of the Local Government Act, 1993, the Code of Accounting Practice and Financial Reporting (Update 21), and other legislatively prescribed standards.

Conduct of the audit

During the conduct of our audit, a number of issues arose that required additional explanation and investigation, however we are able to report that all such issues have been appropriately attended to and there are no matters of audit significance, other than those already referred to in this report, that require mention in this or our statutory audit report.

We would like to commend the courteous and professional manner in which Council's staff has acted throughout the conduct of our audit, and their willingness to consider issues that we raised and assist us with our audit.


PITCHER PARTNERS


CARL MILLINGTON

Partner

Sydney, 30 October 2013

Camden Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2013

Camden, the Best of Both Worlds



Camden Council

Special Purpose Financial Statements for the financial year ended 30 June 2013

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2. Special Purpose Financial Statements:	
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Statement of Financial Position - Other Business Activities	81
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Background

- (i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.
- (ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- (iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and **(b)** those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

- (iv) In preparing these financial statements for Council's self classified Category 1 businesses and ABS defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).
-

Camden Council

Special Purpose Financial Statements

for the financial year ended 30 June 2013

Statement by Councillors and Management

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

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

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government".
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality".
- The Local Government Code of Accounting Practice and Financial Reporting.

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

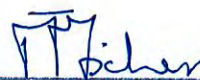
- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records.

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

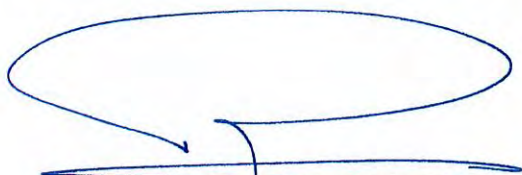
Signed in accordance with a resolution of Council made on 08 October 2013.



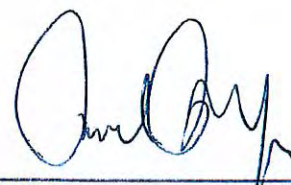
Cr Lara Symkowiak
MAYOR



Cr Penelope Fischer
DEPUTY MAYOR



Ron Moore
GENERAL MANAGER



Paul Rofe
RESPONSIBLE ACCOUNTING OFFICER

Camden Council

Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2013

Commercial Waste

Category 2

\$000	Actual 2013	Actual 2012
Income from continuing operations		
User charges	589	552
Total income from continuing operations	589	552
Expenses from continuing operations		
Employee benefits and on-costs	107	105
Materials and contracts	146	111
Depreciation and impairment	34	33
Other expenses	145	140
Total expenses from continuing operations	432	389
Surplus (deficit) from Continuing Operations before capital amounts	157	163
Surplus (deficit) from Continuing Operations after capital amounts	157	163
Surplus (deficit) from ALL Operations before tax	157	163
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(47)	(49)
SURPLUS (DEFICIT) AFTER TAX	110	114
plus Opening Retained Profits	1,400	1,238
- Corporate taxation equivalent	47	48
less:		
- Dividend paid		-
Closing Retained Profits	1,557	1,400
Return on Capital %	77.7%	79.9%

Camden Council

Statement of Financial Position - Council's Other Business Activities
as at 30 June 2013

\$000	Commercial Waste	
	Category 2	
	Actual 2013	Actual 2012
ASSETS		
Current Assets		
Cash and cash equivalents	1,349	1,184
Receivables	8	12
Total Current Assets	1,357	1,196
Non-Current Assets		
Infrastructure, property, plant and equipment	202	204
Total Non-Current Assets	202	204
TOTAL ASSETS	1,559	1,400
LIABILITIES		
Current Liabilities		
Payables	2	-
Total Current Liabilities	2	-
Non-Current Liabilities		
Payables	-	-
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	2	-
NET ASSETS	1,557	1,400
EQUITY		
Retained earnings	1,557	1,400
Council equity interest	1,557	1,400
TOTAL EQUITY	1,557	1,400

Camden Council

Special Purpose Financial Statements for the financial year ended 30 June 2013

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	83

Camden Council

Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2013

Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Division of Local Government.

For the purposes of these statements, the Council is not a reporting not-for-profit entity.

The figures presented in these special purpose financial statements, unless otherwise stated, have been prepared in accordance with:

- the recognition and measurement criteria of relevant Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB) &
- Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with:

- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 Government Policy statement on the "Application of National Competition Policy to Local Government".

The "Pricing & Costing for Council Businesses A Guide to Competitive Neutrality" issued by the Division of Local Government in July 1997 has also been adopted.

The pricing & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

Nil

Category 2

(where gross operating turnover is less than \$2 million)

a. Camden Commercial Waste Activity

Provide a diversified range of waste removal services to business operations in the Camden local government area.

Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest thousand dollars.

(i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

Camden Council

Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2013

Note 1. Significant Accounting Policies

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all council nominated business activities (this does not include council's non-business activities):

Notional Rate Applied %

Corporate Income Tax Rate – 30%

Land Tax – The first \$406,000 of combined land values attracts 0%. From \$406,001 to \$2,482,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$2,482,000, a premium marginal rate of 2.0% applies.

