



2011/12

MARIBYRNONG CITY COUNCIL

Annual Report 2011/2012



Maribyrnong
CITY COUNCIL

ENGLISH

This is Maribyrnong City Council's 2011-12 Annual Report. The Annual Report contains a report of Council's operations for the past 12 months and audited Standard and Financial statements. If you would like to know more about the information in this Annual Report, please call the Telephone Interpreter Service on 131 450 and have them call Maribyrnong City Council on 9688 0200.

ARABIC

هذا هو التقرير السنوي لمجلس مدينة ماريبيرنونغ (Maribyrnong) 2011-12. يحتوي التقرير السنوي على تقرير عن عمليات المجلس خلال الأشهر الـ 12 الماضية والبيانات العادية والمالية التي تم تدقيقها. إذا كنت ترغب في معرفة المزيد عن المعلومات الواردة في هذا التقرير السنوي، يرجى الاتصال بخدمة الترجمة الهاتفية على الرقم 131 450 ودعهم يتصلون بمجلس مدينة ماريبيرنونغ على الرقم التالي 9688 0200.

CHINESE

这是Maribyrnong市政府的2011-12年度报告，年度报告汇报了市政府在过去12月里的作业情况并包括经过审计的标准和财务报表。如果您想进一步了解该年度报告的信息内容，请拨打电话翻译服务处131 450并请他们转接Maribyrnong市政府的电话9688 0200。

GREEK

Αυτή είναι η Ετήσια Έκθεση 2011-12 του Δημοτικού Συμβουλίου του Maribyrnong. Η Ετήσια Έκθεση περιέχει τον απολογισμό των λειτουργιών του Δημοτικού Συμβουλίου για τους τελευταίους 12 μήνες και ελεγμένες απλές και οικονομικές καταστάσεις. Αν θέλετε να μάθετε περισσότερα για τις πληροφορίες που περιέχονται σε αυτήν την Ετήσια Έκθεση, σας παρακαλούμε να καλέσετε την τηλεφωνική υπηρεσία διερμυνέων στο 131 450 και ζητήστε να σας συνδέσουν με το Δήμο του Maribyrnong στο 9688 0200.

HINDI

यह मैरीबर्नग सिटी काउंसिल की 2011-12 की वार्षिक रिपोर्ट है। वार्षिक रिपोर्ट में काउंसिल के पिछले 12 महीनों के क्रिया-कलापों की रिपोर्ट और लेखा-परीक्षित मानक और वित्तीय विवरण (ऑडिटेड स्टैंडर्ड और फ़ाइनेन्शियल स्टेटेमेंट्स) शामिल हैं। यदि आप इस वार्षिक रिपोर्ट में दी गई जानकारी के बारे में अधिक जानना चाहते / चाहती हैं तो कृपया 'टेलीफोन इंटरप्रेटर सर्विस' को 131 450 पर फ़ोन करिये और उनसे मैरीबर्नग सिटी काउंसिल से 9688 0200 सम्पर्क करवाने के लिए कहिये।

ITALIAN

Questa è la Relazione annuale 2011-12 del Comune di Maribyrnong. La relazione annuale contiene un resoconto delle operazioni del Comune per i 12 mesi passati oltre a rendiconti contabili standard e finanziari revisionati. Se desideri saperne di più sulle informazioni contenute in questa Relazione annuale puoi chiamare il Servizio telefonico interpreti al numero 131 450 e chiedere che sia chiamato il Comune di Maribyrnong al numero 9688 0200.

MACEDONIAN

Ова е годишен извештај на Општината Марибирнонг за 2011-12 година. Годишниот извештај содржи извештај за работењето на Општината за изминатите 12 месеци и редовни проверки на извештаите за работа и за финансии. Ако сакате да знаете повеќе за информациите во овој годишен извештај, ве молиме јавете се на Телефонската преведувачка служба на 131 450 и побарајте тие да се јават на Општината Марибирнонг на 9688 0200.

SPANISH

Este es el Informe Anual para 2011-12 del Municipio de la Ciudad de Maribyrnong. El Informe Anual contiene información sobre las operaciones del Municipio en los últimos 12 meses y los Estados Financieros y Estándar auditados. Si usted desea saber más sobre la información presentada en este Informe Anual, por favor llame al Servicio de Intérpretes Telefónicos marcando el 131 450 y solicíteles que llamen al Municipio de la Ciudad de Maribyrnong al 9688 0200.

VIETNAMESE

Đây là Phúc trình Thường niên năm 2011-12 của Hội đồng Thành phố Maribyrnong. Phúc trình này bao gồm phần báo cáo hoạt động của Hội đồng Thành phố trong 12 tháng qua và các bản tường trình về Tiêu chuẩn và Tài chính đã được kiểm toán. Nếu muốn biết thêm thông tin trong Phúc trình Thường niên này, xin quý vị gọi điện thoại cho Dịch Vụ Thông Dịch Điện thoại số 131 450 và yêu cầu họ gọi Hội đồng Thành phố Maribyrnong số 9688 0200.

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01 [About this Annual Report



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

Council has a statutory duty to report annually on how well it has performed as an organisation. This ‘report back’ to the community shows what services and improvement projects Council has delivered over the past year.

Producing an Annual Report is a requirement of the Local Government Act (1989). *The Act* requires a council to report on:

- The context in which the council worked
- An organisational overview
- Council’s operations – what it has delivered
- The key activities and priorities identified in the annual Budget, and
- A set of audited standard, financial and performance statements.

Each year, Council develops actions under its four year Council Plan, and prepares an annual Budget through a process that involves its community. Council uses the Annual Report to measure how it has progressed with its objectives, and explain any changes or additions to what it has previously committed to.

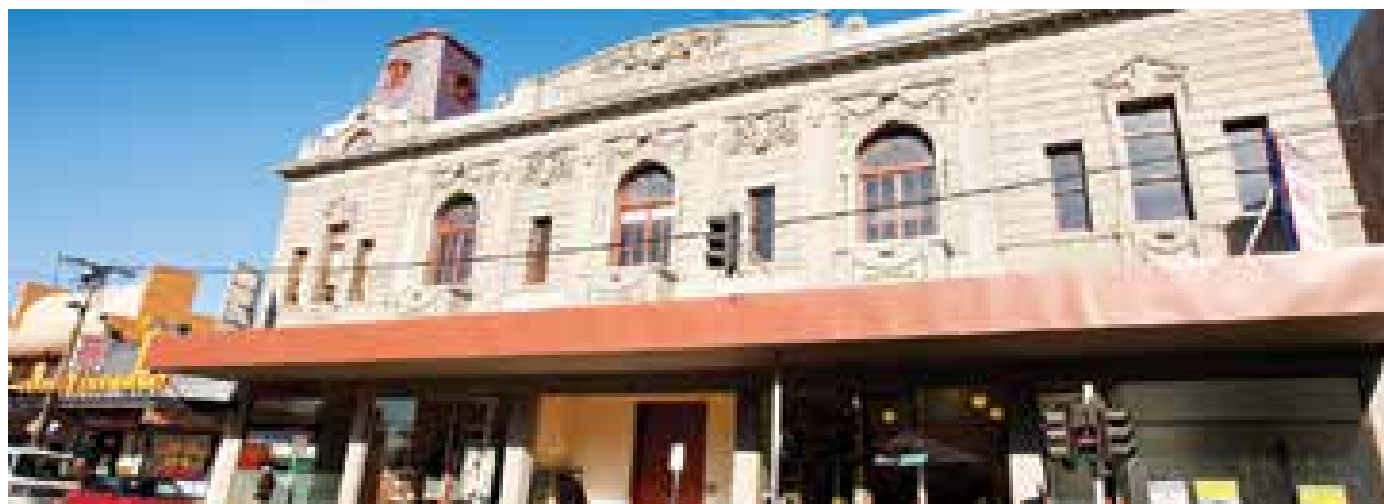
For the first time, the current four year Council Plan has incorporated the requirements of the Municipal Public Health Plan with a wellbeing commitment that underpins the entire plan. This approach acknowledges that every action we undertake as local government has an impact on the wellbeing of our community.

The Council Plan 2009-13 has six key commitment areas:

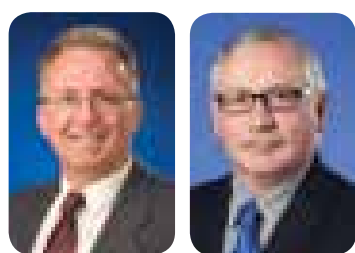
01. Building community spirit, engagement and places
02. Prosperity
03. Moving around the city
04. Amenity
05. Environmental sustainability
06. Organisational performance.

The Council Plan is in its third year, with 107 annual actions committed to in 2011/12 and grouped under eighteen wellbeing outcomes.

02 [A message from the Mayor and the CEO



2011-12 was a year of transformation for the City of Maribyrnong. The built fabric of the City is changing, with the redevelopment of disused sites and a wave of residential in-fill developments. The demographics of the City are also changing. Our population is growing rapidly and the profile of our population is altering. This brings many opportunities and challenges for a place that is home to around 74,000 people, and is a destination for many thousands more who come here on a daily basis to work, study and enjoy the many aspects of our lifestyle.



This Annual Report provides a summary of the work of the Maribyrnong City Council for 2011-12. In addition to the standard financial statements and reporting, it is the story of how the Maribyrnong City Council, itself, is changing in

order to meet the demands of our changing City.

Maribyrnong City Council is delivering on its commitment to improve the services and infrastructure that make the City of Maribyrnong a great place to live. Meeting the amenity needs of the increasing number of new residents and visitors creates challenges for Council in maintaining existing assets and developing new infrastructure.

Council maintains its strong commitment to prudent financial management in order to secure a stable future for the City. Long-term financial planning saw our debt fall by over \$4.5 million and a focus on careful spending saw our City record a budget operating surplus.

Thanks to this strong financial position, Council has been able to develop a program of capital asset and public infrastructure renewal. Throughout the 2011/12 financial year, Council invested over \$17 million in capital works improvements across the City.

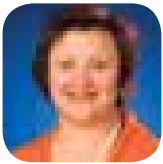
Particular highlights include the creation of a rapid response unit to respond to urgent requests for maintenance and dumped rubbish, the provision of over \$343,000 for school crossings, \$4.5 million in road improvements and \$500,000 to improve carparks.

However, we readily acknowledge that we cannot “go it alone” to make our City a better place, so over the past year we have actively pursued partnerships with the State Government and other stakeholders. The skyline of the City attests to the number of major projects that are underway. Our approach has been to work in partnership with others and keep a strong focus on meeting our community’s needs.

Cr John Cumming

Vince Haining

2.1 Councillors and wards



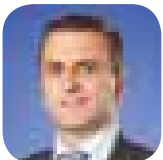
Cr Dina Lynch
1. RIVER WARD
0434 473 735



Cr Sarah Carter
2. IRONBARK WARD
0432 139 612



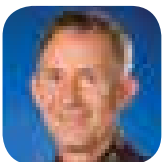
Cr Catherine Cumming
3. BLUESTONE WARD
0417 390 658



Cr Sel Sanli
4. STONY CREEK WARD
0417 390 038



Cr Michael Clarke
5. WATTLE WARD
0434 473 734



Cr Martin Zakharov
6. SHEOAK WARD
0432 139 613



Cr John Cumming
7. SALTWATER WARD
0432 139 610



03 [Council Plan 2009-13

Under the *Local Government Act 1989*, a Council Plan must be prepared every four years following a local government election, and submitted to the Minister for Local Government.

Following the 2009 City of Maribyrnong elections, Council developed its *Council Plan 2009-13* (Plan) – setting its long term vision, principles and values, and key commitment areas. The Plan incorporates the Municipal Public Health Plan (MPHP); Maribyrnong is one of the first councils in Victoria to take this approach.

The Plan was developed following extensive consultation with Councillors, community members and Council staff. It guides Council's planning, development, allocation of resources, and provision of services to the Maribyrnong community.

The Plan is a strategic document, and sets out Council's:

- Wellbeing Commitment,
- Vision,
- Principles and Values, and
- Key Commitment Areas.



3.1 Wellbeing Commitment

In line with the MPHP, the Plan is underpinned by a Wellbeing Commitment that provides a blueprint for achieving wellbeing outcomes for everyone in the City.

Council's primary objective is to protect and promote the wellbeing of its community. Wellbeing is achieved when everyone has, and feel they have, the ongoing opportunities to reach their full potential.

Putting people first means Council's thinks about the impact on its community for everything it does. Every policy, strategy, decision and action will be informed by this commitment.

3.2 Our Vision



A diverse, vibrant, and proud City focused on people-based places, environmentally sustainable practices, and opportunities to enhance community health and wellbeing through education, responsive services and participation in community life."

3.3 Our Principles And Values

Council's most important role is to govern for everyone. Therefore, it will provide local leadership based on a set of guiding principles and values that are at the core of all its activities.

Active Engagement and Inclusion

Council will actively engage and encourage diverse local communities and individuals to participate in the life, activities and decision making in the City.

Advocacy

Council will strive to bring the needs, strengths and opportunities of our diverse community to the attention of government, business and other organisations, to have them acted upon in the interests of the community.

Equality

Everyone will be treated equally and awarded every human right and responsibility.

Equity and Accessibility

Council will work to make the City a fair place by addressing people's restrictions or barriers to accessing to services, opportunities and resources.

Partnership

Council will seek to strengthen the trust and confidence of our community partners. We will work closely with groups, organisations and communities to achieve a shared vision.

Public Service

Council takes its obligations of working for the community seriously. Council will strive to ensure all activities are planned, designed and implemented in the public interest by balancing and responding to changing needs, strengths and opportunities in a manner that is sustainable.

Respect

Council will be respectful and treat with dignity all people, ideas, beliefs and lifestyles.

Transparency and Accountability

Council will ensure all its processes, decisions and actions are carried out in an honest and transparent manner, and are open to regular public monitoring and scrutiny.

3.4 Our Key Commitment Areas

Council has created strategic objectives under six key commitment areas that build on the foundations of wellbeing.

Building Community Spirit, Engagement & Places

We will build community spirit through the provision of quality facilities, responsive services and people based places with a focus on proactive engagement and community participation in civic life.

Prosperity

We will facilitate and advocate for better access to education, housing, health, employment and cultural services for all residents so they have every opportunity to reach their full potential.

Moving around the City

We will plan, implement, manage and advocate for transport and parking systems for the City that enable people to get around and arrive safely at their destination, with a positive impact on community wellbeing and the environment.



Amenity

We will create a well planned City and improve its amenity by creating streets and spaces, neighbourhoods and public places that are safe, sustainable, well used and the pride of the community.

Environmental Sustainability

We value our precious environmental resources. In partnership with our community we will lead, trial, and promote sustainable practice.

Organisational Performance

We will develop an organisation that is valued and trusted, and facilitate its growth and development to ensure Council is continually positioned to respond to the challenges of providing a best practice service to our diverse community.

04 Highlights against Key Commitment Areas

The table below provides some highlights from the 107 actions Council has committed to deliver during 2011/12.

KEY COMMITMENT AREAS	HIGHLIGHTS
 <p>Building Community Spirit, Engagement & Places</p>	<ul style="list-style-type: none"> Commenced design works for the new Braybrook Library Extended opening hours at Yarraville, West Footscray and Footscray libraries Implemented Gender Equity Public Statement Developed a Multicultural Policy Held a number of Walking Tours Developed Footscray Integrated Marketing Strategy Installed a temporary Pop Up Park in Yarraville Completed Strategic Arts Framework Completed Municipal Housing Strategy Completed financial modelling for Community Infrastructure Plan.
 <p>Prosperity</p>	<ul style="list-style-type: none"> Continued to support business in Footscray through a range of programs Held quarterly business breakfasts to support network opportunities for local social enterprises Facilitated the L2P learner driver volunteer mentor program to assist young people to gain driving experience Participated in the SEED program where four young people have been employed across different areas of Council.
 <p>Moving Around The City</p>	<ul style="list-style-type: none"> Completed the Northern Maribyrnong Integrated Transport Strategy Implemented the Maribyrnong Walking Strategy Continued to advocate for the best outcomes for Council and the community on transport related projects including the Regional Rail Link Implemented the Traffic Management Works Program for key locations throughout the City.

Fast facts

Supported
60 sporting
clubs

844,377 items
borrowed
from libraries

1,068
street trees
planted

13 festivals
supported
through
Festival City
program

1,037,853
visits to
Maribyrnong
Aquatic Centre
(MAC)

26% reduction
in net
greenhouse
gas emissions

KEY COMMITMENT AREAS

HIGHLIGHTS



Amenity

- Raised community awareness of Rooming Houses Regulations and Requirements
- Set up a new Rapid Response Unit relating to amenity, waste and cleanliness issues
- Installed CCTV in Footscray Central Activity Area
- Installed a new public toilet in Coulsen Gardens, Maribyrnong
- Delivered footpath, laneway and car park capital improvements programs.



Environmental Sustainability

- Delivered three key events on environmental themes to the Vietnamese community
- Conducted monthly community information sessions on environmental issues
- Continued to roll out street tree planting and park planting program
- Promoted the Sustainable Suburbs (Western Region Program) aimed at improving energy efficiency at homes
- Implemented environment education program in Hindi language.



Organisational Performance

- Undertaken a review of Maternal and Child Health service
- Developed a new software system to manage rooming house inspections and investigations
- Continued to develop community emergency management practices and planning arrangements, in collaboration with other councils
- Developed Council's Social Justice and Human Rights Charter.

05 Financial Highlights

Summary

- **\$13,331,000** surplus, including **\$119,343,000** income and **\$106,012,000** expenses
- **\$19,140,000** spent on capital and improvement works.

Council Income

Council's Income Sources 2011-2012



	\$000	% TOTAL REVENUE
● Rates	65,634	55.00
● Grants	11,044	9.25
● Interest	2,812	2.36
● User Charges & Statutory Fees	17,921	15.07
● Contribution & Reimbursements	21,544	18.05
● Other Income	388	0.32
Total Income	119,343	100.00

Council Expenditure



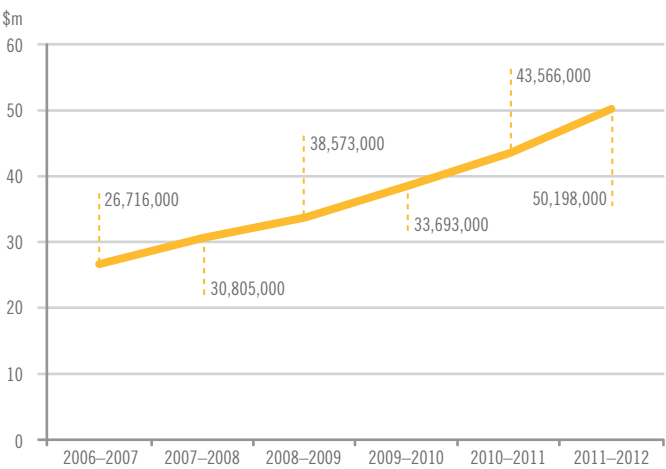
EXPENDITURE SOURCES 2011-2012	\$000	% TOTAL REVENUE
● Employee Benefits	51,195	48.29
● Materials & Services	38,795	36.59
● Bad & Doubtful Debts	1,473	1.39
● Depreciation	11,711	11.05
● Other Expenses	2,837	2.68
Total	106,011	100.00





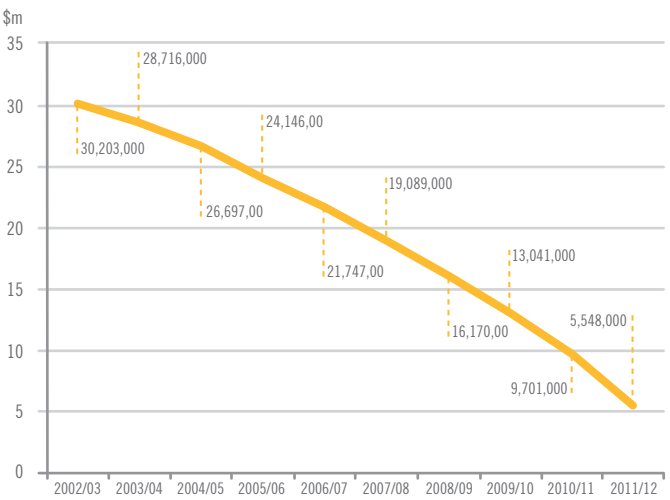
Cash Position

Council continues to improve its cash position with all reserves and provisions being fully funded allowing Council to plan for major projects in the future.



Council Debt

Council's continued adherence to its long term financial plan has seen debt reduced to \$ 5.5million as of 30th June 2012.



06 What we delivered to our community – Some Facts

Council provides over 80 different services to its community, each contributing towards achieving the Council vision, key commitment areas and strategies. Below is a snapshot of some of the services Council has delivered to its community during 2011/12.

WHAT HAVE WE DELIVERED	2009/10	2010/11	2011/12
Our Customer Service			
Number of customer requests	24,815	28,189	29,304
Number of counter enquiries	118,722	135,343	84,603
Number of phone enquiries	138,441	93,184	75,119
Number of emails responded to (via Council email)	11,476	15,757	36,529
Percentage of calls resolved at first point of call	74%	79%	80%
Our Community – Communication, Programs, Support			
Number of media releases issued	174	142	135
Number of publications translated into Community languages across all areas of Council	337	226	144
Number of web page views	1,874,986	1,932,790	1,990,976
Number of visits to libraries	536,838	527,646	543,842
Number of visits to Community Centres	338,476	250,089	252,869
Number of loans from libraries	816,531	808,110	844,377
Number of people who attended programs at libraries	14,450	13,368	14,508
Community Grants – total funds available	\$101,516	\$118,716	\$134,000
Number of visits to Maribyrnong Aquatic Centre	724,945	895,393	1,037,853
Number of sporting clubs we supported	60	60	60
Our Families, Children, Youth, Elderly			
Number of children immunised through Maternal Child and Health service	5,258	4,618	4,073
Council's ranking for immunisation rates (% of children aged 12 to 15 months fully immunised)	91.6	92.64	94.23
Number of hours of child care provided through Family Day Care	162,129	128,038	108,680
Number of young people supported through regular programs, counselling service and activities	8,000	10,394	21,223
Number of frail aged and older adults and people with disabilities that have used home and community support services ¹	2,638	3,195	1,940
Number of hours of care provided to frail and older adults and people with disabilities ¹	146,369	147,408	85,274

¹ The drop in these figures is as a result of the ceasing of the Veterans Home Care program and reduction in Centre Based meals

Highlights over the last three years

- The number of emails Council's Customer Service area has responded to has increased by 218%
- The number of young people supported through regular programs, counselling service and activities has increased by 165%
- Council's Street tree planting has increased by 40%
- The number of visits to the Maribyrnong Aquatic Centre has increased by 43%
- A greater proportion of residents feel safe, both during the day and at night
- Over the last three years Council has developed a strong identity as a Festival City which has attracted significant and highly successful festivals to the City of Maribyrnong.
- Council's financial contribution towards festivals has increased by 104%.

WHAT HAVE WE DELIVERED	2009/10	2010/11	2011/12
Universal Services, Amenity and Planning			
Number of households provided refuse/recyclable collections	31,000 approximately	31,400 approximately	approximately 32,000
Number of trees maintained in reserves, parks, playgrounds	Approx 42,000	Approx 42,532	Approx 43,600
Km of drains maintained	356km	356km	356km
Number of inspections of registered food and health premises	1,653	1,721	2,485
Number of planning applications processed	782	821	781
Number of registered dogs/cats	9,895	10,646	9,643
Community / Festivals			
Perception of safety during the day	77.1%	76.7%	79.8%
Perception of safety at night	55.1%	51.2%	60.1%
Number of Festivals we have held / supported	6	6	13
Grants provided towards Festivals	\$133,000	\$135,500	\$271,737
Environmental Sustainability			
No. of new Green Waste Collection subscribers	989	1,307	1,052
No. of street trees planted	990	532	1,068
Total Greenhouse Emissions in Tonnes CO ₂ e	12,231	12,281	11,082
Less use of Greenpower	3088	3065	4,333
Total Net Greenhouse Emissions in Tonnes CO ₂ e ¹	9,143	9,216	6,749
Water Consumption Data – in Megalitres (Base Year = 2000/2001 = 349ML)	170	152	165
Number of households subscribing to Green Waste Bins	3545	4558	5430
Tons of waste to landfill	34429	37775	34334
Recycling in tonnes	8185	8155	8154
Green waste processed (includes At Call Hard and Green Waste and User Pays Green Waste)	4699	1411	2066

1 2011/12 Gross Emissions data includes 5.7% of estimated greenhouse emissions.

