

SPECIAL PURPOSE FINANCIAL REPORTS



YEAR ENDED

30th June, 2006

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL PURPOSE FINANCIAL REPORTS

for the year ended 30th June, 2006

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COUNCIL OF THE SHIRE OF YOUNG

COUNCIL'S CERTIFICATE

for the year ended 30th June, 2006

**STATEMENT BY COUNCILLORS AND MANAGEMENT
MADE PURSUANT TO THE LOCAL GOVERNMENT CODE OF ACCOUNTING AND FINANCIAL REPORTING**

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

- (i) NSW Government Policy Statement -
“ Application of National Competition Policy to Local Government ”**
- (ii) Department of Local Government Guidelines -
“ Pricing and Costing for Council Businesses - A Guide to Competitive Neutrality ”**
- (iii) The Local Government Code of Accounting Practice and Financial Reporting.**
- (iv) Department of Energy, Utilities and Sustainability -
“ Best Practice Management of Water Supply and Sewerage Guidelines ”**

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

- (i) Present fairly, the operating result and financial position for each of Council's declared Business Activities for the year, and**
- (ii) Accord with Council's accounting and other records.**

We are not aware of any matter, which would render these Reports false, or misleading in any way.

Signed, in accordance with a resolution of Council, made on 16th August, 2006.

**Cr. Gerald P. Bailey
MAYOR**

**Adrian G. Hanrahan
GENERAL MANAGER**

**Cr. John B. McGregor
COUNCILLOR**

**Donald D. Withers
RESPONSIBLE ACCOUNTING OFFICER**

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL PURPOSE FINANCIAL REPORTS

for the year ended 30th June, 2006

INCOME STATEMENT WATER SUPPLY BUSINESS ACTIVITY

	Actual 2006 (\$'000)	Actual 2005 (\$'000)	Actual 2004 (\$'000)
REVENUES FROM ORDINARY ACTIVITIES:			
Annual Rates and Charges	700	1,505	1,402
User Charges and Fees	1,446	698	596
Interest	142	121	108
Non-Capital Purposes - Grants	41	41	43
Gain - Sale of Assets	0	0	0
Other Revenues from Ordinary Activities	2	0	0
TOTAL REVENUES FROM ORDINARY ACTIVITIES	2,331	2,365	2,149
EXPENSES FROM ORDINARY ACTIVITIES:			
Employee Benefits and On-Costs	198	207	218
Borrowing Costs	23	23	25
Materials and Contracts	215	209	201
Depreciation and Amortisation Costs	207	215	211
Water Purchases	1,268	1,291	1,351
Loss - Sale of Assets	0	0	0
Other Expenses from Ordinary Activities	22	20	23
TOTAL EXPENSES FROM ORDINARY ACTIVITIES	1,933	1,965	2,029
SURPLUS / (DEFICIT) FROM ORDINARY ACTIVITIES BEFORE CAPITAL AMOUNTS	398	400	120
REVENUES FROM CAPITAL ACTIVITIES:			
Capital Purposes - Grants	7	16	0
Capital Purposes - Contributions	182	75	46
TOTAL REVENUES FROM CAPITAL ACTIVITIES	189	91	46
SURPLUS / (DEFICIT) FROM ORDINARY ACTIVITIES AFTER CAPITAL AMOUNTS	587	491	166
TAXATION:			
Corporate Taxation Equivalent - 30.00 %	119	120	36
SURPLUS / (DEFICIT) AFTER TAXATION	468	371	130
RETAINED PROFITS - OPENING	8,278	7,787	7,621
Corporate Taxation Equivalents	119	120	36
RETAINED PROFITS - CLOSING	8,865	8,278	7,787
RATE OF RETURN ON CAPITAL (%)	6.50 %	6.62 %	2.01 %
SUBSIDY FROM COUNCIL - NOTIONAL	0	0	72
CALCULATION OF DIVIDEND PAYABLE:			
Less: Capital Grants and Contributions (excluding Developer Contributions)	(154)	(53)	(41)
Surplus for Dividend Calculation Purposes	314	318	89
DIVIDEND CALCULATED FROM SURPLUS	157	159	44

