



*creating a living environment*

2007-2008

# Annual Report and Sustainability Report

# Contact information

---

## COUNCIL

---

General Enquiries ..... 9847 6666

## AQUATIC CENTRES

---

Cherrybrook ..... 9980 7822

Epping ..... 9876 5945

Galston ..... 9651 2393

Hornsby ..... 9847 6813

## BRICKPIT INDOOR SPORTS STADIUM

---

Thornleigh ..... 9481 9844

## EARLY CHILDHOOD HEALTH CENTRES

---

Berowra ..... 9456 2877

Brooklyn ..... 9985 7717

Carlingford Court ..... 9871 8691

Epping ..... 9876 1438

Galston ..... 9653 3928 / 9653 2256

Hornsby ..... 9482 4026

Pennant Hills ..... 9843 7952 / 9483 7953

## LEISURE AND LEARNING CENTRES (50+)

---

Asquith, Brooklyn, Epping, Hornsby (Willow Park)  
and Pennant Hills.

Information / bookings . 9847 6531 / 9847 6050

## LIBRARIES

---

Berowra ..... 9456 3913

Epping ..... 868 1711

Galston ..... 9653 1338

Hornsby ..... 9847 6813

Pennant Hills ..... 9481 9630

## NURSERY AND PRESCHOOL CENTRES

---

Asquith ..... 9477 3727

Cherrybrook ..... 9481 0566

Hornsby ..... 9477 2338

Somerville Park Early Childhood  
Education Centre ..... 9869 7343

Westleigh ..... 9875 1166

## VISITOR INFORMATION CENTRE

---

Hornsby Park ..... 9987 1809  
(inside CWA building)

## WASTE SERVICES

---

Thornleigh ..... 9847 4856

## YOUTH AND FAMILY CENTRE

---

Hornsby ..... 9847 6585

## PUBLIC OFFICER

---

For the service of notices to Council, assistance in the provision of information regarding the affairs of Council and access to Council documents, and assistance in the resolution of outstanding service level issues, please call the Manager, Administration Services on 9847 6608 or email [hsc@hornsby.nsw.gov.au](mailto:hsc@hornsby.nsw.gov.au) Access to certain documents may be limited in accordance with relevant legislation.

## COMPLIMENTS / COMPLAINTS on service delivery

---

Council is committed to continual improvement in customer service. An effective complaints handling system is an essential part of the provision of quality customer service because it provides an organised way of recording and responding to customer complaints as well as identifying opportunities for improvement. Council's customer service policy and complaints handling policy are available in the policies section of the Corporate Documents page on Council's website [www.hornsby.nsw.gov.au](http://www.hornsby.nsw.gov.au)

To lodge a compliment or complaint about an aspect of Council's services, please call 9847 6790 or email [jawilliams@hornsby.nsw.gov.au](mailto:jawilliams@hornsby.nsw.gov.au)

# Contents

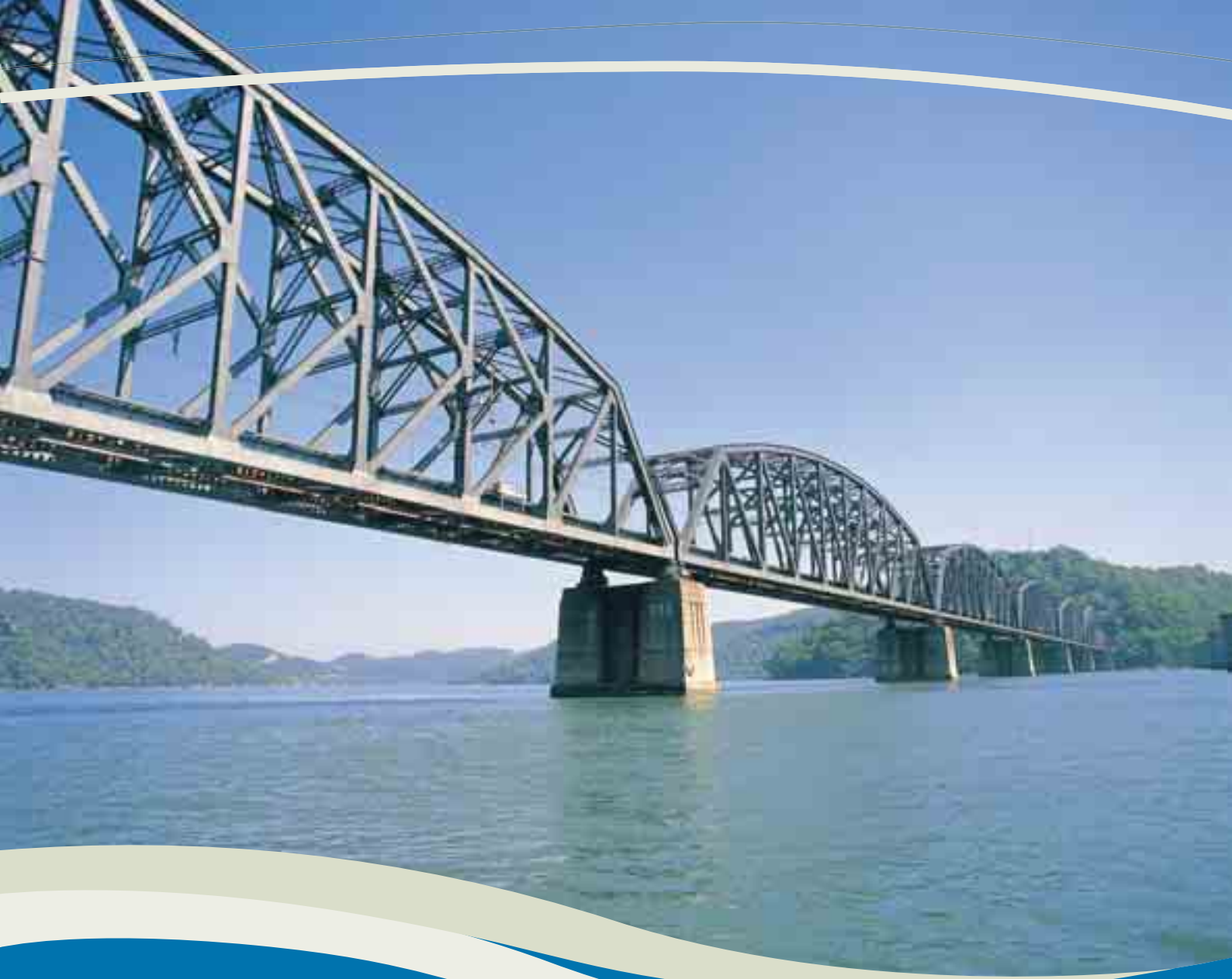
<b>Part 1 Introduction.....</b>	<b>5</b>	<b>Part 5 Our economy.....</b>	<b>41</b>
1.1 What this report is and what it covers.....	6	5.1 Economic development.....	42
1.2 What is a sustainability report? .....	6	5.2 Development contributions .....	43
1.3 Hornsby Shire Council .....	7	5.3 The Housing Strategy .....	43
1.4 Hornsby shire.....	10	5.4 Ku-ring-gai and Hornsby Subregional Employment Study .....	44
1.5 Wards and Councillors.....	12		
1.6 Executive overview from the Mayor .....	14		
<b>Part 2 Key Issues for 2007/08 .....</b>	<b>15</b>	<b>Part 6 Governance .....</b>	<b>45</b>
2.1 What was achieved in 2007/08?.....	16	6.1 Hornsby as a workplace.....	46
2.2 Awards 2007/08.....	20	6.2 Occupational Health and Safety.....	46
<b>Part 3 The state of our environment.....</b>	<b>21</b>	6.3 Equal Employment Opportunity .....	47
3.1 Summary.....	22	6.4 Fraud and corruption prevention.....	47
3.2 Environmental sustainability .....	23	6.5 Catchments Remediation Rate and Hornsby Quarry Loan Rate .....	47
3.3 Human settlement.....	24	6.6 Hornsby Shire Council's approach to Triple Bottom Line.....	48
3.4 Heritage .....	24	6.7 Statutory write-offs .....	49
3.5 Waste.....	26	6.8 Status of 2007/08 actions in Management Plan .....	50
3.6 Water .....	27	6.9 Income Statement.....	64
3.7 Atmosphere.....	27		
3.8 Bushland and biodiversity .....	28	<b>Part 7 Statutory returns.....</b>	<b>69</b>
3.9 Soil landscape .....	29		
3.10 Noise .....	29	<b>Part 8 Local Government Act 1993.....</b>	<b>71</b>
3.11 Bushfire hazard.....	30		
3.12 Companion animals.....	31	<b>Part 9 Global Reporting Initiative.....</b>	<b>81</b>
<b>Part 4 Our community .....</b>	<b>33</b>	<b>Appendix 1</b>	
4.1 Children .....	34	General purpose financial report .....	87
4.2 Caring for youth .....	34	<b>Appendix 2</b>	
4.3 Access and Equity.....	35	Special schedules .....	157
4.4 Multiculturalism .....	36	<b>Appendix 3</b>	
4.5 Aboriginal and Torres Strait Islanders.....	36	Special purpose financial report .....	169
4.6 Over 55 services.....	38	<b>Appendix 4</b>	
4.7 Working with our community - key results for 2007/08 .....	39	Litigation summary.....	183
		<b>Appendix 5</b>	
		Freedom of Information report.....	195

Now



Then





PART 1

# Introduction

HORNSBY SHIRE COUNCIL **ANNUAL REPORT AND SUSTAINABILITY REPORT** 2007-2008

# Introduction

## 1.1 What this report is and what it covers:

For synergy, continuity and consistency, Hornsby Shire Council has again combined its Annual Report and Sustainability Report to provide a succinct synopsis encompassing the period July 2007 to June 2008. This united document reviews the year's accomplishments, presents objectives consistent with Council's Management Plan (available at [www.hornsby.nsw.gov.au](http://www.hornsby.nsw.gov.au)) and realises the statutory reporting requirements of the Department of Local Government.

Hornsby Shire Council's 2007/08 Annual Report was produced to comply with the Acts and General Regulation for the Department of Local Government and elected representatives. It accomplishes this by providing a brief overview of what Council has achieved during the past year in respect to the following:

- *Local Government Act 1993,*
- *Environmental Planning and Assessment Act 1979,*
- *Privacy and Personal Information Protection Act 1998, and the*
- *Freedom of Information Act 1989.*

The *Local Government Act 1993* requirements of Section 428 (1) where Council is to "...prepare a report as to its achievements with respect to the objectives and performance targets set out in its management plan for that year..." are addressed in sections 1 to 9 of this report. All other Acts and Regulations are identified individually throughout.