07 [About Maribyrnong

7.1 Our place

The City of Maribyrnong comprises nine suburbs – Footscray, West Footscray, Yarraville, Seddon, Kingsville, Maribyrnong, Maidstone, Braybrook and Tottenham – all which are currently experiencing significant change.

There is widespread gentrification and increasing housing prices, the restructuring of manufacturing industries which is contributing to a number of large redevelopment projects, and more than \$1.2 billion of investment and development taking place in Footscray alone.

The City of Maribyrnong has a population of more than 74,000, with 38.9% of residents born overseas. The population comes from more than 135 different countries, speaking 83 languages. The municipality provides the gateway to Melbourne's West – the fastest growing region in Australia, with more than 180,000 people moving in each year.

Maribyrnong City Council has a vision to establish the municipality as a 'Festival City' and, in 2010, endorsed its Festivals Policy and Strategy Plan to guide its ongoing strategic positioning of the Festivals Grants Program.

The three most important reasons why people choose to live in the area are:

- Access to public transport (82.6%)
- House prices (81.9%)
- Handy to work/opportunities to employment (80.5%).

(source: 2011 Annual Community Survey)



7.2 Our people

- The current population is estimated at 74,005 persons (ABS estimate, June 2011), which is a 1.7% increase on the previous year and a 14% increase on the Census 2006 population
- The biggest age groups are 25-29 with 11%, followed by 30-34 with 10.5% and 35-39 with 9.7%

- The City remains the third most disadvantaged municipality in Victoria (ABS Socio Economic Disadvantage Index for Areas (SEIFA), with a ranking of 948.5)
- 79% of dwellings have an internet connection, with 68% of dwellings with a broadband connection
- There is a large proportion (27.3%) of lone person households
- The City's average weekly household income is \$1,258
- The City has a high rental market – 40% of all households are renting (both public and private)
- 32.3% of people were attending an education institution with 30.8% of those attending a tertiary or technical institution, such as University or TAFE (Census 2011)
- 49% of people have Year 12 or equivalent qualification (Census 2011).

7.3 Our multicultural community

- 38.9% of people were born outside of Australia
- The City's population comes from more than 135 different countries, speaking more than 83 languages
- The older established groups include residents born in Italy, Greece, Macedonia, Serbia, Croatia, Poland, Chile and Turkey; while the newer established groups include residents born in Vietnam, India, Horn of Africa, Bosnia, Philippines and China
- The ten main languages spoken are English, Vietnamese, Cantonese, Greek, Mandarin, Italian, Macedonian, Spanish, Arabic and Hindi
- The top five ancestry countries are United Kingdom, Australia, Vietnam, China and Ireland
- Over 324 Aboriginal and Torres Strait Islander people live in the City of Maribyrnong.

7.4 Our working and business community

35,434 residents are employed, with 18% working and living in the City of Maribyrnong. The three most popular occupation groups of residents (2006 Census) were:

- Professionals (6,737, or 24.0%)
- Clerical and administrative workers (4,297, or 15.3%)
- Technicians and trades workers (3,207, or 11.4%).

The City of Maribyrnong is home to approximately 6,500 businesses.



Maribyrnong's four key industries sectors for employment are education, health, retail and manufacturing. These sectors generate 60% of available jobs.

The City's unemployment rate was 7.8% for the March quarter 2012, which is 2.6% above the State average of 5.2% and the Melbourne average of 5.1%.

7.5 Changes

The changes the City of Maribyrnong will continue to see in the next five to 20 years include:

- Continued population growth – forecast to grow to 107,901 persons by year 2031, which is a 31% increase on the current population
- An increase in multi storey developments within the Footscray Activity Centre
- An increased wealth gap
- Changes in land use – increase in residential and high rise developments
- Significant increase in residential developments across Maribyrnong, particularly medium density
- New infrastructure developments, such as the Regional Rail Link.

7.6 Liveability and Wellbeing

Liveability refers to the influence that the urban environment of a city has on the wellbeing of its residents. This includes commercial and residential design, and the amenity of a city including accessibility of services and facilities including roads and other civic infrastructure, schools, sporting facilities, parks and gardens, child care and public transport.

- The top three chronic preventable lifestyle diseases for females in the City of Maribyrnong are heart disease, type 2 diabetes and depression. For men, the top three diseases are heart disease, lung cancer, and stroke
- 5.5% of the population have Type 2 diabetes and 56% of men and 32% of women are overweight or obese (Victorian Population Health Survey 2011)
- Females in Maribyrnong experience the poorest health in the Western Region sub-region (with a disease burden rate of 134.9 disability adjusted life years per 1,000)
- Males in Maribyrnong have the lowest life expectancy in Victoria (74.8 years)

- Approximately 1 in 5 people living in the City of Maribyrnong have a disability
- 9.5% of households in Maribyrnong are spending 30% or more of gross household income mortgage payments
- 13.5% of households in Maribyrnong are spending 30% or more of gross household income on rental repayments
- 24.4% of people living in Maribyrnong are experiencing transport limitations
- 7.1% of people living in Maribyrnong had experienced food insecurity (not having access at all times to enough food to live an active and healthy life).

7.7 Local and Regional Significance

The City of Maribyrnong provides a number of local and regional services and facilities of significance. The most notable are Footscray Business Centre, Highpoint Shopping Centre, Victoria University, Western Hospital, Maribyrnong River, Stony Creek, Footscray Park and Whitten Oval.

With a regional educational focus, Victoria University's two Footscray campuses host over 15,000 students and employ close to 1,200 staff.

The City also:

- borders the City of Melbourne
- has easy access to Docklands, and an extensive public transport system
- is the gateway to the Western Region.

The Regional Rail Link – Australia's largest public transport infrastructure project – is a major new rail line running from West Werribee through Deer Park and suburbs including Sunshine and Footscray to Southern Cross Station. For the first time it will separate regional trains from metropolitan trains. For Maribyrnong City the Regional Rail Link will deliver, amongst many other projects, a new dedicated Regional Rail Link tracks, significant improvements to Footscray station, and a brand new West Footscray station.

Footscray Station will be upgraded to a major country interchange with new platforms and escalators. The new line will allow country trains to run express from Footscray to Southern Cross Station.

The Regional Rail Link project is being built with funding from by both the Federal and Victorian governments.

08 Council Planning Framework



Community Participation

- 13.4% of the population volunteered for an organisation or group – compared to 15.8% for the Melbourne Statistical Division (Census 2011).
- 9.4% of the population provided unpaid assistance to a person with a disability – compared to 10.9% for the Melbourne Statistical Division (Census 2011).



Festivals/Events

Over the last twelve months Council has developed a strong identity as a Festival City which has attracted significant and highly successful festivals to the City of Maribyrnong.

A snapshot of selected community focused events Council has organised, or actively participated in:

- Ethiopian New Year festival
- Albanian Festival
- Carols in the Gardens
- East Meets West Lunar New Year Festival
- St Jerome's Laneway Festival
- Quang Minh Tet Festival
- Yarraville Arts Festival
- Seddon Festival
- Melbourne Food and Wine Festival 'Feasting in Footscray' includes Vietnam on a Plate, Rickshaw Run, Farmers Market at Footscray Station
- Ashiki Afrika Festival
- Melbourne Queer Film Festival
- Big West Festival
- Black Arm Band Concert as part of the Wominjeka Festival.

8.1 Working with our Local Communities

Community Participation / Funding

Council provides annual financial contributions to support community projects, initiatives and local festivals that contribute to achieving Council Plan priorities and enhance life for the communities of the City of Maribyrnong.

The two funding programs are as follows:

- Community Grants** – allocation of \$135,000 to 54 groups
- Festivals Grants** – allocation of \$271,737 to 12 organisations (eg East meets West Lunar New Year Festival, Ashiki Afrika Festival, Albanian community Festival, Big West Festival).

Every year Council runs or supports 11 festivals in partnership with local cultural groups and through its Festivals and Events Grants program.

09 [Corporate Governance



9.1 Council Meetings

Maribyrnong City Council Meetings are held on a monthly cycle. On 21 February 2012, Council established the City Development Special Committee and the Community and Services Special Committee, under Section 86 of the Local Government Act 1989.

Previous Meeting Cycle (1 July 2011-21 February 2012)

On the second Tuesday of the month, Council held the Community Access and Strategic Policy (CASP) meetings, where residents were able to present matters of community interest to the full Council.

On the third Tuesday of the month, Council held its Ordinary Council Meetings, where all decisions regarding planning matters, policies and programs were made.

Planning forums were held on the fourth Tuesday of the month. This forum enabled Councillors to meet with applicants and objectors, and hear first hand about proposed developments and issues of concern, prior to making a planning decision at the Ordinary Meeting.

CASP Meeting – Chair

30 July 2011 – 13 December 2011 – Cr Dina Lynch

1 February 2012 – 21 February 2012 – Cr John Cumming, Mayor

Planning Forum Meeting – Chair

30 July 2011 – 13 December 2011 – Cr John Cumming

1 February 2012 – 21 February 2012 – Cr John Cumming, Mayor

New Meeting Cycle (21 February-30 June 2012)

From the commencement of the new meeting cycle, on the second Tuesday of the month, Council held the Community and Services Special Committee meeting, where decisions principally relating to community, services and infrastructure were made.

On the third Tuesday of the month, Council held its Ordinary Council Meetings where decisions principally regarding city development and planning were made.

On the fourth Tuesday of the month, Council held its City Development Special Committee meetings where decisions regarding governance, finance, and major strategic issues were made.

Ordinary Meeting of Council – Cr John Cumming

Community and Services Special Committee – Cr Sel Sanli

City Development Special Committee – Cr Martin Zakharov

9.2 Committees and Advisory Groups


An important part of the role of a Councillor is to represent their community on special interest committees or advisory groups. Each year, Councillors are elected to committees that have a local or regional focus.

There is a requirement that Councillors report back to the community and their fellow Councillors via the Ordinary Meeting of Council each month. This helps Council fulfil its commitment to govern responsibly and transparently.

09 [Corporate Governance

COUNCILLOR REPRESENTATIVE

COMMITTEE/ADVISORY GROUP	2010/11	2011/12
Audit Committee	Cr Carter Cr Lynch Cr J Cumming	Cr J Cumming Cr Clarke Cr Lynch
Big West Festival Board	Cr Zakharov	Cr Zakharov
Brooklyn Community Reference Group	Cr Clarke	Cr Clarke
Disability Advisory Committee	Cr Carter	Cr J Cumming
Heritage Advisory Committee	Cr Zakharov	Cr Zakharov
Highpoint Structure Plan Project Advisory Committee	Cr Lynch	Cr Lynch
		Cr Carter
LeadWest Board	Cr Carter	Cr Carter
Living Museum of the West	Cr Zakharov Cr Lynch	N/A
Maribyrnong Arts and Cultural Advisory Committee	Cr Zakharov	Cr Zakharov
Maribyrnong Drug Strategy Reference Group	Cr J Cumming Cr Zakharov Cr Lynch	Cr Cumming Cr Zakharov Cr Lynch Note: dissolved in September 2011
Maribyrnong Rail Impacts Community Group	Cr Zakharov Cr J Cumming	Cr J Cumming Cr Clarke
Maribyrnong Safety Advisory Committee	n/a	Cr J Cumming
Maribyrnong Safety Taskforce	Cr J Cumming	Cr J Cumming Note: dissolved in September 2011
Melbourne Metropolitan Waste Management Group	Cr C Cumming	Cr C Cumming
Metropolitan Transport Forum	Cr Zakharov	Cr Zakharov
Municipal Association of Victoria	Cr Clarke Cr J Cumming (sub)	Cr Clarke Cr J Cumming (sub)
MAV Housing Growth Requirements Councillor Reference Group	Cr Sanli	Cr Sanli Note: dissolved in November 2011
Municipal Association of Victoria – Human Services Advisory Group	Cr Clarke	Cr Clarke
Regional Rail Link Community Reference Group	Cr Zakharov	Cr J Cumming
Roadsafe West Gate Community Road Safety Committee	Cr Carter	Cr Clarke
Victorian Local Governance Association	Cr Zakharov Cr C Cumming	Cr Sanli Cr J Cumming (sub)
Western Melbourne Tourism Board	Cr Carter	Cr Carter
Youth Forum	n/a	Cr Sanli
Youth Leadership and Advisory Council	Cr Sanli	Cr Sanli Note: dissolved in August 2011



9.3 How Council communicates with its community

Council is committed to regularly communicating with its diverse community in an open and timely manner, using a range of different communications tools. These include:

- The comprehensive Council web site www.maribyrnong.vic.gov.au
- Flyers and brochures to promote Council services and programs
- Weekly advertisements in local newspapers
- Community Update packs – incorporating the Maribyrnong News residents' newsletter – delivered three times a year to all local households and businesses
- Media relations – issuing media releases and photo opportunities, and responding to media requests
- Regularly posting updates to Council's Facebook and Twitter pages
- Making information and publications available at Community Information Points at Council facilities (for events, consultations and services information)
- Community education events and activities, for example, water saving forums.

Council also seeks community input through its Annual Community Survey. During 2011-12, Council conducted its eighth in-depth survey.

Eight hundred residents were randomly selected across the eight suburbs (100 per suburb) and interviewed face to face. The survey measured 'level of importance' and 'level of satisfaction' with key council services and facilities, and identifies issues of importance to the community. Key survey results are reported in this report against the Council Plan's six key commitment areas.

10 [Report of operations

10.1 Local Government Act S131 (2) (b)

The following section provides an overview of the past 12 months of operations at Maribyrnong City Council and focuses on:

- Council's achievement of the 107 actions from the Council Plan 2009-2013 Annual Action Plan 2011-12
- Significant projects and programs
- Major capital works.

Each of the key commitment areas in the Council Plan have a number of strategies and actions to ensure the overarching commitments of Council are met.

Council's Long Term Financial Plan remains the guiding document for Council's finances. The Plan is reviewed annually and addresses many challenges – the most significant of these being cost shifting from other levels of government, repaying Council's inherited debt, and managing asset renewal. Council's Long Term Financial Plan relies upon income from other levels of government.

The Report of Operations also provides information about services and the organisation in accordance with the requirements of the Local Government Act 1989.

10.2 Council Plan 2009-13

Report on 2011/12 Actions

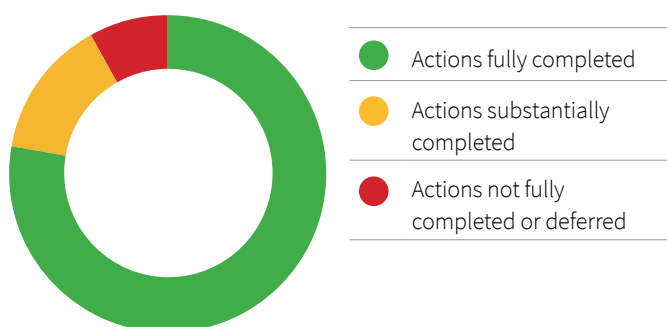
The Council Plan 2009-2013 was developed and adopted by Council in 2009. In order to achieve the stated vision, Council identified six key commitment areas:

- 1. Building Community Spirit, Engagement and Places**
- 2. Prosperity**
- 3. Moving Around the City**
- 4. Amenity**
- 5. Environmental Sustainability**
- 6. Organisational Performance.**

As part of annual planning process, Council has committed to 107 actions across the six key commitment areas. Progress on these actions has been reported to Council on a quarterly basis, providing ongoing transparency to show how Council is tracking on each of the actions.



Using a corporate performance reporting system, Council has adopted a 'traffic lights' approach to demonstrate its performance against each action. The overall achievement of actions is presented below:



The actions that were not fully completed or deferred (8%) were due to a number of reasons including risk factors, delay in State Government decisions/funding, reallocation of funds to address constraints and lack of resources and external funding.

Actions deferred to 2012/13

- Review of Waste Minimisation Strategy
- Review of Council's Fleet operations
- Parking Guidance System for the Footscray Central Activity Area (CAA)
- Review of Council's Road Management Plan
- Development of Council's Risk Strategy.

The next section of the report provides an overview of each action, its completion status, and strategic indicators for each of the six key commitment areas.



10.3 Building community spirit, engagement and places

Strategic Objective

We will build community spirit through the provision of quality facilities, responsive services and people based places with a focus on proactive engagement and community participation in civic life.

Action completely achieved (100%) ●
 Action substantially achieved (70%+) ●
 Action not fully completed (less than 70%) ●

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Provide opportunities that encourage and foster citizen engagement and participation in decision making processes.	Completed design for landscape improvements for Railway Reserve, Footscray.	●
	Commenced design works for the Braybrook Library as part of Community Infrastructure Plan, year 1 priority.	●
	Commenced developing Concept Plan and Service Model for the early years hub in Burns Street, Maidstone.	●
	Implemented Library extend opening hours at Yarraville, West Footscray and Footscray libraries.	●
	Completed the review of the Ageing Well Strategy 2011-2016.	●
	Completed the 1st stage of the Master Plan for the redevelopment of RecWest Footscray.	●
	Reviewed the Council Plan 2009-13, and develop Annual Actions for 2012/13.	●
	Undertook the 2011 Annual Community Survey.	●
	Completed a youth leadership and participation model reflective of the needs of young people in the City of Maribyrnong.	●
	Developed a Multicultural Policy.	●

10 [Report of operations

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Promote the City's arts, culture, heritage and diversity.	Prepared a draft Heritage Interpretation Strategy.	●
	Restored the Avenue of Honour memorial plaques, to be installed as part of the memorial project.	●
	Held a number of Maribyrnong Walking Tours.	●
	Developed Footscray Integrated Marketing Strategy, and Year 1 actions implemented.	●
	Pop-up Art installation has been designed in conjunction with the Department of Planning and Community Development as part of Footscray Renewal Project.	●
	Held a number of events to promote Reconciliation.	●
	Completed Strategic Arts Framework.	●
	Continued to plan and design Arts Grants and Public Arts projects, with first year calendar of events being very successful.	●
	Developed Festival City 'branding' and offered a highly successful first year of Council's Festival City.	●
Plan new residential developments that integrate into existing neighbourhoods, are designed to promote a sense of community, and contribute to the provision of public spaces, community facilities and services.	Delayed the development of planning directions for the Northern Maribyrnong Defence site as Council is awaiting government decisions.	●
	Completed Planning Scheme amendment for the Neighbourhood Character Overlay.	●
	Completed Municipal Housing Strategy.	●
	Commenced the preparation of an Options Paper on preferred approach to Developer Contribution Scheme.	●
	Completed Financial Modelling for Community Infrastructure Plan to guide future discussions with developers.	●



STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Promote environments that support the health and wellbeing of the community.	Developed and printed “ <i>Shelter in Place</i> ” community awareness campaign material to be distributed to all households.	●
	Continued to work with government and community stakeholders to improve safety and perceptions of safety.	●
	Provided an interim location for the Footscray Senior Citizens Centre, funded by the Department of Transport.	●
	Continued to plan for the new Footscray Senior Citizens Centre.	●
	Continued to review the Municipal Youth Strategy.	●
	Developed and implemented a Gender Equity Public Statement.	●
	Identified 13 potential sites for community gardens, in consultation with the community.	●
	Continued to promote and develop opportunities to ensure determinants of health are integrated into core Council policies, strategies and actions, for example, the Multicultural Strategy, Safe Travel Strategy and Housing Strategy.	●
	Reviewed the Café Meals Program, with number of Café’s increasing.	●
	Completed “ <i>Taking Control</i> ” Consumer Guide.	●
	Completed a ‘ <i>Wellbeing and Liveability</i> ’ report.	●
	Reviewed and updated the Responsible Gambling Policy, and prepared an amendment to the Maribyrnong Planning Scheme.	●
	Implemented first year of “Incredible, Edible, Moveable Maribyrnong” project.	●

10 [Report of operations

10.4 Prosperity

Strategic Objective

We will facilitate and advocate for better access to education, housing, health, employment and cultural services for all residents so they have every opportunity to reach their full potential.

Action completely achieved (100%) ●
 Action substantially achieved (70%+) ●
 Action not fully completed (less than 70%) ●

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Promote and support a skilled community that is adaptable to changing workforce needs through education, training, business skills development and promoting life-long learning.	Council Participated in the SEED program where four young people have been employed across different areas of Council. Worked with Regional Rail Link and developers for creating local job opportunities.	●
	Implemented 'A River of Words' initiative to support the development of literacy skills in the early years.	●
	Facilitated the L2P learner driver volunteer mentor program to assist young people gain driving experience. Secured additional 3 year funding for program to continue.	●
	Implemented the 'Braybrook Early Years Project' to improve access and participation in universal early years services.	●
Support industries and businesses which will create varied employment opportunities and enhance the social and economic wellbeing of residents.	Continued to support businesses in Footscray through a range of programs, including Footscray Shopfront Improvement Scheme, Street Furniture, Footscray Integrated Marketing Strategy (FIMS)	●
	Implemented the Maribyrnong Economic and Industrial Development Strategy. Commenced developing a Framework Plan for the Hampstead Road Precinct.	●
	Held quarterly Business breakfasts to support network opportunities for local social enterprises.	●
	Provided classes in libraries and community centres to facilitate access to the internet and new technologies.	●
Develop programs to increase and encourage community activities/entertainment within the public realm.	Continued to advocate for State Government support and funding for the Footscray Renewal Initiative including an investment in social infrastructure and programs. Projects include: Footscray Structure Plan, Irving Street Structure Plan, Regional Rail Link. Received a grant of \$40,000 from Department of Justice for public lighting projects.	●



10.5 Moving around the city

Strategic Objective

We will plan, implement, manage and advocate for transport and parking systems for the City that enable people to get around and arrive safely at their destination, with a positive impact on community wellbeing and the environment.

