



STRATHFIELD COUNCIL

**STRATHFIELD MUNICIPAL COUNCIL
ANNUAL REPORT 2006/2007**

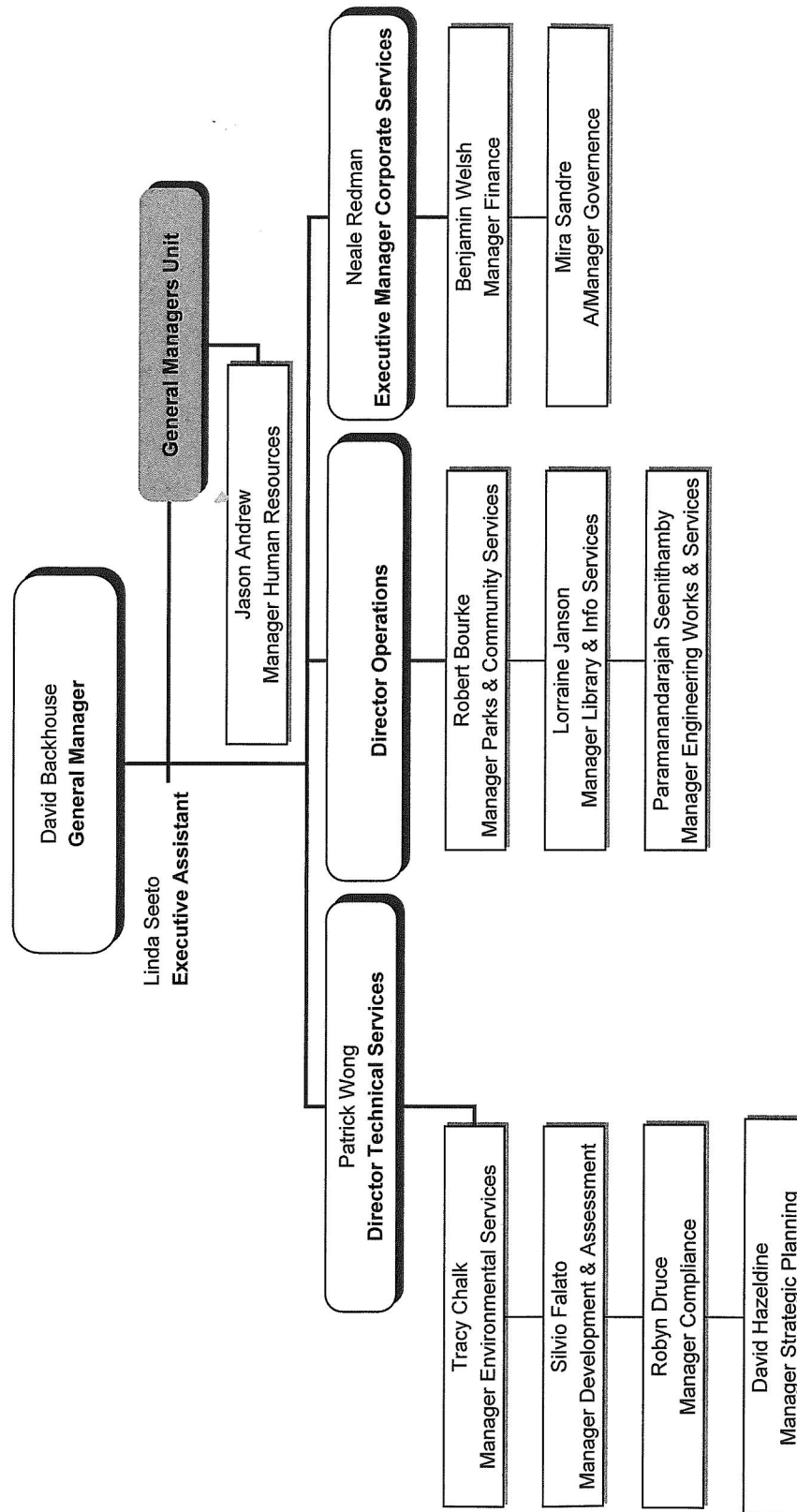
Under section 428 of the Local Government Act 1993, Strathfield Municipal Council is required to prepare an Annual Report on its activities and achievements during the previous financial year. The content is defined by the Act and this Annual Report meets statutory requirements.

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Organisational Structure

Organisational Structure Strathfield Municipal Council



1. Strathfield Vision 2020

The Strathfield Vision identifies the preferred future for Strathfield. It is a statement against which planning, decision-making, programs, activities and the outcomes of these are evaluated. The Vision describes the long-term goals to strive for and clearly states the type of place the community and Council desire for Strathfield.

Our 2020 Vision Statement is:

“Our vision 2020 for Strathfield is our Council collaborating with our community to ensure a balance between the unique values of Strathfield and the varying pressures of our location within Australia’s largest city.”

2. Council Core Values

Strathfield organisational core values are the building blocks that set the foundation for all decisions and actions of Council. They underpin the vision for Strathfield and provide the standard by which we deliver desired outcomes to our community.

Strathfield Council's core values are:

Integrity

We will maintain our reputation for honesty and integrity and our ability to fulfill our promises. It is this concept by which all our actions are based and by which we are happy for our actions to be judged.

Respect

We show respect to those we deal with both inside and outside of the Council.

Teamwork

We approach all our work as a team, sharing our skills and resources for our clients' benefit. We value the health and safety of our people.

Professionalism

We value our clients, and are accountable for the work we do with them.

3. Performance

Council's operations for 2006-2007 year are classified into the following three principal activities

Each principle activity outlines Council's commitment to the community and the programs provided by Council. For each program information is provided on Council's performance in meeting the program objectives.

TECHNICAL SERVICES

- 2.1** Environmental Management
- 2.2** Waste Management
- 2.3** Planning for the Community
- 2.4** Urban Design & Renewal
- 2.5** Compliance

OPERATIONS

- 3.1** Parkscape
- 3.2** Civicscape
- 3.3** Community Services
- 3.4** Library Services
- 3.5** Streetscape

CORPORATE

- 4.1** Human Resources
- 4.2** Finance & Administration
- 4.3** Executive
- 4.4** Governance
- 4.5** Communications / Information Technology
- 4.6** Marketing

ANNUAL REPORT
PORTFOLIO PROGRAM 2
TECHNICAL SERVICES

PROGRAM 2 TECHNICAL SERVICES

Outcomes:

To become a leading Council in sustainable environmental initiatives such as water and energy.

To continue to have a mix of older developments with heritage value and modern innovative well designed developments.

To have a strong reputation as an area with innovative housing stock featuring sustainability principles.

To provide a safe and secure municipality to enable the pursuit of every day activities, including business and leisure in an harmonious environment.

Sub Programs:

2.1 ENVIRONMENTAL MANAGEMENT

Health Services
Environmental Management
Noxious Weeds
Natural Areas
Animal Control Services

2.2 WASTE MANAGEMENT

Domestic Garbage Collection
Domestic Recycling Services
Domestic Cleanup Service

2.3 PLANNING FOR THE COMMUNITY

Strategic Planning
Urban Planning

2.4 URBAN DESIGN & RENEWAL

Development Assessment
Investigation of Complaints
Advice to Customers
Building Compliance
Compliance Certificates
Illegal Building Works

2.5 COMPLIANCE

Compliance

2.1 ENVIRONMENTAL MANAGEMENT

GOAL

To enhance and protect the local environment to ensure it is healthy, safe and sustainable for existing and future communities of Strathfield.

Health Services		Responsible Officer	TC
Measure:	Number of registered premises being inspected for health, hygiene, impact on the environment and safety.		
Target:	Undertake 95% of regulatory health inspections and environmental assessments of registered premises annually.		
Progress:	All food regulated premises were inspected and follow ups were conducted during the year. (100% target reached)		

Environmental Management		Responsible Officer	TC
Measure:	Increase community awareness of environmental education strategies.		
Target:	<p>Ensure 90% of the environmental education & pollution control programs identified in Council's Sustainability Action Plan are undertaken in the timeframe prescribed and within the allocated budget.</p> <p>Undertake 95% of the scheduled environmental compliance audits of industrial/commercial premises annually.</p>		

Progress:	<p>Operational Plan developed, educational initiatives including:</p> <ul style="list-style-type: none"> • Launch of the fridge buy back scheme. • Display various media for National Recycling Week. • Display at the library for Weed buster Week (approximately 200 brochures distributed). • A competition for Food Safety Week. • A press release on sharps waste disposal. • Distribution of recycling Christmas cards. • A bush care fresh foods workshop. • Assistance to Strathfield Girls High with an end of year clean up. • Bush care Buddies completed as part of the school holiday program. • Sydney Central Regional Weeds Committee revised Stop the Spread brochure published and distributed to Bush care volunteers and made available in library and customer service. • 3 Newspaper articles promoting council's involvement in the DECC Threatened Species Demonstration Site Project (Green and Golden Bell Frogs, Cox's Creek Bush land Reserve). • A display for lunar festival. • 100 free plant give away. • Brochures for bush care. • Mason Park Wetlands Tour for International Wetlands Day with 20 participants.
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Noxious Weeds	Responsible Officer	TC
Measure:	The level of infestation of parks and reserves in the Strathfield Local Government Area (LGA).	
Target:	Reduce number of noxious weeds in the Strathfield LGA through education and notices.	

Progress:	<ul style="list-style-type: none"> • Weedbusters Week 2006 Display and Competition: Presentation board at Strathfield Central Library Oct 7- 15 2006 with information about noxious weeds and the importance of their control. Distribution of £Grow me Instead brochures • Sydney Central Regional Weeds Committee revised £Stop the Spread brochure. Printed and distributed to Bushcare volunteers and made available at library, customer service and at events. • 21 initial inspections of noxious weeds on private properties. 21 Letters of presence issued with 100% compliance. • Council outdoor staff continue to control noxious weeds in parks and reserves. Approximately 200 noxious plants from 6 different species treated in 2006/07. • Approximately 80m² of Alligator Weed and 60m² of Ludwigia peruviana treated at the Strathfield Golf Club as part of the Cooks River Revegetation and Maintenance Project.
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Natural Areas		Responsible Officer	TC
Measure:	Number of indigenous plants planted, the diversity of native flora and fauna, and the number of participants in the Bush care program in Strathfield LGA.		
Target:	Plant 10,000 native plants supplied by Council's nursery within next financial year.		
Progress:	<p>A total of 20,935 trees shrubs and grasses were planted throughout the year. The high figure reflects the installation of 17,250 plants at Freshwater Park as part of the Cooks River Revegetation and maintenance project.</p> <p>Total of 19 new registered volunteers for the 2006/07 year. Service for Peace . youth organisation joined Bush care for monthly activities.</p> <p>National Tree Day was held in August 2006.</p>		

2.2 WASTE MANAGEMENT

GOALS

To educate the community on ways to reduce the generation of waste in our environment.

To maximise recycling and reuse by treating waste as a resource.

To achieve 90% satisfaction of residents with our waste services in waste collection, recycling and waste disposal.

To improve the cleanliness of streets and public areas.

Domestic Garbage Collection Services		Responsible Officer	TC
Measure:	Tonnes of Domestic Waste to landfill annually.		
Target:	Annual reduction of 5% in tonnes to landfill.		
Progress:	8,257 tonnes therefore achieved greater than 5% reduction in tonnes to landfill from the previous year.		

Domestic Recycling Services		Responsible Officer	TC
Measure:	Tonnes of recycled waste collected annually.		
Target:	<p>Annual increase of 5% in tonnage of non-contaminated recyclable materials to the Visy Materials Recovery Facility (VMRF)</p> <p>Ensure 90% of all waste education programs identified in Council's Sustainability Action Plan are undertaken in the timeframe prescribed and within allocated budget.</p>		
Progress:	2,841 tonnes therefore achieved greater than 5% increase in tonnage of non-contaminated recyclable materials.		

Domestic Cleanup Services		Responsible Officer	TC
Measure:	Tonnes of recycled waste collected annually		
Target:	Annual reduction of 5% in tonnage to landfill through reuse, recycling and education		
Progress:	This figure has now been incorporated into general domestic waste. However, metal waste is now provided as a separate service and figures will be available in 2007/08.		

Garden Vegetation Services		Responsible Officer	TC
Measure:	Tonnes of green waste collected annually		
Target:	<p>Establish an effective and efficient garden vegetation collection service for houses, townhouses and villas.</p> <p>Establish suitable benchmarks for the next Management Plan.</p>		
Progress:	150 tonnes uncontaminated green waste.		

2.3 PLANNING FOR THE COMMUNITY

GOAL

To deliver development-planning controls, heritage planning, urban and parks capital improvement program that enhances and reinforces the urban and environmental quality of life for the local Strathfield community.

Strategic Planning		Responsible Officer	DH
Measure:	Time taken to process Section 149 requests.		
Target:	Process all requests within 4 days.		
Progress:	A total of 927 applications for 149 Certificates processed in a year with an average processing time of 2 days per certificate.		
Measure:	Community Awareness and promotion of Heritage conservation within Strathfield.		
Target:	Heritage Awards and Heritage Assistance Grants awarded annually and free Heritage Advisory Service provided.		
Progress:	Heritage Grants . 20 projects completed & total grants paid - \$17,100.00. Heritage Awards . Presentation held on 15 March 2007. Heritage Advisory Service . 8 consultations held this year.		
Measure:	Update and review Section 94 Plan in regard to contributions and capital works program.		
Target:	Develop a new Section 94 Plan within the year in compliance with legislation.		
Progress:	1 st draft of updated Section 94 Plan was completed in June 2007.		
Measure:	Update and review Sect 94 Plan in regard to contributions and capital works program.		
Target:	Develop a new Section 94 Plan within the year in compliance with legislation.		
Progress:	1 st Draft of updated Section 94 Plans completed in June 2007.		

Urban Planning		Responsible Officer	DH
Measure:	Completion of Urban Planning and Design Improvement (Section 94) Projects.		
Target:	100% of projects completed within an identified timeframe and budget.		
Progress:	Strathfield Town Centre Project . 4 concept plan options publicised on exhibition from 12 March to 25 April 2007.		

2.4 URBAN DESIGN AND RENEWAL

GOAL

To assess development applications and other activities associated with building development and land use.

Regulate and control development and protect the interests of the community of the Strathfield Municipality and the environment.

Development Assessment		Responsible Officer	SF
Measure:	Number of applications determined within set timeframes.		
Target:	70% of development applications determined within 40 days.		
Progress:	Average determination time for DAs is 60 days. Progress is being made on reducing the average processing time down to 40 days.		

Advice to Customers		Responsible Officer	SF
Measure:	Provide timely response to customer needs		
Target:	Provide written response within seven working days		
Progress:	Written responses are provided within 24 hours of notice.		

Building Compliance		Responsible Officer	SF
Measure:	Where Council is the Certifying Authority, inspections are to be carried out within 24 hours from the time of a booking being made.		
Target:	To have 100% of inspections carried out as requested.		
Progress:	100% of inspections are carried out within 24 hours of notice.		

Compliance Certificates		Responsible Officer	SF
Measure:	Number of Certificates issued within two weeks of receipt of application.		
Target:	70% of Certificates to be issued within two weeks of receipt of application.		
Progress:	Majority of certificates are issued within two weeks of receipt and depending on the level of information submitted with those certificate applications.		

Illegal Building Works and Development Activities		Responsible Officer	SF
Measure:	Site investigations reveal unauthorised works or development activities being carried out		
Target:	Minimise potential legal actions.		
Progress:	Information regarding building sites is made available in various print media. Developers and builders are reminded of the responsibility in regard to the safety of the general public and their accountability regarding the conditions of their development consent.		

2.5 COMPLIANCE

Overseeing and enforcing Acts and Regulations throughout the municipality.
Facilitate NSW Fire Brigade access / coverage within the municipality.

GOAL

To protect the health and well being of the community by controlling and enforcing requirements under the Local Government Act and various other Acts and to provide the infrastructure and funding to continue the services to the community of the NSW Fire Brigade.

Compliance		Responsible Officer	RD
Measure:	Level of community compliance with various laws and regulations.		
Target:	Fully trained rangers and council officers available to monitor the Municipality.		
Progress:	All compliance officers are fully trained, they continue to undertake courses and attend relevant seminars in order to keep up to date. They monitor the municipality seven (7) days a week and are available after hours on the emergency number.		
Measure:	Protect the built and natural environment.		
Target:	Respond to complaints and advice of outcomes within 1 working day. Minimise council's legal costs whilst achieving council's desired outcomes.		
Progress:	Complaints and general issues have been dealt with according to the set target and in most cases within 24 hours.		
Measure:	Reduce number of unauthorised works and/or development activities in the municipality.		
Target:	Undertake daily inspection of building sites and deliver 2 education and information programs within the year.		
Progress:	Information regarding building sites is made available in various print media. Developers and builders are reminded of the responsibility in regard to the safety of the general public and their accountability regarding the conditions of their development consent.		

Animal Control Services		Responsible Officer	RD
Measure:	The number of registered companion animals, number of complaints of nuisance animals, number of dog attacks and number of impounded animals in the Strathfield LGA.		
Target:	<p>Increase by 40% the number of companion animals in the Strathfield LGA that are micro-chipped and registered.</p> <p>Deliver education programs to animal owners.</p> <p>Reduce the number of dog attacks</p>		
Progress:	Educational information has been made available in various print media reminding residents of the responsibilities in regard to their companion animals. Residents are advised to microchip and register their animals.		

Statement on activities relating to enforcing and ensuring compliance with the Companion Animals Act and Regulation, including information on:

- *Lodgment of pound date collection returns with the department.*
Completed when required.
- *Lodgment of data relating to dog attacks with the department.*
Appropriate information is entered onto the Companion Animal site.
- *Amount of funding spent relating to companion animal management and activities.*
Approximately \$45,000.00
- *Companion animal community education programs carried out.*
Council advertises in the local papers and in the Council monthly paper.
- *Strategies council has in place to promote and assist the desexing of dogs and cats.*
Through advertising and via the Council pound. Dogs impounded and not claimed are desexed before being re-homed.
- *Strategies in place to comply with the requirement under section 64 (Companion Animals Act) to seek alternatives to euthanasia for unclaimed animals.*
We empower our pound to advertise all unclaimed pets in order to re-house them.
- *Off leash areas provided in the council area.*
We currently have two areas available for dogs off leashes.

ANNUAL REPORT

PORTFOLIO PROGRAM 3

OPERATIONS

PROGRAM 3 - OPERATIONS

Outcomes:

Being recognised as a Council which actively supports alternatives to motor car transport, including public transport, cycle and pedestrian transport.

Our roads are used according to their place in the road hierarchy.

We have a strong reputation for the quality of our recreational spaces and community facilities.

We enjoy high levels of community and stakeholder participation.

Our council has strong relationships with our community.

We support the development of a well-informed community able to make critical decisions about a broad range of issues.

Sub Programs:

3.1 PARKSCAPE

Community Land Management and Maintenance
Property and Facilities Management
Tree Management
Hudson Park Golf Course

3.2 CIVICSCAPE

Civic Centre Maintenance
Graffiti and Vandalism Management
Nature Strip Maintenance
Street Tree Management
Landscape Management

3.3 COMMUNITY SERVICES

Youth Activities
Aged Care Respite
Multi-cultural Activities
Civic Activities and Events
Access

3.4 LIBRARY SERVICES

Library and Information Services

3.5 STREETScape

Roads

Kerb and Gutter

Drainage Infrastructure and Flood Mitigation

Drainage Maintenance

Crossings

Footpaths

Cycleway

Street and Gutter Cleaning

Traffic Facilities

Traffic Planning

Traffic Control Maintenance

Street Name Signs

Road / Traffic Safety Education

SES Emergency Management

Street Lighting

Bus Seats and Shelters

Asset Plant

Depot Equipment

3.1 PARKSCAPE

GOAL

To protect and improve the quality of our community lands, including the visual amenity of Strathfield, improve health and safety through the provision & maintenance of parks & reserves along with community facilities and protection of trees.

Community Land Management and Maintenance		Responsible Officer	RB
Measure:	Conserve and maintain park and street trees to sustain environmental values and visual amenity.		
Target:	Park and street trees are maintained in accordance with Council's Tree Preservation Order and Tree Management Strategy.		
Progress:	Park and street tree maintenance programs have been completed to target and 470 street trees were pruned.		
Measure:	Provide high quality recreational facilities and planning in Council's significant parks, neighbourhood parks, playgrounds and sporting fields.		
Target:	<p>Significant parks are accessible, well presented and generating 60% cost recovery from seasonal and casual hire.</p> <p>Neighbourhood parks and reserves are maintained in accordance with seasonal maintenance programs.</p> <p>Playgrounds are inspected and maintained regularly to ensure they comply with Australian standards.</p> <p>Sporting fields are inspected and maintained regularly to ensure they are well presented and fit for play.</p> <p>The Parks Improvement Program and related capital works are implemented annually.</p>		
Progress:	<p>All parks, playgrounds and recreational facilities have been accessible and maintained to a high level of standard.</p> <p>Sporting fields have been reconfigured and renovated for the winter season and are fit for play.</p>		

Hudson Park Golf Course Management		Responsible Officer	RB
Measure:	Manage Hudson Park Golf Course to provide a high quality golfing facility for the community and to generate financial return for Council.		
Target:	Hudson Park Golf Course is managed according to the HPGC maintenance specification.		
Progress:	HPGC has been managed and maintained in accordance with specifications in order to maximise revenue and patronage.		
Measure:	Maintenance standards identified within the maintenance specification and coordinated weekly.		
Target:	Golf course and driving range patronage increase from 2004/2005 levels.		
Progress:	<p>Golf course patronage has remained static to date.</p> <p>Patronage End June 2004/05 = 25,162 Patronage End June 2005/06 = 24,330 Patronage End June 2006/07 = 21,748</p>		

Property and Facilities Management		Responsible Officer	CB
Measure:	Number of customer requests for maintenance on property.		
Target:	3 per quarter per property.		
Progress:	Customer requests for maintenance on property are lower than the normal target to date 1.5 requests received.		
Measure:	Maintain Council buildings (community, park, administration and works depot) to be accessible, functional, safe and meet the diverse needs of the community and council staff.		
Target:	<p>Buildings are licensed (where applicable) inspected and repaired regularly in accordance with building codes and OH&S standards.</p> <p>Public toilets are accessible, inspected daily and cleaned regularly.</p>		

Progress:	Buildings have been maintained and repaired in accordance with guidelines and standards. Public toilets have been inspected, cleaned and opened in accordance with access schedules. 480 miscellaneous repairs completed. 2 passenger lifts certified. Fire extinguishers . maintenance compliance schedule implemented.
Measure:	Building maintenance to be completed in accordance with maintenance schedule and within financial allocations.
Target:	3 per quarter per property.
Progress:	Maintenance schedules have been completed in accordance with the program and budget forecast. Carpet, pest control, security building, audits and fire safety audits.
Measure:	Ensure the depot is maintained to the DCEA and OH&S codes and legislation.
Target:	Maintain a working and functional depot.
Progress:	Works in progress . a permanent recycled water management and unit including holding ponds are currently being constructed. Retaining walls have been built for holders and materials, including asphalt and organic material. 100% completed.

Tree Management		Responsible Officer	DF
Measure:	Number of Council's Tree Preservation Order applications processed within the prescribed time limit.		
Target:	That 90% of Tree Preservation Order applications are processed within 10 -15 working days.		
Progress:	Target achieved 57 applications processed in total.		
Measure:	To provide effective park tree management.		
Target:	That 40% of Council park trees are pruned and inspected in accordance with Council's Tree Management Strategy.		
Progress:	Target achieved.		

3.2 CIVICSCAPE

GOAL

To provide the community with high quality civic spaces including shopping precincts and car parks, while providing monitoring and the removal of vandalism and graffiti according to Council policy.

