



# Brighton Council

## ANNUAL REPORT 2002 - 2003

ABN: 12 205 460 421

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# INTRODUCTION

## WELCOME

In 1821, Governor Lachlan Macquarie toured the island and selected sites for five townships, one of which was Brighton, being so called in honour of the favourite place of residence of King George IV. As early as 1822, twelve months after Macquarie's visit, Brighton was being spoken of as the future capital of Tasmania. Although considered again in 1824 and 1825, the proposal was dropped and in 1826 became a military post on the main Launceston to Hobart road.

The Council itself held its first meeting on 19th November 1863. In 1993, some one hundred and thirty years later, there were significant changes as a result of the number of Councils in Tasmania being reduced from forty six to twenty nine. This "amalgamation" of councils saw the "loss" of sixty one percent of rural land. Brighton is now a small council, covering an area of approximately 168 square kilometres. It is also quite dry with an annual rainfall of 465mm and an average annual plan evaporation of 1250mm.

Brighton is located approximately 20 kilometres from Hobart and forms the northern urban suburb of the Hobart metropolitan region. Prior to the early 1970's, Brighton was principally a rural municipality. The establishment of the large public housing estates in Bridgewater and Gagebrook in the 1970's and private development in the late 1980's and early 1990's, changed the municipality into more of an urban residential area.

In recent years, commercial and industrial development is increasing in our industrial estate, the largest in the south of the state.

Brighton has a population of approximately 13,500 with a median age of 29 years and 95% of the population are under 65 years of age.

Brighton Council continues to set new standards of achievement in local government in Tasmania, and has shown what can be achieved by the local community and council working together.

If you would like further information, or wish to comment on any aspect of the Council, please contact the General Manager, Mr Geoff Dodge, who will be pleased to help.





## MAYOR'S REPORT

### COUNCILLORS

At the October elections we lost long serving Councillor Lois "Susie" Rainbird, who had been a valued Councillor for almost 20 years

On behalf of the Council and the Community, I say to her, "Thanks Susie, for a job well done".

However, we were fortunate enough to gain the services of Kate Fitzpatrick as a new Councillor, and Kate is the youngest Councillor ever to be elected to Brighton Council.

### BRIGHTON RACE DAY

The Brighton Council co-ordinated the Brighton Race Day meeting again on 28th December 2002, and we are indeed grateful to the local companies that sponsored races on that day which contributed to the success.

Free admission was granted to all residents and readers of the Brighton Community News.

### BRIGHTON RACE TRACK

Major works at the facility included the upgrading of approximately 1,100 metres of the thoroughbred sand track. Patronage improved this year with an estimated 51 trainers (34 from Brighton) regularly using the facility with up to 189 horses training at least three times per week. An interesting statistic is that during March through June trainers from the Brighton Training Complex won 63 of the 230 pacing races held in all of Tasmania.

### MICROWISE

I am pleased to announce that Microwise is now the dominant provider of local government software in Tasmania with a total of sixteen councils using its software products PropertyWise and VacciWise. Microwise has partnered with Information Outlook Pty Ltd of Melbourne to provide improved marketing and support expertise for its clients in Tasmania and expansion into mainland states. Information Outlook brings the power of Microsoft technology to local government through the Microsoft financial business application Navision.

### PARTNERSHIP AGREEMENTS

Council advised the Premier during the year that we would like to participate in a Partnership Agreement with the State Government.

It is expected that the Agreement will be progressed in the next few months.



*Brighton Mayor  
Tony Foster*



# GENERAL MANAGER'S REPORT

## INTRODUCTION

The last year has been another very busy year and Council is indeed very lucky to have a number of community groups that have been very active and have supported the programs being undertaken by Council.

## RECREATION PLAN

Council adopted a Recreation Plan for the municipality during the year, and together with community representatives that Plan is now being implemented.

Our thanks are extended to the Schools and Community representatives that provided valuable input into the Recreation Plan.

## PLANNING SCHEME REVIEW

Unfortunately, although the Planning Scheme has been certified, it has yet to receive final approval. It is expected that the new Scheme will be Law within the next couple of months.

## STAFF MOVEMENTS

There were four (4) staff changes during the year and they are as follows:-

- Children's Services Manager – Gill Barclay left to take on a job in Victoria and was replaced by Paula Stone.
- Executive Officer – Adam Wilson left to work with Hobart City Council and was replaced by Gerard Smallbane.
- Horticulturalist – Rebecca Norman left to go into business with her husband and Mathew Dillon replaced her.
- Cashier – Kelly Reardon left to take another job in the City, and Cathy Harper who works at our Depot replaced her.

## CITIES FOR CLIMATE CONTROL

During the year, Council achieved Milestone 3 as a participant in the Cities for Climate Protection Australia Program.

## LOCAL GOVERNMENT BOARD

During the year Council was subjected to a review by the Local Government Board as part of a process of general reviews for all Councils in Tasmania, which are now required to be undertaken every 8 years.

The review was the first one for the Brighton Council, and although the final report had not been issued at the time of preparation of this report, Council is confident that the report from the Local Government Board will be positive.

Council is indebted to those residents and community representatives that gave evidence to the Board.

## BRIGHTON COMMUNITY NEWS

Although Brighton Community News moved into its fifth year, Council was forced to reduce the distribution from monthly to bi-monthly, because of escalating production costs.

The community is invited to utilise the Newspaper as a means of advertising community events.

## BURP

The Bridgewater Gagebrook Urban Renewal Program (BURP) continued to provide valuable Services in the community.

The two major achievements during the last year would be the "Streets Ahead" project, which enables tenants of Housing Department homes to buy their own homes. So far, over 300 people have signed up.

The other exciting project initiated by BURP is the Youth Build project, which provides opportunities to the young people to obtain basic work skills through a structured mentoring program. The results to date are very encouraging.



*General Manager  
Geoff Dodge*







## COUNCILLORS AS AT 30TH JUNE 2003

### Cr Tony Foster (Mayor)

Councillor for almost 15 years,  
Mayor since 1993



#### Committee Representation:-

- Executive Committee (Chairperson)
- Finance Committee (Chairperson)
- Environment Advisory Committee (Chairperson)
- Access Advisory Committee
- Brighton Training Complex Advisory

#### Committee Council Representative:-

- Southern Tasmanian Councils Association
- Hobart Regional Water Authority

### Cr Ted Jeffries (Deputy Mayor)

Councillor for just over 10 years,  
Deputy Mayor since 1996



#### Committee Representation:-

- Executive Committee
- Parks & Recreation Committee (Chairperson)
- Brighton Planning Committee
- Finance Committee
- Solid Waste Management Committee (Chairperson)
- Brighton Training Complex Advisory Committee
- Children's Services Committee

#### Council Representative:-

- Southern Tasmanian Waste Management Authority

### Cr Philip Owen

Councillor for just over 14 years



#### Committee Representation:-

- Brighton Planning Committee  
(Chairperson)

#### Council Representative:-

- Measuring Council Performance Steering Committee
- Natural Heritage Trust Management Committee

### Cr Barbara Curran

Councillor for almost 7 years



#### Committee Representation:-

- Pontville Special Committee
- Finance Committee
- Brighton Planning Committee
- Environment Advisory Committee
- Brighton Senior Citizens Centre Management Committee (Chairperson)
- Community Advisory Committee
- Community Services Committee
- Brighton Access Advisory Committee

#### Council Representative:-

- Natural Heritage Trust Management Committee

### Cr Peter Geard

Councillor for just over 15 years



#### Committee Representation:-

- Pontville Special Committee  
(Chairperson)
- Solid Waste Management Committee
- Parks & Recreation Committee
- Brighton Senior Citizens Management Committee

#### Council Representative:-

- Local State Emergency Services Co-ordinator
- State Bicycle Advisory Committee

### Cr Geoff Taylor

Councillor for 18 years



#### Committee Representation:-

- Brighton Planning Committee
- Solid Waste Management Committee
- Brighton Training Complex Advisory Committee



## COUNCILLORS AS AT 30TH JUNE 2003

### Cr Cris Fitzpatrick

Councillor for 3 and a half years.

#### Committee Representation:-

- Parks & Recreation Committee
- Environment Advisory Committee
- Access Advisory Committee



### Cr Lois Rainbird

(not re-elected October 2002)

Councillor for just over 19 years.

#### Committee Representation:-

- Parks & Recreation Committee (until October 2002)
- Finance Committee (until October 2002)
- Access Advisory Committee (until October 2002)



#### Council Representative:-

- Brighton Junior Council (until October 2002)
- Bridgewater High School Council (until October 2002)
- Gagebrook Primary School Council (until October 2002)

### Cr Kate Fitzpatrick (Elected October 2002)

Councillor for 9 months.

#### Committee Representation:-

- Parks & Recreation Committee (from October 2002)
- Gagebrook Primary School Committee (from October 2002)
- Bridgewater High School Council (from October 2002)
- Junior Council (from October 2002)



### Cr Matt DePaoli (resigned June 2003)

Councillor for 2 and a half years.

#### Committee Representation:-

- Finance Committee
- Brighton Training Complex Advisory Committee





## OPERATIONAL HIGHLIGHTS

### LAND USE PLANNING & BUILDING

- *To ensure Brighton is an attractive municipality providing for the sustainable objectives of the Act.*
- *To assess application for compliance with the necessary planning, building and health regulations and Council's strategic and operational plans.*
- *To deliver a high quality level of customer service to meet community expectations and statutory deadlines.*

#### Performance

- Completion of the provisions for a new planning Scheme following community and Council input through public hearings.
- Monitoring increased development applications as part of an expanding municipality and providing for the issue of "permitted" permits within six working days and "discretionary" permits within thirty-one days including advertising.
- Maintaining a low level of appeals to Council's decision. Only three appeals have been lodged against the 304 permits issued.
- The total number of permits processed represented an increase of 20% over the previous year. Given the upturn in applications processing targets were still maintained.
- Subdivision applications reflected the market interest in Brighton as a place to live. A total of nineteen applications were processed producing some 291 lots from urban residential to rural residential size.
- In line with planning and subdivision applications there has been a marked increase in building applications particularly the construction of new dwellings. A total of 275 building permits have been issued with a value of \$10,708,371. This represents an increase in dollar terms of 31.25%.
- A further indicator of the positive growth for Brighton is the increase in Section 337 Certificates concerning building, planning, health and engineering liabilities requested at the time of property sales. These have increased from 427 to 738 suggesting an increasing level of home ownership.