Action completely achieved (100%) ●
 Action substantially achieved (70%+) ●
 Action not fully completed (less than 70%) ●

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Develop and promote safe, accessible, environmentally and economically sustainable transport infrastructure.	Completed the Northern Maribyrnong Integrated Transport Strategy.	●
	Implemented the Maribyrnong Strategic Bicycle Plan Year 5 actions.	●
	Continued to implement “safety around schools” program.	●
	Completed the Maribyrnong Integrated Transport Strategy with Priority Actions Year 1 identified.	●
Promote and support life-long mobility, ensuring access for all ages and abilities through our City.	Implemented the Maribyrnong Walking Strategy.	●
Advocate to both State and Federal Governments for new and improved transport infrastructure.	Continued to advocate for the best outcomes for Council and the community on transport related projects including the Regional Rail Link. Continued on joint advocacy work with the Western Transport Alliance.	●
Ensure the City’s traffic management system can move people, goods and services safely, efficiently and conveniently.	Implemented the Traffic Management works program for key locations throughout the City.	●
	The development of the Parking Guidance System for the Footscray Central Activity Area (CAA) has been delayed, and rolled over to 2012-13.	●
	Improvements to City’s Street Lighting has been rolled over to 2012-13 due to delays in the approval process.	●
	Commenced the development of Residential Parking Permit Policy.	●

10 [Report of operations

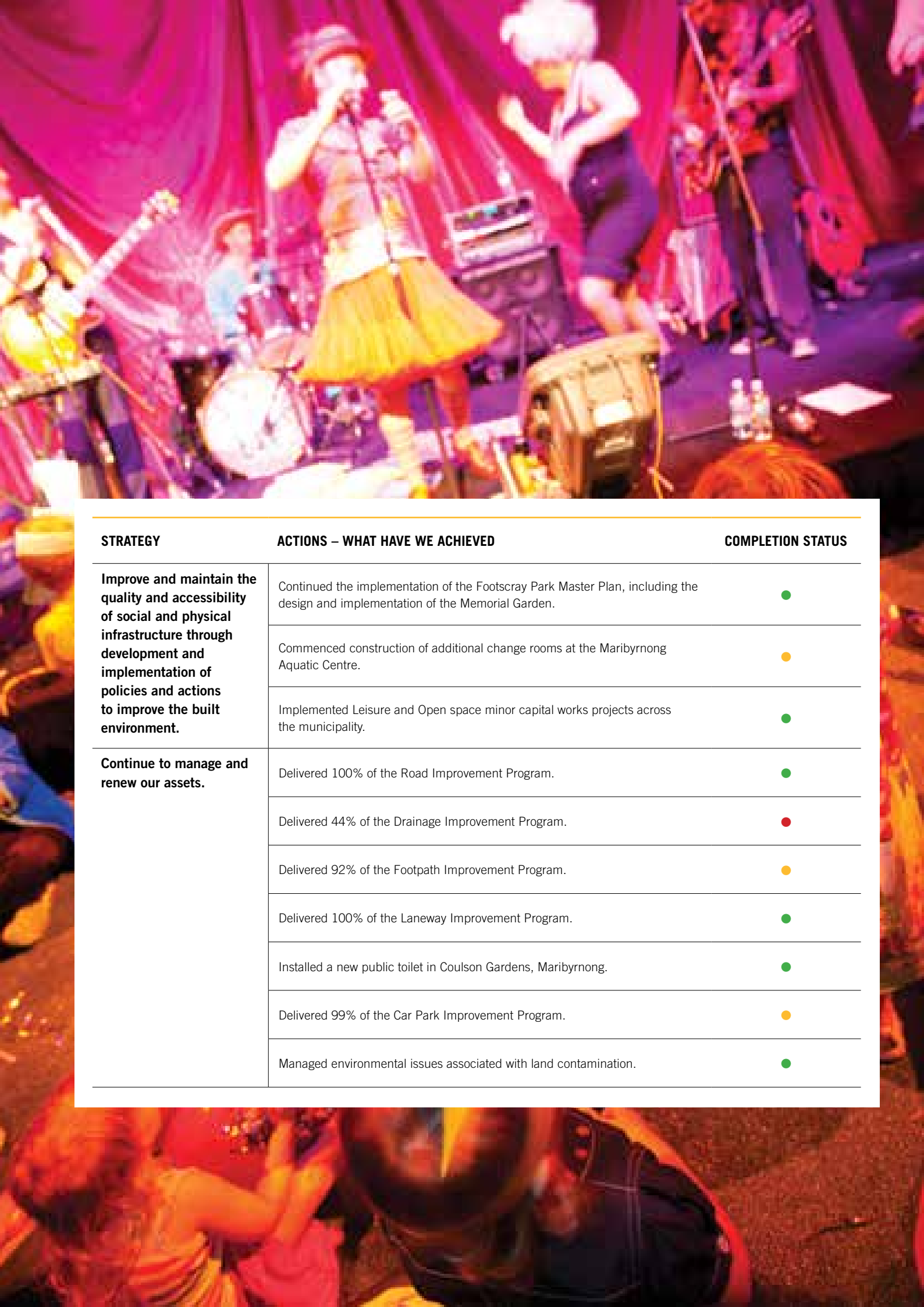
10.6 Amenity

Strategic Objective

We will create a well planned City and improve its amenity by creating streets and spaces, neighbourhoods and public places that are safe, sustainable, well used and the pride of the community.

Action completely achieved (100%) ●
 Action substantially achieved (70%+) ●
 Action not fully completed (less than 70%) ●

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Provide integrated and responsive actions (planning enforcement, building control, local law, animal management and customer responses) to maximise public amenity and safety.	Raised community awareness of Rooming Houses Regulations and Requirements. Activities included organising a State wide Conference attracting over 100 attendees.	●
	Commenced a review of Council's General Purpose Local Law.	●
	Set up a new Rapid Response Unit to address amenity, waste and cleanliness issues. The unit is fully operational.	●
	Installed CCTV in Footscray Central Activity Area (CAA), and continued to monitor its outcomes.	●
Improve and maintain the quality and accessibility of social and physical infrastructure through development and implementation of policies and actions to improve the built environment.	Continued to implement the Yarraville Traffic and Urban Design Framework, including the Pop Up Park – a highly successful project, attracting high use of the area.	●
	Commenced a process of strengthening the place management role within the Footscray Central Activity Area.	●
	Implemented recommendations of the Seddon Urban Design Framework – streetscape and street tree planting projects in consultation with the community. Completed Streetscape Construction documentation.	●
	Completed Stage 2 construction of the Barkly Village Streetscape Plan.	●
	Implemented recommendations from the Footscray at Night Lighting Strategy – street lighting improvements, creative light installations.	●
	The Review of Council's Road Management Plan has been delayed and rolled over to 2012-13.	●
	Development of the Waste Minimisation Strategy for 2011 – 2013 has been delayed and rolled over to 2012-13.	●
	Completed first stage of Parks and Gardens service review.	●
	Developed Council's three year capital expenditure program (12/13 to 14/15).	●



STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Improve and maintain the quality and accessibility of social and physical infrastructure through development and implementation of policies and actions to improve the built environment.	Continued the implementation of the Footscray Park Master Plan, including the design and implementation of the Memorial Garden.	●
	Commenced construction of additional change rooms at the Maribyrnong Aquatic Centre.	●
	Implemented Leisure and Open space minor capital works projects across the municipality.	●
Continue to manage and renew our assets.	Delivered 100% of the Road Improvement Program.	●
	Delivered 44% of the Drainage Improvement Program.	●
	Delivered 92% of the Footpath Improvement Program.	●
	Delivered 100% of the Laneway Improvement Program.	●
	Installed a new public toilet in Coulson Gardens, Maribyrnong.	●
	Delivered 99% of the Car Park Improvement Program.	●
	Managed environmental issues associated with land contamination.	●

10 Report of operations

10.7 Environmental sustainability

Strategic Objective

We value our precious environmental resources. In partnership with our community we will lead, trial, and promote sustainable practice.

Action completely achieved (100%) ●
 Action substantially achieved (70%+) ●
 Action not fully completed (less than 70%) ●

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Educate, inform and lead by example in environmental sustainability.	Delivered three key events targeting the Vietnamese community and young children around relevant environmental themes.	●
	Conducted monthly community information sessions on a variety of environmental topics.	●
	Implemented water and energy saving retrofits in Council buildings, for example, solar hot water systems, solar panels, lighting retrofits.	●
	Monitored and reported on the Energy Use, Greenhouse Emissions and Water Use of Council buildings and facilities	●
Deliver services and activities that support the preservation of the natural environment.	Continued the greening of Maribyrnong City through street tree planting and park planting programs.	●
	Implement the Maribyrnong Aquatic Centre's Backwash program to save water and energy.	●
	Continued the implementation of Year 3 of the Carbon Neutral Action Plan – for example, installation of solar panels and lighting upgrade.	●
	Continued the implementation of the Year 3 of the Sustainable Water Management Plan – Council has met its water targets.	●
	Implemented Sustainable Building Management Plan – projects included lighting upgrades, solar panel and water saving initiatives.	●
Work in partnership and collaboration with the community, key stakeholders, industries and other tiers of government, to respond to climate change impacts and reduce inequalities.	Implemented the 'Talking my Language' environment education program, with the production of DVD in Hindi language.	●
	Completed the planning phase for a regional Climate Change Response Plan (in partnership with other councils).	●
	Commenced the Design and Implementation of the Maribyrnong Stormwater Storage and Harvesting program in partnership with City West Water.	●
	Encouraged residents to participate in Sustainable Suburbs in the West regional project, aimed at improving energy efficiency at homes. A new two year program commenced with the appointment of a new supplier, 'Environment Shop'.	●



10.8 Organisational performance

Strategic Objective

We will develop an organisation that is valued and trusted, and facilitate its growth and development to ensure Council is continually positioned to respond to the challenges of providing a best practice service to our diverse community.

Action completely achieved (100%) ●
 Action substantially achieved (70%+) ●
 Action not fully completed (less than 70%) ●

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Develop systems and processes that are innovative, continually improving and ensure accountability and responsiveness.	Implemented the third year of Council's (5 year) Occupational Health and Safety Injury Management Action Plan.	●
	Continued to develop business continuity practices and planning arrangements.	●
	Finalised consideration of participating in shared services model of IT system.	●
	Implemented the second year of Council's Strategic Procurement Action Plan.	●
	Continued to develop community emergency management practices and planning arrangements, in collaboration with other Councils.	●
	Investigated setting up a new Asset Management IT System under the shared services model.	●
	Developed processes to ensure systematic and continued investigation and monitoring of rooming houses to minimise health and safety risk to residents.	●
	Piloted and implemented a centralised appointment system and SMS reminders for Maternal and Child Health appointments.	●
	Undertaken a review of Council's Maternal and Child Health service, and developed a Service Improvement Plan.	●
	Fleet Utilisation Service Review has been rolled over to 2012-13.	●
	Developed new software system to manage rooming house inspections and monitoring.	●
Develop our staff to optimise the performance of the organisation to deliver quality outcomes for the community.	Implemented Council's Best Value Service Review Program.	●
	The development of a Risk Strategy has been rolled over to 2012-13.	●

10 Report of operations

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Develop an organisational culture driven by our core values to achieve a clear and common focus shared by Councillors, management and staff.	Implemented Continuous Improvement Planning program (cultural mapping).	●
	Developed Council's Social Justice and Human Rights Charter.	●

10.9 Wellbeing outcomes and liveability indicators

The Council Plan Annual Actions contributed to the following wellbeing outcomes:

■ Improved:

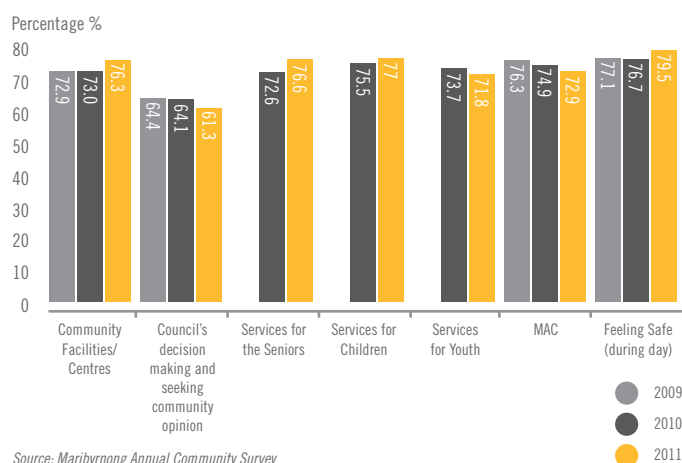
- city wide facilities and open space that improve access to leisure and recreational facilities
- access to healthy travel options, including walking, cycling and user-friendly public transport
- access to opportunities that support life-long learning
- capacity of community members to participate in decision making
- city design that promotes attractive and inclusive neighbourhoods
- community connections through participation in arts and culture
- community safety
- protection of the environment and more sustainable use of natural resources
- social interaction and community participation
- city wide facilities, open space and recreations services.

■ Increased:

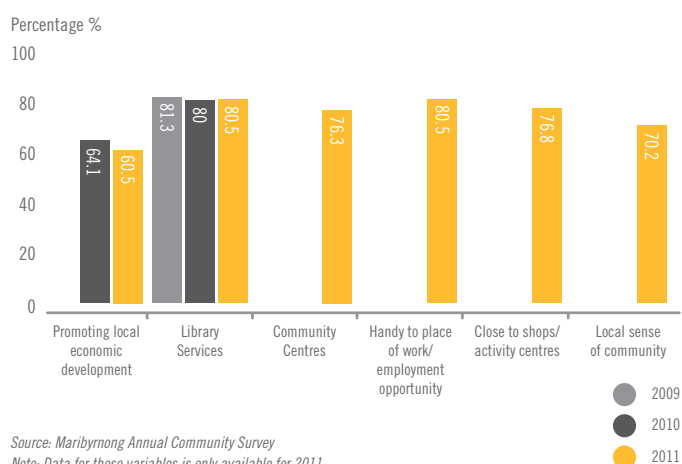
- community harmony and improved social interaction and community participation
- recognition and respect for historical and cultural heritage
- responsiveness, productivity and financial sustainability of Council.

Through the Annual Community Survey Council is able to measure how the Council Plan Actions contribute to wellbeing and livability indicators, (presented below), against the Council Plan six key commitment areas.

Building Community Spirit, Engagement and Places

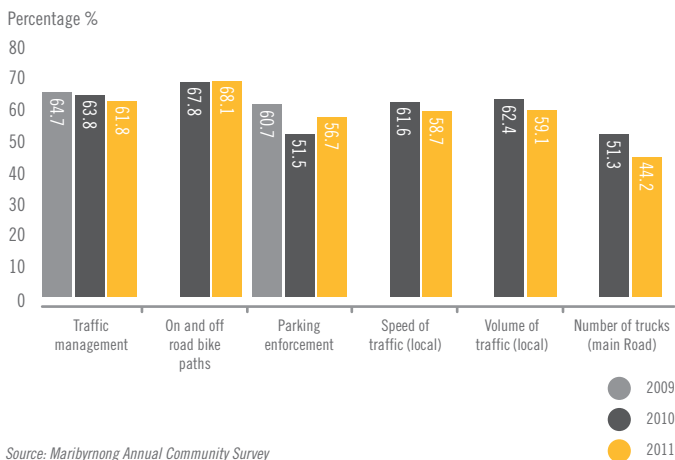


Prosperity

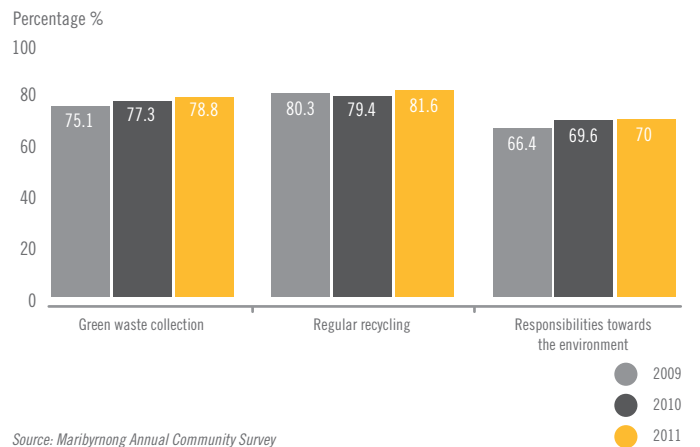




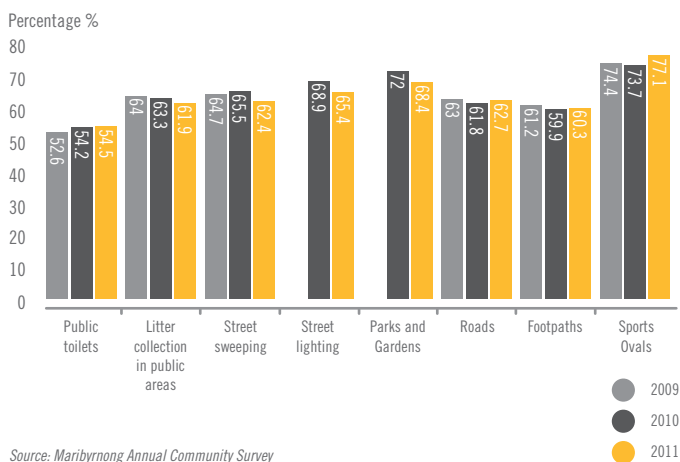
Moving Around the City



Environmental Sustainability



Amenity



Organisational Performance



11 City leadership and management

The following is a snapshot of Council's diverse programs, projects, services and responsibilities over the past 12 months.



11.1 Major projects, programs and improvements

Community garden

Council provided funding of \$125,755 to develop community gardens and other urban agriculture projects.

The focus over 2011-2012 was to redevelop and expand two of Council's existing community gardens in Braybrook and Maribyrnong. In conjunction with community and stakeholders, plans have been developed to expand the Braybrook Community Garden. City West Water have sponsored the garden with an additional \$25,000.00 through the Greening the West Program. The Maribyrnong Edible Garden has been relocated to a new larger site.

A budget of \$110 000.00 to develop another community garden and urban agriculture projects has been allocated for the year 2012/13.

Gender equity and prevention of violence against women

Council developed a range of public statements to support gender equity and prevention of violence against women.

The statements are being transformed into a range of signage and promotional products that will be displayed around the City of Maribyrnong to raise awareness and support gender equity and prevention of violence against women.

Maribyrnong has a long standing commitment to the prevention of violence against women and the promotion of gender equity. The public statements will raise awareness about the importance of a equitable community for all.

The statements were developed with input from the community.

Wheels in the West program

Council's Wheels in the West program has assisted 35 learner drivers with over 400 hours of driving practice.

The program is in its third year and supports those in the community who either lack access to a suitable car or a supervising driver by offering:

- a graduated program of driving lessons with a driving instructor
- driver education sessions including topics on insurance, purchasing a car, legal issues and more
- linking volunteer supervising drivers with learner drivers
- A program vehicle for supervised driving practice.

The Wheels in the West program is an initiative of Council and VicRoads, funded by the Transport Accident Commission, and supported by Alan Mance Holden.

Legal Street Art Project

Maribyrnong Legal Street Art Project is a new initiative that engages with young people across the municipality with the aim of reducing the amount of illegal graffiti in the City by creating wonderful and colourful murals for people to admire and respect.

The young people involved have been working with a well known street artist to create murals. The art work has been created through collaborative brainstorming between residents, the artist and the young people.





Feasting in Footscray

Maribyrnong City Council, Victoria University, Footscray Traders Association, Footscray Community Arts Centre and Foodbank Victoria have worked in collaboration to deliver a number of events in Footscray for the Melbourne Food and Wine Festival.

Feasting in Footscray is part of Council's commitment to produce and support festivals and events which help to raise the City of Maribyrnong's profile as a Festival City.

Transport strategies

Two transport strategies have been developed in response to the expected population growth in the City of Maribyrnong. These strategies set out a vision for more sustainable transport.

- a) *The Maribyrnong Integrated Transport Strategy* – considers all the transport, parking, access and mobility elements that affect the whole municipality.
- b) *The Northern Maribyrnong Integrated Transport Strategy* – focuses on the transport network in and around Highpoint Shopping Centre.

Both strategies are long term plans which will help guide the development of Maribyrnong's transport system over the next decade.

Food Services Program

Council's Food Services program provides 67,000 meals each year to the homes of residents who are having difficulty preparing adequate meals for themselves or to Council's Shared Meals program.

Council has introduced Community Chef specifically to provide 'meals on wheels' services and offer residents a great menu choice. Community Chef is a wholly owned by local government enterprise that makes meals for the delivered meals programs of 21 Victorian Councils. Maribyrnong City Council is the twenty-first Victorian Council to join the Community Chef program.

The meals produced by Community Chef are high quality, nutritious, culturally appropriate and affordable. Community Chef provides a cost effective way for Council to provide meals for our seniors.

Internet Classes for Seniors

Council received a grant of \$19,675 from Telstra to offer free internet education classes to local seniors.

Classes included Introduction to the Internet, Introduction to Email, Sharing Photos Online, Shopping and Banking Online, and were held in libraries and community centres across the City.

Council's Cafe Meals program

Council's Cafe Meals program helps people who do not have the capacity to prepare a meal for themselves to have healthy and nutritious meals.

The program provides clients with a Cafe Meals card, which they present to a range of participating Footscray cafes to receive subsidised, healthy meals.

Council financially contributes to Cafe Meals program, which is part of its Food Services program, including the delivery of over 1300 meals a week across the municipality.

A New Community Activity Centre

The former Footscray Senior Citizens Centre site had to find a new location following the compulsory acquisition of the site by the Regional Rail Link Authority for the Regional Rail Link.

Following a feasibility study, it was agreed that the former Maribyrnong RSL in Maribyrnong would be a suitable new site for the Footscray Senior Citizens group.

With a State government budget of \$1.3 million, the Maribyrnong RSL site received extensive internal renovations as well as a sealed car park and garden development.

11 City leadership and management

The Maribyrnong RSL was renamed to Raleigh Road Activity Centre and offers space to the broader community and organisations, attracting approximately 500 people on a weekly basis.

The Centre also serves as the Day Centre for Council's HACC Physical Activity Group and a storage and despatch centre for Council's Meals on Wheels service providing 1100 meals each week for local residents.

Public Art

Council hosted an internationally recognised New York public artist, curator and arts administrator, Kendal Henry, to lead a collaborative community public art project that has involved local artists creating a variety of pieces for temporary public display in central Footscray.

Henry involved local artists to create innovative, provocative and exciting public art pieces to celebrate the diversity and vibrancy that is unique to Footscray.

This was a rare and exciting opportunity for the City's local artists to not only work with and learn from an internationally recognised leader in the field of public art, but to create something specifically for Footscray.



11.2 Projects / Urban Amenity Improvement

Rapid Response Unit

Council has set up a new Rapid Response Unit to more effectively manage immediate amenity issues. The Unit is responsible for responding to urgent customer service requests within 24 – 48 hours. An example of the areas the unit focuses on include: footpaths, repair to street furniture, dumped rubbish, signage, trees and syringes. Through the rapid response team the Council is able respond to community concerns, maintain its amenity and improve the City's image.

Major Development sites

Council continues to work closely with developers and key stakeholders to ensure future developments within the City are in line with Council's key strategic directions; provide accessible, affordable and high quality housing; and meet the community's diverse needs and expectations. The three significant development sites include:

- **Kinnear's Ropeworks site, Footscray** – residential and mixed use development
- **Bradmill, West Yarraville** – development of a new residential, community and a neighbourhood activity centre
- **Maribyrnong Defence Site, Maribyrnong** – The site is to be developed for residential and significant office developments.

Stormwater harvesting systems

Maribyrnong City Council commenced plans to install stormwater harvesting systems – including underground stormwater tanks – in several public parks to help keep parks and gardens across the City of Maribyrnong green.

The systems, once fully installed, will capture stormwater (rainwater runoff from roofs, streets and parks) that would otherwise be wasted into the Maribyrnong River and store it in underground tanks. The stormwater will be treated and then used for irrigation.

The underground stormwater tanks and treatment systems will be installed in partnership with City West Water, who will operate and maintain the stormwater harvesting systems.

Asset Renewal Program

Council has increased asset renewal expenditure to improve the overall condition of its assets. During the 2011–2012 Council spent \$10,311,450 renewing existing community infrastructure assets, to revitalise the service potential and increase the life of the asset.

During the 2011–2012 year, the road program delivered renewals totalling \$4,717,658 million. This work included \$4,288,244 of road reconstruction and resurfacing, \$340,835 of footpath reconstruction and grinding and \$88,579 of new shared paths.

In addition to the above, Council has also renewed the following assets:

■ Buildings	\$3,713,586
■ Drainage	\$186,235
■ Parks and open space	\$1,200,826
■ Carparks	\$493,145

Condition Assessments of City's Infrastructure

Council has begun assessing its public infrastructure across the City, using cutting edge technology to survey the city's roads, footpaths, car parks, and laneways.

The project gathered data to plan for future capital works programs and to plot the condition and anticipated life span of Council's public infrastructure to assist with maintenance programs.

Inspections made use of various advanced technologies, including ultra high definition cameras, multi laser roughness and rutting indicators, GPS, survey odometer and all terrain survey vehicles with onboard computers.

Pop Up Park

Yarraville's Pop-Up Park won the Mainstreet Innovation Award after Council transformed a section of Yarraville into the great outdoors by installing large planters, synthetic turf, tables, chairs and umbrellas, to allow people to come together, relax and take part in village life.

The Mainstreet Australia awards are designed to celebrate and recognise the people, programs and organisations that make our Main Streets unique.

The Pop-Up Park is one of only a few examples in Australia in a public street and is inspired by similar parks installed overseas in New York, San Francisco and London.

The Pop Up Park operated in Ballarat Street Yarraville (between Murray and Anderson streets) from 1 February to 14 May 2012.

Railway Reserve Masterplan

Council developed the Railway Reserve Masterplan, setting a vision for redevelopment of this 1899 park, including retaining the heritage values of the 1904 Edwardian rotunda.

Future improvements include refurbishing the rotunda, pathway upgrades, additional seating, new planting, fencing, lighting and a barbeque area. Implementation of the Masterplan will commence following completion of the Regional Rail project.

Footscray City Edge Masterplan

Council developed the Footscray City Edge Masterplan following extensive consultation with residents, traders, visitors, government agencies and education representatives.

The Footscray Masterplan establishes a vision for Footscray that integrates open space, greening, access, parking and high quality urban design. The Masterplan supports more parks, more trees, more public art and more opportunities for play for all ages.

The Masterplan envisions high quality waterside living along the Maribyrnong River, highlighting opportunities to improve the riverside landscape, which could potentially support water sports like dragon boating or water side living opportunities. The Masterplan was adopted by Council in March 2012.

