

# Flinders Council



Annual Report  
Year ending 30 June 2009





## STRATEGIC OBJECTIVES

### *Council's Vision*

*Working together to build a caring, safe and productive community*

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### *Municipal Goal*

*Our aim is to provide a caring, safe, productive municipality that enjoys a high standard of living, supporting a larger, viable, permanent population, while retaining the natural charm and beauty of our Islands.*

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### *Strategic Objectives*

- *To enhance the quality of life enjoyed by our residents and visitors*
- *To preserve our heritage and create a vibrant cultural environment*
- *To provide a safe, clean, healthy, pollution free environment*
- *To promote and assist in the economic development of the Municipality*
- *To provide infrastructure facilities and services that meet community needs and aspirations*
- *To manage the resources of Council effectively and ensure our customers are informed and involved*

# ANNUAL REVIEW OF COUNCIL PROGRAMMES

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## COUNCIL SERVICES

### COUNCIL OFFICE

4 Davies Street  
Whitemark TAS 7255

### POSTAL ADDRESS

PO Box 40  
Whitemark TAS 7255

### OFFICE HOURS

8.30 am - 5.00 pm

**Telephone:** (03) 6359 2131

**Facsimile:** (03) 6359 2211

**e-mail:** [office@flinders.tas.gov.au](mailto:office@flinders.tas.gov.au)

**ALL CORRESPONDENCE TO:** General Manager

### AFTER HOURS EMERGENCY SERVICE

**Mobile:** 0427 592 211

### CHILD CARE CENTRE

6 Davies Street, Whitemark TAS 7255

**Hours:** Tuesday, Wednesday, Thursday & Friday 8.30 am to 4.30 pm

**Telephone:** (03) 6359 2007 **email:** [child.care@flinders.tas.gov.au](mailto:child.care@flinders.tas.gov.au)

### WORKS DEPOT

21 Patrick Street, Whitemark TAS 7255

**Hours:** Weekdays 8.00am - 5.00pm

**Telephone:** (03) 6359 2083 **Facsimile:** (03) 6359 2069

### AIRPORT

Palana Road, Whitemark TAS 7255

**Hours:** Weekdays 8.00am - 4.30pm

**Telephone:** (03) 6359 2144

**Facsimile:** (03) 6359 2145 **Mobile Ph:** 0428 592 144

**e-mail:** [airport@flinders.tas.gov.au](mailto:airport@flinders.tas.gov.au)

### VISITOR INFORMATION CENTRE

Davies Street, Whitemark TAS 7255

**Hours:** Monday to Friday 8.30am-5.00pm

**Telephone:** (03) 6359 2380 1800 994 477

**Facsimile:** (03) 6359 2211 **e-mail:** [info@flinders.tas.gov.au](mailto:info@flinders.tas.gov.au)



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### STRUCTURE OF ANNUAL REPORT

The structure of Council's Annual Report follows the formal requirements laid down under the Local Government Act 1993. Section 72 of the Act provides that:

1. A council must prepare an annual report containing all of the following:
  - a) a summary of the annual plan for the preceding financial year;
    - i) a statement of its goals and objectives in relation to public health for the preceding financial year;
  - b) a statement of the Council's activities and its performance in respect of goals and objectives set for the preceding financial year;
  - c) the financial statements for the preceding financial year;
    - i) a statement of the activities and performance of the council in relation to any activity undertaken pursuant to section 21 as compared with its objectives for the preceding financial year.
    - ii) a statement of the total allowances and expenses paid to the Mayor, Deputy Mayor and Councillors;
    - iii) a statement detailing the attendance of each councillor at meetings of the council or any council committee during the preceding financial year;
    - iv) a statement in accordance with subsection (4) relating to the total annual remuneration paid to employees of the council who hold positions designated by the council as being senior positions;
  - d) a copy of the audit opinion for the preceding financial year;
    - i) a statement specifying details of any land donated by the council under section 177, including the name of the recipient, the reason for the donation and the value of the land;
  - e) any other prescribed matter.
2. A statement under subsection (1)(ab) is to:
  - a) state the extent to which the council has carried out its functions under the Public Health Act 1997 and the Food Act 2003; and
  - b) state the resources allocated to public health; and
  - c) state the extent to which its goals, objectives, policies and programmes in relation to public health met the needs of persons within its municipal area; and
  - d) include details of the completion of any strategies.
3. The General Manager is to:
  - a) submit 2 copies of the report to the Director of the Local Government Office and one copy of the report to the Director of Public Health; and
  - b) make available copies of the report for public inspection; and
  - c) make available copies of the report free of charge or on payment of a prescribed fee; and

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- d) advertise the availability of the report in a daily newspaper circulating in the municipal area.
4. A council must invite the community to make submissions on its report for discussion at its annual general meeting.
  5. A statement under subsection (1)(cd) is to list the number of employees in groups according to the total annual remuneration as specified in subsection (5) where each group has a maximum of \$20,000 between the highest and lowest total annual remuneration.
  6. The total annual remuneration of an employee means the total of the following for the financial year:
    - a) the salary payable to the employee;
    - b) the amount of employer contribution to the employee's superannuation;
    - c) the value of the use of any motor vehicle provided to the employee;
    - d) the value of any other allowances or benefits paid or payable to, or provided for the benefit of, the employee.



### YOUR COUNCILLORS AND COMMUNITY REPRESENTATION

Flinders Council is represented by seven Councillors and is led by the Mayor and the Deputy Mayor. The Council is elected to represent the community and its aspirations and needs. The Council is authorised by the Local Government Act, as amended, to make a broad range of decisions. The scope of the Council's responsibilities include:

- the allocation of resources and the determination of funding priorities;
- policy determination and the establishment of corporate goals and objectives;
- reviewing and monitoring performance of the Council management structure and team;
- overall performance of the corporate body;
- reporting to and liaising with the community.

The Council from 1<sup>st</sup> July 2008 to 30<sup>th</sup> June 2009 comprised the following members:

<b>Councillor</b>	<b>Address</b>	<b>Phone</b>
<i>Cr Carol Cox (Mayor)</i>	<i>Post Office, Lady Barron</i>	<i>6359 3514</i>
<i>Cr Margaret Wheatley (Deputy Mayor)</i>	<i>Killiecrankie Road, Killiecrankie</i>	<i>6359 8560</i>
<i>Cr Terence Klug</i>	<i>1581 Lackrana Road, Lackrana</i>	<i>6359 6509</i>
<i>Cr David Williams</i>	<i>31 Badger Cnr Rd, Badger Cnr</i>	<i>6359 3515</i>
<i>Cr Michael Grimshaw</i>	<i>209 Dutchman Rd, Lackrana</i>	<i>6359 6518</i>
<i>Cr Alan Stackhouse</i>	<i>Private Bag 5, Whitemark</i>	<i>6359 9755</i>
<i>Cr Marc Cobham</i>	<i>Post Office, Whitemark</i>	<i>6359 8498</i>

#### **Council Meetings**

Ordinary meetings of Council are held on the third Thursday of each month. Meetings commence at 1.00 pm and are open to the public. A list of ordinary meeting dates for the year ahead is available from Council offices after the December meeting each year.

Question time shall not extend longer than 30 minutes, and will be held between 1.45 pm – 2.00 pm and again from 3.45 pm – 4.00 pm.

All questioners are encouraged to register their intent to question with the General Manager before the meeting. Preference will be given to those who have so registered.

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### **Community Representation**

As at 30<sup>th</sup> June 2009 Council had representatives on the following regional and community organisations:

#### **Special Committees**

- Furneaux Child Care Special Committee - Cr M Grimshaw, J Watson, Office Manager
- Furneaux Group Aviation Special Committee - Mayor C Cox, Cr A Stackhouse
- Furneaux Group Shipping Special Committee - Mayor C Cox, Cr T Klug, Deputy Mayor M Wheatley
- Furneaux Hall and Recreation Ground Special Committee - Deputy Mayor M Wheatley,
- Lady Barron Hall & Recreational Special Committee - Mayor C Cox
- Lady Barron Wastewater Special Committee - Mayor C Cox, Cr D Williams, Cr T Klug
- Flinders Council NRM Special Committee - Cr M Cobham
- Whitemark Municipal Hall Special Committee – Cr M Grimshaw
- Port Davies Boat Ramp Special Committee – Cr A Stackhouse
- Youth Action Special Committee – Cr A Stackhouse
- Furneaux Community Health Special Committee – Deputy Mayor M Wheatley

#### **Local Government Organisations**

- Australian Airport Owners' Association - General Manager, Airport Supervisor
- NTD Board - Mayor C Cox & Deputy Mayor M Wheatley
- Local Government Committee – Mayor C Cox & General Manager
- Local Government Association of Tasmania – Mayor C Cox, Deputy Mayor M Wheatley & General Manager

#### **Community Organisations**

- Aboriginal Liaison Representative (FIAAI) - Cr D Williams, Mayor C Cox
- Aboriginal Liaison Representative (Cape Barren) – Deputy Mayor M Wheatley
- Flinders Island Tourism Association - Cr M Grimshaw
- Flinders Island District High School Representative Council - Cr A Stackhouse
- Flinders Island High School Association – Cr A Stackhouse

#### **Management Team**

- *General Manager – Mr R Harper*
- *Finance Manager – Mr A Wilson*
- *Works & Services Manager - Mr L Pitchford*
- *Works Co-ordinator – Mr R Walker*
- *Aerodrome Operations Supervisor - Mr J Grace*
- *Office Manager – Mrs K Beeton*

#### **Other Council Committees**

- Risk Management Committee - Cr D Williams, OHS Co-ordinator
- "Clean Up Australia Day" Co-ordinator – Deputy Mayor M Wheatley & Cr M Cobham



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- Consultative Enterprise Bargaining Committee – Cr M Grimshaw, General Manager, Works Manager
- Airport Emergency Committee – Airport Supervisor, Works Manager
- Code of Conduct Panel – Cr M Grimshaw, Cr M Cobham, Cr D Williams
- Drought Committee – Cr T Klug
- NRM North Association – Cr M Cobham

### COUNCILLOR MEETING ATTENDANCE REGISTER 2008-2009

Ordinary Meetings	T Klug	M Wheatley	D Williams	C Cox	M Grimshaw	A Stackhouse	M Cobham
17 July 2008	✓		✓	✓	✓	✓	✓
21 August 2008	✓	✓	✓	✓	✓	✓	
19 September 2008	✓	✓	✓	✓	✓	✓	✓
9th October 2008	✓	✓		✓	✓	✓	✓
13 November 2008	✓	✓	✓	✓	✓	✓	✓
11 December 2008	✓		✓	✓	✓	✓	✓
22 January 2009	✓	✓	✓	✓	✓	✓	✓
19 February 2009	✓	✓	✓	✓	✓	✓	✓
26 March 2009	✓		✓	✓	✓	✓	✓
23 April 2009		✓		✓	✓	✓	✓
21 May 2009	✓	✓	✓	✓	✓	✓	✓
18 June 2009	✓	✓	✓	✓	✓	✓	✓
<b>Totals</b>	11	9	10	12	12	12	11

Special Meetings	T Klug	M Wheatley	D Williams	C Cox	M Grimshaw	A Stackhouse	M Cobham
23 December 2008	✓	✓	✓	✓	✓	✓	✓
4 March 2009	✓	✓	✓	✓	✓	✓	✓
<b>Totals</b>	2	2	2	2	2	2	2

AGM	T Klug	M Wheatley	D Williams	C Cox	M Grimshaw	A Stackhouse	M Cobham
11 December 2008	✓		✓	✓	✓	✓	✓

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### COUNCILLOR ALLOWANCES 2008-2009

<b>Name</b>	<b>Allowances</b>	<b>Expenses</b>	<b>Total</b>
Cox	\$ 23,691.30	\$ 2,117.50	\$ 25,808.80
Grimshaw	\$ 6,749.82	\$ 162.95	\$ 6,912.22
Stackhouse	\$ 6,749.82	\$ 1,216.07	\$ 7,965.89
Cobham	\$ 6,749.82	\$ 1,467.71	\$ 8,217.53
Klug	\$ 6,749.82	\$ 1,975.04	\$ 8,725.86
Wheatley	\$ 14,063.37	\$ 860.00	\$ 14,923.37
Williams	\$ 6,749.82	\$ 846.12	\$ 7,595.94
<b>TOTAL</b>	<b>\$ 71,503.77</b>	<b>\$ 8,645.39</b>	<b>\$ 80,149.61</b>



## **THE YEAR IN REVIEW**

The following reports have been prepared in accordance with the requirements of the Local Government Act 1993. The matters reported are to a large extent prescribed in the Act. The reports relate to Council's Operational Plan, Strategic Plan and Partnership Agreements. These reports refer to the financial year ended 30 June 2009 and provide an overview of Council's operations and achievements during this period.

### MAYOR'S REPORT

A year of surprise, change and moving forward for Flinders Council. A year of challenge to politically lobby for the Furneaux communities.

Surprise, the resignation of the General Manager Mr. Michael Boyd was unexpected, but has allowed council to continue the process of building the sustainability of the municipality. Michael in his sixteen months on Flinders, worked extremely hard and managed to update a lot of in-house procedures and legal requirements, as well as instigating the outsourcing of councils finance management to Brighton Council, a move that allowed council to have it's 2007-2008 audit completed in time for the Annual General meeting, a large improvement on the previous year. I thank Michael for his commitment to improving the workings of this Council during his time as General Manager.

This is the first full year the council has retained the services of Brighton Council for it's financial management, enabling councillors to have a much fuller and in depth input to the budget process for the 2009-2010 year. This appointment has also meant our office staff have had the privilege of mentoring and backup from Brighton finance staff, allowing them to confidently improve the in-house office processes.

The transfer of Lady Barron and Whitemark water assets to the new regional water and sewerage company, Ben Lomond Water was accomplished on July 1<sup>st</sup> 2009, with many thanks to the office staff for their commitment throughout this process, one that added considerably to their workload for some time.

Council also employed Mr. Adam Wilson, our Finance Manager from Brighton Council, as Acting General Manager from March to August of 2009 whilst searching widely for a replacement. It was ironic that the search led to the employment of a Tasmanian, Mr. Raoul Harper, to begin with Council on the 3<sup>rd</sup> of August 2009.

Feeling a little hamstrung during the period of having an Acting General Manager Council nevertheless was very active.

During and in the wake of the first shipping crisis in the spring of 2008, a time of declared exceptional circumstances due to drought, farmers having endured a very dry winter and experiencing a failed spring which severely impacted on them economically and emotionally by not being able to move their livestock off Flinders in a timely fashion due to the Matthew Flinders III being in dry-dock for an extended period of eight weeks.

Councillors lobbied the State Government to use their influence and terms of the State Government initiated contract with Southern Shipping to improve the situation, discovering just how inadequate the contract was to deal with the

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freight requirements of the Furneaux communities and gaining government commitment that there would be consultation with council prior to the implementation of any future contract.