### ANIMAL CONTROL

- *To provide the community with an effective and efficient ranger service.*
- *To educate dog owners to be responsible and caring for their animals.*
- *To continue to administer Council's Dog Management Policy and the Dog Control Act 2000.*

#### Performance

- Completion of the Dog Management Policy has enabled local controls to be enacted for exercising of dogs.
- There has been a gradual increase in the registration of dogs from 3395 to 3846. The numbers are a positive response to the household checks conducted between August and November each year.
- The number of complaints in relation to stray dogs and nuisances has similarly increased to 729. Some 610 dogs were taken to the Dogs Home of which approximately one third were reclaimed by their owners.
- Kennel licences remain at 26 whilst the number of dangerous dogs has increased to 7.
- The increasing cost of prosecuting infringement notices is of concern, given the low level of response to such notices and subsequent fines issued by the Court.

# OPERATIONAL HIGHLIGHTS

## ENVIRONMENT & PUBLIC HEALTH

- *To maintain sustainability of the environment and improve public health.*
- *Recognition for the need to implement measures for reducing health risk and extending environmental monitoring programs.*
- *To monitor the manufacture and sale of food in the municipality, such that it does not pose a risk to public health.*
- *To respond promptly to all nuisances that impact on the health and safety of the community.*

### Performance

#### IMMUNISATION

Immunisation has been promoted to as wide a group of the community as possible in an effort to ensure a complete cover of vaccines is delivered. This has been encouraged by a vaccine subsidy scheme adopted by Council and recognised nationally with the award of the inaugural Ministerial Award for Innovative Immunisation Service.

A total of 531 individual vaccinations were administered in 2002-2003 and a further 592 vaccinations to school children and Council Staff. Council was the first to introduce a subsidy for the meningococcal vaccine in recognition of a young population at risk.

## FOOD SAFETY & NUTRITION

### FOOD PREMISES

The basis for registration of food premises is on an assessment of perceived risk, the consequence of which is to determine the frequency of inspection. Council also encourages the Healthy Options Tasmania program to encourage food outlets to offer healthy choices in food for sale to the public.

### FOOD HANDLER TRAINING

The education and training of food handling continues to be a high priority for Council Environmental Health Officers. The cornerstone of this is the promotion and implementation of the "foodsafes" training package developed by the Australian Institute of Environmental Health.

A number of food businesses have successfully completed the package and a number are well on the way to being accredited.

### FOOD SAMPLING

Council continues to closely monitor the quality of food in the municipality as part of the state Health and regional food sampling programs. Random samples of pre-determined foodstuffs are analysed to ensure compliance with the Food Act 1998 and Food Standards Codes.

Additional analysis is undertaken where specific complaint is made – five for the period 2002/2003 being recorded.

### POTABLE WATER QUALITY

Water samples are collected from five sites within the municipality on a monthly basis and reported back to Council.

In general, water quality is of a very high standard in the municipality although 5 samples (compared with seven in 2001/2002) failed to meet the N.H. & M.R.C. Australian Drinking Water Guidelines 1996. No source of contamination however was found and subsequent samples were satisfactory.







## OPERATIONAL HIGHLIGHTS CONTINUED

### ENVIRONMENTAL MONITORING

The Jordan River is the main recreation water body which is monitored in conjunction with D.P.I.W.E. Water samples are taken on a fortnightly basis for five months between November and March.

The main factor in this is the nutrient in-puts upstream from rural activities.

### ON-SITE DOMESTIC WASTEWATER MANAGEMENT

Introduction of the new On-site Domestic Wastewater Management Standard AS/NZS 1545:2000 has provided a uniform approach to the evaluation of wastewater treatment systems for new buildings. This has led to the increased application of Aerated Wastewater Treatment Systems as the preferred outcome.

This is importantly so, given the nature of soils and geology within the municipality and the failure of some older systems.

Council has also been involved with a NHT initiative to trial a number of different types of disposal systems to ensure a cost-effective and environmentally friendly treatment approach in difficult terrains.

Staff in this area handled a total of one hundred and thirty-two (132) complaints during 2002/2003.

It is often difficult to prosecute offenders and at times it has been necessary to work with Tasmania Police to determine strategies to reduce complaints. Environmental Protection Notices have been issued in three cases all of which delivered a positive outcome.

### ON-SITE DOMESTIC WASTEWATER TRIALS

The trialing of a number of new systems has been conducted in conjunction with selected landowners. The systems include:

- An aerobic re-circulating sand filtration system
- An intermittently dosed slow sand filter using finer graded medium
- Filtered septic tank system using self-cleansing UV disinfection system
- Extended aeration and activated sludge system using OZONE for disinfection of effluent.

In conjunction with this, a catchment study of the Baskerville and Honeywood areas has been completed to assess the area in terms of land capability for waste disposal, given it is the most unsuited area for septic tanks and is erosion prone.

### DRUMMUSTER

Council has embraced the DrumMuster program, which encourages the safe disposal of clean farm chemical containers in a value-added recycled product.

Brighton provides a central inspection and collection depot for six other Southern Councils. An initiative, which has been recognized nationally.

### JORDAN RIVER CATCHMENT MANAGEMENT PLAN

The NHT management plan also produced a Rivercare Plan on which a weed removal program was conducted in the Elderslie – Brighton section of the river.

This represented a successful completion to this phase of the Plan.

# OPERATIONAL HIGHLIGHTS CONTINUED

## PHYSICAL SERVICES

### ROADS

#### Objective

- To maintain the road network to a standard that is acceptable and safe for the travelling public and other road users.

#### Action Plan

- Maintain all roads within the road network to a level that is the same or equal with their importance within the network.
- Ensure that all roads are in a safe and trafficable condition for vehicles and pedestrians at all times.
- Maintain the drainage system to a level that minimises adverse environmental impact on the Derwent and Jordan River systems.

#### Performance

As well as routine maintenance works in achieving the above general action plan the following works were undertaken:

- Footpath, kerb and channel works at Andrew Street, Brighton
- Reconstruction of Bridgewater footpaths
- Continued reseal program for urban and rural sealed roads
- Back Tea Tree Road bridge / road realignment
- Completion of sealing program for Baskerville Road
- Drainage works on Tongatabu Road, Dromedary and Tivoli Road, Gagebrook

### BRIDGES

#### Objective

- To maintain all bridges, culverts and pedestrian underpasses that are part of the road network, to a standard that is acceptable and safe for the travelling public and other users.

#### Action Plan

- Maintain all bridges, culverts and pedestrian underpasses at a level that provides essential vehicle access to all affected properties.
- Ensure that all bridges, culverts and pedestrian underpasses are safe for all users.

#### Performance

Routine maintenance works were undertaken during the year as well as the reconstruction of Merrieworth Road bridge and preliminary works for the construction of the Jetty Road boat ramp.



### SEWERAGE

#### Objective

- To maintain the sewerage system to a standard that will adequately convey effluent to the sewage treatment plant without adverse effect to the environment.
- To treat effluent to standards required by the Department of Primary Industry, Water and Environment.
- Encourage the recycling of treated effluent

#### Action Plan

- Ensure that all sewage pump stations are maintained at a level that does not create a health hazard, pollute the environment or create a nuisance.
- Operate the sewage treatment plants to the requirements of the Department of Primary Industry, Water and Environment and not create a nuisance to the surrounding properties.





## OPERATIONAL HIGHLIGHTS CONTINUED

### Performance

As well as routine maintenance works in achieving the above general action plan the following works were undertaken:

- Sewerage extension – Elderslie Road, Brighton
- Sewage re-use – monitoring bores
- Treatment plant
  - Telemetry
  - Replaced conveyor
  - Replaced boiler pump
- Pump station telemetry – radio all sites
- Installation of pump station level monitoring

### WATER SUPPLY

#### Objective

*- To maintain the water supply storage reservoirs and reticulation system at a standard that will supply potable water to all existing consumers with minimal interruption.*

#### Action Plan

*- Maintain all water storage reservoirs and water mains at a standard that will ensure the supply of potable water to all consumers is within the accepted health standards.*

*- Ensure that adequate supply and pressure are preserved for both domestic and emergency use.*

### Performance

As well as routine maintenance works in achieving the above general action plan the following works were undertaken:

- Construction of water line – Millvale Road
- Telemetry – reservoir levels

### PUBLIC BUILDINGS

#### Objective

*- To maintain all public buildings to a standard that protects the asset and encourages use by community groups and the general public.*

#### Action Plan

*- Maintain public buildings to a level that is commensurate with the use, location and patronage.*

*- Encourage the use of all buildings to sporting groups and the general public.*

### Performance

As well as routine maintenance works in achieving the above general action plan the following works were undertaken:

- Replaced Brighton Council office roof
- Bridgewater Community Centre – window replacement
- Coronation Hall - painted exterior
- Pontville Hall - painting and upgrade

### RESERVES

#### Objective

*- To maintain all passive and active recreational areas to a standard that is acceptable, safe and accommodates the needs of all sporting groups.*

#### Action Plan

*- Ensure that all passive recreational areas are maintained at a level that is commensurate with their importance, use and location in the residential areas.*

*- Ensure that all playgrounds are acceptable and safe for all users.*

*- Promote the use of all recreational facilities to sporting groups and the general public.*

*- Ensure that the preventative maintenance program for all playgrounds is carried out as per Standards Australia guidelines.*

## OPERATIONAL HIGHLIGHTS CONTINUED

### Performance

As well as routine maintenance works in achieving the above general action plan the following works were undertaken:

- Brighton skate park facilities construction started at Seymour Street
- Tottenham Park irrigation system installed
- Jordan River reserve improvements
- Replacement of playground equipment
- Seymour Street soccer grounds toilet block construction
- Beautification program – Midland Highway reservation
- Pontville Park
  - Upgraded car park
  - New building constructed
  - Scoreboard
  - Relocation of practice wickets
  - Power upgraded

## WASTE MANAGEMENT

### Objective

- *Maintain a waste management system that promotes a healthy environment and a level of service equivalent to community expectations.*

### Action Plan

- *Maintain a high level of service for the kerbside collection of garbage and recyclable material.*
- *Maximise reduction of waste to landfill.*

### Performance

Ensured that the transfer station operation and kerbside rubbish and recycling collection services were undertaken in an efficient and effective manner.

Continued participation in the Southern Waste Strategy Board.

## BRIGHTON COUNCIL CHILDREN'S SERVICES

### Objective

- *To provide a range of child care services that meet the diverse needs of the community.*
- *To offer professional, safe, appropriate care through the auspices of a home-based care type known as Family Day Care [FDC], and Outside School Hours Care [OSHC] types known as After School Care and Vacation Care.*
- *To ensure that all programs are administered and regulated according to local, state and commonwealth government guidelines.*

### Action Plan

- *To identify and address the areas of greatest need within child care in the municipality.*
- *To continue participating in the National Accreditation Council's Quality Assurance process in Family Day Care, and to commence the newly initiated process in the Outside School Hours Care programs.*
- *To increase the profile of Children's Services.*
- *To increase the number of FDC carers especially in areas of highest child care need such as Old Beach and Brighton.*
- *To attempt to gain higher utilisation of the OSHC programs.*
- *To update and improve communication and administration processes for families and carers.*
- *To resource more FDC funding possibilities in order to increase support to carers through increased training options and field staff hours.*
- *To assist in the formulation of the new FDC Government Licensing Standards.*





## OPERATIONAL HIGHLIGHTS CONTINUED

### Performance

#### FAMILY DAY CARE

This has been a year that has seen significant changes, especially in the area of staffing. The co-ordinator, Gill Barclay, resigned in August to take up a new position in Victoria. Her replacement was Paula Stone who lives locally and who had previously taught for 11 years at St Paul's School, Bridgewater. We also farewelled Sue Vernon and Adam Flack, and we welcomed Janelle Brennan as Adam's replacement in FDC. Janelle has an Early Childhood Education background and extensive administration experience. The new staff members have been very appreciative of the support and guidance given to them by the "old hands", Joy Maher and Lisette Graham.