Payroll Tax – 5.45% on the value of taxable salaries and wages in excess of \$689,000.

Income Tax

An income tax equivalent has been applied on the profits of each reported Business Activity.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved.

Since this taxation equivalent is notional - that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the operations of the council. Accordingly, there is no need for disclosure of internal charges in Council's General Purpose Financial Statements.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date.

Local Government Rates & Charges

A calculation of the equivalent rates and charges payable on all Category 1 businesses has been applied to all land assets owned or exclusively used by the Business Activity.

Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face "true" commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council's borrowing rate for its business activities.

As at 30 June 2013, Camden Commercial Waste Services had no outstanding loans and did not borrow during the year. As such, loans and debt guarantee fees have not been applied to the business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations.

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported Business Activity.

(iii) Return on Investments (Rate of Return)

The Policy statement requires that councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is

Camden Council

Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2013

Note 1. Significant Accounting Policies

comparable to rates of return for private businesses operating in a similar field".

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The Rate of Return on Capital is calculated as follows:

Operating Result before Capital Income + Interest Expense

Written Down Value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.77% at 30/6/13.

The actual rate of return achieved by each Business Activity is disclosed at the foot of each respective Income Statement.

However, council does not have any Category 1 business.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.



PITCHER PARTNERS

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CAMDEN COUNCIL

Special Purpose Financial Report

Independent Auditors' Report to the Council for the Year ended 30 June 2013

Report on the Financial Statements of Council's Declared Business Activities

We have audited the accompanying financial statements, being special purpose financial statements, of Camden Council's declared business activities, which comprises the balance sheet as at 30 June 2013 and the income statement for the year then ended, a summary of significant accounting policies, and other explanatory notes and the Statement by Councillors and Management.

Council's Responsibilities for the Financial Statements

Council is responsible for the preparation and fair presentation of the financial statements and has determined that the accounting policies described in Note 1 to the financial statements which form part of the financial statements are appropriate to their needs. Council's responsibility also includes such internal controls as the Council determines are necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

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

Auditor's Opinion


In our opinion, the financial statements present fairly, in all material respects, the financial position of Camden Council as of 30 June 2013 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the special purpose financial statements.

Basis of Accounting

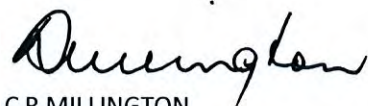
Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The special purpose financial statements have been prepared for distribution to the Council and the New South Wales Division of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. We disclaim any assumption of responsibility for any reliance on this audit report or on the financial statements to which it relates to any person other than the Council or the New South Wales Division of Local Government, or for any purpose other than that for which it was prepared.

Other Matter

Camden Council has prepared a separate financial report for the year ended 30 June 2013 in accordance with Australian Accounting Standards and the Code of Accounting Practice and Financial Reporting on which we issued a separate auditor's report to the Council dated 30 October 2013.



PITCHER PARTNERS



C R MILLINGTON
Partner

Sydney, 30 October 2013

Camden Council

SPECIAL SCHEDULES
for the year ended 30 June 2013

Camden, the Best of Both Worlds



Camden Council

Special Schedules

for the financial year ended 30 June 2013

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Special Schedules¹

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- Special Schedule No. 2(b)	Statement of Internal Loans (Sect. 410(3) LGA 1993)	n/a
- Special Schedule No. 7	Condition of Public Works	92
- Special Schedule No. 8	Financial Projections	94

¹ Special Purpose Schedules are not audited.

Background

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

Camden Council

Special Schedule No. 1 - Net Cost of Services
for the financial year ended 30 June 2013

\$000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Governance	1,160	17	-	(1,143)
Administration	15,290	2,864	-	(12,426)
Public Order and Safety				
Fire Service Levy, Fire Protection, Emergency Services	877	223	18	(636)
Enforcement of Local Govt. Regulations	8	-	-	(8)
Animal Control	405	91	-	(314)
Total Public Order & Safety	1,290	314	18	(958)
Health	904	129	-	(775)
Environment				
Noxious Plants and Insect/Vermin Control	160	82	-	(78)
Other Environmental Protection	138	79	-	(59)
Solid Waste Management	7,118	7,156	-	38
Stormwater Management	2,681	371	18,749	16,439
Total Environment	10,097	7,688	18,749	16,340
Community Services and Education				
Administration & Education	216	19	-	(197)
Social Protection (Welfare)	1,385	1,294	-	(91)
Aged Persons and Disabled	14	-	-	(14)
Children's Services	123	2	-	(121)
Total Community Services & Education	1,738	1,315	-	(423)
Housing and Community Amenities				
Public Cemeteries	83	159	-	76
Street Lighting	1,446	-	-	(1,446)
Town Planning	2,533	504	-	(2,029)
Other Community Amenities	924	107	-	(817)
Total Housing and Community Amenities	4,986	770	-	(4,216)