As a result of these and other shipping and port issues, Council with the support of funding from the Department of Economic Development commissioned reports for an optimum shipping service and port development. Aurecon was commissioned to undertake these studies that at the time of writing this report are yet to be received in completed form by Council.

The positive for Council when the economic crisis hit Australia, was that Council had committed to the refurbishment of the Whitemark Hall, a substantial project using \$500,000 plus interest accrued of the Infrastructure Grant from the Tasmanian State Government in 2005, plus a \$200,000 grant Council was successful in attaining from the Tasmanian Community Fund, leaving around \$200,000 to be found from Council funds. The successful winning of the tender for the project by a local builder, meant that a lot of these funds stayed in the local community, a bonus for this municipality. At the end of June the project was on time and on budget and I am happy to say remained this way to completion.

The receipt of \$100,000 from the Federal Governments Boost Local Infrastructure Program allowed Council to fully cement the floor of the pavilion at the showgrounds, install gas BBQ and tables and chairs at Yellow Beach, and as part of the stalled beautify Whitemark project place bins, tables and seats throughout Whitemark as well as shelter planting on the beach side of the Esplanade and commit funds to the fitting out of the redeveloped Whitemark Hall - later to become known as the Flinders Arts and Entertainment Centre.

The process of developing a plan for the Killiecrankie public open space area was started and hopefully will be finished in the 2009-2010 year.

Council embarked on the path of employing an Economic Development Officer, a move made with the intention of achieving a sustainable Council, servicing a vibrant municipality whilst maintaining the features that make the municipality the place we choose to live.

Several policies were also updated, in particular the POS policy with regard to subdivision was implemented to give developers surety of the expectations of Council.

After much lobbying by Council, with the support of the then Liberal Member for Bass, Michael Ferguson, the Tasmanian Freight Equalisation Scheme, on the 1<sup>st</sup> July 2008, was extended to include freight relief for goods produced on Flinders being shipped to Tasmanian ports and vice versa. Council successfully lobbied for some amendments to this scheme after it's introduction, so that goods going direct to mainland Australia via Tasmania are now included, as well as the change so that the scheme now applies to the Furneaux Group not just Flinders Island. The introduction of this scheme has seen more livestock sold into

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Tasmania than previously due to the changed balance in freight costs to Tasmania versus mainland Australia. The one area left to lobby for change is to have the rebate values indexed to CPI.

Council also lobbied for an inquiry into the increased differential in the price of fuel on Flinders Island compared with Tasmania (Launceston) this differential rising to around forty cents per litre. Unfortunately this has been unsuccessful to this point in time.

Council had some initial talks with Cape Barren Island about their cemetery and solid waste management on Cape Barren and these issues are currently being further attended to.

During November of 2008 the islands experienced some rough weather and I would like to extend thanks to the outdoor staff for the diligent way they went about keeping roads open and repairing them for the safety and convenience of island residents.

To my fellow Councillors, Deputy Mayor Margaret Wheatley, Cllr Terence Klug, Cllr Michael Grimshaw, Cllr Alan Stackhouse, Cllr Marc Cobham and Cllr David Williams a sincere thank you for your support of myself and your commitment to the role of elected member.

Lastly but not least I would like to thank Kate Hall, Personal Assistant to the General Manager and Councillors, for the support she has given to me during this year.

*Carol Cox*  
**Mayor**



### GENERAL MANAGER'S REPORT

Leading our vision of working together to build a caring, safe and productive community, the following report outlines Councils commitment to this goal and our collective efforts towards providing good levels of customer service, financial management, economic development and community services.

The past year has again seen changes at a senior management level and I acknowledge the work of the previous General Manager Mr. Michael Boyd and Acting General Manager Adam Wilson for their considerable hard work. Their collective efforts can be seen in the overall performance levels that Council has achieved during this reporting period.

The past year has seen some restructuring of Council services. The water and sewerage reform process has been complex, requiring large amounts of staff time and input. Council has a relatively small staff and they should be congratulated for working through the process with patience and diligence. Council trusts that Ben Lomond Water will work hard with Council to ensure the provision of these services is improved overtime towards community expectations.

The provision of financial management services by Brighton Council has proved to be a sensible and innovative approach towards ensuring that Council finances are managed to the highest standard available. This relationship is a great example to others in the Local Government sector and the community at large of the role that resource sharing can play in assisting small Councils such as Flinders in achieving cost effective service provision within the budget constraints that exist. I would like to thank Mr Adam Wilson for his commitment and hard work with Council management and staff during this period.

Recognising the importance of a focused approach to the economic development of the Islands, Council employed a dedicated officer in Adam Saddler to undertake this important role. Adam brings a wealth of experience, energy and drive to the position and we look forward to his continued input and positive outcomes in the year ahead.

Council and the community have received excellent service from our child care team at the Duck Pond under the leadership of Josie Cox and our Youth Officer Dolly Wheatley has been a wonderful addition to Council staff. While not core Council business, these two initiatives highlight the important role Council plays in supporting areas of need in our community. The development and support of the children and youth of the Islands is critical to our ongoing growth and social capital and Council will continue to provide assistance where it is required.

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Works and Services have again achieved outstanding results throughout the year under the leadership of Les Pitchford, supported by Robin Walker and the dedicated works employees. Both Les and Robin have exceptional records of service to our community and their experience, resourcefulness and knowledge contribute to Council being able to achieve high standards within tight budget demands.

The office and administration staff has again been led by Mrs. Kerry Beeton. Our motivated team of staff should be proud of their achievements throughout the year. Congratulations to you all.

The past year has seen Council undertake the following projects:

**Policy Manual** – updated a number of policies

**Strategic Plan**- developing a new strategic plan

**State Government Infrastructure Deed** - Council received \$1.985M, approx \$800k for airport resealing (completed); \$500k for waste management (70% completed); \$500k Whitemark Hall (completed); \$200k Lady Barron Waste Water (on hold)

**Flinders Island Waste Management** – upgrade of Whitemark tip

**Whitemark Hall** - Council received \$500k from the Infrastructure Deed, \$200k from Tasmanian Community Fund, balance own funds to redevelop Whitemark Hall into Flinders Community Centre at a cost of \$900k

**Partnership Agreement – State/Local Government** – working on a second agreement

### **Regional and Local Community Infrastructure Program**

- o Council has received federal funding of \$100k for local projects
  - \$45,000 to the Whitemark Beautification Project
  - \$25,000 to the Yellow Beach Foreshore Redevelopment
  - \$20,000 to the Flinders Community Centre Fit Out
  - \$10,000 to the Showground Main Pavilion Flooring

There have been a number of other projects and activities of note, which are outlined further in specific areas of this report. I make note that none of these achievements come without the dedicated staff that Council is fortunate to employ. The community is well served by a small, talented and flexible staff group and their efforts and hard work should be congratulated.

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Finally, I would like to thank the Mayor, Deputy Mayor and Councillors for their leadership, vision and collegiate approach to their important roles. I trust that the coming year will continue to see Councils performance improve as we find innovative and responsible approaches to serving the Flinders community.

*Raoul Harper*  
**General Manager**

## WORKS & SERVICES

### **Sealed Roads:**

Year 10 of Council's resealing programme was completed with the sealing and resealing of:

- 3.5km of Lackrana Road sealed
- 1.2km of Lackrana Road was reconstructed, primed and sealed under the Roads To Recovery Program
- Failed areas on Lackrana Road were dug out, reconstructed, primed and sealed under the Roads To Recovery Programme
- 3640m<sup>2</sup> of road edges were reconstructed, primed and sealed for DIER on the Lady Barron Main Road
- Resealed the Power Station road for Aurora

### **Unsealed Roads:**

All of the areas identified to be gravelled were completed. A gravel footpath was constructed from Whitemark to the School. Most other unsealed roads were potholed and graded.

### **Town Streets:**

Approximately 180 metres of footpath was constructed along Franklin Parade in Lady Barron and some footpath ramps were upgraded in Whitemark.

### **Bridge Construction:**

The timber bridges at Pine Scrub on West End Road and Patriarch drain (Nicholls Bridge) on Lackrana Road were replaced with precast concrete constructions.

### **Depot & Plant:**

- A new Hilux dual cab was purchased at a cost of \$31,937
- An Isuzu truck was purchased at a change over cost of \$118,215
- A new Wacker plate was purchased for a cost of \$1,780
- A tandem trailer to carry our small Vibratory Roller etc. was purchased for cost of \$2,000

### **Waste Management:**

Council is continuing to progress the Flinders Island Waste Management Plan. The sheds that were purchased last year have been erected. One houses the excavator that is used for digging tip cells and for covering the waste etc., the other shed is utilised to hold goods for recycling etc. Three bores were drilled at the tip site so that the ground water can be monitored. Southern Shipping instigated a car crusher being utilised at the tip to crush and remove old car bodies.

### **Lady Barron Hall:**

The Lady Barron Hall floor was resurfaced for a cost of \$8,250



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### **Lady Barron Main Road:**

Council maintains Lady Barron Main Road under the State Roads Flinders Island Maintenance Contract 1163. Other work outside the contract such as digouts and resealing etc. are completed on a private works basis. Reconstruction was undertaken of both edges of 1.1km section of Lady Barron Main Road along the Bootjack Straight to achieve shoulder strengthening.

### **Infrastructure Grant:**

Council commenced a \$100,000 Grant for four projects:-

- Whitemark Beautification Project
- Yellow Beach Foreshore Redevelopment
- Whitemark Community Hall Fit Out
- Showground Main Pavilion Flooring

The projects are budgeted to be completed by the end of September 2009.

### **Water Supplies:**

Although the early part of the year was dry we were able to get through without having to apply any water restrictions. Thank you to water users for conserving water during the dry period.

*Les Pitchford*

**Works & Services Manager**

*Robin Walker*

**Works Supervisor**

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### AERODROME

#### **Inspections**

##### **Aerodrome Safety Audit**

The annual Aviation Safety Audit, which was conducted by Tom Griffiths from Airports Plus Pty Ltd occurred on 18<sup>th</sup> December 2008. Once again a very good result was achieved.

##### **Obstacle Limitation Survey**

The annual survey of the 'Approaches to the Flinders Island Aerodrome', was undertaken on the 17<sup>th</sup> December 2008 by Mr Bryan Fitzgerald. There were several tree obstacles encroaching the Obstacle Limitation Surfaces this year.

##### **Aerodrome Works**

Implemented Drug and Alcohol Management Plan to comply with the new regulations.

Drainage work was undertaken to comply with regulations, which included runway strip grading and drain cleaning. No major flood damage occurred this year and the runways have not been forced to close by inclement weather.

##### **Aviation Security**

Flinders Island Aerodrome is classified as a Regional Security Controlled Aerodrome, the Transport Security Program which we are required to operate under has been approved and is currently active.

The annual Security Audit was undertaken on the 19<sup>th</sup> December 2008 and it was found that the Flinders Island Aerodrome was maintained and complied with all of the security audit requirements and was operated in compliance with the Act.

##### **Airlines**

Airlines of Tasmania P/L have added to their fleet with the arrival of the Dornier 228 and continued to service the Island with a reliable, safe RPT service, maintaining flights between Essendon and Flinders Island and Launceston and Flinders Island.

##### **Staff**

The Aerodrome has operated this year with one full time staff (Aerodrome Operation Supervisor) and two relieving reporting officers.

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### **Aerodrome Lighting**

Technical inspection was carried out between the 24<sup>th</sup> & 27<sup>th</sup> November 2008. The faulty electrical lighting cable between the taxiway and the generator shed has been replaced.

The Automatic Frequency Response Unit (AFRU) and the Pilot Activated Lighting (PAL) have been commissioned.

Maintenance to obstacle lights including replacement of housing and globes has been undertaken.

### **Machinery repair and maintenance**

General Maintenance was continued in 2008-2009 as per the Flinders Island Aerodrome Operational Plan.

The hot water system in the Terminal has been replaced and ongoing maintenance to the security control system undertaken.

### **Runways**

- General sweeping of loose blue metal
- New line marking at Terminal and Apron parking

### **General Statistics**

#### Aircraft Landings

<i>Year</i>	<i>Commercial</i>	<i>Private</i>	<i>Military</i>	<i>RFDS</i>	<i>Helicopters</i>	<i>Total</i>
1993-94	2046	559	11	30	19	2665
1994-94	2110	479	5	32	22	2648
1995-96	1815	395	3	30	70	2313
1996-97	1801	388	6	22	32	2249
1997-98	2384	358	4	21	24	2791
1998-99	2350	294	18	24	13	2699
1999-2000	2410	280	28	23	12	2753
2000-2001	2008	252	23	29	42	2354
2001-2002	1837	336	1	41	46	2261
2002-2003	1759	336	3	42	83	2223
2003-2004	2030	318		23	7	2393
2004-2005	1615	317		23	50	2005
2005-2006	1641	251		24	24	1940
2006-2007	1595	258		22	26	1901
2007-2008	1423	194		17	24	1658
2008-2009	1511	303		36	58	1908

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### **General Comments**

Goodness me how the year has flown! A few minor hiccups with the lighting and security systems in January while the Aerodrome Operations Supervisor was on leave, otherwise it was smooth flying at the Aerodrome.

Airlines of Tasmania have provided extra flights throughout the year and passenger numbers are up slightly on last year.

I again congratulate all staff, passengers and the general public on your conduct and commitment throughout 2008-2009 and look forward to supporting all your transport requirements at "The Flinders Island Aerodrome"

*Jeff Grace*

***Aerodrome Operations Supervisor***



## CORPORATE SERVICES

### FINANCIAL MANAGEMENT

#### Strategy

To develop, maintain and continually review financial management systems that comply with legislative requirements and accounting standards and ensure services are provided in a cost effective manner.

#### Responsibilities

To provide financial and information services of a high quality in support of the general operations of Council.

#### Occupational Health & Safety

The organisation has progressed further along the way to implementing a solid Occupational Health & Safety system which has been achieved through the efforts of all employees and the Occupational Health & Safety Committee.

The Committee meets bi-monthly to discuss OH&S issues in the workplace and emerging issues of concern. The Committee has been proactive in bringing about a greater awareness to all staff of the importance of OH&S and indeed of the risk to Council should certain procedures not be followed.

#### Customer Service Charter

The Customer Service Charter is aimed at improving the level of service which Council provides to its customers and increasing customer satisfaction with regard to the service they receive from Council.

Copies of the charter are available from the Council office and can be found on Council's website at [www.flinders.tas.gov.au](http://www.flinders.tas.gov.au).

#### Communication

During the year Council received one request for information under the Freedom of Information Act 1991.

#### Issuing of 337/132 Certificates

Council had requests for and issued 58 X s.337 and 33 X s.132 certificates during the year. This only reflects the number of properties for which these certificates are requested and usually, but not always, reflects the number of properties for which ownership has changed.

