

**ADDENDUM REPORT TO ORDINARY MEETING OF
GREATER HUME SHIRE COUNCIL TO BE HELD AT
COMMUNITY MEETING ROOM, LIBRARY COMPLEX, LIBRARY COURT, HOLBROOK
ON WEDNESDAY, 20 SEPTEMBER 2017**

OFFICER'S REPORT – PART A – FOR DETERMINATION

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CORPORATE AND COMMUNITY SERVICES

1. **2016/2017 ANNUAL AND SPECIAL PURPOSE FINANCIAL STATEMENTS –
CERTIFICATE BY COUNCIL**

Report prepared by Chief Financial Officer – Dean Hart

REASON FOR REPORT

To present to Council Addendum Report on Council's General and Special Purpose Financial Statements for year ending 30 June 2017, following the audit which was conducted by Council's external auditors, Hill Rogers.

DISCUSSION

As advised in the corporate and Community Services Report No.1, adjustments to the Financial Statements as a result of the audit was required.

Post Audit adjustments have been taken up in respect of Infrastructure Assets disposed of during the year. These include the pools at Henty and Holbrook and Road Infrastructure which has been replaced during the current year works program. A review of Council's asset register revealed that the residential building previously located on the site of the new Jindera Community Hub was still listed as an asset. This has now been written out of Councils accounts. The total impact of these disposals was \$1,712k which is a one off adjustment to the Net Operating Result for 2016/17.

External/Internal Restrictions (Reserves)

External Restrictions have been adjusted down against internal restrictions as there is no requirement to externally restrict the advance payment of FAG Grant and contributions received toward bypass handover works. Total restricted cash remains unaffected by the change.

Therefore Council has externally restricted reserves of \$5,878,913 (includes \$177,763 held in Trust) and internal restrictions of \$16,055,965.

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2016/2017 ANNUAL AND SPECIAL PURPOSE FINANCIAL STATEMENTS – CERTIFICATE BY COUNCIL [CONT'D]

Detailed below is the revised snapshot of Council's financial position and performance ratios as at 30 June 2017.

	2016/2017 Post Audit \$,000	2016/2017 Pre Audit \$,000	Adjustments \$,000	2015/2016 \$,000
Operating Income	\$38,396	\$38,396	\$0	\$34,735
Operating Expenditure	\$30,713	\$29,001	\$1,712	\$28,145
Operating Result from Continuing Operations	\$7,683	\$9,395	(\$1,712)	\$6,590
Capital Grants and Contributions	\$5,877	\$5,877	\$0	\$5,096
Net Gain / (Loss) on Disposal of Assets	(\$2,418)	(\$706)	(\$1,712)	(\$37)
Result Surplus/(Deficit) from Ordinary Activities	\$7,683	\$9,395	(\$1,712)	\$6,590
Gain/(Loss) on revaluation of I,PP&E	(\$12)	(\$1,701)	\$0	\$0
Total Comprehensive Income for the year	\$7,671	\$7,694	(\$23)	\$6,590
Capital Expenditure (Net of Disposals)	\$12,729	\$14,441	(\$1,712)	\$15,267
Total Current Assets	\$32,555	\$33,005	(\$450)	\$27,383
Total Current Liabilities	\$7,929	\$7,929	\$0	\$6,079
Total Non-Current Assets	\$471,746	\$471,319	\$427	\$466,320
Total Non-Current Liabilities	\$6,532	\$6,532	\$0	\$5,455
Total Equity	\$489,840	\$489,863	(\$23)	\$482,169

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2016/2017 ANNUAL AND SPECIAL PURPOSE FINANCIAL STATEMENTS – CERTIFICATE BY
COUNCIL [CONT'D]

PERFORMANCE RATIOS		
	2016/2017	2015/2016
<p>Unrestricted Current Ratio Assesses the adequacy of working capital and the ability to satisfy obligations in the short term the unrestricted activities of Council. (Benchmark > 2:1)</p>	5.47:1	6.09:1
<p>Debt Service Cover Ratio Assesses the availability of operating cash to service debt including interest, principal and lease payments.</p>	13.15	9.26
<p>Rates and Annual Charges Outstanding Percentage To assess the impact of uncollected rates and charges on Council's liquidity and the adequacy of recovery efforts.</p>	6.65%	6.87%
<p>Building and Infrastructure Renewals Ratio Assesses the rate at which assets are being renewed against the rate at which they are being depreciated</p>	156.32%	178.69%

BUDGET IMPLICATIONS

Nil.