Leeds St Reconstruction

Council completed the full redesign and construction of Leeds St in central Footscray in December 2011. The project involved streetscape works covering 320 metres of street between Irving and Ryan Street at a cost of \$2.7million. The works entailed full road reconstruction, footpath widening, tree planting, powerline relocations, new street lighting and street furniture. This project was a major upgrade within the heart of Footscray and involved numerous stakeholders including traders, residents, public transport providers, service authorities and state government departments. The project was jointly funded by the Department of Planning and Community Development but managed by the City of Maribyrnong.

Bike Parking Hoops

Council has installed 22 new bike parking hoops at key locations across the City of Maribyrnong including outside community centres, libraries and shops.

The new hoops improved safety and convenience for cyclists and encourage people to choose cycling as their form of transport (particularly for local trips).

The new bike infrastructure was part of Council's \$100,000 commitment for bike projects in its 2011/2012 budget.

11 [City leadership and management

11.3 Parks, Reserves, Playgrounds, Roads and Footpaths

The City of Maribyrnong has 56 parks and reserves. During 2011-12 upgrades were carried out at the following parks and reserves:

- **Footscray Master Plan Implementation, Footscray Park** – \$300,000 – construction of new memorial gardens including, plinths, furniture and restoration of memorial plaques
- **Heatley Reserve Landscape Upgrade, Footscray** – \$70,000 – installation of new park furniture, landscaping, multi-sports ball court and goal unit.
- **Harmony Park Landscape and Playground Upgrade, Maribyrnong** – \$85,000 – installation of new park furniture, playground equipment, soft fall, asphalt junior cycle track, shelter, basketball hoop and landscaping
- **Johnson Reserve, West Footscray** – \$64,000 – new fencing, paving and drinking fountain
- **Ern Shepherd, Maidstone** – \$18,000 fence replacement
- **Gaudion Reserve, West Footscray** – \$21,000 – park furniture, path connection, landscape works
- **McDonald/Maribyrnong Reserve, Maribyrnong** – \$20,000 – landscape improvements
- **Stony Creek Linear Connections, various locations** – \$25,000 – path works, landscaping, tree planting, bollards
- **Street Tree Planting Program, various locations** – \$250,000 – construction of 256 tree bays and street trees
- **Open Space Asset Renewals, municipal wide** – \$60,000 – installation of new park seating, picnic settings, shelters, mulch, drinking fountain and general landscape maintenance
- **Shorten Reserve, West Footscray** – \$20,000 – final playground improvements to cubby house and art elements
- **Heatley Playground Upgrade, Footscray** – \$73,500 – new climbing element, combination unit, springer and rocker
- **Annual Allocation Playground Replacement, municipal wide** – \$55,000 – installation and upgrade of various playground equipment at numerous locations.

Council has allocated \$440,000 towards Parks Improvement Program. Improvements were made to 13 local parks and included landscape works, park furniture, general upgrades and new sports ground signage as follows:

Ash Reserve, Braybrook

Bell Street Reserve, Kingsville

Bellairs Reserve, Yarraville

Burton Reserve, Maribyrnong

Cambridge Reserve, Maidstone

Costello Reserve, Maidstone

Harris Reserve, Seddon

Hyde Street Reserve, Yarraville

McNabb Reserve, West Footscray

Munroe Square, Footscray

Rogers Reserve, Maidstone

Ruby Square, Braybrook

Swaby Square, Footscray

Bicycle Paths

22% (15,900) of the City of Maribyrnong's population ride a bike at least once a week. Of those residents who cycled in a week 52.4% cycled for transport (Cycling Participation City of Maribyrnong Australian Bicycle Council 2012).

Council built an extra 2.2 kilometers of high quality on road bike lanes this financial year. The City now has 22 kilometres of road bike lanes and 22 kilometres of off road paths including 8 kilometres of shared bike paths on the Maribyrnong River.

During this financial year the Council installed additional 58 bike hoops, bringing the total number of bike hoops to 225 across the City.

Footpaths

Council maintains 680km of footpaths across the municipality. This financial year Council reconstructed 17 footpaths across the City.



Roads

Council maintains 346km of roads across the municipality. The following road improvement projects were completed during 2011-12 in the following streets:

ROADS	SUBURB
Bunbury St – Stage 3 – (Whitehall St to Moreland St)	FOOTSCRAY
Milton St – (Summerhill Rd to Market St)	WEST FOOTSCRAY
Queensville St – Stage 2 – (Chatfield St – Shackell St)	KINGSVILLE
Wales St – (Shackell St to Geelong Rd)	KINGSVILLE
Fairlie St – (Berry St to Somerville Rd)	YARRAVILLE
Gamon St – (Stage 3) – (Browning St to Charles St)	SEDDON
Hotham St – (Greig St to Perry St)	YARRAVILLE

Road resurfacing was undertaken in the following streets:

ROADS RESHEETS	SUBURB
Barkly St – (Ashley St to Warleigh Road)	WEST FOOTSCRAY
Buckingham St – (Errol St to Victoria St)	FOOTSCRAY
Errol St – (Victoria St to Buckingham St)	FOOTSCRAY
Hyde St – Francis Street to Somerville Road (Both Sides) Somerville Road to Lyons (South Bound)	FOOTSCRAY
Stone St – (Williamstown to End of Stone St)	YARRAVILLE
Tenterden St – (Fogarty Av to Benbow St)	YARRAVILLE
Walden St – (Stanhope St to Alma St)	WEST FOOTSCRAY
South Road – (Duke St to Ashley St) Excluding – (Beachley St to Duke St)	BRAYBROOK
Cranwell Street – (Lacy St to Burke St)	BRAYBROOK
Castley Crescent – (Ballarat Rd to Melon St) & Rennison St – (Castley Cr to Churchill Av)	BRAYBROOK
Melon Street – (South Rd to Ballarat Rd)	BRAYBROOK

12 [Our organisation

VINCE HAINING CHIEF EXECUTIVE OFFICER

Vince Haining heads a team of four General Managers who take a leadership role in ensuring that the organisation delivers on Council's 'contract' with the community in delivering on the vision and key commitment areas.



IAN BUTTERWORTH GENERAL MANAGER

INFRASTRUCTURE AND ENGINEERING

The Infrastructure and Engineering Branch is responsible for strategic planning and development of Council's physical assets such as the City's local roads, footpaths, cycle paths, drains, laneways and buildings, along with transport planning, parking management, traffic engineering and public lighting.

The Branch is responsible for Parking and Local Laws, including animal management, compliance and school crossing supervisors; maintenance of assets, including parks and gardens, and providing cleansing services, and recycling, garbage, hard waste and green waste collection services.



NIGEL HIGGINS GENERAL MANAGER

SUSTAINABLE DEVELOPMENT

The Sustainable Development Branch is committed to promoting the long-term sustainable development of the City. The Branch has a strong focus on planning for sustainable developments, creating improvements and the renewal of public realms, increasing economic development, providing urban planning and building services,



STEPHEN WALL GENERAL MANAGER

CORPORATE SERVICES

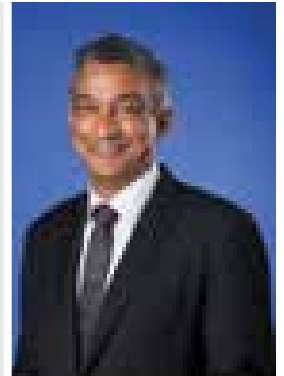
The Corporate Services Branch provides a diverse range of statutory and non-statutory services that are essential to maintain the successful operation and sustainable development of the organisation. These services include all aspects of organisational support including information technology (IT), organisational development (including human resources, occupational health and safety, risk management), communications, governance, customer service, council planning and performance, emergency management, sustainability and climate change, and managing the Council in a financially responsible and sustainable manner. The Branch is also responsible for Council's property management function.



ARDEN JOSEPH GENERAL MANAGER COMMUNITY WELLBEING

The focus of Community Wellbeing Branch is to plan and provide services and functions that support the community, enhance wellbeing and provide opportunities to participate in the life of the City.

The Branch delivers a range of services to support the community in all stages of their lives – from early childhood services, including maternal and child health, through to services for young people and families, and the older members of the community. The Branch promotes a safe and healthy community through public health services, festivals and cultural activities. It also focuses on advocacy for emerging critical issues such as public drinking, problem gambling, rooming houses and public and affordable housing, as well as planning and managing open space and recreation. The Branch is also responsible for leisure and open space, and the Maribyrnong Aquatic Centre.



12.2 Organisational effectiveness

The Local Government Act 1989 (*the Act*) requires Council to prepare a Strategic Resource Plan (SRP) which includes both the financial and non-financial resources required to achieve the strategic objectives included in the Council Plan.

Council's capacity to deliver the objectives of the Council Plan is based on its service culture, people, good governance, business systems and technology, asset management, risk and environmental management, competent financial planning and the application of Best Value principles.

Organisational culture and leadership program

Council is committed to developing a sustainable and accountable performance culture that is driven by our core values of Respect, Courage and Integrity. Council is consistently reviewing its staff development initiatives to ensure that staff are provided with opportunities to improve work practices and reinforce Council's organisational cultural values and leadership competencies.

Our Organisational Values

In determining the desired culture of the organisation, Council staff developed a set of organisational values to guide behaviour:

Respect

This includes the promotion of inclusiveness, empathy, communication, and goodwill.

Courage

This includes the promotion of innovation, considered risk, creativity, problem solving, initiative accountability, and responsibility.

Integrity

This includes the promotion of honesty, loyalty, ethical behaviour, and trustworthiness.

Integrated corporate planning and a performance framework

Council continued to further enhance its Corporate Performance Reporting system. The system integrates all Council's corporate planning and reporting, including:

- Council Plan
- Annual Actions
- Business Plans
- Key Performance Indicators
- Capital Works projects
- Council funded initiatives projects
- Organisational health performance indicators.

12 [Our organisation

Best Value and Continuous Improvement

The current legislation requires councils to report annually to its community on its achievements in relation to Best Value principles. This means:

- All services provided by Council must meet quality and cost standards
- Each service provided by Council must be accessible to those members of the community to whom the service is intended
- All services provided by Council must be responsive to the needs of the community
- Council must provide continuous improvement in the provision of services to its community
- Council must develop program of regular consultation with its community in relation to the principles
- Council must report regularly to its community on its achievements in relation to the principles.

The Best Value principles have been incorporated into Council's Corporate Performance Manager system. All service areas have a number of performance measures, grouped under Best Value principles, and reported in the Performance Manager system.

Council is currently rolling out Best Value Service Review (service reviews) program to enable Council to deliver high quality outcomes to our community.

There are a range of drivers behind service review program:

- Meeting the requirements of the Local Government Act – requirement to apply Best Value principles
- The ongoing sustainability of Council, and our services and programs
- Better management and use of our resources – assets, workforce, finances
- Staying relevant to our community's needs and expectations
- Clarifying priorities for our organisation and teams.

A step by step process has been developed to assist teams in undertaking service reviews, as follows:



Customer Service

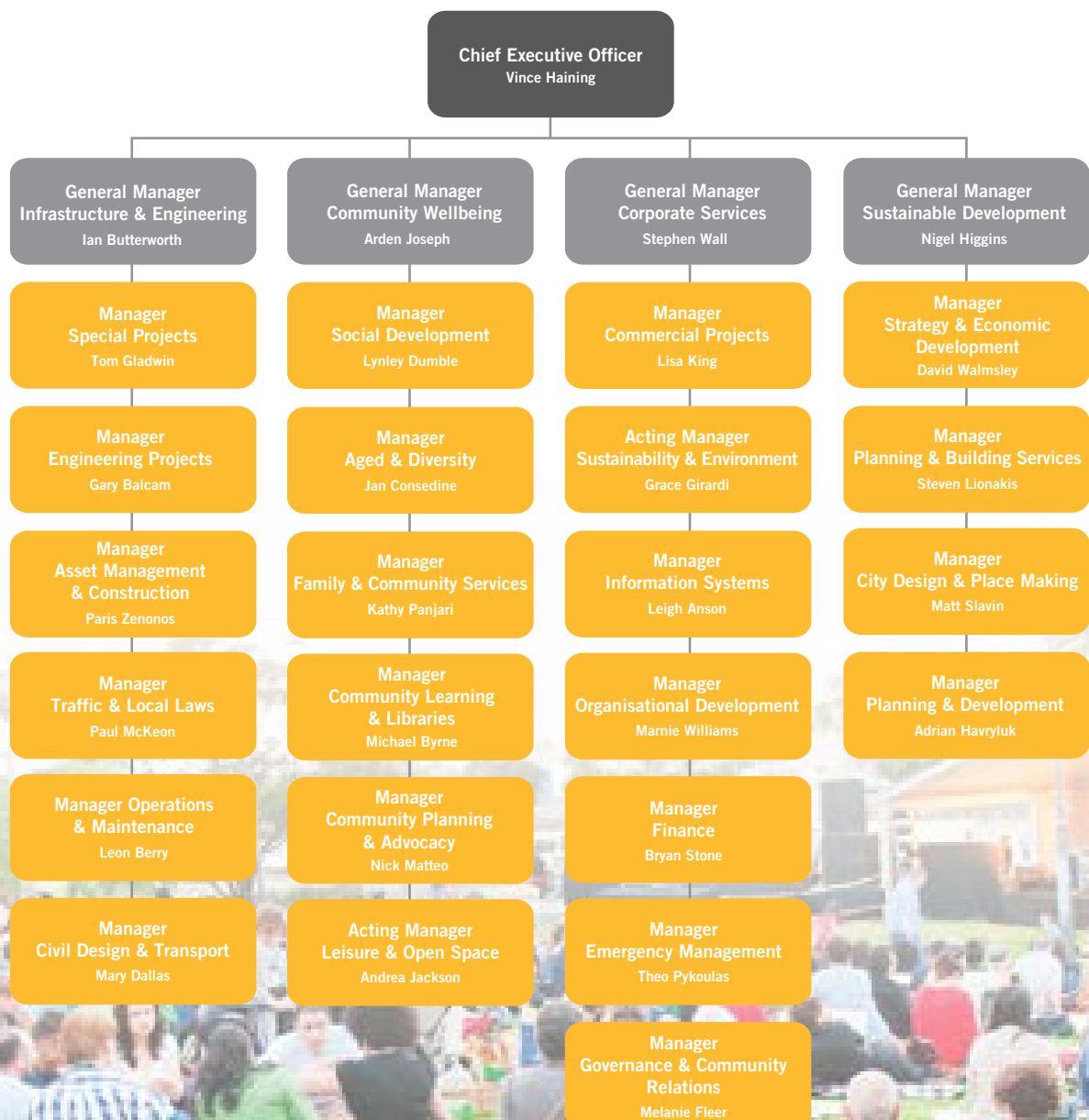
Council has a Customer Service Charter containing a set of standards and principles. The Charter aims to provide high quality customer service. It states that Council is committed to simplifying processes, finding solutions and continuous improvement.

The Charter makes a commitment to ensure all staff provide a customer service based around:

- Empathy
- Courtesy
- Prompt attention
- Clear communication
- Privacy and confidentiality.

Council is committed to resolving at least 65 calls out of every 100 at the first point.

Organisation Structure

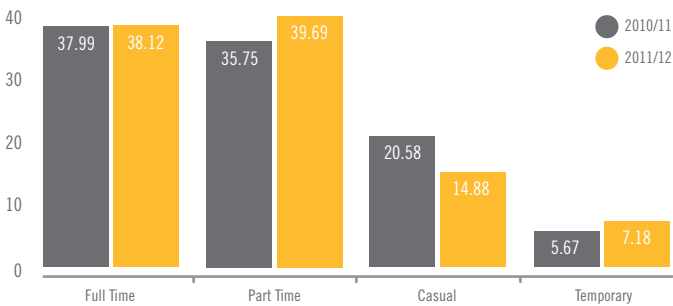


12 [Our organisation

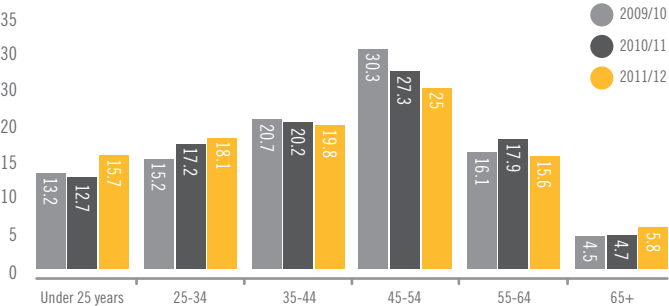
Our staff

As at the end of June 2012, Council's workforce comprised of 766 employees (number based on active paid headcount).
Of the total number of staff, 61% were females and 39% were males.

Staff Employment Status (full time, part time, casual, temporary)



Age Group of Staff



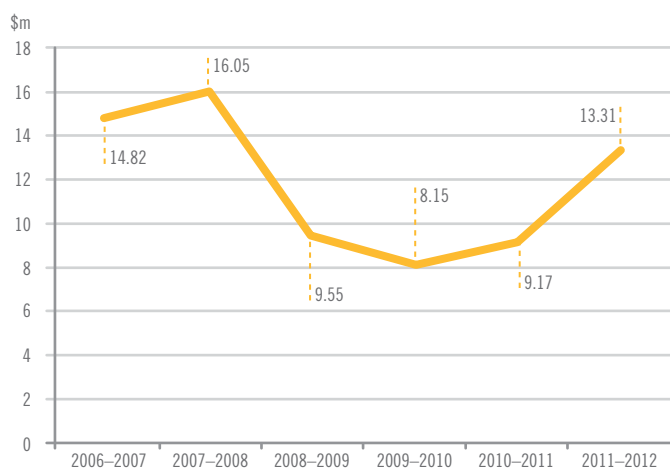
Total = 766





Staff Turnover

For the last few years, Council's staff turnover continued to be lower than the industry target standard of 12.4%. For 2011/12, Council's staff turnover rate increased to 13.31%.



Health and Wellbeing at Maribyrnong

The Health and Wellbeing Program is complementary to the Council's Occupational Health and Safety (OH&S) Program and the Corporate Learning and Development Program.

During 2011-2012 the Health and Wellbeing has delivered the following programs to staff: Tai Chi Ball/Pilates classes, Work Health Checks, Men's Health Morning Tea with Peter Daicos, Women's Health Seminars, Gift Packs, monthly flyers, and newsletters with helpful tips on a variety of health topics.

Learning & Development at Maribyrnong

Council is committed to fostering a workplace where the learning and development of employees is valued and actively encouraged. The overall purpose of the learning and development policy is to enhance the organisation's capacity to achieve its strategies to meet community needs through:

- Improved job knowledge, skills and competencies
- Broadening and deepening of professional skills and capabilities
- Encouragement of individual career development and growth
- Retention of highly skilled and committed staff.

In line with Council's Learning & Development Policy, the Corporate Learning & Development Calendar offered a range of learning and development opportunities in the areas of Customer Service, Communication, Personal Development, Leadership,

IT Skills, Culture/Diversity, Human Resources, OH&S/Risk and technical in-house training.

Risk

Council has remained responsive to managing risk across all its services to ensure the safety and well being of staff, contractors, visitors and residents.

Council will continue to work responsibly and pro-actively maintain the best possible outcomes in risk management.

Contracting and Procurement

This financial year, Council has further improved its contract and procurement systems and undertaken extensive training for all staff to ensure value for money and best practice in accordance with the Local Government Act 1989. Council has also been an active member of the Local Government Northwest Metro Regional Procurement Excellence Network to further enhance collaborative and strategic procurement opportunities.

Occupational Health and Safety (OH&S)

Council has continued to progress through the Occupational Health and Safety (OH&S) Plan 2009-2014.

Over the past financial year, the following activities have been conducted:

- 80% of OH&S Plan actions completed
- Internal OH&S Audit participation
- OH&S Service Review
- OH&S committee and all designated workgroups local safety committees continued to meet on a regular basis to resolve OH&S issues
- Ergonomic assessments of 140 workstations throughout Council worksites
- Task analysis of the worktasks at the new worksite Raleigh Road Activity Centre
- Reviewed and updated six OH&S policies
- Audiometric testing of 122 employees with no significant hearing loss detected
- Eight major incident investigations completed
- Six health and safety representative elections conducted.

13 Statutory information



13.1 Information available for inspection

Section 222 of the *Local Government Act* (the “Act”) entitles any person to inspect and take copies of (subject to any fee) prescribed accounts and records. The following information is available at the Maribyrnong Council Offices, Corner Napier & Hyde Streets, Footscray, during office hours:

- Details of current allowances fixed for the Mayor and Councillors under section 74 or 74A of *the Act*
- Listing of senior officers by remuneration range and number for the current and previous financial year
- A register of delegations kept under sections 87 and 98 of *the Act*, including the date on which the last review under section 98(6) of *the Act* took place
- Submissions received in accordance with section 223 of *the Act* during the previous 12 months
- Details of overseas or interstate travel (with the exception of interstate travel by land for less than 3 days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months, including the names of the Councillors or members of Council staff and the date, destination, purpose and total cost of the overseas or interstate travel
- Agreements to establish regional libraries under section 196 of *the Act*
- Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the Council as lessor or lessee, including the name of the other party to the lease and the terms and the value of the lease
- Names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted
- A register of authorised officers appointed under section 224 of *the Act*
- Names of councillors who submitted returns of interest during the financial year and the dates the returns were submitted
- A list of donations and grants made by the Council during the financial year, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant
- Agendas and minutes of ordinary and special meetings held in the previous 12 months kept under section 93 of *The Act* except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of *the Act*
- A list of the names of the organisations of which the Council was a member during the financial year and details of all membership fees and other amounts and services provided during that year to each organisation by the Council

- A list of all special committees established by Council and the purpose for which each committee was established
- A list of contracts valued at \$100,000 (or such higher amount as is fixed from time to time under section 186(1) of *the Act*) or more –
 - (i) which the Council entered into during the financial year without first engaging in a competitive process and
 - (ii) which are not contracts referred to in section 186 (5) of *the Act*
- A list of all special committees established by Council which were abolished or ceased to function during the financial year
- Minutes of meetings of special committees established under section 86 of *the Act* and held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of *the Act*
- In accordance with section 80A of *the Act*, a record of 'assembly of Councillors' meetings for a period of 12 months after the date of the assembly.

13.2 Freedom of Information

The Freedom of Information Act 1982 provides the opportunity for public access to Council documents. *The Act* establishes a legally enforceable right for the community to access information in document form held by Council. Council received 39 new applications under Freedom of Information for the period 1 July 2011 to 30 June 2012.

13.3 Contracts

Maribyrnong City Council did not enter into any contracts valued at more than \$150,000 other than through a competitive tendering process.

13.4 Local Laws

Local Laws current at the end of the financial year are:

- | | |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Local Law No 5</i> | Governance Local Law (2001) – including by reference Council's Code of Meeting Procedure |
| <i>Local Law No 6</i> | General Purposes Local Law (this local law took in elements of former Local Law No 1 (Environment Local Law) and Local Law No. 2 (Roads, Municipal Property and Council Land Local Law)) |

13.5 Whistleblowers Protection Act 2001

The *Whistleblowers Protection Act 2001 (the Act)* was introduced in January 2001.

In accordance with *the Act*, Council has developed procedures to facilitate the making of any disclosure that is made in compliance with *the Act*.

Council has a nominated Protected Disclosure Coordinator, who is responsible for the receipt and initial assessment of a disclosure made under *the Act*. Details about *the Act* and how people may make a disclosure are available from Council's Protected Disclosure Coordinator and Council's website.

As required by Section 104 of the *Whistleblowers Protection Act 2001*, it is reported that:

- Council has established procedures under Part 6 of *the Act* to deal with any disclosures made under *the Act*. These procedures are available to the public
- For the period 1 July 2011 to 30 June 2012, no protected disclosures were received by Council
- No protected disclosures were referred by Council to the Ombudsman Victoria for determination as to whether they were public interest disclosures
- No public interest disclosures were referred to Council during the year by the Ombudsman
- No public interest disclosures were referred by Council during the year to the Ombudsman to investigate
- No investigations of disclosed matters were taken over by the Ombudsman from Council during the year
- No requests were made under Section 74 of *the Act* to the Ombudsman to investigate disclosed matters referred to Council
- There were no disclosed matters that Council declined to investigate during the year
- There were no disclosed matters substantiated on investigation and action taken on completion of investigation
- There were no recommendations of the Ombudsman under *the Act* that relate to Council during this past year.