Civic Centre Maintenance		Responsible Officer	JC
Measure:	Civic centres are inspected and maintained daily. Graffiti and vandalism is identified, removed and repaired in accordance with council's graffiti management strategy.		
Target:	Maintain Strathfield's civic centres as safe, accessible and well presented for all who use them.		
Progress:	Civic spaces have been maintained to and presented at a satisfactory standard. Graffiti and vandalism has been removed and repaired in accordance with programs.		

Graffiti and Vandalism Management		Responsible Officer	JC
Measure:	Graffiti removed from parks & civic areas in line with Councils policy.		
Target:	85% removal of graffiti within 48 hours of reporting.		
Progress:	Targets achieved.		
Nature Strip Maintenance		Responsible Officer	RB
Measure:	Number of maintenance cycles provided to maintain nature strips.		
Target:	13 maintenance cycles completed within the year.		
Progress:	13 cycles completed to date.		

Street Tree Management		Responsible Officer	RB
Measure:	Time taken to complete assessment requests for street tree maintenance.		
Target:	90% within ten working days.		
Progress:	Targets achieved.		
Measure:	That street trees are free from electricity lines and pedestrian/vehicle obstruction.		
Target:	50% of streets trees are free and clear from obstruction.		
Progress:	Behind target due to other work priorities. 50% under target due to staffing issues.		

Landscape Maintenance		Responsible Officer	RB
Measure:	Number of maintenance cycles provided in accordance with program.		
Target:	16 maintenance cycles completed within the year.		
Progress:	16 cycles completed to date.		

3.3 COMMUNITY SERVICES

GOAL

Commitment to improving and enhancing the quality of life and services within our local community. Commitment to improving residents' lives, enhancing their leisure time and maintaining their health by providing quality services, up to date facilities and many events and functions designed to encourage the community's participation and involvement.

Youth Activities		Responsible Officer	MC
Measure:	Increase the number of activities and services provided for young people		
Target:	Increase in the number of activities and services available for young people. Provision of services to youth, after hours.		
Progress:	Activities run this quarter include: <ul style="list-style-type: none"> • Sourcing of new facility for Youth Outreach, Community and Children Services. • Participated in Inner West Youth Interagency initiative (IWYI). • Planning for Inner West Youth Theatre. • Youth IWYI website planning. • Training and seminar in community engagement for youth and community in progress. • Parenting programs conducted October 2006/07. • Homework class tutoring at the central library with 15 students in attendance. • School holiday program . 10 activities both indoor/outdoor organised. All successfully attended. 		

Aged Care Respite		Responsible Officer	MC
Measure:	<p>Level of information, support services, facilities and programs provided to assist aged and disabled residents.</p> <p>Development and finalisation of community safety and crime prevention plan for state attorney-general's department.</p> <p>Presentation of council grants to community groups.</p> <p>Senior computer classes.</p> <p>%Safety Tips+(12,500) and %Meals On Wheels+(12,500) flyers placed in August 2007 rate notices.</p> <p>Application of \$150,000 funding to Federal Attorney General for Crime Prevention program.</p>		
Target:	<p>Increase in the number of aged and disabled persons living independently within this community by up to 5%.</p> <p>Increase the number of aged and disabled persons accessing Council's facilities program.</p>		
Progress:	<p>Activities held this quarter:</p> <ul style="list-style-type: none"> • Crime prevention forum at the Strathfield Plaza. • %Safety Tips+(800) distributed at Elva Street. • Volunteers Tea Party - Culturally and Linguistically Diverse (CALD) 		

Multi-cultural activities		Responsible Officer	MC
Measure:	Number of services, events and functions provided to people from Culturally and Linguistically Diverse communities (CALD). Korean elderly day-care launch at the community centre.		
Target:	Increase in number of people from CALD accessing services and facilities throughout the community.		
Progress:	Activities held this quarter included: <ul style="list-style-type: none"> • Day care centre based for Russian / CALD seniors. • Korean mothers playgroup to commence this quarter. • Korean seniors day care started. • Meeting with Korean press representatives to explain council's policy objective (eg Korean Garden). • Festivals (eg Lunar New Year) in the Strathfield Town Centre and Homebush West. • Anti-Domestic Violence Information Day for CALD women held in the Town Centre. 		

Civic Activities and Events		Responsible Officer	NA
Measure:	Amount of sponsorship received for community events and number of people accessing them.		
Target:	Obtain sponsorship for events wherever possible. Increase in number of people accessing events and activities.		
Progress:	Sponsorship was sourced for all events including the Strathfield Spring Festival. No major events were held during the last quarter.		

Access		Responsible Officer	NA
Measure:	Number of projects implemented to improve access and equity to disadvantaged members of the community.		
Target:	90% of projects completed by June 07.		
Progress:	<p>Projects that ran for the community between December and June 2007 included the following:</p> <ul style="list-style-type: none"> • School holiday programs. • International family day. • Information day 1st Thursday of each month. • Family fun day. • Youth week. • Youth festival. • World No Tobacco day. • Volunteers week. 		

Measure:	Number of Programs and projects implemented for servicing needs of children and families.
Target:	100% of proposed programs and projects for children and families implemented by June 2007.
Progress:	<p>The programs implemented are:</p> <ul style="list-style-type: none"> • Sources grant funding for parent education seminars. • Playgroup every Tuesday 10am . 12noon. • Sourcing of new facility for children services. • Training and seminar in community engagement for children, families and the community. • Completion of youth CD raising from the Brew Ha Ha festival. • School holiday program . 10 activities and clinics for children aged 5 . 12 years old. • Pedestrian crossing for Homebush West Public School at the corner of Hornsey Street and Exeter Street.

3.4 LIBRARY SERVICES

GOAL

To support the community in their learning, information, gathering and actions by providing accessible information.

Library and Information Services		Responsible Officer	LJ
Measure:	Number of borrowers per quarter		
Target:	20,000		
Progress:	Target exceeded . total membership as at 30 June 2007 stands at 32,901. When inactive membership records are culled active membership numbers are predicted to be around 25,000.		
Measure:	Number of people visiting Central Library		
Target:	Increase by 20%		
Progress:	A diverse range of services were delivered to a total of 296,119 visitors at the main library during 2006/07. The main library is a focal point for the community and is open 7 days a week for 61.5 hours.		
Measure:	To satisfy item requests		
Target:	75%		
Progress:	Target achieved . answers to information enquiries are a major component of library services and are provided from library resources, through online databases and other electronic media or via the inter-library loans network.		
Measure:	Loans per quarter		
Target:	50,000		
Progress:	Total loans for both libraries were 227,340 and include print and electronic resources for adults, children, young people, and older people, those with a disability, literacy and English as a Second Language (ESL) resources as well as loans of materials in languages other than English. This figure does not reflect the use of resources on library premises.		

Measure:	Use of Internet/ word processing facilities
Target:	Increase by 15%
Progress:	There were 57,068 internet session bookings of public computers. The target of 15,000 sessions per quarter was not achieved as this figure is dependent on the number of PCs available and any %down time+due to power outages and ethnology issues.
Measure:	Delivery of outreach services to specific target groups including pre-schools, schools and housebound residents per quarter.
Target:	40 visits
Progress:	Target achieved . reaching out to our community is a major focus of the library services. An organised series of programs are presented to schools and preschools throughout the year and a home library service is delivered to older residents and/or people with a disability who can't come to the library. The home library service and the once a month community bus visit to the main library is supported by local volunteers.
Measure:	Promotional activities to encourage new and ongoing membership.
Target:	6 activities per quarter.
Progress:	Target exceeded and promotional activities are delivered on a regular basis. <ul style="list-style-type: none"> ➤ HSC lectures ➤ Wrap with Love . community project ➤ Australian Children's Book Week activities and competitions, reading groups, library newsletter, library column in Strathfield scene and a changing program of displays highlighting resources and services.
Measure:	Provide pre-school story times.
Target:	2 per month.
Progress:	On target.

3.5 STREETScape

GOAL

To construct and maintain functional roads, car parks, footpaths, cycleways, drains, traffic facilities and associated engineering structures.

To maintain facilities for the benefit of the community including street lighting, bus seats and shelters.

To provide essential transport related services including traffic control, street sweeping and road safety campaigns.

Roads		Responsible Officer	PR																				
Measure:	That Council's road network is maintained to an acceptable standard.																						
Target:	100% of projects are completed by June 2006. That maintenance requests are completed within 10 days.																						
Progress:	<div>Project completed.</div> <div>Roads</div> <table><tr><td>Chisholm Road</td><td>Chatfield Avenue to end</td></tr><tr><td>Long Street</td><td>Liverpool Road to Homebush Road: resheet</td></tr><tr><td>Cave Road</td><td>Widening of parking bay</td></tr><tr><td>Dalton Lane</td><td>Pavement repairs</td></tr><tr><td>Burlington Road</td><td>Meredith Street to Bridge Road: resheet</td></tr><tr><td>Albert Road</td><td>Homebush Road to 250m west of Homebush pavement reconstruction and resheet</td></tr><tr><td>Albert Road</td><td>Raw Square to Elva Street: resheet</td></tr><tr><td>Elva Street</td><td>Albert Road to Broughton Street: resheet</td></tr><tr><td>Broughton Road</td><td>Elva Street to 100m west of Elva Street: resheet.</td></tr><tr><td>Total Area</td><td>6700m2</td></tr></table>			Chisholm Road	Chatfield Avenue to end	Long Street	Liverpool Road to Homebush Road: resheet	Cave Road	Widening of parking bay	Dalton Lane	Pavement repairs	Burlington Road	Meredith Street to Bridge Road: resheet	Albert Road	Homebush Road to 250m west of Homebush pavement reconstruction and resheet	Albert Road	Raw Square to Elva Street: resheet	Elva Street	Albert Road to Broughton Street: resheet	Broughton Road	Elva Street to 100m west of Elva Street: resheet.	Total Area	6700m2
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Kerb and Gutter		Responsible Officer	PR
Measure:	The quantity of Kerb and Gutter works undertaken		
Target:	Complete 850m Kerb and Gutter by June 2007.		
Progress:	682m has been completed by June 2007.		

Drainage Infrastructure and Flood Mitigation		Responsible Officer	PR
Measure:	That Council undertakes necessary drainage works.		
Target:	100% project completed within set timetable and within budget.		
Progress:	<ul style="list-style-type: none"> • Design in progress . Telopea Channel / Hudson Park. • 10m additional drainage constructed in Homebush Road in conjunction with developer contributions. 		

Drainage Maintenance		Responsible Officer	PR
Measure:	That low point drainage pits are maintained to an acceptable standard		
Target:	80% of low point pits are cleared on a three month cycle.		
Progress:	Drainages cleared on a regular basis.		

Crossings		Responsible Officer	PR
Measure:	The quantity of crossing works undertaken.		
Target:	Complete 850m ² crossing construction by June 2007.		
Progress:	Fifty one (51) prepared works have been completed, including restorations.		

Footpaths		Responsible Officer	PR																				
Measure:	That Council footpath network is maintained to an acceptable standard																						
Target:	100% of projects are completed by June 2007. That maintenance requests are completed within 10 days.																						
Progress:	<p>Footpath Program Prepaid vehicle crossing/footpath works and public utility restorations to a total about \$1,000.000. This included 51 vehicle crossings and 5,850 sqm of footpath restoration.</p> <table><tr><td>Albert Road</td><td>Steward Place to Homebush Road</td></tr><tr><td>Homebush Road</td><td>Hunter Street to Fairholm Street</td></tr><tr><td>Punchbowl Road</td><td>Elliott Street to Coronation Parade</td></tr><tr><td>Victory Avenue</td><td>Elliott Street to Punchbowl Road</td></tr><tr><td>Homebush Road</td><td>Oxford Road to Albert Road</td></tr><tr><td>Therry Street West</td><td>St Ann's Square to McEnroe Street</td></tr><tr><td>Homebush Road</td><td>Long Street to High Street</td></tr><tr><td>Raw Square</td><td>Railway to Albert Road</td></tr><tr><td>Raw Square</td><td>Cnr Redmyre Road</td></tr><tr><td>Total Area</td><td>1947m2</td></tr></table>			Albert Road	Steward Place to Homebush Road	Homebush Road	Hunter Street to Fairholm Street	Punchbowl Road	Elliott Street to Coronation Parade	Victory Avenue	Elliott Street to Punchbowl Road	Homebush Road	Oxford Road to Albert Road	Therry Street West	St Ann's Square to McEnroe Street	Homebush Road	Long Street to High Street	Raw Square	Railway to Albert Road	Raw Square	Cnr Redmyre Road	Total Area	1947m2
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Total Area	1947m2																						

Cycleway		Responsible Officer	PR
Measure:	That the Bay to Bay Walk is maintained to an acceptable standard.		
Target:	That maintenance requests are completed within 10 days.		
Progress:	Maria Street bike project commenced in June 2006 and was completed early November 2007.		

Street & Gutter Cleaning		Responsible Officer	PR
Measure:	That the Streets are swept every 4-6 weeks subject to the volume of leaf litter present.		
Target:	Cleaning levels are maintained to a cycle of 13 visits per year.		
Progress:	Hand sweeping 2302km Machine sweeping 3084km Pits cleaned 3000pits		

Traffic Facilities		Responsible Officer	PR
Measure:	That Traffic Facilities are provided in accordance with community expectations		
Target:	100% of projects are completed by June 2007.		
Progress:	Project roundabout Pomroy and Ismay roads completed. Project roundabout Newton road & Wallis avenue completed.		

Traffic Planning		Responsible Officer	PR
Measure:	Completion of traffic planning projects.		
Target:	100% of projects are completed by June 2007.		
Progress:	Projects have been completed and on target.		

Traffic Control Maintenance		Responsible Officer	PR
Measure:	That signs and lines are maintained to an acceptable standard		
Target:	That maintenance requests are completed within 10 days.		
Progress:	Projects have been completed and on target.		

Street Name Signs		Responsible Officer	PR
Measure:	That the street name signs are maintained to an acceptable standard		
Target:	That maintenance requests are completed within 10 days.		
Progress:	In excess of 12%. Increase by EA. Discussions regarding type of standard fitting with SLIP.		

Road/Traffic Safety Education		Responsible Officer	PR
Measure:	An action plan is drawn up to provide a basis for programs		
Target:	100% of projects are completed by June 2007.		
Progress:	Action Plan for road / traffic safety education completed for 2006/07.		

Street Lighting		Responsible Officer	PR
Measure:	That street lighting costs are maintained at acceptable levels.		
Target:	Per capita charges are maintained at current levels (adjusted to CPI).		
Progress:	Excess of 12% increase by EA. Discussions regarding type of standard fittings with SLIP.		

Bus Seats and Shelters		Responsible Officer	PR
Measure:	That weekly inspections are undertaken and shelters are maintained to an acceptable standard		
Target:	That maintenance requests are completed within 10 days.		
Progress:	All maintenance requests are met on target.		

Asset Plant		Responsible Officer	PR
Measure:	Operating costs of plant/hour or km or usage.		
Target:	5% increase in return to Council.		
Progress:	On target.		

Plant and Equipment		Responsible Officer	RB
Measure:	Operating costs of plant/hour or km or usage.		
Target:	5% increase in return to Council.		
Progress:	Reviewed and notified purchasing policy for light vehicles.		

Depot Equipment		Responsible Officer	RB
Measure:	Stock take conducted twice yearly.		
Target:	Within 1% of the value of the stock purchased.		
Progress:	Stock take undertaken February. Net Surplus \$4,716.86 - within target.		

ANNUAL REPORT
PORTFOLIO PROGRAM 4
CORPORATE SERVICES

PROGRAM 4 CORPORATE SERVICES

Outcomes:

Council's processes are open and transparent.

Delivering quality services to the community by providing effective support and management services to the organisation.

Council's message is about a personal council focused on satisfying the needs of the community.

Value, support and develop existing staff.

Maintain current financial viability and soundness while achieving the vision.

Sub Programs:

4.1 HUMAN RESOURCES

Human Resources
Customer Service

4.2 FINANCE AND ADMINISTRATION

4.3 EXECUTIVE

Statutory Compliance
Council Budget

4.4 GOVERNANCE

Councilors's Support
Decision Making
Risk Management

4.5 COMMUNICATIONS / INFORMATION TECHNOLOGY

4.6 MARKETING

4.1 HUMAN RESOURCES

GOAL

Support the achievement of the people management elements of Council's mission, vision and values by:

- Providing a strategic focus to people management issues;
- Delivering high quality customer service and promoting good practice;
- Providing timely and effective communication and information; and
- Contributing to the development of a high performance culture.

Human Resources		Responsible Officer	JA
Measure:	To attract, select, engage and retain people with the necessary skills, behavioural competencies and values and achieve Strathfield Municipal Council's key objectives. To optimise the recruitment and selection process and ensure that we attract and retain applicants that possess the accepted behaviours of Strathfield Municipal Council.		
Target:	Turnover is below industry standard of 13%		
Progress:	Council turnover for the 2006/07 was 12.23%		
Measure:	To identify performance improvement needs by aligning and assessing individual and team goals with Strathfield Municipal Council's key objectives by building up a leadership development program for managers to ensure our people leaders are equipped to convey our goal of a high performance culture.		
Target:	100% of managers to undertake the leadership development program.		
Progress:	All Managers undertook and completed leadership development training as part of Council's Leadership Development Program. This included participation in the Certificate in Local Government Management conducted by the UTS.		

Measure:	To develop Strathfield Municipal Council as a learning organisation which provides current and future learning opportunities that empower individuals and teams to exceed performance expectations and achieve Strathfield Municipal Council's key objectives. To undertake an organisational learning and development audit.
Target:	100% of staff to have an individual training plan linked to their position
Progress:	All staff have individual training plans linked to their position.
Measure:	To recognise, reinforce and reward individual and team performance levels and the behavioural competencies identified as necessary to achieve Strathfield Municipal Council's key objectives. To reward and recognise outstanding achievements by employees who reinforce and promote Council's agreed behaviours and values.
Target:	Reward and recognition is consistent, timely, sincere and appropriate and is afforded to all employees across the organisation.
Progress:	The reward and recognition program continue to reward staff who demonstrate Council Vision / Mission & Values. This also includes peer recognition.
Measure:	To identify the leadership talent within our organisation and create a program aimed at increasing Council's capacity to meet business objectives.
Target:	All staff demonstrating leadership talent to be identified and developed in line with our Leadership Development Strategy.
Progress:	Identified staff have been undertaking Frontline Management Training as part of our Leadership Development Program.

Customer Service		Responsible Officer	JA
Measure:	Customer's satisfaction.		
Target:	Customer satisfaction from quarterly survey report.		
Progress:	Customer satisfaction continues to be a council priority. Surveys carried out continue to show improvements in customer satisfaction. This will only increase further with the implementation of a contact centre to ensure all calls are appropriately dealt with.		

Measure:	Customer Service Charter communicated to community and staff
Target:	All staff to be trained in achieving the objectives of the Customer Service Charter and Code of Practice.
Progress:	With the impending launch of the contact centre , customer service staff have been undergoing development in customer satisfaction and conflict resolution. Development in customer service will be provided for all staff in the new financial year to ensure that all customer interactions are appropriate and handled consistently across council.

4.2 FINANCE AND ADMINISTRATION

GOAL

To manage Council's financial assets and to provide accurate, timely and reliable financial information to enable good and informed decisions be made.

Finance And Administration		Responsible Officer	NR
Measure:	Level of outstanding rates and annual charges.		
Target:	Level is below 3%.		
Progress:	Effective collection ratio for 2005/2006 was 3.71%. For 2006/2007 77.94% of the rates levy has been collected so far this year. Debt collection is an on-going process throughout the year.		
Measure:	Long-term Financial Plan implemented.		
Target:	Plan implemented by January 2007.		
Progress:	Project has not commenced at this stage.		
Measure:	Financial reporting requirements are completed and submitted on time.		
Target:	100% of financial reporting requirements met.		
Progress:	All financial reporting requirements have been completed and submitted on time.		

4.3 EXECUTIVE

GOAL

To provide strategic direction and business solutions that is supportive to Council.

Statutory Compliance		Responsible Officer	NR
Measure:	Meeting statutory reporting requirements		
Target:	100% compliance		
Progress:	All statutory reporting submitted on time		

Council Budget		Responsible Officer	NR
Measure:	Expenditure is maintained within approved budget allocation.		
Target:	Council's financial position is in accordance with the adopted budget, commensurate with sound financial planning.		
Progress:	There have been no significant variations to Council's budget.		

4.4 GOVERNANCE

GOAL

To provide the necessary legal and administrative support for decision-making and manage effective systems to fulfill our commitment to integrity and public accountability.

Councillors Support		Responsible Officer	NR
Measure:	Support services are provided to Councillors to assist in carrying out their responsibilities.		
Target:	No reasonable criticism received and support services provided.		
Progress:	No criticism received concerning services provided.		

Decision Making		Responsible Officer	NR
Measure:	Ensure decisions are made having regard to relevant legislation and Council policies.		
Target:	Appropriate advice provided to ensure decisions are made in accordance with relevant legislation and Council policies.		
Progress:	Decisions made have been in accordance with legislative and administrative requirements.		

Risk Management		Responsible Officer	NR
Measure:	Monitor claims to identify any trends indicating increased exposure to risk.		
Target:	Trends identified and appropriate action recommended and implemented.		
Progress:	No adverse trends identified.		

4.5 COMMUNICATIONS / INFORMATION TECHNOLOGY

GOAL

To improve communications within the community and focus on better communication within the organisation as well as within other government bodies by ensuring:

Council is accessible to our community.

Council processes are open and transparent.

Council is a good negotiator for our community.

Council's users are provided with access to reliable and up-to-date technology.

Communication	Responsible Officer	DB
Measure:	Level of community consultation	
Target:	High level of consultation/participation by community members	
Progress:	Four community forums have been held between July 06 . July 07.	
Measure:	Production and distribution to residents of Community Report	
Target:	Community report completed and distributed by 30 November 2005	
Progress:	Completed and distributed on time.	
Measure:	Production and distribution to residents of six editions of Council newsletter each year	
Target:	Number of newsletters completed and distributed in quarter	
Progress:	Six (6) editions completed and distributed as required.	
Measure:	Percentage of positive/balanced reporting by media	
Target:	Increase positive/balance media coverage by 20%	
Progress:	Media coverage is approximately 25% negative, 75% positive in favour of council or the community.	

Measure:	Usage of Council's website
Target:	Increase the number of hits on website by 20%
Progress:	Website hits have exceeded this target.

Information Technology		Responsible Officer	NR
Measure:	Ensure Council's information technology systems are secure and that the integrity of the information is maintained.		
Target:	No significant impacts on Council's operations arising from breaches of systems security.		
Progress:	No security breaches recorded.		
Measure:	Formulate information technology strategic plan.		
Target:	Plan prepared by December 2006.		
Progress:	Draft completed.		
Measure:	Ensure that appropriate information technology systems are provided and maintained for all users.		
Target:	No significant impact on Council's service delivery.		
Progress:	No significant impact on Council's service delivery from provision and maintenance of appropriate IT systems.		

4.6 MARKETING

GOAL

Council's marketing concept, brand and marketing strategy communicate the desirability of Strathfield Municipality as a place to live, work and play.

The marketing messages are about a small personal council focused on satisfying the needs of its community.

Marketing	Responsible Officer	DB
Measure:	Community satisfaction with service provision	
Target:	Increase in/high level of community satisfaction with services provided by Council/Service user satisfaction greater than 70%	
Progress:	A survey needs to be conducted to ascertain community satisfaction. Survey planned for distribution to the community in December 2007.	
Measure:	Use existing and emerging technologies to enhance Council's ability to achieve elevated service levels for Council staff, customers and the community	
Target:	Availability of website and corporate systems achieves a rate of 98% based on an expectation of 24 hour access to the website and corporate system uptime during business hours.	
Progress:	No significant downtime in website.	
Measure:	Quantitative changes in behaviour.	
Target:	Changes in behaviour met.	
Progress:	No behavioural change campaigns conducted.	

