

DISTRICT COUNCIL OF COOBER PEDY

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004



TABLE OF CONTENTS

Operating Statement	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to and Forming Part of the Financial Report	6 to 22
Statement by Chief Executive Officer	23
Adoption Statement	23
Independent Audit Report	24

DISTRICT COUNCIL OF COOBER PEDY

**OPERATING STATEMENT
FOR YEAR ENDING 30 JUNE 2004**

	NOTE	2004 \$	2003 \$
OPERATING REVENUE			
Rates			
- General		769,554	734,820
- Other		109,552	108,113
Statutory Charges	3	12,121	17,122
User Charges	4	4,239,863	3,604,309
Operating Grants and Subsidies	5	3,764,670	3,786,928
Investment Income		22,967	39,850
Gain on Disposal of Non-Current Assets		0	0
Other		698,645	152,927
Total Operating Revenue		<u>9,617,372</u>	<u>8,444,069</u>
OPERATING EXPENSES			
Employee Costs		2,030,191	2,099,055
Contractual Services		872,326	1,457,058
Materials		4,927,757	3,735,936
Finance Charges		254,838	257,909
Depreciation	6	1,619,288	1,862,114
Loss on Disposal of Non-Current Assets		16,437	30,911
Other		524,942	423,161
		<u>10,245,779</u>	<u>9,866,144</u>
Operating Surplus before Capital Revenues		<u>(628,407)</u>	<u>(1,422,074)</u>
CAPITAL REVENUES			
Capital Grants, Subsidies & Monetry Contributions	5	251,833	52,984
Operating Surplus/(Deficit) after Capital Revenues and before Extraordinary Items		<u>(376,574)</u>	<u>(1,369,090)</u>
Extraordinary Items		<u> </u>	<u> </u>
NET SURPLUS/(DEFICIT) RESULTING FROM OPERATIONS		<u><u>(376,574)</u></u>	<u><u>(1,369,090)</u></u>

This statement is to be read in conjunction with the accompanying notes.

DISTRICT COUNCIL OF COOBER PEDY

**STATEMENT OF FINANCIAL POSITION
FOR YEAR ENDING 30 JUNE 2004**

	NOTE	2004 \$	2003 \$
CURRENT ASSETS			
Cash Assets	7	669,511	545,191
Receivables	8	636,195	522,979
Inventories	9	609,312	714,138
Prepayments		26,659	
TOTAL CURRENT ASSETS		1,941,677	1,782,308
CURRENT LIABILITIES			
Bank Overdraft			
Creditors	12	593,131	1,195,232
Loans	13	1,478,449	868,961
Provisions	14	166,349	157,574
TOTAL CURRENT LIABILITIES		2,237,929	2,221,767
Net Current Assets/(Current Liabilities)		-296,251	-439,459
NON-CURRENT ASSETS			
Receivables	8	4,158	6,918
Land	10	1,084,266	1,084,266
Buildings	10	1,912,690	1,927,067
Infrastructure	11	12,318,639	13,454,424
Plant & Equipment	10	1,324,770	1,446,765
Furniture & Fittings	10	81,147	101,435
TOTAL NON-CURRENT ASSETS		16,725,670	18,020,874
NON-CURRENT LIABILITIES			
Loans	13	1,682,048	2,440,536
Provisions	14	47,459	64,394
TOTAL NON-CURRENT LIABILITIES		1,729,507	2,504,930
NET ASSETS		14,699,911	15,076,485
EQUITY			
Accumulated Surplus		14,639,911	15,016,485
Reserves		60,000	60,000
TOTAL EQUITY		14,699,911	15,076,485

This statement is to be read in conjunction with the accompanying notes.

DISTRICT COUNCIL OF COOBER PEDY

**STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDING 30 JUNE 2004**

NOTE	2004	2003
	\$	\$
ACCUMULATED SURPLUS		
Balance as at 1 July 2003	15,016,485	16,385,575
Net Surplus/(Deficit)	(376,574)	(1,369,090)
Revaluation Increment		
Adjustments Previous Year	0	0
Transfer from/(to) Reserves	0	0
Balance as at 30 September 2004	<u>14,639,911</u>	<u>15,016,485</u>
RESERVES		
Balance as at 1 July 2003	60,000	60,000
Amount Transferred (to)/from Accumulated Surplus	<u>0</u>	<u>0</u>
Balance as at 30 June 2004	<u>60,000</u>	<u>60,000</u>
TOTAL EQUITY	<u><u>14,699,911</u></u>	<u><u>15,076,485</u></u>

This statement is to be read in conjunction with the accompanying notes.