14 Council's Performance 2011-2012

14.1 Annual Indicators

Overall Performance	Community satisfaction rating for overall performance of the Council	6.22
Advocacy	Community satisfaction rating for Council's advocacy and community representation on key local issues	6.19
Engagement	Community satisfaction rating for Council's engagement in decision making on key local issues	6.13
All rates	Average rates and charges per assessment	\$1,911.30
Residential rates	Average residential rates and charges per assessment	\$1,523.09
Operating costs	Average operating expenditure per assessment	\$3,087.13
Capital expenditure	Average capital expenditure per assessment	\$325.07
Infrastructure	Renewal gap	95.31%
	Renewal and maintenance	160.08%
Debts	Average liabilities per assessment	\$1,100.67
Operating result	Operating result per assessment	\$388.21

14.2 Performance Statement 2011-2012

Under Section 127(D) of the Local Government Act 1989, the preparation of the annual Municipal Budget contains a list of separately identified Key Strategic Activities Council will undertake in the 2011/12 financial year. This list of Key Strategic Activities includes performance targets and measures that will be assessed through an independent audit process and reported in this 2011/12 Annual Report.

Key Strategic Activities for 2011/12

The following lists Council's Key Strategic Activities for 2011/12.

	KEY STRATEGIC ACTIVITIES	TARGET	PERFORMANCE MEASURES	ACHIEVED YES / NO	ACHIEVEMENTS
1	Review Council's General Purpose Local Law.	June 2012	General Local Laws presented to Council.	N	Commenced the General Purpose Local Laws review. Under the Legislation, Councils have until 2015 to complete the review. Council is anticipating to complete its review by 2014.
2	Review Maribyrnong Integrated Transport Strategy.	December 2011	Maribyrnong Integrated Transport Strategy adopted by Council.	N	The Maribyrnong Integrated Transport Strategy has been completed, and adopted by Council in April 2012.
3	Develop Residential Parking Permit Policy.	June 2012	Resident Parking Permit Policy presented to Council.	N	Commenced the review of residential parking permit scheme. A new Policy is scheduled to be completed by December 2012.
4	Develop Municipal Housing Strategy.	June 2012	Municipal Housing Strategy presented to Council.	Y	The Housing Strategy has been completed and adopted by Council in December 2011.
5	Review Arts and Culture Strategy.	December 2011	Arts and Cultural Strategy presented to Council.	Y	The Arts and Cultural Strategy (Framework) was adopted by Council in December 2011.
6	Implement 'Talking My Language' environmental education program.	June 2012	Program implemented within a selected cultural group.	Y	The 'Talking My Language' project has been completed in November 2011. A DVD was created in the Hindi language and distributed to the Hindi community and on YouTube outlining energy saving measures in the home.

	KEY STRATEGIC ACTIVITIES	TARGET	PERFORMANCE MEASURES	ACHIEVED YES / NO	ACHIEVEMENTS
7	Implement Service Review Program.	In line with Council's Service Review program.	Improvement Plans developed in line with the service review program.	Y	The Service Review program has been rolled out for 2011-12 period. 12 Service Units have commenced service reviews.
8	Implement landscape improvements for Railway Reserve, Footscray.	June 2012	Stage 1 landscape improvement works completed.	N	The Railway Reserve Masterplan was adopted by Council in April 2012. Implementing Stage 1 component – rotunda refurbishment – was deferred due to occupation of the Reserve by the Regional Rail Link project.
9	Develop Risk Strategy.	June 2012	Risk Strategy adopted by the Executive Management Team.	N	The development of the Risk Strategy has been deferred to 2012-13.
10	Develop Footscray Integrated Marketing Strategy.	June 2012	Footscray Integrated Marketing Strategy adopted by Council.	Y	The Footscray Integrated Strategy was adopted by Council in October 2011
11	Install CCTV in Footscray Central Activity District (CAD), and monitor its outcomes.	June 2012	CCTV installed within Footscray CAD.Regular evaluation reports presented to the Steering Committee.	Y	The CCTV system was launched in September 2011. 32 cameras have been installed. A Footscray Public Safety CCTV System Monitoring and Evaluation Framework has been developed. A baseline evaluation report has been completed.
12	Extend Library opening hours.	December 2011	Library hours extended at the following locations: West Footscray, Maribyrnong and Yarraville.	Y	The Library hours have been extended in September 2011 at West Footscray, Maribyrnong and Yarraville.
13	Undertake 2011 Annual Community Survey.	December 2011	2011 Annual Community Survey completed and findings presented to Council.	Y	The 2011 Annual Community Survey has been completed in October 2011 and presented to Council. Survey results are available on Council's web page.
14	Investigate setting up a new Asset Management System.	June 2012	Preferred Asset Management System identified.	Y	The preferred asset system functionality requirements have been identified in June 2012, and Council's IT department will be appointing a consultant in the near future to develop a detailed specification of system requirements.
15	Implement water and energy saving retrofits in Council buildings.	June 2012	Water and energy saving retrofits implemented in accordance with the Sustainable Building Management Plan.	Y	All water and energy saving retrofits in Council buildings have been implemented by June 2012, in accordance with the 2011-12 Budget allocation.
16	Complete the Waste Minimisation Strategy.	June 2012	Waste Minimisation Strategy adopted by Council.	N	The development of the Waste Minimisation Strategy has been deferred to 2012-13.

Council Approval of the Performance Statement

In our opinion the accompanying performance statement of the Maribyrnong City Council in respect of the 2011/12 financial year is presented fairly in accordance with the Local Government Act 1989.

The statement outlines the performance targets and measures set out in relation to the achievement of the business plan in respect of that year described in Council's corporate plan and describes the extent to which the business plan was met in that year having regard to those targets and measures.

As at the time of signing we are not aware of any circumstances which would render any particulars in the statement to be misleading or inaccurate.



John Cumming

Councillor



Dana Lynch

Councillor



Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000
Telephone 61 3 8001 7000
Facsimile 61 3 8001 7010
Email comments@audit.vic.gov.au
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Maribyrnong City Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2012 of the Maribyrnong City Council which comprises the statement, the related notes and the council approval of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Maribyrnong City Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the performance statement that is free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the performance statement is free from material misstatement.

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

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

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Independent Auditor's Report (continued)

Auditor's Opinion

In my opinion, the performance statement of the Maribyrnong City Council in respect of the 30 June 2012 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1988*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the performance statement of the Maribyrnong City Council for the year ended 30 June 2012 included both in the Maribyrnong City Council's annual report and on the website. The Councilors of the Maribyrnong City Council are responsible for the integrity of the Maribyrnong City Council's website. I have not been engaged to report on the integrity of the Maribyrnong City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE
3 September 2012


D D R Pearson
Auditor-General

15 [Audit Committee Annual Report for year ending 30 June 2012

The “Terms of Reference” Clause 2.4 Reporting, of the Maribyrnong City Council Audit Committee Charter, state that the Audit Committee shall:

“

report annually to the Council summarising the activities of the Committee during the previous financial year”

Meetings

The Committee met during the period under review, on the following dates:

23th August 2011

27th September 2011

22nd November 2011

21nd February 2012

24th April 2012

19th June 2012

Meeting Attendance

Each Committee meeting was conducted with at least a quorum (2 members of a total of 4). At least one independent member and one Councillor were present at each meeting.

MEMBERS	ELIGIBLE TO ATTEND	ATTENDED
Alan Hawkes, Independent Member	6	6
Linda MacRae, Independent Member	6	6
Cr Sarah Carter (Mayor) Member	3	1
Cr Dina Lynch Member	6	3
Cr John Cumming (Member)	4	4
Cr John Cumming (Mayor) Member	2	2
Cr Michael Clarke Member	2	1

The Chief Executive Officer, General Manager of Corporate Services, Finance Manager and Management Accountant were regularly in attendance. At least one representative from the Internal Auditors, McLean Delmo, was also in attendance at each meeting.



The External Auditors – VAGO attended the 23 August 2011 meeting to discuss the 2010/11 Annual Financial Statements.

Other senior officers of the Council were in attendance at Audit Committee meetings, as required when specific matters or reports were under discussion.

Duties and Responsibilities

It is considered that the Duties and Responsibilities, as detailed in Sub-section 2.5 (o) (i) to (xvii) inclusive of the Audit Committee's Terms of Reference, were adequately fulfilled during the review period.

Independent Members

In accordance with the Audit Committee Charter 2.2 (d) Membership.

“

Appointment of external persons shall be made by Council for a minimum term of three years. Appointments of external persons will be for a maximum of seven years. The term of the appointment should be arranged to ensure an orderly rotation and continuity of membership despite changes to Council's elected representatives”. Mr Hawkes was appointed to the Committee in September 2005 and Ms. MacRae was appointed in April 2006.”

15 [Audit Committee Annual Report for year ending 30 June 2012

Audit Reports Considered

The following Internal Audit Reports were presented by the Internal Auditors – McLean Delmo (MD) – to the Audit Committee for consideration and comment:

- Review of Council's disaster recover plan and test processes
- Update Management framework re: boarding houses
- Review payments made to Councilors' and Senior Officers
- Review Council's Governance processes and procedures
- Update Management frame work re boarding houses
- Review Council's Family Day Care processes and procedures
- Review of outstanding and implemented recommendations from previous reports
- Review /update of audit plan for 2012
- Additional Audit of purchasing activity at Council's South Hampton Road Depot
- Review Kindergarten enrolment processes and procedures
- Review the adequacy of Council's insurance arrangements
- Review Council's OH&S processes and procedures
- Review controls and delegations in relation to incurring legal costs
- Review Council's Payroll processes and procedures.

Other Regular & Special Reports

- 2010/2011 Financial Statements
- Draft 2010/2011 Management Letter
- Overdue Debtors Reports
- Asset management processes and procedures
- Climate change risk
- External audit strategy for the financial year ending 30th June 2012
- Kindergarten Hosting agreement
- VAGO Interim Management Letter Financial Audit 2011-2012
- Business Continuity Plan
- Unfunded Superannuation Liability
- Review of Internal Audit Charges 2011/12

- Status Report – Contamination of Maribyrnong Land and Buildings
- Overdue Annual Leave Report
- Councils Road Management Plan
- Review of 2012 Internal Audit Plan
- Internal Audit Contract
- Management Report on shared services IT solution not being adopted by Council
- Risk Management Framework and Implementations monitoring process
- VAGO 2012 Interim management letter.

The Audit Committee recommended changes to its Charter following Local Government Victoria's "Audit Committees – A Guide to Good Practice for Local Government".

General Comments

The Committee worked well together in the 2011/12 financial year, due largely to the very positive attitude of both the Internal Auditors and Senior Council staff and their various expertise in dealing with issues raised. The Committee is very appreciative of the cooperation and support of Council staff.



Alan Hawkes

Independent Audit Committee Member And Chairman
Maribyrnong City Council Audit and Risk Committee

16 Finance Report



Financial Overview

Council's finances continue to be guided by the Long Term Financial Plan which was first implemented in July 2000. This Plan is reviewed annually as a part of the Council planning process and updated to reflect changing circumstances.

Council's investments are currently held with the four major banks.

The Long Term Financial Plan was initially used as a tool to ensure the management of Council's debt. Council's outstanding debt has reduced from \$33.019 million in June 2000 to \$5.548 million in June 2012.

This report provides an overview of the major results portrayed in Council's Financial Statements for the year ended June 30 2012.

Surplus (Deficit) For The Period

The surplus (deficit) for the reporting period represents accrual accounting treatments which includes depreciation but excludes expenditure on capital items, loan repayments and transfers to and from reserves. Council budgeted for a \$1.924 million surplus in the 2011/12 financial year and has achieved a \$13.331 million surplus.

The major variances are caused by unbudgeted for amounts in infrastructure developer donations and unfunded superannuation liability.

This surplus is reported in the Comprehensive Income Statement as presented in the Annual Financial Report.

Capital Expenditure

Council's capital expenditure for the 2011/12 financial year was \$11.163 million. A further \$7.585 million has been expended on assets but not capitalised.

Cash Holdings

Council's cash and investments on hand at 30 June was \$50.198 million an increase over the previous financial year of \$6.632 million. This increase is mainly made up of Government funding advances to Council prior to the end of the Financial Year. These grants will be expended on projects and programs to occur in the 2012/13 year. The other major component is the increase in reserves.

The level of Council's cash and investments has seen the continuance of the Major Projects Program and all reserves and provisions being fully funded.

Assets – Property, Plant & Equipment

The level of Council assets has increased by \$80.700 million. The major cause of this increase is Council's requirement to revalue all its property and infrastructure.

Outstanding Debtors (Receivables)

Council's debtors continue to reduce, with the reduction in the current year at \$306,000.

16 Finance Report

Borrowings

Council has not borrowed during the financial year, and repayments have occurred in line with Council's commitments. The outstanding amount at the end of the financial year was \$5.548 million.

Working Capital & Liquidity

The Working Capital Ratio or Liquidity Position is a ratio of 1.87:1 at June 30th 2012, compared to 1.95:1 at June 30th 2011. This ratio is used to assess Council's ability to meet its current liabilities, by using its current assets. The ratio indicates \$1.87 of current assets for every \$1.00 of current liabilities. The current position is seen to be adequate.

18 A Guide to the Financial Statements

Council prepares the Financial Statements and follows a statutory approvals process as set out in the Local Government Act 1989. The Financial Statements are based on requirements set out in the Act, Australian Accounting Standards and the Local Government Model Accounts. To produce these Statements the following processes have been undertaken:

- Council's Audit Committee met to consider the draft statements and the preliminary recommendation made by the external Auditor
- The Audit Committee was satisfied to recommend that the statements be approved

- Two Councillors' were authorised to certify the statements in their final form
- The Statements were then submitted to the Auditor General for review and certification
- The Financial, Standard and Performance Statements and all other parts of the Annual Report are required to be lodged with the Minister for Local Government prior to 30 September annually.

For the 2011/12 financial year, Maribyrnong City Council has received a clear audit of its Financial Statements.

Financial Statements

The four main Statements are the Comprehensive Income Statement, the Balance Sheet, the Statement of Changes in Equity and the Cash Flow Statement. The notes detail Council's accounting policies and the make-up of values contained in the Statements. The notes should be read in conjunction with the four main statements.

Comprehensive Income Statement

The Comprehensive Income Statement shows the sources of Council's revenue received and the expenditure incurred, under various headings, over the year.



Balance Sheet

The Balance Sheet Statement is a one-page snapshot of the financial situation as at 30 June, 2012. It shows what the Council owns as assets and what it owes as liabilities. The bottom line of this Statement is net assets. This is the Council's net worth, which has been built up over many years.

Statement of Changes in Equity

Over the year the value of total equity as set out in the Balance Sheet changes. The Statement of Changes in Equity shows the movement in equity from the profit or loss from operations, the use of monies to and from Council's reserves and the revaluation of fixed assets.

Cash Flow Statement

The Cash Flow Statement summarises Council's cash payments and cash receipts for the year.

Standard Statements

The Local Government Act 1989 also requires Council to produce the Standard Statements. The Standard Statements provide four statements: Standard Income Statement, Standard Balance Sheet, Standard Cash Flow Statement, and Standard Statement of Capital Works.

The Standard Statements provide a comparison between the actual results for the year and the budget that was set at the start of the year. All major differences are explained in the accompanying notes.

Comparative Report and Annual Financial Statement

For the Year Ended 30 June 2012

Maribyrnong City Council

Financial Report

For the Year Ended 30 June 2012

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Maribyrnong City Council**Financial Report**For the Year Ended 30 June 2012

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Maribyrnong City Council **Comprehensive Income Statement**

For the Year Ended 30 June 2012

	<i>Note</i>	2012 \$'000	2011 \$'000
Income			
Rates and charges	3	65,634	61,147
Statutory fees and fines	4	8,077	8,936
User fees	5	9,844	9,605
Grants - recurrent	6	9,798	9,512
Grants - non - recurrent	6	1,246	3,099
Contributions - cash	7	1,603	1,431
Contributions - non-monetary assets	7	16,742	-
Reimbursements	8	3,199	2,260
Interest	9	2,812	2,678
Other income	10	388	495
Total income		119,343	99,163
Expenses			
Employee benefits	12	51,195	40,964
Materials and services	13	38,795	36,460
Bad and doubtful debts	14	1,473	2,116
Depreciation	15	11,711	10,933
Finance costs	16	548	770
Other expenses	17	414	338
Net loss on disposal of property, infrastructure, plant and equipment	11	1,875	720
Total expenses		106,011	92,301
Surplus / (Deficit)		13,332	6,862
Other comprehensive income / (losses)			
Revaluations of property and infrastructure	26(a)	67,303	-
Comprehensive result		80,635	6,862

The above statement should be read in conjunction with the accompanying notes.

Maribyrnong City Council**Balance Sheet**

As at 30 June 2012

	Note	2012 \$'000	2011 \$'000
Assets			
Current assets			
Cash and cash equivalents	18	50,198	43,566
Trade and other receivables	19	6,714	7,020
Non current asset subject to compulsory acquisition	42	-	2,911
Other assets	20	1,058	1,137
Total current assets		57,970	54,634
Non-current assets			
Trade and other receivables	19	87	81
Property, infrastructure, plant and equipment	21	857,073	776,374
Total non-current assets		857,160	776,455
Total assets		915,130	831,089
Liabilities			
Current liabilities			
Trade and other payables	22	16,787	10,455
Trust funds and deposits	23	3,097	2,585
Provisions	24	10,544	10,868
Interest bearing loans and borrowings	25	654	4,153
Total current liabilities		31,082	28,061
Non-current liabilities			
Provisions	24	1,821	782
Interest bearing loans and borrowings	25	4,894	5,548
Total non-current liabilities		6,715	6,330
Total liabilities		37,797	34,391
Net assets		877,333	796,698
Equity			
Accumulated surplus		275,194	272,496
Asset revaluation reserve	26	575,179	507,876
Other reserves	26	26,960	16,326
Total equity		877,333	796,698
Commitments for expenditure	31		
Contingent liabilities and contingent assets	33		

The above statement should be read in conjunction with the accompanying notes.

Maribyrnong City Council
Statement of Changes in Equity
For the Year Ended 30 June 2012

	<i>Note</i>	Total 2012 \$'000	Accumulated Surplus 2012 \$'000	Asset Revaluation Reserve 2012 \$'000	Other Reserves 2012 \$'000
2012					
Balance at beginning of the financial year		796,698	272,496	507,876	16,326
Comprehensive result		80,635	13,332	67,303	-
Transfers from other reserves	26	-	837	-	(837)
Transfers to other reserves	26	-	(11,471)	-	11,471
Balance at end of the financial year		877,333	275,194	575,179	26,960
		Total 2011 \$'000	Accumulated Surplus 2011 \$'000	Revaluation Reserve 2011 \$'000	Other Reserves 2011 \$'000
2011					
Balance at beginning of the financial year		789,836	271,059	507,876	10,901
Comprehensive result		6,862	6,862	-	-
Transfers from other reserves	26	-	4,219	-	(4,219)
Transfers to other reserves	26	-	(9,644)	-	9,644
Balance at end of the financial year		796,698	272,496	507,876	16,326

The above statement should be read in conjunction with the accompanying notes.

Maribyrnong City Council**Cash Flow Statement**

For the Year Ended 30 June 2012

		2012	2011
		Inflows/ (Outflows)	Inflows/ (Outflows)
	Note	\$'000	\$'000
Cash flows from operating activities			
Receipts			
Rates and charges		65,782	61,038
Statutory fees and fines		6,306	6,840
User fees		11,259	12,195
Grants - recurrent		9,798	9,512
Grants - non - recurrent		1,246	3,099
Contributions - cash		1,603	1,431
Reimbursements		3,199	2,260
Interest		2,962	2,643
Other income		388	495
Net GST refund		3,765	3,016
		106,308	102,529
Payments			
Employee benefits		(43,716)	(40,408)
Materials and services		(44,028)	(38,141)
Other expenses		(414)	(338)
		(88,158)	(78,887)
Net cash provided by (used in) operating activities	27	18,150	23,642
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(11,163)	(14,747)
Proceeds from sale of property, infrastructure, plant and equipment		3,834	300
Net cash (used in) investing activities		(7,329)	(14,447)
Cash flows from financing activities			
Finance costs		(548)	(770)
Trust funds and deposits		512	(56)
Repayment of interest bearing loans and borrowings		(4,153)	(3,340)
Net cash (used in) financing activities		(4,189)	(4,166)
Net increase in cash and cash equivalents		6,632	5,029
Cash and cash equivalents at the beginning of financial year		43,566	38,537
Cash and cash equivalents at the end of the financial year	18	50,198	43,566
Financing arrangements	28		
Restrictions on cash assets	29		

The above statement should be read in conjunction with the accompanying notes.

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2012

Introduction

The Maribyrnong City Council ("the Council") was established by an Order of the Governor in Council on of

The purpose of the Council is to:

- provide for the peace, order and good governance of its municipal district;
- to promote the social, economic and environmental viability and sustainability of the municipal district;
- to ensure that the resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
- to improve the overall quality of life of the people in the local community;
- to promote appropriate business and employment opportunities;
- to ensure that services and facilities provided by the Council are accessible and equitable;
- to ensure the equitable imposition of rates and charges; and
- to ensure transparency and accountability in Council decision making.

External Auditor - Auditor General of Victoria

Internal Auditor - MDHC Audit Assurance

Solicitors - Maddocks

Bankers - Commonwealth Bank of Australia

Website - www.maribyrnong.vic.gov.au

Authorised Deposit Institutions as listed by Australian Prudential Regulations Authority (APRA):

Commonwealth Bank of Australia.

Australia & New Zealand Banking Group Limited.

National Australia Bank Ltd.

Westpac Banking Corporation.

This financial report is a general purpose financial statements consisting of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and accompanying notes. The general purpose financial statements comply with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989 and the Local Government (Finance and Reporting) Regulations 2004.

1 Significant accounting policies

(a) Basis of accounting

This financial report has been prepared on an accrual and going concern basis.

The financial report has also been prepared under the historical cost convention except where specifically stated in the notes. Cost is based on the fair value of the consideration given in exchange for assets.

Unless otherwise stated, all accounting policies applied are consistent with those of the prior year. Where appropriate, comparative figures have been amended to accord with current presentation and disclosure has been made of material changes to comparatives.

Maribyrnong City Council Notes to the Financial Report

For the Year Ended 30 June 2012

1 Significant accounting policies (continued)

(b) Changes in accounting policies

Financial statement presentation

There were no changes in accounting policy during the financial year.

(c) Revenue recognition

Rates, grants and contributions

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

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

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

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

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

Where grants or contributions recognised as revenue during the reporting period were obtained on the condition that they would be expended in a particular manner, or used over a particular period and those conditions were undischarged as at balance date, the unused grant or contribution is disclosed in note 6(c). The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

Contributed infrastructure assets, in the form of land, roads, drains, footpaths etc, which are received as a condition of development, have been recognised as revenue.

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

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2012

1 Significant accounting policies (continued)

User fees and fines

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

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

Sale of property, infrastructure, plant and equipment

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

Trade and other receivables

Receivables are carried at their nominal value. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred.

Interest

Interest is recognised progressively as it is earned.

Inventories

Inventories held for resale are measured at the lower of cost and net realisable value.

(d) Depreciation of property, infrastructure, plant and equipment

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

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

Road earthworks and artworks are not depreciated, being assessed as not having a limited useful life.

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

Major depreciation periods are listed in note 1(g) and are consistent with prior year unless otherwise stated.

(e) Repairs and maintenance

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

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

1 Significant accounting policies (continued)

(f) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred. This includes interest on bank overdrafts, interest on borrowings and finance lease charges.

(g) Recognition and measurement of assets

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of the assets provided as consideration at the date of acquisition, plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arms length transaction.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction and an appropriate share of directly attributable variable and fixed overheads.

The following material classes of assets have been recognised in note 21. In accordance with Council's policy, the threshold limits and useful lives detailed below have been applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Class of Asset	Threshold Limit	Depreciation period
	2012 \$'000	2012
Property		
Land	10	n/a
Land under roads	20	n/a
Buildings*	10	50-100 years
Plant and Equipment		
Motor Vehicles	5	7 years
Plant & Machinery	1	2-10 years
Equipment	1	2-10 years
Computers	1	3 years
Cultural assets*	1	1-8 years
Infrastructure Assets		
Road Base	20	80 years
Road Pavement	20	25 years
Kerb and Channel	10	50 years
Bridges	50	80 years
Car parks	10	20 years
Rights of Ways*	10	20-100 years
Footpaths and cycleways	10	50 years
Drains	10	100 years
Other infrastructure assets*	10	5-30 years

* Dependent upon materials used in construction and usage.