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL PURPOSE FINANCIAL REPORTS

for the year ended 30th June, 2006

INCOME STATEMENT

SEWERAGE SERVICES BUSINESS ACTIVITY

	Actual 2006 (\$'000)	Actual 2005 (\$'000)	Actual 2004 (\$'000)
REVENUES FROM ORDINARY ACTIVITIES:			
Annual Rates and Charges	1,016	938	814
User Charges and Fees	149	163	123
Interest	265	220	150
Non-Capital Purposes - Grants	38	37	39
Gain - Sale of Assets	0	0	0
Other Revenues from Ordinary Activities	2	0	0
TOTAL REVENUES FROM ORDINARY ACTIVITIES	1,470	1,358	1,126
EXPENSES FROM ORDINARY ACTIVITIES:			
Employee Benefits and On-Costs	206	231	215
Borrowing Costs	24	26	27
Materials and Contracts	185	205	175
Depreciation and Amortisation Costs	117	105	99
Loss - Sale of Assets	0	0	0
Other Expenses from Ordinary Activities	88	93	120
TOTAL EXPENSES FROM ORDINARY ACTIVITIES	620	660	636
SURPLUS / (DEFICIT) FROM ORDINARY ACTIVITIES BEFORE CAPITAL AMOUNTS	850	699	490
REVENUES FROM CAPITAL ACTIVITIES:			
Capital Purposes - Grants	115	0	0
Capital Purposes - Contributions	50	131	64
TOTAL REVENUES FROM CAPITAL ACTIVITIES	165	131	64
SURPLUS / (DEFICIT) FROM ORDINARY ACTIVITIES AFTER CAPITAL AMOUNTS	1,015	830	554
TAXATION:			
Corporate Taxation Equivalent - 30.00 %	255	210	147
SURPLUS / (DEFICIT) AFTER TAXATION	760	621	407
RETAINED PROFITS - OPENING	7,510	6,681	6,127
Corporate Taxation Equivalents	255	210	147
RETAINED PROFITS - CLOSING	8,525	7,511	6,681
RATE OF RETURN ON CAPITAL (%)	18.16 %	16.45 %	12.77 %
SUBSIDY FROM COUNCIL - NOTIONAL	0	0	0
CALCULATION OF DIVIDEND PAYABLE:	760	621	407
Less: Capital Grants and Contributions (excluding Developer Contributions)	(117)	0	(7)
Surplus for Dividend Calculation Purposes	643	621	400
DIVIDEND CALCULATED FROM SURPLUS	322	311	200

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL PURPOSE FINANCIAL REPORTS

as at 30th June, 2006

BALANCE SHEET

WATER SUPPLY BUSINESS ACTIVITY

	Actual 2006 (\$'000)	Actual 2005 (\$'000)	Actual 2004 (\$'000)
CURRENT ASSETS			
Cash Assets	0	0	4
Investment Securities	0	0	190
Receivables	631	534	342
Inventories	0	0	0
Other	0	0	0
TOTAL CURRENT ASSETS	631	534	536
NON-CURRENT ASSETS			
Investment Securities	2,514	2,119	1,700
Receivables	0	0	0
Infra-Structure, Property, Plant and Equipment	6,120	6,038	5,974
TOTAL NON-CURRENT ASSETS	8,634	8,157	7,674
TOTAL ASSETS	9,265	8,691	8,210
CURRENT LIABILITIES			
Payables	128	126	122
Interest Bearing Liabilities	16	15	14
Provisions	0	0	0
TOTAL CURRENT LIABILITIES	144	141	136
NON-CURRENT LIABILITIES			
Payables	0	0	0
Interest Bearing Liabilities	256	272	287
Provisions	0	0	0
TOTAL NON-CURRENT LIABILITIES	256	272	287
TOTAL LIABILITIES	400	413	423
NETT ASSETS	8,865	8,278	7,787
EQUITY			
Accumulated Surplus	8,865	8,278	7,787
Asset Revaluation Reserve	0	0	0
TOTAL EQUITY	8,865	8,278	7,787

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL PURPOSE FINANCIAL REPORTS

as at 30th June, 2006

BALANCE SHEET

SEWERAGE SERVICES BUSINESS ACTIVITY

	Actual 2006 (\$'000)	Actual 2005 (\$'000)	Actual 2004 (\$'000)
CURRENT ASSETS			
Cash Assets	0	0	5
Investment Securities	0	0	83
Receivables	226	173	120
Inventories	0	0	0
Other	0	0	0
TOTAL CURRENT ASSETS	226	173	208
NON-CURRENT ASSETS			
Investment Securities	4,012	3,500	3,062
Receivables	0	0	0
Infra-Structure, Property, Plant and Equipment	4,679	4,247	3,835
TOTAL NON-CURRENT ASSETS	8,691	7,747	6,897
TOTAL ASSETS	8,917	7,920	7,105
CURRENT LIABILITIES			
Payables	97	99	98
Interest Bearing Liabilities	18	16	15
Provisions	0	0	0
TOTAL CURRENT LIABILITIES	115	115	113
NON-CURRENT LIABILITIES			
Payables	0	0	0
Interest Bearing Liabilities	277	295	311
Provisions	0	0	0
TOTAL NON-CURRENT LIABILITIES	277	295	311
TOTAL LIABILITIES	392	410	424
NETT ASSETS	8,525	7,510	6,681
EQUITY			
Accumulated Surplus	8,525	7,510	6,681
Asset Revaluation Reserve	0	0	0
TOTAL EQUITY	8,525	7,510	6,681

COUNCIL OF THE SHIRE OF YOUNG

NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS

for the year ended 30th June, 2006

Note No. 1

SIGNIFICANT ACCOUNTING POLICIES

These Financial Statements, are a Special Purpose Financial Report (SPFR), and are prepared for utilisation by Council, and the Department of Local Government. For the purpose of these Statements, Council is not a reporting entity.

These Financial Statements have been prepared, in accordance with the applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views, the Local Government Act and Regulations, the Local Government Code of Accounting Practice and Financial Reporting, and the Local Government Asset Accounting Manual.