DISTRICT COUNCIL OF COOBER PEDY

**STATEMENT OF CASH FLOWS
FOR YEAR ENDING 30 JUNE 2004**

Inflows (Outflows)	NOTE	2004 \$	2003 \$
Cash Flows From Operating Activities			
Receipts		8,815,995	9,211,069
GST Collected		20,935	291,143
GST refund from ATO		330,242	536,623
Interest Received		556,257	39,068
Payments		(8,238,301)	(7,813,161)
GST payments on purchases		(269,178)	(577,369)
GST remitted to the ATO		(572,489)	(284,629)
Interest Payments		(281,462)	(306,777)
Net Cash Provided By (Used In)		Operating Activities	1,095,967
		361,999	
Cash Flows from Financing Activities			
Receipts			
Loans Received		719,959	300,000
Community Group Loan Principal Repayments		2,763	(506)
Payments			
Principal on Loans		(868,959)	(762,455)
Net Cash Provided By (Used In)		Financing Activities	(462,961)
		(146,237)	(462,961)
Cash Flows from Other Activities			
Receipts			
Capital Grants & Subsidies/Contributions		251,833	52,984
Sale of Plant & Equipment		0	123,473
Sale of Electricity Assets		16,383	0
Payments			
Purchase of Land		(86,291)	(7,266)
Purchase of Buildings		(84,629)	0
Purchase of Infrastructure		(188,737)	(31,506)
Purchase of Plant & Equipment		0	(137,157)
Purchase of Electricity Assets		0	(317,190)
Purchase of Water Assets		0	(29,870)
Purchase of Furniture & Fittings		0	(0)
Net Cash Provided By (Used In)		Investing Activities	(346,532)
		(91,442)	(346,532)
Net Increase (Decrease) in Cash Held			
		124,322	286,473
Cash at Beginning of Year		545,190	258,716
Cash at End of Year	15(a)	669,511	545,190

This statement is to be read in conjunction with the accompanying notes.

DISTRICT COUNCIL OF COOBER PEDY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR YEAR ENDING 30 JUNE 2004

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this financial report are:

(a) Basis of Accounting

The financial report is a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards, statements of Accounting Concepts and the Regulations under the Local Government Act 1999 (as amended).

The report has also been prepared on the accrual basis under the convention of historical cost accounting. The accounting policies adopted for the reporting period are consistent with those of the previous reporting period.

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

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

All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 18 to this financial report.

(c) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the Statement of Financial Position are stated inclusive of applicable GST.

(d) Fixed Assets

Property, plant and equipment and infrastructure assets are brought to account at cost or independent or management valuation less, where applicable, any accumulated depreciation or amortisation.

The value of all infrastructure assets (other than bridges and land under roads) has been recorded in the Statement of Financial Position. Bridges and land under roads is excluded from infrastructure in accordance with legislative requirements.

Council revalued all non-current assets during the 1999-2000 Financial Year as provided for in Accounting Standard AAS27 and were brought to account as at 30 June 2000. Refer Notes 10 & 11

The cost of non-current assets constructed by the District Council of Coober Pedy includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

DISTRICT COUNCIL OF COOBER PEDY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR YEAR ENDING 30 JUNE 2004

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings	30 to 50 years
Computers	3 years
Furniture and Equipment	4 to 10 years
Graders	5 years
Loaders	7 years
Compaction Equipment	10 years
Dozer	5 years
Tractors	7 years
Trucks	10 years
Utilities/Sedans/Station Wagons	5 years
Water Tanks	10 years
Pumps	20 years
Compressors	8 years
Tractor Attachments/Mowers	7 years
Trailers	10 years
Hoists	10 years
Communication Systems	10 years
Cockerals	10 years
Other Plant & Equipment	10 years
Sealed roads and streets clearing and earthworks	not depreciated
Road Seals	7 to 10 years
Road Pavements	20 to 40 years
Sewerage Mains	90 to 100 years
Manholes & Connections	50 years
Sewerage Pump Station	25 to 80 years
Water Mains	65 to 95 years
Water Bores	30 years
Water Services	10 years

(f) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the company, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

DISTRICT COUNCIL OF COOPER PEDY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR YEAR ENDING 30 JUNE 2004

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Investments

All investments are valued at cost and interest on those investments is recognised when accrued.

