

DISTRICT COUNCIL OF CEDUNAOPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE, 2003

	Note	2003 \$	2002 \$
OPERATING REVENUE			
Rates			
General		1,633,881	1,491,712
Other		345,329	261,347
Statutory Charges	7	29,517	47,080
User Charges		314,530	269,020
Operating Grants and Subsidies		1,401,882	1,627,673
Investment Income		58,459	58,146
Reimbursements		181,688	269,708
Gain on Disposal of Non-Current Assets		30,404	6,431
Other		492,347	232,559
TOTAL OPERATING REVENUE		4,488,037	4,263,677
OPERATING EXPENSES			
Employee Costs	3	1,667,220	1,461,640
Contractual Services		1,002,232	537,038
Materials		724,821	586,208
Finance Charges	4	150,489	101,684
Depreciation	5	937,356	974,203
Loss on Disposal of Non-Current Assets			
Other	6	647,204	634,781
TOTAL OPERATING EXPENSES		5,129,323	4,295,553
Operating Surplus / (Deficit) before Capital Revenues		(641,286)	(31,877)
CAPITAL REVENUES			
Capital Grants, Subsidies and Monetary Contributions		857,067	1,043,590
Physical resources received free of charge			
Operating Surplus / (Deficit) after Capital revenues and before Extraordinary items		215,781	1,011,713
Extraordinary Items			
NET SURPLUS / (DEFICIT) RESULTING FROM OPERATIONS		215,781	1,011,713

This Statement should be read in conjunction with the accompanying notes.

DISTRICT COUNCIL OF CEDUNA**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2003**

	Note	2003 \$	2002 \$
CURRENT ASSETS			
Cash	8	1,011,824	1,444,192
Receivables	9	307,906	404,581
Inventory	10	3,168	8,996
Prepayments		12,708	31,163
TOTAL CURRENT ASSETS		1,335,606	1,888,932
CURRENT LIABILITIES			
Bank Overdraft	8	305,759	24,181
Creditors	11	197,524	421,029
Provisions	12	185,130	181,164
Loans	13	110,115	99,232
TOTAL CURRENT LIABILITIES		798,528	725,606
NET CURRENT ASSETS / (CURRENT LIABILITIES)		537,078	1,163,326
NON-CURRENT ASSETS			
Receivables	9	73,890	79,350
Land	14	2,784,904	2,784,904
Buildings	14	2,641,896	2,710,655
Infrastructure	14	17,860,113	16,947,896
Equipment	14	1,476,765	1,378,494
Furniture and Fittings	14	54,722	86,038
TOTAL NON-CURRENT ASSETS		24,892,290	23,987,337
NON-CURRENT LIABILITIES			
Provisions	12	57,250	36,550
Loans	13	1,839,624	1,797,400
TOTAL NON-CURRENT LIABILITIES		1,896,874	1,833,950
NET ASSETS		23,532,494	23,316,713
EQUITY			
Accumulated Surplus		12,735,788	12,520,007
Reserves		10,796,706	10,796,706
TOTAL EQUITY		23,532,494	23,316,713

DISTRICT COUNCIL OF CEDUNA

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2003**

	Note	2003 \$	2002 \$
ACCUMULATED SURPLUS			
Balance at beginning of period		12,520,007	11,508,293
Net Surplus / (Deficit)		<u>215,781</u>	<u>1,011,714</u>
Balance at end of period		<u>12,735,788</u>	<u>12,520,007</u>
ASSET REVALUATION RESERVE			
Balance at beginning of period		<u>10,796,706</u>	<u>10,796,706</u>
Balance at end of period		<u>10,796,706</u>	<u>10,796,706</u>
TOTAL EQUITY		<u>23,532,494</u>	<u>23,316,713</u>

This Statement should be read in conjunction with the accompanying notes.