#### Tenders and Contracts

The only contract for the provision of goods and services, valued at or above \$100,000 that has been entered into or extended during 2008/09 is detailed below:

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<b>Whitemark Hall</b>	
Successful Contractor:	Steve Kacir
Value of tender awarded:	\$794,775 excl GST

### **HUMAN RESOURCES MANAGEMENT**

#### **Strategy**

To manage the resources of Council effectively and efficiently by ensuring that qualified employees are available to plan and implement the objectives of the Council:

#### **Staff Changes**

At the end of 2008/09 Council had 20 permanent employees, four (4) of whom were part-time, with the remainder being full-time employees. In addition Council had five (5) casual employees with a full-time equivalent of 19.

#### **Policy Manual**

During the year Council reviewed and introduced two (2) policies as listed below:

Physical Locality Staffing Policy
Investment Policy

#### **Human Resource Development**

The Council recognises that its people are its greatest asset and we pride ourselves on offering them the best training and career development opportunities. Council's Human Resource Development strategy aims to create an environment that assists staff to maximise their potential and contribution through access to a versatile, responsive and effective range of training opportunities which address individual, organisational and customer needs.

The objectives of Council's training program are as follows:

- Organisational objective - to meet the mission;
- Productivity objective - to maximise productivity;
- Quality of working life objective - to provide job satisfaction; and
- Careers objective - to develop careers.

The specific training needs of employees are recognised in a number of different ways, changes in technology may cause a need for new core skills or new area skills, whilst unsatisfactory levels of productivity may identify the need for new skills or work practices. Council's forward plans may forecast the need for different skills or additional people in the future and employee appraisals may indicate staff development needs that cannot be met by current training programs. From this identification of training needs, training programs are developed or identified. Council's actual expenditure for training and professional development this financial year was \$16,700 for the whole organisation.

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### Senior Staff Salary Packages

In accordance with the Local Government Act 1993, the following table provides the remuneration for those positions designated by Council as senior positions. Remuneration includes salary payable, employer contributions to superannuation, the value of the use of any motor vehicle provided to the employee, and the value of any other allowance or benefits provided to the employee.

Remuneration Band	No of Positions
\$50,100 - \$70,000	2
\$100,001 - \$120,000	1

### Public Interest Disclosure Act 2002

There has been no disclosure either raised or determined during 2008-2009.

### Enterprise Powers

The Council has not resolved to exercise any powers or undertake any activities in accordance with section 21 of the Local Government Act 1993.

### Statement of Land Donated

Under the Crown Land Assessment and Classification (CLAC) Project, the following parcels of land were transferred to Council from the Crown during the 2008-09 period:

- CT155685/1 – James St, Whitemark
- CT155686/1 – Part of Lady Barron Tennis grounds, Main St, Lady Barron
- CT155687/1 – old stock reserve - Palana Rd, Emita
- CT155688/1 – Flinders Council depot & office – 12 Martin St, Whitemark
- CT155689/1 – Council house - 14 Martin St, Whitemark
- CT155690/1 – cnr Lady Barron & Wallanippi Rds, Ranga
- CT155691/1 – Whitemark Cemetery – Cemetery Rd, Whitemark
- CT155692/1 – old stock reserve – Memana Rd, Whitemark
- CT155693/1 – Lady Barron Cemetery – Cemetery Rd, Lady Barron
- CT155694/1 - Part of Lady Barron Tennis grounds, Main St, Lady Barron

### RISK MANAGEMENT

**Strategy:** To manage the resources of Council in such a manner that risk is recognised, minimised and managed.

### Council Initiatives

Council has developed a holistic approach to Risk Management and this new approach to Risk management has been achieved through a cultural change within the organisation so that risk is not necessarily avoided – it is to be recognised and managed. Council now reviews its risks register and complaints files at every OHS & Risk Management meeting. The risk audit score has improved

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by 15% which has been achieved by awareness of what is required and diligence in making an effort to meet the criteria. New practices have been implemented and this has its own rewards.

### **QUARANTINE**

**Strategy:** Participate in the Development of Policies for Environmental Management in conjunction with relevant Government Agencies.

**Council Initiatives:** Council administered the quarantine services on behalf of the Quarantine Department up until mid December 2008 after which the department then took on full responsibility for this service to the island.

### **Council Initiatives:**

Council has partnered with the Multi Purpose Centre to provide podiatry services to the island. Increased funding has allowed for the purchase of instruments and cabinetry in which to store them

### **FLINDERS COUNCIL DEVELOPMENT SPECIAL COMMITTEE**

This Committee held its last meeting in July 2008.

**Council Initiatives:** The Visitor Information Centre made the following improvements during 2008/09:

- The Visitor Information Centre moved to the Council offices at Davies Street, Whitemark and the position became full time with the position being split between some administration tasks and the balance being visitor information duties.
- The Visitor Information Centre Administration Officer has assisted the tourism association update and launch their new website.
- The Visitor Information Centre is no longer taking bookings but has been working closely with Flinders Island Package Holidays with helping people book their holidays and also manning the 1800 number.

*Kerry Beeton*  
**Office Manager**



## FURNEAUX CHILD CARE CENTRE (DUCKPOND)

This year has been another productive and very fun year. We had a total of 26 children attending mostly on a casual basis in 08, and 28 children in 09.

We had a visit from Helen Miller from the Department of Education, Child Care Unit to issue us with a new licence. An action plan was sent to us and things such as safety glass throughout the building, height of the fences, new sand, new steps for the nappy change area, Tas Fire Service approved evacuation plan, and practices, new written policies and procedures and proof of continuing study were some of the more important items on the action plan that have now been completed.

Josie, Vicki and Annabel have completed their Certificate 3 in Children's Services. Josie has completed the Diploma in Children's Services. Vicki is studying the Diploma in Children's Services and hoping to complete it this coming year.

We have had two fundraising drives this year. The toy catalogues and the Duckpond/Playgroup combined Easter raffle. The funds raised have gone towards toys and educational equipment.

The committee purchased red and blue t-shirts with the new Duckpond logo on them, which parents can buy for their children. The staff now have a uniform: blue shirts with the duckpond logo.

This year we have been focusing on alphabet, numbers to twenty, colours and shapes. All our regular children who will be attending kindergarten in 2010 know these and are ahead in developmental checks, of which we are very proud.

Annabel attended an information session in Launceston which discussed how music and dance can help children learn and develop social and emotional skills. Annabel found this extremely informative and we have implemented some of these skills in our programming.

The majority of the children enrolled are on a casual basis as most parents are just wanting socialisation for their children at this stage. We have been averaging 7-9 children each day with a maximum of 15.

*Josie Watson*  
**Director, Child Care Centre**

## FURNEAUX NATURAL RESOURCE MANAGEMENT

A lot of on-ground work has been done in the past 12 months, by both community groups and individual landholders.

### 2008-2009 Activities

#### *NRM Strategy*

Some changes were made to the Draft Strategy, and many of the actions identified in the Strategy were progressed.

#### *Community Projects*

The following summarises the NRM Facilitators support for community natural resource management projects

<b>Project Title</b>	<b>Proponent</b>	<b>Funding Body</b>	<b>Status</b>
Coastal Rehabilitation for Two Priority Sites on Flinders Island, Tasmania	Friends of Lady Barron/Palana Progress Association	Envirofund Round 9	On- ground works mostly completed. Reporting yet to be done.
Flinders Island Community Cat Management Project	Furneaux Field and Game Association	Envirofund Round 10	On- ground works completed. Reporting yet to be done.
Boxthorn removal – Roydon Island	Furneaux Landcare	Envirofund	On ground works completed.
Bird Viewing Hides and three sites	Flinders Island Tourism Assoc	AusIndustry	Completed. NRM provided design and work supervision to implement this project in conjunction with Parks
Rehabilitation of Foreshore and Coastal Reserve, Killiecrankie, Flinders Island	Killiecrankie Foreshore Group	Community Coastcare	On- ground works mostly completed. Reporting yet to be done.
Soil Health Workshops	Flinders Island Productivity Group	NRM North	Funding received and workshop held

## ANNUAL REVIEW OF COUNCIL PROGRAMMES

Adoption of alternative perennials for sustainable farm practices on Flinders Island	Flinders Island Productivity Group	Community Action Grants	Application submitted
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### **NRM Works on Private Land**

- NRM North's *Property Management Planning* project assisted 11 landholders to produce property management plans. The planning has led on to significant onground investment that has led to the protection of 319 ha of high value remnants and riparian vegetation along with the establishment of 72 ha of targeted revegetation projects using local native plant species
- NRM North's *Healthy Coasts and Seas* project has engaged with 14 landholders to protect high value riparian vegetation and remnant vegetation on private property.

### **Weed Management**

- Conducted weed surveys along the Flinders Island Road network
- Facilitated the release of biological control agents for Patersons Curse and Horehound
- Provided advice to landholders through reference to DPIPWE weed service sheets
- Mapped locations of blackberry and gorse to the national standard
- Facilitated funding and resources for the appropriate treatment of Gorse on Vansittart Island.

### **Partnerships**

During the reporting period the NRM facilitator assisted the following organisations in delivering their programmes

- DPIPWE Soil Conservation Branch
- Private Forests Tasmania
- Birds Australia
- National Parks and Wildlife Service
- DPIPWE Regional Weed Management Officer
- TIAR
- Alternative to 1080 programme

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### ***NRM Special Committee of Council***

The NRM committee conducted three meetings in during the reporting period. Chaired by Cr Marc Cobham, the committee has assisted the development of the Furneaux NRM Strategy as well as providing guidance to the NRM Facilitator.

### ***Community Events***

- Field day focusing on vegetation management on farmland. Run in conjunction with Private Forests Tasmania
- Working bee at Lady Barron Foreshore walk trail
- A series of working bees at the Killiecrankie foreshore
- Soil Health Field days
- Assisted with the establishment of the School's Kitchen Garden

### ***Council NRM Support***

- Assisted with Council involvement in the "Planet Footprint" energy accounting programme
- Mapped weeds as they occur along Council Roadsides
- Provided comment on NRM issues as requested by Council or General Manager

### ***Communications***

- Regular items in the Island News
- Attended Landcare meetings
- Radio interviews
- Stall at the Flinders Island Show

*Michael Sherriff*  
***NRM Facilitator***

### ECONOMIC DEVELOPMENT

A new position of Economic Development Officer (EDO) was created and filled in late December 2008. The Council considered that it would be more productive and financially prudent to have the EDO based on the Tasmanian mainland to facilitate more effective contact with the majority of economic development stakeholders.

The guiding economic goals for the EDO are from the Annual Plan of 2008-2009 and are as follows:

- D.1 The expansion of business and industry, promote new investment and the development of high-tech businesses compatible with our remote location.
- D.2 Encourage the development of a tourism industry that sustains the natural beauty of the Council District.
- D.3 Ensure land use planning and development controls are in line with the strategic goals and legislative requirements.

Shipping has dominated the economic landscape since the employment of the EDO and has taken a large part of the resource through a number of activities such as the port and shipping studies and the submission to the Legislative Council Review Committee on shipping and there is a need for further work in this area. Access, both sea and air, and the development of services that promote the growth of the region will continue to be a major focus for the EDO going forward. Other major areas that will focus EDO activities will be investment attraction, population growth, renewable energy, sustainability and seeking both Australian Government and State Government support for appropriate projects in these key areas.

The EDO developed and submitted six applications to both the Australian and Tasmanian governments across sectors such as infrastructure, training, investment attraction, training, marketing and climate change with four being successful and potentially attracting around \$175,000 worth of funding and activities to the island. The EDO has been closely involved with the Flinders Island Tourism Association and has been its key contact for liaison with the State Government in the development of tourism on the island. The EDO will continue to work closely with the Association to ensure all opportunities are explored and to maximise the appropriate development and growth of the industry.

Government and stakeholder lobbying is a major part of the EDO role. The EDO represented and pushed Flinders Council's interests and agenda at many meetings and forums with Australian Government Ministers, State Government ministers and senior bureaucrats, and major regional and representative organisations. The EDO will continue to lobby these bodies and organisations for the benefit of the region.

*Adam Saddler*  
**Economic Development Officer**



## YOUTH DEVELOPMENT OFFICER REPORT

### YOUTH CLUB ACTIVITIES

Over the last twelve months the youth club activities have included an excursion to the gun club, five surf lessons and beach days, a snorkeling lesson with Mike Nichols, fortnightly movie nights, participation in the Flinders Five, arts and crafts, community mixed netball, mixed basketball and badminton. All activities have been well supported and will continue to be run on a seasonal basis.

### FUNDRAISING

Fundraising efforts have included raffles, a stall at the Flinders Five, Hoopla and cow pat lotto at the show, car washing and cow pat lotto at the market, sales of youth club water bottles and sales of fundraising chocolates. Letters for support were also sent to local businesses and organisations to provide monetary or in kind support for youth activities. A donation from the Lions club of \$500 was received. Other donations have included three televisions, two secondhand couches, table tennis table, DVD player, video player, cushions and a game show DVD. Fundraising has helped youth club to purchase a Playstation console, bean bags and two couches.

### GRANT APPLICATIONS

Youth Community Action Challenge:

Our application for a transition program was successful with \$10,000 allocated to assist this years grade tens transition into further education and employment. The program is to help Island students successfully integrate into city life with a focus on social aspects, recreation, education, employment and accommodation.

Youth Week:

Application for a \$2000 grant for youth week celebrations was successful. Our Youth week event was held at the Sports club with free mocktails, games and an evening of music and dance. We decorated the hall with youth club inspired slogans and posters we had made. It was a great night and wonderful to see a variety of ages up on the dance floor.

Medibank Private:

Our surf/summer program and mixed netball received the Medibank private community award for encouraging participation in sport and recreation amongst the community. We received \$2000 for this award which will help to continue the program this summer.

Flinders Council:

Applied and received a community grant to host our own party safe weekend on Flinders Island with the help of Dorset council Youth Officer Jen Barron. We received \$2000 from Flinders Council to facilitate this, set to commence in 2010.

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### **OFF ISLAND TRIPS**

#### **Party Safe Camp**

Two students and I participated in the Party Safe Camp at Bridport with students from Scottsdale, Bridport and Winnaleah Schools attending. Party safe is an initiative developed to educate and have open discussion about alcohol, drugs, sexual health and any issues facing the youth of today.

#### **Denim Conference:**

Four students and I went to Camp Banksia for the youth conference held in Port Sorrell. Over two days we got to participate in awesome workshops varying from survivor style leadership to drumming and art workshops. Motivational speaker Sam Cawthorne was a highlight and all students found the camp really rewarding.

#### **Headspace Ambassadors:**

Two grade nine students and I flew to Launceston for the day to become headspace ambassadors. Headspace is a Youth Health service, students were given an informative guided tour, bringing their knowledge back to the Island with them.

#### **Events Management:**

I attended an event's management course with a focus on organising and running activities and events. Whilst it was delivered on a large scale focus it did help to reiterate important elements when organising and delivering activities.