These Financial Statements have been prepared, upon an accrual basis. They are based upon historic costs, and do not take into account changing money values, or, except where specifically stated, current values of non-current assets. Certain taxes and other costs appropriately described, have been imputed, for the purposes of the National Competition Policy.

NATIONAL COMPETITION POLICY:

Council, has adopted the principle of " competitive neutrality " for its business activities.

The National Competition Policy, is being applied throughout Australia, at all levels of Government. The framework for its application, was formulated in the June, 1996 Government Policy Statement on the " Application of National Competition Policy to Local Government ". The " Pricing and Costing for Council Businesses - A Guide to Competitive Neutrality ", issued by the Department of Local Government in July, 1997, has also been adopted by Council.

The pricing and costing guidelines, outlines the processes for identifying and allocating costs to activities, and to provide a standard of disclosure requirements. These disclosures, are reflected in Council's pricing and / or, financial reporting systems. The disclosures include taxation equivalents, Council subsidies, return upon investments (rate of return) and dividend

DECLARED BUSINESS ACTIVITIES:

In accordance, with the " Pricing and Costing for Council Businesses - A Guide to Competitive Neutrality ", Council has declared the following business activities, are to be considered as either CATEGORY 1 and / or CATEGORY 2.

WATER SUPPLIES - Category 1

Provision of reticulated water, to the community of Young, and surrounding residential and farmland holdings.

SEWERAGE SERVICES - Category 2

Provision of sewerage services, to the community of Young, and surrounding residential and farmland holdings.

MONETARY AMOUNTS:

Amounts shown in the Financial Statements are in Australian currency, and are rounded to the nearest one (1) thousand dollars. The exceptions are Note No. 2 (Water Supply Best Practice Management Disclosures) and Note No. 3 (Sewerage Best Practice Management Disclosures). As a requirement of the Department of Energy, Utilities and Sustainability, the amounts shown in Note No.s 2 and 3 are shown in whole dollars.

TAXATION EQUIVALENT PAYMENTS:

Council, is liable for payment of various taxes, and financial duties. Where it is applicable, these costs must be disclosed as a cost of operations, (General Purpose Financial Reports) similar to all other associated costs.

However, where Council is not liable with regard to some taxes, (which are generally payable by private sector businesses), such as income taxation, these equivalent taxation payments, have been applied to all Council-nominated business activities, and are reflected within the Special Purpose Financial Reports.

For the purposes of disclosing comparative information, relevant to private sector businesses, the following taxation equivalents, have been applied to Council-nominated business activities:

Corporate Taxation Rate	30.00%	Payroll Taxation	Not Applicable
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COUNCIL OF THE SHIRE OF YOUNG

NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS

for the year ended 30th June, 2006

Note No. 1 - (Continued)

SIGNIFICANT ACCOUNTING POLICIES

INCOME TAXATION:

An income taxation equivalent, has been applied to the profits of the business activity. Whilst income taxation is not a specific cost, for the pricing of a good and / or service, it must be taken into account with regard to the terms of assessment of the rate of return required upon the capital invested.

Accordingly, the rate of return upon the capital invested, is set at a pre-taxation level, (Operating Result before Capital Amounts) as would be applicable, to a private sector competitor. Subsequently, it should include a provision, equivalent to the current corporate income taxation rate of 30.00 %.

Income taxation is only applied, where a positive Operating Result before Capital Amounts, has been achieved. Since the income taxation equivalent is notional, and as it is payable to Council, (as the owner of the business activity), it represents an internal payment, and has no effect upon the operations of Council.

Accordingly, there is no requirement for the disclosure of internal charges, within the General Purpose Financial Reports. The rate applied of 30.00 % is the equivalent corporate taxation rate, prevalent as at balance date. There have been no adjustments for taxation variations, which have occurred during the current financial year.

LOCAL GOVERNMENT ANNUAL RATES AND CHARGES:

A calculation of the equivalent annual rates and charges, for all Category 1 and Category 2 businesses, have been applied to all assets owned or exclusively utilised, by Council's business activities.

LOAN AND DEBT GUARANTEE FEES:

The debt guarantee fee, is designed to ensure Council's business activities, comply with " true " commercial borrowing costs, and in accordance with private sector competition.

SUBSIDIES:

Government Policy, requires subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur, whereby Council provides services, upon a less than cost recovery basis. This option is exercised upon a range of services, in order for Council to meet its community obligations. The overall subsidies from Council, are contained within the Statement of Performance by Business Activities.

RETURN ON INVESTMENTS: - (RATE OF RETURN)

The Policy Statement, requires Councils with Category 1 Business Activities, " would be expected to generate a return upon capital funds employed, which are comparable to the rates of return applicable to private businesses, operating within a similar field ".

Funds, are subsequently available for meeting commitments, or financing future investment strategies. The rates of return is disclosed for Council's individual business activities, and is equivalent to 2.50 %.

DIVIDENDS:

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

Local Government Water Supply and Sewerage Businesses are permitted to pay an annual dividend from its water supply and / or sewerage business surplus. The dividend, calculated and approved in accordance with Best Practice Management Guidelines, must not exceed fifty (50) per cent of this surplus in any one year, or the number of water supply or sewerage assessments at 30th June, 2006 multiplied by \$30 (less the payment for taxation equivalent charges, and not exceeding \$3 per assessment).