STATUTORY INFORMATION

4. Statutory Information

STATE OF THE ENVIRONMENT REPORT

State of the Environment (SoE) reporting enables councils to report on the state of the environment in their local area and the progress of environmental activities undertaken during the reporting period. SoE Report forms part of Council's Annual Report and provides information about the issues that are impacting on our environment and the current condition of our environment.

The report is available from Council's website at www.strathfield.nsw.gov.au;

CONDITION OF PUBLIC WORKS

For details concerning the condition of Public Works refer to Special Schedule No.7 pages s6 to s8 of the Annual Financial Statements.

LEGAL PROCEEDINGS

	Matter	Costs Received \$	Outcome
60-70	Albert Road, Strathfield	15,000	Appeal dismissed
9	Sylvanus Street, Greenacre		
70-80	Cosgrove Road		
9	Verley Drive, Homebush		Appeal discontinued by applicant
27	Wallis Avenue, Strathfield		Appeal dismissed
416-420	Liverpool Road, South Strathfield		Appeal upheld
29, 33-35	Burlington Road, Strathfield		Ongoing
32	The Crescent, Strathfield		Ongoing
32	Burlington Road, Homebush	5,948	
72	Parramatta Road, Strathfield		Ongoing
16	Dunlop Street, Strathfield South		Ongoing
9-10	The Crescent, Strathfield	3,800	Upheld
25	Water Street, Strathfield	2,350	Upheld
608-610	Liverpool Road, South Strathfield	1,900	Upheld
31	James Street, Strathfield	No legal costs incurred by court	
28-32	Marlborough Road, Strathfield	2,320	Upheld
87 & 98	Park Road, Homebush	93,852	Upheld
78	Wallis Avenue, Strathfield	1,965	Upheld
60-70	Cosgrove Road, Strathfield	21,042	Upheld
8-12	Station Street, Homebush	2,000	Upheld
54-58	Broughton Street, Strathfield	1,490	Upheld
16/1	Fitzgerald Crescent, Strathfield	475	Upheld
70	Redmyre Road, Strathfield	18,067	Upheld
3	Dean Street, Strathfield	600	Upheld
70	Highgate Street, Strathfield	220	Upheld
109	The Boulevard, Strathfield	1,730	Matter withdrawn
1	Drew Street, Strathfield	342	Upheld
17	Long Street, Strathfield	1,567	Upheld
31	High Street, Strathfield		In progress
72	Water Street, Strathfield	3,256	Upheld
	Total	177,924	

ELECTED MEMBERS

The following fees were paid to Elected Members:

Mayor	30,519.96
Councillors	94,569.96

Council's Policy for the Payment of Expenses and Provision of Facilities to Councillors is attached as Appendix 1.

The total costs incurred for the payment of expenses and provision of facilities to Councillors (excluding fees) was \$22,954.99.

Total amount of money expended during 2006/2007 on the provision of councilor facilities and the payment of councilor expenses, including separate details of the total cost of:

- Provision of dedicated office equipment allocated to the councillors is \$2,878.12.
- Telephone calls made by the councilors is \$10,946.51.
- Attendance of councillors at conferences and seminars is \$2,851.43.
- Training of councillors and provision of skill development is \$1,468.83.
- Interstate visits by the councillors, including transport, accommodation and other out of pocket traveling expenses . Nil.
- Expenses of any spouse, partner or other person who accompanied a councillor . Nil.
- Expenses involved in the provision of care for a child or an immediate family member of a councillor . Nil.

SENIOR STAFF

The General Manager is the only Senior Staff position. The total remuneration for the position, which includes salary, superannuation, non cash benefits and Fringe Benefits Tax is \$167,415.30.

MAJOR CONTRACTS

Veolia	Environmental Services	\$341,568.24
JJ Richards & Sons	Recycling Service	\$291,222.42
Westrac	Westrac Equipment Pty Ltd	\$174,060.21
WSN Environmental	Green Waste Collection	\$954,563.68
Avand Pty Ltd	DataWorks Records & Data Management System	\$222,570.69

BUSH FIRE HAZARD REDUCTION

Strathfield Council has two bush land reserves; Coxs Creek Reserve and Mason Park. Council has implemented bush regeneration programs to improve habitat. Bush regeneration reduces the risk of fire through the activities undertaken, such as minimising the occurrence of fire prone weeds and planting of fire resistant native plants and generally reduces conditions favourable to fire.

Grassed fire breaks at both reserves are maintained on a regular basis by mowing.

MULTICULTURAL SERVICES

Translation Assistance and Interpreter Services are available in order to assist the special needs of residents who have English as a second language, a number of Council staff can provide assistance to people from Culturally and Linguistically Diverse Backgrounds. Council also offers a free multilingual Telephone Interpreter Service for Council enquiries.

WORK ON PRIVATE LAND

No work was carried out by Council on private land.

FINANCIAL ASSISTANCE

Council contributed a total of \$313,264.00 in financial assistance comprising .

Childrens Services	\$71,332.00
Community Services	\$241,932.00

Assistance provided by Council included subsidies of rental and operating expenses of Council facilities as well as direct financial contributions.

HUMAN RESOURCES ACTIVITIES

In 2006/2007 introduction of a People and Performance Strategy which articulates the HR strategies necessary to help council meet the challenges it faces now and in the future. The success of the People & Performance Strategy relies heavily on senior executives and council members sharing the belief that people are the organisation's most valuable asset.

The four key objectives of the People and Performance Framework are:

- Improve productivity
- Streamline Customer Interactions
- Increase Infrastructure Capacity
- Increase Positive Contacts

By aligning Council's future direction with stakeholders' expectations, the People and Performance Strategy Framework will be used to align HR functions and business strategy and endorse the Vision, Mission and Values of Strathfield Municipal Council and the achievement of these key objectives.

To underpin the People & Performance Strategy, Council has reviewed its Performance Management System. This has included the introduction of organisational behaviours in which all staff will be assessed and rated against. Managers have must also undergo assessment against Council's Leadership Performance Criteria. The Leadership Performance Criteria clearly defines the constructive leadership and positive support behaviours and actions expected of senior staff and managers in the workplace.

A Leadership Development Framework been implemented to provide a broad range of education and support resources for Council's current and potential leaders by ensuring that we have an effective succession management plan that is designed to identify critical roles and ensure our current and future capacity to fill these with effective, committed staff.

Training

Leadership Development training has been rolled out to all Managers and Supervisors so as to strengthen our leadership capacity and ongoing focuses on leadership has continued throughout 2006-2007.

Other courses attended by staff include:

Customer Service

Greencard

Traffic Control

OH&S

Armed Hold-up &

Various specialist skills training for all divisions, such as planning assessment, compliance, engineering, horticultural and civil works staff.

EQUAL EMPLOYMENT OPPORTUNITY

Council is committed to both the elimination and prevention of discrimination and harassment in accordance with current legislation.

Council is committed to ensuring that people with equal skills and qualifications have an equal chance of obtaining a position, training opportunities and advancement within Council. Council will promote EEO for women, Aboriginal and Torres Strait Islanders, people from non-English speaking backgrounds and people with disabilities.

Key Objective & Strategies

Council's EEO Management Plan supports the achievement of the organisation's objectives through promotion of equal employment opportunity and the creation of a workplace free from harassment and discrimination.

- EEO Management Plan revised with outcomes that are defined and agreed

- implementation timeframes.
- All statutory requirements are met.
- A diverse workforce reflective of our local government area.
- All barriers to recruitment, career development and promotion are identified and removed.

EXTERNAL BODIES EXERCISING COUNCIL FUNCTIONS

Council did not delegate functions to any external bodies.

COMPANIES IN WHICH COUNCIL HELD A CONTROLLING INTEREST

Council did not hold a controlling interest in any companies.

PARTNERSHIPS, CO-OPERATIVES AND JOINT VENTURES

Inner Metropolitan Regional Organisation of Councils

Council is a member of the Inner Metropolitan Regional Organisation of Councils(IMROC). Other member Councils are Canada Bay and Leichhardt.

IMROC works on projects of regional significance and saves Council time and money through resource-sharing projects. IMROC continues to work towards an increasing level of partnership with the State Government in facing the challenges in the region and assists in building member Councils capacity to meet the challenges of changing and increasing community expectations.

Road Safety Officer

Strathfield Municipal Council and the Roads and Traffic Authority jointly fund the position of Community Road Safety Officer. The Road Safety Officer's role includes public education regarding road safety issues eg drink driving, speeding and pedestrian safety.

OVERSEAS VISITS

No paid overseas visits were undertaken by Councillors, staff or other persons representing Council.

CHILDRENS SERVICES AND PROGRAMS

Council owns and operates one children's health centre and four child care services under licence agreements. This includes the Early Childhood Health Centre, Strathfield One Stop Childcare Service (SOCCS), Strathfield Sessional Pre-school, Kurralee

Children's Centre, Homebush Out of School Hours (HOOSH). There are also other private childcare centres that operate in the Strathfield area.

Council facilitates the Children Services Working Group which consists of community organisations, schools and other partners which meet on a bi-monthly basis to promote and encourage quality services for children in the local area.

Council Social Plan has identified the needs of children within the area and Council is investigating expansion of out of hours school care and vacation programs to cater for the substantial child and youth population of Strathfield.

Council offers school holiday programs four times a year. These run for two weeks during holidays and offer many educational and recreational activities such as sport, arts & crafts and music workshops.

Council supports community based playgroups which operate at Strathfield Community Centre.

Council is also launching the new Youth Theatre Program and is developing plans for a regional Youth Council.

ACCESS & EQUITY

Council continues to address issues of access and equity through the strategies developed in the Social Plan, Disability Discrimination Plan and Access & Equity Policy. These documents were developed through an extensive consultation process undertaken within the community and are regularly reviewed.

Local community activities are advertised through the Strathfield Scene, the Mayoral Column, the community notice boards, Council's website, at the Community Centre and at Council's Libraries. All services, facilities and organisations are also listed in the Community Directory which is available in hard copy as well as on Council's website.

Strathfield Municipal Council has developed a number of policies and planning documents that will assist Council to provide services and facilities that are accessible and beneficial to the whole community.

BUSINESS ACTIVITIES OF COUNCIL

The following information is provided concerning the application of National Competition Policy to Council's activities.

National Competition Policy is aimed at increasing consumer and business choice, reducing production and transport costs in an effort to lower prices for goods and services and creating an overall business environment in which to improve Australia's international competitiveness. One of the major components of the National Competition Policy are the competition principles which are aimed at encouraging efficient public

sector service provision by exposing public business functions to competition where appropriate.

The policy requires that Council determine which of those activities it conducts are to be classified as business activities. Those business activities identified must then be categorised as Category 1 or Category 2 businesses. Category 1 businesses are those which have an annual sales turnover of \$2million and above. Category 2 business activities are those which have an annual sales turnover of less than \$2million. Council has identified the following business activities:

Category 1 - Nil

Category 2 - Hudson Park Golf Course

Council's Customer Service and Complaints Policy details our commitment to customer service and provides information on how complaints may be made. Complaints concerning competitive neutrality are handled in accordance with the policy. Details of Council's Customer Service and Complaints Policy are included in a range of publications issued by Council each year.

Council has not received any complaints concerning the competitive neutrality of its business activities.

RATES AND CHARGES WRITTEN OFF

Rates and charges totaling \$329,205.81 were written off by Council, which includes Pensioner rebates of \$327,130.98. The balance of \$2,074.83 was written off due to valuation objections.

PRIVACY AND PERSONAL INFORMATION PROTECTION ACT

A review of Council's Privacy Management Plan has been undertaken. The Privacy Management Plan under section 33(3) all associated forms have been updated. All forms and plans have been placed on Council's website and are available at Council's Customer Service Centre.

FREEDOM OF INFORMATION APPLICATIONS

Year ending 30 June 2007

SECTION A Numbers of new FOI requests - Information relating to numbers of new FOI requests received, those processed and those incomplete from the previous period.

FOI Requests	Personal	Other	Total
A1 New (including transferred in)	Nil	5	5
A2 Brought forward	Nil	Nil	Nil
A3 Total to be processed	Nil	5	5
A4 Completed	Nil	5	5
A5 Transferred out			
A6 Withdrawn		Nil	Nil
A7 Total Processed	Nil	5	5
A8 Unfinished (carried forward)	Nil	Nil	Nil

SECTION B What happened to completed requests?

Result of FOI Request	Personal	Other
B1 Granted in full		5
B2 Granted in part		
B3 Refused		
B4 Deferred		
B5 Completed	Nil	5

SECTION C Ministerial Certificates - number issued during the period - Nil

SECTION D Formal consultations - number of requests requiring consultations (issued) and total number of FORMAL consultation(s) for the period - Nil

SECTION E Amendment of personal records - number of requests for amendment processed during the period - Nil

SECTION F Notation of personal records - number of requests for notation processed during the period - Nil

SECTION G FOI requests granted in part or refused - Basis of disallowing access - Number of times each reason cited in relation to completed requests which were granted in part or refused.

Basis of disallowing or restricting access	Personal	Other
G4 Section 25 (1)(a) {exempt}	Nil	Nil
G9 Totals	Nil	Nil

SECTION H Costs and fees of requests processed during the period (ie those included in lines A4, A5 and A6), Costs and fees for unfinished requests (ie those requests included in Line A8) are NOT included

	Assessed Costs	FOI Fees Received
H1 All completed requests	\$150.00	\$150.00

SECTION I Discounts allowed - numbers of FOI requests processed during the period* where discounts were allowed.

Type of Discount Allowed	Personal	Other
1/11 Public interest		
I2 Financial hardship - Pensioner / Child		
I3 Financial hardship - Non profit organisation		
I4 Totals	Nil	Nil
I5 Significant correction of personal records		

*Note: except for item I5. Items I1, I2, I3 and I4 refer to requests processed as recorded in A7. For I5, however, show the actual number of requests for correction of records processed during the period

SECTION J Days to process - Number of completed requests (A4) by calendar days (elapsed time) taken to process.

Elapsed Time	Personal	Other
J1 0 - 21 days		3
J2 22 - 35 days		2
J3 Over 35 days		
J4 Totals	Nil	5

SECTION K Processing time - Number of completed requests (A4) by hours taken to process.

Processing Hours	Personal	Other
K1 0 - 10 hours		
K2 11 - 20 hours		
K3 21 - 40 hours		3
K4 Over 40 hours		2
K5 Totals	Nil	5

SECTION L Reviews and Appeals - number finalised during the period.

L1 Number of internal reviews finalised	Nil
L2 Number of Ombudsman reviews finalised	Nil
L3 Number of District Court appeals finalised	Nil

Details of Internal Review Results - in relation to internal reviews finalised during the period -

Bases of Internal Review	Personal		Other	
Grounds on which Internal Review Requested	Upheld *	Varied *	Upheld *	Varied *
L4 Access refused				
L5 Deferred				
L6 Exempt matter				
L8 Charge unreasonably incurred				
L9 Amendment refused				
L10 Totals	Nil	Nil	Nil	Nil

*Note: relates to whether or not the original agency decision was upheld or varied by the internal review

BREACHES OF CODE OF CONDUCT

In accordance with Council Resolution Minute No.CW17/97 details are provided concerning breaches of Council's Code of Conduct by Councillors and the sanctions imposed.

There were no breaches of the Code of Conduct by Councillors.

COUNCILLORS ATTENDANCE

In accordance with Council Resolution Minute No.200/03 details are provided of Councillors attendance at Council meetings.

Number of Ordinary Meetings Held . 11

Number of Extraordinary Council Meetings Held - 10

Councillor	Ordinary Meetings Attended	Extraordinary Meetings Attended
Bill Carney Mayor	11	9
Paul Barron	10	9
David Doust	9	5
Scott Farlow	9	6
Elizabeth Gewandt	8	10
Brenda Gillard	10	8
Keith Kwon	10	8

FINANCIAL REPORT

5. Financial Reports



Strathfield Municipal Council
Financial Reports
for the year ended
30 June 2007

Strathfield Municipal Council

General Purpose Financial Report for the financial year ended 30 June 2007

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Overview

- (i) This Financial Report covers the consolidated operations for Strathfield Municipal Council.
- (ii) Strathfield Municipal Council is a body corporate of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.

Council's Statutory Charter is specified in Section 8 of the LGA and includes;

- carrying out activities and providing goods, services & facilities appropriate to the current & future needs of the Local community and of the wider public
- responsibility for administering regulatory requirements under the LGA and other applicable legislation, &
- a role in the management, improvement and development of the resources of the local government area.

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

- (iii) All figures presented in this Financial Report represent Australian Currency.
- (iv) This Financial Report was authorised for issue by the Council on 2/11/07.
Council has the power to amend and reissue the financial report.

Strathfield Municipal Council

General Purpose Financial Report for the financial year ended 30 June 2007

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 Report has 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, this Report:

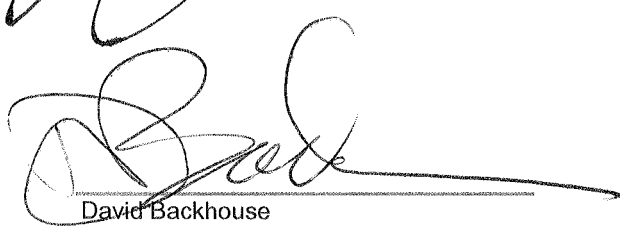
- presents fairly the Council's operating result and financial position for the year, and
- accords with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 2 October 2007.



Scott Farlow
MAYOR



David Backhouse
GENERAL MANAGER



Paul Barron
COUNCILLOR



Neale Redman
RESPONSIBLE ACCOUNTING OFFICER

Strathfield Municipal Council

Income Statement

for the financial year ended 30 June 2007

Budget ⁽¹⁾			Actual	Actual
2007	\$ '000	Notes	2007	2006
Income from Continuing Operations				
Revenue:				
14,243	Rates & Annual Charges	3a	14,259	13,747
3,036	User Charges & Fees	3b	2,946	2,529
936	Interest & Investment Revenue	3c	1,656	1,502
927	Other Revenues	3d	988	1,015
1,687	Grants & Contributions provided for Operating Purposes	3e,f	1,965	1,610
1,189	Grants & Contributions provided for Capital Purposes	3e,f	1,775	2,574
Other Income:				
-	Net gains from the disposal of assets	5	60	443
-	Share of interests in Joint Ventures & Associated Entities using the Equity Method	19	-	-
22,018	Total Income from Continuing Operations		23,649	23,420
Expenses from Continuing Operations				
8,593	Employee Benefits & on-costs	4a	8,589	8,694
99	Borrowing Costs	4b	99	144
5,124	Materials & Contracts	4c	5,119	4,943
578	Depreciation & Amortisation	4d	3,281	3,203
-	Impairment	4d	-	-
4,235	Other Expenses	4e	4,850	4,265
18,629	Total Expenses from Continuing Operations		21,938	21,249
3,389	Operating Result from Continuing Operations		1,711	2,171
Discontinued Operations				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
3,389	Net Operating Result for the Year		1,711	2,171
3,389	Net Operating Result attributable to Council		1,711	2,171
-	Net Operating Result attributable to Minority Interests		-	-
Net Operating Result for the year before Grants and Contributions provided for Capital Purposes				
2,200			(64)	(403)

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

Strathfield Municipal Council

Balance Sheet

as at 30 June 2007

\$ '000	Notes	Actual 2007	Actual 2006
ASSETS			
Current Assets			
Cash & Cash Equivalents	6a	17,377	18,772
Investments	6b	3,000	-
Receivables	7	2,054	1,890
Inventories	8	54	53
Other	8	421	409
Non-current assets classified as "held for sale"	22	-	-
Total Current Assets		22,906	21,124
Non-Current Assets			
Investments	6b	3,000	6,000
Receivables	7	36	17
Inventories	8	-	-
Infrastructure, Property, Plant & Equipment	9	282,943	279,480
Investments Accounted for using the equity method	19	-	-
Investment Property	14	-	-
Intangible Assets	25	-	-
Other	8	-	-
Total Non-Current Assets		285,979	285,497
TOTAL ASSETS		308,885	306,621
LIABILITIES			
Current Liabilities			
Payables	10	3,153	6,829
Interest Bearing Liabilities	10	434	542
Provisions - anticipated as being payable within the next 12 months	10	1,010	830
Provisions - anticipated as being payable after the next 12 months	10	1,000	990
Total Current Liabilities		5,597	9,191
Non-Current Liabilities			
Payables	10	4,468	-
Interest Bearing Liabilities	10	640	1,074
Provisions	10	147	34
Total Non-Current Liabilities		5,255	1,108
TOTAL LIABILITIES		10,852	10,299
Net Assets		298,033	296,322
EQUITY			
Retained Earnings	20	298,033	296,322
Total Equity		298,033	296,322

Strathfield Municipal Council

Statement of Changes in Equity for the financial year ended 30 June 2007

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Equity Interest	Minority Interest	Total Equity
2007						
Opening Balance (as per Last Years Audited Accounts)		296,322	-	296,322	-	296,322
a. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/06)		296,322	-	296,322	-	296,322
c. Current Year Income & Expenses Recognised direct to Equity						
Nil						
Net Income Recognised Directly in Equity		-	-	-	-	-
d. Net Operating Result for the Year		1,711	-	1,711	-	1,711
Total Recognised Income & Expenses (c&d)		1,711	-	1,711	-	1,711
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
Equity - End of Reporting Period Balance		298,033	-	298,033	-	298,033

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Equity Interest	Minority Interest	Total Equity
2006						
Opening Balance (as per Last Years Audited Accounts)		294,151	-	294,151	-	294,151
a. Adjustments on adoption of AASB 132 and AASB139 as at (1/7/05)		-	-	-	-	-
b. Correction of Prior Period Errors	20 (c)	-	-	-	-	-
c. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
Revised Opening Balance (as at 1/7/05)		294,151	-	294,151	-	294,151
d. Current Year Income & Expenses Recognised direct to Equity						
Nil						
Net Income Recognised Directly in Equity		-	-	-	-	-
e. Net Operating Result for the Year		2,171	-	2,171	-	2,171
Total Recognised Income & Expenses (c&d)		2,171	-	2,171	-	2,171
f. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
g. Transfers between Equity		-	-	-	-	-
Equity - End of the Reporting Period Balance		296,322	-	296,322	-	296,322

Strathfield Municipal Council

Cash Flow Statement

for the financial year ended 30 June 2007

Budget			Actual	Actual
2007	\$ '000	Notes	2007	2006
Cash Flows from Operating Activities				
Receipts:				
14,636	Rates & Annual Charges		14,139	13,532
2,810	User Charges & Fees		3,356	1,398
855	Interest & Interest Received		1,639	1,439
3,349	Grants & Contributions		4,028	5,023
2,577	Other		1,457	1,973
Payments:				
(6,310)	Employee Benefits & On-costs		(8,301)	(8,472)
(2,731)	Materials & Contracts		(6,042)	(5,474)
(99)	Borrowing Costs		(100)	(144)
(10,569)	Other		(4,601)	(4,998)
4,518	Net Cash provided (or used in) Operating Activities	11b	5,575	4,277
Cash Flows from Investing Activities				
Receipts:				
-	Sale of Investments		-	3,042
-	Sale of Infrastructure, Property, Plant & Equipment		319	712
Payments:				
(3,727)	Purchase of Infrastructure, Property, Plant & Equip.		(6,747)	(3,098)
(3,727)	Net Cash provided (or used in) Investing Activities		(6,428)	656
Cash Flows from Financing Activities				
Receipts:				
Nil				
Payments:				
(542)	Repayment of Borrowings & Advances		(542)	(652)
(542)	Net Cash Flow provided (used in) Financing Activities		(542)	(652)
249	Net Increase/(Decrease) in Cash & Cash Equivalents		(1,395)	4,281
17,377	plus: Cash & Cash Equivalents - beginning of year	11a	18,772	14,491
17,626	Cash & Cash Equivalents - end of the year	11a	17,377	18,772

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

Strathfield Municipal Council

General Purpose Financial Report

for the financial year ended 30 June 2007

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n/a - not applicable

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies

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

Under Australian Equivalents to International Financial Reporting Standards (AIFRS), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial reports.