Overall the year has been fantastic with youth club becoming more involved with the wider community. Our resources for youth club are also starting to grow, helping to establish a sense of ownership and pride amongst our young people. I look forward to continuing with this role as we have so many areas yet to address and develop.

*Stacey Wheatley*

**Youth Development Officer**

### ENVIRONMENTAL HEALTH SERVICES

#### **FOOD SURVEILLANCE**

Council's statutory obligations under the Food Act include identification and registration of all prescribed food premises within the municipality. This also includes participation of food handlers in food safety training courses such as Food Safe or other similar food training programs. All food premises are inspected a minimum of three times per year and any outstanding issues are documented and directed to the licensee of the food premises for their attention. Ongoing informal educational sessions are held with staff on site during inspections to alert them to basic food handling techniques and personal hygiene.

Registered Food Premises include:

- Interstate Hotel
- Furneaux Tavern
- Flinders Island Sports and RSL Club
- Whitemark Butchery
- Flinders Island Bakery
- Freckles Cafe
- Vistas
- Flinders Island Multipurpose Centre
- Bejaro Pty Ltd (Lady Barron Store)
- Partridge Farm
- J&Js on the Bay
- Cape Barren Island Community Store
- Catapult
- Furneaux Field & Game
- Walkers Supermarket

#### **TEMPORARY FOOD PREMISES**

The Flinders Island Show is the main event which requires the issuing of a temporary food premises licence. Other community groups such as Churches, Fire brigades etc also apply for this type of licence.

All licence holders are issued with information sheets detailing the food safety standards required including hygiene standards for the transport, storage and display of food as well as personal hygiene requirements. Food products that have been manufactured at home require appropriate labelling of the product which includes an ingredient listing on each product. It is important for the person holding the licence to ensure that all members involved in the preparation and handling of food are familiar with the standards.

Any other organisation which plans to hold a food stall should contact the Council for an application form and information on the requirements of storing and handing of food.

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### **TRAINING OF FOOD HANDLERS**

Under the provisions of the Food Act and the Food Standards Code it is a statutory obligation that food handlers have received appropriate training for the safe handling and processing of food. All food processing establishment staff have received this training through an accredited food handling training program (Food Safe).

### **COMPLAINTS**

A number of food complaints have been investigated and correspondence and follow up notices sent to the establishments concerned.

### **PLACES OF ASSEMBLY**

Places of Assembly are required to be licensed under the Public Health Act 1997. Council owns 4 halls on the island and they have been inspected by a Building Surveyor who identified a number of outstanding items which were listed and have now been completed and as a result an Occupancy Permit as well as a Place of Assembly Licence has been issued for each.

### **UNHEALTHY PREMISES**

None have been identified

### **SKIN PENTRATION PREMISES**

There is no licensed skin penetration establishment on the Island.

### **AIR COOLING TOWERS**

No Air Cooling Towers exist in the municipality.

### **NOTIFIABLE DISEASES**

Notifiable diseases as listed in the public health report. No other cases of notifiable diseases were reported.

### **WATER QUALITY**

Council has continued to place more emphasis on roof catchment supplies that are used for drinking water. This has included information sheets, National Health and Medical Research Council Booklet on "The Maintenance of Rain Water Tanks" and has enhanced its monitoring program for rain water tanks.

Council has also encouraged food premises to install inline UV Disinfection Units for the roof catchment supplies.

As a duty of care, Council has placed signs at the Whitemark Airport, TGS Airport, Murray Holloway Airfield, Lady Barron Wharf, Whitemark Wharf as well as the public notice board outside of Walkers Supermarket as well as the Island News to alert people as follows:

**PLEASE BE AWARE**  
*The water supply on Flinders Island is untreated and all  
water should be boiled prior to consumption*

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### **RECREATIONAL WATER REPORT**

Past sampling programs of recreational water have indicated there is no point source pollution in any areas where primary contact of any water body. Considering the pristine nature of the environment no further samples have been taken.

### **EFFLUENT AND WASTEWATER MONITORING/PACKAGE SEWERAGE TREATMENT PLANTS**

The two package sewerage treatment plants on the Island - Furneaux Tavern and the Multi Purpose Centre - monthly samples are taken for analysis for compliance under the Environmental Management and Pollution Act 1994.

### **MANAGEMENT AND ADMINISTRATION**

Council must ensure that all health matters are well documented and the files kept current. This includes health, notifiable diseases, water quality, food premises and food testing. Staff endeavours to assist the public with queries they may have and source correct information to enable this.

### **IMMUNISATION**

Council's immunisation program is referred to in the accompanying MOH's report. Council continues to organise the program liaising with both the MOH and the Flinders Island District High School to ensure all targeted age groups are addressed.

*JM Conti*  
**Environmental Health Officer**



### PUBLIC HEALTH

This year has been a really busy year from the public health point of view.

The intensive and exhaustive Flu pandemic planning paid off. The predicted Flu pandemic, struck the island in late July, early August 2009, keeping all the Departments, namely the Council, SES, Health and the Ambulance, on their toes.

There was one documented case on Flinders Island and three on Cape Barren Island, however, none had any poor outcomes, thereby again highlighting the importance of protocols and forward planning for any eventuality.

The new government funded flu vaccine – Parvax, has been made available in multi dose vials, and voluntary immunisations, of all high risk and susceptible people have been initiated at the Flinders Island Surgery.

The rain was a blessing for most farmers and eased the pressure that the drought had put on resources and finances, thereby creating a big psychological impact.

School immunisations have continued smoothly and Gardasil, the new vaccine, also added, as per the changed National Immunisation schedule.

Fitness on Flinders, has been continuing with both Sue Hallas and Kathleen Ives-Heap running the classes for the island residents.

We are lucky to have the services of the expert physiotherapist, David Heap, to provide able support in allied health, along with Monica, the drug and alcohol counsellor and Jenine and Bill, the clinical psychologists.

The podiatrist and dentists, both government and private, continue to provide regular visits.

The orthopaedic and skin specialists, have also been providing regular support, in addition, to the above services.

*Dr Birender Singh*  
**Medical Officer of Health**

### DEVELOPMENT SERVICES

#### **Flinders Island Building Report 2008-2009**

Flinders Council utilizes the services of Greg Green of Protek Building Surveying Services to ensure compliance of building work with the Building Act 2000 and the Tasmanian Building Regulations 2004. It is the Building Surveyors responsibility to ensure that all building permits issued prior to the Building Act 2000, which commenced on the 1st July 2004, are completed in accordance with the Building Regulations. The consultancy role also involves providing advice to the General Manager on building regulatory issues.

The Building Act 2000 requires all building applications submitted to Council to be accompanied by a certificate of Likely Compliance from a Tasmanian accredited Building Surveyor. Where applications have been submitted without a Certificate of Likely Compliance Flinders Council have authorised Greg Green of Protek Building Surveying Services to carry out this function on their behalf. Applicants may now choose any Building Surveyor, who is accredited in Tasmania, to issue a certificate of Likely Compliance prior to submitting a building application to Council.

To facilitate with building inspections Protek Building Surveying Services use the services of Joe Conti, Steve Kacir and David Gray to carry out building inspections. Joe has accreditation as a building Surveyor for class 1 & 10 buildings, (domestic buildings), and both Steve and David are accredited builders. The system has worked well and people on the Island are assured of having qualified people to carry out inspections. Joe carries out the final inspections each month when he visits Flinders, while Steve and David are readily available for footing and frame inspections.

As well as building surveyors the Building Act 2000 also requires all building practitioners to be accredited at the level they are engaged to carry out building design, engineering or building work. The exception to this rule is owner builders who are allowed to carry out the construction of two buildings in a 10 year period without the appropriate qualification and accreditation. A list of accredited building practitioners can be found on the Building Standards and regulation web site. <http://www.wst.tas.gov.au/industries/building/bpa/abp> register. The web site also includes other Building Act and workplace standards related references.

Since the 1<sup>st</sup> July 2007 owner/builder applications submitted to a building surveyor have required the referral of the owner builder statement (form 34) to the Director of building control. The application is assessed for eligibility as an owner builder and where approved, a registration number is provided for the owner builder. Once a building permit is issued there is still a requirement for a

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start work notice to be submitted to the building surveyor. Where an owner builder submits a start work notice the building surveyor must send a copy to the Director of building control to update the register of owner builders. The register restricts owner/builders to construction of two new buildings in a ten year period.

In the 2008-09 year, builders accreditation in Tasmania continued along the lines of three categories of builder, builder low rise, builder medium rise and builder unrestricted. This has proven to work well with the builder low rise category being able to carry out work on all classes of residential and commercial buildings in Type C construction up to 2000m<sup>2</sup>. This accounts for the majority of building work undertaken on the island.

The Act also requires Council to carry out the role of permit authority and issue building permits and permits of substantial compliance. The role also requires the issue of plumbing permits and completion certificates when building and plumbing permits have had a successful final inspection. Permits of Substantial Compliance are issued where applications are made following illegal building work. The General Manager is responsible under the Building Act to issue notices on illegal work and ensure the building work is brought into conformance with the building regulations and that permits of substantial compliance are issued. Council may also choose to issue fines for the carrying out of building work without a permit.

Council have also been given advice by the Director of Building Control to ensure Commercial property owners maintain essential services in their building. Commercial property owners or the person holding the lease is required under the Building Act to maintain the essential safety and health features and measures in their building to the standard that the building was constructed. The building owners or occupiers must display an annual maintenance statement in their building. In order to do this they initially need a schedule of the essential safety and health features (Form 46) that apply to their building provided by a building surveyor. The owner must then keep a logbook of the checks and maintenance carried out in their building to enable them to renew their annual maintenance statement (Form 56) each year. Council have a responsibility under the Act to ensure statements are displayed and buildings maintained. Penalties apply under the Act as well as a liability issue for the owner/occupier.

In the next financial year there will be a focus in Tasmania on energy efficiency in the building regulations. From the 1<sup>st</sup> of January 2010 Tasmania will adopt the Building Code 2009 energy efficiency requirements and require 5 star energy ratings in new residential buildings. It is generally expected under Federal Government guidelines that the Building Code requirements for energy efficiency in new homes will continue to increase each year.

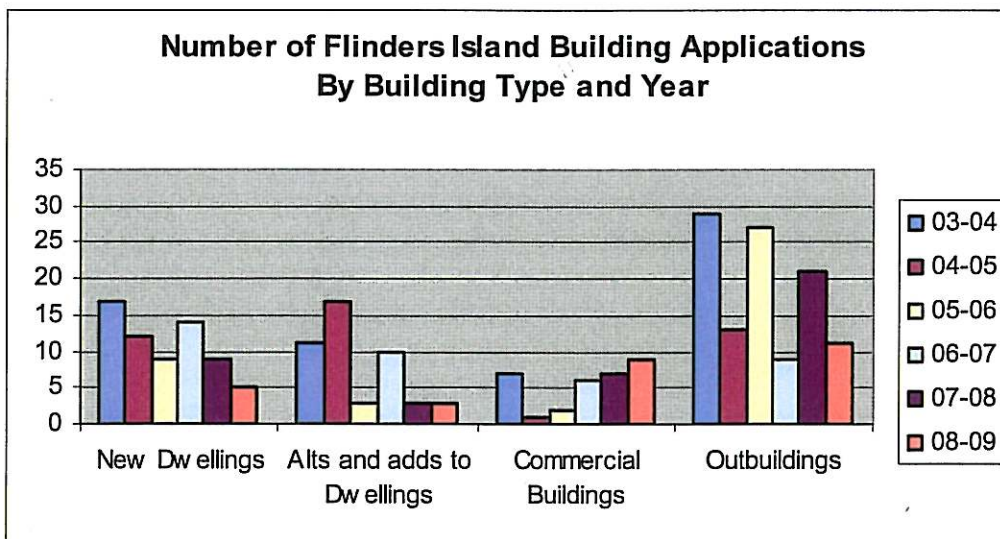
In this financial year 28 building applications were assessed for a building permit. Of these 5 were new dwellings, 3 were alterations or extensions to dwellings and 9 related to commercial buildings. A total of 11 outbuildings were issued with a



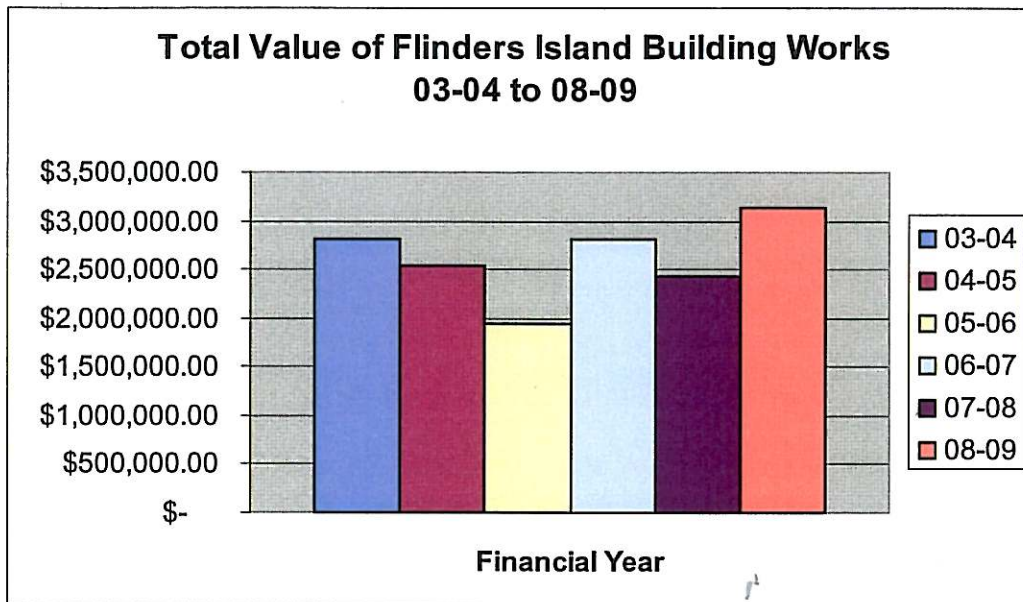
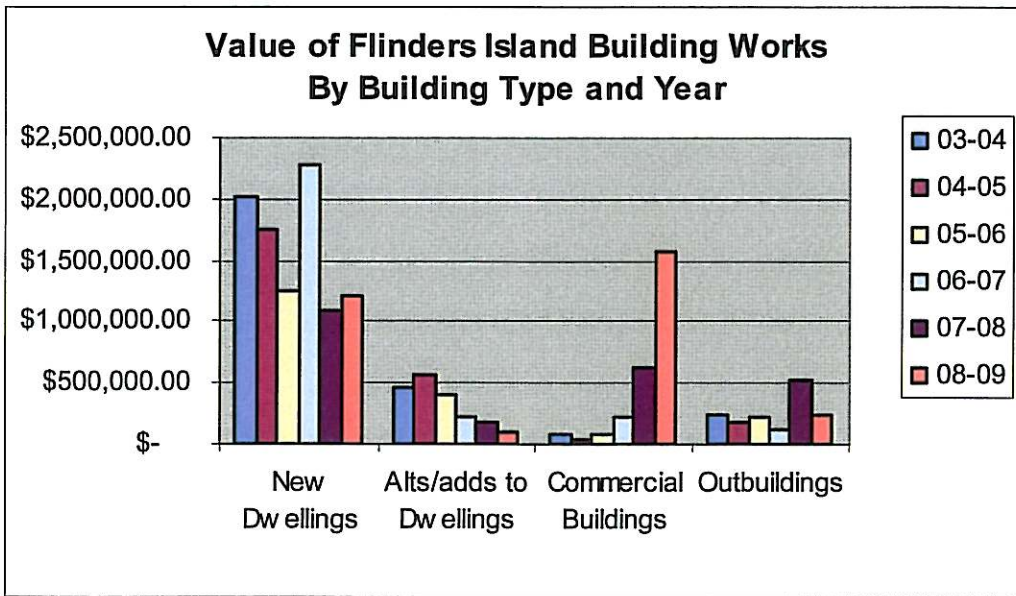
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building permit. The total value of building work on Flinders Island for 2008-09 was \$3,131,016.00.