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2012

1 Significant accounting policies (continued)

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, motor vehicles, computers, other infrastructure assets and cultural items, are measured at their fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differs from the fair value the assets class was revalued.

In addition, Council undertakes a formal revaluation of land, buildings and infrastructure assets on a regular basis from 2 to 5 years depending on any material changes to fair value. The valuation is performed either by experienced Council officers or independent experts.

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

Land under roads

Land under roads acquired after 30 June 2008 is brought to account using the cost value basis. Council does not recognise land under roads that it controlled prior to that period in its financial report.

(h) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, deposits at call and other highly liquid investments that are readily available with original maturities of twelve months or less, net of outstanding bank overdrafts.

Investments (non financial), other than investments in associates, are measured at cost.

Maribyrnong City Council
Notes to the Financial Report
 For the Year Ended 30 June 2012

1 Significant Accounting Policies (continued)

(i) Deposits and retentions

Amounts received as deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited.(refer to note 23)

(j) Employee benefits

Wages and salaries

Liabilities for salaries & wages and accrued days are recognised and measured as the amount unpaid at balance date and include appropriate oncosts such as workers compensation and payroll costs.

Annual leave

Annual leave entitlements are accrued on a pro rata basis in respect of service provided by employees up to balance date. Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled. Any annual leave expected to be paid later than one year will be measured at the present value of the estimated future cash outflows to be made for those accrued entitlements. Department of Treasury and Finance rates are used for discounting future cash flows.

Long Service Leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service. Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has been measured at present value of the estimated future cash outflows to be made for these accrued entitlements. Department of Treasury and Finance rates are used for discounting future cash flows.

Classification of employee benefits

An employee benefit liability is classified as a current liability if the Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period. This would include all annual leave and unconditional long service leave entitlements.

Superannuation

The superannuation expense for the reporting period is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees. In addition Council may, periodically be required to contribute to the defined benefits schemes for current and former employees. Details of these arrangements are recorded in the notes.

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2012

1 Significant Accounting Policies (continued)

Retirement Gratuities

Retirement gratuities were provided to certain employees who joined the Council prior to 8 December 1994 and their entitlements were frozen as at 14 December 2000. The liability represents a set proportion based on years of service that is payable on termination. At balance date, the liability is measured at the present value of the estimated future cash flows to be made for this entitlement.

(k) Leases

Operating Leases

(l) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be realised within the next 12 months, being the Council's operational cycle, or if the Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(m) Agreements equally proportionately unperformed

The Council does not recognise assets and liabilities arising from agreements that are equally proportionately unperformed in the Balance Sheet. Such agreements are recognised 'as incurred' basis.

(n) Web site costs

Costs in relation to websites are charged as an expense in the period in which they are incurred.

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or part of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a net basis where appropriate, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(p) Rounding

Unless otherwise stated, amounts in the report have been rounded to the nearest thousand dollars. Figures in the financial statement may not equate due to rounding.

(q) Impairment of assets

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

Maribyrnong City Council
Notes to the Financial Report
 For the Year Ended 30 June 2012

1 Significant Accounting Policies (continued)

(r) Financial guarantees

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be expensed, at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to the Council in the event of default.

(s) Contingent assets and contingent liabilities and commitments

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

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and inclusive of GST payable.

(t) Critical accounting estimates and judgements

In the application of the Australian Accounting Standards, management is required to make judgements, estimates and assumptions about carrying value 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.

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that may have a financial or disclosure impact on the Council and are believed to be reasonable under the circumstances.

Critical accounting judgements

Critical judgements that management has made in the process of applying the Council's accounting

Impairment of non-financial assets

The Council assesses impairment of all assets at each reporting date by evaluating conditions to the Council and to the particular asset that may lead to impairment. These include obsolescence or physical damage, technology, economic and political environments and the future income expectations. If an impairment trigger exists, the recoverable amount of the asset is determined.

(u) AAS's issued that are not yet effective

Refer note 41.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

2 Revenue, expenses and assets by function/activities

(a)	Community Wellbeing		Corporate Services		Infrastructure and Engineering		Sustainable Development		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME										
Grants	6,481	7,003	3,086	2,442	1,288	2,471	189	695	11,044	12,611
Other	11,281	6,525	69,097	64,377	15,151	13,060	12,770	2,590	108,299	86,552
TOTAL	17,762	13,528	72,183	66,819	16,439	15,531	12,959	3,285	119,343	99,163
EXPENSES	(27,860)	(25,446)	(17,726)	(19,584)	(43,562)	(42,316)	(16,863)	(4,955)	(106,011)	(92,301)
SURPLUS (DEFICIT) FOR THE YEAR	(10,098)	(11,918)	54,457	47,235	(27,123)	(26,785)	(3,904)	(1,670)	13,332	6,862
ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*	-	-	57,970	54,634	857,160	776,455	-	-	915,130	831,089

*Assets have been attributed to functions/activities based on the control and/or custodianship of specific assets.

Maribyrnong City Council Notes to the Financial Report

For the Year Ended 30 June 2012

2 Revenue, expenses and assets by function/activities

(b) The activities of Council are categorised into the following broad functions:

Community Wellbeing

The Community Wellbeing branch promotes and enhances community wellbeing through funding programs, service provision, community partnerships and regulatory activity.

This Branch includes the following services:

Aged & Diversity	Community Learning & Libraries
Community Planning & Advocacy	Community Wellbeing Management
Family Services & Community Projects	Leisure & Open Space

Corporate Services

The Corporate Services branch is responsible for providing a range of strategic and operational services to all business units and Council as a whole.

This Branch includes the following services:

Corporate Services Management	Council & Community Relations
Emergency Management	Office of CEO
Information Services	Finance
Organisation Development	Sustainability

Infrastructure and Engineering

The Infrastructure Services branch is responsible for the provision of infrastructure and asset management of property and open space.

This Branch includes the following services:

Operations & Maintenance	Engineering Projects
Infrastructure & Engineering Management	Civil Design & Transport
Asset Management/Construction	Traffic & Local Laws

Sustainable Development

The Sustainable Development branch is responsible for protecting, enhancing and developing the Council's social and physical environment. The broad objective will be achieved through planning, coordination and delivery of a range of high quality, cost efficient community and environmental services which are responsive to the needs of residents and other service users.

This Branch includes the following services:

Building Control	Strategy & Economic Development
City design & Placemaking	Sustainability
Planning & Development	

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2012

		2012 \$'000	2011 \$'000
3	Rates and charges		
	Council uses Net Annual Value (NAV) as the basis of valuation of all properties within the municipal district. The NAV of any land, means the rent at which the land might reasonably be expected to return.		
	The valuation base used to calculate general rates for 2011/12 was \$973,611 million (2010/11, \$958,241 million). The 2010/11 rate in the NAV dollar was 6.6888cents (2010/11, 6.35027 cents).		
	Number of assessments for 2011/12 rate strike		
	Residential	30,819	46,940
	Commercial	2,426	11,164
	Industrial	1,095	6,655
	Supplementary rates & adjustments		875
	Total rates and charges	34,340	65,634
	The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2012, and the valuation will be applied to the rating period commencing 1 July 2012.		
	The date of the previous general revaluation of land for rateable purposes within the Municipal district is 1 January 2010 and the valuation applied to the rating period commencing 1 July 2010.		
4	Statutory fees and fines		
	Permits	1,778	1,676
	Fees	579	395
	Infringements & costs	5,644	6,691
	Magistrates	30	109
	Fines other	46	65
	Total statutory fees and fines	8,077	8,936
5	User fees		
	Certificates	127	136
	Customer service requests	350	356
	Fees	4,384	4,041
	Ticket machine & casual bookings	4,310	4,282
	Plant hire	356	341
	Miscellaneous fees	45	62
	Environmental charge	12	12
	Sale of information	119	242
	Product sales	125	115
	*Mausoleum fees	16	18
	Total user fees	9,844	9,605

*The Mausoleum trust was set up in 1999 to provide for the future maintenance of the cemetery in the long term over 10 to 15 years. The full amount received to date of \$584,652 has been set aside to Reserves (\$552,000 at 30 June 2011).

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2012

	2012 \$'000	2011 \$'000
6 Grants		
Grants were received in respect of the following:		
Summary of grants		
Home and Community Care (HACC)	2,573	2,453
Victorian Grants Commission (VGC)	3,629	2,780
Other	4,842	7,378
Total grants	11,044	12,611
(a) Grants - recurrent		
Federal appropriations	855	905
Federal grants	759	625
HACC	2,573	2,453
Other operating revenues	2,074	2,395
Fee assistance	353	358
VGC	3,084	2,345
Other operating grants	100	431
Total recurrent	9,798	9,512
(b) Grants - non - recurrent		
Federal appropriations	472	232
VGC	545	435
Other granted revenues	229	2,432
Total non current	1,246	3,099
(c) Conditions on Grants		
Grants recognised as revenue during the year and obtained on the condition that they be expended in a specific manner that had not occurred at balance date were:		
Storm water harvesting	240	-
MAC backwash	100	-
Gender Equity	116	-
MAC waterslide	103	-
Despatch Centre	297	-
Best start	104	44
Healthy communities	194	138
RecWest redevelopment	200	200
Closed Circuit Television - Public safety cameras	83	310
Railway reserve	866	917
Greening Footscray / Street tree planting	200	200
VGC	1,482	716
Streetscaping - Leeds street	-	1,470
Living libraries	-	160
Power undergrounding	-	232
Other misc. programs	373	497
Total conditional grants	4,358	4,884

Grants over \$100,000 which were recognised as revenues, these have been expensed in the year following their receipt, except for those shown with balances carried forward to this year.

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2012

	2012 \$'000	2011 \$'000
7 Contributions		
(a) Contributions - cash		
Developer contributions	348	766
Open space contributions	1,219	665
Other cash contributions	36	-
Total contributions - cash	1,603	1,431
Conditions on contributions		
Contributions recognised as revenues during the year and were obtained on the condition that they be expended in a specific manner.		
(b) Contributions - non-monetary assets		
Land and buildings	15,803	-
Infrastructure assets	939	-
Total contributions - non - monetary assets	16,742	-
Total contributions	18,345	1,431
Non monetary assets contributed include roads, drains, footpaths and parks which may be created in the construction of large scale residential developments. On completion of the development they are donated to the City for ongoing maintenance and replacement. Contributed assets are valued at their current replacement cost of \$16,633,567 in 2012 (\$0 in 2011).		
8 Reimbursements		
Parking Infringement Notice (PIN) & other recoveries	781	982
Wage recoveries	2	6
Facility costs recoveries	2,166	821
Workcover & misc. recoveries	245	444
Utilities costs recovered	5	7
Total reimbursements	3,199	2,260

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2012

	2012 \$'000	2011 \$'000
9 Interest		
Interest on rates	219	212
Interest on cash assets	2,593	2,466
Total interest	2,812	2,678
10 Other income		
Council facilities (permanent bookings)	274	234
Other miscellaneous sales	114	261
Total other income	388	495
11 Net loss on disposal of property, infrastructure, plant and equipment		
(a) Property		
Proceeds from sale of assets	3,658	-
Less written down value of compulsory acquisition land	(1,100)	-
Less written down value of land sold	(197)	-
Less written down value of compulsory acquisition building	(1,811)	-
Less written down value of buildings sold or disposed	(812)	-
(Loss) on sale of land & buildings	(262)	-
(b) Infrastructure		
Written down value of assets disposed	(1,311)	(759)
(Loss) on disposal of infrastructure assets	(1,311)	(759)
(c) Plant and Equipment		
Proceeds from sale of assets	176	300
Less written down value of assets sold	(478)	(261)
Gain (Loss) on sale of plant and equipment	(302)	39
Summary		
Proceeds from sale of assets	3,834	300
Less written down value of assets disposed	(5,709)	(1,020)
Total (loss) on disposal of assets	(1,875)	(720)

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

	2012 \$'000	2011 \$'000
12 Employee benefits		
Wages & Salaries	42,292	38,498
Employee costs	555	698
Redundancy costs	21	-
Fringe benefits tax	179	192
*Unfunded liability (UFL) for superannuation call	8,148	1,576
Total employee benefits	51,195	40,964
*Council has expensed \$8.1m in 2012 (\$1.5m in 2011) in unfunded superannuation costs as part of its membership call from the defined benefits scheme.		
13 Materials and services		
Non capitalised project expenses	7,585	7,977
Maintenance costs	1,171	1,071
Major projects	2,957	3,410
Contract services	2,617	2,307
Consulting services	1,658	1,796
Legal expenses	765	758
Insurances	867	670
General expenses, postage, printing & other	1,512	1,549
Fees, Vic roads, Perin costs, other fees & charges	1,890	1,221
Tip & refuse collections	3,761	3,201
Memberships and subscriptions	285	192
Fire brigade levy	971	892
Materials	1,188	1,772
Utilities	1,372	1,145
Public lighting & electricity	787	815
Operating equipment leasing	315	310
Community contributions	1,275	1,206
Vehicle & Plant costs	1,016	1,069
Equipment & maintenance	2,320	1,793
Computer & communications	2,889	2,021
Cash collections, general & office supplies	1,594	1,285
Total materials and services	38,795	36,460
14 Bad and doubtful debts		
Infringement debtors	1,429	1,969
Other debtors	44	147
Total bad and doubtful debts	1,473	2,116

Maribyrnong City Council
Notes to the Financial Report

For the Year Ended 30 June 2012

		2012	2011
		\$'000	\$'000
15	Depreciation		
	Building	2,107	1,995
	Plant and Equipment	1,962	1,755
	Infrastructure	7,642	7,183
	Total depreciation	11,711	10,933
16	Finance costs		
	Interest - borrowings	548	770
	Total finance costs	548	770
17	Other expenses		
	Councillors' allowances	215	209
	Elections	45	3
	External Auditor's remuneration	54	49
	Other audit services	97	74
	Other miscellaneous	3	3
	Total other costs	414	338

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

	<i>Note</i>	2012 \$'000	2011 \$'000
18 Cash and cash equivalents			
Cash on hand and at bank		198	566
Term deposits		50,000	43,000
		<u>50,198</u>	<u>43,566</u>
Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include :			
- Grants received in advance for which there is an obligation to complete.		4,358	4,884
- Long service leave		7,414	6,448
- Reserves funds allocated for specific future purposes.		6,720	5,207
- Trust funds and deposits.		3,097	2,585
Total restricted Funds	29	<u>21,589</u>	<u>19,124</u>
Total unrestricted cash and cash equivalents		<u>28,609</u>	<u>24,442</u>
19 Trade and other receivables			
Current			
Rates debtors		<u>2,568</u>	<u>2,722</u>
Sundry debtors		<u>1,130</u>	<u>1,576</u>
Perin fine debtors		4,849	3,030
Less allowance for doubtful debts		<u>(3,488)</u>	<u>(2,235)</u>
		<u>1,361</u>	<u>795</u>
Infringement debtors*		1,603	4,094
Less allowance for doubtful debts*		<u>(732)</u>	<u>(2,955)</u>
		<u>871</u>	<u>1,139</u>
Net GST receivable		<u>784</u>	<u>788</u>
Total current		<u>6,714</u>	<u>7,020</u>
Non - current			
Deferred rates		87	81
Total non - current		<u>87</u>	<u>81</u>
Total trade and other receivables		<u>6,801</u>	<u>7,101</u>

Deferred rates are those which can be deferred under Section 170 of the Local Government Act due to hardship.

*Council has performed a review of the collectibility of infringements. The statute barring legislation and previous payment history indicate that debts of \$2.0m be written off, this amount was fully provided for in the provision for doubtful debts.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

	<i>Note</i>	2012 \$'000	2011 \$'000
20 Other assets			
Accrued income		537	687
Prepayments		510	431
Inventories held for sale		11	19
Total other assets		1,058	1,137
21 Property, infrastructure, plant and equipment			
Summary			
at cost		31,820	47,148
Less: accumulated depreciation		(13,658)	(14,600)
		18,162	32,548
at fair value as at 30 June 2012		643,703	-
Less: accumulated depreciation		(71,446)	-
		572,257	-
at fair value as at 30 June 2010		-	589,041
Less: accumulated depreciation		-	(62,401)
		-	526,640
at Council valuation as at 30 June 2012		419,901	-
Less: accumulated depreciation		(153,247)	-
		266,654	-
at Council valuation as at 30 June 2010		-	356,269
Less: accumulated depreciation		-	(139,083)
		-	217,186
Total		857,073	776,374

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

	<i>Note</i>	2012 \$'000	2011 \$'000
21 Property, infrastructure, plant and equipment			
Property			
Land			
At fair value as at 30 June 2010		-	407,008
At fair value as at 30 June 2012		438,044	-
Total Land		<u>438,044</u>	<u>407,008</u>
Land under roads (LUR)			
At cost		513	513
Total Land under roads		<u>513</u>	<u>513</u>
Buildings			
At cost		-	8,067
Less: accumulated depreciation		-	(10)
At fair value as at 30 June 2010		-	182,033
Less: accumulated depreciation		-	(62,401)
At fair value as at 30 June 2012		205,659	-
Less: accumulated depreciation		(71,446)	-
Total Buildings		<u>134,213</u>	<u>127,689</u>
Total Property		<u>572,770</u>	<u>535,210</u>

Valuation of land (excluding land under roads) and buildings was undertaken by a qualified independent valuer Mr Vin Bourke, Certified Practising Valuer (CPV), Rating Valuation services. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at the date of valuation. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. All freehold land reserved for public open space is valued at a discount of 30 percent to market value based on legal precedents.

Valuation of land under roads was undertaken by a qualified independent valuer Mr Vin Bourke, Certified Practising Valuer (CPV), Rating Valuation services. Land under roads is valued at deemed cost. Deemed cost is based on valuations for land under roads in existence at that date, and at the date acquired for subsequent acquisitions using site values adjusted for englobo at a discount of 95%, for undeveloped and/or unserviced characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

	<i>Note</i>	2012 \$'000	2011 \$'000
21 Property, infrastructure, plant and equipment (continued)			
Plant and equipment			
Plant and machinery			
At cost		9,190	8,927
Less: accumulated depreciation		(5,505)	(4,798)
Total Plant and machinery		3,685	4,129
Computers and telecommunications			
At cost		3,599	3,001
Less: accumulated depreciation		(2,394)	(2,303)
Total Equipment and computers		1,205	698
Cultural items			
At cost		3,842	4,461
Less: accumulated depreciation		(1,981)	(2,357)
Total Cultural items		1,861	2,104
Total Plant and equipment		6,751	6,931
Infrastructure and other assets			
Roads and bridges			
At fair value as at 30 June 2012		235,203	-
Less: accumulated depreciation		(84,292)	-
At cost		-	2,394
Less: accumulated depreciation		-	(9)
Council valuation at 30 June 2010		-	194,869
Less: accumulated depreciation		-	(79,960)
Total Roads and bridges		150,911	117,294

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

	<i>Note</i>	2012 \$'000	2011 \$'000
21 Property, infrastructure, plant and equipment (continued)			
Footpaths and cycle ways			
At fair value as at 30 June 2012		53,968	-
Less: accumulated depreciation		(20,792)	-
At cost		-	1,630
Less: accumulated depreciation		-	(3)
Council valuation at 30 June 2010		-	46,769
Less: accumulated depreciation		-	(17,528)
Total Footpaths and cycle ways		33,176	30,868
Drains			
At fair value as at 30 June 2012		130,730	-
Less: accumulated depreciation		(48,163)	-
At cost		-	863
Less: accumulated depreciation		-	(1)
Council valuation at 30 June 2010		-	114,631
Less: accumulated depreciation		-	(41,595)
Total Drains		82,567	73,898
Total Infrastructure assets		266,654	222,060
Street furniture and equipment			
At cost		12,385	13,983
Less: accumulated depreciation		(3,778)	(5,119)
Total street furniture and equipment		8,607	8,864
Total Infrastructure and other assets		275,261	230,924
<p>The valuation of infrastructure asset categories was carried out under the direction of the Coordinator Asset Management, Ahmed Elmohandis, whose professional qualifications are Bachelor Engineering.</p> <p>The revaluation determined the fair value of the assets as at 30 June 2012 based on: unit rates derived from subdivisions and contracts constructed during 2011/12 excluding demolition and preparation costs, straight line depreciation calculated for each asset component and expected lives of assets components determined from consideration of asset condition.</p> <p>The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation. The effective date of the valuation was 30 June 2012.</p>			
Total Works in progress - at cost		2,291	3,309
Total Property, infrastructure, plant and equipment		857,073	776,374

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

21 Property, infrastructure, plant and equipment									
2012	Balance at beginning of financial year	Acquisition of assets	Contributed Assets	Revaluation increments (decrements)	Depreciation	Written down value of disposals	Control of assets transferred for no consideration	Transfers in (out)	Balance at end of financial year
	\$'000	\$'000		\$'000	\$'000			\$'000	\$'000
Property									
Land	407,008	-	15,803	15,430	-	(197)	-	-	438,044
Land under roads	513	-	-	-	-	-	-	-	513
Total land	407,521	-	15,803	15,430	-	(197)	-	-	438,557
Buildings	127,689	1,927	-	7,362	(2,107)	(812)	-	154	134,213
Total buildings	127,689	1,927	-	7,362	(2,107)	(812)	-	154	134,213
Total property	535,210	1,927	15,803	22,792	(2,107)	(1,009)	-	154	572,770
Plant and Equipment									
Plant and machinery	4,129	747	-	-	(997)	(194)	-	-	3,685
Equipment and telecomputers	698	994	-	-	(487)	-	-	-	1,205
Cultural items	2,104	519	-	-	(478)	(284)	-	-	1,861
Total plant and equipment	6,931	2,260	-	-	(1,962)	(478)	-	-	6,751
Infrastructure									
Roads & bridges	117,294	3,952	680	32,775	(4,012)	(726)	-	948	150,911
Footpaths and cycle ways	30,868	905	259	2,534	(1,259)	(399)	-	268	33,176
Drainage	73,898	531	-	9,202	(1,176)	-	-	111	82,566
Street furniture and equipment	8,864	1,020	-	-	(1,195)	(186)	-	105	8,608
Total infrastructure	230,924	6,408	939	44,511	(7,642)	(1,311)	-	1,432	275,261
Works in progress									
Infrastructure	3,309	568	-	-	-	-	-	(1,586)	2,291
Total works in progress	3,309	568	-	-	-	-	-	(1,586)	2,291
Total property, infrastructure, plant and equipment	776,374	11,163	16,742	67,303	(11,711)	(2,798)	-	-	857,073

Maribyrnong City Council **Notes to the Financial Report** For the Year Ended 30 June 2012

21 Property, infrastructure, plant and equipment									
2011	Balance at beginning of financial year	Acquisition of assets	Contributed Assets	Revaluation increments (decrements)	Depreciation & amortisation	Control of assets transferred for no consideration	Transfers In (out)	Balance at end of financial year	
	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000	\$'000	
Property									
Land	408,108	-	-	-	-	-	-	-	407,008
Land under roads	513	-	-	-	-	-	-	-	513
Total land	408,621	-	-	-	-	(1,100)	-	-	407,521
Buildings	123,428	5,915	-	-	(1,995)	(1,811)	2,152	-	127,689
Total buildings	123,428	5,915	-	-	(1,995)	(1,811)	2,152	-	127,689
Total property	532,049	5,915	-	-	(1,995)	(2,911)	2,152	-	535,210
Plant and Equipment									
Plant and machinery	4,225	1,073	-	-	(1,002)	(167)	-	-	4,129
Equipment and telecomputers	783	367	-	-	(452)	-	-	-	698
Cultural items	1,985	514	-	-	(301)	(94)	-	-	2,104
Total plant and equipment	6,993	1,954	-	-	(1,755)	(261)	-	-	6,931
Infrastructure									
Roads & bridges	119,470	2,088	-	-	(4,013)	(540)	-	289	117,294
Footpaths and cycle ways	30,666	1,110	-	-	(1,208)	(219)	-	519	30,868
Drainage	74,198	702	-	-	(1,163)	-	-	161	73,898
Street furniture and equipment	8,728	932	-	-	(799)	-	-	3	8,864
Total infrastructure	233,062	4,832	-	-	(7,183)	(759)	-	972	230,924
Works in progress									
Infrastructure	4,387	2,046	-	-	-	-	-	(3,124)	3,309
Total works in progress	4,387	2,046	-	-	-	-	-	(3,124)	3,309
Total property, infrastructure, plant and equipment	776,491	14,747	-	-	(10,933)	(1,020)	(2,911)	-	776,374

(a) Council has been notified of the compulsory acquisition of 130 Bucklet Street Footscray with a written down value of \$2.9million in its asset register.