Because of a very substantial grant from Tasmanian Health and Wellbeing, we have been able to increase FDC staff field work hours by 10 hours per week as well as provide an independent support service for our carers. This support is provided by a professional consultant who facilitates a carer-only meeting three times a year.

Several carers have completed, or are in the process of completing, appropriate child care courses which will give them qualifications ranging from Certificate 2 to Diploma level. We congratulate the efforts of these people – it is not an easy task to work for up to 10 hours a day then go on to several more hours of intense study as an addition to attending all normal scheme training sessions and meetings, all of which have to happen at night or in weekend times. The support of the carers' families is recognised and greatly appreciated also.

For the first time, the scheme has been operating at maximum utilisation capacity, and, as a result of this increased demand, has had to initiate a waiting list. The scheme currently administers to approximately 260 families by providing care to more than 400 children per week. The scheme has applied to the government for an increase of funded child care places and we are anxiously waiting for a positive outcome to that request.

As a result of a successful recruiting campaign we were able to increase the number of registered carers to 37 and have a current waiting list of 26 interested people. During the year we said goodbye to the following carers: Louise and Roger Woolley, Judy Aldridge, Jackie Green and Trudi Burr. We registered the following new carers: Janine Schofield, Michelle Thompson, Andrea Honey, Claudia Beard, Melinda Direen, Angela Weeding, Kelly Plummer, Lyn Foye, Letitia Dillon, Shelley Robson, Narelle King, and Jayne Rawlings. This growing list of carers has assisted us to meet the increased demand for child care places especially in the high needs areas, as 7 of the new carers are located in Old Beach or Brighton.

All carers and staff, experienced or new, are to be congratulated on the positive way in which they have approached the QA process even though some were initially wary of the possibilities of change and of an increase to their existing heavy workloads. Already we have witnessed many of the quality improvements that have been initiated as a result of self study and evaluation of existing practices across all the elements of quality care, especially interactions, physical environment and administration.

The coming year should be most rewarding in Family Day Care as we enter yet another stage in the development of a more professional, accountable child care service. We should see the successful culmination of our first ever national accreditation, the conclusion of, and subsequent implementation of, the long-awaited new Government Licensing Standards and the opportunity to celebrate 25 years of providing safe, flexible, stimulating and affordable care for the children of our community – our most precious resource!



## OPERATIONAL HIGHLIGHTS CONTINUED



### OSHC: AFTER SCHOOL AND VACATION PROGRAMS:

During the year, the Council provided funds to refurbish existing store rooms attached to the hall in Brighton Primary School so that our OSHC programs could be relocated from the rooms they were sharing with the Online Access Centre. This has been a very successful move as the OSHC programs now have their very own space, have immediate access to the school hall for indoor activities and have easy access to the toilets and playground space. It also means that the vacation program now operates from there instead of from the Pontville Hall.

January brought a change in staffing when Adam Flack chose to commence studying at University, and Sue Argee was successful in her application to become the replacement Co-ordinator. Sue had been working as Adam's assistant so was well known to the children and their families. Sue has also commenced the Child Care Diploma course and is part of the newly formed Southern OSHC Quality Assurance Committee who will assist in implementing the process from September 2003. Sue is ably assisted in running the OSHC programs by David Green and several relief staff.

There has been a concerted effort to improve the utilisation of the programs, as they are not proving to be financially viable, especially the After School program. One of the main reasons for this is because it really only caters for children from Brighton School, because of the logistical difficulties children from other schools in the area have in accessing the location. Because of staff:child ratio restrictions and minimum hours of work requirements, the programs need to be consistently operating at a minimum of 75% capacity to be viable. Increasing the fees is not really an option as, despite parents receiving government assistance, it is still an expensive child care option.

The programs continue to offer parents safe, enjoyable and age appropriate care after school from 3pm to 6pm and during school vacation times from 7.30am to 6pm weekdays.





## OPERATIONAL HIGHLIGHTS CONTINUED

### ADMINISTRATION AND FINANCE

#### Objective

- *Provide high quality administrative support to all Council departments, elected members and external stakeholders.*
- *To manage Council finances, administrative processes and co-ordinate Council resources in an efficient and responsible manner.*
- *Provide information and records management to meet the needs of Council decision-making process and policy formulation.*

#### Action Plan

- *Develop and maintain a sustainable and understandable budgetary system and to incorporate an associated reporting system, to satisfy both internal and external reporting requirements.*
- *Maximise the use of any available grant funding, through the active pursuit and lobbying of State and Commonwealth Governments.*
- *Develop a fair and equitable rating policy that can be contained within Councils existing financial framework.*
- *Minimise Council level of debt write-offs.*
- *Maximise the return on Council investments within an acceptable risk profile.*
- *Implement a financial model that will satisfy the specific needs identified in the Strategic Plan.*
- *Collect the various levies imposed by Government agencies and remit these accordingly.*
- *Encourage staff development and professional enhancement to optimise resource utilisation.*
- *Pursue effective cost of service delivery.*
- *Ensure equality in treatment of all classes of residents.*

#### Performance

The Financial Management of Brighton Council continued to improve with favourable key financial indicators during 2002 – 2003. Brighton Council's percentage of Debt to Revenue decreased during the financial year thanks to responsible financial management by staff and Councillors. For 9 years now, Council's debt ratio has been steadily falling and will continue to fall with no new loan requirements for the financial year ending in June 2004. Against the trend of many Tasmanian Councils, Brighton Council again managed to hold its rate increase to less than CPI. Council's financial position again improved during the year with an increase in equity of \$3,678,314, an increase in the cash position and an improved current ratio.

Significant offsets were made against Corporate Services staff salaries by providing consulting services to Microwise Australia Pty Ltd and Southern Combined Planning Authority. Other achievements of the year include the successful implementation of an internet based debt collection system, which provides for more efficient debt management.

We successfully applied all new accounting standards and undertook a condition assessment of all roads so that our depreciation procedures reflect a true picture of road deterioration. Council is now in a better position to allocate capital expenditure according to asset depreciation to ensure the effective management of assets under our control.

Council adopted its long term (ten year) financial plan. The adoption of a Long Term Financial Plan establishes a strategic direction with consideration for the long term financial health of Brighton Council.

The plan takes into consideration the Brighton Council Strategic plan and accommodates the long term demand for infrastructure asset renewal.

# OPERATIONAL HIGHLIGHTS CONTINUED

## HUMAN RESOURCES, PLANT AND EQUIPMENT

### Objective

- *Optimise the utilisation of Council's existing staff, plant and equipment resources in an efficient and responsible manner.*

### Action Plan

- *Provide commitment to continual development based on the premise of equality and measurable productivity improvement.*
- *Resource sharing of staff, plant and equipment with other Councils is still continuing.*
- *Maintain existing staffing, plant and equipment levels.*
- *Increase in work place training and development for Council's workforce, particularly in relation to the Local Government Training Package.*

### Performance

Resource sharing of Council staff and plant with neighbouring Councils still continued.

Use of temporary placement agency to fill casual vacancies and functions within the workforce.

Council's staff training policy has benefited Council by allowing staff to increase their skills, knowledge and confidence, so that not only Council, but the community benefit from having highly skilled, committed and motivated staff. Council's record of success over the past few years, from awards in areas such as environmental policy to community communication, could not have been achieved without dedicated and skilled employees.

Policies, procedures and programs were reviewed and updated for staff to have equal access to recruitment, training, leave and promotion. Other reviews and updates included Council's Grievance Policy, employees with disabilities and training programs.

Council continues to increase it's Human Resource and Occupational Health & Safety Policies though the assistance of the Human Resource Working Group and Occupational Health & Safety Committee.

Brighton Councillors continue to use their supplied personal computers to enable information to be transferred via e-mail to and from all staff and elected representatives.





## COUNCILLOR ATTENDANCE

### ORDINARY COUNCIL MEETINGS

MEMBERS	NO. OF MEETINGS	ATTENDED	%
Cr Foster	12	11	92
Cr Jeffries	12	12	100
Cr Curran	12	10	83
Cr DePaoli	12	10	83
Cr Geard	12	10	83
Cr C Fitzpatrick	12	9	75
Cr K Fitzpatrick (from Nov)	8	6	75
Cr Owen	12	12	100
Cr Rainbird (to Oct)	4	4	100
Cr Taylor	12	12	100

### SPECIAL COUNCIL MEETING

MEMBERS	NO. OF MEETINGS	ATTENDED	%
Cr Foster	1	1	100
Cr Jeffries	1	0	0
Cr Curran	1	1	100
Cr DePaoli	1	1	100
Cr Geard	1	0	0
Cr C Fitzpatrick	1	0	0
Cr K Fitzpatrick	1	0	0
Cr Owen	1	1	100
Cr Taylor	1	1	100

### ANNUAL GENERAL MEETING

MEMBERS	NO. OF MEETINGS	ATTENDED	%
Cr Foster	1	1	100
Cr Jeffries	1	1	100
Cr Curran	1	0	0
Cr DePaoli	1	1	100
Cr Geard	1	1	100
Cr C Fitzpatrick	1	0	0
Cr K Fitzpatrick	1	1	100
Cr Owen	1	1	100
Cr Taylor	1	1	100





# COUNCILLOR ATTENDANCE

## PARKS & RECREATION COMMITTEE

MEMBERS	NO. OF MEETINGS	ATTENDED	%
Cr Jeffries	4	4	100
Cr Geard	4	3	75
Cr C Fitzpatrick (until Nov)	2	2	100
Cr K Fitzpatrick (from Nov)	2	2	100
Cr Rainbird (until Oct)	2	2	100

## FINANCE COMMITTEE

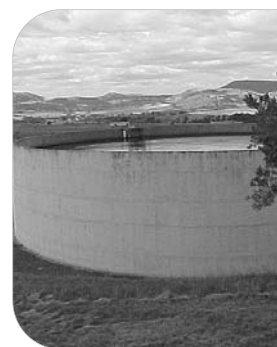
MEMBERS	NO. OF MEETINGS	ATTENDED	%
Cr Foster	6	6	100
Cr Jeffries	6	5	83
Cr DePaoli	6	4	67
Cr Owen (from Nov)	4	4	100
Cr Rainbird (until Oct)	2	2	100
NON MEMBERS			
Cr Owen	-	1	-
Cr Geard	-	1	-