(a) Basis of preparation

(i) Background

This financial report is a general purpose financial report which has been prepared in accordance with;

- applicable Australian equivalents to International Financial Reporting Standards (AIFRSs),
- other authoritative pronouncements of the Australian Accounting Standards Board,
- Urgent Issues Group Interpretations,
- the Local Government Act (1993) and Regulations and
- the Local Government Code of Accounting Practice and Financial Reporting.

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

Australian Accounting Standards (AASB's) include Australian equivalents to International Financial Reporting Standards (IFRS's).

Because AASB's are sector neutral, some standards either (i) have local Australian content and prescription that is specific to the Not-For-Profit sector (including Local Government) which are not in compliance with IFRS's or (ii) specifically exclude application by Not for Profit entities.

Examples include;

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

Accordingly in preparing this Financial Report and Accompanying Notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the Local Government Act, Regulations and Local Government Code of Accounting Practice & Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with Australian Accounting Standards.

(iii) Application of AAS 27

Council is required to comply with AAS 27 – "Financial Reporting by Local Government", and where AAS 27 conflicts with AIFRS, the requirements of AAS 27 have been applied.

Where AAS 27 makes reference to another Australian accounting standard, the new Australian IFRS equivalent standards will apply and in particular any specific "not for profit" reporting requirements.

(iv) Basis of Accounting

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

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

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

(v) Changes in Accounting Policies

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

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

(vi) Critical Accounting Estimates

The preparation of this financial report (and financial statements) in conformity with AIFRS 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.

(b) Revenue recognition

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

Revenue is measured on major income categories as follows:

Rates, Annual Charges, Grants and Contributions

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

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

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

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

Income from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, and **(i)** it is probable that the economic benefits comprising the contribution will flow to the Council and **(ii)** the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g).

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contributions required from developers under the provisions of S94 of the EPA Act 1991.

Whilst Council generally incorporates these amounts as part of A Development Consents Orders, 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 or payable to Council.

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

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

User Charges, Fees and Other Income

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

A provision for doubtful debt is recognised when collection in full is no longer probable.

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

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

Sale of Infrastructure, Property, Plant and Equipment

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

Interest and Rents

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

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

(c) Principles of Consolidation

These Financial Reports incorporate (i) the assets and liabilities of Council and any entities (or operations) that it **controls** (as at 30/6/07) and (ii) all the related operating results (for the financial year ended the 30th June 2007).

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

In the process of reporting on Council's activities as a single unit, all inter-entity year end balances and reporting period transactions have been eliminated in full between Council and its controlled entities .

(i) The Consolidated Fund

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

The consolidated fund and other entities through which the Council controls resources to carry on its

functions have been included in the financial statements forming part of this report.

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

- General Purpose Operations

(ii) The Trust Fund

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

No Trust Funds are currently held.

(iii) Joint Venture Entities

Jointly Controlled Assets

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

Jointly Controlled Entities

There are no Jointly Controlled Entities.

(iv) Associated Entities

There are no associated entities

(v) County Councils

Council is not a member of any County Councils.

(d) Leases

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

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

Finance Leases

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

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

The corresponding rental obligations, net of finance charges, are included in other long term payables.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of 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.

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

Operating Leases

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

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

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

(e) Cash and Cash Equivalents

Cash and cash equivalents includes;

- cash **on hand**,
- deposits held **at call** with financial institutions,
- other short-term, highly liquid investments **with original maturities of three months or less** that are readily convertible to known amounts of

cash and which are subject to an insignificant risk of changes in value, and

- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss**,
- **loans and receivables**,
- **held-to-maturity investments**, and
- **available-for-sale financial assets**.

Each classification depends on the purpose/intention for which the investment was acquired.

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets 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 as they are primarily held for trading &/or are expected to be realised within 12 months of the balance sheet date.

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

(ii) Loans and receivables

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

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

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

(iii) Held-to-maturity investments

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

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

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

(iv) Available-for-sale financial assets

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

This classification principally comprises marketable equity securities.

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

General Accounting & Measurement of Financial Instruments:

(i) Initial Recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at "fair value through profit or loss", directly attributable transactions costs

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

(ii) Subsequent Measurement

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value.

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

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as "fair value through profit or loss" category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve.

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

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

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

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

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

(iii) Types of Investments

Council has an approved Investment Policy in order to undertake its investment of money in accordance with Section 625 of the Local Government Act and S212 of the LG (General) Regulations 2005.

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Local Government Investment Order.

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

(g) Fair value estimation

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

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

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

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

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

Other techniques, such as estimated 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.

(h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in accordance with Councils policy.

A provision for doubtful receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

(i) Inventories

Raw Materials and Stores, Work in Progress and Finished Goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

Land Held for Resale/Capitalisation of Borrowing Costs

Land held for resale is stated at the lower of cost and net realisable value.

Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made.

Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(j) Infrastructure, property, plant and equipment

Acquisition of assets

All infrastructure, property, plant and equipment assets under Council's control are stated at cost (or deemed cost) less accumulated depreciation and any accumulated impairment losses, with the exception of:

- **Investment Properties** which are valued at Fair Value – refer Note 1(k), and
- **Water and Sewerage Networks** which are carried at Fair Value (generally based upon Depreciated Replacement Cost).

Council's assets will be progressively revalued to fair value in accordance with a staged implementation as advised by the Department of Local Government:

- **2007/08:** Property, plant and equipment, land, & buildings
- **2008/09:** Roads, bridges, footpaths and drainage

Initial Recognition

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

Where settlement of any part of an assets cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition to arrive at fair value.

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

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

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

Subsequent costs

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

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

Asset Revaluations

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

- 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 recognising profit or loss, the increase is first recognised in profit or loss.
- Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

Capitalisation Thresholds

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

Land

- council land	100% Capitalised
- open space	100% Capitalised
- land under roads	100% Capitalised

Plant & Equipment

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

Buildings & Land Improvements

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

Stormwater Assets

Drains & Culverts	> \$5,000
Other	> \$5,000

Transport Assets

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

Depreciation

Depreciation on Councils infrastructure, property, plant and equipment assets is calculated using the straight line method in order to allocate an assets cost (net of their residual values) over its estimated useful life.

Land is not depreciated.

The range of estimated useful lives for Councils assets include:

Plant & Equipment

- Office Equipment	3 to 10 years
- Office furniture	3 to 10 years
- Computer Equipment	4 years
- Vehicles	5 to 10 years
- Heavy Plant/Road Making equip.	5 to 10 years
- Other plant and equipment	5 to 10 years

Stormwater Drainage

- Drains	100 years
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Transportation Assets

-Roads Footpaths Kerbs etc	100 years
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Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount – refer Note 1 (p) on Asset Impairment.

Disposal and De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

(k) Intangible Assets

IT development and software

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

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

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

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

(l) 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.

A working party of interested representatives from both State and Local Government is being formed to consider the accounting issues related to the Crown Reserves, with the intention of developing a consistent approach to their recognition and future accounting treatment across both tiers of government.

Until such time as discussions on this matter have concluded and the legislation changed, council will continue to account for these assets as they have been doing in previous years, which is to incorporate the assets, their values and depreciation charges within these Financial Reports

(m) Investment property

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

Investment property is carried at fair value, representing an in-house valuation based on either a discounted cash flow analysis or an open-market value determined annually by external valuers.

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

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

(n) Land

Land in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) is classified on purchase as either Operational or Community.

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

This classification of Land is disclosed in Note 9(a).

(o) Land under roads

Council has elected not to recognise land under roads in accordance with the deferral arrangements available to it under AASB 1045.

These deferral arrangements cease to apply as of 30 June 2008.

(p) Provisions for close down, restoration and for environmental clean up costs – including Tips and Quarries

Close down, Restoration and Remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.

Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance.

Costs are estimated on the basis of a closure plan.

The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, Restoration and Remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period.

This amortisation of the discount is shown as a borrowing cost.

Other movements in the provisions for Close down, Restoration and Remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment.

These costs are then depreciated over the lives of the assets to which they relate.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each balance sheet date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the balance sheet date.

These costs are charged to the income statement.

Movements in the environmental clean up provisions are presented as an operating cost, except for the unwind of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

environmental clean up, which would affect future financial results.

Specific Information relating to Councils provisions relating to Close Down, Restoration and Remediation costs can be found at Note 21.

(q) Non-current assets held for sale

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

The exception to this is plant and motor vehicles which are turned over on a regular basis.

Plant and motor vehicles are retained in Non Current Assets under the classification of Infrastructure, Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets classified as "Non Current Assets Held for Sale", an impairment loss is recognised where the assets carrying value is greater than its fair value less costs to sell.

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

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

(r) Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For non-cash generating assets of Council such as roads, drains, public buildings etc - value in use is

represented by the "deprival value" of the asset which is approximated as it's written down replacement cost.

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

(s) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

(t) Borrowings

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

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

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

(u) Borrowing costs

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

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

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

(v) Provisions

Provisions for legal claims and service warranties are recognised when:

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

Provisions are not recognised for future operating losses.

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

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

(w) Employee benefits

(i) Wages & salaries, annual leave and sick leave

Liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave, are recognised in the provision for employee benefits in respect of employees' services up to the reporting date.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

Calculations therefore incorporate (where the leave is expected to be paid more than 12 months after the reporting date) the use of discounted cash flows.

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

Wages & salaries, annual leave and vesting sick leave are all classified as Current Liabilities.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits in respect of services provided by employees up to the reporting date.

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

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

Expected future payments are 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.

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

(iii) Retirement benefit obligations

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

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

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

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date,

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans.

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

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

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

Accordingly, Councils contributions to the scheme have been recognised as an expense and disclosed as part of Superannuation Expenses at Note 4(a).

The last valuation of the Scheme was performed by Mr Martin Stevenson BSc, FIA, FIAA on 19th June 2007 and covers the period ended 30 June 2006.

This valuation found that the Schemes assets were \$3,291.1 million and its past service liabilities were \$2,980.3 million, giving it a Surplus of \$310.8 million.

The existence of this surplus has resulted in Councils contributing during the 06/07 year at half the normal level of contributions.

The financial position of the Scheme is monitored annually.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those arising from the payment of employee benefits in future periods – including Superannuation and Workers Compensation expenses which will be payable upon the future payment of some Leave Liabilities accrued as at 30/6/07.

(x) Allocation between current and non-current

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

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

Exceptions

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

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

(y) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

Goods & Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 1. Summary of Significant Accounting Policies (continued)

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Statement of Cash Flows are on a gross basis, ie. they are inclusive of GST where applicable.

Investing and Financing cash flows are treated on a net basis (where recoverable from the ATO), ie. they are exclusive of GST.

Accordingly, the GST component of investing and financing activity cash flows which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

will impact the type of information disclosed in relation to the Council's financial instruments.

(aa) Rounding of amounts

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

(ab) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within this Financial Report and/or the Notes.

(ac) Disclaimer

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

(z) New accounting standards and UIG interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2007 reporting periods. Council's assessment of the impact of these new standards and interpretations is set out below.

- (i) **AASB 7:** Financial Instruments: Disclosures, and
- (ii) **AASB 2005-10:** Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]

AASB 7 and AASB 2005-10 are applicable to annual reporting periods beginning on or after 1 January 2007.

Council has not adopted the standards early.

Application of the standards will not affect any of the amounts recognised in the financial statements, but

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 2(a). Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions/Activities. Details of these Functions/Activities are provided at 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 2007	Actual 2007	Actual 2006	Original Budget 2007	Actual 2007	Actual 2006	Original Budget 2007	Actual 2007	Actual 2006	Actual 2007	Actual 2006	Actual 2007	Actual 2006
Governance	55	-	-	1,358	495	-	(1,303)	(495)	-	215	(168)	(75)	-
Administration	315	236	979	5,105	6,282	5,366	(4,790)	(6,046)	(4,387)	-	-	34,359	30,683
Public Order & Safety	629	736	679	995	975	923	(366)	(239)	(244)	33	-	103	105
Health	94	75	46	343	429	347	(249)	(354)	(301)	-	-	557	551
Community Services & Education	160	231	343	619	833	486	(459)	(602)	(143)	135	137	1,858	1,860
Housing & Community Amenities	3,164	3,335	3,096	4,151	4,346	4,384	(987)	(1,011)	(1,288)	114	48	25,441	26,553
Recreation & Culture	2,171	1,400	1,406	2,922	4,183	4,409	(751)	(2,783)	(3,003)	195	296	131,850	132,055
Mining, Manufacturing & Construction	730	512	517	889	703	1,419	(159)	(191)	(902)	-	-	114,792	114,814
Transport & Communication	1,260	3,004	3,270	2,146	3,692	3,910	(886)	(688)	(640)	132	436	-	-
Economic Affairs	118	74	20	101	-	5	17	74	15	-	-	-	-
Total Functions & Activities	8,696	9,603	10,355	18,629	21,938	21,249	(9,933)	(12,335)	(10,894)	824	748	308,885	306,621
Share of Gains in Associates & Joint Ventures (using the Equity Method)	-	-	-	-	-	-	-	-	-	-	-	-	-
General Purpose Income ¹	13,322	14,046	13,065	-	-	-	13,322	14,046	13,065	870	844	-	-
Operating Result from Continuing Operations	22,018	23,649	23,420	18,629	21,938	21,249	3,389	1,711	2,171	1,694	1,592	308,885	306,621

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

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 2(b). Components of Functions

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

GOVERNANCE

Costs relating to the Council's role as a component of democratic government, including elections, members fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance, together with related administration costs.

ADMINISTRATION

Costs not otherwise attributed to other functions.

PUBLIC ORDER & SAFETY

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

HEALTH

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

COMMUNITY SERVICES & EDUCATION

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

HOUSING & COMMUNITY AMENITIES

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

RECREATION & CULTURE

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

MINING, MANUFACTURING & CONSTRUCTION

Building control, abattoirs, quarries and pits, other.

TRANSPORT & COMMUNICATION

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

ECONOMIC AFFAIRS

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

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2007	Actual 2006
(a). Rates & Annual Charges			
Ordinary Rates			
Residential		7,708	7,307
Business		3,590	3,656
Total Ordinary Rates		11,298	10,963
Special Rates			
Nil			
Total Special Rates		-	-
Annual Charges (pursuant to s.496 & s.501)			
Domestic Waste Management Services		2,961	2,784
Total Annual Charges		2,961	2,784
<u>TOTAL RATES & ANNUAL CHARGES</u>		<u>14,259</u>	<u>13,747</u>

Council has used 1/7/2004 valuations provided by the NSW Valuer General in calculating its rates.

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2007	Actual 2006
(b). User Charges & Fees			
Specific User Charges (per s.502 - Specific "actual use" charges)			
Domestic Waste Management Services		37	6
Total User Charges		37	6
Other User Charges & Fees			
(i) Fees & Charges - Statutory & Regulatory Functions (per s608, 610A & 611)			
Planning & Building Regulation		512	602
Section 149 Certificates (EPA Act)		90	-
Section 603 Certificates		45	-
Section 611 Charges		64	62
Public Health Act		18	-
Total Fees & Charges - Statutory/Regulatory		729	664
(ii) Fees & Charges - Other (incl. General User Charges (per s.610C))			
Child Care		118	-
Leaseback Fees - Vehicles		40	36
Library & Art Gallery		28	36
Park Rents and Fees		217	-
Restoration Charges (previously reported in 'Contributions')		950	587
Hudson Park Golf Course		401	419
Companion Animal Fees		23	-
Other property Rents		335	576
Strath Services		-	20
Community Services		6	-
Other		62	185
Total Fees & Charges - Other		2,180	1,859
<u>TOTAL USER CHARGES & FEES</u>		<u>2,946</u>	<u>2,529</u>

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2007	Actual 2006
(c). Interest & Investment Revenue			
Interest on Overdue Rates & Charges		59	40
Interest earned on Investments		1,597	1,462
<u>TOTAL INTEREST & INVESTMENT REVENUE</u>		<u>1,656</u>	<u>1,502</u>
Interest Revenue is attributable to:			
Unrestricted Investments/Financial Assets:			
Overdue Rates & Annual Charges		59	40
General Council Investments		1,103	972
Restricted Investments/Funds - External:			
Development Contributions			
- Section 94		462	471
Domestic Waste Management operations		32	19
Total Interest & Investment Revenue Recognised		<u>1,656</u>	<u>1,502</u>
(d). Other Revenues			
Ex Gratia Rates		266	246
Parking Fines		680	669
Other Fines		3	-
Legal Fees Recovery - Other		15	-
Insurance Claim Recoveries		24	100
<u>TOTAL OTHER REVENUE</u>		<u>988</u>	<u>1,015</u>

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 3. Income from Continuing Operations (continued)

\$ '000	2007 Operating	2006 Operating	2007 Capital	2006 Capital
(e). Grants				
General Purpose (Untied)				
Financial Assistance - General Component	544	522	-	-
Financial Assistance - Local Roads Component	193	185	-	-
Pensioners' Rates Subsidies - General Component	133	137	-	-
Total General Purpose	870	844	-	-
Specific Purpose				
Pensioners' Rates Subsidies:				
- Domestic Waste Management	47	48	-	-
Aged Care	108	109	-	-
Bus Route Subsidy	22	21	-	-
Community Care Services	-	4	-	-
Employment & Training Programs	-	9	-	-
Environmental Protection	28	-	-	-
Library Services	88	119	-	-
Recreation & Culture	-	-	96	-
Sporting Facilities	-	-	-	176
Street Lighting Subsidy	110	107	-	-
Transport (Roads to Recovery)	215	108	-	-
Youth Week	1	-	-	-
HACC	26	25	-	-
Flood Study	39	-	-	-
Bark Huts	11	-	-	-
SES	-	22	33	-
Total Specific Purpose	695	572	129	176
Total Grants	1,565	1,416	129	176
Grant Revenue is attributable to:				
- Commonwealth Funding	952	815	-	-
- State Funding	613	601	129	176
	1,565	1,416	129	176

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 3. Income from Continuing Operations (continued)

\$ '000	2007 Operating	2006 Operating	2007 Capital	2006 Capital
(f). Contributions				
Developer Contributions:				
(s93 & s94 - EP&A Act, s64 of the NSW LG Act):				
S 94 - Contributions towards amenities/services	-	-	1,646	2,180
Total Developer Contributions	17	-	1,646	2,180
Other Contributions:				
Kerb & Gutter	-	-	-	144
RTA Contributions (Regional/Local, Block Grant)	389	168	-	-
Youth Week - Other Councils	11	-	-	-
Other	-	26	-	74
Total Other Contributions	400	194	-	218
Total Contributions	400	194	1,646	2,398
TOTAL GRANTS & CONTRIBUTIONS	1,965	1,610	1,775	2,574

	Actual 2007	Actual 2006
(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	10,881	8,213
add: Grants and contributions recognised in the current period which have not been spent:	2,162	2,834
less: Grants and contributions recognised in a previous reporting period which have been spent in the current reporting period:	(4,703)	(166)
Net Increase (Decrease) in Restricted Assets during the Current Reporting Period	(2,541)	2,668
Unexpended at the Close of this Reporting Period and held as Restricted Assets	8,340	10,881
Comprising:		
- Specific Purpose Unexpended Grants	374	286
- Developer Contributions	7,966	10,595
	8,340	10,881

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2007	Actual 2006
(a) Employee Costs			
Salaries and Wages		6,331	6,351
Travelling		207	419
Employee Leave Entitlements (ELE)		1,075	1,092
ELE Oncosts		16	
Superannuation		-	568
Superannuation - Defined Contribution Plans		535	-
Superannuation - Defined Benefit Plans		84	-
Workers' Compensation Insurance		151	405
Fringe Benefit Tax (FBT)		97	85
Training Costs (other than Salaries & Wages)		142	74
Other		22	18
Total Employee Costs		8,660	9,012
less: Capitalised Costs		(71)	(318)
<u>TOTAL EMPLOYEE COSTS EXPENSED</u>		<u>8,589</u>	<u>8,694</u>
Number of "Equivalent Full Time" Employees at year end		146	138
(b) Borrowing Costs			
(i) Interest Bearing Liability Costs			
Interest on Loans		99	144
Total Interest Bearing Liability Costs		99	144
less: Capitalised Costs		-	-
Total Interest Bearing Liability Costs Expensed		99	144
(ii) Other Borrowing Costs			
Nil			
Total Other Borrowing Costs		-	-
<u>TOTAL BORROWING COSTS EXPENSED</u>		<u>99</u>	<u>144</u>

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2007	Actual 2006
(c) Materials & Contracts			
Raw Materials & Consumables		4,733	3,955
Contractor & Consultancy Costs		22	188
Auditors Remuneration			
- Council's Auditor:			
i. Audit Services		30	26
Infringement Notice Contract Costs (SEINS)		90	101
Legal Expenses - Planning & Development		153	403
Legal Expenses - Other		61	160
Operating Lease Rentals - Minimum Lease Payments ¹		30	110
Total Materials & Contracts		5,119	4,943
less: Capitalised Costs		-	-
<u>TOTAL MATERIALS & CONTRACTS</u>		<u>5,119</u>	<u>4,943</u>
1. Operating Leases are attributable to:			
- Computers and Office Equipment		30	110
		30	110

\$ '000	Depreciation/Amortisation		Impairment Costs	
	Actual 2007	Actual 2006	Actual 2007	Actual 2006
(d) Depreciation, Amortisation & Impairment				
Plant and Equipment	679	676	-	-
Office Equipment	261	279	-	-
Land Improvements (depreciable)	396	339	-	-
Buildings	435	540	-	-
Other Structures	-	-	-	-
Infrastructure:				
- Roads, Bridges & Footpaths	1,089	877	-	-
- Stormwater Drainage	332	332	-	-
Other Assets				
- Heritage Collections	-	-	-	-
- Library Books	88	82	-	-
- Other	1	78	-	-
Total Depreciation & Impairment Costs	3,281	3,203	-	-
less: Capitalised Costs	-	-	-	-
<u>TOTAL DEPRECIATION & IMPAIRMENT COSTS EXPENSED</u>	<u>3,281</u>	<u>3,203</u>	<u>-</u>	<u>-</u>

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2007	Actual 2006
(e) Other Expenses			
Other Expenses for the year include the following:			
Advertising		415	402
Bad & Doubtful Debts		102	78
Bank Charges		93	88
Cleaning		121	113
Contributions to Other Levels of Government			
- NSW Fire Brigade Levy		493	508
- Department of Planning Levy		69	67
Councillor Expenses - Mayoral Fee		31	32
Councillor Expenses - Councillors Fees		95	92
Councillors Expenses (incl Mayor) - Other (excluding fees above)		27	40
Donations, Contributions & Assistance to other organisations (Section 356)		87	24
Electricity & Heating		142	115
Insurance		467	465
Office Expenses (including computer expenses)		234	120
Postage		43	41
Printing & Stationery		102	125
SES Working Fees		-	4
Street Lighting		388	426
Subscriptions & Publications		49	55
Telephone & Communications		188	170
Valuation Fees		38	34
Waste Disposal Tipping Fees		966	1,191
Water		108	75
Security Expenses		23	-
ATO GST Adjustment		440	-
Other		129	-
Total Other Expenses		4,850	4,265
less: Capitalised Costs		-	-
<u>TOTAL OTHER EXPENSES</u>		<u>4,850</u>	<u>4,265</u>

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 5. Gains or Losses on Disposal of Assets

\$ '000	Notes	Actual 2007	Actual 2006
Property (excl. Investment Property)			
Proceeds from Disposal		-	368
less: Carrying Amount of Property Assets Sold		-	-
Net Gain/(Loss) on Disposal		-	368
Plant & Equipment			
Proceeds from Disposal		319	344
less: Carrying Amount of P&E Assets Sold		(259)	(269)
Net Gain/(Loss) on Disposal		60	75
<u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u>		<u>60</u>	<u>443</u>