(j) Employee Entitlements

The provisions for employee entitlements relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries and Annual Leave

The provision for employees' entitlements to wages, salaries and annual leave represents the amount that the council has a present obligation to pay resulting from employees services to balance date. The provision has been calculated at nominal amounts based on current wage and salary rates and includes related on-costs.

(ii) Long Service Leave

The provision for employees' entitlements for long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from the employees' service to balance date.

(k) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

In respect of uncollectable rates, the Local Government Act 1999 provides power of sale of land for unpaid rates over most rateable properties and accordingly all amounts are considered collectable.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those

conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

(l) Superannuation

The District Council of Coober Pedy contribute in respect to a defined benefit superannuation plan established in respect of all municipalities in the State. In accordance with statutory requirements, the Council contributes to the Local Governemtn Superannuation Scheme ("the scheme") amounts determined by the plan actuary.

As such, assets accumulate in the scheme to meet members' benefits as they accrue. If the assets of the scheme were insufficient to satisfy benefits payable to its beneficiaries, the Council would be required to meet its share of the deficiency. The audited general purpose financial report of the scheme as at 30 June 2003, which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet accrued benefits. No liability of the Council has been recognised as at the reporting date in respect of superannuation benefits for its employees. The general purpose financial report of the scheme discloses that the most recent actuarial assessment of the plan was undertaken as at 30 June 2002 by LC Brett, BSc., FIA, FIAA and the actuary indicted that without improvements to benefits conditions, or other unanticipated events, current Council contribution rates for contributory members would be sufficient to meet members' benefits as they accrue. The amount of superannuation contributions paid by Council during the year was **\$146,580.20** (2003 \$152,342)

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Interest Rate Risk

The Council's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, is considered negligible for all financial instruments other than borrowings. Information on interest rate risk as it applies is disclosed in Note 20

(n) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to and forming part of the financial report. The Council does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Council.

(o) Net Fair Values

The net fair value of assets and liabilities approximate their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the Council intends to hold these assets to maturity.

The aggregate net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial report.

(p) Rounding Off Figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar.

(q) Comparative Figures

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

(r) Full Cost Attribution

The philosophy of Full Cost Attribution has been adopted in these Financial Statements in accordance with requirements of the Local Government Act 1999 and the Associated Regulations Note 2(b) reflects Full Cost Attribution using the methodology of spreading Administration Costs across the various Functions and Activities of Council.

DISTRICT COUNCIL OF COOBER PEDY

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR YEAR ENDING 30 JUNE 2004

2 FUNCTIONS & ACTIVITIES OF COUNCIL

Listed below is a summary of the broad function and activities that the District Council of Coober Pedy is involved in. A description of each function is listed below.

(a) Statement of Objective

The District Council of Coober Pedy is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

ADMINISTRATION

To effectively and efficiently co-ordinate resources and to manage Councils affairs, finance and administer operations in accordance with statutory requirements and to achieve maximum benefit for the community from available financial resources.

ELECTRICITY SUPPLY

To ensure that an efficiency and effective electricity supply is maintained for the town of Coober Pedy.

WATER SUPPLY

To ensure that an adequate reticulated water supply is maintained to cater for the present and future need of the town of Coober Pedy

WASTEWATER

To maintain the current sewerage system in Coober Pedy to comply with the requirements of statutory services and to provide for future requirements

WORKS

To provide, maintain and develop a high standard of general services including dog control, parks, recreational facilities, maintenance of Council buildings, management of Coober Pedy Aerodrome and to provide and maintain an effective and safe road and street network (including drainage) to service present and future needs of the community.