## PLANNING COMMITTEE

MEMBERS	NO. OF MEETINGS	ATTENDED	%
Cr Owen	6	6	100
Cr Jeffries	6	4	67
Cr Curran	6	5	83
Cr Taylor	6	6	100

## ENVIRONMENT ADVISORY COMMITTEE

MEMBERS	NO. OF MEETINGS	ATTENDED	%
Cr Foster	2	2	100
Cr Curran	2	2	100
Cr C Fitzpatrick	2	0	0







## COUNCILLOR ATTENDANCE CONTINUED

### PONTVILLE SPECIAL COMMITTEE

MEMBERS	NO. OF MEETINGS	ATTENDED	%
Cr Geard	1	1	100
Cr Curran	1	0	0

### WASTE MANAGEMENT COMMITTEE

MEMBERS	NO. OF MEETINGS	ATTENDED	%
Cr Jeffries	2	2	100
Cr Geard	2	1	50
Cr Taylor	2	1	50

### BRIGHTON TRAINING COMPLEX ADVISORY COMMITTEE

MEMBERS	NO. OF MEETINGS	ATTENDED	%
Cr Foster	1	1	100
Cr Jeffries	1	1	100
Cr DePaoli	1	1	100
Cr Taylor	1	1	100



# Brighton Council

## FINANCIAL REPORT 2002 - 2003

ACN: 12 505 480421

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# **Tasmanian Audit Office**

## **INDEPENDENT AUDIT REPORT**

### **To the Councillors of the Brighton Council**

#### **Scope**

I have audited the financial report of the Brighton Council comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes thereto, for the year ended 30 June 2003. The General Manager of the Brighton Council is responsible for the financial report. I have conducted an independent audit of the financial report in order to express order to express an opinion on it to the Councillors.

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

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

#### **Audit Opinion**

In my opinion the financial report presents fairly in accordance with the *Local Government Act 1993*, applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the Brighton Council at 30 June 2003, and the results of its operations and its cash flows for the year then ended.

#### **TASMANIAN AUDIT OFFICE**

A J McHugh  
**AUDITOR-GENERAL**

17 October 2003  
**HOBART**



# STATEMENT BY COUNCILLORS AND PRINCIPAL ACCOUNTING OFFICER

## BRIGHTON COUNCIL

### Statement by Councillors and Principal Accounting Officer

---

In our opinion:

- (a) the financial report set out on the following pages presents fairly the financial position of BRIGHTON COUNCIL as at 30 June 2003 and the results of its operations for the year then ended in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views and applicable legislation; and
- (b) the financial report has been prepared in accordance with the requirements of the Local Government Act (Tasmania) 1993.

**Cr. S.A. Foster**  
**Mayor**

A handwritten signature in black ink, appearing to read "S.A. Foster", written over a horizontal line.

**Cr. T.J. Jeffries**  
**Deputy Mayor**

A handwritten signature in black ink, appearing to read "T.J. Jeffries", written over a horizontal line.

**G.L. Dodge**  
**General Manager**

A handwritten signature in black ink, appearing to read "G.L. Dodge", written over a horizontal line.

**October 2003**



# STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2003.

	Notes	Actual 2003 \$	Budget 2003 \$	Actual 2002 \$
<b>REVENUES</b>				
<b>Revenues from ordinary activities</b>				
Rate Revenues	3(a)(i)	5,885,014	5,810,062	5,639,251
Interest	3(a)(ii)	108,048	92,000	80,042
Profit on asset disposal	3(a)(iii)	80,830	80,000	3,364
Reimbursement of Expenses Incurred	3(a)(iv)	20,308	17,500	20,421
Government Grants	3(a)(v)	2,257,616	2,211,531	2,060,851
User Charges	3(a)(vi)	1,205,559	1,076,300	1,005,084
Contributions	3(a)(vii)	199,909	200,000	635,770
Other	3(a)(viii)	262,814	272,000	218,562
Fees and Charges		664,371	452,750	513,039
Private Works Sales Proceeds		11,282	12,000	17,469
<b>Total revenues from ordinary activities</b>		<u>\$10,695,751</u>	<u>\$10,224,143</u>	<u>\$10,193,853</u>
<b>EXPENSES</b>				
Employee Costs	3(b)(i)	1,580,153	1,571,054	1,530,865
Depreciation	3(b)(ii)	1,852,633	1,880,481	1,774,711
Borrowing Costs	3(b)(iii)	425,469	404,096	459,994
Contributions	3(b)(iv)	554,285	548,331	556,709
Materials/Contracts & Other	3(b)(v)	4,064,973	4,021,307	4,107,568
Loss on HRWB revaluation	3(b)(vi)	1,420,208	0	0
Purchase of Water		877,823	805,000	763,053
Aldermanic Allowances & Expenses		82,307	81,700	81,618
Family Day Care Fee Relief Subsidy		774,926	735,000	615,618
Donations	4	90,934	90,000	72,419
Remissions Granted		59,401	65,000	51,942
<b>Total expenses from ordinary activities</b>		<u>\$11,783,112</u>	<u>\$10,201,969</u>	<u>\$10,014,497</u>
<b>Change in Net Assets from ordinary activities</b>		<u><b>(\$1,087,361)</b></u>	<u><b>\$22,174</b></u>	<u><b>\$179,356</b></u>
Net increase (decrease) in asset revaluation reserve arising on revaluation of non-current assets	27	4,765,675		
<b>Total Revenue, Expense and Valuation Adjustments recognised Directly in Equity</b>		<u>\$4,765,675</u>		<u>\$0</u>
<b>Total Changes in Equity</b>		<u><b>\$3,678,314</b></u>		<u><b>\$179,356</b></u>

*The Statement of Financial Performance should be read in conjunction with the accompanying notes.*





# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2003.

	Notes	2003	2002
	\$	\$	\$
<b>CURRENT ASSETS</b>			
Cash assets	5	995,618	693,425
Receivables - Rates	6	498,669	581,596
Receivables - Other	6	418,940	374,966
Inventories	7	159,000	177,000
Other	8	161,795	94,883
<b>Total Current Assets</b>	2(b)	<u>\$2,234,022</u>	<u>\$1,921,870</u>
<b>NON CURRENT ASSETS</b>			
Land	9	1,942,264	1,929,264
Plant and Vehicles	10	477,402	380,009
Small Machinery	11	18,079	23,912
Furniture and Equipment	12	254,348	249,962
Buildings	13	4,279,798	4,031,899
Bridges	14	679,321	663,683
Sewerage	15	10,842,449	10,990,265
Drainage	16	8,512,854	8,590,270
Water	17	11,093,829	11,324,211
Roads	18	34,969,148	30,412,523
Other	20	5,547,885	6,977,353
<b>Total Non Current Assets</b>	2(b)	<u>\$78,617,377</u>	<u>\$75,573,350</u>
<b>Total Assets</b>		<u>\$80,851,399</u>	<u>\$77,495,220</u>
<b>CURRENT LIABILITIES</b>			
Payables	21	646,963	678,941
Interest bearing liabilities	22	477,605	445,912
Provisions	23	415,199	375,899
Other	24	139,259	22,877
<b>Total Current Liabilities</b>		<u>\$1,679,026</u>	<u>\$1,523,629</u>
<b>NON CURRENT LIABILITIES</b>			
Interest bearing liabilities	25	5,250,679	5,728,283
Provisions	26	89,477	89,405
<b>Total Non Current Liabilities</b>		<u>\$5,340,156</u>	<u>\$5,817,688</u>
<b>Total Liabilities</b>		<u>\$7,019,182</u>	<u>\$7,341,317</u>
<b>NET ASSETS</b>		<u><b>\$73,832,217</b></u>	<u><b>\$70,153,903</b></u>
<b>EQUITY</b>			
Reserves	27	21,118,805	16,353,130
Ratepayers Equity		52,713,412	53,800,773
<b>TOTAL EQUITY</b>		<u><b>\$73,832,217</b></u>	<u><b>\$70,153,903</b></u>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

# STATEMENT OF CHANGES IN EQUITY



FOR THE YEAR ENDED 30 JUNE 2003.

	Ratepayers Equity		Asset Revaluation Reserve		Public Open Space Reserve		Total	
	2003 \$	2002 \$	2003 \$	2002 \$	2003 \$	2002 \$	2003 \$	2002 \$
<b>Balance at the beginning of the financial year</b>	53,800,773	53,621,417			35,585	35,585	53,836,358	53,657,002
Buildings			790,274	790,274			790,274	790,274
Water			3,292,252	3,292,252			3,292,252	3,292,252
Sewerage			606,859	606,859			606,859	606,859
Drainage			1,479,017	1,479,017			1,479,017	1,479,017
Roads			10,149,143	10,149,143			10,149,143	10,149,143
<b>Increase / (Decrease) in net assets resulting from operations</b>	(1,087,361)	179,356					(1,087,361)	179,356
<b>Transfers (from)/to Reserves</b>								
Buildings								
Land								
Water								
Sewerage								
Drainage								
Roads			4,765,675				4,765,675	
<b>Balance at the end of the financial year</b>	<u>\$52,713,412</u>	<u>\$53,800,773</u>	<u>\$21,083,220</u>	<u>\$16,317,545</u>	<u>\$35,585</u>	<u>\$35,585</u>	<u>\$73,832,217</u>	<u>\$70,153,903</u>

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



# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2003.

	Notes	2003 \$	2002 \$
<b>Cash Flows from Operating Activities</b>			
Payments			
Payments to Suppliers and Employees		(8,405,360)	(8,180,830)
Borrowing Costs		(425,469)	(468,473)
		<u>(8,830,829)</u>	<u>(8,649,303)</u>
Receipts			
Receipts from Ratepayers, Fees & Charges		8,375,732	7,930,233
Interest Received		108,048	83,325
		<u>8,483,780</u>	<u>8,013,558</u>
<b>Net Cash Outflow from Operating Activities</b>	31	<u>(\$347,049)</u>	<u>(\$635,745)</u>
<b>Cash Flows from Investing Activities</b>			
Payments			
Buildings		(331,671)	(91,732)
Plant and Vehicles & Machinery		(382,290)	(87,880)
Water Reticulation Assets		(43,093)	(152,526)
Roads, Bridges & Drainage Assets		(514,418)	(294,812)
Sewerage Assets		(108,754)	(86,329)
Furniture and Equipment		(119,804)	(76,204)
		<u>(1,500,030)</u>	<u>(789,483)</u>
Proceeds from			
Public Bodies Loan repayments		11,383	11,383
Other Assets		9,259	10,425
Sale of land		18,000	0
Hobart Water Dividends		89,991	105,235
Sales of Plant and Equipment Assets	3(a)(iii)	220,317	34,200
		<u>348,950</u>	<u>161,243</u>
<b>Net Cash Outflow from Investing Activities</b>		<u>(\$1,151,080)</u>	<u>(\$628,240)</u>
<b>Cash Flows from Financing Activities</b>			
Repayment of Borrowings		(457,294)	(425,456)
		<u>(457,294)</u>	<u>(425,456)</u>
<b>Cash Inflow from Government</b>			
Government Grants		2,257,616	2,060,851
<b>Net increase/(decrease) in Cash Held</b>		302,193	371,410
Cash at the Beginning of the Financial Year		693,425	322,015
<b>Cash at the End of the Financial Year</b>	5	<u>\$995,618</u>	<u>\$693,425</u>

*The above statement of cash flows should be read in conjunction with the accompanying notes.*

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT



FOR THE YEAR ENDED 30 JUNE 2003.