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

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

\$ '000	2007		2006	
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Cash & Cash Equivalents (Note 6a)				
Cash on Hand and at Bank	279	-	4,258	-
Cash-Equivalent Assets ¹				
- Managed Funds	17,098	-	11,514	-
- NCD's, FRN's	-	-	3,000	-
Total Cash & Cash Equivalents	17,377	-	18,772	-
Investment Securities (Note 6b)				
- NCD's, FRN's (with Maturities > 3 months)	3,000	-	-	3,000
- CDO's	-	3,000	-	3,000
Total Investment Securities	3,000	3,000	-	6,000
<u>TOTAL CASH ASSETS, CASH EQUIVALENTS & INVESTMENTS</u>	<u>20,377</u>	<u>3,000</u>	<u>18,772</u>	<u>6,000</u>

¹ Those Investments where 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"	17,377	-	18,772	-
Investments				
Nil				
a. "At Fair Value through the Profit & Loss"				
- "Held for Trading"	6(b-i) -	-	-	6,000
b. "Held to Maturity"	6(b-ii) 3,000	3,000	-	-
Investments	3,000	3,000	-	6,000

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 6b. Investments (continued)

\$ '000	2007		2006	
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Note 6(b-i)				
Reconciliation of Investments classified as "At Fair Value through the Profit & Loss"				
Balance at the Beginning of the Year	-	6,000	-	9,042
Disposals (sales & redemptions)	-	(3,000)	-	(3,042)
Transfers from/(to) "Held to Maturity"	-	(3,000)	-	-
Balance at End of Year	-	-	-	6,000
Comprising:				
- NCD's, FRN's (with Maturities > 3 months)	-	-	-	3,000
- CDO's	-	-	-	3,000
Total	-	-	-	6,000
Note 6(b-ii)				
Reconciliation of Investments classified as "Held to Maturity"				
Transfers from Cash & Cash Equivalents	3,000	-	-	-
Transfers from/(to) "At Fair Value"	-	3,000	-	-
Balance at End of Year	3,000	3,000	-	-
Comprising:				
- NCD's, FRN's (with Maturities > 3 months)	3,000	-	-	-
- CDO's	-	3,000	-	-
Total	3,000	3,000	-	-

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 6c. Restricted Cash, Cash Equivalents & Investments

\$ '000	2007		2006	
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
Total Cash, Cash Equivalents and Investment Securities	20,377	3,000	18,772	6,000
attributable to:				
External Restrictions (refer below)	6,255	3,000	11,200	-
Internal Restrictions (refer below)	7,795	-	6,654	-
Unrestricted	6,327	-	918	6,000
	20,377	3,000	18,772	6,000
Details of Restrictions	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
External Restrictions - Included in Liabilities				
Nil				
External Restrictions - Other				
Developer Contributions - General (A)	10,595	1,837	(4,466)	7,966
Specific Purpose Unexpended Grants (B)	286	88	-	374
Domestic Waste Management (C)	319	596	-	915
External Restrictions - Other	11,200	2,521	(4,466)	9,255
Total External Restrictions	11,200	2,521	(4,466)	9,255
Internal Restrictions				
Plant & Vehicle Replacement	720	-	(650)	70
Employees Leave Entitlement	921	129	-	1,050
Deposits, Retentions & Bonds	4,150	1,638	-	5,788
Golf Course	9	24	-	33
Adshel	270	-	-	270
Permanent Assets	564	-	-	564
IT & Audio Visual	20	-	-	20
Total Internal Restrictions	6,654	1,791	(650)	7,795
TOTAL RESTRICTIONS	17,854	4,312	(5,116)	17,050

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

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 7. Receivables

\$ '000	2007		2006	
	Current	Non Current	Current	Non Current
Purpose				
Rates & Annual Charges	758	36	749	36
Interest & Extra Charges	48	-	70	-
User Charges & Fees	1,025	-	983	-
Accrued Revenues				
- Interest on Investments	73	-	34	-
Government Grants & Subsidies	-	-	22	-
Net GST Receivable	122	-	150	-
S 94 contributions	279	-	-	-
Other Debtors (specify if material)	34	-	51	-
Total	2,339	36	2,059	36
less: Provision for Doubtful Debts				
Rates & Annual Charges	-	-	(92)	(19)
Interest & Extra Charges	-	-	-	-
User Charges & Fees	(285)	-	(77)	-
Other Debtors (specify if material)	-	-	-	-
Total Provisions for Doubtful Debts	(285)	-	(169)	(19)
<u>TOTAL NET RECEIVABLES</u>	<u>2,054</u>	<u>36</u>	<u>1,890</u>	<u>17</u>
Externally Restricted Receivables				
Domestic Waste Management	192	9	148	11
S94 contributions	279	-	-	-
Other - Grants	-	-	119	-
Total External Restrictions	471	9	267	11
Internally Restricted Receivables	-	-	-	-
Unrestricted Receivables	1,583	27	1,623	6
<u>TOTAL NET RECEIVABLES</u>	<u>2,054</u>	<u>36</u>	<u>1,890</u>	<u>17</u>

Notes on Debtors above:

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest is charged on overdue rates at 9.00% (2006 9.00%).
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

Strathfield Municipal Council

Notes to the Financial Statements
for the financial year ended 30 June 2007

Note 8. Inventories & Other Assets

\$ '000	2007		2006	
	Current	Non Current	Current	Non Current
Inventories				
Stores & Materials	54	-	53	-
Total Inventories	54	-	53	-
Other Assets				
Prepayments	421	-	409	-
Total Other Assets	421	-	409	-
<u>TOTAL INVENTORIES & OTHER ASSETS</u>	<u>475</u>	<u>-</u>	<u>462</u>	<u>-</u>
 (i) Externally Restricted Assets				
Nil				
Total Externally Restricted Assets	-	-	-	-
Total Internally Restricted Assets	-	-	-	-
Total Unrestricted Assets	475	-	462	-
TOTAL INVENTORIES & OTHER ASSETS	475	-	462	-

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 9a. Infrastructure, Property, Plant & Equipment

	as at 30/6/2006			Asset Movements during the Reporting Period			as at 30/6/2007		
	At Cost	Accumulated Deprec.	Carrying Value	Asset Additions ¹	WDV-Asset Disposals	Depreciation Expense	At Cost	Accumulated Dep'n	Carrying Value
\$ '000									
Plant & Equipment	5,241	2,593	2,648	821	(259)	(679)	5,803	3,272	2,531
Office Equipment	2,713	2,141	572	308	-	(261)	3,021	2,402	619
Land									
- Operational	18,167	-	18,167	2,821	-	-	20,988	-	20,988
- Community	37,472	-	37,472	-	-	-	37,472	-	37,472
- Non-deprec Land Improvements	69,067	-	69,067	-	-	-	69,067	-	69,067
Land Improvements - depreciable	16,089	489	15,600	635	-	(396)	16,724	885	15,839
Buildings	39,937	6,502	33,435	1,322	-	(435)	41,259	6,937	34,322
Infrastructure									
- Roads, Bridges, Footpaths	106,756	27,290	79,466	849	-	(1,089)	107,605	28,379	79,226
- Stormwater Drainage	33,286	10,775	22,511	117	-	(332)	33,403	11,107	22,296
Other Assets									
- Library Books	1,620	1,400	220	130	-	(88)	1,750	1,488	262
- Other	1,452	1,130	322	-	-	(1)	1,452	1,131	321
<u>TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIP.</u>	331,800	52,320	279,480	7,003	(259)	(3,281)	338,544	55,601	282,943

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

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

\$ '000 Class of Asset	Actual 2007				Actual 2006			
	At Cost	At Value	Dep & Impairm't	Carrying Value	At Cost	At Value	Dep & Impairm't	Carrying Value
Domestic Waste Management								
Plant & Equipment	1,093	-	405	688	1,183	-	228	955
Other Assets	1,109	-	1,109	-	1,109	-	1,103	6
Total DWM	2,202	-	1,514	688	2,292	-	1,331	961
TOTAL RESTRICTED I,PP&E	2,202	-	1,514	688	2,292	-	1,331	961

Note 9c. Infrastructure, Property, Plant & Equipment Gains/(Losses) arising from the Impairment of Assets

(i) Impairment Losses recognised in the Statement of Financial Performance include:

- Nil

(ii) Reversals of Impairment Losses previously recognised in the Statement of Financial Performance include:

- Nil

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 10a. Payables, Interest Bearing Liabilities & Provisions

\$ '000	Notes	2007		2006	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - Operating		658	-	1,027	-
Goods & Services - Capital Expenditure		256	-	-	-
Payments Received In Advance		82	-	-	-
Accrued Expenses;					
- Interest Bearing Liabilities		-	-	1	-
Security Bonds, Deposits & Retentions		1,400	4,468	5,553	-
Accrued Salaries & Wages		317	-	248	-
ATO - GST Adjustment		440	-	-	-
Total Payables		3,153	4,468	6,829	-
Interest Bearing Liabilities					
Loans - Secured ¹		434	640	542	1,074
Total Interest Bearing Liabilities		434	640	542	1,074
Provisions					
Employee Benefits;					
Annual Leave		813	-	746	-
Sick Leave		173	-	179	-
Long Service Leave		973	64	777	34
ELE On-Costs		51	83	118	-
Sub Total - Aggregate Employee Benefits		2,010	147	1,820	34
Total Provisions		2,010	147	1,820	34
Total Payables, Interest Bearing Liabilities & Provisions					
		5,597	5,255	9,191	1,108

(i) Liabilities relating to Restricted Assets

	2007		2006	
	Current	Non Current	Current	Non Current
Domestic Waste Management	123	-	105	-
Total Restricted Liabilities	123	-	105	-

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.

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 10a. Payables, Interest Bearing Liabilities & Provisions (continued)

\$ '000

(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.	2007	2006
Provisions: including Employees Leave Entitlements	1,000	990
Other Liabilities: (Bonds & Deposits)	-	4,440
	1,000	5,430

Note 10b. Description of and movements in Provisions

Class of Provision	2006	Additional Provisions	Decrease due to Payments	2007	Unused amounts reversed	Closing Balance as at 30/6/07
	Opening Balance as at 1/7/06			Remeasurement effects due to Discounting		
Annual Leave	746	520	(446)	(7)	-	813
Sick Leave	179	26	(4)	(28)	-	173
Long Service Leave	811	510	(142)	(142)	-	1,037
ELE On-Costs	118	16	-	-	-	134
TOTAL	1,854	1,072	(592)	(177)	-	2,157

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

c. Asset Remediation, Reinstatement & Restoration Provisions represent the Present Value estimate of future costs Council will incur in order to remove, restore & remediate assets &/or activities as a result of past operations.

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 11. Cash Flow Statement - Additional Information

\$ '000	Notes	Actual 2007	Actual 2006
(a) Reconciliation of Cash Assets			
Total Cash & Cash Equivalent Assets	6a	17,377	18,772
Less Bank Overdraft	10	-	-
BALANCES as per STATEMENT of CASH FLOWS		17,377	18,772
(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities			
Net Operating Result from Income Statement		1,711	2,171
Adjust for non cash items:			
Depreciation & Amortisation		3,281	3,203
Net Lossess/(Gains) on Disposal of Assets		(60)	(443)
+/- Movement in Operating Assets and Liabilities & Other Cash Items:			
Decrease/(Increase) in Receivables		(280)	(939)
Increase/(Decrease) in Provision for Doubtful Debts		97	78
Decrease/(Increase) in Inventories		(1)	2
Decrease/(Increase) in Other Current Assets		(12)	(27)
Increase/(Decrease) in Payables		(369)	246
Increase/(Decrease) in accrued Interest Payable		(1)	-
Increase/(Decrease) in Other Current Liabilities		906	-
Increase/(Decrease) in Employee Leave Entitlements		303	(14)
NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES from CASH FLOW STATEMENT		5,575	4,277

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

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

\$ '000	Notes	Actual 2007	Actual 2006
(c) Non-Cash Investing & Financing Activities			
Nil			
(d) Financing Arrangements			
(i) Unrestricted access was available at balance date to the following lines of credit:			
Bank Overdraft Facilities ¹		-	-
Credit Cards / Purchase Cards		-	-
Total Financing Arrangements		-	-
Amounts utilised as at Balance Date:			
- Bank Overdraft Facilities		-	-
- Credit Cards / Purchase Cards		2	-
Total Financing Arrangements Utilised		2	-

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

(ii) Secured Loan Liabilities

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

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2007	Actual 2006
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(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

Land	-	4,187
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Investment Property

- Nil

Total Commitments	-	4,187
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These expenditures are payable as follows:

Within the next year	-	4,187
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Later than one year and not later than 5 years	-	-
--	---	---

Later than 5 years	-	-
--------------------	---	---

Total Payable	-	4,187
----------------------	----------	--------------

Sources for Funding of Capital Commitments:

Sect 64 & 94 Funds/Reserves	-	4,187
-----------------------------	---	-------

Total Sources of Funding	-	4,187
---------------------------------	----------	--------------

(b) Other Expenditure Commitments (exclusive of GST)

Other Non Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Audit Services	180	27
----------------	-----	----

Total Commitments	180	27
--------------------------	------------	-----------

These expenditures are payable as follows:

Within the next year	30	27
----------------------	----	----

Later than one year and not later than 5 years	150	-
--	-----	---

Later than 5 years	-	-
--------------------	---	---

Total Payable	180	27
----------------------	------------	-----------

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 12. Commitments for Expenditure (continued)

\$ '000	Notes	Actual 2007	Actual 2006
(c) Finance Lease Commitments			
Nil			
(d) 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		30	-
Later than one year and not later than 5 years		27	-
Later than 5 years		-	-
Total Non Cancellable Operating Lease Commitments		57	-

b. Non Cancellable Operating Leases include the following assets:

Office equipment

Conditions relating to Finance & Operating Leases:

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

(e) Investment Property Commitments

Nil

(f) Remuneration Commitments

Commitments for the payment of salaries & other remuneration under long-term employment contracts in existence at reporting date but not recognised as liabilities are payable:

Within the next year	163	163
Later than one year and not later than 5 years	27	347
Later than 5 years	-	-
Total Payable	190	510

(g) Investment in Associates / Joint Ventures - Commitments

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

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 13. Statement of Performance Measurement

\$ '000	Amounts 2007	Indicator 2007	Prior Periods 20062005	
1. Unrestricted Current Ratio				
Current Assets less all External Restrictions ⁽¹⁾	16,180	3.62 : 1	2.64	4.38
Current Liabilities less Specific Purpose Liabilities ^(2,3)	4,474			
2. Debt Service Ratio				
Debt Service Cost	641	3.08%	4.08%	4.91%
Revenue from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	20,779			
3. Rates & Annual Charges Coverage Ratio				
Rates & Annual Charges	14,259	60.29%	58.70%	58.28%
Revenue from Continuing Operations	23,649			
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual & Extra Charges Outstanding	842	5.59%	4.74%	3.46%
Rates, Annual & Extra Charges Collectable	15,062			

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(c) - excludes all ELE not expected to be paid in the next 12 months.

Note 14. Investment Properties

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

Strathfield Municipal Council

for the financial year ended 30 June 2007

Note 15. Financial Instruments

\$ '000	Floating	Fixed Interest Rate						Non	Total
	Interest Rate	≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs	Interest Bearing	
(a) Exposure to Interest Rate Risk									
Council's exposure to Interest Rate Risk & the effective weighted average interest rates by maturity for each class of Financial Assets & Financial Liabilities is set out below. Exposures arise predominantly from assets & liabilities with variable interest rates, which Council intends to hold to maturity.									
2007									
Cash & Cash Equivalents	17,377	-	-	-	-	-	-	-	17,377
Investment Securities	3,000	-	3,000	-	-	-	-	-	6,000
Receivables	-	794	-	-	-	-	-	1,296	2,090
Total Financial Assets	20,377	794	3,000	-	-	-	-	1,296	25,467
Weighted Avg Interest Rate	6.2%	9.0%	6.4%						
Trade/Other Payables	-	-	-	-	-	-	-	7,539	7,539
Loans & Advances	-	434	324	112	-	-	-	-	1,074
Total Financial Liabilities	-	434	324	112	-	-	-	7,539	8,613
Weighted Avg Interest Rate		6.6%	6.6%	6.4%					
Net Financial Assets/Liabilities									
	20,377	360	2,676	(112)	-	-	-	(6,243)	16,854
2006									
Cash & Cash Equivalents	18,772	-	-	-	-	-	-	-	18,772
Investment Securities	-	-	6,000	-	-	-	-	-	6,000
Receivables	-	674	-	-	-	-	-	1,233	1,907
Total Financial Assets	18,772	674	6,000	-	-	-	-	1,233	26,679
Weighted Avg Interest Rate	6.4%	9.0%	6.4%						
Trade/Other Payables	-	-	-	-	-	-	-	6,829	6,829
Loans & Advances	-	541	1,075	-	-	-	-	-	1,616
Total Financial Liabilities	-	541	1,075	-	-	-	-	6,829	8,445
Weighted Avg Interest Rate		6.7%	6.7%						
Net Financial Assets/Liabilities									
	18,772	133	4,925	-	-	-	-	(5,596)	18,234

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 15. Financial Instruments (continued)

\$ '000	Notes	2007		2006	
		Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
(b) Net Fair Value					
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.					
Financial Assets					
Cash and Cash Equivalents		17,377	17,377	18,772	18,772
Investments					
- "Held for Trading"		-	-	6,000	6,000
- "Held to Maturity"		6,000	6,000	-	-
Receivables		2,090	2,090	1,907	1,907
Total Financial Assets		25,467	25,467	26,679	26,679
Financial Liabilities					
Payables		7,539	7,539	6,829	6,829
Loans / Advances		1,074	1,074	1,616	1,616
Total Financial Liabilities		8,613	8,613	8,445	8,445

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value.

Where a market exists, the net fair value of other financial assets and liabilities is based upon market prices - otherwise the expected future cash flows are discounted by the prevailing interest rates for assets and liabilities with similar risk profiles.

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 15. Financial Instruments (continued)

\$ '000

(c) Credit Risk

The credit risk of financial assets (excluding investment securities) is the carrying amount net of any provision for doubtful debts.

Council has an Investment Policy which seeks to minimise the risk of capital loss. Investments are placed in accordance with the Local Government Investment Order which restricts investments to securities carrying a credit rating of "A" or better, Governments, and deposit facilities with Banks, Building Societies and Credit Unions.

Debtors for rates & charges are secured by a charge over the land to which it relates.

There are no significant concentrations of credit risk to any single debtor or group of debtors - apart from a natural geographic concentration relating to Rates & Annual Charges that pertain to Council's Local Government Area.

(d) Policies

Council's accounting policies in respect of Financial Assets and Financial Liabilities are described in Note 1.

(e) Terms & Conditions

There are no Terms & Conditions associated with Financial Assets and Financial Liabilities which may significantly affect the amount, timing and certainty of future cash flows.

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 06/07 was incorporated as part of its Management Plan and was adopted by the Council on 20 June 2006.

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

This Note accordingly 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 during each Quarterly Budget Review.

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

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

REVENUES	2007 Budget	2007 Actual	2007 Variance*		
Rates & Annual Charges	14,243	14,259	16	0.1%	F
User Charges & Fees	3,036	2,946	(90)	(3%)	U
Interest & Investment Revenue	936	1,656	720	77%	F
Interest earned on S94 funds not included in original budget, as well interest rates and funds available for investment greater than anticipated					
Other Revenues	927	988	61	7%	F
Operating Grants & Contributions	1,687	1,965	278	16%	F
The variation relates to small grants differing from the original budget provision. There was a favourable increase in the grant for roads to recovery of \$112K. In addition there was a favourable variation in the grant for respite car of \$53K					
Capital Grants & Contributions	1,189	1,775	586	49%	F
The major items affecting this budget provision relate to contributions receivable from Developers for S94 contributions amounting to \$1.654M not included in the original budget. Also provision was made for income from a grant of \$1.025M which was not forthcoming .					
Net Gains from Disposal of Assets	-	60	60	0%	F
Provision was made in the original budget for the cash turnover cost of vehicles rather than the gain on the sale					

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 16. Material Budget Variations (continued)

\$ '000	2007 Budget	2007 Actual	2007 Variance*		
EXPENSES					
Employee Benefits & On-Costs	8,593	8,589	4	0%	F
Borrowing Costs	99	99	-	0%	F
Materials & Contracts	5,124	5,119	5	0%	F
Depreciation & Amortisation	578	3,281	(2,703)	(468%)	U
Provision for depreciation on buildings and general infrastructure not included in the original budget					
Other Expenses	4,235	4,850	(615)	(15%)	U
The significant variation from the original budget relates to a liability of unpaid \$440K GST in a previous year					

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 17. Statement of Developer Contributions

\$ '000

Under Section 94 & Section 94A of the Environmental Planning and Assessment Act 1979, a Council may require (i) the payment of a monetary contribution or dedication of land or (ii) a % levy on the value of development, in relation to development works that are subject to a development consent issued by Council.

These developer contributions (under S94) or developer levies (under S94A) must be spent specifically for the purpose they were levied and any interest applicable to unspent funds must be attributed to the funds and also spent in accordance with the purpose levied.

As well, Council may under Section 93F enter into a Planning Agreement with Developers under which the developer is required to either dedicate land free of cost, pay a monetary contribution, or provide any other material public benefit (or any combination of the three) to be used for or applied towards a public purpose.

S94F funds are also required to be spent on the public purposes nominated within each individual Planning Agreement.

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 use by their nature and must be spent for the specific purposes raised.

SUMMARY OF CONTRIBUTIONS & LEVIES

PURPOSE	Opening Balance	Received during Year		Interest earned in Yr	Exp. during Yr	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		
		Cash	Debtors					Future income	Exp still outstanding	Over or (under) Funding
Administration	44	11	-	3	(30)	-	28	277	(305)	-
Roads & Traffic Facilities	6,057	956	271	340	(1,422)	1,412	4,519	19,637	(25,457)	(1,301)
Parking	264	-	-	16	-	-	280	-	(280)	-
Major Open Space	1,990	87	-	112	(267)	(111)	2,033	1,087	(3,120)	-
Local Open Space	1,312	201	-	(67)	(2,747)	(1,301)	-	2,853	(1,552)	1,301
Community Facilities	393	120	-	26	-	-	539	2,105	(2,644)	-
S94 Contributions - under a Plan	10,060	1,375	271	430	(4,466)	-	7,399	25,959	(33,358)	-
Total S94 Revenue Under Plans	10,060	1,375	271	430	(4,466)	-	7,399	25,959	(33,358)	-
S94 not under Plans	535	-	-	32	-	-	567	-	(567)	-
Total Contributions	10,595	1,375	271	462	(4,466)	-	7,966	25,959	(33,925)	-

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 17. Statement of Developer Contributions (continued)

\$ '000

S94 CONTRIBUTIONS - UNDER A PLAN

CONTRIBUTION PLAN - NEW PLAN

PURPOSE	Opening Balance	Received during Year		Interest earned in Yr	Exp. during Yr	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		
		Cash	Debtors					Future income	Exp still outstanding	Over or (under) Funding
Administration	44	11	-	3	(30)	-	28	277	(305)	-
Roads & Traffic Facilities	5,213	956	271	291	(1,398)	1,412	3,650	19,637	(24,588)	(1,301)
Open Space	1,291	87	-	66	(193)	-	1,251	1,087	(2,338)	-
Local Open Space	1,312	201	-	(67)	(2,747)	(1,301)	-	2,853	(1,552)	1,301
Community Facilities	393	120	-	26	-	-	539	2,105	(2,644)	-
Total	8,253	1,375	271	319	(4,368)	111	5,468	25,959	(31,427)	-

CONTRIBUTION PLAN - OLD PLAN

PURPOSE	Opening Balance	Received during Year		Interest earned in Yr	Exp. during Yr	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding
Roads & Traffic Facilities	844	-	-	49	(24)	-	869	-	(869)	-
Parking	264	-	-	16	-	-	280	-	(280)	-
Open Space	699	-	-	46	(74)	(111)	782	-	(782)	-
Total	1,807	-	-	111	(98)	(111)	1,931	-	(1,931)	-

S94 CONTRIBUTIONS - NOT UNDER A PLAN

PURPOSE	Opening Balance	Received during Year		Interest earned in Yr	Exp. during Yr	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding
Parking	535	-	-	32	-	-	567	-	(567)	-
Total	535	-	-	32	-	-	567	-	(567)	-

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

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

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to Local Government. Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the Net Assets or Liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the Fund Years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(ii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW Local Government Industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the Company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements of APRA.