A copy of this report can be found at [www.hornsby.nsw.gov.au](http://www.hornsby.nsw.gov.au)

## 1.2 What is a sustainability report?

'Sustainability reporting is the public communication of an organisation's internal and external economic, social and environmental performance' (Centre for Public Agency Sustainability Reporting 2007, *Case Studies of Sustainability Reporting by Public Agencies: Three Public Agencies from Australia and New Zealand*).

At Hornsby Shire Council we define sustainability as "meeting the needs of the present without compromising the ability of future generations to meet their own needs." (Adapted from the Brundtland Report, *Our Common Future* 1987).

This means all the impacts of decisions must be considered including the social, environment and economic impacts.

We have chosen to report our internal organisational sustainability progress using the Global Reporting Initiative (GRI) framework because this will give us the ability to track our performance against others. The GRI framework recommends that public agencies provide both qualitative and quantitative data on:

- **Context or state of the environment:** economic, environmental, or social conditions within our area of jurisdiction.
- **Public policies and implementation measures:** external policies and actions related to sustainable development.
- **Organisational performance:** internal policies and role as a consumer and employer.

For more information on the global reporting initiative see [www.globalreporting.org](http://www.globalreporting.org)

## 1.3 Hornsby Shire Council

### Council operations

All the operations of Council, including business activities, are grouped under six principal activities called divisions.

- General Manager's Division
- Strategy Division
- Corporate and Community Division
- Environment Division
- Works Division
- Planning Division

Much of the work done by Council involves more than one division. For example, planning and managing the urban environment involves the Works Division, the Planning Division, the Strategy Division and the Environment Division.

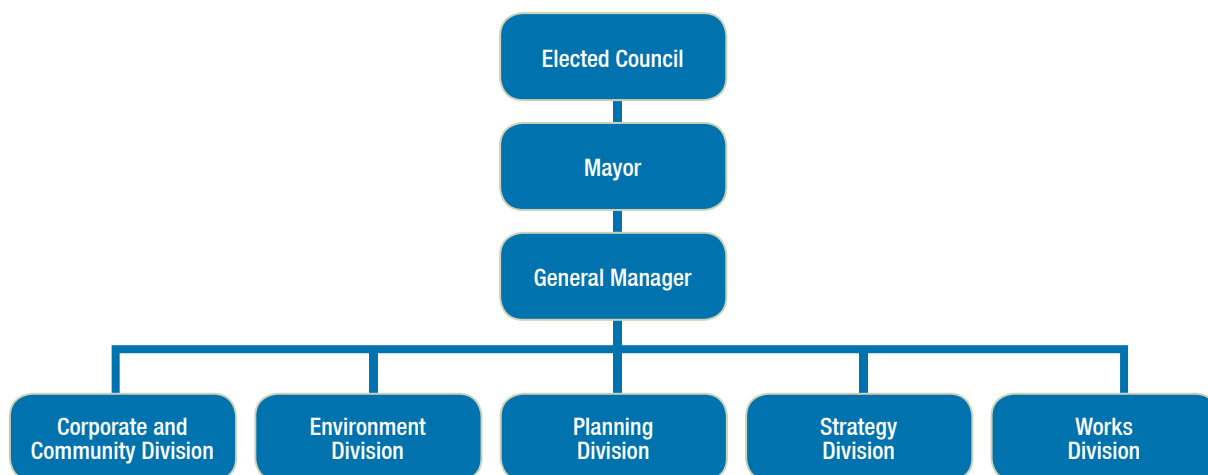
### Roles and responsibilities of Council

Hornsby Shire Council provides various services to the residents, ratepayers and visitors to the shire, including:

- Planning and managing the urban environment
- Managing the bushland
- Creating local habitats
- Creating biodiversity corridors
- Providing environmental and waste education
- Collecting residential and commercial waste
- Providing a recycling service
- Responding to pollution incidents
- Prosecuting polluters
- Sweeping the streets
- Planting trees and eliminating noxious weeds
- Monitoring water quality
- Preserving heritage sites
- Inspecting food premises
- Assisting State Emergency Services
- Providing grants to community organisations
- Celebrating Australia Day
- Holding community events such as the Country and Garden Fair, OneWorld multicultural festival, Seniors' Week and Children's Week
- Providing community safety programmes
- Controlling the keeping of companion animals
- Assisting local organisations and committees
- Building and maintaining local roads and footpaths
- Providing street signs
- Renewing residential and commercial areas
- Providing and maintaining parks and sportsgrounds
- Building skateparks
- Providing playgrounds
- Providing and operating aquatic centres
- Providing and operating an indoor sports facility
- Providing bicycle routes
- Providing local libraries
- Lending books, CDs and other information
- Providing community centres
- Listening to community views
- Advocating for, and on behalf of, the community
- Holding citizenship ceremonies
- Providing civics education for schools
- Managing community assets
- Planning for the future of the shire
- Providing childcare
- Building and maintaining recreation facilities
- Maintaining stormwater pipes and pits
- Delivering road safety education to schools
- Enabling equitable access to local parking
- Responding to significant local emergencies
- Providing services for seniors, young people and those with a disability
- Acting to impound abandoned vehicles

## Council structure

Hornsby Shire Council is constituted under the *Local Government Act 1993*. The organisational structure under which Council operates is set out below:



The shire is divided into three wards, with three Councillors representing each ward and a popularly elected Mayor.

The role of the governing body is to direct and control the affairs of Council in accordance with the *Local Government Act 1993* and other applicable legislation. The elected Councillors represent the interests of the residents and ratepayers, provide leadership and guidance to the community, facilitate communication between the community and Council, and formulate policies.

The Mayor carries out the civic and ceremonial functions of the mayoral office. The Mayor also presides at meetings of Council, exercises, in cases of necessity, the policy-making functions of the governing body of Council between its meetings and carries out any other functions that Council determines.

The General Manager is the Chief Executive Officer of Council and is responsible for the operation of Council's organisation and for implementing decisions of Council and its policies. The General Manager is also responsible for the day-to-day management of Council, exercising any functions delegated by Council, the appointment of staff, the direction and dismissal of staff and the implementation of Council's equal employment opportunity management plan.

Council connects with and consults with its local community and stakeholders on a wide range of topics and issues through committees, public meetings, email, events at the library, workshops and reference panels.

## Business activities

*Section 428(2)(r), Clause 217(1)(d) (ii – vi),  
Clause 217(1)(d)(vi)*

Hornsby Shire Council considers some of its operations and services business activities and has adopted the principle of competitive neutrality in respect to those activities, even though they are operated within the existing divisional structure. The statement of financial position by business activity is reported in Appendices 1 to 3 of this report.

The businesses of Hornsby Shire Council are divided into two categories;

### Category 1

- Aquatic centres and sports stadium
- Nursery and preschools

### Category 2

- Property services
- Development assessment services
- Commercial waste



## Competitive neutrality

*Clause 217(1)(d)(v) and (vii – ix)*

Hornsby Shire Council records and monitors requests and complaints from the public. Council did not receive any complaints regarding competitive neutrality during 2007/08.

## Linking Council operations to sustainability

The organisational structure of Council recognises its primary functions. However Council's principal instruction to its organisation, its management plan, is aligned to strategic themes in order to translate strategic direction into operational reality. Councillors, at the beginning of this term of office, determined the six strategic themes which are the dominant focus for the organisation. The six strategic themes are:

- Conserving our natural environment
- Contributing to community development through sustainable facilities and services
- Fulfilling our community's vision in planning for the future of the shire
- Working with our community
- Supporting our diverse economy
- Maintaining sound corporate and financial management

The six strategic themes are also integral components in decision-making. Every report to Council requiring a decision includes supporting statements regarding the environmental, social and economic impacts of the issue and its proposed decision. The statements are aligned with the six strategic themes.

Council has purposefully chosen to use its strategic themes to embed sustainable decision-making in the organisation because these strategic themes encompass sustainability and align decision-making to the community and the organisation's desired future. In this way decisions, including operational decisions, contain a strategic focus and are relevant to our community.

Sustainability is applied through two integrated 'streams': decision-making and reporting. Decision-making is aligned to triple bottom line using Council's strategic themes, as is our annual summary and quarterly reporting to the community via the Community Report and Quarterly Reviews.

This Annual Report, conversely, provides a more detailed account of Council's operations for the previous year. It uses the traditional approach to sustainability reporting of alignment to environmental, economic and social achievements, with performance success being displayed using the Global Reporting Initiative (GRI) indicators. More information on the GRI can be found in the section titled Global Report Initiative in this report.

### **Improving our service delivery**

Council expended considerable effort during 2007/08 to improve its website and enable customers to access online services.

The purpose of providing online services is to make it easier for residents to deal with Council and improve access to Council's services. Feedback from users of the online services has been very positive.

For example, the tracking of development applications online has proven very successful and has reduced the number of telephone calls customers make to Council each day. Customers are able to submit and track service requests online, enabling faster logging and servicing of areas or issues in the shire needing attention. Service requests can be tracked and escalated online, according to the severity of the issue.

A telephone book, identifying direct telephone numbers of Council services, was also printed and distributed by Council to all households and businesses in the shire. The directory enables customers to use direct numbers to contact the area of Council they require.

## **1.4 Hornsby Shire**

Hornsby Shire Council is the most northerly Council in Sydney. It was established in 1906 and today serves the needs of over 157,000 residents spread over an area of 510 square kilometres.

The area has a diverse population living in urban areas such as Epping, Westleigh and Hornsby Heights, river communities including Wisemans Ferry and rural areas such as Glenorie and Maroota.

The traditional custodians of the area are the Dharug and Guringai peoples and many of the place names in the shire are derived from aboriginal words.

Hornsby Shire is known as The Bushland Shire. Of its 510 square kilometres, more than 65% is bushland. Hornsby could also be known as the cyberspace shire with over 75% of people in the shire having internet access at their homes, compared to the Sydney average of 62%. (Source: 2006 census)

The Australian Bureau of Statistics 2006 Census figures show the population of Hornsby is ageing. In 2006 nearly 25% of Hornsby residents were 55 years or older, and the median age has risen from 36 years in 2001 to 38 years in 2006.