COMMUNITY

To provide and maintain a high standard of community services and facilities including the swimming pool, fire prevention, promotion of tourism and economic development to cater for the growing cultural and recreational requirements of residents and visitors .

To plan for the orderly and balanced development of the District in accordance with statutory requirements so as to ensure that the District is attractive to present and future residents and visitors and to provide facilities to encourage positive development and employment in the areas of business, industry and tourism.

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

	2004	2004
	\$	%
2 FUNCTIONS & ACTIVITIES OF COUNCIL		
(b) ADMINISTRATION		
Total Grants	644,029	
Total Other	1,392,886	
Total Revenue	<u>2,036,915</u>	<u>19.00%</u>
Total Expenses	<u>1,013,073</u>	<u>9.13%</u>
Operation Surplus (Deficit) and Extra Ordinary Items	1,023,842	
COMMUNITY SERVICES		
Total Grants	293,941	
Total Other	99,055	
Total Revenue	<u>392,996</u>	<u>3.67%</u>
Total Expenses	<u>441,238</u>	<u>3.98%</u>
Operation Surplus (Deficit) and Extra Ordinary Items	(48,243)	
WASTEWATER		
Total Grants	-	
Total Other	139,148	
Total Revenue	<u>139,148</u>	<u>1.30%</u>
Total Expenses	<u>113,712</u>	<u>1.02%</u>
Operation Surplus (Deficit) and Extra Ordinary Items	25,435	
WORKS		
Total Grants	118,534	
Total Other	439,323	
Total Revenue	<u>557,857</u>	<u>5.20%</u>
Total Expenses	<u>1,784,394</u>	<u>16.08%</u>
Operation Surplus (Deficit) and Extra Ordinary Items	(1,226,537)	
WATER		
Total Grants	-	
Total Other	1,123,041	
Total Revenue	<u>1,123,041</u>	<u>10.47%</u>
Total Expenses	<u>1,054,346</u>	<u>9.50%</u>
Operation Surplus (Deficit) and Extra Ordinary Items	68,695	
ELECTRICITY		
Total Grants	2,960,000	
Total Other	3,512,117	
Total Revenue	<u>6,472,117</u>	<u>60.36%</u>
Total Expenses	<u>6,691,884</u>	<u>60.29%</u>
Operation Surplus (Deficit) and Extra Ordinary Items	(219,767)	

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

2 FUNCTIONS & ACTIVITIES OF COUNCIL	2004	2004
	\$	%
TOTAL		
Total Grants	4,016,503	
Total Other	6,705,570	
Total Revenue	<u>10,722,073</u>	100.00%
Total Expenses	<u>11,098,647</u>	100.00%
Operation Surplus (Deficit) and Extra Ordinary Items	<u><u>(376,574)</u></u>	

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

	2004	2003
	\$	\$

3. STATUTORY CHARGES

These are fees and charges from Regulatory Services.

These include:-

Dogs-Fees	5,539	6,112
Dogs-Fines	2,690	478
Parking-Fines	28	360
Development Act Fees	3,864	10,039

4. USERS CHARGES

These are revenues from sale of Goods and Services or Rent of Property and Facilities.

These include:-

Administration Private Works	4,447	3,466
Rental Charges	5,130	0
Cemetery Fees	1,886	4,335
Mobile Garbage Bins	6,351	6,827
Swimming Pool Fees	20,442	21,210
Electricity Sales	2,926,053	2,276,261
Electricity Private Works	17,014	878
Electricity Connections	21,381	10,722
Water Sales	1,059,452	1,115,756
Water Connection Fes	2,500	500
Water Private Works	3,112	19,791
Sewerage Sales	16,991	50,387
Wastewater Private Works	12,606	3,375
Landing Fees	11,730	50,870
Private Works	67,632	59,901
Dugout Inspection Fees	2,320	
Childcare Fees	52,263	
Refuse Tip Fees	8,553	