In accordance with the guidelines for Best Practice of Water Supply and Sewerage, a Dividend Payment Form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are to be submitted to the Department of Energy, Utilities and Sustainability.

COUNCIL OF THE SHIRE OF YOUNG

NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS

for the year ended 30th June, 2006

Note No. 2

WATER SUPPLY BUSINESS ACTIVITY

CALCULATION AND PAYMENT OF TAXATION EQUIVALENTS:

(i)	Calculated Taxation Equivalents	0
(ii)	No. of Assessments multiplied by \$ 3.00 per Assessment	11,994
(iii)	Amount payable for Taxation Equivalents (lesser of (i) and (ii))	0
(iv)	Amount paid for Taxation Equivalents	0

DIVIDEND FROM SURPLUS:

(i)	50.00 % of Surplus before Dividend Payments (Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines)	156,998
(ii)	No. of Assessments multiplied by \$ 30.00 per Assessment (Less: Taxation Equivalent Charges / Assessment)	119,940 0
(iii)	Cumulative Surplus before Dividend Payments for the 3 Years to 30th June, 2006 (Less: Cumulative Dividend Payments for the 2 Years to 30th June, 2005)	721,298 0
(iv)	Maximum Dividend Payments from Surplus (lesser of (i), (ii) and (iii))	119,940
(v)	Dividend Payments from Surplus	0

REQUIRED OUTCOMES FOR SIX (6) CRITERIA:

(1)	Completion of Strategic Business Plan (including Financial Management Plan)	YES
(2)	Pricing with full cost-recovery, without significant cross-subsidies (Item 2 (a) in Table 1)	
	Complying Charges	
	- Residential (Item 2 (b) in Table 1)	YES
	- Residential Revenue * from Usage Charges (at least 50 % 2006 / 07, 60 % in 2007 / 08 and 75 % in 2008 / 09)	YES
	- Non-Residential (Item 2 (b) in Table 1)	YES
	Developer Service Plan	
	- Commercial Developer Charges (Item 2 (e) in Table 1)	YES
(3)	Complete Performance Reporting Form by 31st October, each year	YES
(4)	Sound Demand Management implemented	NO
(5)	Sound Drought Management implemented by 30th June, 2006	NO
(6)	Integrated Water Cycle Management Strategy by 30th June, 2006	NO

* As an alternative to consideration of Council's projected Residential Revenue, Council has the option of basing the calculation upon its typical residential bill (i.e. for a customer using Council's average annual residential consumption per connected property).

COUNCIL OF THE SHIRE OF YOUNG

NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS

for the year ended 30th June, 2006

Note No. 3

SEWERAGE SERVICES BUSINESS ACTIVITY

CALCULATION AND PAYMENT OF TAXATION EQUIVALENTS:

(i)	Calculated Taxation Equivalents	0
(ii)	No. of Assessments multiplied by \$ 3.00 per Assessment	10,047
(iii)	Amount payable for Taxation Equivalents (lesser of (i) and (ii))	0
(iv)	Amount paid for Taxation Equivalents	0

DIVIDEND FROM SURPLUS:

(i)	50.00 % of Surplus before Dividend Payments (Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines)	321,618
(ii)	No. of Assessments multiplied by \$ 30.00 per Assessment (Less: Taxation Equivalent Charges / Assessment)	100,470
(iii)	Cumulative Surplus before Dividend Payments for the 3 Years to 30th June, 2006 (Less: Cumulative Dividend Payments for the 2 Years to 30th June, 2005)	1,664,655 0
(iv)	Maximum Dividend Payments from Surplus (lesser of (i), (ii) and (iii))	100,470
(v)	Dividend Payments from Surplus	0

REQUIRED OUTCOMES FOR FOUR (4) CRITERIA:

(1)	Completion of Strategic Business Plan (including Financial Management Plan)	YES
(2)	Pricing with full cost-recovery, without significant cross-subsidies (Item 2 (a) in Table 1)	
	Complying Charges	
	- Residential (Item 2 (b) in Table 1)	YES
	- Non-Residential (Item 2 (b) in Table 1)	YES
	- Trade Waste (Item 2 (e) in Table 1)	NO
	Developer Service Plan	
	- Commercial Developer Charges (Item 2 (e) in Table 1)	YES
	Liquid Trade Waste and Approvals Policy	
	- by 30th June, 2006 (Item 2 (f) in Table 1)	NO
(3)	Complete Performance Reporting Form by 31st October, each year	YES
(4)	Integrated Water Cycle Management Strategy by 30th June, 2006	NO

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULES for the year ended 30th June, 2006

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COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE NO. 1 - (CONTINUED)

NETT COST OF SERVICES
for the year ended 30th June, 2006
(\$'000)