DISTRICT COUNCIL OF CEDUNA

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2003

	Note	2003 \$	Inflows (Outflows)	2002 \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts		4,418,651		3,958,388
Interest Received		60,984		52,178
GST Collected		158,562		100,799
GST refund from ATO		465,532		272,044
Payments		(4,002,020)		(3,177,041)
Interest on Loans		(149,704)		(100,338)
GST payments on purchases		(389,638)		(347,937)
GST remitted to the ATO		(169,894)		(89,467)
NET CASH PROVIDED BY OPERATING ACTIVITIES		392,473		668,625
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Loans Received		155,985		860,000
Loan Repayments from Community Groups		6,295		5,968
Payments				
Principal on Loans		(102,878)		(28,607)
NET CASH PROVIDED BY FINANCING ACTIVITIES		59,402		837,361
CASH FLOWS FROM OTHER ACTIVITIES				
Receipts				
Capital Grants, Subsidies/ Contributions		857,067		1,043,590
Sale of Equipment		181,679		57,864
Sale of Buildings				34,574
Sale of Land		2,734		59,346
Payments				
Purchase of Buildings		(9,723)		(42,409)
Purchase of Infrastructure		(1,701,572)		(1,486,157)
Purchase of Equipment		(496,006)		(289,576)
Purchase of Furniture and Fittings				(17,207)
Purchase of Land				(301,010)
NET CASH USED IN OTHER ACTIVITIES		(1,165,821)		(940,985)
NET INCREASE(DECREASE) IN CASH HELD		(713,946)		565,002
CASH AT BEGINNING OF REPORTING PERIOD		1,420,011		855,009
CASH AT END OF REPORTING PERIOD	8	706,065		1,420,011

This Statement should be read in conjunction with the accompanying notes.

DISTRICT COUNCIL OF CEDUNA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

1 SIGNIFICANT ACCOUNTING POLICIES

(a) *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. All entities controlled by the Council have been consolidated.

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

(b) *Basis of Accounting*

This financial report has been prepared to comply with Statements of Accounting Concepts and applicable Australian Accounting Standards. It has been prepared on the accrual basis under the convention of historical cost accounting, with the exception of non-current assets which are included at Council or independent valuation.

(c) *Recognition of Assets*

All items of property, plant and equipment with a value greater than \$1,000 are recognised as assets. Assets acquired are initially recorded at cost. Cost includes all costs incidental to the acquisition and incurred in getting the asset ready for use. Where assets are constructed by the Council, costs includes an appropriate share of variable and fixed overheads.

(d) *Depreciation of Non-Current Assets*

Non-current assets having limited useful lives are systematically depreciated over their useful lives in a manner which reflects consumption of the service potential embodied in those assets. Land is not a depreciable asset.

Depreciation is recognised on a diminishing value basis using rates which are reviewed each reporting period.

Major depreciation periods are:

Buildings	30 to 50 years
Main drains	75 to 85 years
Plant and equipment	5 to 15 years
Sealed roads and streets:	
construction	20 to 40 years
original surfacing & major resurfacing	
- bituminous seals	7 to 10 years
Unsealed roads	5 to 10 years
Improvements to parks & gardens	15 to 20 years
Motor vehicles	5 to 10 years

(e) *Expenses*

Expenses are disclosed in the accounts after deducting any amounts capitalised and included in the cost of assets constructed by the Council.

(f) *Employee Entitlements*

Long Service Leave is accrued on the following basis:

For full-time and part-time employees, entitlements are provided for, calculated after 5 years of service.

This basis of calculation provides an estimate of liability for Long Service Leave in excess of that determined by using the present value basis of measurement.

DISTRICT COUNCIL OF CEDUNA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

Annual Leave entitlements are accrued in respect of services provided by employees up to the reporting date.

The superannuation expense for the reporting period is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 16.

(g) Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

(h) Rates, Grants, Donation and Other Contributions

Rates, grants, donation and contributions are recognised as revenues when the Council obtains control over the assets comprising these contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured.

Unreceived contributions over which Council has control are recognised as receivables. In respect of uncollected rates provision is made for amounts considered uncollectable.

(i) Allocation Between Current and Non-Current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be realised or paid.

(j) Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis, net of outstanding bank overdraft.

(k) Land Held for Resale

Land held for development and/or resale has not been included in the Financial Accounts. There is a possibility of another 500 rateable residential blocks being developed within Council's boundaries as a result of land purchased.