This compares with the previous years where there were 40 building permits issued in 07-08, 39 in 06-07, 41 in 05-06, 43 in 04-05, 64 in 03-04. Of these permits, 9 were new dwellings in 07-08, 14 in 06-07, 9 in 05-06, 12 in 04-05 and 17 in 03-04. The value of building work was \$2,430,456.00 in 07-08, \$2,816,145.00 in 06-07, \$1,934,810.00 in 05-06, \$2,545,095.00 in 04-05, \$2,810,428.00 in 03-04, compared to this year's figure of \$3,131,016.00. This indicates a decrease in the number of permits yet a slight increase in the value of building works on the Island. The increase in the value of building works is directly related to the increase in commercial activity on the island in this financial year. In the past 6 years the average number of building applications has been 42.5 and the average value of building work applied for \$2,611,309.17.



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Greg Green  
Building Surveyor



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### PLANNING APPROVALS 2008-2009

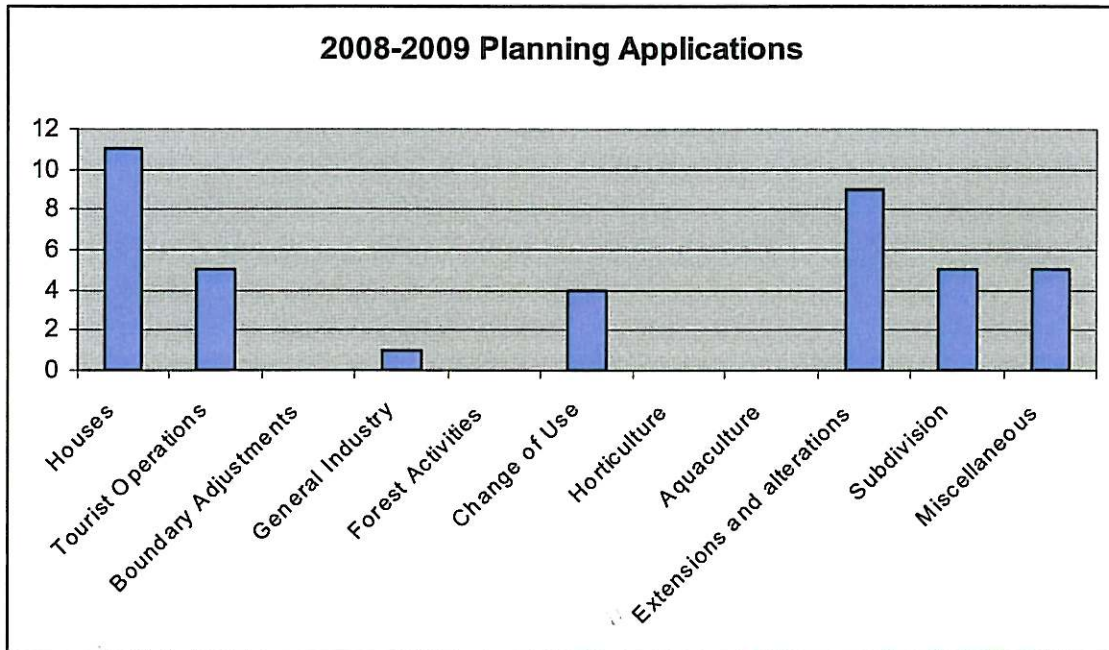
#### Planning Approvals

The work to develop a new planning scheme for north and north east Councils is well under way and public meetings were recently held across all municipalities. This regional planning approach will set the objectives and goals for a new planning scheme for all the relevant municipalities.

The number of development applications (40) decreased from last year (53) but is similar to that of the year before (43). The majority were new houses (11) with nine (9) extensions and alterations. There were no planning appeals.

<i>Type of Development</i>	<i>Number approved</i>
<i>Houses</i>	11
<i>Tourist Operations</i>	5
<i>Boundary Adjustments</i>	0
<i>General Industry</i>	1
<i>Forest Activities</i>	0
<i>Change of Use</i>	4
<i>Horticulture</i>	0
<i>Aquaculture</i>	0
<i>Extensions and alterations</i>	9
<i>Subdivision</i>	5
<i>Miscellaneous</i>	5
<b>Total</b>	<b>40</b>

## ANNUAL REVIEW OF COUNCIL PROGRAMMES



Kate Loveday B Arch MPIA  
**Planning Consultant**

### MEETING PROCEDURES FOR THE ANNUAL GENERAL MEETING

Every Council in the State is required to hold an Annual General Meeting before 15<sup>th</sup> December in each year. A Council must give 14 days notice of the meeting by advertisement in a daily newspaper and advertise on at least two occasions.

A Council must have a quorum of Elected Members present at the meeting. Should this not occur, the meeting must be reconvened within a period of 14 days. Should any resolutions be put at the meeting, only electors of the municipality are entitled to vote, ie persons whose names appear on Council's and the General Manager's Electoral Roll.

The General Manager is to keep minutes of the Annual General Meeting and all resolutions passed at the meeting are to appear on the agenda for the next meeting of Council.

#### **Meeting Procedures**

The format of the Annual General Meeting is left to the Council. However the following features should be incorporated into the agenda:

- The General Manager is to make available to the public free of charge a copy of the agenda to make submissions, at least 4 days before the scheduled meeting. Local Government (Meeting Procedures) Regulations 2005 – Part 2
- A resolution is passed by a majority of votes taken by a show of hands (Schedule 4 LGA).

The following meeting procedure is recommended for the conduct of Annual General Meetings:-

1. Notice of dates and times of meetings to be as prescribed.
2. Chairperson
  - a. The Mayor, or in his or her absence, the Deputy Mayor, is to preside at the Annual General Meeting.
  - b. If both the Mayor and the Deputy Mayor are not present at an Annual General Meeting, the Councillors present are to elect one of their number to preside at that Meeting.
3. The Meeting may only transact business where a quorum of Elected Members is present.
4. Order of Business
  - a. Welcome
  - b. Apologies
  - c. Presentation of the Annual Report
  - d. Consideration of community submissions on Council's Annual Report.

## ANNUAL REVIEW OF COUNCIL PROGRAMMES

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An overall time limit of 30 minutes is allowed for this segment of the meeting and a time limit of five minutes is allowed to electors to deliver his/her submission.

e. **Other Business**

An overall time limit of 30 minutes is to be allowed for this segment of the meeting. Questions may be either answered at the meeting, or where research is required, the matter will be listed on the agenda of the next Ordinary Meeting of Council.

### **Conduct of Debate**

1. Persons present at the meeting should stand when addressing the Chair.
2. All motions put to the meeting must be moved and seconded before discussion can take place.
3. A person is not to speak to a motion for more than five minutes at any one time
4. Persons should only speak once to a motion, with the mover having the right of reply.
5. The method of voting at Annual General Meetings is by show of hands, ie by counting the electors present who are entitled to vote and who choose to vote.

### **Motions to Amend**

The following rules apply to motions to amend original motions:

1. An amendment to a motion is not to be considered while a previous motion to amend is before the meeting, ie following debate the amendment must be dealt with as the next order of business.
2. Whether or not an amended motion is resolved in negative or affirmative, only one further amendment is to be accepted.

### **Other Matters**

It should be noted that resolutions passed at Annual General Meetings are not binding on the Council. However, Council has an obligation to consider those resolutions at its next meeting.

Please deliver your submission to the Council Offices, or mail it to:

The General Manager

Flinders Council

PO Box 40

Whitemark, Flinders Island, 7255.

to arrive no later than 4.00pm, Friday 4<sup>th</sup> December 2009. Where possible, please refer to the page number of the Annual Report and your presentation should focus on the main points you wish to make.

# ANNUAL REVIEW OF COUNCIL PROGRAMMES

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Name

Address

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**Tick which applies:**

*I DO NOT wish to make a personal submission at the meeting but ask that this written submission be considered.*

*I wish to talk to the main points in my written submission at the meeting*

Signature

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*I am registered as an elector in the Flinders Municipality.*





**FLINDERS COUNCIL**

**FINANCIAL REPORT**

**FOR FINANCIAL YEAR ENDED**

**30<sup>th</sup> June 2009**

30 September 2009

FLINDERS COUNCIL  
STATEMENT BY THE GENERAL MANAGER  
30<sup>th</sup> JUNE 2009

The accompanying Statement of Accounts of the Flinders Council has been drawn up in accordance with the requirements of the Local Government Act 1993, the Australian Accounting Standards and to the best of my knowledge and belief, correctly reflects the operating result and the cash flow of the Council for the year ended 30<sup>th</sup> June 2009 and its financial position at that date.



Raoul Harper  
General Manager

Dated: 30 September 2009

FLINDERS COUNCIL  
 INCOME STATEMENT  
 FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 Actual \$	2009 Budget (Unaudited) \$	2008 Actual \$
<b>Revenue</b>				
Commonwealth and State Government Grants	26	2,061,752	1,727,644	1,487,492
Rates and Charges		1,058,079	1,058,397	972,847
Interest		433,642	390,762	486,486
Gain/(Loss) on Sale of Assets		(9,347)	1,064	2,637
Other Revenue and Reimbursements	27	674,931	585,509	665,069
<b>Total Revenue</b>		<u>4,219,057</u>	<u>3,763,376</u>	<u>3,614,531</u>
<b>Expenses</b>				
Employee Benefits	22	1,149,874	1,391,969	1,227,259
Materials and Supplies		428,820	466,910	427,450
Contract Services	23	437,816	371,945	255,071
Depreciation	24	1,517,592	1,491,903	1,416,198
Other Expenses	25	996,748	1,062,169	897,783
<b>Total Expenses</b>		<u>4,530,850</u>	<u>4,784,896</u>	<u>4,223,761</u>
<b>Deficit before Contributed Assets</b>		<u>(311,793)</u>	<u>(1,021,520)</u>	<u>(609,230)</u>
Contributed Assets	36	566,000	0	0
<b>Surplus/(Deficit) for the Year</b>		<u>254,207</u>	<u>(1,021,520)</u>	<u>(609,230)</u>

*The accompanying notes form an integral part of these financial statements.*

FLINDERS COUNCIL  
BALANCE SHEET  
AS AT 30 JUNE 2009

	Note	2009 \$	2008 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	2	2,774,347	1,798,962
Receivables	3	152,140	242,009
Inventories		119,823	244,714
Other Financial Assets	4	4,518,532	5,129,207
Accruals and Prepayments		166,705	113,898
<b>Total Current Assets</b>		<u>7,731,547</u>	<u>7,528,790</u>
<b>Non Current Assets</b>			
Property, Plant and Equipment	7-16	34,398,025	34,940,410
Work in Progress	17	608,368	0
<b>Total Non Current Assets</b>		<u>35,006,393</u>	<u>34,940,410</u>
<b>Total Assets</b>		<u>42,737,940</u>	<u>42,469,200</u>
<b>Current Liabilities</b>			
Payables	5	60,287	68,253
Provisions	6	118,973	126,139
Revenue Received in Advance		11,978	35,820
Accrued Expenses		156,883	121,265
<b>Total Current Liabilities</b>		<u>348,121</u>	<u>351,477</u>
<b>Non Current Liabilities</b>			
Provisions	18	192,106	174,216
<b>Total Non Current Liabilities</b>		<u>192,106</u>	<u>174,216</u>
<b>Total Liabilities</b>		<u>540,227</u>	<u>525,693</u>
<b>NET ASSETS</b>		<u>42,197,713</u>	<u>41,943,507</u>
<b>Equity</b>			
Accumulated Surplus		36,569,968	36,327,483
Reserves	19	5,627,745	5,616,023
<b>TOTAL EQUITY</b>		<u>42,197,713</u>	<u>41,943,506</u>

*The accompanying notes form an integral part of these financial statements.*

**FLINDERS COUNCIL**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	<b>Year Ended 30 June 2009</b>				
	<b>Accumulated Surplus</b>	<b>Bequests</b>	<b>Asset Replacement Reserve</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>(Note 19) \$</b>	<b>(Note 19) \$</b>	<b>(Note 19) \$</b>	<b>\$</b>
Balance 1 July	36,327,483	89,617	4,279,560	1,246,846	41,943,506
Change in net assets resulting from operations	254,207	0	0	0	254,207
Transfers to/(from) Reserves					
Gunn Bequest	(11,722)	11,722	0	0	0
Sundry Asset Replacement	0	0	0	0	0
Area Promotion Reserve	0	0	0	0	0
Revaluation Reserve	0	0	0	0	0
<b>Balance 30 June</b>	<b>36,569,968</b>	<b>101,339</b>	<b>4,279,560</b>	<b>1,246,846</b>	<b>42,197,713</b>

	<b>Year Ended 30 June 2008</b>				
	<b>Accumulated Surplus</b>	<b>Bequests</b>	<b>Asset Replacement Reserve</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>(Note 19) \$</b>	<b>(Note 19) \$</b>	<b>(Note 19) \$</b>	<b>\$</b>
Balance 1 July	36,936,713	89,617	2,329,895	1,317,492	40,673,717
Change in net assets resulting from operations	(609,230)	0	0	0	(609,230)
Transfers to/(from) Reserves					
Gunn Bequest	0	0	0	0	0
Sundry Asset Replacement	0	0	0	0	0
Area Promotion Reserve	0	0	1,949,665	0	1,949,665
Revaluation Reserve	0	0	0	(70,646)	(70,646)
<b>Balance 30 June</b>	<b>36,327,483</b>	<b>89,617</b>	<b>4,279,560</b>	<b>1,246,846</b>	<b>41,943,506</b>

The accompanying notes form an integral part of these financial statements.