Maribyrnong City Council **Notes to the Financial Report**

For the Year Ended 30 June 2012

	2012 \$'000	2011 \$'000
22 Trade and other payables		
Unsecured		
Current		
Trade payables	6,460	8,407
Accrued expenses	10,327	2,048
Total trade and other payables	16,787	10,455
23 Trust funds and deposits		
Refundable asset protection deposits	1,525	1,314
Refundable capital works retentions	13	2
Other refundable deposits	1,258	978
Refundable civic facilities deposits	301	291
	3,097	2,585

Deposits and retentions are held until the works or services have been completed. At completion of the agreement the deposit is refunded less any claim for damages via forfeiture.

24 Provisions				
2012	Annual leave	LSL service	Retirement gratuity	Total
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year	3,473	7,114	1,063	11,650
Additional provisions	2,466	759	52	3,277
Amounts used	(2,034)	(987)	(69)	(3,090)
Increase in discounted amount arising because of time and the effect in discount rate change.	-	528	-	528
Balance at the end of the financial year	3,905	7,414	1,046	12,365
2011	Annual leave	LSL service	Retirement gratuity	Total
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year	3,407	6,835	1,075	11,317
Additional provisions	2,150	1,134	16	3,300
Amounts used	(2,084)	(725)	(28)	(2,837)
Increase in discounted amount arising because of time and the effect in discount rate change.	-	(130)	-	(130)
Balance at the end of the financial year	3,473	7,114	1,063	11,650

Maribyrnong City Council **Notes to the Financial Report**

For the Year Ended 30 June 2012

		2012 \$'000	2011 \$'000
24	Provisions (continued)		
	Employee benefits		
	Current (i)		
	Annual leave	3,905	3,473
	Long service leave	5,593	6,332
	Retirement gratuity	1,046	1,063
		<u>10,544</u>	<u>10,868</u>
	(i) All annual leave is measured at nominal value. Long service leave and gratuity entitlements representing 7 or 10 years respectively for continuous service: - Short term employee benefits, that fall due within 12 months after the end of the period were measured at nominal value.		
	Non current (ii)		
	Long service leave	1,821	782
		<u>1,821</u>	<u>782</u>
	(ii) Long service leave representing less than 7 years of continuous service measured are present value.		
	- Other long term employee benefits that do not fall due within 12 months after the end of the period were measured at present value.		
	Total employee benefits	<u>12,365</u>	<u>11,650</u>
	Aggregate carrying amount of employee benefits:		
	Current	10,544	10,868
	Non-current	<u>1,821</u>	<u>782</u>
		<u>12,365</u>	<u>11,650</u>
	The following assumptions were adopted in measuring the present value of employee benefits:		
	Wage inflation rate	4.0%	4.0%
	Weighted average discount rates	3.0%	5.3%
	Weighted average settlement period	16 yrs	16 yrs
25	Interest bearing loans and borrowings		
	Current		
	Borrowings - Secured	654	4,153
	Total current	<u>654</u>	<u>4,153</u>
	Non Current		
	Borrowings - Secured	4,894	5,548
	Total non current	<u>4,894</u>	<u>5,548</u>
	The maturity profile for Council's borrowings is:		
	Not later than one year	654	4,153
	Later than one year and not later than five years	2,221	2,875
	Later than five years	<u>2,673</u>	<u>2,673</u>
	Total	<u>5,548</u>	<u>9,701</u>
	Aggregate carrying amount of Interest-bearing liabilities:		
	Current	654	4,153
	Non Current	<u>4,894</u>	<u>5,548</u>
	Total Interest bearing loans and borrowings	<u>5,548</u>	<u>9,701</u>
	Borrowings are secured by a claim over Council rates.		

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

26	Reserves	Balance at beginning of reporting period \$'000	Increment \$'000	(Decrement) \$'000	Balance at end of reporting period \$'000
(a)	Asset revaluation reserve				
	2012				
	Property				
	Land	339,823	15,431	-	355,254
	Land under roads	72,200	7,362	-	79,562
		412,023	22,793	-	434,816
	Infrastructure				
	Roads & bridges	54,054	30,662	-	84,716
	Footpaths and cycle ways	10,053	4,646	-	14,699
	Drainage	31,746	9,202	-	40,948
	Assets disposed	95,853	44,510	-	140,363
	Total asset revaluation reserve	507,876	67,303	-	575,179
	2011				
	Property				
	Land	339,823	-	-	339,823
	Land under roads	72,200	-	-	72,200
		412,023	-	-	412,023
	Infrastructure				
	Roads & bridges	54,054	-	-	54,054
	Footpaths and cycle ways	10,053	-	-	10,053
	Drainage	31,746	-	-	31,746
		95,853	-	-	95,853
	Total asset revaluation reserve	507,876	-	-	507,876
(b)	Other reserves	\$'000	\$'000	\$'000	\$'000
	2012				
	Major programs	11,119	3,184	(767)	13,536
	Carried forward funds	-	6,704	-	6,704
	Developer plans	1,723	348	(12)	2,059
	Open space	2,932	1,219	(58)	4,093
	Mausoleum trust	552	16	-	568
	Total Other reserves	16,326	11,471	(837)	26,960
	2011				
	Major programs	5,296	8,175	(2,352)	11,119
	Developer plans	2,549	766	(1,592)	1,723
	Open space	2,543	664	(275)	2,932
	Mausoleum trust	513	39	-	552
	Total Other reserves	10,901	9,644	(4,219)	16,326

The purpose of the major programs is to segregate funds until commencement of works.
The purpose of carried forwards is to segregate unspent project funds for future expenditure.
The purpose of the mausoleum trust reserve is for the future maintenance of the cemetery.
The open space reserve is to segregate the levies collected until required for major works.
The developer contributions reserves segregate the levies collected until required.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

	2012 \$'000	2011 \$'000
27 Reconciliation of cash flows from operating activities to surplus or (deficit)		
Surplus / (Deficit)	13,332	6,862
Non cash items		
Depreciation	11,711	10,933
Net (gain)/loss on disposal of property, infrastructure, plant and	1,875	720
Contributions of non-monetary assets	(16,742)	-
	<u>10,176</u>	<u>18,515</u>
Movement included in investment and financing activities		
Financing costs	548	770
Change in assets and liabilities:		
Decrease/(Increase) in trade and other receivables	300	875
Decrease/(Increase) in other assets	79	(7)
Increase/(Decrease) in trade and other payables	6,332	3,156
Increase/(Decrease) in employee provisions	715	333
	<u>18,150</u>	<u>23,642</u>
Net cash provided by / (used in) operating activities	<u>18,150</u>	<u>23,642</u>
28 Financing arrangements		
Unrestricted access was available at balance date to the following lines of credit:		
Bank loans	5,548	9,701
Bank overdraft	200	200
Purchasing card	150	150
Total credit facilities	<u>5,898</u>	<u>10,051</u>
Bank loans	5,548	9,701
Purchasing card	28	26
Used facilities at balance date	<u>5,576</u>	<u>9,727</u>
Bank overdraft	200	200
Purchasing card	122	124
Unused facilities at balance date	<u>322</u>	<u>324</u>

Maribyrnong City Council Notes to the Financial Report

For the Year Ended 30 June 2012

		2012 \$'000	2011 \$'000
29	Restricted assets		
	Council has cash assets and cash equivalents that are subject to restrictions. As at the reporting date, Council had legislative restrictions in relation to employee entitlements and on other reserve funds excluding grants and trust funds.		
	Long service leave (Note 24)	7,414	6,448
	Grants (Note 6)	4,358	4,884
	Trust funds (Note 23)	3,097	2,585
	Mausoleum trust (Note 26)	568	552
	Developer contribution reserves (Note 26)	2,059	1,723
	Open space reserve (Note 26)	4,093	2,932
	Total restricted assets	21,589	19,124

The restricted asset for long service leave is based on the Local Government (Long Service Leave) Regulations 2012 and does not necessarily equate to the long service leave liability due to a different basis of calculation prescribed by the regulation.

30 Superannuation

Council makes employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (Vision Super). Obligations for contributions are recognised as an expense in the profit or loss when they are due. The fund has two categories of membership, accumulation and defined benefits, each of which is funded differently.

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Council contributions are normally based on a fixed percentage of employee earnings (9% required under the Superannuation Guarantee Legislation). No further liability accrues to the employer as the superannuation benefits accruing to the employees are represented by their share of the net assets of the Fund.

Defined Benefits Plan

The Fund's Defined Benefit Plan is a multi-employer sponsored plan. As the Plan'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.

Council makes employer contributions to the defined benefits category of the Fund at rates determined by the Trustee on the advice of the Fund's actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary as at 31 December 2011. Council makes the following contributions:

- 9.25% of members salaries (same as previous year)
- the difference between resignation and retrenchment benefits paid to any retrenched employees plus contribution tax (same as previous year)

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

30 Superannuation benefit (continued)

The Fund surplus or deficit (ie the difference between fund assets and liabilities) is calculated differently for funding purposes (ie calculating required contributions) and for the calculation of accrued benefits as required in AAS 25 to provide the values needed for the AASB 119 disclosure in the council's financial statements. AAS 25 requires that the present value of the defined benefit liability to be calculated based on benefits that have accrued in respect of membership of the plan up to the measurement date, with no allowance for future benefits that may accrue.

The Local Authorities Superannuation Fund latest 31 December 2011 actuarial investigation identified an unfunded liability of \$453 million excluding the contributions tax in the defined benefit fund of which we are a member. Council was made aware of the expected short fall through the year and was informed formally of their share of the short fall on 1 August 2012 which amounted to \$8.1 million. Council has elected to pay this short fall by lump sum within 12 months of the due date. Council has accounted for this short fall in the comprehensive Income Statement in Employee Benefits and in the Balance Sheet in the trade and other payables.

Superannuation expense

Council made contributions to the following funds:

	2012	2011
	\$'000	\$'000
Employer contributions to the Fund (Vision super)	11,151	4,519
Employer contributions to other super funds	310	202
	<hr/>	<hr/>
	11,461	4,721

Maribyrnong City Council Notes to the Financial Report

For the Year Ended 30 June 2012

31 Commitments

The Council has entered into the following commitments:

	2012 \$'000	2011 \$'000
Operating		
Not later than one year	3,346	2,295
Later than one year and not later than five years	1,149	863
Later than five years	708	-
Total	5,203	3,158

Operating commitments are represented by:

Domestic refuse and recycling collection	1,944	1,082
Green Power electricity	448	-
MAC co-generation	1,121	-
Cleaning services	164	-
Electorial services	239	-
Rating services	236	456
Internet services	-	124
Microsoft licensing	-	468
Storm water	-	140
Cash collection	-	165
Other	1,287	723

Total	5,439	3,158
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Capital

Commitments for capital expenditure contracted at the end of the year but not recognised in the accounts are payable as follows:

Not later than one year	1,760	2,033
Later than one year and not later than five years	192	-
Total	1,952	2,033

Capital commitments are represented by:

MAC change rooms	532	-
Pritchard Avenue	365	-
Amenity area	312	-
Municipal fit out	207	-
IP telephony	174	-
Works Centre	119	-
Leeds street	-	1,828
Other	243	205

Total	1,952	2,033
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Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

32	Operating leases	2012	2011
		\$'000	\$'000

(a) **Operating lease commitments**

At reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities).

Not later than one year	609	224
Later than one year and not later than five years	1,598	166
	<u>2,207</u>	<u>390</u>

(b) **Operating lease receivables**

The Council has commercial property leases on its properties. They are non-cancellable operating leases between 1 and 20 years.

Not later than one year	164	109
Later than one year and not later than five years	422	513
Later than five years	214	286
	<u>800</u>	<u>908</u>

33 **Contingent liabilities and contingent assets**

Contingent liabilities

The Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors.

As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowances for these contingencies has been made in the financial report.

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. As a result of the increased volatility in financial markets, the likelihood of making such contributions in future periods has increased. At this point in time it is not known if additional contributions will be required, their timing or potential amount. This year there was a \$8.1m call shown in the employee benefits note.

The Council is unaware of any other contingent liabilities not recognised elsewhere in these accounts.

Contingent assets

Contributed assets include roads, drains, footpaths and parks which may be created in the approval and construction of large scale residential developments. On completion of the development they are donated to the City for ongoing maintenance and replacement. Contributed assets are valued at their current replacement cost. The budget estimate is that approximately \$0 will be contributed, given a similar level of residential development in the coming year.

There have been \$16.7m contributed assets received in 2011/12 and \$0 in 2010/11.

Maribyrnong City Council Notes to the Financial Report

For the Year Ended 30 June 2012

34 Financial instruments

(a) Accounting policy, terms and conditions

Recognised Financial Instruments	Note	Accounting Policy	Terms and Conditions
Financial Assets			
Cash and cash equivalents	18	Cash on hand, at bank and money market call accounts are valued at face value. Investments and bills are valued at cost. Investments are held within Council's policies and guidelines to minimise the level of risk on interest returns of surplus cash. Interest is recognised as it accrues. Managed funds are measured at market value.	On call deposits interest rate at balance date of 3.75% (4.75% in 2011). The operating account interest rate at balance date was 2.95% (4.25% in 2011). Term deposits returned fixed interest rate of between 5.30% (6.8% in 2011), and 5.48% (5.2% in 2011) net of fees.
Other debtors	19	Receivables are carried at nominal amounts	General debtors are unsecured. Credit
Financial Liabilities			
Trade and other payables	22	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing Finance Leases	25	Loans are carried at their principal amounts, Finance leases are accounted for at their principal amount with the lease payments discounted to present value using the interest rates implicit in the leases.	Borrowings are secured by way of Council has no finance leases.
Bank overdraft		Overdrafts are recognised at the principal amount. Interest is charged as an expense as it accrues.	The overdraft is subject to annual review. It is secured by a mortgage over Council's general rates and is repayable on demand. There was no overdraft used therefore no interest rates were applied. The interest rate as at balance date was 10.08 % (10.74% in 2011).

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

34 Financial instruments (cont.)

(b) Interest Rate Risk

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities at balance date are as follows:

2012	Fixed interest maturing in:					Total
	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Cash and cash equivalents	189	50,000	-	-	9	50,198
Trade and other receivables	-	-	-	-	1,130	1,130
Total financial assets	189	50,000	-	-	1,139	51,328
Weighted average interest rate	3.8%	5.3%				
Financial liabilities						
Trade and other payables	-	-	-	-	16,787	16,787
Trust funds and deposits	-	-	-	-	3,097	3,097
Interest-bearing loans and borrowings	-	654	2,221	2,673	-	5,548
Total financial liabilities	-	654	2,221	2,673	19,884	25,432
Weighted average interest rate		6.3%	6.4%	6.3%		
Net financial assets (liabilities)	189	49,346	(2,221)	(2,673)	(18,745)	25,896

2011	Fixed interest maturing in:					Total
	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Cash and cash equivalents	557	43,000	-	-	9	43,566
Trade and other receivables	-	-	-	-	1,576	1,576
Total financial assets	557	43,000	-	-	1,585	45,142
Weighted average interest rate	4.6%	6.0%				
Financial liabilities						
Trade and other payables	-	-	-	-	10,455	10,455
Trust funds and deposits	-	-	-	-	2,585	2,585
Interest-bearing loans and borrowings	-	4,153	2,875	2,673	-	9,701
Total financial liabilities	-	4,153	2,875	2,673	13,040	22,741
Weighted average interest rate		6.3%	6.3%	6.3%		
Net financial assets (liabilities)	557	38,847	(2,875)	(2,673)	(11,455)	22,401

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

34 Financial instruments (cont.)

(c) Net Fair Values

The aggregate net fair values of financial assets and financial liabilities at balance date are as follows:

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Financial assets				
Cash and cash equivalents	50,198	43,566	50,198	43,566
Trade and other receivables	1,130	1,576	1,130	1,576
Total financial assets	51,328	45,142	51,328	45,142
Financial liabilities				
Trade and other payables	16,787	10,455	16,787	10,455
Trust funds and deposits	3,097	2,585	3,097	2,585
Interest-bearing loans and borrowings	5,548	9,701	5,404	9,234
Total financial liabilities	25,432	22,741	25,288	22,274

At balance date, the Council did not hold any financial assets or financial liabilities requiring measurement at fair value subsequent to initial recognition.

(d) Credit Risk

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

(e) Risks and mitigation

The risks associated with our main financial instruments and our policies for minimising these risks are

Market risk

Market risk is the risk that the fair value of future cash flows of our financial instruments will fluctuate because of changes in market prices. The Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Components of market risk to which we are exposed are discussed below.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2012

34 (e) Financial instruments (cont.)

Our loan borrowings are sourced from major Australian banks. If finance leases are required they will be sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Planning and Community Development each year.

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1989. We manage interest rate risk by adopting an investment policy that ensures:

- conformity with State and Federal regulations and standards,
- capital protection and appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal. We do not have any significant credit risk exposure to a single customer or groups of customers. Ongoing credit evaluation is performed on the financial condition of our customers and, where appropriate, an allowance for doubtful debts is raised.

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in the note 33.

Movement in Other debtors-Provisions for Doubtful Debts

	2012	2011
	\$'000	\$'000
Balance at the beginning of the year	-	(22)
New Provisions recognised during the year	-	-
Amounts already provided for and written off as uncollectible	-	22
Amounts provided for but recovered during the year	-	-
Balance at end of year	-	-

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2012

34 (e) Financial instruments (cont.)

Ageing of Other Debtors

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's Trade & Other Receivables was:

	2012 \$'000	2011 \$'000
Current (not yet due)	1,079	1,060
Past due by up to 30 days	23	25
Past due between 31 and 60 days	1	378
Past due by more than 60 days	27	113
Total Trade & Other Receivables	1,130	1,576

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$0 (\$0 in 2011) were impaired. The amount of the provision raised against these debtors was \$0 (\$0 in 2011). A provision for doubtful debts directly off sets the debtor balance. The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

	2012 \$'000	2011 \$'000
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 60 days	-	-
Past due by more than 60 days	-	-
Total Trade & Other Receivables	-	-

Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover a financial asset at all.

To help reduce these risks we:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Maribyrnong City Council Notes to the Financial Report

For the Year Ended 30 June 2012

34 Financial instruments (cont.)

The table below lists the contractual maturities for Financial Liabilities.

These amounts represent undiscounted gross payments including both principal and interest amounts.

2012	1 year or less \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	16,787	-	-	16,787	16,787
Trust funds and deposits	3,097	-	-	3,097	3,097
Interest-bearing loans and borrowings	654	2,221	2,673	5,548	5,548
Total financial liabilities	20,538	2,221	2,673	25,432	25,432
2011	1 year or less \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	10,455	-	-	10,455	10,455
Trust funds and deposits	2,585	-	-	2,585	2,585
Interest-bearing loans and borrowings	4,153	2,875	2,673	9,701	9,701
Total financial liabilities	17,193	2,875	2,673	22,741	22,741

(f) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from the Department of Treasury and Finance Victoria):

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

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

Interest rate risk					
		-1 %		+1%	
		-100 basis points		+100 basis points	
	Carrying amount \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2012					
Financial assets:					
Cash and cash equivalents	50,198	(502)	(502)	502	502
2011					
Financial assets:					
Cash and cash equivalents	43,566	(436)	(436)	436	436

(g) Fair Value Hierarchy

All Financial assets carried at fair value are measured at quoted prices in active markets for identical assets or liabilities.

Maribyrnong City Council **Notes to the Financial Report**

For the Year Ended 30 June 2012

	2012 \$'000	2011 \$'000
35 Auditors' remuneration		
Audit fee to conduct external audit - Victorian Auditor General	54	49
Other audit services	97	74
	<u>151</u>	<u>123</u>

36 Events occurring after balance date

No events occurred after balance date that have any material or significant effect on the Financial Report.

37 Related party transactions

(I) Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any

Councillors

Sarah Carter	(Councillor 7/12/11 to 30/6/12, Mayor 1/7/11 to 7/12/11)
Michael Clarke	(1/7/11 to 30/6/12)
Catherine Cumming	(1/7/11 to 30/6/12)
John Cumming	(Councillor 1/7/11 to 7/12/11, Mayor 7/12/11 to 30/6/12)
Dina Lynch	(1/7/11 to 30/6/12)
Sel Sanli	(1/7/11 to 30/6/12)
Martin Zakharov	(1/7/11 to 30/6/12)

Chief Executive Officer

Vince Haining	(1/7/11 to 30/6/12)
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(ii) Remuneration of responsible persons

The numbers of Responsible Officers, whose total remuneration from Council and any related entities fall within the following bands:

Income Range:	2012 No.	2011 No.
\$20,000 - \$29,999	5	5
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	2	-
\$60,000 - \$69,999	-	1
\$280,000 - \$289,999	-	1
\$290,000 - \$299,999	1	-
	<u>8</u>	<u>8</u>
Total remuneration for the reporting year for Responsible Persons included above amounted to:	508	490

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

37 Related party transactions (continued)

(iii) Retirement benefits

No retirement benefits have been made by Council to a Responsible Person (2011, Nil).

(iv) Loans, guarantees etc.

No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2011, Nil).

(v) Other transactions

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year (2011, Nil).

(vi) Senior officers remuneration

A Senior Officer, other than a Responsible Person, is an officer of council whose total annual remuneration exceeds \$127,000 or if remuneration is less than \$127,000 has management responsibilities and reports directly to the Chief Executive Officer.

The number of Senior Officers, other than the Responsible Persons, are shown below in their relevant income bands:

Income Range:			2012	2011
			No.	No.
		<\$127,000	-	3
\$127,000	-	\$129,999	3	3
\$130,000	-	\$139,999	7	2
\$140,000	-	\$149,999	3	4
\$150,000	-	\$159,999	1	-
\$160,000	-	\$169,999	-	1
\$190,000		\$199,999	4	-
			<hr/>	<hr/>
			18	13
Total Remuneration for the reporting year for Senior Officers included above amount to:			<hr/>	<hr/>
			2,688	2,145

Maribyrnong City Council Notes to the Financial Report

For the Year Ended 30 June 2012

38 Financial ratios (Performance indicators)

2012 ratio	2011 ratio	2010 ratio
---------------	---------------	---------------

(a) Debt servicing ratio (to identify the capacity of Council to service its outstanding debt)

Debt servicing costs refer to the payment of interest on loan borrowings, finance lease and bank overdraft interest. The ratio expresses the amount of interest paid as a ratio of Council's total revenue.

<u>Debt servicing costs</u>			
Total revenue	0.00	0.01	0.01

(b) Debt commitment ratio (to identify Council's debt redemption strategy)

The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

<u>Debt servicing & redemption costs</u>			
Rate revenue	0.07	0.05	0.06

(c) Revenue ratio (to identify Council's dependence on non-rate revenue)

The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of the Council.

<u>Rate revenue</u>			
Total revenue	0.55	0.62	0.58

(d) Debt exposure ratio (to identify Council's exposure to debt)

<u>Total indebtedness</u>			
Total realisable assets	0.08	0.06	0.06

For the purposes of calculating financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use.

Any liability represented by a restricted asset is excluded from total indebtedness.

The following assets are excluded from total assets when calculating Council's realisable assets: Crown land, restricted assets; infrastructure assets and other controlled property.

This ratio enables assessment of Council's solvency and exposure to debt. Total indebtedness refers to the total liabilities of Council. Total liabilities are compared to total realisable assets which are all Council assets not subject to any restriction and are able to be realised. The ratio expresses the multiple of total liabilities for each dollar of realisable assets.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

38	Financial ratios (continued)	2012 ratio	2011 ratio	2010 ratio
----	------------------------------	---------------	---------------	---------------

(e) Working capital ratio (to assess Council's ability to meet current commitments)

The ratio expresses the level of current assets the Council has available to meet its current liabilities.