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

	2004	2003
	\$	\$
5. GRANTS & SUBSIDIES		
These include all General and Specific Purpose Grants & Subsidies from the State and Commonwealth Government		
They Include:-		
Commonwealth Grants Commission	616,756	587,844
Administration Trainee Grant	0	4,500
Economic Development Grant	25,000	35,000
Mines & Energy Subsidy	2,960,000	3,062,646
Road Grant	45,051	34,341
Tourism Grant		325
Drive-In Grant	0	0
Works Dept. Trainees Grant	1,650	2,868
SBS Tower Grant	0	9,890
Youth Grant	0	4,500
Other Grants		9,972

Capital Grants & Subsidies include:-

Tourism Building Grant	200,000	0
Roads to Recovery Grant	51,833	52,984

6 DEPRECIATION

Buildings	100,668	101,426
Furniture and Equipment	20,287	25,359
Plant and Equipment	310,736	375,973
Roads	107,096	111,975
Infrastructure Assets	50,738	53,408
Sewerage Asset	14,177	14,616
Water Assets	246,405	256,534
Electricity Assets	766,192	919,773
Stormwater Drains	2,989	3,050
	<u>1,619,288</u>	<u>1,862,114</u>

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

	2004	2003
	\$	\$
7. CASH		
Cash at Bank	105,308	265,320
Cash at Bank Grants Account	333,057	
Reserve Account	60,000	60,000
Investments	170,146	218,871
Cash on Hand-Float	600	600
Cash on Hand-Petty Cash	400	400
	<u>669,511</u>	<u>545,191</u>
	<u>669,511</u>	<u>545,191</u>

The following restrictions have been imposed by Council resolutions or other external requirements

Roads to Recovery	74,145	52,984
Breakaways Pass Reserve	30,000	30,000
Breakaways Infrastructure Reserve	30,000	30,000
Tourism Building Grant	200,000	
	<u>134,145</u>	<u>112,984</u>
	<u>134,145</u>	<u>112,984</u>

8. RECEIVABLES

Current

Rates Outstanding	168,578	135,750
Sundry Debtors	109,470	39,769
Water Debtors	48,386	73,404
Water Access Debtors	67,861	54,687
Electricity Debtors	185,593	204,220
Sewerage Debtors	10,447	9,283
GST Receivable	96,043	44,652
Accrued Interest	1,055	4,036
Accrued Income	0	7,452
Loans - Motor Club	2,760	2,763
Rental Bonds-Elders Real Estate	0	960
Less Prov. For Doubtful Debts	(53,998)	(53,998)
	<u>636,195</u>	<u>522,978</u>
	<u>636,195</u>	<u>522,978</u>

Non-Current

Loan-Motor Club	4,158	6,918
Receivables-Rates	0	0
	<u>4,158</u>	<u>6,918</u>
	<u>4,158</u>	<u>6,918</u>

9. INVENTORIES

Current

Fuel and Materials	609,312	714,138
	<u>609,312</u>	<u>714,138</u>
	<u>609,312</u>	<u>714,138</u>

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

	2004	2003
	\$	\$
10. PROPERTY, PLANT AND EQUIPMENT		
Land - independent valuation 2000	1,077,000	1,077,000
Land - Cost	<u>7,266</u>	<u>7,266</u>
	1,084,266	1,084,266
Buildings - independent valuation 2000	2,124,013	2,124,013
Buildings - Cost	207,122	120,832
Less Accumulated Depreciation	<u>(418,445)</u>	<u>(317,778)</u>
	1,912,690	1,927,067
Furniture and Equipment - independent valuation 2000	104,081	104,081
Furniture and Equipment - Cost	110,326	110,326
Less Accumulated Depreciation	<u>(133,260)</u>	<u>(112,973)</u>
	81,147	101,434
Plant and Equipment - independent valuation 2000	891,344	891,344
Plant and Equipment - Cost	1,594,510	1,405,770
Less Accumulated Depreciation	<u>(1,161,084)</u>	<u>(850,348)</u>
	1,324,770	1,446,766
	<u>4,402,873</u>	<u>4,559,533</u>