The median family income, as well as rent and housing repayments, are higher in Hornsby Shire than many other areas of Sydney, with 73.5% of residents either owning or purchasing their homes. A larger proportion of people living in Hornsby Shire hold formal qualifications, and a smaller proportion have no qualifications, than in other areas of Sydney.

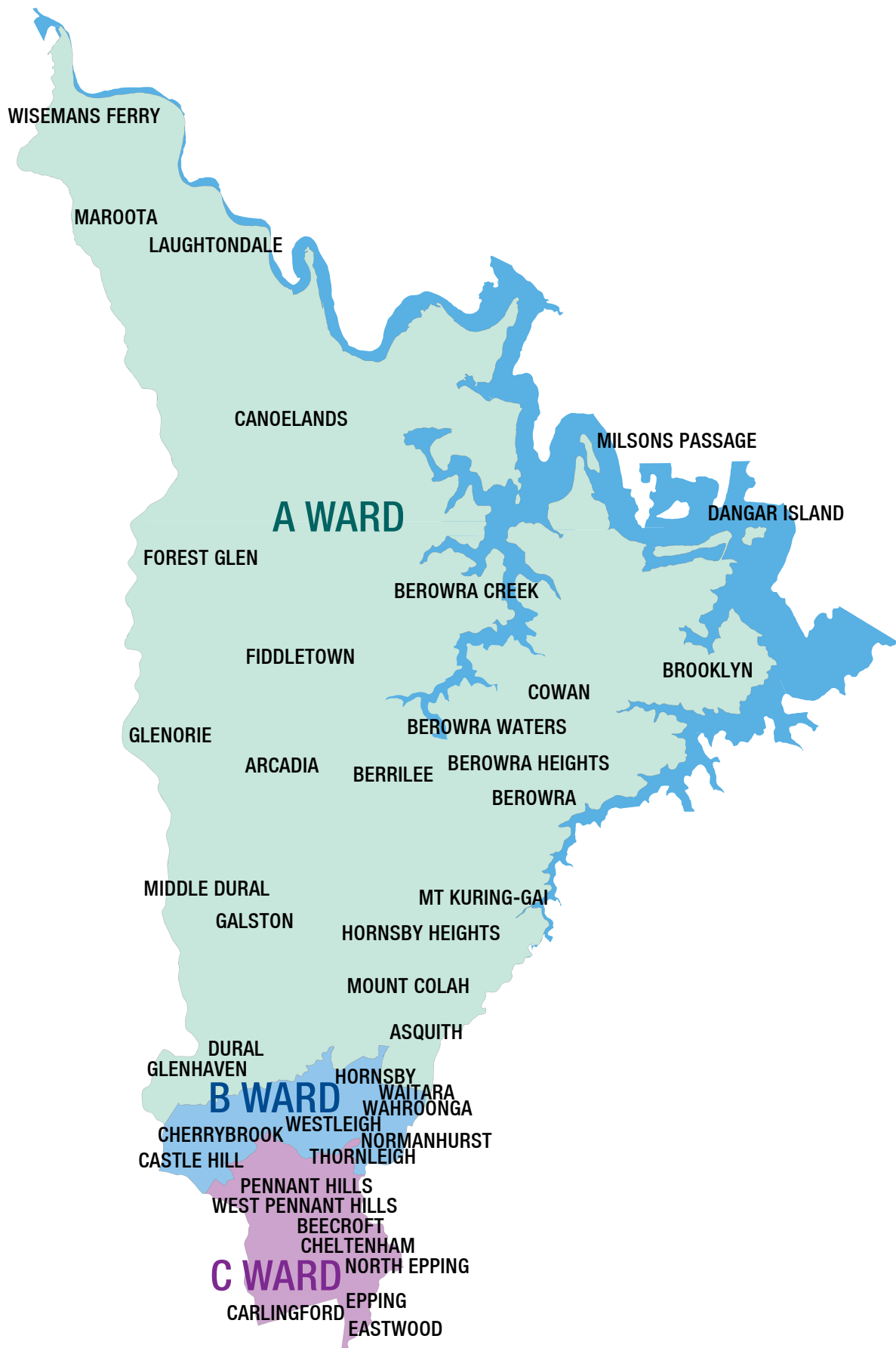
Hornsby Shire has a range of sporting, recreational and cultural facilities for its residents and visitors, including five libraries, located at Hornsby, Pennant Hills, Epping, Galston and Berowra. The libraries attract over 1.2 million visits per year and approximately 73,000 people are members of the Hornsby Library network.

Over 40,000 people work in the shire and, of those workers, 50% also live in the shire. The Hornsby town centre, including Westfield, employs 6,000 workers. The most common industries for employment in Hornsby for people over 15 years of age are retail, health and social assistance, education and manufacturing.

Hornsby Mall attracts over 16.3 million visitors each year. Hence, the Hornsby town centre is recognised as the major retail and commercial centre in the shire. The Northern Rail Line, the North Shore Rail Line and the Pacific Highway have a major impact on economic activity in the shire because access to transport is essential for many industries.

## Overview

Shire area	510 sq km
Population (2006 Census – estimated population)	157,387
Number of rateable properties (commercial and residential)	56,000
Suburbs/localities	41
Libraries	5
Parks	186
Playing fields	55
Playgrounds	135
Households	Over 51,000
Households with internet connection	Over 30,000
Sealed roads	610km
Unsealed roads	44km
Paved footpaths	405km
Council childcare facilities	5
Public wharves	5
Floating pontoons	6
Boat launching ramps	3



## 1.5 Wards and Councillors

### Mayor

As at 30 June 2008, Hornsby Shire Council's Mayor is Cr Nick Berman.



Mayor Nick Berman

### Councillors

As at 30 June 2008, Councillors for each ward are as follows:

#### A Ward Councillors

A Ward consists of the following suburbs: Arcadia, Asquith\*, Berrilee, Berowra, Brooklyn, Canoelands, Castle Hill\*, Cowan, Dangar Island, Dural\*, Fiddletown, Forest Glen, Galston, Glenhaven\*, Glenorie, Hornsby\*, Hornsby Heights, Laughtondale, Maroota, Middle Dural, Mt Colah, Mt Ku-ring-gai, Singletons Mill, Wahroonga\*, Waitara\*, Wisemans Ferry (\*Ward boundaries pass through these suburbs, meaning they belong to more than one ward).



Cr Janelle McIntosh, Cr Wendy McMurdo and Cr Garry Whitaker

#### B Ward Councillors

B Ward consists of the following suburbs: Asquith\*, Castle Hill\*, Cherrybrook\*, Dural\*, Glenhaven\*, Hornsby\*, Normanhurst\*, Pennant Hills\*, Thornleigh\*, Wahroonga\*, Waitara\*, Westleigh (\*Ward boundaries pass through these suburbs, meaning they belong to more than one ward).



Cr Mark Lyons, Cr Nan Horne and Cr Steve Evans

#### C Ward Councillors

C Ward consists of the following suburbs: Beecroft, Carlingford, Cheltenham, Cherrybrook\*, Eastwood, Epping, Normanhurst\*, North Epping, Pennant Hills\*, Thornleigh\*, West Pennant Hills (\*Ward boundaries pass through these suburbs, meaning they belong to more than one ward).



Cr Felicity Findlay, Cr Andrew Isaac and Cr Robert Browne



## 1.6 Executive overview from the Mayor

Hornsby Shire Council is pleased to present its Annual Report and Sustainability Report for 2007/2008. This document gives you a brief overview of what Council has achieved during the past year and provides the Department of Local Government with its annual statutory reporting requirements.

Maintaining Council's financial assets has been a major focus for Council over the past year. Well maintained infrastructure is critical to the successful functioning of the shire which is why Council has allocated over \$23 million for capital works.

Upgrading and improving Council's assets accounts for a significant proportion of its capital works programme and includes more than \$2.5 million for local road improvements across the shire. Council also identified \$5 million for capital works to improve parks and sportsfields across the shire, including the remediation of Foxglove Oval in Mount Colah and improvements to Fagan Park in Galston.

The environment remained a primary concern for Hornsby Shire Council over the past year. 2007/08 saw the continued implementation of many activities to remediate our catchments and improve water quality, including the installation of anti-pollution devices at 15 locations throughout the shire.

Our bushland areas benefitted from over \$500,000 of funding for bush regeneration and hazard reduction. At the same time Council allocated \$1.9 million for a bushfire control centre in Berowra.

Council is committed to monitoring the shire's economic, social and environmental performance over time. To this end, Council has adopted the Global Reporting Initiative (GRI) approach for sustainability reporting. This is our second Management Plan to incorporate GRI Principles and Indicators. We intend to implement GRI at our own pace, taking into account our capacity, the needs of management and the benefits to stakeholders.

To extend the opportunity to address issues with Councillors and Council representatives, directly consulting with our community is a top priority. Council reintroduced community forums at various locations throughout the shire. The forums were very popular and provided useful feedback on a range of issues.

The future of the Hornsby Quarry site is a key issue that will require ongoing consultation and community input during the coming year. This site has environmental and heritage values that need to be addressed as well as rehabilitation of the site.

Over the year ahead, Council looks forward to working with residents to continue to ensure Hornsby Shire is a great place to live, grow, visit and work.

**Nick Berman**  
Mayor



PART 2

# Key Issues for 2007/08

HORNSBY SHIRE COUNCIL **ANNUAL REPORT AND SUSTAINABILITY REPORT** 2007-2008

# Key Issues for 2007/08

Hornsby Shire Council, like other local governments, has responded to rising community expectations by providing a growing range of essential services and infrastructure that underpin the community. This expansion in role and service quality, together with rising input costs generally exceeding the income Council receives, puts increasing financial pressures on the organisation.

Councillors recognised that for the organisation to be financially-sustainable and secure in its long term future they must take a leadership role in addressing funding constraints.

Councillors identified five key issues to be addressed during 2007/08:

1. Closing the assets renewal gap,
2. Adjusting service provision to community priorities and developing more cost-effective service delivery,
3. Increasing the income stream,
4. Preparing longer-range budgets, and
5. Containing the growth of operating costs within recurrent income

## 2.1 What was achieved in 2007/08?

### 1. Closing the asset renewal gap

Maintaining our infrastructure in sound condition so it services the needs of the community in a functional, safe, reliable and cost-effective manner is expensive. In order to renew and maintain our local infrastructure in satisfactory condition for current and future users, Council increased its borrowings by an additional \$1 million to fund asset expenditure.