<u>Current assets</u>				
Current liabilities	1.87	1.95	2.01	

(f) Adjusted working capital ratio (to assess Council's ability to meet current commitments)

<u>Current assets</u>				
Current liabilities	2.82	3.18	3.58	

The ratio expresses the level of current assets the Council has available to meet its current liabilities.

Current liabilities have been reduced to reflect the long service leave and gratuity allowance that is shown as a current liability because Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, but is not likely to fall due within 12 months after the end of the period.

(g) Definitions

Current assets:

Total current assets as shown in the Balance Sheet.

Current liabilities:

Total current liabilities as shown in the Balance Sheet.

Debt redemption:

Includes the principal component of loan repayments and financial leases and capital items purchased on vendor terms.

Debt servicing:

Includes interest and charges on loans, overdrafts, financial leases and interest on payments for capital items purchased on vendor terms, and contributions to sinking funds.

Rate revenue:

Includes revenue from general rates, municipal charges, special rates, special charges, service rates and service charges.

Total revenue:

Total revenue as shown in the Comprehensive Income Statement.

Total indebtedness:

Total liabilities, both current and non current, as shown in the Balance Sheet.

Realisable assets:

Includes total assets, both current and non current, excluding those assets which cannot be sold and those subject to restrictions. The following assets have been removed from total assets when calculating realisable assets: Restricted assets and Infrastructure assets.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

	<i>Note</i>	2012 \$'000	2011 \$'000
39 Capital expenditure			
Capital works areas			
Property		1,927	5,915
Infrastructure		5,388	3,901
Plant and Equipment		3,280	2,885
Works in Progress		568	2,046
Total capital works		11,163	14,747
Represented by:			
Renewal	(a)	5,950	8,258
Upgrade	(b)	1,638	2,212
New assets		3,575	4,277
Total capital works		11,163	14,747

**Property, Infrastructure, Plant and Equipment
movement Reconciliation Worksheet**

The movement between the previous year and the current year in property, infrastructure, plant and equipment as shown in the Balance Sheet which links to the following items:

Total capital works		11,163	14,747
Contributed non-monetary assets	7	16,742	-
Asset revaluation movement	26	67,303	-
Depreciation	15	(11,711)	(10,933)
Written down value of assets sold and disposed		(2,798)	(1,020)
Net movement in property, infrastructure, plant and equipment		80,699	2,794

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

39 Capital expenditure (continued)

(a) Renewal

Expenditure on an existing asset which returns the service potential or the life of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time.

(b) Upgrade

Expenditure which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the council's asset base.

(c) Expansion

Expenditure which extends an existing asset, at the same standard as is currently enjoyed by residents, to a new group of users. It is discretionary expenditure which increases future operating and maintenance costs, because it increases council's asset base, but may be associated with additional revenue from the new user group.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

	Note	2012 \$'000	2011 \$'000
40 Underlying result			
Reconciliation of underlying surplus to comprehensive result			
Comprehensive result		80,635	6,862
Revaluations of property and infrastructure	26	(67,303)	-
Surplus / (Deficit)		13,332	6,862
One-off / non-recurrent adjustments:			
Contributions - non-monetary assets	7	(16,742)	-
Grants - non - recurrent	6	(1,246)	(3,099)
Net loss on disposal of property, infrastructure, plant and equipment	11	1,875	720
Underlying surplus or (deficit)		(2,781)	4,483

In addition to the deficit and the comprehensive result as provided in the statement of comprehensive income, the Council monitors its financial performance in terms of financial sustainability by establishing an Underlying Result. The Underlying Result, as determined by the Council, is calculated by adjusting the comprehensive result by subtracting any non-cash contributions and removing any one-off or non-recurrent transactions. The Council believes that the Underlying Result allows it to establish its ability to remain sustainable and to fund day to day operations, this result has been reduced due to the inclusion of the unfunded superannuation liability amount of \$8.148m.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

41 Pending Accounting Standards

The following Australian Accounting Standards have been issued or amended and are applicable to the Council but are not yet effective.

They have not been adopted in preparation of the financial statements at reporting date.

<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or</i>	<i>Impact on Local Government financial statements</i>
AASB 9: Financial Instruments and AASB 2009–11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	These standards are applicable retrospectively and amend the classification and measurement of financial assets. Council has not yet determined the potential impact on the financial statements. Specific changes include:	Applicable for annual reporting periods commencing on 1 January 2013.	These changes are expected to provide some simplification in the accounting for and disclosure of financial instruments
	* simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;		
	* removing the tainting rules associated with held-to-maturity assets;		
	* simplifying the requirements for embedded derivatives;		
	* removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;		
	* allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and		
	* reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on:		
	a. the objective of the entity's business model for managing the financial assets; and		
	b. the characteristics of the contractual cash flows.		

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

	2012 \$'000	2011 \$'000
42 Non current asset subject to compulsory acquisition		
Land		
At fair value as at 30 June 2011	-	1,100
Buildings		
At fair value as at 30 June 2011	-	3,122
Less: accumulated depreciation	-	(1,311)
Total Buildings	-	1,811
Total property	-	2,911

On the 13 April 2011 the Department of Transport published a Notice of Acquisition in the Government Gazette for the compulsory acquisition of the property known as 130 Buckley Street Footscray.

Correspondence received from the Department of Transport on 14 June 2011 indicate an offer of compensation for \$3,658,200 which will not prejudice council's right to seek additional compensation.

On the 19 July Council received notification that the hand over of possession occurred on the 31 August 2011.

Non current assets subject to compulsory acquisition are measured at the lower of their carrying amount and fair value, less costs to sell. Fair value is deemed to be the amount offered for the respective asset.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2012

Certification of the Financial Report

In my opinion, the accompanying financial statements have been prepared in accordance with the Local Government Act 1988, the Local Government (Finance and Reporting) Regulations 2004, Australian Accounting Standards and other mandatory professional reporting requirements.



Bryan Stone CPA
Principal Accounting Officer
29th August 2012
Footscray

In our opinion, the accompanying financial statements present fairly the financial transactions of the Maribyrnong City Council for the year ended 30 June 2012 and the financial position of the Council as at that date.

As at the date of signing, we were not aware of any circumstances which would render any particulars in the financial report to be misleading or inaccurate.

We were authorised by Council on the 28 August 2012 to certify the financial report in its final form.



Geoff Cumming
Councillor
29th August 2012
Footscray



Dana Lynch
Councillor
29th August 2012
Footscray



Vince Harting
Chief Executive Officer
29th August 2012
Footscray

Maribyrnong City Council***Comparative Report*****Standard Statements**For the Year Ended 30 June 2012

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Maribyrnong City Council
Comparative Report
Standard Statements
For the Year Ended 30 June 2012

Notes to Standard Statements

1. Basis of preparation of Standard Statements

Council is required to prepare and include audited Standard Statements for this financial year within its Annual Report. Four Statements are required this year - a Standard Income Statement, Standard Balance Sheet, Standard Cash Flow Statement and a Standard Statement of Capital Works together with explanatory notes.

These statements and supporting notes form a special purpose financial report prepared to meet the requirements of the Local Government Act 1989 and Local Government (Finance and Reporting) Regulations 2004.

The Standard Statements have been prepared on an accounting basis consistent with those used for the General Purpose Financial Statements and the Budget. The results reported in these statements are consistent with those reported in the General Purpose Financial Statements.

The Standard Statements are not a substitute for the General Purpose Financial Statements, which are included in the Annual Report. They have not been prepared in accordance with all Australian Accounting Standards or other authoritative professional pronouncements.

The Standard Statements compare council's financial plan, expressed through its budget, with actual performance. The Local Government Act 1989 requires explanation of any material variances. The Council has adopted a materiality threshold of greater than 10 per cent and more than \$100,000. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures included in the Statements are those adopted by Council on 28 June 2011. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

Detailed information on the actual financial results are contained in the General Purpose Financial Statements. The detailed budget can be obtained by contacting Council or through the Council's website. The Standard Statements must be read with reference to these documents.

Maribyrnong City Council
Comparative Report
Standard Income Statement
For the Year Ended 30 June 2012

	Budget 2011/12 \$'000	Variances \$'000	%	Ref	Actuals 2011/12 \$'000
Income					
Rates and charges	65,329	305	0		65,634
Statutory fees and fines	8,491	(414)	(5)		8,077
User fees	10,278	(434)	(4)		9,844
Grants - recurrent	7,424	2,374	32	1	9,798
Grants - non - recurrent	955	291	30	2	1,246
Contributions - cash	-	1,603	100	3	1,603
Interest	1,650	1,162	70	4	2,812
Other income	1,083	2,504	231	5	3,587
Total income	95,210	7,391	8		102,601
Expenses					
Employee benefits	43,678	(7,517)	(17)	6	51,195
Materials and services	35,589	(2,806)	(8)		38,395
Bad and doubtful debts	1,454	(19)	(1)		1,473
Depreciation	10,309	(1,402)	(14)	7	11,711
Finance costs	904	(44)	(5)		948
Other expenses	397	(17)	(4)		414
Total expenses	92,331	(11,805)	(13)		104,136
Contributions - non-monetary assets	-	16,742	100	8	16,742
Net gain (loss) on disposal of property, infrastructure, plant and equipment	350	(2,225)	(636)	9	(1,875)
Surplus (Deficit) for the year	3,229	10,103	313		13,332
Grants - non - recurrent	(955)	291	(30)		(1,246)
Contributions - non-monetary assets	-	16,742	100		(16,742)
Net gain (loss) on disposal of property, infrastructure, plant and equipment	(350)	(2,225)	636		1,875
Underlying Surplus (Deficit) for the year	1,924	(4,705)	(245)		(2,781)

The above statement should be read in conjunction with the accompanying notes.

Maribyrnong City Council
Comparative Report
Standard Income Statement
For the Year Ended 30 June 2012

Variance Explanation Report

Item	Ref	Explanation
Income		
Grants - recurrent	1	Both State and Federal Governments have advanced funding to Council prior to the end of the financial year. These funds were mainly for the following programs: Victorian Grants Commission, Best Start, Storm Water Harvesting, Gender Equity and Healthy Communities.
Grants - non - recurrent	2	Capital grants were received in advance prior to the end of the financial year and will be spent during the next financial year. These funds were mainly for the following projects: Skinner Reserve and the despatch centre at the Raleigh Road Senior Citizens Centre.
Contributions - cash	3	The Open Space and Developer Contributions are not budgeted as they are difficult to predict and then simply transferred to the appropriate statutory reserves until required.
Interest	4	Council, when preparing the budget, took a conservative approach due to the uncertainty of interest rates. There were more funds available for investment due to grants received in advance, cash contributions and the later spending on major projects.
Other income	5	Mainly the re-imbursement of Footscray Seniors relocation costs due to forced acquisition by Regional Rail and Footscray Arts Centre renovation costs.
Expenditure		
Employee benefits	6	This variance is the Unfunded Superannuation Liability for the defined benefits scheme. The shortfall was highlighted by the most recent actuarial review.
Depreciation	7	The main variance is due to a full years depreciation for the new Mall, plus increases for library books, buildings and road base.
Other		
Contributions - non-monetary assets	8	Contributed assets are not budgeted for due to their uncertain value and timing of receipt. The major items are for land attached to McDougall Drive, Ruby Way, Gordon St, La Scala and Allara Ave.
Net gain (loss) on disposal of property, infrastructure, plant and equipment	9	Only Fleet disposals are budgeted, due to the uncertain timing of disposals and the value of infrastructure assets demolished during the construction of the new assets. Primarily footpaths, kerb and channel, surface and buildings.

Maribyrnong City Council **Comparative Report** **Standard Balance Sheet**

As at 30 June 2012

	Budget 2011/12 \$'000	Variances		Ref	Actuals 2011/12 \$'000
	\$'000	\$'000	%		
Assets					
Current assets					
Cash and cash equivalents	38,393	11,805	31	1	50,198
Trade and other receivables	8,261	(1,547)	(19)	2	6,714
Other assets	323	735	228	3	1,058
Total current assets	46,977	10,993	23		57,970
Non-current assets					
Trade and other receivables	134	(47)	(35)		87
Property, infrastructure, plant and equipment	777,906	79,167	10	4	857,073
Total non-current assets	778,040	79,120	10		857,160
Total assets	825,017	90,113	11		915,130
Liabilities					
Current liabilities					
Trade and other payables	5,955	(10,832)	(182)	5	16,787
Trust funds and deposits	611	(2,486)	(407)	6	3,097
Provisions	13,143	2,599	20	7	10,544
Interest bearing loans and borrowings	654	-	-		654
Total current liabilities	20,363	(10,719)	(53)		31,082
Non-current liabilities					
Provisions	1,189	(632)	(53)	7	1,821
Interest bearing loans and borrowings	4,895	1	-		4,894
Total non-current liabilities	6,084	(631)	(10)		6,715
Total liabilities	26,447	(11,350)	(43)		37,797
Net assets	798,570	78,763	10		877,333
Equity					
Accumulated surplus	281,963	(6,769)	(2)		275,194
Asset revaluation reserve	507,876	67,303	13	4	575,179
Other reserves	8,731	18,229	209	8	26,960
Total equity	798,570	78,763	10		877,333

The above statement should be read in conjunction with the accompanying notes.

Maribyrnong City Council **Comparative Report** **Standard Balance Sheet**

As at 30 June 2012

Variance Explanation Report	Ref	Ref
Item		
Assets		
Cash and cash equivalents	1	This item is mainly made up of Government funding advanced to Council prior to the end of the financial year. These grants will be expended on projects and programs to occur in the next financial year. There was an increase in all cash backed reserves and provisions, along with unbudgeted reimbursements, higher interest earnings and more deposits held.
Trade and other receivables	2	The reduction is due to less outstanding amounts in Rates, Sundry and Infringement debtors.
Other assets	3	This variance is primarily accrued interest income from investments earned, and an increase in prepayments.
Property, infrastructure, plant and equipment	4	Asset revaluations are not budgeted for as the timing and value are unknown at the time of budget preparation.
Liabilities		
Trade and other payables	5	This variance is the Unfunded Superannuation Liability for the defined benefits scheme. The shortfall was highlighted by the most recent actuarial review.
Trust funds and deposits	6	The increase in deposits is a result of new projects being applied for, while prior years projects which were expected to be finished were not completed or refunded.
Provisions	7	This variance is the allocation of Long Service, Annual leave and Gratuity provisions.
Other reserves	8	The increase in reserves is to segregate specifically identifiable future major projects, carried forward unspent funds and the continued collection for Open Space and Developer Contributions.

Maribyrnong City Council
Comparative Report
Standard Cash Flow Statement

For the Year Ended 30 June 2012

	Adopted Budget 2011/12 \$'000 (Outflows)	Variances \$'000 Inflows/ (Outflows)		%	Ref	Actuals 2011/12 \$'000 Inflows/ (Outflows)
Cash flows from operating activities						
Receipts from customers	83,945	8,357	10	1		92,302
Payments to suppliers and employees	(80,171)	(7,987)	(10)	2		(88,158)
Net cash inflow from customers/suppliers	3,774	370	10			4,144
Grants - recurrent	7,424	2,374	32	3		9,798
Grants - non - recurrent	955	291	30	4		1,246
Interest	2,733	229	8	5		2,962
Net cash provided by (used in) operating activities	14,886	3,264	22			18,150
Cash flows from investing activities						
Payments for property, infrastructure, plant and equipment	(11,562)	399	3			(11,163)
Proceeds from sale of property, infrastructure, plant and equipment	350	3,484	995	6		3,834
Net cash (used in) investing activities	(11,212)	3,883	35			(7,329)
Cash flows from financing activities						
Finance costs	(519)	(29)	(6)			(548)
Trust funds and deposits	2	510	(25,500)	7		512
Repayment of interest bearing loans and borrowings	(4,152)	(1)	-			(4,153)
Net cash (used in) financing activities	(4,669)	480	10			(4,189)
Net increase in cash and cash equivalents	(995)	7,627	767			6,632
Cash and cash equivalents at the beginning of financial year	39,388	4,178	11			43,566
Cash and cash equivalents at the end of the financial year	38,393	11,805	31			50,198

The above statement should be read in conjunction with the accompanying notes.

Maribyrnong City Council
Comparative Report
Standard Cash Flow Statement
For the Year Ended 30 June 2012

Variance Explanation Report

Item	Ref	Ref
Cash flows from operating activities		
Receipts from customers	1	Mainly the re-imbursement of Footscray Seniors relocation costs due to forced acquisition by Regional Rail and Footscray Arts Centre renovation costs. The Open Space and Developer Contributions are not budgeted as they are difficult to predict and then simply transferred to the appropriate statutory reserves until required.
Payments to suppliers and employees	2	The major variances are: consultants for asset management, strategic planning, city design and urban planning. Contractor payments for traffic and local laws, tree maintenance and information technology. Other major items include refuse collection, tipping, Perin court and legal costs. The variances shown in reference 2 are offset by increased reimbursements referred to in reference 1.
Grants - recurrent	3	Both State and Federal Governments have advanced funding to Council prior to the end of the financial year. These funds were mainly for the following programs: Victorian Grants Commission, Best Start, Storm Water Harvesting, Gender Equity and Healthy Communities.
Grants - non - recurrent	4	Capital grants were received in advance prior to the end of the financial year and will be spent during the next financial year. These funds were mainly for the following projects: Skinner Reserve and the despatch centre at the Raleigh Road Senior Citizens Centre.
Interest	5	Council, when preparing the budget, took a conservative approach due to the uncertainty of interest rates. There were more funds available for investment due to grants received in advance, cash contributions and the later spending on major projects.
Net cash (used in) investing activities		
Proceeds from sale of property, infrastructure, plant and equipment	6	Council received unbudgeted proceeds in compensation of the forced acquisition of the Footscray Senior Citizens centre.
Cash flows from financing activities		
Trust funds and deposits	7	The increase in deposits is a result of new projects being applied for, while prior years projects which were expected to be finished were not completed or refunded.

Maribyrnong City Council
Comparative Report
Standard Statement of Capital Works

For the Year Ended 30 June 2012

Capital Works Groups	Budget 2011/12 \$'000	Variances		Ref	Actuals 2011/12 \$'000
	\$'000	\$'000	%		
Property	3,162	1,235	(39)	1	1,927
Plant and Equipment	1,752	(1,528)	87	2	3,280
Infrastructure	6,647	1,259	(19)	3	5,388
Works in Progress	-	(568)	100	4	568
Operating - Improvement works	7,414	(171)	2		7,585
Total capital & improvement works	18,975	227	(1)		18,748
Operating - Improvement works	(7,414)	171	(2)		(7,585)
Total capital	11,561	398	(3)		11,163
Represented by:					
Renewal	6,102	152	2		5,950
Upgrade	1,633	(5)	-		1,638
New assets	3,826	251	7		3,575
Operating - Improvement works	7,414	(171)	(2)		7,585
Total capital & improvement works	18,975	227	1		18,748
Property, Infrastructure, Plant and Equipment movement Reconciliation Worksheet	Budget 2011/12 \$'000	Variances			Actual 2011/12 \$'000
	\$'000	\$'000	%		
The movement between the previous year and the current year in property, infrastructure, plant and equipment as shown in the Balance Sheet which links to the following items:					
Total capital & improvement works	18,975	(227)	(1)		18,748
Asset revaluation movement	-	67,303	100		67,303
Contributions - non-monetary assets	-	16,742	100	5	16,742
Operating - Improvement works	(7,414)	(171)	2		(7,585)
Depreciation	(10,309)	(1,402)	14	6	(11,711)
Written down value of assets sold or disposed	-	(2,798)	100	7	(2,798)
Net movement in property, infrastructure, plant and equipment	1,252	79,447	6,346		80,699

The above statement should be read in conjunction with the accompanying notes.

Maribyrnong City Council
Comparative Report
Standard Statement of Capital Works
For the Year Ended 30 June 2012

Variance Explanation Report

Item	Ref	Explanation
Property	1	The Public Realm project was not commenced, these funds were transferred to Reserves.
Plant and Equipment	2	The Public Safety Cameras and the PABX system upgrade were from previous years budget but were completed this year. Plus there were some additional projects for the new works centre, floodlighting and parks improvements.
Infrastructure	3	The major variances are for the Railway Reserve, Storm Water Harvesting and VGC Road Improvement works which have been carried forward.
Works in Progress	4	Some of the building projects were not completed. i.e.. MAC change rooms, RecWest, Braybrook Hub, Harris and Skinner Reserve.
Contributions - non-monetary assets	5	Contributed assets are not budgeted for due to their uncertain value and timing of receipt. The major items are for land attached to McDougall Drive, Ruby Way, Gordon St, La Scala and Allara Ave.
Depreciation	6	The main variance is due to a full years depreciation for the new Mall, plus increases for library books, buildings and road base.
Written down value of assets sold or disposed	7	Disposal of Infrastructure assets are not budgeted for due to the uncertain timing and value of the assets demolished during the construction of the new assets.

**Maribyrnong City Council
Comparative Report
Certification of the Standard Statements
For the Year Ended 30 June 2012**

Certification of the Standard Statements

In my opinion, the accompanying standard statements have been prepared on accounting bases consistent with the financial statements and in accordance with the Local Government Act 1989 and the Local Government (Finance and Reporting) Regulations 2004.



Bryan Stone CPA
Financial Accounting Officer
29th August 2012
Footscray

In our opinion, the accompanying standard statements have been prepared on accounting bases consistent with the financial statements and in accordance with the Local Government Act 1989 and the Local Government (Finance and Reporting) Regulations 2004.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the standard statements to be misleading or inaccurate.

We have been authorised by Council on the 28 August 2012 to certify the standard statements in their final form.



John Gunning
Councillor
29th August 2012
Footscray



David Lynch
Councillor
29th August 2012
Footscray



Vince Hanning
Chief Executive Officer
28th August 2012
Footscray



Victorian Auditor-General's Office

Level 24, 25 Collins Street
Melbourne VIC 3000
Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
Email comments@audit.vic.gov.au
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Maribyrnong City Council

The Financial Report and Standard Statements

The accompanying financial report for the year ended 30 June 2012 of Maribyrnong City Council which comprises comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report has been audited.

The accompanying standard statements for the year ended 30 June 2012 of the Council which comprises standard income statement, standard balance sheet, standard cash flow statement, standard cash flow statement, standard statement of capital works, the related notes and the certification of the standard statements have been audited.

The Councillors' Responsibility for the Financial Report and Standard Statements

The Councillors of the Maribyrnong City Council are responsible for the preparation and the fair presentation of:

- the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*
- the standard statements in accordance with the basis of preparation as described in Note 1 to the statements and the requirements of the *Local Government Act 1989*

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report and standard statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994* and the *Local Government Act 1989*, my responsibility is to express an opinion on the financial report and standard statements based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report and standard statements are free from material misstatement.

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

- the appropriateness of the accounting policies used in the financial report
- the reasonableness of accounting estimates made by the Councillors
- the overall presentation of the financial report and standard statements.

Independent Auditor's Report (continued)

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

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of Maribyrnong City Council as at 30 June 2012 and of its financial performance and its cash flows for the year then ended in accordance with applicable *Australian Accounting Standards*, and the financial reporting requirements of the *Local Government Act 1989*;
- (b) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in Note 1 to the statements and comply with the requirements of the *Local Government Act 1989*.

Basis of Accounting for Standard Statements

Without modifying my opinion, I draw attention to Note 1 to the standard statements, which describes the basis of accounting. The standard statements are prepared to meet the requirements of the *Local Government Act 1989*. As a result, the standard statements may not be suitable for another purpose.

Matters Relating to the Electronic Publication of the Audited Financial Report and Standard Statements

This auditor's report relates to the financial report and standard statements of the Maribyrnong City Council for the year ended 30 June 2012 included both in the Maribyrnong City Council's annual report and on the website. The Councilors of the Maribyrnong City Council are responsible for the integrity of the Maribyrnong City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report and standard statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report and standard statements to confirm the information contained in the website version of the financial report and standard statements.

MELBOURNE
3 September 2012


D. D. R. Pearson
Auditor-General



www.maribyrnong.vic.gov.au

Phone: 9688 0200

Email: email@maribyrnong.vic.gov.au

Fax: 9687 7793

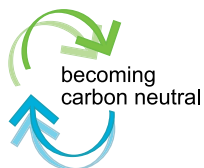
TTY (Hearing Impaired): 9688 0564

After Hours/Emergency: 9688 0200

Street Address: Maribyrnong City Council Offices,
corner Hyde and Napier Streets, Footscray

Postal Address: PO Box 58, Footscray VIC 3011

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