(l) GST

In accordance with the requirements of UIG Abstract 31 "Accounting for the Goods and Services Tax (GST)", revenues, expenses and assets are recognised net of the amount of GST except that:

- The amount of GST incurred by the Council as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of an asset or part of an item of expense; and receivables and payables are stated with the amount of GST included.

The net GST receivable from the Australian Taxation Office has been recognised as a receivable in the Statements of Financial Position.

Cash Flows are reported on a gross basis in the Statement of Cash Flows. The GST component of the cash flows arising from investing or financing activities, which are recoverable from or payable to the Australian Taxation Office have however been classified as operating cash flows.

 6

DISTRICT COUNCIL OF CEDUNA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

2 FUNCTIONS/ACTIVITIES OF COUNCIL

a) The activities of the Council are categorised into the following broad functions:-

Administration: Operation and maintenance of Council Chamber, Chairman's Parlour and plant and equipment. Operation of resources for the efficient administration of Council's Functions.

Public Order & Safety: Supervision of various By-laws, fire prevention, dog control, and state emergency services.

Health: Food control and immunisation services.

Social Security & Welfare: Contributions to the Far West Citizens' Centre.

Housing; & Community Amenities: Maintenance of housing rented to tenants, rubbish collection services, stormwater drainage, protection of environment, cemetery, public conveniences sewerage and other community development amenities.

Protection of Environment: Maintenance of the Ceduna Foreshore.

Recreation & Culture: Maintenance of halls, various parks and gardens, foreshores, playgrounds, contribution to the community library and administration of arts and cultural services.

Agriculture: Assistance given to the Agricultural Industry.

Mining, Manufacturing & Construction: Administration of Building Act and the Development Act.

Transport: Construction and maintenance of roads, drainage works, footpaths, parking facilities, community bus, signs and cleaning of streets.

Economic Affairs: Management of aerodrome, pest control services and tourism.

Ceduna Koonibba Scheme Authority: Originally an authority established pursuant to S199 of the Local Government Act to construct, manage and operate a water scheme for areas west of Ceduna. Now managed by a committee pursuant to S41 of the Local Govt Act 1999.

Note

Full Cost Attribution

The philosophy of Full Cost Attribution has been partially adopted in these financial statements in accordance with the requirements of the Local Government Act 1999 and the associated Regulations.

Notes 2(b) and 20 reflect Full Cost Attribution figures. It should be noted that the methodology adopted this year has spread Administration costs across the various other functions and activities of Council, but not to capital works projects.



DISTRICT COUNCIL OF CEDUNA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2003 (Cont'd)

NOTE 2b) Functions/Activities of the District Council of Ceduna

FUNCTIONS ACTIVITIES		TOTAL	TOTAL	REVENUE	%	EXPENSES	%	OPERATIONS SURPLUS (DEFICIT) AND EXTRA ORDINARY ITEMS
		GRANTS	OTHER	TOTAL		TOTAL		
		\$	\$	\$		\$		\$
Administration	2003	1,493,228	1,821,049	3,314,277	62.0%	338,959	6.6%	2,975,318
	2002	1,120,830	1,616,963	2,737,793	51.6%	345,016	8.0%	2,392,777
Public Order & Safety	2003	6,000	10,961	16,961	0.3%	106,535	2.1%	-89,574
	2002	2,182	17,274	19,456	0.4%	131,578	3.1%	-112,122
Health	2003		4,228	4,228	0.1%	15,485	0.3%	-11,257
	2002		4,194	4,194	0.1%	21,471	0.5%	-17,277
Social Security and Welfare	2003	5,000	184,015	189,015	3.5%	275,613	5.4%	-86,598
	2002		34,127	34,127	0.6%	222,248	5.2%	-188,121
Housing and Community Amenities	2003	74,807	568,133	642,940	12.0%	1,332,325	26.0%	-689,385
	2002	828,730	479,955	1,308,684	24.7%	940,768	21.9%	367,916
Protection of the Environment	2003	16,091	1,082	17,173	0.3%	30,957	0.6%	-13,784
	2002	57,799	880	58,679	1.1%	56,784	1.3%	1,895
Recreation and Culture	2003	19,500	15,228	34,728	0.6%	492,930	9.6%	-458,202
	2002	72,938	17,334	90,272	1.7%	477,187	11.1%	-386,915
Fuel and Energy	2003							
	2002							
Agriculture	2003					28,827	0.6%	-28,827
	2002		2,260	2,260	0.0%	26,777	0.6%	-24,517
Mining and Manufacture	2003		31,242	31,242	0.6%	140,110	2.7%	-108,868
	2002		54,517	54,517	1.0%	113,107	2.6%	-58,590
Transport and Communication	2003	523,013	153,151	676,164	12.7%	1,064,559	20.8%	-388,395
	2002	539,649	139,076	678,725	12.8%	969,335	22.6%	-290,610
Economic Affairs	2003	121,310	93,515	214,824	4.0%	650,290	12.7%	-435,466
	2002	49,136	35,505	84,641	1.6%	276,536	6.4%	-191,895
Other Purposes	2003		203,552	203,552	3.8%	652,733	12.7%	-449,181
	2002		233,920	233,920	4.4%	714,745	16.6%	-480,825
TOTAL	2003	2,258,948	3,086,155	5,345,104	100.0%	5,129,323	100.0%	215,781
	2002	2,671,264	2,636,004	5,307,268	100.0%	4,295,552	100.0%	1,011,716