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# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this Financial Report are:

### (a) Basis of Accounting

The financial reports of Council have been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Local Government Act 1993.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or current valuations of non-current assets.

The accounting policies have been consistently applied and, except where there is a change in accounting policy, are consistent with those of the previous year.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

### (b) The Local Government Reporting Entity

Council prepares a general purpose financial report that encompasses all business and non-business operations which Council controls, either directly or through the operation of controlled entities. These reports will detail all funds, assets and liabilities over which Council exercises or may exercise control.

In the process of preparing the Brighton Council financial reports, the effects of transactions between Council and other controlled entities have been eliminated.

### (c) Major Classes of Assets

The major classes of assets are:

- Land
- Buildings
- Small machinery & tools
- Furniture & equipment
- Plant & vehicles
- Water Infrastructure
- Sewerage Infrastructure
- Road Infrastructure
- Drainage Infrastructure
- Bridge Infrastructure

### (d) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets. Cost is determined as the fair value of the assets given as consideration, including architects fees and engineering design fees and all other costs incurred in getting the assets ready for use.





FOR THE YEAR ENDED 30 JUNE 2003

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-monetary assets received in the form of grants and donations are recognised as assets and revenues at their fair value at the date of receipt. Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arms length transaction.

### (e) Revaluation of Non Current Assets

The Council has applied the revised July 2001 version of AASB 1041 "Revaluation of Non-Current Assets" for the first time from 1 July 2000. The standard requires each class of non-current asset to be measured on either cost or fair value basis. Council has applied AASB1041 as follows:

#### **Land and Land Held for Resale**

The Council has adopted a fair value basis for land based upon valuations provided by the Valuer-General.

#### **Hobart Water Joint Authority**

The Council has adopted a fair value basis this investment based upon the Brighton Council's percentage ownership in Hobart Water. Where percentage ownership is calculated based on the average water consumption of the Council as a percentage of the total water consumed by the owner Councils over a three year period ending 30 June 2003.

#### **Building, Bridges, Water, Sewerage and Drainage**

The Council has adopted a fair value basis for Buildings, Bridges, Water, Sewerage and Drainage based upon replacement costs determined by Council engineering staff at each revaluation.

#### **Roads**

The Council has adopted a fair value basis for roads based upon replacement cost as determined by Council engineering staff.

#### **Furniture and Fittings and Plant and Equipment**

Furniture and Fittings and Plant and Equipment are recorded on a cost basis.

### (f) Recoverable amount of Non Current Assets valued on a cost basis.

The Council is a not for profit entity and does not hold Non-Current Assets for the purpose of generating cash flows. In accordance with AAS10 the recoverable amount test does not apply to Non-Current Assets where the future economic benefits comprising these assets are not primarily dependant on the assets ability to generate net inflows.

### (g) Depreciation of Non Current Assets

All non current assets, excluding land, are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential.

Depreciation is recognised on a straight line basis over the effective life of the asset, using rates reviewed annually.

Non current assets are those assets, which provide a benefit to Council extending beyond twelve months.

The current applicable rates of depreciation are:



# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

* Buildings	50 years
* Plant and vehicles	5-10 years
* Small machinery and tools	3-8 years
* Equipment and furniture	5-10 years
* Roads	48 years on average
* Hotmix	20-30 years
* Flush	15-30 years
* Gravel	3-10 years
* Pavement	60-100 years
* Earthworks	Infinite
* Kerb	60-80 years
* Footpath	20-50 years
* Table Drains	3-15 years
* Culverts	80 years
* Poles	30 years
* Drainage/sewerage assets	15-80 years
* Water supply assets	15-80 years
* Bridges	15-70 years

As at June 30, 2003 Council performed an assessment of its road depreciation and has made some changes to the depreciation rates to reflect more accurately the lives of each road component. Road assets are divided into their component parts for depreciation purposes. Road components are listed above. Land under roads is not included in the carrying value of these assets.

### (h) Asset Recognition Thresholds

The following asset acquisition limits will apply; assets acquired with values below these limits will be expensed:

* land	nil
* buildings	\$5,000
* small machinery and tools	\$500 - \$999
* equipment and furniture	\$500
* roads	\$5,000
* water supply / drainage	\$2,500
* bridges	\$10,000

### (i) Maintenance and Repairs

Maintenance and repair costs are expensed when incurred. If the maintenance costs significantly increase the economic life of an asset or the total value exceeds the written down carrying value, and the costs are consistent with the asset acquisition limits, then the costs will be capitalised.



FOR THE YEAR ENDED 30 JUNE 2003

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (j) Employee Entitlements

#### i. Wages and Salaries

A liability for wages & salaries is recognised, and measured as the amount unpaid at balance date at current pay rates including related on-costs in respect of employees' service up to that date.

#### ii. Annual, Sick and Long Service Leave

A liability of annual and long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to balance date. In assessing expected future payments, regard is had to expected future wage and salary levels and experience of employee departures and periods of service. A distinction is made between the current and non-current long service leave liabilities, current for leave presently due and non current for leave accrued but not yet due. Related on-costs have also been included in the employee calculation.

Liabilities for employee entitlements which are not expected to be settled within 12 months are discounted using the rates as determined by The Department of Treasury and Finance at balance date.

No liability is recognised for sick leave as this is non-vesting.

#### iii. Superannuation

The superannuation expense for the reporting period is the amount of the statutory contribution the Council makes to the Municipal Employees Assurance Scheme, administered by the Local Government Association of Tasmania, which provides benefits to the employees. The expense incorporates the amounts paid by Council on behalf of the employees to Tasplan scheme, as required under legislation.

### (k) Investments

Investments are brought to account at cost. Interest revenues are recognised as they accrue.

### (l) Land Held for Resale

Land held for development and/or resale is valued at the lower of cost or net realisable value. Cost includes the cost of acquisition, development and interest incurred on financing of that land during its development. Interest and other holding charges incurred after development is complete are recognised immediately as expenses. Revenues from sale of land are recognised in the operating statement on the signing of a valid, unconditional contract of sale.

Land and land held for resale are revalued at the date of each general valuation of property within the Municipality, the last such revaluation being 30th June 2000. Any revaluation increment or decrement is charged directly to the Asset Revaluation Reserve.



# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (m) Revenue Recognition

#### i. Rates, Grants and Other Contributions

Rating revenues are recognised at the commencement of the rating period or when the rates are levied. Uncollected rates at balance date are recognised as receivables. Grants, donations and other contributions which are not subject to accompanying conditions that they be expensed in a particular manner, or for a particular purpose, are recognised as revenue in the reporting period when the Council obtains control over the assets comprising the contributions. Unreceived contributions over which Council has control are recognised as receivables. To the extent that grant monies have not, at balance date, been expensed in a manner or over a period, specified by a grantor, the nature of amounts relating to those undischarged conditions are disclosed in the Notes to the Accounts.

#### ii. Sales revenue

The gross proceeds of sales are included as revenue of the Council. The profit or loss on disposal of assets is brought to account at the date an unconditional contract of sale is signed.

#### iii. Interest Income

Interest income is recognised as it accrues

### (n) Receivables

Rates and other debtors are carried at amounts due. The collectibility of debts is assessed at balance date and specific provision is made for any doubtful debts. Settlement terms are 30 days.

### (o) Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Council. These amounts are usually paid within 30 days of recognition.

### (p) Interest Bearing Liabilities

Bank loans are carried on the Statement of Financial Position at their principal amount. Interest expense is accrued at the contracted rate and included in accruals.

### (q) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to the ATO is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flow arising from investing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT



FOR THE YEAR ENDED 30 JUNE 2003

## 2 FUNCTIONS/ACTIVITIES OF THE COUNCIL

(a) Revenues, expenses and assets have been attributed to the following functions/activities, descriptions of which are set out in note 2(c)

Functions	Expenses		Grant Revenue		Other Revenue		Total Revenue		Increase/(Decrease) Operating Capability		Assets Attributed to Function/Activity	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Corporate Services	728,479	630,855			69,494	59,807	69,494	59,807				
Water Supply	1,568,991	1,428,532			1,918,676	1,695,044	1,918,676	1,695,044			11,093,829	11,324,211
Parks and Recreation	622,206	576,517	6,000	71,200	108,566	164,145	114,566	235,345			1,942,264	1,929,264
Drainage/Sewerage	1,405,114	1,402,218			1,681,831	1,517,681	1,681,831	1,517,681			19,355,303	19,580,535
Planning & Building	373,418	412,657			155,178	141,410	155,178	141,410				
Buildings	414,350	460,144			0	85,000		85,000			4,279,798	4,031,899
Roads/Bridges	1,758,156	1,868,749	150,000	143,748	21,105	364,190	171,105	507,938			35,648,469	31,076,206
Community Services	1,551,775	1,392,672	954,281	783,251	81,240	57,087	1,035,521	840,338				
Environmental Health	405,711	433,503			79,816	70,503	79,816	70,503				
Waste Management	767,266	686,148			532,157	518,141	532,157	518,141				
Unallocated Services	2,187,646	722,502	1,147,335	1,062,652	3,790,072	3,459,994	4,937,407	4,522,646			8,531,736	9,553,105
<b>TOTAL</b>	<b>\$11,783,112</b>	<b>\$10,014,497</b>	<b>\$2,257,616</b>	<b>\$2,060,851</b>	<b>\$8,438,135</b>	<b>\$8,133,002</b>	<b>\$10,695,751</b>	<b>\$10,193,853</b>	<b>(\$1,087,361)</b>	<b>\$179,356</b>	<b>\$80,851,399</b>	<b>\$77,495,220</b>





# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003

## 2. FUNCTIONS/ACTIVITIES of the COUNCIL (continued)

- (b) Total assets shown in note 2(a) are reconciled with the amounts shown for assets in the Statement of Financial Position as follows:

Current Assets	\$ 2,234,022
Non Current Assets	<u>\$ 78,617,377</u>

\$ 80,851,499

- (c) The activities of Council are to be classified into the following functions:

\* Administration/Corporate Services

Operation and maintenance of council chambers, administration offices, maintenance depots and plant and equipment, monitor revenue collections.