FUNCTION AND / OR ACTIVITY	EXPENSES FROM ORDINARY ACTIVITIES		REVENUES FROM ORDINARY ACTIVITIES			NETT COST OF SERVICES	
	Expenses	Group Totals	Non-Capital Revenues	Capital Revenues	Group Totals	Nett Cost	Group Totals
ADMINISTRATION:							
Governance	180		1	0		(179)	
Corporate Support Services	368		48	0		(320)	
Engineering and Works Supervision	146		17	0		(129)	
Other Support Services	62		413	0		351	
		756			479		(277)
PUBLIC ORDER & SAFETY:							
Statutory Contributions to Fire Service Levy	116		0	0		(116)	
Fire Protection	271		199	0		(72)	
Animal Control	69		6	0		(63)	
Enforcement of Local Government Reg'ns	39		1	0		(38)	
Emergency Services	54		1	0		(53)	
Other	36		15	0		(21)	
		585			222		(363)
HEALTH:							
Administration and Inspection	74		0	0		(74)	
Food Control	32		0	0		(32)	
Insect and Vermin Control	5		0	0		(5)	
Noxious Plants Control	54		0	0		(54)	
Other	52		13	0		(39)	
		217			13		(204)
COMMUNITY SERVICES & EDUCATION:							
Administration	0		0	0		0	
Family Day Care	0		0	0		0	
Child Care	69		0	0		(69)	
Youth Services	4		1	0		(3)	
Aged and Disabled	1		0	0		(1)	
Aboriginal Services	0		0	0		0	
Other Community Services	11		1	0		(11)	
Education	22		0	0		(22)	
		107			2		(105)

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE NO. 1 - (CONTINUED)

NETT COST OF SERVICES
for the year ended 30th June, 2006
(\$'000)

FUNCTION AND / OR ACTIVITY	EXPENSES FROM ORDINARY ACTIVITIES		REVENUES FROM ORDINARY ACTIVITIES			NETT COST OF SERVICES	
	Expenses	Group Totals	Non-Capital Revenues	Capital Revenues	Group Totals	Nett Cost	Group Totals
HOUSING & COMMUNITY AMENITIES:							
Housing	13		14	0		1	
Town Planning	117		114	0		(3)	
Domestic Waste Management Services	735		677	0		(58)	
Other Waste Management Services	303		257	0		(46)	
Street and Gutter Cleaning	162		0	0		(162)	
Other Sanitation and Garbage	15		4	0		(11)	
Urban Stormwater Drainage	185		0	8		(177)	
Environmental Protection	41		9	0		(32)	
Public Cemeteries	163		120	0		(43)	
Public Conveniences	107		0	0		(107)	
Other Community Amenities	2		3	0		1	
		1,843			1,206		(637)
WATER SUPPLIES:							
Management and Operations	1,933		2,331	189		587	
		1,933			2,520		587
SEWERAGE SERVICES:							
Management and Operations	620		1,470	165		1,015	
		620			1,635		1,015
RECREATION & CULTURE:							
Public Libraries	218		35	10		(173)	
Community Centres	46		16	0		(30)	
Public Halls	105		2	0		(103)	
Other Cultural Services	81		55	0		(26)	
Swimming Pools	91		2	12		(77)	
Sporting Grounds	373		61	12		(300)	
Public Parks, Gardens and Reserves	657		38	0		(619)	
Other Sport and Recreation	9		0	0		(9)	
		1,580			243		(1,337)
FUEL & ENERGY:							
Gas Supplies	0		0	0		0	
		0			0		0
MINING, MANUFACTURING & CONSTRUCTION:							
Building Control	168		106	0		(62)	
Quarries and Gravel Pits	60		3	0		(57)	
		228			109		(119)

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE NO. 1 - (CONTINUED)

NETT COST OF SERVICES
for the year ended 30th June, 2006
(\$'000)

FUNCTION AND / OR ACTIVITY	EXPENSES FROM ORDINARY ACTIVITIES		REVENUES FROM ORDINARY ACTIVITIES			NETT COST OF SERVICES	
	Expenses	Group Totals	Non-Capital Revenues	Capital Revenues	Group Totals	Nett Cost	Group Totals
TRANSPORT & COMMUNICATION:							
Local Roads - Urban	582		0	0		(582)	
Local Roads - Rural Sealed	1,103		643	1,037		577	
Local Roads - Rural Un-Sealed	1,211		214	0		(997)	
Local Roads - Rural Bridges	168		0	0		(168)	
Footpaths	135		2	0		(133)	
Aerodromes	54		1	0		(53)	
Parking Areas	16		1	4		(11)	
Bus Shelters and Services	5		0	0		(5)	
RTA Works	1,268		1,456	221		408	
Street Lighting	175		39	0		(136)	
Ancillary Services	321		11	10		(300)	
		5,038			3,639		(1,399)
ECONOMIC AFFAIRS:							
Tourism and Area Promotions	259		38	0		(221)	
Industrial Development and Promotions	168		39	0		(130)	
Saleyards and Markets	15		1	0		(14)	
Real Estate Development	0		0	0		0	
Other Business Undertakings	379		485	0		107	
		821			563		(258)
TOTALS - FUNCTIONS		13,728			10,631		(3,097)
GENERAL PURPOSE REVENUES: ⁽¹⁾	29		6,801	0			
		29			6,801		6,772
SURPLUS/(DEFICIT) FROM ALL ACTIVITIES ⁽²⁾		13,757			17,432		3,675

(1) General Purpose Revenues consist of:-

- * Annual Rates and Charges (includes Ex-Gratia Payments in lieu of rates).
- * Non-Capital General Purpose Grants.
- * Interest on Investments.