DISTRICT COUNCIL OF CEDUNA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

3	EMPLOYEE COSTS	2003	2002
		\$	\$
	Wages & Salaries	1,715,338	1,531,548
	Superannuation Expenses	127,257	110,290
	Leave Entitlement Provisions	24,666	47,113
	Other Employee Related Expenses	<u>12,833</u>	<u>21,547</u>
		1,880,094	1,710,498
	<i>Less</i> Amounts Capitalised		
	Non-Current Assets Constructed		
	By Council	212,874	248,858
		<u>1,667,220</u>	<u>1,461,640</u>

4 **FINANCE CHARGES**

Finance charges are the costs of financing the activities of a council through borrowing's of various types.

Interest Paid to:		
LGFA	<u>141,085</u>	<u>101,684</u>

5 **DEPRECIATION AND AMORTISATION EXPENSE**

Depreciation and amortisation expenses for the year was charged in respect of:

Equipment	247,626	292,458
Furniture & Fittings	31,316	65,606
Infrastructure	579,932	522,132
Buildings	<u>78,482</u>	<u>94,007</u>
	<u>937,356</u>	<u>974,203</u>

6 **OTHER EXPENSES**

They include:

Councillors Emoluments & Expenses	58,717	60,189
Insurance	141,276	123,954

7 **STATUTORY CHARGES**

They include:

Dog Registration Fees	7,472	8,475
Development Act Regulatory Fees	20,068	36,807
Parking Fines & Expiation Fees	1,977	1,799



DISTRICT COUNCIL OF CEDUNA
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2003

8	CASH	2003	2002
		\$	\$
	Cash On Hand	800	800
	Deposits - Local Government Finance Authority	<u>1,011,024</u>	<u>1,443,392</u>
		<u>1,011,824</u>	<u>1,444,192</u>
	Less: Bank Overdraft	<u>(305,759)</u>	<u>(24,181)</u>
		<u>706,065</u>	<u>1,420,011</u>
	Unspent Grants Include:-		
	Ceduna Koonibba Water Authority		
	- ATSIC	123,377	117,408
	Homelands		4,147
	Oysterfest (LGA)	7,839	7,501
	Far West Rural Service Group	14,546	14,001
	Smoky Bay Wastewater Treatment	31,242	271,715
	ATSIC - Shark Proof Swimming Enclosure	4,057	
	LGA Steds Funding		150,000
	Ceduna District Health Service	19,000	
	Skateboard Park	20,000	
	Family & Youth Services	58,000	
	Dept Environment & Heritage	3,000	
	Roads To Recovery	161,242	92,999
9	RECEIVABLES		
	Current		
	Rates Receivable	58,943	73,016
	Sundry Debtors	195,089	214,209
	Loans & Advances	5,403	6,238
	Accrued Income	38,119	30,828
	GST Debtor	<u>10,352</u>	<u>80,290</u>
		<u>307,906</u>	<u>404,581</u>
	Non Current		
	Loans & Advances	<u>73,890</u>	<u>79,350</u>
10	INVENTORIES		
	Current		
	Stock Fuel	<u>3,169</u>	<u>8,996</u>
11	CREDITORS		
	Current		
	Creditors	151,352	386,618
	Accrued Loan Interest	22,101	21,318
	Accrued Expenses	22,142	13,093
	GST Owing	<u>1,929</u>	
		<u>197,524</u>	<u>421,029</u>
12	PROVISIONS		
	Current		
	Provision for Annual Leave	149,681	151,915
	Provision for FBT	1,038	929
	Provision for Long Service Leave	<u>34,411</u>	<u>28,320</u>
		<u>185,130</u>	<u>181,164</u>
	Non Current		
	Provision for Long Service	<u>57,250</u>	<u>36,550</u>