The additional funds were expended on the following projects:

Community Centres: maintenance and upgrade	\$150,000
Brooklyn / Dangar Island Council properties: sewer connections	\$50,000
Aquatic Centres: maintenance	\$155,000
Foxglove Oval: settlement reconstruction	\$460,000
Crosslands Reserve: water supply	\$80,000
Hornsby Library: recarpeting	\$100,000

Council also held \$360,000 from general revenue for future drainage works in the Hornsby CBD.

In 2007/08 Council programmed and delivered almost \$5 million of works on local roads, footpaths, kerbs and gutters as well as allocating almost \$1.5 million to the maintenance of parks.

Projects totalling \$1.7 million went towards improving the amenities at ovals, including accessible toilets. Council was awarded grant funding to expand water conservation and re-use schemes at its ovals and parks.

## **2. Adjusting service provision to community priorities and developing more cost-effective service delivery**

Development contribution funding of \$3.7 million was used to improve various parks and reserves in the shire to ensure those areas meet the demands of the increasing population.

Hornsby Shire Council provides a range of multi-use facilities, and in 2007/08 work commenced on improvements to the Cherrybrook Community Centre in order to improve its usage and meet the changing needs of the community.

Another highlight for the year was the development and adoption of a Cultural Plan for the shire. The Cultural Plan will guide future development of spaces for the arts and other cultural activities.

## **3. Increasing the income stream**

Property rates are, and will remain, the primary source of Council's revenue, but this major source of income is constrained by rate pegging and, therefore, the organisation must look to other ways of increasing its income.

In 2007/08 Council was awarded almost \$2 million in competitive grant funds from the other levels of government. These funds were used for various environmental projects and community services. Council also instigated a grants assistance programme to assist community groups in the shire to source and apply for grants and funding opportunities. Uptake of this service has been modest with only 13 groups using the service.

## **4. Preparing longer range budgets**

2007/08 was a period of leadership change for Council's financial management team and as a consequence the focus for the team moved to implementing system enhancements for budgeting and reporting to enable better 'drill down' (i.e. view data at a greater level of detail) capability and improve internal audit processes. The project to review and refine Council's Strategic Financial Plan has been deferred to 2008/09.



Serpent Mosaic Public Art Project

## 5. Containing the growth of operating costs within recurrent income

The financial challenges faced by Council in 2007/08 include cost shifting, particularly by the State Government; volatility in financial markets resulting in returns below historical averages; increased fuel costs; construction and maintenance materials cost increases well above CPI; lower building activity related fees and charges; and an increasing provision for employee leave entitlements.

One challenge for local government is the need to absorb the increasing costs of governance such as the processes associated with document access and the rising charges imposed on local government by other authorities, while simultaneously providing the levels of services and facilities expected by the community. For example, in 2007/08 Council received 1,023 documents access applications and 41 applications under Freedom of Information legislation, almost double the amount received in the previous year. The fees for document access generally do not reflect the staff time and effort required to meet the request. Council also absorbed the fees charged to it for street lighting which increased by \$112,000.

Council's expenditure and revenue was monitored regularly to ensure cost pressures remained under control and Council's net operating and capital result after internal and external funding for the 12 months to 30 June 2008 was a surplus of \$128,000 compared to a budgeted surplus of \$22,000.

## Achievements 2007/08

Hornsby Shire Council staff work diligently and determinedly, with efforts often acknowledged by formal, industry recognised awards schemes.

Some of the achievements and awards received this year include:

- Consolidated new Section 94 plan and planning agreements policy adopted.
- Implemented new format for annual report to include sustainability reporting.
- Established web-based customer contact and community panels.
- Consulted with the community regarding the Hornsby Quarry.
- Actioned the Heritage Review, Stage 4.
- Reviewed the Open Space Lands Acquisition.
- Conducted festivities for Heritage Week.
- Reviewed the river settlement controls.
- Awarded State Government grant for water harvesting at Greenway Park.
- Awarded Federal Government grant for water harvesting at Foxglove Oval.
- Awarded a Greenspace grant towards the development of Crosslands Reserve.
- Awarded the grant for One Tree Reach Wetland.
- Received notice of sponsorship from the Hills M2 for improvements to two reserves in the Devlins Creek corridor.
- Held inaugural 'Christmas Lights' competition.

- Completed the Hornsby Central Library refurbishment.
- Implemented Masterview and Masterplan to streamline the Development Application management system process.
- Collected 22 tonnes of electronic waste via an e-waste collection project.
- Reduced the cost of disposal via implementation of a new recycling disposal contract.
- Commenced the first light globe recycling collection service by a Council in NSW.
- Achieved the highest waste diversion results for the domestic waste service, 54.49% diversion in January 2008.
- Recognised success of the battery recycling trial by extending the scheme via the waste office and potentially four schools in 2008/9.
- Extended funding of the Aboriginal Community Facilitator Project from the NSW Department of Community Services.
- Achieved placement within the top 10 councils in the state to have submitted their General

Purpose and Special Purpose Financial reports to the Department of Local Government.

- Increased library loans per capita from 7 to 8.2.
- Awarded Hawkesbury - Nepean Catchment Management grant for estuary management.
- Earned accreditation for heavy vehicles under the National Heavy Vehicle Accreditation Scheme.
- Received positive community response to the consultation process for the future uses of Asquith Community Centre.
- Awarded grant from the Department of Immigration and Citizenship for a settlement project for Hornsby / Ku-ring-gai Region.
- Awarded a grant from the Department of Ageing Disability and Home Care for Aboriginal Home and Community Care funding.



Hornsby Library

## 2.2 Awards 2007/08

### Encouragement Award - OHS Excellence

TO: Epping Aquatic Centre

FROM: Statecover Mutual.

### Overall winner - Energy and Water Management Award

TO: Hornsby Shire Council

FROM: LGSaplus and Country Energy.

### Overall winner - Innovation Award

TO: Hornsby Shire Council

FROM: Keep Australia Beautiful NSW

### Finalist

TO: Hornsby Shire Council

FROM: NSW Awards for Excellence in Surveying and Spatial Information.

### Runner up - Environment category

TO: Hornsby Community Nursery

FROM: National Yates Nursery and Garden Industry Awards for Excellence.

### Participation - Public Agency for Sustainability Reporting

TO: Hornsby Shire Council

FROM: Australia/New Zealand Reporting Alliance.

### Lifeguard of the Year

TO: Senior Lifeguard, Hornsby Pool

FROM: Aquatic and Recreation Institute.

### Partner Award

TO: Hornsby Shire Council

FROM: Alliance of Hills Schools Industry Partnership, the NSW Board of Vocational Training and Hills Chamber of Commerce.



Cr Wendy McMurdo, Mayor Nick Berman and Cr Felicity Findlay receive the Keep Australia Beautiful Award 2006 from the Governor of NSW Marie Bashir and former NSW Environment Minister Bob Debus.



Michael Danelons from the Nursery Industry Association and Lyndel Wilson, council's Bushcare Officer with the award at the Community Nursery.



## PART 3

# The state of our environment

HORNSBY SHIRE COUNCIL **ANNUAL REPORT AND SUSTAINABILITY REPORT** 2007-2008

# The state of our environment

## 3.1 Summary

The 2007/08 State of the Environment (SoE) Report demonstrates that Council is making good progress in corporate and community action, waste, energy and water use. The SoE Report is a legislated requirement, which assesses the shire's natural and built environments and is a strategic tool that assists in the planning of future actions to keep the shire healthy. It assists in identifying environmental pressures across the Council area and enables Council to develop responses that can have a positive effect across various environmental and social issues.

During 2007/08 Council accomplished further steps towards achieving its performance indicator targets. Through implementation of actions set out in the Sustainable Energy Strategy, Council further reduced its greenhouse gas emissions by 29% and assisted the community to reduce its emissions by 4%. Council has maintained its commitment to water consumption reduction and water quality improvement by successfully completing milestones 1 to 5 of the Sydney Water Every Drop Counts Business Programme for effective water management. The milestones serve as a progressive benchmark as to how well local governments achieve their objectives and goals for water conservation and water quality management in the corporate and community sectors.

## Environmental Performance Indicators

GRI Indicator	Environmental Performance Indicators	2007/08 Result	Trend
EN11	% area of bushland (ha) in the active care of the community and Council compared to the total bushland under Council's management – Target 12.2%	10.8%	X
EN13	Area of bushland (ha) on private land lost to development – Target, no net loss of bushland	2.083 ha	X
EN13	Habitats protected or restored – number of bushcare volunteers	820	✓
EN18	% of greenhouse gas reduction achieved through Council's initiatives for its own operations – Target 30% by 2010	29%	✓
	% of greenhouse gas reduction achieved through Council's initiatives for the community – Target 5% by 2010	4%	✓
EN22	% of domestic material by weight collected by Council going to landfill – Target 42% or less	46.53%	✓

GRI Indicator	Environmental Performance Indicators	2007/08 Result	Trend
EN22	Tonnes of recycling diverted from landfill – target 18,492 tonnes or more	20,540T	✓
	Tonnes of green waste diverted from landfill – 14,340 tonnes or more	17,632T	✓
EN25	% of monitored healthy waterways within the shire – Target 50%	50%	✓
EN26	Impact of environmental initiatives (number of programmes implemented in progression to sustainable corporate governance) – Target 30 programmes	32	✓

KEY:      ✓ Towards sustainability      ✗ Away from sustainability      — No trend

Note: green offset as 0.6ha of Blue Gum High Forest has been revegetated.

### 3.2 Environmental sustainability

Council has implemented many programmes to ensure it has effectively managed its own dealings in terms of environmental performance. Initiatives actioned to facilitate sustainable corporate governance include: Green Procurement, Carbon Neutral Feasibility Study, Climate Change Adaptation Programme, Triple Bottom Line decision making, Fleet Management Study, Business Energy Savings Programme, Sustainable Total Water Cycle Management, waste minimisation and Stage 2 of the Energy Performance Contract.

The aim of the Hornsby Business Energy Savings Programme is to help Council meet its community reduction target of five percent by 2010. This programme intends to work with 200 businesses over an 18 month period to achieve a total greenhouse gas reduction of 3,000 tCO<sub>2</sub>e annually.