**FLINDERS COUNCIL**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>Cash Flows From Operating Activities</b>			
Payments			
Employee costs		(1,139,150)	(1,250,747)
Materials		(303,929)	(357,861)
Contracts		(448,514)	(189,966)
Other expenses		(975,524)	(933,482)
Receipts			
Government grants		2,061,752	1,487,492
Rates		1,100,748	985,882
Interest		433,642	446,483
GST refunded		0	0
Other income		1,228,607	702,067
Net Cash Flow from Operating Activities	33	<u>1,957,632</u>	<u>889,868</u>
<b>Cash Flows From Investing Activities</b>			
Payments			
Land		(340,000)	0
Buildings		(286,409)	(99,332)
Plant and equipment		(214,438)	(373,451)
Roads and streets		(45,353)	(10,549)
Bridges		(168,115)	(142,875)
Furniture and equipment		(8,277)	(36,831)
Other		0	(1,360)
Work in Progress		(608,368)	0
Receipts			
Investments		610,675	1,081,072
Sale of assets		78,038	100,479
Net Cash Flow from (used in) Investing Activities		<u>(982,247)</u>	<u>517,153</u>
<b>Net Increase in Cash Held</b>		975,385	1,407,021
Cash at the beginning of the financial year		1,798,962	391,941
<b>Cash at the end of the financial year</b>	2	<u><u>2,774,347</u></u>	<u><u>1,798,962</u></u>

*The accompanying notes form an integral part of these financial statements.*

# FLINDERS COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009

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## 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Statement of Compliance and Basis of Accounting

This general purpose financial report has been prepared on an accruals basis in accordance with the Framework for the Preparation and Presentation of Financial Statements, applicable Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). It is presented in Australian dollars. All values are rounded to the nearest dollar. The financial statements include only Flinders Council; Council has no subsidiaries.

Except for certain assets which are valued at fair value in accordance with AASB 116 as disclosed in the relevant notes, the report has been prepared in accordance with the historical cost convention.

The financial statements and notes of Flinders Council comply with International Financial Reporting Standards (IFRS). Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities.

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

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

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

### b) The Local Government Reporting Entity

All Funds through which Council controls resources to carry on its functions have been included in these statements.

In the process of reporting on Council as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated in full.

Amounts, if any, received as tender deposits and retention amounts controlled by Council are included in the amount disclosed as 'payables' within current liabilities.

Flinders Council has periodically received monies as an agent of the State Government. It also continues to hold monies paid by airport tenants and cleaning contractors for bonds and key deposits. It performs a custodial role in respect of these monies, which cannot be used for Council, and accordingly these amounts are excluded from the financial statements.

In the year ended 30 June 2009 interest received on Trust Account number 10-4785 was \$1. The account was closed during the year and the balance at 30 June 2009 was \$0.

# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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### c) Income

#### Revenue

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

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates. 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 upon notification that a grant has been secured.

Grants, donations and other contributions are brought to account as revenue at the earlier of their receipt or receipt of formal notification in writing from a recognised authority that a grant has been secured.

Unreceived contributions over which Council has no control are recognised as receivables.

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

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

### d) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition and all other costs incurred in getting the asset ready for use.

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

Fair value means the amount for which an asset could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction.

### e) Impairment of Assets

Assets with an indefinite useful life are not subject to depreciation but are tested annually for impairment. Assets that are subject to depreciation 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.

### f) Revaluation of Non current assets

Flinders Council has adopted the following valuation bases for its non current assets:

Land	Fair value
Buildings	Fair value
Infrastructure	Cost
Plant & equipment	Cost
Roads and Streets	Fair value
Bridges	Cost
Drainage - Culverts	Cost

# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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Water Supply and Pipes	Cost
Furniture and Equipment	Cost
Other Fixed Assets	Cost

At balance date Council reviewed the carrying value of asset classes measured at fair value to ensure that each asset materially approximated fair value. Where the carrying value materially differed from the fair value at balance date the class of assets was revalued by application of relevant indices.

### g) Depreciation of Non current Assets

Buildings, land improvements, infrastructure, plant and equipment and other assets having limited useful lives are systematically depreciated over their economic life to Council at a rate of depreciation that reflects the expiration of the service potential of the assets. Depreciation rates and methods are reviewed regularly. Depreciation is recognised on a straight line basis and is reviewed each reporting period. Rates of depreciation reflect the consumption of the service potential of these assets. Land is not a depreciable asset. Non current assets purchased for less than \$1,000 are fully depreciated in the year of purchase.

The current useful lives of depreciable assets are as follows:	<u>Years</u>
Land	Not depreciated
Buildings	50
Infrastructure	10-30
Plant and Equipment	10-15
Roads and Streets	51-57
Bridges	40-80
Drainage - Culverts	50-100
Water Supply and Pipes	15-60
Furniture and Equipment	4-10

### h) Employee Entitlements

Employee benefits are calculated in accordance with AASB 119 *Employee Benefits*. On-costs relating to employee benefits, such as payroll tax and workers compensation insurance, are calculated and included as liabilities but are not classified as employee entitlements. Liabilities owed to employees are recognised at the remuneration rate that Council expects to pay when the obligation is settled.

#### (i) Wages and Salaries

The liability for wages and salaries is recognised and included as the amount unpaid at balance date and includes appropriate oncosts (superannuation).

#### (ii) Annual Leave

The liability for annual leave is calculated on a pro rata basis in respect of services provided by the employees up to balance date and is measured at the amount expected to be paid including appropriate oncosts (superannuation).

#### (iii) Sick Leave

No amount is shown for sick leave as experience indicates that on average sick leave taken for each reporting period is less than the entitlement accruing in that period.

#### (iv) Long Service Leave

A liability for long service leave and non current annual leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated cash outflows.

# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

The amount vested in employees as at the reporting date (i.e. the amount for which Council has no unconditional right to defer settlement beyond 12 months) is recognised as a current liability in the balance sheet. The remainder of the liability is recognised as non-current. Oncosts relating to long service leave (superannuation and workers compensation) have been recognised as a separate liability. To the extent that it is expected that settlement of leave will give rise to the payment of superannuation contributions, superannuation contributions are accrued as part of the provisions for leave.

### *(v) Superannuation*

The superannuation expense reported for the period represents the amount contributed by Flinders Council on behalf of its employees to the various funds that provide benefits to employees. Further details of these arrangements are set out in note 29.

### *(iv) Employee Numbers*

On a full time equivalent basis Council employed 19 employees at the end of the reporting period (17 permanent and 12 casual) (2008 22 - 19 permanent and 10 casual).

### **i) Cash and Cash Equivalents**

For the purpose of the Cash Flow Statement cash and cash equivalents include restricted cash and cash equivalents. They are comprised of cash on hand and short term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value. Some of these deposits relate to particular reserves (the Gunn Bequest and the Aerodrome).

### **j) Leases**

Operating leases under which the lessor effectively retains all the risks and benefits are set out in note 20. Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged to the Income Statement in the periods in which they are incurred. There were no operating leases in the 2008/09 financial year (2007/08 nil).

### **k) Inventories**

Inventories consist of materials held in store for construction requirements and are carried at the lower of cost and net replacement value.

### **l) Net Fair Value of Financial Assets and Liabilities**

Council considers that the carrying amounts of its financial assets and liabilities approximate net fair value. Net fair values of monetary financial assets and liabilities (including trade debtors, trade creditors and accruals) are calculated using a nominal or cost basis (which approximates net market value). If Council had fixed rate loans or debentures (which it does not at balance date) the liability in relation to these items would be reviewed annually and the net fair value recorded in the notes to the financial statements.

### **m) Significant Terms and Conditions of Financial Assets and Liabilities**

Rate receivables are payable within sixty (60) days of issue. Penalty interest is charged on all outstanding balances not paid by the due date. Sundry receivables are due within thirty (30) days of issue. Should amounts remain unpaid after forty five (45) days collection proceedings may be instigated.

Trade creditors are generally settled within thirty (30) day trading terms or within specified terms if they happen to be earlier than thirty (30) days.

Prepayments and accruals are accounted for in accordance with generally accepted accounting principles.

### **n) Significant Business Activities**

For its significant business activities, which have been deemed to be water supply and operation of the Flinders Island Aerodrome, Council is required to provide details of the opportunity cost of capital and competitive neutrality costs. These are provided in Note 31.



## FLINDERS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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Competitive neutrality costs are those net costs e.g. rates and income tax, which would be payable by an entity other than local government performing the same activities. Local government is currently exempt from such costs.

## FLINDERS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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The opportunity cost of capital is an estimate of the return or dividend that would be required by private investors were the net assets of the activity provided from that source. It has been deemed that a return of 10% is appropriate. Where appropriate tax equivalents have been calculated by applying a rate of 30% to the activity's notional accounting profit before abnormal items. Notional council rates are included using estimates based on actual rates and charges set by Council for the reporting period. Fringe benefit tax credits, stamp duty debits tax and financial institutions duty have been deemed immaterial and are not included.

**o) Credit Risk**

Council has a policy of making specific provision where there is concern that full payment from particular debtors will not be made.

**p) Materiality**

Information will be deemed to be material if its omission, non disclosure or misstatement would cause the financial statements to be misleading to users of the statements when making evaluations or decisions.

**q) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of goods and services tax (GST) except:

where the amount of the GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset (in the balance sheet) or as part of an item of expense (in the income statement); or

for receivables and payables (in the balance sheet) which are recognised inclusive of GST;

cash flows from operating activities (in the cash flow statement) which are reported on a gross basis.

**r) Budget Information**

Estimated revenue and expense amounts in the Income Statement represent the amended budget figures. Underlying budget figures have not been audited.

**s) Comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

**t) Land Under Roads**

Council has elected not to recognise land under roads in accordance with paragraph 8 of AASB 1051.

**u) New Accounting Standards**

Certain new accounting standards, including interpretations have been published that are not mandatory for the 30 June 2009 reporting period:

i) AASB 3 - *Business Combinations*

ii) AASB 8 - *Operating Segments*

iii) AASB 101 - *Presentation of Financial Statements*

iv) AASB 123 - *Borrowing Costs*

v) AASB 127 - *Consolidated and Separate Financial Statements*

vi) AASB 1039 - *Concise Financial Reports*

vii) AASB 2007-3 - *Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]*

viii) AASB 2007-6 - *Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 13 and Interpretations 1 & 12]*

ix) AASB 2007-8 - *Amendments to Australian Accounting Standards arising from AASB 101*

x) AASB 2007-10 - *Further amendments to Australian Accounting Standards arising from AASB 101*

## FLINDERS COUNCIL

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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- xi) AASB 2008-1 - *Amendments to Australian Accounting Standards - Share Based payments: Vesting Conditions and Cancellations*
- xii) AASB 2008-2 - *Amendments to Australian Accounting Standards - Puttable Financial Instruments and Obligations arising on Liquidation [AASB 7, AASB 101, AASB 132, AASB 139 & Interpretatin 2]*
- xiii) AASB 2008-3 - *Amendments to Australian Accounting Standards arising from AASB 3, and AASB 127 [AASBs 1, 2,4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and Interpretations 9 & 107]*
- xiv) AASB 2008-5 - *Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 7, 101, 102, 107, 108, 110, 116, 118, 119, 120, 123, 127, 128, 129, 131, 132, 134, 136, 138, 139, 130, 141, 1023 & 1038]*
- xv) AASB 2008-6 - *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB1 & AASB 5]*
- xvi) AASB 2008-7 - *Amendments to Australian Accounting Standards - Cost of Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 & AASB 136]*
- xvii) Int 15 - *Agreements for the Construction of Real Estate*
- xviii) AASB 2008-8 - *Amendments to Australian Accounting Standards - Eligible Hedged Items [AASB 139]*
- xix) AASB 2008-9 - *Amendments to AASB 1049 for Consistency with AASB 101*
- xx) AASB 2008-11 - *Amendments to Australian Accounting Standards - Business Combinations Among Not-for-Profit Entities [AASB 3]*
- xxi) AASB 2008-13 - *Amendments to Australian Accounting Standards arising from AASB Interpretation 17 - Distributions of Non-cash Assets to Owners [AASB 5 & AASB 110]*
- xxii) Int 16 - *Hedges of a Net Investment in a Foreign Operation*
- xxiii) Int 17 - *Distributions of Non-cash Assets to Owners*
- xxiv) Int 18 - *Transfers of Assets from Customers*

Council is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
<b>2 Current Assets - Cash and Cash Equivalents</b>		
Cash at Bank and On Hand	1,457,500	1,373,213
Deposits at Call	1,277,050	387,832
Cash at Bank - Special Committees (Note 28)	39,797	37,917
	<u>2,774,347</u>	<u>1,798,962</u>
<b>3 Current Assets - Receivables</b>		
Rates Receivable	92,721	142,285
Sundry Debtors	43,602	149,724
GST Receivable	17,125	0
	<u>153,448</u>	<u>292,009</u>
Less Provision for Impairment	<u>(1,308)</u>	<u>(50,000)</u>
	<u>152,140</u>	<u>242,009</u>
<b>Aged Analysis</b>		
The ageing analysis of receivables is as follows:		
Current	3,406	0
1-30 days	48,393	41,235
31-60 days	2,121	42,654
61-90 days (past due not impaired)	23	36
91+ days (past due not impaired)	99,505	208,084
	<u>153,448</u>	<u>292,009</u>
<b>4 Current Assets - Other Financial Assets</b>		
Term Deposits	<u>4,518,532</u>	<u>5,129,207</u>
<b>5 Current Liabilities - Payables</b>		
Accrued Wages	19,765	18,480
Creditors	40,522	49,773
	<u>60,287</u>	<u>68,253</u>
<b>Aged Analysis</b>		
The ageing analysis of creditors is as follows:		
Current	12,859	11,092
0-30 days	27,663	38,121
31-60 days	0	0
61-90 days (past due not impaired)	0	0
91+ days (past due not impaired)	0	560
	<u>40,522</u>	<u>49,773</u>
<b>6 Current Liabilities - Provisions</b>		
Employee Benefits - Annual Leave	75,613	60,710
Employee Benefits - Long Service Leave	43,360	65,429
	<u>118,973</u>	<u>126,139</u>

# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
<b>7 Non Current Assets - Land</b>		
Fair Value 1 July	1,307,000	1,307,000
Additions	340,000	0
Net Adjustment from Revaluation	0	0
Fair Value 30 June	<u>1,647,000</u>	<u>1,307,000</u>

Council's land was last valued by the Valuer General in 2006-07.

<b>8 Non Current Assets Buildings</b>		
<b><i>Gross Carrying Amount</i></b>		
Fair Value 1 July	2,521,332	5,337,932
Additions	286,409	99,332
Net Adjustment from Revaluation	0	(2,915,932)
Balance 30 June	<u>2,807,741</u>	<u>2,521,332</u>
<b><i>Accumulated Depreciation</i></b>		
Balance 1 July	49,682	4,471,482
Depreciation Expense for the Year	53,291	49,682
Net Adjustment from Revaluation	0	(4,471,482)
Balance 30 June	<u>102,973</u>	<u>49,682</u>
<b><i>Net Fair Value 30 June</i></b>	<u>2,704,768</u>	<u>2,471,650</u>

Council's buildings were last valued by the Valuer General in 2006-07.