(2) As reported upon within the Income Statement.

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE NO. 2

STATEMENT OF LONG-TERM DEBT (ALL-PURPOSES)

for the year ended 30th June, 2006

Classification of Debt	Principal Outstanding at beginning of Year			Debt Redemption During the Year		Interest Applicable for Year (\$,000)	Principal Outstanding at end of Year		
	Current (\$,000)	Non-Current (\$,000)	Total (\$,000)	From Revenue (\$,000)	Sinking Funds (\$,000)		Current (\$,000)	Non-Current (\$,000)	Total (\$,000)
LOANS: (By Source)									
General Purposes	217	3,975	4,192	217	0	329	235	3,740	3,975
Water Supplies	15	272	287	15	0	23	16	256	272
Sewerage Services	16	295	311	16	0	24	17	278	295
TOTAL LOANS	248	4,542	4,790	248	0	376	268	4,274	4,542
OTHER LONG-TERM DEBT:									
Government Advances	0	0	0	0	0	0	0	0	0
TOTAL OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
TOTAL	248	4,542	4,790	248	0	376	268	4,274	4,542

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE No. 3

WATER SUPPLY STATEMENT OF FINANCIAL PERFORMANCE

(GROSS INCLUDING INTERNAL TRANSACTIONS)

for the year ended 30th June, 2006

	Actual 2006 \$'000	Actual 2005 \$'000	Actual 2004 \$'000
(A) EXPENSES AND REVENUES:			
<u>Expenses</u>			
Management Expenses			
Administration	27	23	24
Engineering and Supervision	45	46	47
Pumping Stations			
Working Expenses and Maintenance	1	3	1
Energy Costs	1	1	3
Reservoirs			
Working Expenses and Maintenance	13	14	17
Water Mains			
Working Expenses and Maintenance	140	161	160
Water Meters			
Readings	37	26	35
Renewal and Replacement	27	15	26
Other			
Working Expenses and Maintenance	16	37	18
Purchase of Water	1,268	1,291	1,351
Depreciation			
System Assets	182	180	178
Plant and Equipment	25	35	33
Miscellaneous			
Interest	23	24	25
Other	128	109	111
Total Expenses	1,933	1,965	2,029
 <u>Revenues</u>			
Annual Rates and Service Availability Charges			
Residential	503	1,280	1,179
Non-Residential	198	198	198
Fire Main Water Charge	0	27	26
User Charges			
Sales of Water - (Consumption and / or Excess)	1,407	650	593
Other Sales and Services	39	48	3
Extra Charges	1	3	9
Interest	141	118	98
Other Revenues	0	0	0
Grants			
Acquisition of Assets	7	16	0
Pensioners' Rates Rebates	42	41	43
Contributions			
Developer Contributions	35	38	5
Other	147	37	41
Total Revenues	2,520	2,456	2,195
 Gain or (Loss) on Disposal of Assets	0	0	0
Operating Result	587	491	166
 Less:- Grants for Acquisition of Assets	(7)	(16)	0
Operating Result before Capital Grants and Contributions	580	475	166

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE No. 3 - (CONTINUED)

WATER SUPPLY STATEMENT OF FINANCIAL PERFORMANCE

(GROSS INCLUDING INTERNAL TRANSACTIONS)

for the year ended 30th June, 2006

	Actual 2006 \$'000	Actual 2005 \$'000	Actual 2004 \$'000
(B) CAPITAL TRANSACTIONS:			
<u>Non-Operating Funds - Expenditures</u>			
Acquisition of Fixed Assets			
Subsidised Scheme	14	31	0
Other Infra-Structure	269	159	87
Plant and Equipment	6	88	12
	289	278	99
Repayment of Debt			
Loans	15	14	13
Advances	0	0	0
Finance Leases	0	0	0
	15	14	13
Totals	304	292	112
<u>Non-Operating Funds - Revenues</u>			
Disposal of Fixed Assets			
Proceeds	0	0	0
	0	0	0
Borrowing's Utilised			
Loans	0	0	0
Advances	0	0	0
Finance Leases	0	0	0
	0	0	0
Totals	0	0	0
(C) ANNUAL RATES AND CHARGES:			
Number of Assessments			
- Residential (Occupied)			3,240
- Residential (Unoccupied)			170
- Non-Residential (Occupied)			538
- Non-Residential (Unoccupied)			50
Number of ET's for which Developer Contributions were received			14
Total amount of Pensioners' Rates Rebates		\$	75

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE No. 3 - (CONTINUED)

WATER SUPPLY - CROSS-SUBSIDIES

for the year ended 30th June, 2006

(D) BEST PRACTICE ANNUAL CHARGES AND DEVELOPER CHARGES:

Annual Charges

Does Council have best-practice water supply annual charges and usage charges? YES