Through an extensive Expression of Interest process, Council challenged the private sector to deliver a new approach to existing business engagement models, one that had more focus on business needs and actual implementation, rather than behavioural change and auditing. Council

also wanted to improve interdivisional working relationships and identified the pressing need to focus on collaboration between the Environment and Economic Development Units to fight climate change and minimise the impacts our local businesses are having on the environment.

In the first two months alone, 79 businesses joined the programme. The programme is on track to deliver a forecasted \$1.4m contribution of investment into the local economy and 3,000 tonnes CO<sub>2</sub>e in the first year alone. Other outcomes of the programme include:

- Improved energy efficiencies within the business sector,
- Increased broad community participation in decision-making, actions and practices for a sustainable future,
- Strengthened partnerships and learning between Council and the wider business community towards sustainability, and
- Opportunities for local infrastructure investment and opportunities.

The 'earthwise at home – low carb living' is an education programme with rebates to assist residents reduce their individual carbon and water footprints. Major activities of this programme include a series of workshops to assist with the installation of three low-emission technologies: photovoltaics, solar hot water and insulation. Nineteen workshops were held across the shire where topics correlated to the rebates funded by the Low Emission Technology Abatement (LETA) programme and administered by the Department of Environment, Water, Heritage and the Arts (DEWHA).

The *Footprints and Rebates* workshop introduced the concept of ecological foot-printing and ways in which people can reduce their negative impacts on the planet. The three technical workshops (*Savings from Hot Water*, *Savings from Heating and Cooling* and *Demystifying Solar Power*) provided participant access to specialists, the opportunity to learn more about low emission technologies and to ask questions of guest speakers.

Arguably the greatest achievement was the provision of financial assistance to 112 households to install:

- insulation (\$500 x 50 households),
- solar hot water (\$750 x 52 households), and
- solar power (\$4,000 x 10 households).

Participants received a detailed home assessment by a service provider as part of their rebate conditions which provided them with an action plan to make savings on their water and energy bills and involved a refit of lights and showerheads to energy saving ones.

### 3.3 Human settlement

The challenges presented by sustainable planning include balancing conflicting land use issues. For example, in the provision of housing, Council must consider the shire's environmental and community needs. Consideration must be given to issues such as appropriate urban form and design, conserving environmentally sensitive areas, accommodating population growth and catering for community desires. Additionally, recent years have shown a relatively weak local demand for commercial and industrial development and a high demand for residential housing. This has meant increased pressure to redevelop or rezone commercial and industrial land entirely for residential purposes, thereby sterilising future local employment opportunities.

### 3.4 Heritage

This year, Hornsby Shire Council won the Keep Australia Beautiful Sustainable Cities Award 2008 for Heritage Management by a Metropolitan Council. Council has a strong commitment to heritage conservation and is proud of its most recent achievements involving the identification, documentation, promotion and conservation of heritage assets within the shire.

Hornsby Shire Council has a strong commitment to the conservation of natural, built and Aboriginal heritage. In order to conserve and protect the heritage of the shire, Council has conducted heritage studies, listed heritage items and heritage conservation areas for ongoing protection, and offers heritage conservation assistance to property owners. Council's comprehensive heritage initiatives and programmes aim to provide a holistic approach to heritage conservation and education.

### Heritage review (stage 4)

In 2007, Council undertook its fourth review of heritage items to ensure the accuracy and relevancy of its heritage list. The review involved an independent heritage assessment of numerous properties and identified additional potential heritage listings. The review will guide the management of heritage listed trees and ensure their protection for the benefit of the community and future generations.

### Bar Island conservation work

During 2007, Council undertook the Bar Island Aboriginal and European Heritage Conservation Project. Bar Island contains the remains of a state-significant cemetery, church, school and Aboriginal midden. The project involved the repair of broken headstones and memorial, as well as path construction and re-routing of the track to protect the midden and a European rock inscription. The project also involved an archival recording of the site, Aboriginal site survey and removal of weeds. The works included assistance from the Department of Planning under the Heritage Incentives Programme.

### Adaptive re-use of “The Browsersy”

The Council-owned heritage listed property, known as “The Browsersy”, is located on Jersey Street at Hornsby. The Federation Queen Anne building was the first permanent home of Hornsby Shire Council (1907) and is the sole surviving cottage representative of the houses built near the Hornsby railway station at the turn of the century. The building’s restoration was launched during the Royal Australian Historical Society State History Conference, held in Hornsby during October 2006. The building has since been renovated internally and provided by Council to a local community group dedicated to youth services, Fusion Australia, on a nominal lease. The project ensures the adaptive reuse of the building and promotes awareness of heritage conservation amongst young members of the community.

### Spatial information mapping

To conserve and protect the heritage of the shire, Council undertook to accurately identify the location of over 800 items of heritage significance across the 510 square kilometres of its operations. The task incorporated the use of a global positioning system (GPS) to identify the location of items in the field. The project also employed extensive use of aerial photography, from 1930 to 2005, and historical subdivision and development plans. Heritage items were subsequently mapped on Council’s Geographic Information System (GIS). The project has developed an accurate and consistent record of heritage items. The project helps inform development decisions and assists the provision of efficient information to our customers. In 2007, Council was a finalist in the NSW Awards for Excellence in Surveying and Spatial Information in relation to the work.

### Local heritage assistance fund increased

This year, Council increased the value of its local heritage assistance fund to \$60,000. Council’s assistance fund is amongst the highest valued of NSW councils. In 2007, the funds were allocated towards 15 separate projects and provided the kick-start assistance for works to the total value of over \$240,000. The projects encourage the maintenance of heritage items and enhance the shire’s built environment.



Hornsby Council has been recognised for its excellence in heritage management including the restoration of Bar Island cemetery, a graveyard which dates back to the 1870s.

### 3.5 Waste

Over the past year, Hornsby Shire's population has increased by 0.57% and total waste to landfill has reduced from 47.7% to 46.53%. Although total waste to landfill has decreased slightly, co-mingled and greenwaste diverted from landfill has increased at a higher rate. Consequently, waste to landfill per capita has increased slightly. Fortunately recycling of co-mingled, and greenwaste, has also increased per capita. This has been achieved through a variety of strategies including:

- Holding frequent free workshops on recycling, non-toxic solutions for a chemical free home, no-dig gardening composting and worm farming.
- Giving talks to community groups on request, such as Joeys, gardening clubs and TAFE.
- Presenting displays regularly at shopping centres and community events.
- Hosting recycling tours to Kimbriki and Chullora to show residents how their green waste and co-mingled recycling is recycled and reused.
- Conducting battery recycling trials in schools (to continue by promoting a drop off centre at the Thornleigh depot).
- Managing e-waste recycling where 25 tonnes of computer equipment has been collected and diverted from landfill.
- Managing 'Chemical Cleanouts' for Council and the Department of Environment and Climate Change, which have processed 64 tonnes of toxic and hazardous materials.
- Presenting a 'Unit Block Expo' at Waitara.
- Facilitating 18 free chipping days.

- Participating in *drumMUSTER*, a programme for rural business to get rid of empty chemical drums. Hornsby is the only metropolitan Council to offer this service. More than 750 drums were diverted from landfill.
- Creating a permanent drop-off facility at Thornleigh Waste Depot, following a successful recycling trial, for incandescent and compact fluorescent light bulbs.
- Purchasing and fitting out an education van to be used for displays, events and school visits.

During 2007/08 Council adopted the onsite sewage Management Strategy and Greywater Policy. The strategy outlines the requirement for routine inspections on onsite sewage management systems and lobbying of State government for the provision of sewers in unsewered areas. Work commenced in Brooklyn during 2007 and Dangar Island in early 2008. Progress to date has resulted in 82% of properties being connected at Brooklyn and 45% at Dangar Island. Environmental Officers have been involved with coordinating the sewer connections for the Brooklyn and Dangar Island Sewerage Scheme constructed by Sydney Water. This involved inspections of septic systems and site visits to most of the 600 or so properties involved. Council is continuing to encourage the safe reuse of onsite wastewater in unsewered areas of the shire and minimising the impact on the potable water supply.



e-waste

### 3.6 Water

Council has maintained its commitment to water consumption reduction and water quality improvement by successfully completing milestones 1 to 5 of the Sydney Water Every Drop Counts Business Programme for effective water management. The milestones serve as a progressive benchmark highlighting how well local governments achieve their objectives and goals for water conservation and water quality management in the corporate and community sectors.

Hornsby Shire Council was one of the first Council's in NSW to achieve a five star rating accreditation for its water saving initiatives. Council has maintained last year's significant water consumption reductions of 21% in its own operations and 20% through initiatives for the community. Council is pleased to be working with the International Council for Local Environmental Initiatives, Sydney Water and Department of Environment and Climate Change to develop water saving initiatives and sustainability programmes.

The success of the water saving initiatives can be credited to Council programmes such as: Sustainable Total Water Cycle Management Strategy, Sustainable Water Development Control Plan, the Catchment Remediation Rate Programme, Stormwater Catchment Management Plans and environmental education.

An ongoing commitment to improve stormwater quality and to instigate water savings and water reuse for all Council assets has led to initiatives such as stormwater harvesting at Council's nursery and parks, reverse osmosis to treat Council's swimming pools' backwash water, gross pollutant and nutrient trapping, sediment and erosion control, and reduced herbicide, pesticide and fertiliser use.

### 3.7 Atmosphere

As of June 2008, Council had further reduced its own greenhouse gas emissions by 29% and assisted the community to reduce its emissions by 4% from 1995/96 emission levels. The 'earthwise at home – low carb living' programme assisted 112 households to install low emission technologies, reducing emissions by 407 tonnes per year (plus 155 tonnes from light bulb and shower head refits). Further reductions are highly likely due to behavioural changes (over 330 residents attended energy saving workshops).

Council commenced a project to review climate change adaptation. The project will help Council decision makers understand and apply information provided on climate change scenarios to assess risks related to: resource management, land use planning, infrastructure and transport planning, local economic development, environmental management, community issues and emergency services.

Hornsby Shire Council, in partnership with Manly Council, was successful in securing an Accelerated Action Grant from the Department of the Environment and Water Resources. A component of the funding was to engage a consultant to undertake a feasibility study in achieving carbon neutrality for existing and future greenhouse gas emissions.