StateCover Limited (Continued)

These future equity contributions would be required to maintain the company's minimum level of Net Assets in accordance with its Licence Requirements.

(iii) Other Guarantees

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

2. Other Liabilities

(i). Third Party Claims

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

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

(ii) S94 Plans

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

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

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years.

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

Strathfield Municipal Council

Notes to the Financial Statements

for the financial year ended 30 June 2007

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

\$ '000

(iii) Australian Taxation Office

Council at 30 June 2007 was the subject of an audit in relation to its administration, reporting an claiming of the Goods & Services Tax (GST).

It has come to light as part of the audit that Council may have incorrectly claimed Input Tax Credits and as a result, Council may be subject to Penalties and Interest Charges.

As at the reporting date, Council was unable to ascertain with any certainty the value that it may be required to forward to the ATO in this regard and has therefore not booked a liability.

ASSETS NOT RECOGNISED:

(i) Infringement Notices/Fines

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

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

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

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

(ii) Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit superannuation Scheme, and makes contributions as determined by the Superannuations Trustees.

The Local Government Superannuation Scheme however, has advised that it is unable to provide Council with an accurate estimate of its share of the Defined Benefit Schemes assets and liabilities in accordance with AASB 119.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were more than sufficient to meet the accrued benefits of the Schemes defined benefit member category.

Council has not recorded any asset in these Financial Reports to represent any future economic benefit relating to the Scheme's Financial Position, nor has it recorded any movements in the Schemes Financial Position in these Accounts.

Accordingly, contributions made to the defined benefit scheme are recognised as an expense when they become payable - similar to accounting for a defined contributions plan.

(iii) Land Under Roads

As permitted under AASB 1045 and in accordance with DLG recommendations, Council has not brought to account in these Reports the value of Land Under Roads.

This is due to the divergence of opinion as to what value should be ascribed to such assets.

At present, the transitional period for deferral of recognition ends on 31 December 2007.

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

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

\$ '000	Notes	Actual 2007	Actual 2006
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Council has no interest in any Controlled Entities, Associated Entities or Joint Ventures.

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)	296,322	294,151
a. Adjustments on adoption of AASB 132/AASB139 as at 1/7/05	n/a	-
b. Correction of Prior Period Errors	-	-
c. Changes in Accounting Policies (Prior Period Effects)	-	-
d. Current Year Income & Expenses Recognised direct to Equity excluding direct to Reserves transactions	-	-
e. Net Operating Result for the Year	1,711	2,171
f. Distributions to/(Contributions from) Minority Interests	-	-
g. Transfers between Equity	-	-
h. Other Changes (disclosure required)	-	-
Balance at End of the Reporting Period	298,033	296,322

b. Reserves

Council has no reportable Equity Reserves.

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

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

d. Voluntary Changes in Accounting Policies

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

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 21. Reinstatement, Rehabilitation & Restoration Liabilities

\$ '000

Not Applicable

Note 22. Non Current Assets/Liabilities classified as "Held for Sale"

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

Note 23. Events occurring after Balance Sheet Date

Events that occur after the reporting date of 30 June 2007, and up to and including the date when the financial report is "authorised for issue" have been taken into account in preparing this financial report.

Council adopted the date of receipt of the Auditor's Report as the appropriate "authorised for issue" date relating to this General Purpose Financial Report.

Accordingly, the "authorised for issue" date is 05/11/2007.

Investments

Following the close of the reporting period, the effects in the US sub prime mortgage market has seen a re pricing of credit risk in the financial markets.

This has had the possible effect of reducing the market value of all CDO's Council has in its portfolio since the end of the reporting period.

Council has only one CDO (\$3M) with direct exposure to the sub prime market.

This security (Thunderbird) is held with Investec and continues to be rated "AA" by the rating agency Standard and Poors. No downgrades of Investments held by Council has been advised by the ratings agency prescribed in the Minister's order and therefore no default is expected.

The current strategy with this CDO is to hold the investment until maturity or until market conditions normalise.

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 24. Discontinued Operations

	Actual 2007	Actual 2006
\$ '000		

Council has not classify 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 their recognition in the Financial Reports, including either internally generated and developed assets or purchased assets.

Strathfield Municipal Council

Notes to the Financial Statements for the financial year ended 30 June 2007

Note 26. Additional Council Disclosures - Council Information

Principal Place of Business:

65 Homebush Road
Strathfield NSW 2135

Contact Details
Mailing Address:

PO Box 1220
Strathfield NSW 2135

Telephone: 02 9748 9999

Facsimile: 02 9764 1034

Opening Hours

8:30 to 4:30
Monday to Friday

Internet: www.strathfield.nsw.gov.au

Email: council@strathfield.nsw.gov.au

Officers
GENERAL MANAGER

David Backhouse

RESPONSIBLE ACCOUNTING OFFICER

Neale Redman

PUBLIC OFFICER

Neale Redman

AUDITORS

Warton Thomson and Co.

Elected Members
MAYOR

Scott Farlow

COUNCILLORS

Paul Barron

David Doust

Bill Carney

Elizabeth Gewandt

Brenda Gillard

Keith Kwon

Other Information

ABN: 52 719 940 263

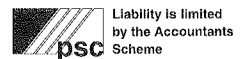
Warton Thompson & Co

ABN 14 568 258 158

Chartered Accountants

Phillip A. Webster, FCA

1st Floor, 821-825 Pennant Hills Road,
CARLINGFORD NSW 2118



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Fax: (02) 9872 5634

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Strathfield Council Independent Audit Report

Scope

I have audited the general purpose financial report of Strathfield Council for the year ended 30 June 2007. The Council is responsible for the preparation and presentation of the financial report and the information contained therein. I have conducted an independent audit of the financial report in order to express an opinion on it to Council.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Australian accounting concepts and standards and the requirements of the Local Government Act 1993 so as to present a view which is consistent with our understanding of the Council's financial position, the results of its operations and its cash flows.

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

Audit Opinion

I report that, in accordance with Section 417(2) of Local Government Act 1993, in my opinion -

- A. Council's accounting records have been kept in accordance with the requirements of Chapter 13, Division 2 of the Act; and*
- B. Council's financial reports:*
 - (i) have been prepared in accordance with the requirements of Chapter 13, Division 2 of the Act; and*
 - (ii) are consistent with the Council's accounting records; and*
 - (iii) present fairly the Council's financial position and the results of its operations; and*
- C. All explanations and information required relevant to the conduct of the audit have been obtained; and*
- D. No deficiency in the accounting records or financial reports were apparent during the course of the audit.*

Signed:

PA Webster FCA
Warton Thompson & Co

Date:
Address:

31 October 2007
821 Pennant Hills Rd
Carlingford NSW 2118

Warton Thompson & Co

ABN 14 568 258 158

Chartered Accountants

Phillip A. Webster, FCA

1st Floor, 821-825 Pennant Hills Road,
CARLINGFORD NSW 2118



Liability is limited
by the Accountants
Scheme

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Carlingford NSW 2118

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Fax: (02) 9872 5634

Email: wartonthompson@optusnet.com.au

31 October 2007

The Mayor and Councillors
Strathfield Council
PO Box 120
Strathfield NSW 2135

Ladies and Gentlemen,

Report on the Conduct of the 2007 Audit

I report completion of the audit of the financial records of Council for the year ended 30 June 2007 and advise that I have received all information and explanations required by me.

In accordance with Section 417(3) of the Local Government Act 1993, I now comment on Council's Financial Reports and list relevant performance indicators that may assist Council in determining its Financial Position at 30 June 2007 and Operating Result for the year.

General Purpose Financial Report

The report includes Notes to the Accounts and Special Schedules with the Principal Statements being: -

- a) **Income Statement for the year ended 30 June 2007**
- b) **Balance Sheet as at 30 June 2007**
- c) **Statement of Changes in Equity for the year ended 30 June 2007**
- d) **Cash Flow Statement for the year ended 30 June 2007**

Performance Indicators

In assessing the financial strength of a Council it is necessary to produce and examine financial data extracted from Council's financial reports, which will provide information concerning the performance of Council throughout the year and its financial position at 30 June 2007

Those performance indicators that I believe offer assistance in the evaluation of Council's financial position and performance are:

- **The Level of Working Funds; and**
- **The amount held as Internal Restrictions (Reserves); and**
- **The Debt Servicing Cost to Council; and**
- **The Level of Rate Arrears, Annual Charges and Other Debts due to Council.**

The above-mentioned performance indicators are now analysed in greater detail.

Operating Result

The Operating Statement shows a Surplus from All Activities of \$1.71m and compares with a surplus of \$2.17m for the 2005/2006 year.

The result for the year compares with an original budgeted surplus of \$3.39m. Material budget variances are explained in greater detail in Note 16 of the Financial Statements.

Working Funds

The level of Working Funds is an important measure of each Fund's financial position as it reflects Council's equity in the net current assets held and represents the working capital used to meet day to day commitments and finance debtors, stores, etc. A healthy balance of Working Funds provides a buffer against unforeseen increases in expenditure and also allows Council to operate without undue reliance on bank overdraft accommodation and trade credit.

In order to make some comparison with Council's Budget for 2007 the above figure needs to be adjusted back to a **"Fund Accounting" surplus or deficit**. After making the appropriate adjustments for Capital movements, Government Grants and Section 94 Contributions, **Council achieved a Surplus of \$3414k for the year**.

The Revenue result of General Fund for the year and "Working Funds" at 1 July 2006 and at 30 June 2007 would therefore be as shown in the table below: -

	<u>Working Funds</u>	<u>Revenue Results</u>	<u>Working Funds</u>
	1.7.2006	2007	30.06.2007
	Surplus (+)	Surplus (+)	Surplus (+)
	<u>Deficiency (-)</u>	<u>Deficit (-)</u>	<u>Deficiency (-)</u>
General Fund	+\$1,818k	+\$3414k	+\$5232k

Council's available working capital is summarised as follows:

	30.06.2007	30.06.2006
	\$K	\$K
Net Current Assets	17309	11933
Less: External Restrictions	6726	11378
Less: Internal Restrictions	7795	6654
	<hr/> 2788	<hr/> -6039
Add: Current Liabilities to be funded from 2007/2008 Budget	2444	7857
	<hr/> 5232	<hr/> 1818
Available Working Capital		

The surplus for the year of \$3414k has increased accumulated Working Funds at 30 June 2007 to a healthy balance of \$5.23m, which I believe is adequate for Council's needs. The Unrestricted Current Ratio as shown on Note 13 of the Financial Report calculates at 3.62:1, which is higher than accepted industry benchmarks of 1:1.

Internal Restrictions (Reserves)

Reserves held at 30 June 2007 totalled \$2.01m, a decrease of \$497k during the year. All Reserves were represented by Cash and Investments at 30 June 2007.

The creation of reserves to plan for future major expenditure is highly recommended.

Reserves held at 30 June 2006 and 30 June 2007 were as follows: -

	2007	2006
• Permanent Asset Reserve	564k	564k
• Employees' Leave Entitlements	1050k	921k
• Replacement of Plant & Vehicles	70k	720k
• Street Furniture	270k	270k
• IT & Audio Visual Reserve	20k	20k
• Golf Course	33k	9k
	<hr/>	<hr/>
	\$2,007k	\$2,504k
	<hr/>	<hr/>

Accrued Leave Entitlements and Reserves Held

The liability for Employees' Leave Entitlements increased by \$303k during the year to a balance of \$2.15m whilst the Reserve held to meet these commitments amounted to \$1050k (\$921k at 30 June 2006).

The balance of the Employees Leave Entitlements Reserve at year end of \$1050k is considered adequate to meet potential retirement payouts within the next three years as well as to provide for any unscheduled or unexpected employee retirements.

Loan Repayments

Loan Repayment Commitments in 2006 and 2007 are set out hereunder as a percentage to rate revenue and untied grants for General Fund: -

<u>Fund</u>	<u>Untied Grants and Rate Revenue</u>	<u>Principal & Interest Repaid</u>	<u>Debt Servicing (%)</u>	
			<u>2006</u>	<u>2007</u>
General	\$20.78m	\$0.64m	3.96%	3.08%.

The Debt Servicing Percentage decreased by 0.88% during 2006/2007 year with the loan liability reducing from \$1.62m to \$1.07m. The Debt Servicing Percentage is well below the industry benchmark of 10%. No new loans were received during the year.

Outstanding Rates and Annual Charges

Collection of rates and charges represented 99.32% of the net levies for the year. Net arrears totalled \$842k and represented a satisfactory 5.59% (5.18% at 30 June 2006) of the Rates and Annual Charges Collectible for the year. Debt recovery procedures need to be maintained to ensure that debts due to Council are reduced to a more satisfactory level. A reduction in debts below 5% of the Rates and Annual Charges Collectible would be more acceptable.

Cash Position

At year end, Council held in cash and on investment, funds totalling \$23.37m of which \$9.25m is regarded as externally restricted assets, i.e., assets the use of which are restricted, wholly or partially, by regulations or other externally imposed requirements.

The total externally Restricted Investments were held for the following purposes: -

• Unexpended Grants	0.37m
• Developer Contributions - Section 94	7.97m
• Domestic Waste Management Services	0.91m
	<hr/>
<u>Restricted Cash and Investments</u>	\$9.25m
	<hr/>

The balance of Investments, after financing the above external restrictions, totalled \$14.12m and was held to fund Internal Restrictions to the value of \$7.79m. The balance of \$6.33m, representing unrestricted cash and investments which is held to assist in financing Council's current commitments.

The cash position at 30 June 2007 and 30 June 2006 is summarised as follows:

	30.06.2007	30.06.2006
	\$M	\$M
Externally Restricted	9.25M	11.06M
Internally Restricted (Reserves)	7.79M	8.07M
Unrestricted	6.33M	5.64M
	<hr/>	<hr/>
	23.37M	24.77M
	<hr/>	<hr/>

Security Bonds, Deposits and Retentions

Council's General Ledger indicates that Builders' Damage Deposits to the value of \$327,420 were held at 30 June 2007. This balance is unable to be substantiated as a detailed listing of the individual balances that comprise this amount, as well as the persons and/or organisations that have lodged deposits, was not available for our inspection. There are also other types of bonds, deposits and retentions which, although significantly less in value than damage deposits, cannot be confirmed as detailed lists of the individual amounts and persons or organisations are also not available for examination. Council needs to compile a list of these bonds, deposits and retentions to agree to the general ledger balances to, not only support the balance recorded but, to also determine which persons or organisations amounts may have to be refunded in the future.

Property, Plant and Equipment Register

Council currently maintains an Asset Register recording details such as the cost values, the accumulated depreciation and the carrying amounts but this Register did not reconcile to the General Ledger Control Account at 30 June 2007. A thorough review of the asset register needs to be undertaken to ensure that all property, plant and equipment is included and the correct values recorded. Since Council is required by the Department of Local Government to revalue all Property, Plant and Equipment, Land and Buildings during the 2007/2008 financial year it is important the asset register be reconciled with the General Ledger before this revaluation is undertaken.

Receivables

There are a number of substantial debts due to Council in respect of rental and leased properties held by Council that have been outstanding for well over six months. Stringent debt recovery procedures need to be implemented to ensure that these debts are settled in the immediate future.

Conclusion

Council is considered to be in a very satisfactory and stable position with financial indicators remaining steady and in most areas standing above accepted industry benchmarks. Council's working capital has increased during the year to a healthy balance of \$5.23m. Debt servicing commitment has reduced to an even lower level of 3.07% throughout the year. Receivables have increased throughout the year and are only slightly above the desired maximum level of 5%. Council should endeavour to maintain its indicators at the current level.

The audit of Council's books and financial records for the year ended 30 June 2007 was conducted progressively throughout year 2007. Our interim audits dealt with reviews of Council's accounting systems and internal control procedures and examinations of transactions and data, on a test basis, to ensure that records were been adequately maintained in accordance with legislation and systems implemented.

Management Letters highlighting matters arising from our audit and covering internal control and other accounting matters have been forwarded to the General Manager during the year.

I wish to record my appreciation for the co-operation and assistance rendered to us during the conduct of the year 2007 audit.

Yours faithfully,



PA Webster FCA
Warton Thompson & Co

Strathfield Municipal Council

Special Purpose Financial Reports for the financial year ended 30 June 2007

Contents	Page
1. Statement by Councillors & Management	2
2. Special Purpose Financial Reports:	
- Income Statement of Other Business Activities	3
- Balance Sheet of Other Business Activities	4
3. Notes to the Special Purpose Financial Reports	5
4. Auditor's Report	9

Background

- (i) These Special Purpose Financial Reports have been prepared for the use by both Council and the Department 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 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 \$2Million that Council has formally declared as a Business Activity (defined as Category 1 activities).

- (iv) In preparing these financial reports 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 council's borrowing position by comparison with commercial rates).
-

Strathfield Municipal Council

Special Purpose Financial Reports

for the financial year ended 30 June 2007

Statement by Councillors and Management

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

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

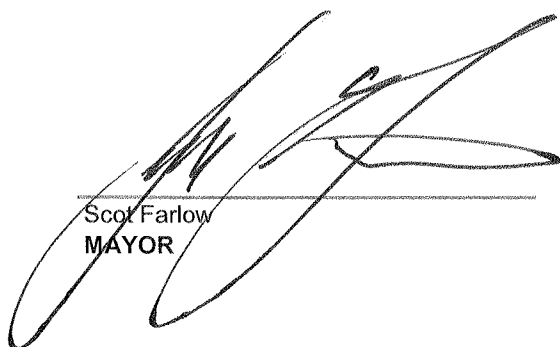
- The NSW Government Policy Statement "Application of National Competition Policy to Local Government"
- The Department of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality"
- The Local Government Code of Accounting Practice and Financial Reporting.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

To the best of our knowledge and belief, these Reports:


- 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 reports false or misleading in any way.

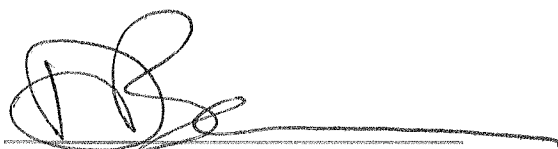
Signed in accordance with a resolution of Council made on 2 October 2007.



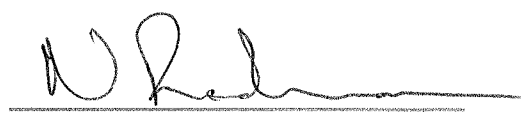
Scot Farlow
MAYOR



Paul Barron
COUNCILLOR



David Backhouse
GENERAL MANAGER



Neale Redman
RESPONSIBLE ACCOUNTING OFFICER

Strathfield Municipal Council

Income Statement of Council's Other Business Activities for the financial year ended 30 June 2007

	Hudson Park Golf Course	
\$ '000	Actual 2007	Actual 2006
Income from continuing operations		
Access charges	-	-
User charges	277	282
Profit from the sale of assets	-	3
Other income	124	137
Total income from continuing operations	401	422
Expenses from continuing operations		
Employee benefits and on-costs	165	44
Borrowing costs	-	-
Materials and contracts	216	319
Depreciation and impairment	187	187
Other expenses	46	43
Total expenses from continuing operations	614	593
Surplus (deficit) from Continuing Operations before capital amounts	(213)	(171)
Grants and contributions provided for capital purposes	-	-
Surplus (deficit) from Continuing Operations after capital amounts	(213)	(171)
Surplus (deficit) from discontinued operations	-	-
Surplus (deficit) from ALL Operations before tax	(213)	(171)
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-
SURPLUS (DEFICIT) AFTER TAX	(213)	(171)
plus Opening Retained Profits	25,392	25,563
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	-	-
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	-
add:		
- Subsidy Paid/Contribution To Operations	-	-
less:		
- TER dividend paid	-	-
- Dividend paid	-	-
Closing Retained Profits	25,179	25,392
Return on Capital %	-0.9%	-0.7%
Subsidy from Council	1,778	

Strathfield Municipal Council

Balance Sheet of Council's Other Business Activities

as at 30 June 2007

	Hudson Park Golf Course	
	Cat. 2	Cat. 2
\$ '000	Actual 2007	Actual 2006
ASSETS		
Current Assets		
Cash and cash equivalents	213	25
Investments	-	-
Receivables	8	8
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	221	33
Non-Current Assets		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	25,034	25,405
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
Total Non-Current Assets	25,034	25,405
TOTAL ASSETS	25,255	25,438
LIABILITIES		
Current Liabilities		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	76	46
Total Current Liabilities	76	46
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	-	-
Provisions	-	-
Other Liabilities	-	-
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	76	46
NET ASSETS	25,179	25,392
EQUITY		
Retained earnings	25,179	25,392
Revaluation reserves	-	-
TOTAL EQUITY	25,179	25,392

Strathfield Municipal Council

Special Purpose Financial Reports

for the financial year ended 30 June 2007

Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	6

Strathfield Municipal Council

Notes to the Special Purpose Financial Reports

for the financial year ended 30 June 2007

Note 1. Significant Accounting Policies

These financial statements are Special Purpose Financial Reports (SPFR's) prepared for use by the Council, the Department of Local Government and the Department of Water & Energy.

For the purposes of these statements, the council's activities (listed herein) are based upon them not being reporting entities.

This special purpose financial report, unless otherwise stated, has been prepared in accordance with applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views, the Local Government Act and Regulations, the Local Government Code of Accounting Practice and Financial Reporting and the Local Government Asset Accounting Manual.

The statements are also prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets.

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 Department 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. Hudson Park Golf Course

An 18 hole public golf course

Strathfield Municipal Council

Notes to the Special Purpose Financial Reports

for the financial year ended 30 June 2007

Note 1. Significant Accounting Policies (continued)

Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars, with the exception of Note 2 (Water Supply Best Practice Management Disclosures - A513) and Note 3 (Sewerage Best Practice Management Disclosures – A514).

As required by the Department of Water & Energy, the amounts shown in Notes 2 and Note 3 are shown in whole dollars.

(i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations (General Purpose Financial Report) just like all other costs.

However, where council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all council nominated business activities and are reflected in the SPFR.

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 – **1.7% + \$100** on combined land values above \$352,000

Payroll Tax – **6%** on Salaries and Wages in excess of \$600,000

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from Water Supply and Sewerage Business activities.

The payment of taxation equivalent charges, referred in the Best Practice Management of Water Supply and Sewerage Guides to as a "Dividend for Taxation equivalent", may be applied for any purpose allowed under the Local Government Act, 1993.

Achievement of substantial compliance against the guidelines for Best Practice Management of Water Supply and Sewerage is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income Tax

An income tax equivalent has been applied on the profits of the business. 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.

Strathfield Municipal Council

Notes to the Special Purpose Financial Reports

for the financial year ended 30 June 2007

Note 1. Significant Accounting Policies (continued)

Since the 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 the GPFR.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

Local Government Rates & Charges

A calculation of the equivalent rates and charges for all Category 1 businesses have been applied to all 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.

(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 Business Activities.

(iii) Return on Investments (Rate of Return)

The Policy statement requires that councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field". Such funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Councils business activities on the Income Statement.

(iv) Dividends

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

Strathfield Council

Special Purpose Financial Reports

Independent Audit Report

Scope

I have audited the special purpose financial reports of Strathfield Council for the year ended 30 June 2007, comprising the Statement by Council, Operating Statement of Business Activities, Statement of Financial Position by Business Activities, and the accompanying Notes to the Accounts. The financial statements include the accounts of the business activities of the Council and the entities it controlled at the year's end or from time to time during the year. The Council is responsible for the preparation and presentation of the financial statements and the information contained therein. I have conducted an independent audit of the financial statements in order to express an opinion on them to Council.