If No, please report if Council has removed Land Value from access charges. YES

Cross-Subsidy from Residential Customers using less than allowance. NO

Cross-Subsidy to Non-Residential Customers. NO

Cross-Subsidy to large connections in un-metered supplies. NO

Developer Charges

Has Council completed a Water Supply Developer Servicing Plan? YES

Total Cross-Subsidy in Water Supply Developer Charges for 2005 / 2006. Unavailable

Disclosure of Cross-Subsidies

TOTAL OF CROSS-SUBSIDIES Unavailable

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE No. 4

WATER SUPPLIES - NETT ASSETS COMMITTED (GROSS INCLUDING INTERNAL TRANSACTIONS)

as at 30th June, 2006

	Current \$'000	Non- Current \$'000	Total \$'000
<u>ASSETS:</u>			
Cash and Investments			
Cash-at-Bank	0	0	0
Developer Contributions	0	105	105
Specific Purpose Grants	0	0	0
Unexpended Loan Funds	0	0	0
Other	0	2,409	2,409
Receivables			
Specific Purpose Grants	0	0	0
Annual Rates and Service Availability Charges	40	0	40
Interest and Extra Charges	10	0	10
Accrued Interest on Investments	7	0	7
User Charges and Fees	421	0	421
Other	153	0	153
Infra-Structure, Property, Plant and Equipment			
System Assets	0	6,005	6,005
Plant and Equipment	0	115	115
Other	0	0	0
Total Assets	631	8,634	9,265
<u>LIABILITIES:</u>			
Bank Overdraft Facility	0	0	0
Creditors			
Goods and Services	127	0	127
Accrued Expenses	1	0	1
Borrowing's			
Loans	16	256	272
Total Liabilities	144	256	400
NETT ASSETS COMMITTED	487	8,378	8,865
<u>EQUITY:</u>			
Accumulated Surplus / (Deficit)			8,278
Operating Surplus / (Deficit) - Current Year			587
Asset Revaluation Reserve			0
Total Equity			8,865
			0
Current Cost of System Assets - Replacement			7,657
Current Cost of System Assets - Accumulated Depreciation			1,652
Current Cost of System Assets - Written-Down Current Value			6,005

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE No. 5

SEWERAGE STATEMENT OF FINANCIAL PERFORMANCE

(GROSS INCLUDING INTERNAL TRANSACTIONS)

for the year ended 30th June, 2006

	Actual 2006 \$'000	Actual 2005 \$'000	Actual 2004 \$'000
(A) EXPENSES AND REVENUES:			
<u>Expenses</u>			
Management Expenses			
Administration	19	16	17
Engineering and Supervision	36	40	38
Sewer Mains			
Working Expenses and Maintenance	57	64	74
Pumping Stations			
Working Expenses and Maintenance	16	27	14
Energy Costs	2	1	5
Treatment Works			
Working Expenses and Maintenance	126	160	148
Chemical Costs	25	17	4
Energy Costs	12	12	11
Other			
Working Expenses and Maintenance	59	88	95
Depreciation			
System Assets	106	99	94
Plant and Equipment	11	6	5
Miscellaneous			
Interest	24	26	27
Other	127	104	103
Total Expenses	620	660	635
<u>Revenues</u>			
Annual Rates and Service Availability Charges			
Residential	898	938	710
Non-Residential	191	68	160
Trade Waste Charges	47	45	41
Other Sales and Services	30	51	26
Extra Charges	5	6	5
Interest	260	214	144
Other Revenues	2	0	0
Grants			
Acquisition of Assets	115	0	0
Pensioners' Rates Rebates	38	37	39
Contributions			
Developer Contributions	48	131	57
Other	1	0	7
Total Revenues	1,635	1,489	1,189
Gain or (Loss) on Disposal of Assets	0	0	0
Operating Result	1,015	829	554
Less:- Grants for Acquisition of Assets	(115)	0	0
Operating Result before Capital Grants and Contributions	900	829	554

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE No. 5 - (CONTINUED) SEWERAGE STATEMENT OF FINANCIAL PERFORMANCE (GROSS INCLUDING INTERNAL TRANSACTIONS) for the year ended 30th June, 2006

	Actual 2006 \$'000	Actual 2005 \$'000	Actual 2004 \$'000
(B) CAPITAL TRANSACTIONS:			
<u>Non-Operating Funds - Expenditures</u>			
Acquisition of Fixed Assets			
Subsidised Scheme	119	0	0
Other Infra-Structure	430	434	29
Plant and Equipment	0	83	0
	549	517	29
Repayment of Debt			
Loans	16	15	14
Advances	0	0	0
Finance Leases	0	0	0
	16	15	14
Totals	565	532	43
<u>Non-Operating Funds - Revenues</u>			
Disposal of Fixed Assets			
Proceeds	0	0	0
	0	0	0
Borrowing's Utilised			
Loans	0	0	0
Advances	0	0	0
Finance Leases	0	0	0
	0	0	0
Totals	0	0	0

(C) ANNUAL RATES AND CHARGES:

Number of Assessments		
- Residential (Occupied)		2,812
- Residential (Unoccupied)		171
- Non-Residential (Occupied)		330
- Non-Residential (Unoccupied)		36
Number of ET's for which Developer Contributions were received		67
Total amount of Pensioners' Rates Rebates	\$	69

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE No. 5 - (CONTINUED)

SEWERAGE SERVICES - CROSS-SUBSIDIES

for the year ended 30th June, 2006

(D) BEST PRACTICE ANNUAL CHARGES AND DEVELOPER CHARGES:

Annual Charges

Does Council have best-practice sewerage annual charges, usage charges and trade waste fees and charges?	NO
If No, please report if Council has removed Land Value from access charges.	YES
Cross-Subsidy to Non-Residential Customers.	NO
Cross-Subsidy to Trade Waste dischargers.	Unavailable

Developer Charges

Has Council completed a Sewerage Developer Servicing Plan?	YES
Total Cross-Subsidy in Sewerage Developer Charges for 2005 / 2006.	Unavailable

Disclosure of Cross-Subsidies

TOTAL OF CROSS-SUBSIDIES	Unavailable
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COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE No. 6

SEWERAGE SERVICES - NETT ASSETS COMMITTED

(GROSS INCLUDING INTERNAL TRANSACTIONS)

as at 30th June, 2006

	Current \$'000	Non- Current \$'000	Total \$'000
<u>ASSETS:</u>			
Cash and Investments			
Cash-at-Bank	0	0	0
Developer Contributions	0	450	450
Specific Purpose Grants	0	0	0
Unexpended Loan Funds	0	0	0
Other	0	3,562	3,562
Receivables			
Specific Purpose Grants	0	0	0
Annual Rates and Service Availability Charges	63	0	63
Interest and Extra Charges	14	0	14
Accrued Interest on Investments	61	0	61
User Charges and Fees	0	0	0
Other	88	0	88
Infra-Structure, Property, Plant and Equipment			
System Assets	0	4,599	4,599
Plant and Equipment	0	80	80
Other	0	0	0
Total Assets	227	8,691	8,917
<u>LIABILITIES:</u>			
Bank Overdraft Facility	0	0	0
Creditors			
Goods and Services	96	0	96
Accrued Expenses	1	0	1
Borrowing's			
Loans	18	277	295
Total Liabilities	115	277	392
NETT ASSETS COMMITTED	112	8,413	8,525
<u>EQUITY:</u>			
Accumulated Surplus / (Deficit)			7,510
Operating Surplus / (Deficit) - Current Year			1,015
Asset Revaluation Reserve			0
Total Equity			8,525
Current Cost of System Assets - Replacement			6,283
Current Cost of System Assets - Accumulated Depreciation			1,684
Current Cost of System Assets - Written-Down Current Value			4,599

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE NO. 7

CONDITION OF PUBLIC WORKS

as at 30th June, 2006

(\$,000)

Asset Classification / Category	Dep Rate % From - To	Depr. Exp \$'000	Cost \$'000	Val \$'000	Accum Dep. \$'000	WDV \$'000	Asset Cond.	Bring to Satisfactory \$'000	Est. Annual Main'ce Exp \$'000	Est. Main'ce Current Year \$'000	
Buildings											
Total Buildings		463	11,883	0	5,353	6,530		686	477	267	
Public Roads											
Total Public Roads		1,043	80,454	0	25,909	54,544		6,434	2,555	1,861	
Water Supplies											
Total Water Supplies		182	7,651	0	1,652	6,000		438	223	160	
Sewerage Services											
Total Sewerage Services		106	6,238	0	1,684	4,554		572	170	240	
Urban Stormwater Drainage											
Underground Drains, Pits etc.	0.00 %	1.25 %	101	8,043	0	882	U	7,161	446	224	49
TOTAL			1,895	114,268	0	35,480		78,788	8,577	3,649	2,577

COUNCIL OF THE SHIRE OF YOUNG

SPECIAL SCHEDULE No. 8

FINANCIAL PROJECTIONS

	Actual ⁽¹⁾ 2006 \$'000	Projected ⁽³⁾ 2007 \$'000	Projected ⁽³⁾ 2008 \$'000	Projected ⁽³⁾ 2009 \$'000
RECURRENT BUDGET:				
Continuing Operations				
Income	17,432	17,403	18,630	17,230
Expenses	13,757	14,643	14,658	14,966
NETT OPERATING RESULT	3,675	2,760	3,972	2,264
CAPITAL BUDGET:				
Capital Works Programme				
New ⁽²⁾	4,503	6,983	12,627	6,164
TOTAL	4,503	6,983	12,627	6,164
Funds Employed:				
Loans	0	0	3,000	0
Asset Sales	617	473	511	472
Restricted Assets	2,519	4,337	4,756	2,689
Grants	552	550	2,563	1,360
Contributions	264	964	421	473
Recurrent Revenue	551	659	1,376	1,170
TOTAL	4,503	6,983	12,627	6,164

NOTE:-

(1) From Income Statement.

(2) New Capital Works are major non-current projects (Roadworks Infra-Structure, Treatment Works Upgrade etc.).

(3) Council has adopted a three (3) year Financial Management Plan.