The success of Council's Business Energy Savings Programme will result in reducing greenhouse gas emissions within the business community and has identified new projects that will assist businesses. All improvements help the community progress towards sustainability and Council's fulfilment of its strategic intent of 'creating a living environment'.

Council has reduced its greenhouse gas emissions through the:

- Purchase of 10% GreenPower for large sites and all streetlights.
- Purchase of 6% GreenPower for all other sites.
- Use of GreenPower for Council-run community events.
- Cogeneration system at Hornsby Library.
- Increased collection, mulching and recycling of green waste.
- Increase in the proportion of more fuel-efficient four cylinder vehicles to six cylinder vehicles in Council's fleet.
- Energy efficient office equipment.
- Continuation of Stage 1 and Stage 2 Energy Performance Contract to reduce energy and water consumption.
- Investigation of renewable energy and energy efficient technologies for new and existing buildings/facilities.
- Implementation of projects identified in the Energy Savings Action Plan.
- Formation of Sustainable Procurement Committee and Policy.

### 3.8 Bushland and biodiversity

Hornsby Shire is known as the Bushland Shire. Over 69% of the shire is covered bushland in the form of pockets of reserves and the Berowra Valley Regional Park. Hornsby Shire Council is committed to protecting and improving its local natural environment through its Biodiversity Strategy, on-ground bush regeneration work and a large volunteer 'Bushcare' programme of 820 volunteers. Council also provides free native plants to residents

twice a year and is working to encourage local nurseries to provide local native stock to residents for their gardens.

Council has managed the nursery site for over 10 years, transforming it into a community nursery providing local native stock for a range of community projects and is now accredited through the Nursery and Garden Industry Accreditation Scheme. Hornsby Community Nursery is the first and only government-owned nursery in NSW to receive this accreditation.

The nursery aims to showcase best practice operations across the wider community. This is achieved through many initiatives including a full water recycling system capturing onsite runoff rainfall, solar power, minimal waste production, recycling of materials and a low chemical reliance.

To emphasise this commitment to environmental sustainability, the nursery received the prestigious Environment Category Award for NSW in the Yates Nursery and Garden Industry Awards (2008).

Awareness of the nursery facility across the broader Hornsby Shire community has increased markedly in the past financial year. This is highlighted by the increase in the numbers of plants given out at the Community Nursery and Environmental Information open days during this timeframe. Numbers this year were up 80% on the previous year to a total of 3,522 plants distributed to residents.

Other popular community events have also increased considerably; National Tree Day this year saw 49% more plants go into the ground over the previous year.

### 3.9 Soil landscape

The shire's soil landscape is an important aspect of land management and development. Acid sulphate soil, land contamination and erosion continue to be serious problems. To ensure that minimal damage occurs to the environment, Council continues to manage the soil landscape through the development application and onsite sewage management approval processes.

In the shire, construction and land clearing represent the most common causes of soil erosion. Continued enforcement of development consent conditions pertaining to sediment and erosion control, ensuring best practice is adhered to on construction and development sites throughout the shire, is undertaken on a regular basis.

However, illegal land clearing continues to be a major challenge. Illegal removal of vegetation has negative impacts on soil and water quality and impacts on local biodiversity. Council continues to investigate illegal land clearing matters.



### 3.10 Noise

In today's society, noise levels are increasing and continuing to impinge on our work, recreation and personal lives. Tolerance to noise is subjective, depending on circumstances and individual sensitivity. Council aims to address noise issues and complaints on their merit, and attempts to resolve situations through ensuring that all reasonable and feasible measures to control the noise are considered.

Council has identified air-conditioning (AC) units as a noise issue which commonly causes a nuisance in residential areas. As they are often approved in concept as part of the BASIX assessment for new dwellings, their exact location is often not identified on plans. The units are then located in positions where they cause a nuisance to the adjoining residents.

To try to reduce the incidence of ACs causing a nuisance, Council has developed a new condition of development consent requiring the AC units of new dwelling houses to be located a minimum of three metres from the property boundary or alternatively the applicant is required to submit a report from an acoustic engineer confirming that the unit does not create noise greater than five dBA above background levels at night. It is envisaged that this condition will reduce the number of complaints about new AC units.

Noise complaints have increased significantly from 276 in 2006/07 to 537. Council received 211 general noise complaints, 326 complaints about barking dogs and 20 complaints about aircraft noise.

### 3.11 Bushfire hazard

s428(2)(i1)

A number of strategies were implemented in 2007/08 to minimise damage from bushfires. These include:

- 641 permits to burn issued to residents within the shire to facilitate preparing homes for bushfire events by reducing the amount of fallen vegetation on private property.
- 17 specific sites treated manually to manage fuel loads along the bushland/urban interface (1ha).
- 6km of fire trails maintained for fire fighting access through slashing works.
- 300m of fire trail upgraded and sealed.
- 24 bushfire hazard complaints referred to the NSW Rural Fire Service for assessment.
- 34 hazard reduction certificates issued under the Bushfire Environmental Assessment Code by the NSW Rural Fire Service for residents to undertake prescription burning or clearing activities to facilitate vegetation and fuel management.

- 14 prescription burns undertaken within the Hornsby Ku-ring-gai Bushfire Management Committee area as part of the 2007/08 Fuel Management Programme.
- 165 hectares of land area covered by prescription burns under the aforementioned fuel management programme and manual hazard reduction works.

Pressure to undertake broad area prescription burns continues to increase given continuing challenges posed by climatic and local weather conditions. Manual works are continuing as a result of environmental constraints restricting the prescription burn programme. Investigations into alternative strategies to hazard mitigation activities such as prescription burning are being undertaken such as targeted community education.



### 3.12 Companion animals

Clause 217(1)(f)

Activities relating to enforcing and ensuring compliance with the *Companion Animals Act 1998* and Regulation include:

Action	Status
Pound data report lodged to Department of Local Government	Data report lodged with department in July 2008.
Data relating to dog attacks lodged with department	Data lodged with department during 2007/2008 – Total number lodged: 31
Amount of funding spent on companion animal management and activities	Total amount spent: \$434,673.86
Companion animal community education programmes carried out	<p>Council information sheets provided on microchipping and registration, responsibilities of dog owners, controlling nuisance barking, noise nuisance from barking dogs, cat information and wildlife protection areas.</p> <p>Updated school education session – ‘Dog Safety’ provided as part of programme on local government for Years 3 and 4. The session is an introduction to identifying dog behaviour, how to behave around dogs, what not to do around dogs and how to safely meet and greet a dog that is under effective control with a handler. Students are provided with opportunities to practice ‘meeting’ a dog and scanning for microchips.</p> <p>Promotional visits to pet shops and veterinary surgeries with the provision of information/education packs to be given to new owners.</p> <p>Chip the dog education resources and the Scoop Up the Poop programme included letterbox leaflets, stickers, reward and warning cards. Council branded pooch pouches are provided free of charge.</p>
Strategies in place to promote and assist in the desexing of dogs and cats	<p>Council’s strategies in 2007/08 included:</p> <ul style="list-style-type: none"> <li>• Information sheets</li> <li>• Council’s website information</li> <li>• Encouraging desexing prior to registration – allowing extra time to have animals desexed to enable owner’s to receive the benefit of a reduced registration fee</li> <li>• National Desexing Network participation</li> </ul>
Strategies in place to comply with the requirement under Section 64 to seek alternatives to euthanasia for unclaimed animals	<p>Strategies undertaken by Council Pound Tender – Thornleigh Veterinary Hospital:</p> <ul style="list-style-type: none"> <li>• Thorough investigation using all available data bases to find owner</li> <li>• Contacting animal rescue organisations</li> <li>• Sending animals to welfare organisations</li> </ul>

Continued over →

Action	Status	
Off leash areas provided	<p>Hornsby Shire has five full-time off leash areas for exercising and training dogs. The areas are fully fenced and have waste bins, dog waste bags and water. These areas are:</p> <ul style="list-style-type: none"> <li>• Asquith Park, Rotherwood St, Asquith</li> <li>• Crossroads Reserve, Cnr Turner and Berowra Waters Rds, Berowra Heights</li> <li>• Greenway Park, Shepherds Dr, Cherrybrook</li> <li>• Rofe Park, Galston Rd, Hornsby Heights</li> <li>• Ruddock Park, Eucalyptus Dr, Westleigh.</li> </ul> <p>Two other sites are available. At both these sites dogs must be kept on leashes during organised sport and games.</p> <ul style="list-style-type: none"> <li>• Epping Oval, Norfolk Rd, Epping (penalties apply for dogs running onto turf wicket square)</li> <li>• Woods St Reserve, Woods St, North Epping</li> </ul>	
Use of Companion Animals Fund money	Salary and Wages	\$215,810.56
	Other Employee Expenses	\$1,571.10
	Materials and Equipment	\$9,019.47
	Legal Expenses	\$750.00
	Pound Contract Expenses	\$155,338.94
	Internal Corporate Costs	\$52,183.79
	-----	-----
	TOTAL EXPENDITURE:	\$434,673.86





## PART 4

# Our community

HORNSBY SHIRE COUNCIL **ANNUAL REPORT AND SUSTAINABILITY REPORT** 2007-2008

# Our community

## 4.1 Children

Hornsby Shire Council provides care for children under the age of six years and not yet attending school at five Commonwealth Accredited long day care centres. Council's five childcare centres offer a total of 208 childcare places. The centres are licensed by the NSW Department of Community Services and funded predominantly by parent fees, and in part by the NSW Department of Community Services. Users of Council centres are eligible for the Childcare Benefit. In 2007/08 the occupancy for Council's childcare centres was 96%. The Long Day Care Centres are licensed for 40 children per day aged 0-5 years and are open Monday to Friday (except Public Holidays) for 51 weeks of the year. The Early Childhood Education Centre (Somerville Park) at Eastwood provides 46 long day care places and 6 sessional care places per day. The centre also provides an early intervention programme for children with additional needs, consulting rooms for early childhood professionals and a coffee shop.

Council childcare staff hold a range of recognised qualifications and expertise in the area of early childhood education. All staff have current Senior First Aid certificates and regularly update their skills and knowledge by attending specialised in-service training. Qualifications include: Early Childhood Teachers, Mothercraft Nurses, Associate Diplomas, Diplomas in Social Science-Children's Services, Registered Nurses, Childcare Workers, Commercial Cookery Certificates and Safe Food Handling and Preparation Certificates.