<b>9 Non Current Assets Infrastructure</b>		
<b><i>Gross Carrying Amount</i></b>		
At Cost 1 July	2,101,803	2,075,407
Additions	0	26,396
Balance 30 June	<u>2,101,803</u>	<u>2,101,803</u>
<b><i>Accumulated Depreciation</i></b>		
Balance 1 July	664,482	595,142
Depreciation Expense for the Year	151,774	69,340
Balance 30 June	<u>816,256</u>	<u>664,482</u>
<b><i>Net Book Value 30 June</i></b>	<u>1,285,547</u>	<u>1,437,321</u>

<b>10 Non Current Assets Plant and Equipment</b>		
<b><i>Gross Carrying Amount</i></b>		
At Cost 1 July	2,246,018	2,047,603
Additions	205,091	377,888
Disposals	(178,712)	(179,473)
Balance 30 June	<u>2,272,397</u>	<u>2,246,018</u>

# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
<b>Accumulated Depreciation</b>		
Balance 1 July	913,331	823,221
Depreciation Expense for the Year	181,051	170,854
Disposals	(100,674)	(80,744)
Balance 30 June	<u>993,708</u>	<u>913,331</u>
<b>Net Book Value 30 June</b>	<u>1,278,689</u>	<u>1,332,687</u>

### 11 Non Current Assets Roads and Streets

<b>Gross Carrying Amount</b>		
Fair Value 1 July Flinders Island (FI)	52,893,002	52,882,453
Additions FI	45,353	10,549
Net Adjustment from Revaluation FI	0	0
Balance 30 June FI	<u>52,938,355</u>	<u>52,893,002</u>
<b>Accumulated Depreciation</b>		
Balance 1 July FI	29,044,868	28,089,376
Depreciation Expense for the Year FI	956,485	955,492
Net Adjustment from Revaluation FI	0	0
Balance 30 June FI	<u>30,001,353</u>	<u>29,044,868</u>
Fair Value 1 July Cape Barren Island (CBI)	2,978,325	2,978,325
Additions CBI	0	0
Net Adjustment from Revaluation CBI	0	0
Balance 30 June	<u>2,978,325</u>	<u>2,978,325</u>
Balance 1 July CBI	2,419,870	2,367,752
Depreciation Expense for the Year CBI	52,118	52,118
Net Adjustment from Revaluation CBI	0	0
Balance 30 June CBI	<u>2,471,988</u>	<u>2,419,870</u>
<b>Net Fair Value 30 June</b>	<u>23,443,339</u>	<u>24,406,589</u>

Council's Consulting Engineers (SKM) last reviewed road values during 2005-06.

### 12 Non Current Assets Bridges

<b>Gross Carrying Amount</b>		
At Cost 1 July	2,218,025	2,075,150
Additions	168,115	142,875
Disposals	0	0
Balance 30 June	<u>2,386,140</u>	<u>2,218,025</u>
<b>Accumulated Depreciation</b>		
Balance 1 July	1,316,378	1,286,404
Depreciation Expense for the Year	33,834	29,974
Disposals	0	0
Balance 30 June	<u>1,350,212</u>	<u>1,316,378</u>
<b>Net Book Value 30 June</b>	<u>1,035,928</u>	<u>901,647</u>



# FLINDERS COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
<b>13 Non Current Assets Drainage</b>		
<b><i>Gross Carrying Amount</i></b>		
At Cost 1 July FI	2,010,662	2,010,662
Additions FI	0	0
Disposals FI	0	0
Balance 30 June FI	<u>2,010,662</u>	<u>2,010,662</u>
<b><i>Accumulated Depreciation</i></b>		
Balance 1 July FI	221,194	201,087
Depreciation Expense for the Year FI	20,107	20,107
Disposals FI	0	0
Balance 30 June FI	<u>241,301</u>	<u>221,194</u>
<b><i>Gross Carrying Amount</i></b>		
At Cost 1 July CBI	41,806	41,806
Additions CBI	0	0
Disposals CBI	0	0
Balance 30 June CBI	<u>41,806</u>	<u>41,806</u>
<b><i>Accumulated Depreciation</i></b>		
Balance 1 July CBI	4,605	4,185
Depreciation Expense for the Year CBI	420	420
Disposals CBI	0	0
Balance 30 June CBI	<u>5,025</u>	<u>4,605</u>
<b><i>Net Book Value 30 June</i></b>	<u><u>1,806,142</u></u>	<u><u>1,826,669</u></u>

# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
<b>14 Non Current Assets Water Supply</b>		
<b>Gross Carrying Amount</b>		
At Cost 1 July	2,119,256	2,119,256
Additions	0	0
Disposals	0	0
Balance 30 June	<u>2,119,256</u>	<u>2,119,256</u>
<b>Accumulated Depreciation</b>		
Balance 1 July	942,411	907,359
Depreciation Expense for the Year	33,302	35,052
Disposals	0	0
Balance 30 June	<u>975,713</u>	<u>942,411</u>
<b>Net Book Value 30 June</b>	<u>1,143,543</u>	<u>1,176,845</u>
<b>15 Non Current Assets Furniture and Equipment</b>		
<b>Gross Carrying Amount</b>		
At Cost 1 July	289,359	252,527
Additions	8,277	36,832
Disposals	0	0
Balance 30 June	<u>297,636</u>	<u>289,359</u>
<b>Accumulated Depreciation</b>		
Balance 1 July	209,357	176,197
Depreciation Expense for the Year	35,210	33,160
Disposals	0	0
Balance 30 June	<u>244,567</u>	<u>209,357</u>
<b>Net Book Value 30 June</b>	<u>53,069</u>	<u>80,002</u>
<b>16 Total Property Plant and Equipment</b>		
Property Plant and Equipment at Cost	11,229,700	11,026,929
Land, Buildings, Roads and Streets at Fair Value	60,371,421	59,699,659
	<u>71,601,121</u>	<u>70,726,588</u>
Less Accumulated Depreciation	37,203,096	35,786,178
	<u>34,398,025</u>	<u>34,940,410</u>
<b>17 Non Current Assets Work in Progress</b>		
Assets in Progress	<u>608,368</u>	<u>0</u>
<b>18 Non Current Liabilities Provisions</b>		
Employee Benefits Long Service Leave	32,728	23,977
Provision for Quarry Pit Reinstatement	159,378	150,239
	<u>192,106</u>	<u>174,216</u>

# FLINDERS COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
<b>19 Reserves</b>		
Composition		
Asset Replacement Reserves (refer below) <i>A reserve to set aside funds to replace or upgrade various assets.</i>	4,279,560	4,279,560
Asset Revaluation Reserve <i>A reserve to record revaluation increments relating to revaluations of tangible non current assets. Reversals of these increments may also be included here.</i>	1,246,846	1,246,846
Bequests <i>A reserve to set aside funds that have been bequeathed to Council and are not yet spent.</i>	101,339	89,617
	<u>5,627,745</u>	<u>5,616,023</u>
Asset Replacement Reserves (funds allocated to replace various assets)		
Cash Reserve <i>A reserve to set aside funds to replace or upgrade various assets.</i>	3,686,060	3,684,060
Airport Cash Reserve <i>A reserve to set aside funds to upgrade or replace airport assets.</i>	527,500	527,500
Whitemark Hall Renovation Reserve <i>A reserve to set aside funds to upgrade or replace the Whitemark Hall.</i>	16,000	16,000
Infrastructure Asset Reserve <i>A reserve to set aside funds to upgrade or replace infrastructure.</i>	50,000	50,000
Area Promotion Publications Reserve <i>A reserve to set aside funds to upgrade or replace area promotion publications.</i>	0	2,000
	<u>4,279,560</u>	<u>4,279,560</u>
<b>20 Commitments for Expenditure</b>		
(a) Capital Commitments Whitemark Hall	269,560	0
(b) Operating Lease Commitments	0	0
<b>21 Contingent Liabilities</b>		
At 30 June 2009 Council had no legal claims against it.		
<b>22 Employee Benefits</b>		
Wages and Salaries	903,851	996,038
Superannuation Expense	126,769	114,911
Annual and Long Service Leave	99,040	84,067
Other Employee Related Expenses	52,314	32,243
	<u>1,181,974</u>	<u>1,227,259</u>
Less Amounts Capitalised	32,100	0
	<u>1,149,874</u>	<u>1,227,259</u>

# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	\$	\$
<b>23 Contract Service</b>		
Main payments were made in relation to the following functional activities:		
Corporate	136,672	34,346
Roads	98,240	60,287
Water Supply	6,295	11,050
Waste Management	6,755	16,023
Town Maintenance	10,569	4,881
Public Health, Safety and Environment	72,050	91,017
Community and Economic Development	77,979	18,982
Depot and Plant	8,837	2,449
Airport	20,419	16,036
	<u>437,816</u>	<u>255,071</u>
<b>24 Depreciation</b>		
Depreciation was charged in respect of:		
Buildings	53,291	49,682
Infrastructure	151,774	69,340
Plant and Equipment	181,051	170,854
Furniture and Equipment	35,210	33,160
Water Infrastructure	33,302	35,052
Roads and Streets	1,008,603	1,007,609
Bridges	33,834	29,974
Drainage	20,527	20,527
Other Non Current Assets	0	0
Amortisation of Municipal Revaluation	0	0
	<u>1,517,592</u>	<u>1,416,198</u>
<b>25 Other Expenses</b>		
Other Expenses	<u>975,523</u>	<u>897,783</u>
Other expenses includes:		
Audit Fees	24,580	24,948
Councillors' Travel and Allowances	89,065	81,300
Fire Service Levy	46,527	44,924
Insurance Premiums	80,242	73,313
Land Tax	27,470	24,500
Telephone	54,508	41,065

# FLINDERS COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
<b>26 Government Grants</b>		
Grants were received in respect of the following:		
<b>Community and Economic Development</b>		
Child Care Centre	73,680	53,116
Natural Resources Management	51,600	49,800
Tourism and Economic Development	10,000	16,500
Recreation	750	1,000
Natural Heritage Trust	0	21,348
Youth	12,333	0
	<u>148,363</u>	<u>141,764</u>
<b>Water</b>		
Water and Sewer Transition	<u>65,963</u>	<u>0</u>
<b>Roads and Bridges Management</b>		
Roads to Recovery Programme	<u>182,634</u>	<u>178,926</u>
<b>Public Health and Safety</b>		
Ground Water	35,000	0
Dept of Rural and Aged Care Podiatry	38,117	28,679
	<u>73,117</u>	<u>28,679</u>
<b>Financial Assistance Grant</b>	<u>1,271,326</u>	<u>1,002,233</u>
<b>Motor Tax Grant</b>	<u>120,349</u>	<u>135,890</u>
<b>Total Revenue Grants</b>	<u>1,861,752</u>	<u>1,487,492</u>
<b>Infrastructure Grants</b>	200,000	0
<b>Total Government Grants</b>	<u>2,061,752</u>	<u>1,487,492</u>
<b>27 Other Revenue and Reimbursements</b>		
Other revenue and reimbursements includes:		
Private Works	36,844	86,459
Reimbursements	12,214	41,079
Airport Charges	181,596	167,909
DIER Contract	205,386	141,567
Other	238,891	228,055
	<u>674,931</u>	<u>665,069</u>

# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

28 Special Committees	Balance 01/07/08	Receipts	Payments	Balance 30/06/09
	\$	\$	\$	\$
Furneaux Hall & Recreation Ground Committee	8,289	17,858	19,327	6,820
Lady Barron Hall & Recreation Ground Committee	3,141	3,460	2,246	4,355
Flinders Island Gymnasium Committee	22,977	2,494	0	25,471
Furneaux Child Care Centre Committee	3,509	1,205	1,563	3,151
	<u>37,916</u>	<u>25,017</u>	<u>23,136</u>	<u>39,797</u>

Special Committees have been consolidated in to the financial report - refer note (2)

### 29 Superannuation

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

At the present time Council contributes 9.5% of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, the Council is required to meet its share of the deficiency.

Bendzulla Actuarial Pty Ltd undertook the last actuarial review of the Fund at 30 June 2008. The review disclosed that at that time the net market value of assets available for funding member benefits was \$84,786,241, the value of vested benefits was \$77,078,401, the surplus was \$7,707,840, and the value of total accrued benefits was \$81,398,000. These amounts relate to all members of the fund at the date of valuation and no asset or liability is recorded in the Quadrant Superannuation Scheme's financial statements for Council employees.

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

Net Investment Return	-17.0% 2008-09 and 7.0% pa thereafter
Salary Inflation	4.0% pa
Price Inflation	n/a

In the opinion of the Actuary, the Quadrant Defined Benefit Fund was adequately funded in that assets were sufficient to cover the vested benefits of all members at the review date and the actuarial value of accrued past service benefits. The next full triennial review will be undertaken after 31 October 2011 for 30 June 2011.

Council also contributes to other accumulation schemes on behalf of a number of employees, however the Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes.

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

During the reporting period the amount of contributions paid to all superannuation schemes was \$126,769 (2008 \$114,911).