DISTRICT COUNCIL OF CEDUNA
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2003

13	LOANS	2003	2002
		\$	\$
	Current		
	Loans - Local Govt Finance Authority	<u>110,115</u>	<u>99,232</u>
	Non Current		
	Loans - Local Govt Finance Authority	<u>1,839,624</u>	<u>1,797,400</u>

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

14 PROPERTY, PLANT & EQUIPMENT

	Land		
	at Valuation at 1 July 1996 *	2,020,500	2,020,500
	at cost	<u>764,404</u>	<u>764,404</u>
		<u>2,784,904</u>	<u>2,784,904</u>
	Buildings		
	at Valuation	2,966,751	2,966,751
	at cost	196,071	193,055
	Less Accumulated Depreciation	<u>(520,926)</u>	<u>(449,151)</u>
		<u>2,641,896</u>	<u>2,710,655</u>
	Plant & Equipment		
	at Valuation	517,971	517,971
	at cost	<u>2,385,835</u>	<u>2,123,559</u>
		2,903,806	2,641,530
	Less Accumulated Depreciation	<u>(1,427,041)</u>	<u>(1,263,036)</u>
		<u>1,476,765</u>	<u>1,378,494</u>
	Furniture & Fittings		
	at Valuation	171,444	171,444
	at cost	<u>251,197</u>	<u>251,197</u>
		422,641	422,641
	Less Accumulated Depreciation	<u>(367,919)</u>	<u>(336,603)</u>
		<u>54,722</u>	<u>86,038</u>
	Infrastructure		
	at Valuation	6,994,398	6,994,398
	at cost	<u>14,447,396</u>	<u>12,955,247</u>
		21,441,794	18,218,868
	Less Accumulated Depreciation	<u>(3,581,681)</u>	<u>(3,001,749)</u>
		<u>17,860,113</u>	<u>16,947,896</u>

15 COMMITMENTS FOR CAPITAL EXPENDITURE

There are no capital commitments of expenditure contracted for as at the reporting date.

DISTRICT COUNCIL OF CEDUNA
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2003

16 SUPERANNUATION

The Council contribute in respect of its employees 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 Government 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 2002, which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the 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 that the actuary indicated that without improvements to benefit conditions, or other unanticipated events, current Council contribution rates for contributory members, are sufficient to meet members' benefits as they accrue.

The amount of superannuation contributions paid by the Council during the year was \$
 127,257 (2002 \$110,290).

17 RECONCILIATION OF CHANGE IN NET ASSETS RESULTING FROM OPERATION TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2003	2002
	\$	\$
Change in Net Assets resulting from Operations	215,781	1,011,714
Items not involving Cash:		
Depreciation	937,356	974,203
Gain on Disposals	(30,404)	(6,431)
Land Disposal	<u>(3,900)</u>	
	1,118,833	1,979,486
Net Interest Financing		
Less Capital Grants	<u>(857,067)</u>	<u>(1,043,590)</u>
	261,766	935,896
Change in Operating Assets & Liabilities		
Decrease (Increase) in Debtors	95,840	(301,939)
(Decrease) Increase in Creditors	(14,082)	(313)
(Decrease) Increase in Provision for Employee Entitlement	24,666	48,042
Decrease (Increase) in Inventories	5,828	((668)
Decrease (Increase) in Prepayments	<u>18,455</u>	<u>(12,393)</u>
Net Cash provided by Operating Activities	<u>392,473</u>	<u>668,625</u>

18 CONTROLLING AUTHORITIES - SECTION 200

Council is a member of the Eyre Regional Development Board is a regional economic development authority charged with the responsibility of facilitating Economic Growth and Activity in the Eyre Region.