Council has received development consent to build a new 72 place multipurpose child and community

facility in Greenway Park, Cherrybrook. The service will support the specific needs of children and families in the Cherrybrook area. Construction of the facility will commence in August 2008.

Council also provides a number of facilities across the shire that are leased by not-for-profit community groups operating childcare services and playgroups. Council subsidises rental for these groups to assist in keeping childcare and playgroups affordable for parents.

## 4.2 Caring for youth

There were 23,270 Hornsby Shire residents aged between 15 and 24 years at the 2006 Census, which represents 14.8% of the total population. Council's Youth Services Team is delivering services and programmes in relation to the Youth Service Strategic Plan 2005 – 2010 which examines and plans for the needs of young people and their families.

Hornsby Shire Council operates a Youth and Family Centre at 17 Muriel Street, Hornsby. The Centre is hired out by a variety of groups that assist young people or who are young people themselves. These groups include the Hornsby Community Drug Action Team (CDAT), an ESL Study Support Group and GALA(H), a same sex attracted young people's social and educative support group.

Council was successful in its application for a Federal Government National Community Crime Prevention Grant and has received funding of \$160,000 for an 18 month project. The project

called 'Including and Involving Young People in Public Malls in the Hornsby Central Business District' aims to modify anti-social behaviour, decrease the incidence of criminal behaviour, and increase the community's usage of Hornsby Mall. The project, which began in October 2007, will involve the installation of appropriate infrastructure and the development of support networks to assist with crime prevention initiatives such as youth art projects, a mall protocol, and providing training for security personnel.

Hornsby Shire Council's Youth Outreach Programme incorporates many facets of direct work with young people and partnership building with local service providers. The Youth Services Team work in local high schools, running a variety of workshops and host a variety of small and large events throughout the shire including National Youth Week. Council also co-convene the Hornsby/Ku-ring-gai Youth Network, of which over 60 organisations are members. Designs for a Mobile Resources Unit (a youth centre on wheels) have also been developed and upon completion, this vehicle will increase the capacity of the Outreach Programme and make it easier to meet the needs of young people who live in the more remote parts of the shire.

A Parent Internet Forum was held in October at the Hornsby RSL Club. Over 150 people attended the forum, with a keynote address from Senator Helen Coonan and the Australian Security Director of MySpace. A number of other industry experts spoke about the impact of rapidly changing information technology on the health and wellbeing of young people.

During the 2007/2008 financial year, Council provided services to over 4,000 young people living, recreating and/or studying in the Hornsby Shire.

## 4.3 Access and Equity

*Section 428(2)(f), Clause 217(1)(d)(i)*

Hornsby Council employs two part time Community Development Officers, in the Access and Equity area, who work to enhance participation in the community by Aboriginal people, people with a disability and people from culturally and linguistically-diverse (CALD) backgrounds. The work plans for the Community Development Officers, Access and Equity, can be found in Council's Social Plan 2005-2010.

The Hornsby Access Committee aims to provide a barrier-free environment in the Hornsby Shire for all people, especially those with a disability or mobility limitations, and their carers, friends and families. The committee's objectives are to:

- Promote access to services and facilities for all people.
- Promote access awareness to Council and its staff.
- Provide a forum through which residents of Hornsby Shire may raise problems, issues and concerns with respect to access.
- Promote public awareness of access issues.
- Identify actions that Council can take to improve access.
- Monitor Council's policies, decisions and actions in relation to access principles.

The Access Committee presents an annual Access Award to individuals, groups, or businesses that have made outstanding achievements in making services in the community more accessible.

## 4.4 Multiculturalism

*Section 428(2)(f)*

Hornsby Shire Council's diverse community reinforces the need for Council to ensure that accessible and appropriate support services are provided for residents from culturally and linguistically-diverse backgrounds.

In 1986 the number of residents in Hornsby born in non-English speaking countries was 11,368. At the time of the 2001 Census this figure had increased to 34,358 people. Persons born in non-English speaking countries accounted for 80.5% of population growth in the shire during the 15 years 1986 through to 2001.

In the 2006 Census, 36.5% of people residing in Hornsby Shire stated that they were born overseas. Approximately 22.5% of residents were born overseas in a non-English speaking country. The 2006 Census indicated that nearly 24% of residents in the shire speak a language other than English at home with 8.9% speaking Chinese and 2.1% in Korean.

People from culturally and linguistically-diverse backgrounds were included in the development of Hornsby Shire Council's Social Plan 2005-2010 in accordance with the *Local Government (General) Amendment (Community and Social Plans) Regulation 1998*. This plan is reviewed and updated annually.

Council's 2007/2008 Community Donations Programme contributed \$6,000 to local groups and organisations catering for the needs of the diverse population within the shire.

A Harmony Day celebration was held in March at the Pennant Hills Community Centre. Organised by Council, in partnership with MigrantLink and the NSW Police Force, the event was attended by more than 250 people who enjoyed a diverse array of multicultural entertainment, similar to Council's annual OneWorld event for the community.

## 4.5 Aboriginal and Torres Strait Islanders

In consultation with the Metropolitan Local Aboriginal Land Council, Hornsby Shire Council has developed a comprehensive kit titled 'Aboriginal Sites and Culture in the Hornsby Shire'. Further, Hornsby Shire Council was the first Local Authority in the State to amend its Local Environmental Plan to legislate for protection of Aboriginal Sites and Relics within its boundaries. Traditional land owners are also acknowledged at the commencement of Council's meetings and at all citizenship ceremonies. Council also takes recommendations on Aboriginal cultural and heritage through the Hornsby Aboriginal and Torres Strait Islander Consultative Committee.

Council has established an Aboriginal and Torres Strait Islander Consultative Committee to guide Council in matters of Aboriginal and Torres Strait Islander heritage and culture, and to give indigenous people input into decisions affecting their heritage and culture. Descendants of the Dharug or Guringai People (the traditional owners of the land comprising Hornsby Shire), Aboriginal or Torres Strait Islander people who live, work or have an interest in Hornsby Shire, and other people who have an interest and a demonstrated commitment to the principles of Aboriginal Reconciliation are invited to join this Committee. As a matter of policy, Council refers all matters of Aboriginal and Torres Strait Islander heritage and culture to this committee for advice and/or recommendation.

As part of its anti-bias curriculum, each of Council's five childcare centres include Aboriginal and Torres Strait Islander awareness programmes for staff and the children. Following a joint project by eleven Councils in the northern Sydney region and the Department of Community Services, the second iteration of the Northern Sydney Aboriginal Social Plan was launched in November 2007. After extensive consultation with Aboriginal and Torres Strait Islander people living in the northern Sydney region, service providers and government agencies, the Social Plan has been reviewed.

In April 2005 Hornsby Shire Council was funded by the NSW Department of Community Services to auspice the Aboriginal Child, Youth and Family Strategy as part of the Families NSW Strategy. The Community Facilitator has now been funded until 30 June 2009 to operate across 11 Local Government areas in the northern Sydney region. The objectives of the Community Facilitator's role are to:

- Provide indigenous families, children and youth with opportunities to explore their cultural identity through cultural events.
- Link indigenous families in the northern Sydney region.
- Improve access to mainstream services for Aboriginal families.
- Inform indigenous families of available services and events through community facilitation and consultation.
- Reshape and develop a responsive service network for Aboriginal and Torres Strait Islander children, young people aged 0-18 years and their families.

On 13 February 2008, Council's Community Services branch hosted a public telecast of Prime Minister Kevin Rudd's apology to the Stolen Generations. More than 75 people were in

attendance, including indigenous elders, members of the Hornsby Aboriginal Community Network and representatives from the Hornsby Area Residents for Reconciliation group.

Council also works in partnership with the Hornsby Area Residents for Reconciliation (HARR) to further the spirit of reconciliation in the shire. Together, HARR and Council conducted successful Reconciliation Week events in Hornsby Mall in 2003, 2004, 2005, 2006, 2007 and 2008. Council made a grant available to HARR through the 2007/2008 Community Donations Programme and has also contributed financially to a National Schools Competition as part of the NAIDOC Week Celebrations conducted by Koori Kids.

In April, the Hornsby Aboriginal Community Network received notification from the Office of the Registrar of the Aboriginal and Torres Strait Islander Corporations that it had been approved as an Incorporated Aboriginal Organisation under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*. The network has begun to research accommodation options available to them within the Hornsby central business district.



## 4.6 Over 55 services

The Australian Bureau of Statistics 2006 Census showed there are 37,012 people aged over 55 years in the Hornsby Local Government Area, 25% of the total population, which represents an increase of 2% from the 2001 Census. Council employs a Coordinator of Over 55 Services, a part time Resource Officer, a part time Leisure and Learning Centre Officer and a casual Seniors Week officer to work with this large population. The Over 55 Services Team addressed a range of issues associated with the increasing ageing population including promoting healthy positive ageing and upgrading facilities used by older people who live, work and study in the shire.

The Strategic Plan for Older People (55+) 2005 – 2010 which was developed in 2004 is now being implemented. A range of well-attended seminars were run in 2007-2008 covering a variety of topics of significance to this group. Five Council-owned Leisure and Learning Centres (50+) are available for hire by groups who promote healthy lifestyle programmes to more active older people. The centres have been well utilised with favourite programmes being reported as tai chi and craft.

In partnership with seven local Councils in the northern Sydney area, Council has printed a third edition of an information book entitled '*Seniors and Aged Care Guide 2008*' which covers the North Shore and Northern District areas. Over 40,000 copies have been widely distributed to people throughout the area and the resource is also available on Council's website.

The Hornsby Shire Senior's Advisory Committee continues to do outstanding work and in April launched their official website. Council's Over 55 Services Team works very closely with this committee to promote positive ageing in the community and to plan for the needs of the shire's ageing population. The committee includes membership from organisations such as Probus, University of Third Age, Hornsby Ku-ring-gai Community College, the Indian Seniors Group and Legacy – all of whom bring a wealth of knowledge, skills, energy and commitment to working on issues for older people. This committee has developed their own action plan that mirrors Council's Strategic Plan for Older People and, with Council support, publishes a quarterly newsletter called *Mature Matters* in addition to running workshops for older people in the Hornsby Shire.