Camden Council

Special Schedule No. 1 - Net Cost of Services (continued)
for the financial year ended 30 June 2013

\$000

Function or Activity	Expenses from Continuing Operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Recreation and Culture				
Public Libraries	2,213	242	-	(1,971)
Community Centres and Halls	1,201	1,071	26	(104)
Other Cultural Services	9	-	-	(9)
Swimming Pools	4,156	3,816	-	(340)
Parks & Gardens (Lakes)	5,652	1,670	7,540	3,558
Other Sport and Recreation	17	-	-	(17)
Total Recreation and Culture	13,248	6,799	7,566	1,117
Mining, Manufacturing and Construction				
Building Control	5,448	4,792	-	(656)
Total Mining, Manufacturing and Const.	5,448	4,792	-	(656)
Transport and Communication				
Urban Roads (UR) - Local	16,043	117	30,242	14,316
Urban Roads - Regional	-	44	-	44
Bridges on UR - Local	-	-	-	-
Parking Areas	6	-	-	(6)
Footpaths	276	-	-	(276)
Other Transport & Communication	419	250	10,177	10,008
Total Transport and Communication	16,744	411	40,419	24,086
Economic Affairs				
Other Economic Affairs	509	108	-	(401)
Total Economic Affairs	509	108	-	(401)
Totals – Functions	71,414	25,207	66,752	20,545
General Purpose Revenues⁽²⁾		37,558		37,558
NET OPERATING RESULT⁽¹⁾	71,414	62,765	66,752	58,103

(1) As reported in the Income Statement

(2) Includes: Rates & Annual Charges (incl. Ex Gratia, excl. Water & Sewer), Non Capital General Purpose Grants Interest on Investments (excl. Ext. Restricted Assets) & Interest on overdue Rates & Annual Charges

Camden Council

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)
for the financial year ended 30 June 2013

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
Loans (by Source)									
Financial Institutions	1,414	6,510	-	1,423	-	-	578	1,321	5,180
Dept of Planning (NSW Treasury)	250	11,300	-	250	-	-	-	600	10,700
Total Debt	1,664	17,810	-	1,673	-	-	578	1,921	15,880
									6,501
									11,300
									17,801

\$000

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

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

Camden Council

Special Schedule No. 8 - Financial Projections
as at 30 June 2013

\$000	Actual ⁽¹⁾ 12/13	Forecast ⁽³⁾ 13/14	Forecast ⁽³⁾ 14/15	Forecast ⁽³⁾ 15/16	Forecast ⁽³⁾ 16/17	Forecast ⁽³⁾ 17/18	Forecast ⁽³⁾ 18/19	Forecast ⁽³⁾ 19/20	Forecast ⁽³⁾ 20/21	Forecast ⁽³⁾ 21/22	Forecast ⁽³⁾ 22/23
(i) OPERATING BUDGET											
Income from continuing operations	129,517	106,722	116,077	149,019	126,186	137,099	122,374	133,256	153,206	159,414	172,491
Expenses from continuing operations	71,414	69,690	74,297	79,459	86,360	92,013	97,429	103,421	110,087	116,458	123,406
Operating Result from Continuing Operations	58,103	37,032	41,780	69,560	39,826	45,086	24,945	29,835	43,119	42,956	49,085
(ii) CAPITAL BUDGET											
New Capital Works to be delivered by Council ⁽²⁾	7,345	12,610	9,290	18,008	14,087	2,127	856	2,582	6,123	3,982	1,021
New Capital Works - Planning Agreements	4,233	40,405	46,252	41,872	46,054	51,334	63,315	35,800	47,965	44,000	50,500
Replacement/Refurbishment of Existing Assets	8,705	12,859	11,197	7,438	9,325	9,279	9,813	9,730	10,522	11,826	16,996
Total Capital Budget	20,283	65,874	66,739	67,318	69,466	62,740	73,984	48,112	64,610	59,808	68,517
Funded by:											
- Loans	-	1,350	3,169	10,640	9,950	750	550	500	350	200	-
- Asset sales	255	50	50	2,260	2,970	-	60	180	120	180	280
- Reserves	9,069	17,159	13,262	8,409	5,670	4,970	3,350	5,123	8,501	6,516	7,065
- Grants/Contributions	2,768	1,574	39	39	39	39	39	39	39	39	39
- Community Infrastructure Renewal Program	1,343	1,000	1,020	1,043	1,067	1,091	1,115	-	-	-	-
- Recurrent revenue	2,615	4,336	2,948	3,055	3,716	4,556	5,554	6,470	7,635	8,873	10,633
- Other	4,233	40,405	46,251	41,872	46,054	51,334	63,316	35,800	47,965	44,000	50,500
	20,283	65,874	66,739	67,318	69,466	62,740	73,984	48,112	64,610	59,808	68,517
Notes:											
(1) From 12/13 Income Statement.											
(2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.											
(3) Financial projections should be in accordance with Council's Integrated Planning and Reporting framework.											