\* Water Supply

Construction, operation and maintenance of the water reticulation system, purchase and supply of bulk water.

\* Parks and Recreation

Development, operation and maintenance of parks, gardens, natural reserves and sporting facilities.

\* Drainage/Sewerage

Construction, operation and maintenance of drainage & sewerage works.

\* Planning & Building Services

Administration of the Town Planning Scheme and administration and co-ordination of building applications and monitoring the Building Code.

\* Buildings

Construction, operation and maintenance of council buildings.

\* Roads/Bridges

Construction and maintenance of the road system.

\* Community Services

Monitor the welfare of the community, child care, family day care, youth activities and aged care.

\* Environmental Health Services

Community health, environmental control, food surveillance, health standards, septic tank applications, pest control, dog and animal control, offensive trades, plumbing, places of public entertainment, caravan licences, complaints and counter disaster.

\* Waste Management

Operation of the waste transfer station, recycling programmes, monitoring and collection of refuse and sewerage collection and testing.

\* Unallocated Services

Other general services not specifically identifiable.

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT



FOR THE YEAR ENDED 30 JUNE 2003.

	Notes	2003 \$	2002 \$
<b>3 OPERATING REVENUES AND EXPENSES</b>			
<b>3(a) Operating Revenues</b>			
<b>(i) Rates Revenue</b>			
General		2,904,065	2,787,486
Garbage		440,912	418,223
Sewerage		1,481,848	1,407,671
Water		633,227	617,745
Fire Levy		359,236	348,511
Penalties		65,726	59,615
		<u>\$5,885,014</u>	<u>\$5,639,251</u>
<b>(ii) Interest Revenue</b>			
Interest received or due and receivable from:			
Investments		108,048	80,042
		<u>\$108,048</u>	<u>\$80,042</u>
<b>(iii) Profit from Disposal of Property, Plant, Land and Equipment</b>			
Proceeds from Disposal		220,317	34,200
less written down current cost		(139,487)	(30,836)
Gain on Disposal		<u>\$80,830</u>	<u>\$3,364</u>
<b>(iv) Recoveries and Reimbursements</b>			
<b>Reimbursements of Costs Incurred</b>			
Welfare Administration		20,308	20,421
		<u>\$20,308</u>	<u>\$20,421</u>
<b>(v) Grant Revenues</b>			
Grants were received in respect of the following:			
Family Day Care		927,590	765,001
School Holiday Program		16,691	18,250
Black Spot Funding		10,000	0
Commonwealth Tax Sharing		1,145,335	1,051,652
Roads to Recovery		150,000	143,748
Aust Greenhouse Office		6,000	2,000
NHT Funding		0	50,000
NHT Jordan River		0	11,200
Department State Development		0	11,000
Duke International Land Care		0	2,000
Mast		0	6,000
Youth Week		2,000	0
<b>Total Grants</b>		<u>\$2,257,616</u>	<u>\$2,060,851</u>



# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003.

		2003 \$	2002 \$
<b>3 OPERATING REVENUES AND EXPENSES (continued)</b>			
<b>(vi) User Charges</b>			
Water Consumption Charge		1,080,656	879,861
Flocon Hire		44,820	35,837
Refuse Site Entrance Fees		80,083	89,386
		<u>\$1,205,559</u>	<u>\$1,005,084</u>
<b>(vii) Contributions</b>			
Infrastructure Assets		199,909	635,770
		<u>\$199,909</u>	<u>\$635,770</u>
<b>(viii) Other</b>			
Community Newsletter		6,331	6,217
Microwise Australia	34	34166,492	107,110
Hobart Water Dividend		89,991	105,235
		<u>\$262,814</u>	<u>\$218,562</u>
<b>3(b) Operating Expenses</b>			
<b>(i) Employee Costs</b>			
Wages and Salaries		1,251,492	1,231,380
Superannuation		179,224	162,400
Other Employee Related Expenses		149,437	137,085
		<u>\$1,580,153</u>	<u>\$1,530,865</u>
Actual Wages & Salaries for 2003 were \$1,784,596 (\$1,691,506 for 2002) according to the Group Certificate Summary. Other Wages & Salaries are costed to infrastructure maintenance and capital improvements.			
<b>(ii) Depreciation Expense</b>			
Plant and Vehicles		145,611	132,511
Buildings		83,772	80,237
Small Machinery		5,833	6,440
Bridges		35,841	34,923
Sewerage Assets		307,820	305,698
Drainage Assets		149,471	149,027
Water Assets		332,975	329,605
Road Assets		676,093	630,041
Equipment and Furniture		115,217	106,229
		<u>\$1,852,633</u>	<u>\$1,774,711</u>
<b>(iii) Financial Costs</b>			
Borrowing cost expense interest on debt		425,469	459,994
		<u>\$425,469</u>	<u>\$459,994</u>

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT



FOR THE YEAR ENDED 30 JUNE 2003.

	2003 \$	2002 \$
<b>3(b) OPERATING REVENUES AND EXPENSES (continued)</b>		
<b>(iv) Contributions</b>		
State Fire Commission Levy	317,590	317,312
State Library Levy	102,853	112,266
Tas. Canine Defence League Contribution	34,614	33,706
Local Govt. Association of Tasmania	19,397	18,794
Valuation Charges	22,543	20,665
Planning Levy	48,488	47,756
Southern Tasmanian Councils Association	8,800	6,210
	<u>\$554,285</u>	<u>\$556,709</u>
<b>(v) Materials/Contracts &amp; Other</b>		
Street Lighting	113,389	104,135
Solid Waste Contract	497,877	373,645
Contract Recycling	102,496	81,084
Tipping Fees	123,850	182,056
Jordan River NHT Expenditure	36,789	30,257
On Site Waste Disposal Trials	6,605	16,656
Microwise Australia	34 116,549	59,718
Community Newsletter	54,406	56,011
Road & Bridge Maintenance	324,536	510,435
Sewerage Maintenance	482,389	616,833
Water Maintenance	141,480	141,873
Reserve Maintenance	480,887	496,474
Building Maintenance	189,773	305,808
Internal contractors	314,329	376,245
Other materials & contracts	1,079,618	756,338
	<u>\$4,064,973</u>	<u>\$4,107,568</u>
<b>(vi) Significant Items</b>		
Loss on HRWB revaluation	1,420,208	0
	<u>\$1,420,208</u>	<u>\$0</u>

The Hobart Regional Water Board is owned by a joint authority comprising eight councils in Southern Tasmania. The Hobart Regional Water Board has re-assessed Brighton Council's portion of ownership as at 30 June 2003.

## 4 2001/02 DONATIONS APPROVED : GRANTS AND BENEFITS REGISTER - (SECTION 77 LOCAL GOVERNMENT ACT 1993)

Anglicare	200	0
Baskerville Catering	0	200
Bridgewater/Brighton Online Access centre	6,612	6,000
Bridgewater High School	1,560	10,500
Bridgewater Primary School	60	0
Bridgewater PCYC	984	0
Bridgewater United Soccer Club	0	100
Bridgewater United Soccer Club	3,660	1,930
Halls & Grounds		



# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003.

		2003 \$	2002 \$
<b>4</b>	<b>2001/02 DONATIONS APPROVED (continued)</b>		
	Brighton Agricultural Society	500	500
	Brighton Agricultural Society Halls & Grounds	1,642	1,642
	Brighton Football Club	4,500	3,000
	Brighton Football Club Halls & Grounds	2,325	2,015
	Brighton Heritage Association	0	1,000
	Brighton Junior Football Club Halls & Grounds	1,913	5,746
	Brighton Primary School	110	0
	Brighton Primary School Halls & Grounds	150	0
	Brighton Soccer Club Halls & Grounds	2,870	1,135
	Brighton Truck Show Halls & Grounds	1,642	1,642
	Brighton/Green Ponds RSL	0	200
	Brown Kirsty	0	250
	Bugeido Karate Halls & Grounds	3,300	4,048
	BURP Inc	35,000	25,000
	Butterworth Luke	0	75
	Citizenship prizes to local schools (8 @ \$60)	0	480
	Claremont College	50	100
	Cycling South	300	660
	Cycling South Halls & Grounds	6,330	0
	Davis Troy	75	0
	Derks Tamika	250	250
	Dilger Mathew	75	0
	East Derwent Knights Soccer	1,000	0
	East Derwent Little Athletics	2,000	0
	East Derwent Little Athletics Halls & Grounds	1,450	0
	Fagg Henry	0	75
	Gagebrook East Neighbourhood Watch	0	50
	Gagebrook Primary School	60	0
	Graham Belinda	250	250
	Greenpoint Primary School	60	0
	Haddrick Christy-Lee	250	0
	Herbert Kayla	75	0
	Herdsmen Cove Primary School	60	1,000
	Jordan River Services	1,000	0
	Langley Joshua	250	0
	Lathouras Jeremy	0	75
	Liddell Sally	250	0
	Local Government Association of Tasmania	600	0
	National Capital Authority	91	0
	Northern & Central Junior Cricket Association Halls & Grounds	735	0
	Northern Suburbs Christian School	60	0
	Old Beach Fire Brigade	400	500
	Old Beach Guides	264	0
	Parremore Kylie	0	75
	Parremore Tim	0	250
	Pixie Childcare Centre	254	0
	Pontville Heritage Association	1,000	0
	Smith Justin	250	250
	St Paul's Primary School	60	0
	Sth East Home Nurse Auxiliary	0	1,441



# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT



FOR THE YEAR ENDED 30 JUNE 2003.

		2003 \$	2002 \$
<b>4</b>	<b>2001/02 DONATIONS APPROVED (continued)</b>		
	Southern Junior Football League	240	405
	Southern Tas Qtr Horse Association	70	50
	Talbot Kerrie-Anne	0	250
	Tasmania Special Children's Christmas Party	200	200
	Tasmanian Canine Defence League	760	0
	Tasmanian Environment Home Expo	500	500
	Tamlyn Simon	0	75
	Taylor Jane	250	0
	Tea Tree Community Association	2,000	0
	Tea Tree Hall	1,000	0
	Tea Tree Golf Club	1,000	0
	Terry Nichole	0	100
	Thompson Leigh	0	75
	Tibballs Michael	250	250
	Veteran Car Club	62	0
	Wilson Emily	75	0
	Wilson Richard	0	75
		<u>\$90,934</u>	<u>\$72,419</u>
<b>5</b>	<b>CURRENT ASSETS - CASH</b>		
	Cash at Bank	712	138,821
	Cash on hand	2,950	2,750
	Investments	991,956	551,854
		<u>\$995,618</u>	<u>\$693,425</u>
<p>For the purposes of the statement of cash flows, cash includes cash on hand and in bank and investments in money market accounts or short term deposits, net of any outstanding bank overdrafts.</p> <p>Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as above.</p>			
<b>6</b>	<b>CURRENT ASSETS - RECEIVABLES</b>		
	Rates Receivables	<u>\$498,669</u>	<u>\$581,596</u>
	Other Receivables		
	Water Consumption	249,212	261,939
	Other Debtors	174,977	116,523
	Less provision for Doubtful Debts	(5,249)	(3,496)
		<u>\$418,940</u>	<u>\$374,966</u>
<b>7</b>	<b>CURRENT ASSETS - INVENTORIES</b>		
	Land held for resale	<u>\$159,000</u>	<u>\$177,000</u>

Represents land purchased as part of an industrial estate at Bridgewater.



# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003.

	2003 \$	2002 \$
<b>8 CURRENT ASSETS - OTHER</b>		
Accrued Revenue	133,887	82,307
Work in progress	16,549	1,876
Prepayments	2,101	275
Loans & Advances	9,258	10,425
	<u>\$161,795</u>	<u>\$94,883</u>
<b>9 NON CURRENT ASSETS - LAND</b>		
Land - at Valuation	<u>\$1,942,264</u>	<u>\$1,929,264</u>
<b>10 NON CURRENT ASSETS - PLANT AND VEHICLES</b>		
Plant and Vehicles at Cost	874,519	906,287
less Accumulated Depreciation	(397,117)	(526,278)
	<u>\$477,402</u>	<u>\$380,009</u>
<b>11 NON CURRENT ASSETS - SMALL MACHINERY</b>		
Small Machinery at Cost	93,204	93,204
less Accumulated Depreciation	(75,125)	(69,292)
	<u>\$18,079</u>	<u>\$23,912</u>
<b>12 NON CURRENT ASSETS - FURNITURE AND EQUIPMENT</b>		
Furniture and Equipment at Cost	977,477	890,028
less Accumulated Depreciation	(723,129)	(640,066)
	<u>\$254,348</u>	<u>\$249,962</u>
<b>13 NON CURRENT ASSETS - BUILDINGS</b>		
Buildings at Fair Value	4,520,247	4,188,577
less Accumulated Depreciation	(240,449)	(156,678)
	<u>\$4,279,798</u>	<u>\$4,031,899</u>
<b>14 NON CURRENT ASSETS - BRIDGES</b>		
Bridges at Fair Value	1,681,726	1,630,247
less Accumulated Depreciation	(1,002,405)	(966,564)
	<u>\$679,321</u>	<u>\$663,683</u>
<b>15 NON CURRENT ASSETS - SEWERAGE</b>		
Sewerage Assets at Fair Value	17,332,861	17,172,857
less Accumulated Depreciation	(6,490,412)	(6,182,592)
	<u>\$10,842,449</u>	<u>\$10,990,265</u>

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT



FOR THE YEAR ENDED 30 JUNE 2003.

	2003 \$	2002 \$
<b>16 NON CURRENT ASSETS - DRAINAGE</b>		
Drainage Assets at Fair Value	12,029,710	11,957,655
less Accumulated Depreciation	(3,516,856)	(3,367,385)
	<u>\$8,512,854</u>	<u>\$8,590,270</u>
<b>17 NON CURRENT ASSETS - WATER RETICULATION</b>		
Water Reticulation Assets at Fair Value	18,573,409	18,470,817
less Accumulated Depreciation	(7,479,580)	(7,146,606)
	<u>\$11,093,829</u>	<u>\$11,324,211</u>
<b>18 NON CURRENT ASSETS - ROADS</b>		
Road Assets at Fair Value	40,853,442	49,649,819
less Accumulated Depreciation	(5,884,294)	(19,237,296)
	<u>\$34,969,148</u>	<u>\$30,412,523</u>

Fair Value of road assets is based on valuations prepared by the Engineering Department in association with Pitt & Sherry as at 30 June 2003.

## 19 FIXED ASSETS RECONCILIATION

### Land

Carrying amount at the beginning of the year	1,929,263	1,866,049
Additions	13,000	63,214
Carrying amount at the end of the year	<u>\$1,942,263</u>	<u>\$1,929,263</u>

### Plant and vehicles

Carrying amount at the beginning of the year	380,009	456,102
Additions	364,291	86,167
Disposals	(121,287)	(29,749)
Depreciation	(145,611)	(132,511)
Carrying amount at the end of the year	<u>\$477,402</u>	<u>\$380,009</u>

### Small machinery

Carrying amount at the beginning of the year	23,911	29,724
Additions	0	627
Depreciation	(5,832)	(6,440)
Carrying amount at the end of the year	<u>\$18,079</u>	<u>\$23,911</u>

### Furniture and equipment

Carrying amount at the beginning of the year	249,962	279,987
Additions	119,804	77,290
Disposals	(202)	(1,086)
Depreciation	(115,217)	(106,229)
Carrying amount at the end of the year	<u>\$254,347</u>	<u>\$249,962</u>



# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003.

	2003 \$	2002 \$
<b>19 FIXED ASSETS RECONCILIATION (continued)</b>		
<b>Buildings</b>		
Carrying amount at the beginning of the year	4,031,899	3,935,404
Additions	331,670	176,732
Disposals	0	0
Depreciation	(83,771)	(80,237)
Carrying amount at the end of the year	<u>\$4,279,798</u>	<u>\$4,031,899</u>
<b>Bridges</b>		
Carrying amount at the beginning of the year	663,683	634,342
Additions	51,479	64,265
Disposals	0	0
Depreciation	(35,841)	(34,924)
Carrying amount at the end of the year	<u>\$679,321</u>	<u>\$663,683</u>
<b>Sewerage</b>		
Carrying amount at the beginning of the year	10,990,267	11,168,696
Additions	160,003	127,269
Disposals	0	0
Depreciation	(307,820)	(305,698)
Carrying amount at the end of the year	<u>\$10,842,450</u>	<u>\$10,990,267</u>
<b>Drainage</b>		
Carrying amount at the beginning of the year	8,590,270	8,703,827
Additions	72,055	35,470
Disposals	0	0
Depreciation	(149,471)	(149,027)
Carrying amount at the end of the year	<u>\$8,512,854</u>	<u>\$8,590,270</u>
<b>Water Reticulation</b>		
Carrying amount at the beginning of the year	11,324,212	11,434,770
Additions	102,592	219,046
Disposals	0	0
Depreciation	(332,975)	(329,604)
Carrying amount at the end of the year	<u>\$11,093,829</u>	<u>\$11,324,212</u>
<b>Roads</b>		
Carrying amount at the beginning of the year	30,412,523	30,454,177
Additions	467,043	588,387
Disposals	0	0
Depreciation	(676,093)	(630,041)
Adjustment due to revaluation	4,765,675	0
Carrying amount at the end of the year	<u>\$34,969,148</u>	<u>\$30,412,523</u>

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT



FOR THE YEAR ENDED 30 JUNE 2003.

	2003 \$	2002 \$
<b>20 NON CURRENT ASSETS - OTHER</b>		
Hobart Water Joint authority at Fair Value	5,452,957	6,873,165
Loan Debtors	94,928	104,188
	<u>\$5,547,885</u>	<u>\$6,977,353</u>
The Hobart Regional Water Board is owned by a joint authority comprising eight councils in Southern Tasmania. The Hobart Regional Water Board has re-assessed Brighton Council's portion of ownership as at 30 June 2003.		
<b>21 CURRENT LIABILITIES - PAYABLES</b>		
Trade Creditors	2,465	71,394
Accrued Expenses	644,498	607,547
	<u>\$646,963</u>	<u>\$678,941</u>
<b>22 CURRENT LIABILITIES - INTEREST BEARING LIABILITIES</b>		
<b>Secured</b>		
Private Loans	<u>\$477,605</u>	<u>\$445,912</u>
<b>23 CURRENT LIABILITIES - PROVISIONS</b>		
Employee Leave Entitlements Provisions		
Annual Leave	204,247	206,013
Long Service Leave	210,952	169,886
	<u>\$415,199</u>	<u>\$375,899</u>
<b>24 CURRENT LIABILITIES - OTHER</b>		
Deposits Held in Trust	139,259	20,534
Revenue Received in advance	0	2,343
	<u>\$139,259</u>	<u>\$22,877</u>

Deposits includes monies held in respect of damage indemnity, facilities booking and various performance related sureties.

<b>25 NON CURRENT LIABILITIES - INTEREST BEARING LIABILITIES</b>		
<b>Secured</b>		
Private Loans	<u>\$5,250,679</u>	<u>\$5,728,283</u>

## Security for Borrowings

The loans are secured over the general rates of the Council.

## Financing Arrangements

Council does not currently utilise access to any overdraft facilities.

Council has corporate credit cards with a combined limit of \$10,000.

The current policy of Council is to minimise all borrowings and reduce existing debt.





# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003.

	2003 \$	2002 \$
<b>26 NON CURRENT LIABILITIES - PROVISIONS</b>		
Employee Leave Entitlements Provisions		
Long Service Leave	\$89,477	\$89,405
The provision for long service leave is established at a level sufficient to cover the liability due to employees for leave due in the current financial year plus accrued entitlements due. An inflation factor of 3.50% has been applied where applicable.		
<b>27 RESERVES</b>		
Building Revaluation	790,274	790,274
Water Revaluation	3,292,252	3,292,252
Sewerage Revaluation	606,859	606,859
Drainage Revaluation	1,479,017	1,479,017
Road Revaluation	14,914,818	10,149,143
Public Open Space	35,585	35,585
	<u>\$21,118,805</u>	<u>\$16,353,130</u>
<b>Movements during the year</b>		
<b>(a) Building Revaluation</b>		
Balance at beginning of year	790,274	790,274
Balance at end of year	<u>\$790,274</u>	<u>\$790,274</u>
<b>(b) Water Revaluation</b>		
Balance at beginning of year	3,292,252	3,292,252
Balance at end of year	<u>\$3,292,252</u>	<u>\$3,292,252</u>
<b>(c) Sewerage Revaluation</b>		
Balance at beginning of year	606,859	606,859
Balance at end of year	<u>\$606,859</u>	<u>\$606,859</u>
<b>(d) Drainage Revaluation</b>		
Balance at beginning of year	1,479,017	1,479,017
Balance at end of year	<u>\$1,479,017</u>	<u>\$1,479,017</u>
<b>(e) Road Revaluation</b>		
Balance at beginning of year	10,149,143	10,149,143
Revaluation increment/(decrement)	4,765,675	0
Balance at end of year	<u>\$14,914,818</u>	<u>\$10,149,143</u>
<b>(f) Public Open Space</b>		
Balance at beginning of year	35,585	35,585
Balance at end of year	<u>\$35,585</u>	<u>\$35,585</u>
<b>Total movements during the year</b>		
Balance at beginning of year	16,353,130	16,353,130
Revaluation increment/(decrement)	4,765,675	0
Balance at end of year	<u>\$21,118,805</u>	<u>\$16,353,130</u>

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT



FOR THE YEAR ENDED 30 JUNE 2003.