DISTRICT COUNCIL OF CEDUNA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

Council is a member of the Eyre Peninsula Local Government Association (EPLGA) which is a regional Local Government representative body charged with the responsibility of representing the interests of its member Councils.

Contribution

ERDB	7,738	7,275
EPLGA	<u>8,460</u>	

19 CONTINGENT LIABILITY

The District Council of Ceduna has been served with a statement of claim issued out of the Dust Diseases Tribunal of NSW.

Six other Defendants are included in the statement of claim. The plaintiff was employed by the District Council of Ceduna between 1967-1969. The matter is listed on a continuing basis before the Dust Diseases Tribunal. Potential costs are unknown at this stage.

20 COMPARISON OF BUDGET AND ACTUAL RESULTS (OPERATING)

	2003		2002	
	BUDGET	ACTUAL	BUDGET	ACTUAL
Revenue				
Administration	3,103,547	3,314,277	2,692,276	2,737,793
Public Order and				
Safety	12,660	16,961	20,100	19,456
Health	6,000	4,228	6,300	4,194
Social Security & Welfare	166,445	189,015	93,200	34,127
Housing Community	642,069	642,940	1,061,123	1,308,684
Protection of the Environment		17,173	56,817	58,679
Recreation & Culture	7,400	34,728	9,700	90,272
Agriculture	300			2,260
Economic Affairs NEC	161,260			84,641
Mining & Construction	36,670	31,242	35,770	54,517
Transport & Communications	697,726	676,164	903,853	678,724
Other Purposes	<u>758,640</u>	<u>203,552</u>	<u>632,875</u>	<u>233,920</u>
Total Revenue	<u>5,592,717</u>	<u>5,345,104</u>	<u>5,586,014</u>	<u>5,307,267</u>
Expenses				
Administration	311,651	338,959	266,435	345,016
Public Order and				
Safety	53,772	106,535	59,247	131,578
Health	18,990	15,485	20,034	21,471
Social Security & Welfare	277,163	275,613	216,055	222,248
Housing Community	907,808	1,332,325	737,377	940,768
Protection of Environment	21,228	30,957	78,852	56,785
Recreation & Culture	478,782	492,930	420,383	477,187
Agriculture		28,827		26,777
Economic Affairs NEC	396,395	650,290	272,458	276,536
Mining & Construction	146,839	140,110	126,036	113,107
Transport & Communication	683,983	1,064,559	681,064	969,335
Other Purposes	<u>1,116,562</u>	<u>652,733</u>	<u>1,019,719</u>	<u>714,745</u>
Total Expenses	<u>4,413,173</u>	<u>5,129,323</u>	<u>3,897,660</u>	<u>4,295,553</u>
SURPLUS	1,179,544	215,781	1,688,354	1,011,714

DISTRICT COUNCIL OF CEDUNA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

21 ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

(a) 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.

	Weighted Avg Interest Rate	Floating Interest Rate	1 Year or less	Fixed Interest 1 to 5 Years	More than 5 Year	Non Interest Bearing	Total
2003							
Financial Assets							
Cash						800	800
Deposits	4.5%	1,011,024					1,011,024
Receivables						381,796	381,796
		1,011,024				382,596	1,393,620
Financial Liabilities							
Overdraft	8.9%	305,719					305,759
Borrowings	7.13%		110,115	788,564	1,051,060		1,949,739
Creditors & Accruals						197,524	197,524
		305,759	110,115	788,564	1,051,060	197,524	2,453,022
2002							
Financial Assets							
Cash						800	800
Deposits	4.5%	1,443,392					1,443,392
Receivables						483,931	483,931
		1,443,392				484,731	1,928,123
Financial Liabilities							
Overdraft	8.9%	24,181					24,181
Borrowings	7.22%		99,232	575,927	1,221,473		1,896,632
Creditors & Accruals						421,029	421,029
		24,181	99,232	575,927	1,221,473	421,029	2,341,842

(b) Credit Risk Exposures

Credit risk represents the loss that would be recognised if other parties failed to perform as contracted.