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

	2004	2003
	\$	\$
11. INFRASTRUCTURE		
Infrastructure - independent valuation 2000	1,070,788	1,070,788
Infrastructure - Cost	110,488	110,488
Less Accumulated Depreciation	<u>(217,255)</u>	<u>(166,517)</u>
	964,021	1,014,759
Water Assets - independent valuation 2000	4,771,898	4,771,898
Water Assets - Cost	831,358	777,400
Less Accumulated Depreciation	<u>(908,225)</u>	<u>(661,820)</u>
	4,695,031	4,887,478
Electricity Assets - independent valuation 2000	6,280,515	6,344,615
Electricity Assets - Cost	1,602,851	1,602,851
Less Accumulated Depreciation	<u>(3,506,462)</u>	<u>(2,771,551)</u>
	4,376,904	5,175,915
Wastewater Assets - independent valuation 2000	493,318	493,318
Wastewater Assets - Cost	22,337	22,337
Less Accumulated Depreciation	<u>(57,261)</u>	<u>(43,084)</u>
	458,394	472,571
Road Assets - independent valuation 2000	1,832,989	1,832,989
Road Assets - Cost	303,852	273,180
Less Accumulated Depreciation	<u>(458,996)</u>	<u>(351,900)</u>
	1,677,845	1,754,269
Stormwater Drain Assets - independent valuation 2000	158,836	158,836
Stormwater Drain Assets - Cost	0	
Less Accumulated Depreciation	<u>(12,392)</u>	<u>(9,404)</u>
	146,444	149,432
Total Infrastructure	<u><u>12,318,639</u></u>	<u><u>13,454,424</u></u>

The revaluation of all non-current assets was obtained by independent valuation and brought to account in the 1999/2000 Financial Statements. Refer Note 1 (d)

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

	2004	2003
	\$	\$
12. CREDITORS		
Current		
Sundry Creditors	331,588	311,626
Accrued Interest on Loans	69,846	84,186
GST Payable	69,021	20,240
Payroll Liabilities	81,945	61,180
Accrued Wages	40,731	
Subsidy Paid in Advance	0	718,000
Ozemail Partner Program	0	0
	<u>593,131</u>	<u>1,195,232</u>
13. LOANS		
Current		
Secured by Floating Charge		
Debentures	<u>1,478,449</u>	<u>868,961</u>
	<u>1,478,449</u>	<u>868,961</u>
Non-Current		
Secured by Floating Charge		
Debentures	<u>1,682,048</u>	<u>2,440,536</u>
	<u>1,682,048</u>	<u>2,440,536</u>
14. PROVISIONS		
Current		
Provision for Annual Leave	138,555	139,874
Provision for Long Service Leave	27,794	17,700
	<u>166,349</u>	<u>157,574</u>
Non-Current		
Provision for Long Service Leave	<u>47,459</u>	<u>64,394</u>

DISTRICT COUNCIL OF COOPER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

15. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows:

	2004	2003
	\$	\$
Cash Assets	<u>669,511</u>	<u>545,191</u>

**(b) Reconciliation of Net Cash Provided By
Operating Activities to Net Profit or
Loss/Result**

Net Profit or Loss/Result	(376,574)	(1,369,090)
Adjustments Previous Year	0	0
Provision for Doubtful Debts	0	48,951
Depreciation	1,619,288	1,862,114
(Increase)/Decrease in Receivables	(113,220)	(18,125)
(Profit)/Loss on Sale of Asset	16,437	30,911
(Increase)/Decrease in Inventories	104,826	(54,495)
Increase/(Decrease) in Payables	(602,106)	637,705
Increase/(Decrease) in Employee Provisions	(8,160)	10,982
Capital Grants	(251,833)	(52,984)
(Increase)/Decrease in Pre-Paid Expenses	(26,659)	0
Net Cash from Operating Activities	<u>361,999</u>	<u>1,095,969</u>

16. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Payable within 1 Year		
Plant & Equipment	0	100,000

17. CONTINGENT LIABILITIES

Council does not have any contingent liabilities at the end of the reporting period.