	2003 \$	2002 \$
<b>Nature and purpose of reserves</b>		
<b>Asset Revaluation</b>		
The asset revaluation reserve includes the net revaluation increments and decrements arising from the revaluation of non-current assets in accordance with AASB1041. An amount of \$6,203,987 is not available for future asset write downs as a result of using the deemed cost election for buildings, water, sewerage and drainage when adopting AASB1041.		
<b>Public Open Space</b>		
Section 117 of the Local Government (Building and Miscellaneous Provisions) Act 1993 requires Council to hold money raised as cash in lieu of public open space on trust.		
<b>Equity Reconciliation</b>		
Total equity at beginning of year	70,153,903	69,974,547
Change in net assets recognised in the statement of financial performance	(1,087,361)	179,356
Net increase (decrease) in asset revaluation reserve	4,765,675	0
	<u>\$73,832,217</u>	<u>\$70,153,903</u>

## 28 CONTINGENCIES

There are currently no claims against the Council, its Councillors or any officers which are likely to result in any material liability against Council.

## 29 COMMITMENTS FOR EXPENDITURE

### (a) Capital Commitments

There are no capital expenditure commitments as at balance date.

### (b) Operating Commitments

There are no operating expenditure commitments as at balance date.

### (c) Finance Lease Commitments

There were no items of expenditure contracted under finance lease at balance date.

### (d) Operating Lease Commitments

Future operating lease commitments not provided for in the financial statements and payable:

Within one year	15,240	16,589
One year or later and no later than five years	49,530	4,147
Later than five years	0	0
	<u>\$64,770</u>	<u>\$20,736</u>



# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003.

	2003 \$	2002 \$
<b>30 SUPERANNUATION</b>		
Brighton Council contributes in respect of its employees to a superannuation plan established for all Local Governments in the State.		
In accordance with the statutory requirements, the Council contributes to the Quadrant Superannuation Fund amounts determined by the Plan's actuary. \$242,813 was paid during the year ending 30 June 2003. Assets accumulate in the Fund to meet members' benefits as they accrue. If the assets of the Fund were insufficient to satisfy benefits payable to its beneficiaries, Council would be required to meet its share of the deficiency.		
No liability of Council has been recognised as at the reporting date in respect of the superannuation benefits for its employees.		
The most recent actuarial report indicates that as at 30 June 2002, the Scheme's assets were sufficient to satisfy all benefits that would have been vested under the Scheme in the event of: termination of the scheme, voluntary termination of the employment of each employee on the initiative of that employee, and compulsory termination of the employment of each employee of the employer.		
<b>31 RECONCILIATION OF INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS TO CASH OUTFLOW FROM OPERATING ACTIVITIES.</b>		
<b>Increase/(Decrease) in net assets resulting from operations</b>	<u>(\$1,087,361)</u>	<u>\$179,356</u>
Items not involving cash		
Non Cash Contributions	(199,909)	(635,770)
Depreciation Expense	1,852,633	1,774,711
	<u>\$1,652,724</u>	<u>\$1,138,941</u>
<b>Revenues from Government</b>		
Government Grants	<u>(\$2,257,616)</u>	<u>(\$2,060,851)</u>
<b>Investing Activity</b>		
Hobart Water Dividends	(89,991)	(105,235)
Net profit on Disposal of Plant and Equipment	(80,830)	(3,364)
	<u>(\$170,821)</u>	<u>(\$108,599)</u>
<b>Change in Operating Assets and Liabilities</b>		
(Increase)/Decrease in Rates Receivables	82,927	21,055
(Increase)/Decrease in Other Debtors	(43,974)	103,987
(Increase)/Decrease in Other Assets	1,353,296	67,635
Increase/(Decrease) in Creditors	(31,978)	35,112
Increase/(Decrease) in Provision for Employee Entitlements	39,372	(3,808)
Increase/(Decrease) in Other Liabilities	116,382	(8,573)
	<u>\$1,516,025</u>	<u>\$215,408</u>
<b>Net Cash Outflow from Operating Activities</b>	<u>(\$347,049)</u>	<u>(\$635,745)</u>

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT



FOR THE YEAR ENDED 30 JUNE 2003.

## 32 ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURES:

### (a) Interest Rate Risk:

The Council's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and liabilities is set out below:

Note		Fixed interest maturing in:			Non-interest bearing	TOTAL
		Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	
		\$	\$	\$	\$	\$
<b>Financial assets 2003</b>						
Cash	5	3,662				3,662
Receivables	6	747,881			169,728	917,609
Investments	5	991,956				991,956
		\$1,743,499			\$169,728	\$1,913,227
Weighted avg. interest		7.86%			0.00%	

### Financial liabilities 2003

Loans	22,25		477,605	2,840,045	2,410,634		5,728,284
Accounts payable	21					646,963	646,963
			\$477,605	\$2,840,045	\$2,410,634	\$646,963	\$6,375,247
Weighted avg. interest			6.99%	7.00%	7.37%	0.00%	

### Financial assets 2002

Cash	5	141,571					141,571
Receivables	6	843,535				113,027	956,562
Investments	5	551,854					551,854
		\$1,536,960				\$113,027	\$1,649,987
Weighted avg. interest		8.20%				0.00%	

### Financial liabilities 2002

Loans	22,254		45,912	2,079,263	3,649,020		6,174,195
Accounts payable	21					678,941	678,941
			\$445,912	\$2,079,263	\$3,649,020	\$678,941	\$6,853,136
Weighted avg. interest			6.99%	6.99%	7.24%	0.00%	

### (b) Net Fair Values of Financial Assets and Liabilities:

The carrying amounts of cash, accounts receivable, investments and accounts payable approximate net fair value. The loan portfolio owed by Council has been reviewed by Tascorp effective 30 June 2003. Following this review, it was determined that, having regard to the fixed rate of interest applicable for the remaining life of each loan, the approximate net fair value (which equates to current market value) is \$5,961,041 compared to the actual value of \$5,728,283.

### (c) Credit Risk:

Council undertakes dealings with a large number of customers, none of which is materially significant.



# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003.

## 33 STATEMENT OF SIGNIFICANT BUSINESS ACTIVITIES OF COUNCIL

Brighton Council has classified its Water and Sewerage maintenance and construction as Significant Business Activities as provided by section 84(2)(da) of the Local Government Act 1993.

### Statement of Cost of Operations for the year ending 30 June 2003

Revenue	Water		Sewerage	
	2003	2002	2003	2002
Rates & Interest	654,871	637,139	1,481,848	1,407,671
User Charges	1,204,305	991,385	76,678	33,600
Contributions	59,500	66,520	123,305	76,410
<b>Total Revenue</b>	<u>\$1,918,676</u>	<u>\$1,695,044</u>	<u>\$1,681,831</u>	<u>\$1,517,681</u>
<b>Expenditure</b>				
Employee Costs	105,689	95,739	102,337	92,703
Materials, Contracts & Other	1,062,850	931,004	915,067	918,355
Interest	67,478	72,185	79,890	85,462
<b>Capital Costs</b>				
Depreciation	332,975	329,605	307,820	305,698
Opportunity Cost of Capital	1,006,210	1,019,179	983,410	989,124
<b>Indirect</b>				
Engineering & Admin	93,113	28,675	82,782	71,688
<b>Competitive Neutrality Costs</b>				
Fringe Benefit Tax	0	0	0	0
Stamp Duty	0	0	0	0
Council Rates & Land Tax	3,809	3,735	3,278	3,207
Loan Guarantee Fee	4,054	4,369	4,799	5,713
Notional Income Tax	74,613	68,920	55,757	10,618
<b>Total Expenditure</b>	<u>\$2,750,791</u>	<u>\$2,553,411</u>	<u>\$2,535,140</u>	<u>\$2,482,568</u>

Competitive Neutrality costs are shown to give an indication of the costs council would have to meet if the significant business activities as detailed, operated within the private sector.



# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT



FOR THE YEAR ENDED 30 JUNE 2003.

In preparing the information disclosed in relation to significant business activities the following assumptions have applied.

- \* The notional opportunity cost capital was calculated by an interest rate of 9% which council has determined as an appropriate interest rate adjusted for a risk margin.
- \* Fringe Benefit tax is applied to actual costs where applicable
- \* It is assumed that stamp duty is too negligible to include
- \* Council Rates and Land Tax are applied directly to applicable properties currently exempt.
- \* Loan guarantee fees are calculated on the loan outstanding for each activity multiplied by a rate of .45% as determined by Treasury.
- \* Income Tax equivalents were calculated by an applicable taxation rate of 30% applied to the notional accounting profit.

## 34 MICROWISE AUSTRALIA PTY LTD

Microwise Australia is an incorporated entity that has been formed by Brighton Council to:

- Own and manage the intellectual property contained in the PropertyWise software product.
- Create and develop new software products to meet the identified needs of existing and potential customers within local government and other public and private sectors.
- Provide software maintenance and technical support to existing customers.
- Provide upgrades and enhancements to a portfolio of products.
- Manage the relationship with marketing organisations to achieve market coverage and representation.

	2003	2002
<b>Financial Performance</b>	\$	\$
Revenue	166,492	107,110
Expenditure	116,549	59,717
Profit/(Loss)	<u>\$49,943</u>	<u>\$47,393</u>
<b>Brighton Council Equity</b>	<u>\$139,999</u>	<u>\$127,968</u>

The Financial Performance excludes any internal transactions with Brighton Council.

Microwise Australia has been consolidated in the current year financial statements.

The financial statements only identify the consolidated revenue and expenditure under notes 3(a) and 3(b)-(v) respectively due to immateriality.

### The directors of Microwise Australia include:

- Clr Tony Foster
- Mr. Geoff Dodge
- Mr. Greg Davoren



# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

## 35 REGISTER OF INTERESTS

**Interests of Councillors notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings.**

<b>Councillor &amp; Position</b>	<b>Interest</b>
Cr Tony Foster (Mayor)	No interest declared.
Cr Ted Jeffries (Deputy Mayor)	No interest declared.
Cr Barbara Curran	No interest declared.
Cr Chris Fitzpatrick	No interest declared.
Cr Kate Fitzpatrick	No interest declared.
Cr Peter Geard	No interest declared.
Cr Philip Owen	No interest declared.
Cr Geoff Taylor	No interest declared.

## 36 AUDIT DISCLOSURE

	<b>2003</b>	<b>2002</b>
	\$	\$
Audit services:	<u>\$19,424</u>	<u>\$14,339</u>