CONCLUSION

The General Manager has provided assurances as to the manner in which the Statements have been prepared it is recommended that General Manager, the Mayor, Deputy Mayor, General Manager and the Chief Financial Officer be authorised to sign the Statement by Councillors and Management for the 2016/2017 General Purpose and Special Purpose Financial Statements.

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COUNCIL [CONT'D]

RECOMMENDATION

That on the basis of the assurances provided by the General Manager:

1. the Annual Financial Statements for the year ended 30 June 2017 be adopted.
2. The Mayor, Deputy Mayor, General Manager and the Chief Financial Officer be authorised to sign the Statement by Councillors and Management for the 2016/2017 General Purpose and Special Purpose Financial Statements.
3. the General Manager's actions in referring the Annual Financial Statements for the year ended 30 June 2017 to the Council's Auditor for audit be endorsed.
4. Council hereby delegate to the General Manager authority, upon receipt of the Auditor's report of the Council, to:
 - a. Forward a copy of the Financial Statements to the Officer of Local Government and Australian Bureau of Statistics.
 - b. Arrange for public notice, in the required format, of the Council Meeting at which the Financial Statements will be presented to the public.
 - c. Arrange for Council's audited Financial Statements and a copy of the Auditor's Reports to be made available for public inspection.
 - d. List the presentation of audited Financial Statements and Auditor's Reports on the Agenda for the October 2017 Council Meeting.

PART C – COMMITTEE AND DELEGATE REPORTS

Reproduced below is the delegate report for Cr Meyer (*inadvertently omitted from the agenda paper*).

Cr Doug Meyer OAM Deputy Mayor, Delegate & Attendance for the period 15 March to 20 September 2017:

GHSC Council Meeting Burrumbuttock	15-03-17
Kindy Roadsafe Presentations Henty	17-03-17
GHSC CSP Street Morning review Culcairn	17-03-17
GHSC CSP Street Morning review Henty	18-03-17
GHSC Service Review Workshop	22-03-17
Henty CDC Representations	28-03-17
Considered Tour Jindera & Facilities	30-03-17
Ramroc LG Planning Induction Albury	31-03-17
GHSC Youth Evening in Henty	31-03-17

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Debutant Ball Henty- Dep Mayor	01-04-17
Reroc Wagga	06-04-17
Henty Art & Photography Exhibition	08-04-17
GHSC Meeting Holbrook	19-04-17
Holbrook Meeting Asbestos - Minister Keen	24-04-17
Henty CDC Meeting	24-04-17
Anzac Day Observance Henty	25-04-17
RWCC Meeting Urana Council Member	26-04-17
GHSC Budget Workshop Culcairn	26-04-17
GHSC Workshop Culcairn	03-05-17
Culcairn Gardens Opening (Greg Aplin)	07-05-17
Myoora Hostel Henty Official Recognition	12-05-17
Service Liaison Meeting Albury	15-05-17
GHSC Meeting Culcairn	17-05-17
GHSC Traffic Committee Meeting	25-05-17
GHSC Meeting with Henty CDC re Lands Cleanup	25-05-17
Henty CDC Meeting Streetscape Sundry	30-05-17
Apology GHSC Health & Wellbeing Holbrook	31-05-17
Reroc Wagga	01-06-17
Landlord and Tenants Meeting Sladen Streetscape	07-06-17
Henty Town Meeting Streetscape	20-06-17
GHSC Meeting Culcairn	21-06-17
RFS Service Liaison Meeting Albury	26-06-17
Henty CDC Meeting	27-06-17
RWCC Meeting Wagga Council Member	28-06-17
Henty Streetscape Verandah Meeting Henty	29-06-17
Dep Mayor Lions Club Dinner Henty	12-07-17
GHSC Meeting Holbrook	19-07-17
Henty CDC Meeting	25-07-17
GHSC Workshop Culcairn	26-07-17
GHSC Jindera Opening of Hub	12-08-17
RWCC Meeting Wagga Council Member	16-08-17
GHSC Meeting Jindera	16-08-17
GHSC Workshop Culcairn Branding	23-08-17
Henty Community Club AGM Chair	24-08-17
Local Government Regional Planning Wagga	28-08-17
Jindera GHSC Business Forum	06-09-17
Henty Schools Gala Club Night	12-09-17
GHSC Holbrook Meeting	20-09-17

CONCLUSION

For councillors' information.