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

18. TRUST FUNDS

Funds held at balance date over which the Council has no control and which are not included in the financial statements are as follows:

	Balance 1-Jul-03 \$	Amounts Received \$	Amounts Paid (\$)	Balance 30-Jun-04 \$
ELECTRICITY BONDS	79,024	31,900	25,982	84,942
WATER BONDS	28,358	11,059	10,523	28,894
TRUST ENERGY SA	0	0		0
TRUST ROADS	0	0		0
YOUTH ACTIVITIES	0			0
TRUST STAFF AMENITIES	1,119	2,267	2,078	1,308
TRUST INTEREST	0			0
TRUST FEES EXPENSE	0			0
TRUST TRANSFER ACCOUNT	(350)			(350)
BALANCE	<u>108,151</u>	<u>45,226</u>	<u>38,582</u>	<u>114,794</u>

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

19. Statement of Original Budget Compared to Actual Results

	ADOPTED BUDGET	ACTUAL RESULTS	VARIATION TO BUDGET
	\$	\$	\$
Expenses			
Employee Costs	2,627,106	2,030,191	596,915
Contractual Services	1,591,700	872,326	719,374
Materials	3,484,639	4,927,757	(1,443,118)
Finance Charges	242,191	254,838	(12,647)
Depreciation	1,680,000	1,619,288	60,712
Loss on Disposal of Non-Current Assets	0	16,437	(16,437)
Other	700,383	524,942	175,441
Capital Expenditure	0	0	0
TOTAL EXPENDITURE	10,326,019	10,245,779	80,240
Receipts			
Rates			
-General	744,725	769,554	(24,829)
-Other	121,000	109,552	11,448
Statutory Charges	6,000	12,121	(6,121)
User Charges	4,940,038	4,239,863	700,175
Operating Grants and Subsidies	3,731,000	3,764,670	(33,670)
Investment Income	13,000	22,967	(9,967)
Gain on Disposal of Non-Current Assets	0	0	0
Other	519,525	698,645	(179,120)
TOTAL REVENUE	10,075,288	9,617,373	457,915
Capital Revenue	0	251,833	(251,833)
TOTAL	(250,731)	(376,574)	125,843

DISTRICT COUNCIL OF COOBER PEDY

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR YEAR ENDING 30 JUNE 2004**

20. Financial Instruments Disclosure

Interest Rate Risk Exposure

The Councils exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below. Exposures arise predominantly from assets and liabilities at variable interest rates as Council intends to hold fixed rate assets and liabilities to maturity.

Fixed Interest Rate

	Weighted Avg. Interest Rate	Floating Interest Rate	1 Year or less	1 to 5 Years	More than 5 Years	Non Interest Bearing	Total
2003							
Financial Assets							
Cash	3.00%	325,320				1,000	326,320
Deposits	4.50%	218,871					218,871
Receivables			2,763	6,918		520,216	529,897
		544,191	2,763	6,918	0	521,216	1,075,088
Financial Liabilities							
Borrowings	7.93%		868,961	1,570,283	870,253		3,309,497
Creditors & Accruals						1,195,232	1,195,232
			868,961	1,570,283	870,253	1,195,232	4,504,729

	Weighted Avg. Interest Rate	Floating Interest Rate	1 Year or less	1 to 5 Years	More than 5 Years	Non Interest Bearing	Total
2004							
Financial Assets							
Cash	4.00%	498,364				1,000	499,364
Deposits	5.00%	170,147					170,147
Receivables			2,760	4,158		633,435	640,353
		668,511	2,760	4,158		634,435	1,309,864
Financial Liabilities							
Borrowings	7.19%		1,478,449	969,567	712,481		3,160,497
Creditors & Accruals						593,131	593,131
			1,478,449	969,567	712,481	593,131	3,753,628

DISTRICT COUNCIL OF COOBER PEDY

FINANCIAL REPORT

FOR YEAR ENDING 30 JUNE 2004

STATEMENT BY CHIEF EXECUTIVE OFFICER

I, Trevor McLeod, the person for the time being occupying the position of Chief executive Officer of the District Council of Coober Pedy, do hereby state that the financial statements for the council for the 2003/04 financial year are to the best of my knowledge presented fairly and in accordance with accounting procedures which have been maintained in accordance with the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations* made under that Act.

Signed on the THIRD day of NOVEMBER 2004

Trevor McLeod
Chief Executive Officer

ADOPTION STATEMENT

Laid before the District Council of Coober Pedy and adopted on

CHIEF EXECUTIVE OFFICER

MAYOR