**FLINDERS COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

**30 Functions / Activities of the Council**

	Corporate Services	Roads	Water	Waste Management	Town Maintenance	Public Health Safety & Environment	Community & Economic Development	Depot & Plant	Airport	Total
<b>2008/09 Actual</b>										
Expenses	\$ 1,038,340	\$ 2,018,046	\$ 100,579	\$ 83,415	\$ 87,668	\$ 273,135	\$ 302,000	\$ 273,564	\$ 354,104	\$ 4,530,850
%	22.92%	44.54%	2.22%	1.84%	1.93%	6.03%	6.57%	6.04%	7.82%	100.00%
Revenue	764,180	810,879	100,963	0	200,000	38,117	147,613	0	0	2,061,752
Grants	1,305,297	162,518	107,778	84,100	33,137	726,904	44,209	69,762	189,600	2,723,305
Other	2,069,477	973,397	208,741	84,100	233,137	765,021	191,822	69,762	189,600	4,785,057
Total	43.25%	20.34%	4.36%	1.76%	4.87%	15.99%	4.01%	1.46%	3.96%	100.00%
Increase/(Decrease) in Net Assets from Operations	1,031,137 (1,044,649)	108,162	685	145,469	491,886	(110,178)	(203,802)	(164,504)	254,207	
<b>2007/08 Actual</b>										
Expenses	978,582	1,952,036	68,432	90,702	90,718	308,501	295,860	162,354	276,576	4,223,761
%	23.17%	46.22%	1.62%	2.15%	2.15%	7.30%	7.00%	3.84%	6.55%	100.00%
Revenue	1,155,623	178,926	0	0	0	28,679	124,264	0	0	1,487,492
Grants	1,292,972	141,421	84,356	57,886	26,692	197,342	66,256	90,705	169,409	2,127,039
Other	2,448,595	320,347	84,356	57,886	26,692	226,021	190,520	90,705	169,409	3,614,531
Total	67.74%	8.86%	2.33%	1.60%	0.74%	6.25%	5.27%	2.51%	4.69%	100.00%
Increase/(Decrease) in Net Assets from Operations	1,470,013 (1,631,689)	15,924	(32,816)	(64,026)	(82,480)	(105,340)	(71,649)	(107,167)	(609,230)	
<b>Assets</b>										
Works in Progress	0	0	0	0	0	0	0	0	0	0
Non Current	2,063,047	27,134,907	1,176,845	0	0	0	0	1,144,479	3,421,132	34,940,410
Current	7,284,076	0	0	0	0	0	0	244,714	0	7,528,790
Total	9,347,123	27,134,907	1,176,845	0	0	0	0	1,389,193	3,421,132	42,469,200

# FLINDERS COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009

## 31 Significant Business Activities

	Water		Aerodrome	
	2009 Actual \$	2008 Actual \$	2009 Actual \$	2008 Actual \$
<b>Revenue</b>				
Rates	95,593	84,356	0	0
Other	12,185	0	189,600	169,409
Grants	100,963	0	0	0
<b>Total Revenue</b>	<u>208,741</u>	<u>84,356</u>	<u>189,600</u>	<u>169,409</u>
<b>Expenses</b>				
Employee Costs	15,434	10,553	98,087	85,631
Materials and Contracts	51,843	22,827	104,244	93,880
<b>Total Expenses</b>	<u>67,277</u>	<u>33,380</u>	<u>202,331</u>	<u>179,511</u>
<b>Capital Costs</b>				
Depreciation	33,302	35,052	151,774	97,065
Opportunity Cost of Capital	114,354	119,450	320,140	347,567
<b>Total Capital Costs</b>	<u>147,656</u>	<u>154,502</u>	<u>471,914</u>	<u>444,632</u>
<b>Competitive Neutrality Costs</b>	<u>911</u>	<u>868</u>	<u>17,625</u>	<u>16,786</u>
	<u>(7,103)</u>	<u>(104,394)</u>	<u>(502,270)</u>	<u>(471,520)</u>

# FLINDERS COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009

## 31 Significant Business Activities

	Water		Aerodrome	
	2009 Actual \$	2008 Actual \$	2009 Actual \$	2008 Actual \$
<b>Revenue</b>				
Rates	95,593	84,356	0	0
Other	12,185	0	189,600	169,409
Grants	100,963	0	0	0
<b>Total Revenue</b>	<u>208,741</u>	<u>84,356</u>	<u>189,600</u>	<u>169,409</u>
<b>Expenses</b>				
Employee Costs	15,434	10,553	98,087	85,631
Materials and Contracts	51,843	22,827	104,244	93,880
<b>Total Expenses</b>	<u>67,277</u>	<u>33,380</u>	<u>202,331</u>	<u>179,511</u>
<b>Capital Costs</b>				
Depreciation	33,302	35,052	151,774	97,065
Opportunity Cost of Capital	114,354	119,450	320,140	347,567
<b>Total Capital Costs</b>	<u>147,656</u>	<u>154,502</u>	<u>471,914</u>	<u>444,632</u>
<b>Competitive Neutrality Costs</b>	<u>911</u>	<u>868</u>	<u>17,625</u>	<u>16,786</u>
	<u>(7,103)</u>	<u>(104,394)</u>	<u>(502,270)</u>	<u>(471,520)</u>

# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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### 32 FINANCIAL INSTRUMENTS

#### a) Risk Exposures

##### Credit risk:

The amount of any credit risk associated with financial assets is the carrying amount net of any provision for doubtful debts. Such a risk crystallises when one party to the transaction fails to discharge their obligations. Council's financial assets comprise receivables and cash and cash equivalents.

There is no significant concentration of credit risk with any single debtor or group of debtors. Amounts owing in relation to rates are secured by a charge over the land to which the debts relate. Debtors other than rate debtors are immaterial and the amount of debt written off in any one year is also immaterial.

Council has no investments, only short term deposits with Tascorp, Westpac and credit unions; and an operating account with Westpac.

Council's credit risk is therefore immaterial. There has been no change in its exposure to or management of this risk since the previous reporting period.

##### Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk, those being currency risk, interest rate risk and other price risk. Council's exposure to or management of these risks has not changed since the previous period.

##### *Currency risk -*

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Council has no exposure to currency risk.

##### *Interest rate risk -*

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council's financial instruments comprise cash and cash equivalents, receivables and payables. It has no interest bearing liabilities.

At balance date Council had the following mix of financial assets and liabilities exposed to interest rate risk:

	2009	2008
	\$	\$
<b>Financial Assets</b>		
Cash and cash equivalents	2,774,347	1,798,962
Other financial assets	4,518,532	5,129,207
<b>Financial Liabilities</b>		
Interest bearing liabilities	0	0
Net exposure	<u>7,292,879</u>	<u>6,928,169</u>

# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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### 32 FINANCIAL INSTRUMENTS continued

The following sensitivity analysis is based on interest rate risk exposures existing at balance date. It shows the effect of interest rate movements on the net result and equity.

	2009	2008
	\$	\$
<b>Net Result</b>		
+1%	71,105	67,652
-1%	-71,105	-67,652
<b>Equity</b>		
+1%	71,105	67,652
-1%	-71,105	-67,652

The movements in net result and equity are due to higher/lower interest rates relating to cash and cash equivalents and to other financial assets. Council has no borrowings.

#### *Other price risk -*

This is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Council is not aware of having any exposure to this risk.

#### Liquidity risk:

This is the risk that Council will encounter difficulty in meeting obligations associated with financial liabilities. Its liquidity risk is immaterial as it has no interest bearing liabilities and its other liabilities are significantly less than the value of its current assets.

# FLINDERS COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009

## 32 INTEREST RATE RISK continued

### b) Interest Rate Risk Exposure

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

2009	Effective or weighted average interest rate %	Variable interest rate \$	Fixed Interest Rate Maturity			Non interest bearing \$	Total \$
			<1 Yr \$	1 -5 yrs \$	> 5 yrs \$		
<b>Financial Assets</b>							
Cash op'g account	-	2,774,347	0	0	0	0	2,774,347
Investments	3.87	0	4,518,532	0	0	0	4,518,532
Receivables Rates	10.00	92,721	0	0	0	0	92,721
Receivables Other	-	0	0	0	0	59,419	59,419
Accrued Income	-	0	0	0	0	166,705	166,705
<b>Total</b>		<b>2,867,068</b>	<b>4,518,532</b>	<b>0</b>	<b>0</b>	<b>226,124</b>	<b>7,611,724</b>
<b>Financial Liabilities</b>							
Creditors	-	0	0	0	0	72,265	72,265
Accrued Expenses	-	0	0	0	0	156,883	156,883
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>229,148</b>	<b>229,148</b>

Council's exposure to interest rate risk on financial instruments as at 30 June 2007 was:

2008	Effective or weighted average interest rate %	Variable interest rate \$	Fixed Interest Rate Maturity			Non interest bearing \$	Total \$
			<1 Yr \$	1 -5 yrs \$	> 5 yrs \$		
<b>Financial Assets</b>							
Cash op'g account	-	1,798,962	0	0	0	0	1,798,962
Investments	7.61	0	5,129,207	0	0	0	5,129,207
Receivables Rates	10.00	142,285	0	0	0	0	142,285
Receivables Other	-	0	0	0	0	99,724	99,724
Accrued Income	-	0	0	0	0	113,898	113,898
<b>Total</b>		<b>1,941,247</b>	<b>5,129,207</b>	<b>0</b>	<b>0</b>	<b>213,622</b>	<b>7,284,076</b>
<b>Financial Liabilities</b>							
Creditors	-	0	0	0	0	104,073	104,073
Accrued Expenses	-	0	0	0	0	121,265	121,265
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>225,338</b>	<b>225,338</b>



# FLINDERS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

### 32 INTEREST RATE RISK continued

#### c) Net fair value

The carrying amount of Council's receivables, payables, cash and short term deposits is a reasonable approximation of fair value.

The net fair value of Council's financial assets and liabilities is as follows:

	Actual 2009		Actual 2008	
	Carrying amount	Aggregate net fair value	Carrying amount	Aggregate net fair value
<b>Financial assets</b>				
Cash and cash equivalents	2,774,347	2,774,347	1,798,962	1,798,962
Other financial assets	4,518,532	4,518,532	5,129,207	5,129,207
Receivables	152,140	152,140	242,009	242,009
	<u>7,445,019</u>	<u>7,445,019</u>	<u>7,170,178</u>	<u>7,170,178</u>
<b>Financial liabilities</b>				
Payables	60,287	60,287	68,253	68,253
Interest bearing liabilities	0	0	0	0
	<u>60,287</u>	<u>60,287</u>	<u>68,253</u>	<u>68,253</u>

Aggregate net fair value is calculated using a discount rate equal to the average of mid rates of Commonwealth Government securities maturing on or near 30 June each year for the next 10 years. As these rates are applied to borrowings they have no effect in these financial statements.

#### d) Accounting policies

Accounting policies relating to financial assets and financial liabilities are disclosed in note 1.

#### e) Terms and conditions

There are no terms and conditions associated with financial assets or financial liabilities which may significantly affect the amount, timing and certainty of future cash flows.

# FLINDERS COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009

## 33 Reconciliation of Increase in Net Assets Resulting From Operations to Net Cash Inflow From Operating Activities

	2009	2008
	\$	\$
Change in net assets from operations	254,207	(609,230)
Non-cash adjustments		
Depreciation	1,517,592	1,416,198
Net Loss (Gain) on Disposal of Assets	9,347	(2,637)
Changes in Assets and Liabilities		
(Increase)/Decrease in Receivables	89,869	13,035
(Increase)/Decrease in Inventories	124,891	69,589
(Increase)/Decrease in Accrued Revenue	(52,808)	(80,372)
Increase/(Decrease) in Creditors	(7,966)	(6,034)
Increase/(Decrease) in Revenue Received in Advance	(23,842)	34,156
Increase/(Decrease) in Provisions	10,724	(32,218)
Increase/(Decrease) in Accrued Expenses	35,618	87,381
Net Cash Inflow From Operating Activities	<u>1,957,632</u>	<u>889,868</u>

## 34 Related Party Disclosure

(a) Allowances and Reimbursements: 89,065 81,300

(b) Register of Interests at 30 June:

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

Councillor and Position	Interest
Clr Carol Cox (Mayor)	No interest declared.
Clr Margaret Wheatley (Deputy Mayor)	No interest declared.
Clr Terence Klug (former Mayor)	No interest declared.
Clr David Williams	No interest declared.
Clr Marc Cobham	No interest declared.
Clr Michael Grimshaw	No interest declared.
Clr Alan Stackhouse	No interest declared.

An election was held in October 2007 to fill four vacant positions. Candidates are listed below in alphabetical order. 'No ballot required' is shown where the number of candidates was equal to the number of vacancies.

4 Councillor positions - 5 candidates

BUTLER, Daryl (Palana)  
COBHAM, Marc (Emita)  
COX, Carol Denise (Lady Barron)  
GRIMSHAW, Michael (Lackrana)  
STACKHOUSE, Alan (Lackrana)

Mayor - 2 candidates

COX, Carol Denise (Lady Barron)  
KLUG, Terence George (Lackrana)

Deputy Mayor - 1 candidate no ballot required

WHEATLEY, Margaret (Killiecrankie)

Returning Officer David Foulkes  
Australian Electoral Commission  
Ground Floor 87 George Street Launceston 7250

# FLINDERS COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2009

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## **35 Subsequent Events - Water and Sewer Business Transfer**

### **(a) Water and sewerage reform - future arrangements**

In February of 2008, State and Local Government reached agreement to establish three local Government owned, vertically integrated businesses providing bulk, distribution and retail water and sewerage services, and a common service provider subsidiary company. The Water and Sewerage Corporations Act 2008 (Corporations Act) was subsequently enacted, and received Royal Assent on 13 June 2008.

Two of the main purposes of the Corporations Act are: -

- to vest the water and sewerage assets, rights and liabilities of councils and bulk water authorities in the Regional Corporations and the Common Services Corporation; and
- to make provision for the transfer of water and sewerage employees of councils and employees of bulk water authorities to the Regional Corporations and the Common Services

The new corporations were operational (with minimal operations) on 1 January 2009. Full transfer of water and sewerage assets, liabilities and staff took place on 1 July 2009. From that date, responsibility for the provision of water and sewerage services moved from local councils to three new regional water and sewerage corporations (trading as Cradle Mountain Water, Ben Lomond Water and Southern Water). A fourth company provides common services and support to the three regional corporations.

In conjunction with the above Act, the Water and Sewerage Industry Act 2008 was also proclaimed on 13 June 2008. This Act provides for the establishment of an economic regulatory framework for the water and sewerage industry, including the establishment of a licensing regime and providing for the regulation of prices, customer service standards and performance monitoring of that industry and for related matters.

Full transition to the new water pricing and servicing standards is not expected until January 2012.

### **Income Statement**

The income statement impact will predominantly result in the water activities as detailed in notes 30 (Functions / Activities of the Council) and notes 31 (Significant Business Activities) transferring to the new corporations. Some minor impacts will also occur to other

Council will in future derive returns from the new corporations, mainly in the form of dividends. However, at the time of preparing the financial statements it is not possible to determine the level of such returns.

### **Balance Sheet**

Water supply assets which were \$1,143,544 as at 30 June 2009 were transferred to the new corporation - Ben Lomond Water, This will result in the net assets of \$42,197,713 at at 30 June 2009 reducing to \$41,054,169. In return for these transfers, Council will recognise an investment in the new corporation of \$1,143,544.

**(b) Reconciliation of assets disclosed in Note 30 of activities affected by transfers to the water and sewerage corporation**

All the net assets relating to the water supply assets have been transferred to the new corporation - Ben Lomond Water.

**36 Contributed Assets**

Contributed assets is the value of land and buildings transferred to Council by the Crown.





## **INDEPENDENT AUDIT REPORT To the Councillors**

### **FLINDERS COUNCIL**

#### **Financial Report for the Year Ended 30 June 2009**

#### **Report on the Financial Report**

I have audited the accompanying financial report of Flinders Council (Council), which comprises the balance sheet as at 30 June 2009, the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the General Manager's statement.

#### ***The Responsibility of the General Manager for the Financial Report***

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

#### ***Auditor's Responsibility***

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

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

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget/estimate information in Council's financial report.

### **Independence**

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

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

### **Auditor's Opinion**

In my opinion the financial report of Flinders Council:

- (a) presents fairly, in all material respects, the financial position of Flinders Council as at 30 June 2009, and of its financial performance, cash flows and changes in equity for the year then ended; and
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards (including Australian Accounting Interpretations).

### **TASMANIAN AUDIT OFFICE**



Andrew Barron

**DIRECTOR-FINANCIAL AUDIT**  
**Delegate of the Auditor-General**  
HOBART  
23 November 2009