The special purpose financial reports have been prepared for distribution to the Council and the Department of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. I 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 Department of Local Government or for any purpose other than for which the report was prepared.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with those Australian Accounting Standards adopted and the Local Government Code of Accounting Practice and Financial Reporting so as to present a view which is consistent with our understanding of the Council's business activities and their financial position and, the results of their operations.

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

Audit Opinion

In my opinion, the Special Purpose Financial Reports of Strathfield Council are presented fairly in accordance with the requirements of those applicable Accounting Standards detailed in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting.



PA Webster

Warton Thompson & Co

Dated at Sydney this 31st day of October 2007

Strathfield Municipal Council

Special Schedules for the financial year ended 30 June 2007

Contents	Page
Special Schedules¹	
- Special Schedule No. 1	Net Cost of Services 2
- Special Schedule No. 2(a)	Statement of Long Term debt (all purposes) 5
- Special Schedule No. 2(b)	Statement of Internal Loans (Sect. 410(3) LGA 1993) 6
- Special Schedule No. 3	Water Supply - Income Statement n/a
- Special Schedule No. 4	Water Supply - Balance Sheet n/a
- Special Schedule No. 5	Sewerage Service - Income Statement n/a
- Special Schedule No. 6	Sewerage Service - Balance Sheet n/a
- Notes to Special Schedules No. 3 & 5	n/a
- Special Schedule No. 7	Condition of Public Works 7
- Special Schedule No. 8	Financial Projections 9

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 Department of Energy, Utilities & Sustainability (DEUS), and
 - the Department 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 specific service financial activities.

Strathfield Municipal Council

Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2007

\$'000

Function or Activity	Expenses from continuing operations		Income from continuing operations			Net Cost of Services	
	Expenses	Group Totals	Non Capital Revenues	Capital Revenues	Group Totals	Net Cost	Group Totals
Governance	495	495	-	-	-	(495)	(495)
Administration							
Corporate Support	5,503		236	-		(5,267)	
Engineering and Works	773		-	-		(773)	
Other Support Services	6	6,282	-	-	236	(6)	(6,046)
Public Order and Safety							
Contributions to Fire Service Levy	493		-	-		(493)	
Fire Protection – Other	-		-	-		-	
Animal Control	62		23	-		(39)	
Beach Control	-		-	-		-	
Enforcement of Local Govt Regs	377		680	-		303	
Emergency Services	43		-	33		(10)	
Other	-	975	-	-	736	-	(239)
Health							
Administration and Inspection	414		-	-		(414)	
Immunisations	-		-	-		-	
Food Control	8		19	-		11	
Insect/Vermin Control	-		-	-		-	
Noxious Plants	-		-	-		-	
Health Centres	7		37	-		30	
Other	-	429	19	-	75	19	(354)
Community Services and Education							
Administration	-		-	-		-	
Family Day Care	-		-	-		-	
Child Care	63		68	-		5	
Youth Services	71		12	-		(59)	
Other Families and Children	65		-	-		(65)	
Aged and Disabled	267		151	-		(116)	
Migrant Services	-		-	-		-	
Aboriginal Services	-		-	-		-	
Other Community Services	367		-	-		(367)	
Education	-	833	-	-	231	-	(602)

Strathfield Municipal Council

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

for the financial year ended 30 June 2007

\$'000

Function or Activity	Expenses from continuing operations		Income from continuing operations			Net Cost of Services	
	Expenses	Group Totals	Non Capital Revenues	Capital Revenues	Group Totals	Net Cost	Group Totals
Housing and Community Amenities							
Housing	11		58	-		47	
Town Planning	625		127	-		(498)	
Domestic Waste Management	2,667		3,121	-		454	
Other Waste Management	3		-	-		(3)	
Street Cleaning	507		-	-		(507)	
Other Sanitation and Garbage	-		-	-		-	
Urban Stormwater Drainage	501		29	-		(472)	
Environmental Protection	30		-	-		(30)	
Public Cemeteries	-		-	-		-	
Public Conveniences	2		-	-		(2)	
Other Community Amenities	-	4,346	-	-	3,335	-	(1,011)
Water Supplies	-	-	-	-	-	-	-
Sewerage Services	-	-	-	-	-	-	-
Recreation and Culture							
Public Libraries	1,322		118	-		(1,204)	
Museums	-		-	-		-	
Art Galleries	-		-	-		-	
Community Centres	-		-	-		-	
Public Halls	20		68	-		48	
Other Cultural Services	-		-	-		-	
Swimming Pools	-		-	-		-	
Sporting Grounds	572		401	-		(171)	
Parks and Gardens (Lakes)	1,897		298	515		(1,084)	
Other Sport and Recreation	372	4,183	-	-	1,400	(372)	(2,783)
Fuel and Energy							
Gas Supplies	-	-	-	-	-	-	-
Mining, Manufacturing and Construction							
Building Control	703		512	-		(191)	
Abattoirs	-		-	-		-	
Quarries and Pits	-		-	-		-	
Other	-	703	-	-	512	-	(191)

Strathfield Municipal Council

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

for the financial year ended 30 June 2007

\$'000

Function or Activity	Expenses from continuing operations		Income from continuing operations			Net Cost of Services	
	Expenses	Group Totals	Non Capital Revenues	Capital Revenues	Group Totals	Net Cost	Group Totals
Transport and Communication							
Urban Roads (UR) - Local	2,811		1,757	1,227		173	
Urban Roads - Regional	79		-	-		(79)	
Sealed Rural Roads (SRR) - Local	-		-	-		-	
Sealed Rural Roads - Regional	-		-	-		-	
Unsealed Rural Roads (URR) - Local	-		-	-		-	
Unsealed Rural Roads - Regional	-		-	-		-	
Bridges on UR - Local	-		-	-		-	
Bridges on UR - Regional	-		-	-		-	
Bridges on SRR - Local	-		-	-		-	
Bridges on SRR - Regional	-		-	-		-	
Bridges on URR - Local	-		-	-		-	
Bridges on URR - Regional	-		-	-		-	
Footpaths	274		-	-		(274)	
Aerodromes	-		-	-		-	
Parking Areas	3		-	-		(3)	
Bus Shelters and Services	0		-	-		(0)	
Water Transport	5		-	-		(5)	
RTA Works (State)	-		-	-		-	
Street Lighting	388		-	-		(388)	
Other	132	3,692	20	-	3,004	(112)	(688)
Economic Affairs							
Camping Areas	-		-	-		-	
Caravan Parks	-		-	-		-	
Tourism and Area Promotion	-		-	-		-	
Industrial Development Promotion	-		-	-		-	
Saleyards and Markets	-		-	-		-	
Real Estate Development	-		-	-		-	
Other Business Undertakings	-	-	74	-	74	74	74
Totals – Functions		21,938	7,828	1,775	9,603		(12,335)
General Purpose Revenues⁽¹⁾			14,046		14,046	14,046	14,046
Share of interests - joint ventures & associates using the equity method	-	-	-	-	-	-	-
NET OPERATING RESULT FOR YEAR		21,938	21,874	1,775	23,649	1,711	1,711

Notes:

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

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)

for the financial year ended 30 June 2007

\$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
Loans (by Source)											
Financial Institutions	542	1,074	1,616	-	542	-	-	99	434	640	1,074
Total Loans	542	1,074	1,616	-	542	-	-	99	434	640	1,074
Other Long Term Debt											
Nil											
Total Debt	542	1,074	1,616	-	542	-	-	99	434	640	1,074

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

This Schedule is prepared using the Face Value of debt obligations, rather than Fair Value (as per the GPFR's).

Strathfield Municipal Council

Special Schedule No. 2(b) - Statement of Internal Loans [Section 410(3) LGA 1993] for the financial year ended 30 June 2007

\$'000

Summary of Internal Loans

Borrower (by purpose)	Amount originally raised	Total repaid during the year (Principal & Interest)	Principal Outstanding at end of year
Nil			
Totals	-	-	-

Note: The summary of Internal Loans (above) represents the total of Council's Internal Loans categorised according to the borrower.

as at 30 June 2007

ASSET CLASS	Asset Category	Dep'n. Rate (%)	Dep'n. Expense (\$)	Cost	Valuation	Accumulated Depreciation & Impairment	Carrying Amount (WDV)	Asset Condition [#]	Estimated cost to bring up to a satisfactory condition standard ⁽¹⁾	Required ⁽²⁾ Annual Maintenance	Current ⁽³⁾ Annual Maintenance
		per Note 1	per Note 4	<<<<<<<<< per Note 9 >>>>>>>>>				<<<<<<< per Section 428(2d) >>>>>>>			
Buildings	Council Offices	2%	86	3,557		1,026	2,531	3	55	82	36
	Council Works Depot	2%	21	954		282	672	4	1,700	19	80
	Council Halls						-	3	49	25	20
	Council Houses		3	3,487			3,487	4	18	30	8
	Library	3%	178	5,825		653	5,172	4	30	157	20
	Childcare Centre(s)	3%	66	2,189		781	1,408	3	162	220	81
	Amenity buildings other etc	0%	81	25,247		4,195	21,052	4	264	185	160
	sub total		435	41,259	-	6,937	34,322		2,278	718	405
Public Roads											
	Sealed Roads	1% - 2%	219	19,856		5,740	14,116	4	608	400	387
	Sealed Roads Structure	1% - 2%	830	56,869		14,823	42,046	4	2,055	168	50
	Bridges	1%	2	1,923		533	1,390	4	750	30	5
	Footpaths	1%	17	16,883		4,704	12,179	4	409	122	116
	Kerb and Gutter	1%	11	11,086		2,567	8,519	4	750	85	52
	Road Furniture	1%	10	988		12	976	4	200	65	40
	sub total		1,089	107,605	-	28,379	79,226		4,772	915	695
Drainage Works											
	Stormwater Conduits	1%	276	27,697		9,793	17,904	4	1,179	250	200
	Inlet and Junction Pits	1%	56	5,706		1,314	4,392	4	476	375	300
	sub total		332	33,403	-	11,107	22,296		1,655	625	500
	TOTAL - ALL ASSETS		1,856	182,267	-	46,423	135,844		8,705	2,258	1,600

Strathfield Municipal Council

Special Schedule No. 7 - Condition of Public Works (continued) as at 30 June 2007

Notes:

- (1). Satisfactory refers to estimated cost to bring the asset to a satisfactory condition as deemed by Council. It does not include any planned enhancements to the existing asset.
- (2). Required Annual Maintenance is what should be spent to maintain assets in a satisfactory standard.
- (3). Current Annual Maintenance is what has been spent in the current year to maintain assets.

Asset Condition "Key" - as per NSW Local Government Asset Accounting Manual:

1	Near Perfect - Ranges from New or Good	4	Requires Major Reconstruction - Ranges from Poor to Critical
2	Superficial Deterioration - Ranges from Generally Good to Fair	5	Asset Unserviceable - Critical, Beyond Repair
3	Deterioration Evident - Ranges from Fair to Marginal		

Strathfield Municipal Council

Special Schedule No. 8 - Financial Projections

as at 30 June 2007

\$ million	Actual ⁽¹⁾ 06/07	Forecast 07/08	Forecast 08/09	Forecast ⁽³⁾ 09/10
(i) RECURRENT BUDGET				
Income from continuing operations	23.6	23.5	24.2	25.0
Expenses from continuing operations	21.9	23.0	23.7	24.4
Operating Result from Continuing Operations	1.7	0.5	0.5	0.6
(ii) CAPITAL BUDGET				
New Capital Works ⁽²⁾	-	-	-	-
Replacement/Refurbishment of Existing Assets	-	-	-	-
Total Capital Budget	-	-	-	-

Notes:

(1) From 06/07 Income Statement.

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

APPENDIX 1

Appendix 1

Payment of Expenses and Provision of Facilities to Councillors Policy.

POLICY NAME: Payment of Expenses and Provision of Facilities to Councillors Policy

COUNCIL ADOPTION: This policy was first adopted on 14 June 1994. The following amendments have been adopted:

Date:	1.8.95	Minute:	419/95
Date:	2.4.96	Minute:	169/96
Date:	17.11.98	Minute:	405/98
Date:	5.6.01	Minute:	309/01
Date:	14.10.03	Minute:	337/03
Date:	6.7.04	Minute:	133/04
Date:	19.7.05	Minute:	208/05
Date:	6.12.05	Minute:	370/05
Date:	5.9.06	Minute:	194/06
Date:	6.2.07	Minute:	20/07

REF: Minute: 20/07

RELEVANT LEGISLATION:

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Independent Commission Against Corruption Act 1988

RELATED POLICIES/DOCUMENTS:

- Strathfield Council Code of Conduct
- Department of Local Government Circular 06-07

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- Access to Council offices
- Home office equipment
- Internet access
- Making requests for facilities
- Maintenance of Council property

Provision of Additional Equipment and facilities for Mayor and Deputy Mayor

- Ceremonial clothing
- Office and equipment
- Administrative support
- Stationary
- Mayoral Vehicle
- Access to Council offices

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PART 1 INTRODUCTION

Title and Commencement

This policy is titled Payment of Expenses and Provision of Facilities Policy for Councillors. This policy was adopted by Council on 6 February 2007. It replaces the previous policy titled *ayment of xpenses and rovision of acilities olicy for Councillors* that was first adopted by Council on 14 June 1994 and last amended on 5 September 2006.

The policy is established in accordance with the provisions of Section 252 of the Local Government Act, 1993 which states that Council is required to adopt a policy concerning the payment of expenses incurred by and the provision of facilities to the Mayor, Deputy Mayor and Councillors in relation to their roles in discharging the functions of Civic Office.

Purpose of the Policy

The purpose of the policy is to ensure that there is accountability and transparency in the reimbursement of expenses incurred or to be incurred by Councillors. The policy also ensures that the facilities provided to assist Councillors to carry out their civic duties are reasonable.

Objectives and Coverage of the Policy

The objective of this policy is to comply with the guidelines issued by the Department of Local Government, and provide a guide to Councilor's expenses and facilities, and the process for paying expenses in a way that can be properly recorded, reported and audited. The policy applies to all councillors. The Mayor is entitled to specific additional facilities, which are outlined in this policy.

In applying the provisions of the legislation to Strathfield Municipal Council it is considered that Council's policy should provide for the payment of appropriate expenses and the provision of the necessary facilities on the basis that:

- It is reasonable and equitable that the Mayor, Deputy Mayor and Councillors should be reimbursed for their expenses incurred in properly carrying out the duties of office as elected representatives of the community. It is essential that such a policy be in place to ensure that elected offices are open to all eligible citizens and barriers to participation are addressed.
- Elected representatives should have the use of adequate facilities to enable them to appropriately and adequately fulfill their role as responsive and responsible community representatives.
- Claims for expenses and facilities not included in this policy will not be approved.

- If a Councillor does not claim a particular expense or use a particular facility, this cannot be offset against a claim for an additional amount of some other expense or facility.
- This Policy shall be implemented by way of the Director General's Guidelines that emphasise accountability and responsibility that will be reviewed regularly by the Council, and are open to public scrutiny.
- Councillors are encouraged to limit the use of the expenses and facilities provided for in this Policy to the minimum required to enable them to effectively and efficiently discharge their functions of civic office.
- A public record, open for scrutiny, is to be kept concerning all facilities provided to Councillors and of the total expenses reimbursed to Councillors.

Making and Adoption of the Policy

This policy was reported to Council at its meeting on 5 December 2006 and amendments made in order to place the proposed policy on public exhibition for 28 days. The policy will be adopted at the 6 February 2007 Council Meeting.

Reporting Requirements

Section 428 of the *Local Government Act* requires councils to include in their annual report:

- a. the council's policy on the provision of facilities for, and the payment of expenses to, mayors and councillors
- b. the total amount of money expended during the year on providing those facilities and paying those expenses
- c. additional information as required by the *Local Government (General) Regulation*

Council will report on the total cost of expenses and the provision of facilities for the Mayor and all councillors, as well as the following specific categories, or such other categories as required by the Department of Local Government from time to time.

Council will report separately on:

- the total cost of expenses and the provision of facilities for the mayor and all councillors, as well as:

expenses

- cost of phone calls including mobiles, home located landlines, facsimile and internet services;
- spouse/ partner/ accompanying person expenses;
- conference and seminar expenses;
- training and skill development expenses;
- interstate travel expenses;
- overseas travel expenses;
- care and other related expenses.

provision of facilities

Council will report on the cost of the provision, including rental, of dedicated office equipment allocated to councillors on a personal basis such as desktop or laptop computers, fixed telephones, mobile phones, other mobile communication devices, telephones, facsimile machines and internet installed in councillors' homes, but not including the costs of using this equipment, such as calls.

Significant equipment and facilities costs

Council will report on any other significant costs incurred for councillors, such as the cost of the provision of facilities and equipment where such provision is above what would normally be required by councillors for the day-to-day running of Council.

Legislative Provisions*provisions under the Local Government Act*

Recent changes to sections 252(5) and 253 of the Local Government Act 1993, made by the Local Government Amendment Act 2005, require councils to make and submit their expenses and provision of facilities policies annually to the Department of Local Government.

Section 252 of the Local Government Act 1993 requires councils to adopt or amend a policy annually for the payment of expenses and the provision of facilities to mayors, deputy mayors and other councillors. Mayors and councillors can only be reimbursed for expenses and provided with facilities in accordance with this policy.

Section 252 also makes provision for a council to reduce the amount payable to mayors and councillors (under sections 248-251 of the Local Government Act 1993) by the amount representing any private benefit of a facility provided by the council to them. It also requires that the policy be made under the provisions of Local Government Act, the Local Government (General) Regulation and any relevant guidelines issued under section 23A of the Local Government Act.

Section 252 states:

- (1) Within 5 months after the end of each year, a council must adopt a policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the mayor, the deputy mayor (if there is one) and the other councillors in relation to discharging the functions of civic office.
- (2) The policy may provide for fees payable under this Division to be reduced by an amount representing the private benefit to the mayor or a councillor of a facility provided by the council to the mayor or councillor.
- (3) A council must not pay any expenses incurred or to be incurred by, or provide any facilities to, the mayor, the deputy mayor (if there is one) or a councillor otherwise than in accordance with a policy under this section.
- (4) A council may from time to time amend a policy under this section.

(5) A policy under this section must comply with the provisions of this Act, the regulations and any relevant guidelines issued under section 23A.

Section 253 specifies actions that council must undertake before a policy concerning expenses and facilities can be adopted or amended.

Section 253 states:

(1) A council must give public notice of its intention to adopt or amend a policy for the payment of expenses or provision of facilities allowing at least 28 days for the making of public submissions.

(2) Before adopting or amending the policy, the council must consider any submissions made within the time allowed for submissions and make any appropriate changes to the draft policy or amendment.

(3) Despite subsections (1) and (2), a council need not give public notice of a proposed amendment to its policy for the payment of expenses or provision of facilities if the council is of the opinion that the proposed amendment is not substantial.

(4) Within 28 days after adopting a policy or making an amendment to a policy for which public notice is required to be given under this section, a council is to forward to the Director-General:

- (a) a copy of the policy or amendment together with details of all submissions received in accordance with subsection (1), and
- (b) a statement setting out, for each submission, the council's response to the submission and the reasons for the council's response, and
- (c) a copy of the notice given under subsection (1).

(5) A council must comply with this section when proposing to adopt a policy each year in accordance with section 252 (1) even if the council proposes to adopt a policy that is the same as its existing policy.

Section 254 requires that a part of a council or committee meeting which considers the adopting or amending of such a policy must not be closed to the public.

Section 12 provides that the public is able to inspect during office hours at the council, and at no charge, the current version and the immediately preceding version of the council's expenses and facilities policy. The public is also entitled to a copy of the policy either free of charge or on payment of a reasonable copying charge.

Section 23A makes provision for the Director-General of the Department of Local Government to prepare, adopt or vary guidelines that relate to the exercise by a council of any of its functions. It also requires that a council must take the relevant guidelines into consideration before exercising any of its functions.

Section 428(2) (f) requires a council to include in its annual report:

The total amount of money expended during the year on mayoral fees and councillor fees, the council's policy on the provision of facilities for use by councillors and the payment of councillors expenses, together with a statement of the total amount of money expended during the year on the provision of such facilities and the payment of such expenses.

In addition Section 428 (r) requires that councils must report on any other information required by the regulations.

Provisions under the Local Government (General) Regulation

Note that changed reporting requirements are to be made under an amendment to clause 217 of the above regulation to allow different reporting arrangements in the annual report. Clause 217 (Additional information for inclusion in annual reports) states in part:

(1) For the purposes of section 428(2)(r) of the Act, an annual report of a council is to include the following information:

(a) details (including the purpose) of overseas visits undertaken during the year by councillors, council staff or other persons representing the council (including visits sponsored by other organisations).

Clause 403 (Payment of expenses and provision of facilities) states:

A policy under section 252 of the Local Government Act 1993 must not include any provision enabling a council:

- (a) to pay any councillor an allowance in the nature of a general expense allowance, or
- (b) to make a motor vehicle owned or leased by the council available for the exclusive or primary use or disposition of a particular councillor other than a mayor.

Other Government Policy Provisions

Department of Local Government guidelines for payment of expenses and provision of facilities

This policy takes into account the following Circulars:

- Circular 05/08 *Legal assistance for councillors and council employees.*
- Circular 02/34 *Authorised use of council resources.*

These guidelines replace Circular 04/60 *Policy on payment of facilities to the mayor deputy mayor and other councillors.*

Model Code of Conduct

This policy is consistent with the *Model Code of Conduct for Local Councils in NSW*, Department of Local Government, December 2004. Strathfield Council's *Code of Conduct for Councillors* which implements the Model Code was adopted in March 2005.

The part of the Model Code headed 'Use of Council resources' (pp 23-24) is particularly relevant to s252 policies, and is implemented by the *Code of Conduct for Councillors*.

CAC publications

Councils should also be aware of and take account of the Independent Commission Against Corruption (ICAC) publication *No excuse for misuse preventing the misuse of council resources (Guidelines)* November 2002. This publication is available on the ICAC website at www.icac.nsw.gov.au.

PART 2 PAYMENT OF EXPENSES

GENERAL PROVISIONS

Payment of Expenses Generally

Allowances and expenses

Council does not provide general allowances to councillors.

Councillors are entitled to the expenses set out in this policy provided that they satisfy the stated requirements.

Payment in Advance

It is recognised that the nature of expenses necessarily incurred by the Mayor or Councillors are such that the expenses may need to be prepaid on occasions, particularly for attending conferences, seminars and training away from home.

Payments in advance require the approval of the Mayor and the General Manager.

In the event of an approval being given, a reconciliation of the funds expended, receipts and funds not expended, is to be submitted to the General Manager within seven (7) working days of the purpose of the payment in advance eg conclusion of conference or seminar.

Reimbursement of expenses

Councillors must seek reimbursement of expenses under this policy by lodgment of a formal written claim no later than three weeks after the expense was incurred. Each claim must include original receipts, or tax invoices (where GST applies), to be considered for reimbursement.

Reimbursement of travelling expenses shall state the following:

- Time and place of departure
- Time and place of arrival
- Distance travelled
- Fares and parking fees paid, attaching receipts where possible
- Number of days and hours occupied in travelling to and from the conference/seminar/training courses and attending Council meetings or on the authorised business of Council.
- Total amount of claim

The rate of calculation of the amount payable for travel in a Councillor's own car shall be the rate payable for claims by staff in the Local Government (State) Award

Establishment of monetary limits and standards

Meals

The maximum claimable amount for each meal is:

Breakfast	\$25.00
Lunch	\$36.00
Dinner	\$55.00

Incidental expenses

The maximum claimable amount for incidental expenses on a daily basis is \$21.35

Single travel trips

Councillors are entitled to use public transport or taxi transport provided that the cost of a single trip does not exceed \$50.00 (including GST), unless otherwise approved by the Mayor and General Manager.

Spouse and partner expenses

Council will not meet registration fees for a partner accompanying a delegate on conferences, training sessions or seminars. The councillor including any expenses incurred in an accompanying person's program will meet all expenses.