The credit risk on financial assets, excluding investments, of the Council, which have been recognised in the Statement of Financial Position, is the carrying amount, net of any provision for doubtful debts.

The Council does not have significant exposure to any concentration of credit risk.

The net fair value of other monetary financial assets and financial liabilities is based on market prices where a market exists or by discounting expected future cash flows by the current interest rates for assets and liabilities with similar risk properties.

Cash flows are discounted using standard valuation techniques and the applicable market yield having regard to the timing of cash flows. The carrying amount of bank terms deposits, accounts receivable, accounts payable and bank loans approximate net fair value.

(c) Net Fair Value of Financial Assets and Liabilities

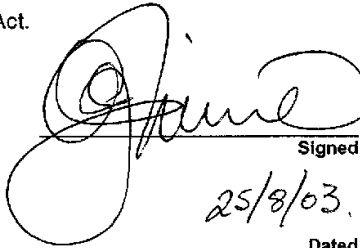
The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value.

Due to the nature of the financial instruments held by Council, the costs associated with their settlement would not be material and therefore have not been considered.

DISTRICT COUNCIL OF CEDUNA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

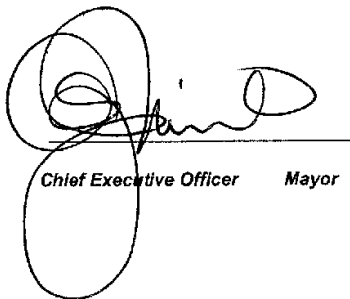
CHIEF EXECUTIVE OFFICERS STATEMENT

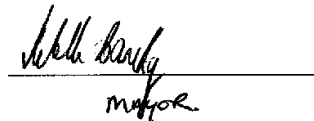
I, **ANTHONY JOHN IRVINE** the person for the time being occupying the position of
CHIEF EXECUTIVE OFFICER of DISTRICT COUNCIL OF CEDUNA do hereby state that the
financial statements for the Council for the 30 June 2003 financial year are to the best of my
knowledge presented fairly and in accordance with accounting procedures which have been
maintained in accordance with the *Local Government Act 1999*, and the *Local Government (Financial
Management) Regulations 1999* made under that Act.


Signed
25/8/03
Dated

ADOPTION STATEMENT

Laid before the District Council of Ceduna
and adopted on 17th September 2003


Chief Executive Officer Mayor


Mayor

**INDEPENDENT AUDIT REPORT
TO THE CHAIRMAN AND COUNCILLORS OF THE DISTRICT COUNCIL OF CEDUNA**

Scope

I have audited the financial statements of the District Council of Ceduna for the financial year ended **30 June 2003** as set out on pages **1 - 15**.

The Chief Executive Officer is responsible for the preparation and presentation of the financial statements and the information contained therein. I have conducted an independent audit of the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosure in the financial statements, and the evaluation of accounting policies and significant accounting estimates.

These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Concepts and Standards and the Local Government Act 1999, so as to present a view of the entity which is consistent with my understanding of its financial position and the results of its operations.

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

Audit Opinion

In my opinion, the financial statements of the District Council of Ceduna are properly drawn up::

- a. So as to give a true and fair view of:
 - (i) The Council's state of affairs as at **30 June 2003** and its operating result for the year ended on that date; and
 - (ii) The other matters required by Chapter 8 of the Local Government Act 1999 to be dealt with in the accounts;
- b. In accordance with the provisions of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999; and
- c. In accordance with Statements of Accounting Concepts and applicable Accounting Standards.


JOHN D EWEN
Chartered Accountant
Auditor

Date: *29th August 2003*