SPECIFIC EXPENSES FOR MAYORS AND COUNCILLORS

Trips, and attendance at Seminars, Training and Conferences

Strathfield Council allocates the amount of \$17,500 to cover expenses associated with attendance at conferences, seminars and training sessions. The budget is made up of \$12,500 for conferences and seminars and \$5,000 for training.

Councillors may attend conferences, seminars, congresses, forums, workshops, courses, meetings, deputations, information and training sessions, events etc related to Council business and where the Mayor and/or Councillor(s) have been appropriately authorised to attend as a participant, delegate or observer.

Requests for attending conferences should generally be in writing outlining the benefits for council. Approval for attending conferences or discretionary trips should be approved by a full meeting of Council. If this is not possible or expedient, the Mayor and General Manager should jointly give approval.

After returning from the conference, councillors or a member of council staff accompanying the councillor(s), should provide a written report to council on the aspects of the conference relevant to council business and/or the local community.

No written report is required for the Annual Conferences of the Local Government and Shires Association.

Registration

Council will pay all normal registration costs for delegates attending conferences, seminars or training sessions.

Accommodation

Council will pay for accommodation for conferences, seminar or training sessions, which are held outside of the Sydney Metropolitan Area. Council will not pay for accommodation within the Sydney Metropolitan Area.

Delegates will be accommodated in the hotel where the conference, seminar or training session is being held or the nearest hotel to the conference, seminar or training session of a similar standard.

Council will provide accommodation for delegates at the rate of a double room including the night before and/or after the conference where this is necessary because of travel and/or conference timetables.

Travel within the Sydney Metropolitan Area

Councillors may claim kilometre allowance for use of private vehicles when used to travel (including return) between their place of residence and:

- to attend Council or Committee meetings of which they are a member;
- appointments within the Strathfield Municipality involving Council business;
- inspections within Strathfield Municipality undertaken in compliance with a resolution of the Council;
- attending public meetings convened by the Council.
- functions or meetings where they act as a representative of the Mayor or Council when requested by the Mayor
- attending training sessions or seminars approved by Council.
- kilometer rates for such travel will be paid at the rate set by the appropriate Local Government Industrial Award, as at the date of travel.
- travel is undertaken expediently and by the shortest practicable route subject to personal medical considerations or special needs.
- Council will meet the cost incurred of authorised travel by public transport or taxi in the circumstances listed above.
- Payment is subject to a formal claim form being lodged not later than three (3) months after the travel occurred, with attached receipts, if appropriate.

The driver is personally responsible for all traffic or parking fines incurred while travelling in private or Council vehicles on Council business. Where the councillor is not the driver, the councillor shall ensure that all traffic or parking fines are paid.

Councillors are entitled to use public transport or taxi transport provided that the cost of a single trip does not exceed \$50.00 (including GST), unless otherwise approved by the Mayor and General Manager.

Travel outside the Sydney Metropolitan Area Including Interstate Travel

Council will meet all reasonable travel costs associated with an approved attendance. Travel may be by air, private or hire car, train or taxi. Payment shall not exceed the cost of an economy class airfare to and from the particular destination.

Prior approval of travel is required for interstate travel. The application for approval should include full details of the travel, including itinerary, costs and reasons for the travel.

Where air travel is appropriate, it will be provided by economy class. Depending on the location or circumstances, it may be more appropriate for travel to be undertaken by car or train. Travel by private or hire vehicle shall be subject to prior approval from the General Manager and provided that:

- the travel is undertaken expediently, and by the shortest practicable route, subject to personal medical considerations or special needs. Any costs incurred in anything other than Council business shall not be included in expenses paid by Council.
- Council will reimburse Councillors with travelling expenses incurred in his/her own vehicle, on the basis of the rate per kilometer set down in the appropriate Local Government Industrial Award. Parking station fees will also be met but claims for repairs or accidental damage to the Councillor's own car will be covered in the payment per kilometer.
- payment will not exceed the cost of economy class airfares to and from the particular destination

Council will meet reasonable travel costs for Councillors/delegates to and from the conference location and venue will be met by the Council, including costs of transferring delegates from the airport to the hotel and return at the conclusion of the conference/seminar/training course.

Should a delegate be accommodated in a hotel not being the site of the conference/seminar/training course, and the delegate is travelling in their own vehicle, Council will meet the cost of travelling from the hotel to the site of the conference/seminar/ training course and return each day to the conference/seminar/ training course.

All other transfers are to be met by the delegate.

The driver is personally responsible for all traffic or parking fines incurred while travelling in private or council vehicles on council business.

Where travel by motor vehicle is used it should be undertaken by Council vehicle where available, or by private vehicle subject to approval by the General Manager. Councillors using private vehicles in accordance with this Policy may claim the kilometer allowance at the date of travel as previously mentioned. Costs of vehicle hire, taxi fares and

parking which are reasonably required and incurred in attending conferences, will be reimbursed by the Council upon presentation of official receipts and completion of the necessary claim forms.

Council is unable to nominate a reimbursement limit as travel costs may vary outside of Sydney Metropolitan Area, however it is expected that Councillors will endeavour to minimise expenses to reasonable limits.

Meals

Council will meet the cost of breakfast, lunch and dinner for delegates where any of these meals are not provided as part of the conference/seminar/training course. Council will also meet the cost of reasonable drinks accompanying the meal. Reimbursement amounts are outlined in the section on 'Establishment of monetary limits'.

Incidental Expenses

Delegates are entitled to reimbursement of reasonable incidental expenses associated with attending conferences, seminars or training courses. Reimbursement requires presentation of official receipts and completion of claim forms. Reimbursement limits are outlined in the section on 'Establishment of monetary limits'.

Telephone

Council will meet the cost of telephone calls from the delegate to his/her family and to Council during the period of the conference/seminar/training course. Other telephone expenses are to be paid for by the delegate.

Laundry

Council will not meet the cost of laundry or dry cleaning services. Such services are to be met by the delegate.

Tipping

Council will not meet the cost of any tips provided by the delegate.

Bar Fridge

Council will not meet the cost of any expenses incurred from the use of the bar fridge provided in the hotel room.

Bar Service

Council will not meet the cost of any expenses incurred at the bar located within the hotel other than where delegates are reciprocating hospitality extended to them by other delegates or observers.

Overseas Travel

Council should avoid international visits unless direct and tangible benefits can be established for the Council and the local community. If Council is proposing any overseas travel, detailed proposals should be developed, including nomination of the councillors undertaking the trip, purpose of the trip and expected benefits. The duration, itinerary and approximate total costs of each proposed visit should also be provided.

Overseas travel must be approved by a meeting of the full council prior to a councillor undertaking the trip. Travel must be approved on an individual trip basis. Council will not allow the retrospective reimbursement of overseas travel expenses unless prior authorisation of the travel has been obtained.

Travel proposals should be included in the business papers. The use of a Mayoral Minute to obtain council approval for travel is not appropriate as it is not consistent with principles of openness and transparency.

After returning from overseas, councillors, or an accompanying member of council staff, should provide a detailed written report to council on the aspects of the trip relevant to council business and/or the local community.

Councillors are also strongly encouraged to report back on their overseas travel to a full meeting of the council. Details of overseas travel must also be included in council's annual reports.

Council is also required to report on the benefits of any proposed overseas sister city relationships.

Attendance at dinners and other non-council functions

Council may meet the cost of councillors' attendance at dinners and other non-council functions, which provide briefings to councillors from key members of the community, politicians and business.

Approval to meet expenses should only be given when the function is relevant to the council's interest. Only the cost of the service provided will be met.

No payment will be reimbursed for any component of a ticket that is additional to the service cost of the function, such as a donation to a political party or candidate's electoral fund, or some other private benefit. An additional payment to a registered charity may be acceptable as part of the cost of the function.

Training and Education Expenses

Council allocates \$5,000 on an annual basis for Councillor attendance at training and educational sessions.

Council encourages Councillors to undertake training and educational courses, and to attend seminars or briefings from key members of the community, politicians and business that are directly related to the civic functions and responsibilities.

A Councillor who wishes to attend a training and educational course, or attend a seminar or briefing, must provide a written request to the General Manager stating the reasons why the councillor wishes to attend and what benefits it will bring to Council, unless invited to attend by the Mayor.

Council will make separate provision for the payment of relevant training and educational expenses incurred by councillors in its annual budget. These expenses will support and encourage an active learning process and skills development in addition to attending seminars and conferences related to council functions. It is essential where Council is paying these expenses that the training or educational course is directly related to the councillor's civic functions and responsibilities.

Telephone and PDA costs and expenses

If a councillor uses his or her mobile phone or Personal Digital Assistant (PDA) for official business, Council will:

- reimburse the cost for official calls up to a maximum value of \$150.00 per month (including GST).

A limit of up to \$150 per month is allowable for councillors (Council related) telephone calls and a limit of up to \$150 per month for the Mayor's Council related telephone calls.

In order for a Councillor or Mayor to be entitled to the reimbursement of telephone calls, the Councillor must:

- make his/her telephone and facsimile numbers available to the public to ensure that he/she is accessible to the residents and ratepayers of Strathfield Municipality;
- identify all mobile telephone calls associated with his/her duties as councillor on his/her mobile telephone account;
- meet the cost of any private usage (eg not business calls on Council's behalf).

Charges in excess of \$150 per month (including GST) are the responsibility of the Councillor and will be paid to Council within 30 days of request.

Internet

Internet access, other than the costs associated with telephone and PDA costs and expenses, is outlined in Part 3 Facilities.

Care and Other Related Expenses

Council will make provision for the reimbursement of the reasonable cost of carer arrangements, including childcare expenses and the care of elderly, disabled and/or sick immediate family members for whom they have caring responsibilities, while attending:

- Council meetings
- Council Committee meetings
- Other Council related business eg conference, seminars, briefing sessions called by Council or Mayor.

Council will make provision for the payment of other related expenses associated with the special requirements of councillors such as disability and access needs, to allow them to perform their normal civic duties and responsibilities.

Council will reimburse councillors for reasonable care costs paid to providers (other than their immediate family, spouse or partner) up to one hour before and after such meetings (based on advertised commencement time). Reimbursement of expenses requires production of appropriate receipts and tax invoices.

Council's General Manager will identify and assess a reasonable level of care expense based on the circumstances and cost of services available to the public.

Insurance Expenses and Obligations

Personal

Council shall provide for the insurance of a Councillor against personal injury whether fatal or not arising out of or in the course of carrying out duties or the performance by such Councillor in functions in his/her capacity as a member of Council.

Legal Action

Council will provide indemnity insurance for Councillors to cover reasonable legal expenses in accordance with the following:

Professional Indemnity Public Liability

Council shall provide for the insurance of a Councillor against claims arising from Councillor performance of their civic duties or in the exercise of their functions as Councillors provided the performance of the relevant duty or function is in the opinion of Council to be bona fide and/or proper.

Any indemnity is subject to any limitations or conditions set out in the current policy of insurance held by Council, compliance with the instructions of Council's insurers and/or legal advisers in the event that notification is made, and full disclosure being made of the circumstances which gave rise to the claim.

This insurance is subject to the limitations set out in (i)-(v) below.

- (i) defending actions arising from the performance in good faith of functions under the Local Government Act; and
- (ii) defending actions in defamation provided the statements complained of were made in good faith in the course of exercising functions under the Act; and
- (iii) for proceedings before the Local Government Pecuniary Interest Tribunal or an investigative body provided that the subject of the proceedings arises from the performance in good faith of functions under the Act and the Tribunal or investigative body makes a finding substantially in favour of the Councillor.

- (iv) If a Councillor wishes to claim indemnity under Council's policy, Council must be advised as soon as practicable prior to any expenses being incurred. The Councillor must comply with any reasonable directions of Council's insurer and/or the General Manager in defending any action initiated by another party. Where legal or other advice to settle a matter is received, consent must not be unreasonably withheld. In the event that consent is unreasonably withheld, Council will not be liable for ensuing defence costs.
- (v) Costs incurred prior to advice in (iv), and subsequent determination that the action was bona fide or proper will not be covered.

Any reimbursement shall be reduced by the amount of any monies that may be or are re-couped by the Councillor on any basis.

Council will not indemnify legal expenses where the proceedings do not arise from carrying out of functions under the Act and having regard to Section 731 of the Act eg., an investigation as to whether a Councillor acted corruptly by using knowledge of a proposed rezoning for private gain.

Council will not indemnify legal costs for

- any action in defamation where a Councillor is the Plaintiff,
- any fraudulent dishonest criminal or malicious act or omission,
- any deliberate breach of any statute regulation or contract.

Where it is proven (by admission or by finding of a court Tribunal or the like) that full disclosure has not been made, or the action was in disregard of the Council's interests, Council reserves the right to recover payments made from the Councillor concerned.

CAC nquiries

Councillors will be entitled to reimbursement of reasonable legal expenses incurred in connection with an inquiry conducted by ICAC in the following circumstances:

- Council is advised as soon as practicable prior to any expenses being incurred with the exception of those situations in which the ICAC requires that the matter remain confidential
- In the opinion of Council the involvement of the Councillor in the inquiry is directly related to their role as a councillor and the bona fide and/or proper discharge of their duties and functions of civic office.
- The bona fides and the conduct of the Councillor is not in any way questioned by the ICAC in its findings.
- Legal expenses for appearance before an enquiry will not be met by council in circumstances where an application for legal assistance under Section 52 of the Independent Commission Against Corruption Act 1988 has been approved however reasonable expenses incurred prior to appearances at an enquiry or subsequently will be considered.

- The amount of assistance will be limited to the amount determined by the Attorney General's department for legal assistance from time to time as provided for under Section 52 of the Independent Commission Against Corruption Act 1988.
- Legal expenses will only be paid retrospectively following publishing by the ICAC of its findings.

Additional Mayoral Expenses

There are no additional Mayoral expenses provided under this policy. The Mayor is provided with the same expenses as Councillors.

PART 3 PROVISION OF FACILITIES

GENERAL PROVISIONS

Use of Council Resources

(From Model Code of Conduct, adopted by Strathfield Council in March 2005)

“9.14. You must use council resources ethically, effectively, efficiently and carefully in the course of your public or professional duties, and must not use them for private purposes (except when supplied as part of a contract of employment) unless this use is lawfully authorised and proper payment is made where appropriate.”

“9.16 You must be scrupulous in your use of council property including intellectual property, official services and facilities and should not permit their misuse by any other person or body.

9.17 You must avoid any action or situation which could create the impression that council property, official services or public facilities are being improperly used for your own or any other person or body's private benefit or gain.

9.18 The interests of a councillor in their re-election is considered to be a personal interest and as such the reimbursement of travel expenses incurred on election matters is not appropriate. Council letterhead, council crests and other information that could give the impression it is official council material must not be used for these purposes.

9.19 You must not convert any property of the council to your own use unless properly authorised.”

Private use of equipment and facilities

Council deems that there is no private benefit to councillors with respect to the provision of equipment and facilities. Council acknowledges that incidental private use may occur from time to time which is not subject to a compensatory payment. Where the Mayor (or if the councillor concerned is the Mayor, then the Deputy Mayor) and the General Manager decide that a councillor's private use is more than incidental, the councillor shall compensate Council for the private use within 30 days of request.

Council is entitled to deduct from the councillor's fees any amounts outstanding after 30 days from request. Where councillors wish to use Council's home office equipment for more than one hour per week for private use, private use of home office equipment is authorised on approval of a councillor's application by the General Manager and where the specified payment is made.

Council is entitled to deduct from the councillor's fees any amounts outstanding after 30 days from the approval of the councillor's application.

Each approval expires after 12 months and councillors must apply on or before expiry for continued private use. Council will not pay for additional consumables or maintenance as a result of private use.

Applications must be made in the form of the Private Use of Council's Home Office Equipment Councillor Application Form attached to this policy.

Provision of Equipment and Facilities for Councillors

The facilities available to all councillors to discharge the functions of civic office are as follows:

Documents

- Council will provide to Councillors upon election, documents including a copy of Local Government Act 1993, Local Government (Meeting) Regulation and copies of Codes and documents required in the context of the Council's functions.
- Council will provide updates of the above documents, where relevant.

Stationary postage and administrative support

- Supply of Councillor's letterhead stationary and envelopes for use on Council business
- Typing services for official correspondence, subject to the prior approval of the General Manager or delegate. Copies of all correspondence produced by Council officers will be maintained on relevant Council records.
- Postage of official correspondence provided that all mail is directed through the Council's own mailing system and a copy of correspondence is maintained on relevant council records.
- Reimbursement of postage expenses will only be made where expenses can be verified to the satisfaction of the General Manager and a copy of the item for mail is forwarded to the General Manager.
- A suitable name badge
- 500 business cards for his/her role as an elected member, replenished on an annual basis.
- Council will provide facilities for copying of material related to their discharge of duties as a Councillor. Materials for the systematic distribution to or letterboxing of residents are not included.

Meals and refreshments

- Council will provide meals on evenings of council meetings and official dinners. An evening meal will be of dinner standard.
- Light refreshments will be available for committee, working party meetings or meetings of short duration eg briefing sessions.
- Meals and refreshments will make provision for dietary and medical considerations.

Councillor rooms and meeting facilities

- Use of a councillor's room at Strathfield Council to assist councillors in dealing with Council business generally. The room is to be equipped with telephone, computer, printer, scanner and appropriate software.
- Councillors may have access to meetings room at Strathfield Council for matters directly related to Council business by approval of the General Manager. Council facilities are not to be used for political or private purposes.
- Use of the Council Chambers is restricted to Civic occasions only (hosted by the Mayor or the Mayor's representative), or authorised by the General Manager.

Vehicle

- Councillors can request use of a vehicle from Council's fleet to attend Council official business.
- Use of vehicle requires approval by Mayor and General Manager. Approval will be granted for any reasonable request.
- Arrangements should be made through General Manager's office and access is based on availability of vehicles.
- Secure parking for Councillors is available in the Council staff parking area at Strathfield Council administration building.

Access to Council Offices

Councillors will be provided with a key and security code to allow access to the Councillors Room in the Council offices.

Home office equipment

- Council will provide home office equipment including a personal desktop or laptop computer with appropriate software, either a printer or multi-function printing device, and separate external phone/fax line at home for official business use only.
- Upon election to Council, Councillors will be provided with home office equipment up to a maximum retail value of \$2500 (including GST) for a personal desktop or laptop computer including monitor, keyboard and mouse, printer or multi-function printing device or office furnishings eg filing cabinet. In the 2nd, 3rd and 4th years of the Council term, home office equipment to the maximum retail value of \$1000 can be requested by Councillors on an annual basis.
- Within the home office equipment allocation, Council can also provide a mobile device including mobile phone or Personal Digital Assistant (eg Blackberry). Costs of calls are reimbursed in accordance with guidelines in the expenses section.
- Home office equipment provided by Council will be replaced from time to time according to Council's usual technology management practice. Council will pay for the installation of home office equipment and phone/fax line, and ongoing line rental and call costs for official business.
- Council will provide a reasonable level of equipment training to councillors on request at no charge.

Internet access

- Internet access (including broadband) is available to councillors at home. Council will pay the initial set-up costs as well as access costs up to \$50.00 per month (including GST) to provide internet access.
- If a councillor arranges his or her own internet facilities, Council will make reimbursement only if appropriate documentation is submitted as specified by the General Manager.
- If a councillor requests Council to provide internet facilities, Council may choose the internet service provider and will pay the provider directly.
- If Council purchases any hardware to facilitate an internet connection, such as a modem or router, the hardware remains the property of Council.
- Alternatively, councillors may wish to purchase their own hardware, provided that it is compatible with the home office equipment.

Requests for facilities

Requests for issues of stationery, and/or equipment shall be made to the General Manager's Office. All requests that conform to this policy will be provided by the Council as soon as practicable.

Maintenance of Council property

The equipment is for the exclusive use of the Councillor on Council business and the Councillor shall not loan the equipment to a third party. The Councillor shall be responsible for the good care and proper use of such equipment and to promptly report any faults, malfunctions or needs for service/repair to the Council.

Provision of Additional Equipment and Facilities for the Mayor

In addition to those facilities provided to the Councillors the Mayor, in carrying out the duties of that office, is entitled to receive the benefit of the following facilities subject to conditions without reduction of fees payable under s248 and/or 249 of the Act:

In addition to the equipment and facilities provided to the councillors, the Mayor is entitled to receive the benefit of the following facilities to discharge his or her civic duties:

Ceremonial clothing

- Use of ceremonial clothing including Mayoral robes and Mayoral chains for official, civic or ceremonial use.
- A suitable name badge for the Mayor.

Office, equipment and stationary

- An appropriately furnished office at Strathfield Council including phone and other office incidentals.
- Sufficient Mayoral letterhead for use by the Mayor for official correspondence including Christmas cards.

- 1000 Business cards for his/her role as Mayor, which is replenished on an annual basis.
- Use of a mobile telephone, personal digital assistant (PDA) or mobile device such (eg Blackberry) for official business. Council will pay call, usage and network charges not exceeding \$150.00 per month (including GST). Charges in excess of \$150 per month (including GST) are the responsibility of the Mayor and will be paid to Council within 30 days of request.

Administrative support

- Council will provide secretarial and administrative assistance relating to the discharge of the Mayor's civic functions.
- Refreshments essential for the running of the Mayoral office will be made available.

Mayoral vehicle

- Use of a Council vehicle. Council will pay the costs of a fully maintained vehicle (including charges for registration, fuel, tyres, servicing and financing) up to \$10,000 (including GST) annually, provided that the vehicle is limited to a model having a retail price of no more than \$40,000 (including GST). Council may elect to provide an existing vehicle from Council's fleet or a new vehicle, and will replace the vehicle from time to time according to Council's usual fleet management practice or as authorised by the General Manager. Selection of vehicle will consider Strathfield Council's Motor Vehicle Policy.
- The vehicle is for the primary and dedicated use by the Mayor. The Mayor and authorised Council staff members are entitled to drive the Mayoral vehicle.
- Fuel card for use only with the Mayoral vehicle.
- Use of a dedicated parking space at Strathfield Council.

Access to Council offices

- The Mayor will be provided with a key and security code to allow access to the Mayor's Room and Councillors Room in the Council offices. The above key remains the property of the Council and must be returned to Council upon the person ceasing to hold office.

Provision of additional equipment and facilities of the Deputy Mayor

The Deputy Mayor, at the sole discretion of the Mayor, may have the use of the facilities provided to the Mayor except for the Mayoral robes and Mayoral Chain and Mayoral vehicle. When the Deputy Mayor is acting in the position of Mayor due to the absence of the Mayor, the Deputy Mayor will have use of the facilities allocated to the Mayor.

Council will also provide to the Deputy Mayor:

- A suitable name badge.
- Refreshments to the Deputy Mayor when fulfilling his/her duties as required.

The person appointed Acting Mayor by resolution of the Council is authorised to wear the Mayoral Robes and Chain of Office but in no other circumstances is the Deputy Mayor to wear them.

PART 4 OTHER MATTERS

Acquisition and returning of facilities and equipment by councillors

The equipment issued to councillors remains the property of Council and shall be returned on completion of the term of office. However, upon ceasing to be a councillor or in the event of Council deciding to dispose of the equipment, a councillor may request the purchase of such equipment. The General Manager shall consider each request and consider Council's leasing arrangements of such equipment. If the equipment is available to be sold, the General Manager will determine an "appropriate purchase price" based on a fair market value and as suggested by the leasing company or the general market.

Status of the policy

Strathfield Council first adopted an expenses and facilities policy for councillors on 14 June 1994. The following amendments have been made since that date:

Date:	1.8.95	Minute:	419/95
Date:	2.4.96	Minute:	169/96
Date:	17.11.98	Minute:	405/98
Date:	5.6.01	Minute:	309/01
Date:	14.10.03	Minute:	337/03
Date:	6.7.04	Minute:	133/04
Date:	19.7.05	Minute:	208/05
Date:	6.12.05	Minute:	370/05
Date:	5.9.06	Minute:	194/06
Date:	6.2.07	Minute:	20/07

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