The Over 55 Services Team, in partnership with the Hornsby Community Drug Action Team and the Hornsby Shire Seniors Advisory Committee, received funding from the Alcohol Education and Rehabilitation Foundation (AERF) to produce an interactive DVD highlighting the dangers of people over 55 consuming alcohol in association with prescription and over the counter medication. This DVD entitled *Message in a Bottle* was launched in April and will be used as a professional development tool for medical practitioners and health professionals in the public health sector.

Council supports the Hornsby Ku-ring-gai Home Modification and Maintenance Services and employs a Team Leader, Builder and Administration Assistant. The purpose of the service is to enable the elderly or those with disabilities to remain comfortably in their own homes by modifying their surroundings according to their specific needs. Over the last 12 months the service completed 800 works for clients in the Hornsby and Ku-ring-gai areas. The service also successfully completed the Department of Ageing Disability and Home Care Integrative Monitoring Framework in 2007.

Hornsby Shire Council's Over 55 Services Team coordinated Seniors Week 2008. This involved the support and coordination of a shire-wide Seniors Week Festival that was held over a month to spread out the large range of Council and community events. Approximately 45 events were run by 33 organisations across the shire. Over 2,000 people attended the events, which included the annual Mayor's Gala Concert and the launch of the DVD *Message in a Bottle*.

#### 4.7 Working with our community - key results for 2007/08

- Council donated \$65,000 to support community groups and shire-based organisations and provided subsidised property rental of more than \$500,000 to locally-based, non-profit organisations.
- Council subsidised \$26,844 in foregone rental within the Community Centres and Halls Network with an additional \$8,000 provided as a subsidy through the Casual Hirers Policy.
- A Parent Internet Forum was held at Hornsby RSL Club where over 150 people attended. Keynote speakers included Helen Coonan and the Australian Security Director of MySpace, who spoke about the impact of rapidly changing information technology on the health and wellbeing of young people today.
- A grant of \$160,000 from the Federal Attorney General's Department's National Crime Prevention Programme is being utilised via the *Including and Involving Young People in Public Malls* project.
- Community Services Branch Manager Coralie Nichols, who has since left council, was voted 2007 National Diversity Champion at the Diversity @ Work Awards.
- On 13 February 2008, Council hosted a public telecast of Prime Minister Kevin Rudd's Apology to the Stolen Generation. More than 75 people were in attendance, including Indigenous Elders, members of the Hornsby Aboriginal Community Network and representatives from the Hornsby Area Residents for Reconciliation group.

- Hornsby Woodworking Men's Shed received a NSW Seniors Week 2008 Achievement Award for outstanding contribution to Hornsby Shire in the Community Service and Volunteering category.
- A Harmony Day celebration was held in March at Pennant Hills Community Centre. Organised by Council, with MigrantLink and the NSW Police Force, more than 250 people attended and enjoyed a diverse array of multicultural entertainment.
- In April, the Hornsby Aboriginal Community Network received notification from the Office of the Registrar of the Aboriginal and Torres Strait Islander Corporations that they had been approved as an Incorporated Aboriginal Organisation under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*.
- A grant of \$23,000 from the Alcohol Education and Research Foundation and the NSW Department of Health was utilised by the Hornsby Seniors Advisory Committee and the Hornsby Community Drug Action Team to produce an educational DVD entitled *Message in a Bottle* which was officially launched in April during the Seniors Week Festival.



Hornsby Woodworking Men's Shed



## PART 5

# Our economy

HORNSBY SHIRE COUNCIL **ANNUAL REPORT AND SUSTAINABILITY REPORT** 2007-2008

# Our economy

Hornsby Shire Council, as an organisation, has a large economic impact on the shire as an employer, procurer and a user of goods and services. Council is a major employer in the area providing more than 900 jobs in a mix of permanent, part time and casual roles. Staff are located at various centres around the shire including in Hornsby town centre, Thornleigh depot site, the libraries and childcare centres, as well as swimming pools and community centres. Local jobs, including Council jobs, have a direct economic impact by keeping pay packets in the area, thereby stimulating expenditure and profitability for other businesses in the shire.

Council directly and indirectly provides and supports festivals and events in the shire, and these play a role in local tourism by attracting income to the area. Visitor spending on food and entertainment while in the shire has flow-on effects on employment and the supply of goods.

Land use planning has an economic impact both in terms of how the land can be used and how our suburbs are shaped. While the impacts are often long-term, this affects housing affordability, jobs and the viability of our town centres.

The Australian Bureau of Statistics data below shows that government administration in Hornsby Shire, of which Hornsby Shire Council is a major component, had a total output of over \$189 million in 2006. Other government administrations included in this figure are State Government roles such as police, teachers, health and justice.

## 5.1 Economic development

In 2007 Council established an Employment and Economic Development Taskforce to provide strategic direction, guidance and coordination for all activities relating to economic development. One of the first tasks of the group was to prioritise the key strategic actions in the Economic Development Strategy and implement those actions.

Quarterly business forums have been held with various businesses and industry groups. One such event launched the Hornsby Business Energy Savings programme, Stage 2 of the Sustainable Business Strategy. Council has a target of 200 businesses participating in the programme by 2009.

Council has acquired community profiles, community atlases, and population projections/forecasts which are accessible via Council's website. This useful data set provides comparative information between census periods and across suburbs within the shire.

Work has continued in partnership with the Department of Environment and Climate Change in implementing the Sustainability Advantage Programme. Modules delivered to date include: Vision, Commitment and Planning; as well as Resource Efficiency. Key outcomes have included increased awareness of energy consumption, business planning, and green marketing as a competitive advantage.

Council was instrumental in establishing effective strategic alliances across LGA boundaries within the region. This has fostered renewed interest in

regional tourism and is now being driven by industry operators. Hornsby Shire Council continues to maintain a strategic working relationship with other councils and Tourism NSW.

## 5.2 Development contributions

Council raises revenue by way of development contributions which are charged on new developments to assist in the provision of the additional services and facilities required by the new population.

Council estimated collection of development contributions in 2007/08 was \$1.5 million based on the prevailing downward trend in the development industry and previous income receipts. The actual income from development contributions in 2007/08 was \$1,761,613 which was \$261,613 in excess of expectations.

Development contribution funds must be used to provide new services and facilities or improve existing services. In 2007/08 over \$5.816 million of development contributions were expended on capital works. Some of the projects funded by development contributions included:

- Improvements to the Hornsby CBD streetscapes.
- Upgrading of various ovals and reserves.
- Construction of the rural sports facility at Galston.
- Improvements to Fagan Park.
- Books for library services.
- Augmentation of the Cherrybrook Community Centre.

## 5.3 The Housing Strategy

Council is currently preparing a Housing Strategy which aims to identify areas suitable for the provision of additional housing to meet its housing obligations into the future.

To facilitate the State Government's Metropolitan Strategy for the North Subregion (Hornsby Shire and Ku-ring-gai Councils), Council is responsible for providing 11,000 new dwellings over 25 years. In selecting suitable areas for consideration, Council adopted a process of investigation including consideration of all lands within Hornsby Shire based on agreed criteria, including proximity to commercial centres and transport nodes, economic feasibility, existing dwelling mix, and the absence of environmental constraints. Council engaged consultants in the areas of urban design, economic feasibility, traffic modelling, and environmental analysis to assist with the preparation of the Housing Strategy, which is expected to be placed on public exhibition in early 2009.



## 5.4 Ku-ring-gai and Hornsby Subregional Employment Study

In 2007/08 Council commissioned a study of local land strategies to identify opportunities to meet the State Government employment targets for the region and describe the potential for economic growth to complement population growth. The study assessed both the supply side of the region's employment lands and the demand side needed to meet the State Government target of 13,500 new jobs in the Ku-ring-gai and Hornsby local government areas by 2031, with Hornsby town centre expected to accommodate 3,000 of those new jobs.

The primary recommendations of the study are:

- Reinforce Hornsby Town Centre's role as the major town centre.
- Strengthen the role of Epping as a town centre.
- Strengthen the local service role of villages, small villages and neighbourhood centres
- Protect and promote existing strategic industrial and employment centres.

The study is expected to be placed on public exhibition for comment by the end of 2008.



Hornsby Mall



## PART 6

# Governance

HORNSBY SHIRE COUNCIL **ANNUAL REPORT AND SUSTAINABILITY REPORT** 2007-2008

# Governance

## 6.1 Hornsby as a workplace

Hornsby Shire Council is a major employer in the area providing more than 900 jobs in a mix of permanent, part time and casual roles. The workforce gender balance is 53% male and 47% female, and the average age is 44 years.

Women are under-represented at management level, with 75% of management role being filled by males and 25% by females. Council prides itself on providing a flexible and productive workplace, and an employee opinion survey undertaken in November 2007 confirmed that Council employees value the fair and attractive work conditions offered by the organisation.

The survey also indicated that employees want better communication within and across the organisation. Council is developing an HR Strategic Plan which takes account of the results of the employee survey and prepares the organisation for its future workforce needs.

A new human resources management system was implemented early in 2006 and over the past two years its data shows staff turnover to be 14%. This is approximately 2% above the industry benchmark (median Public Sector rate reported in Inform HR survey 2008), which is not considered an unreasonable level. Staff turnover is an important indicator of cultural health in an organisational and we will continue to measure and report this data each year.

In 2007/08 the Learning and Development team conducted 146 internal training events with 1,691 participants attending. Council also offers external training and in 2007/08 301 staff undertook training from an external provider.

## 6.2 Occupational Health and Safety

Council's Occupational Health and Safety (OH&S) team continue to strive towards continual improvement of Council's OH&S Management System with ongoing development and implementation of various OH&S determinations, procedures and programmes. In addition, improved reporting tools were implemented within this period enabling better review and monitoring of OH&S performance. Claims for workers compensation reduced by 46% in comparison to the 2006/2007 year. All claims were processed within 48 hours of lodgement and 98% of all 'return to work' plans were completed and implemented within 24 hours of an employee returning to work following an occupational injury/illness.

## 6.3 Equal Employment Opportunity

*Section 428(2)(n)*

The Equal Employment Opportunity (EEO) committee was reactivated in 2007/08. Its primary task was to review the constitution and content of the EEO Committee and the EEO Management Plan and implement actions identified in the Management Plan. In 2007/08 Council's recruitment and selection processes were reviewed to ensure EEO compliance. Another key focus was on highlighting the value of diversity in the workplace and ensuring all staff are aware of the requirement to comply with the anti-discrimination legislation.

In 2007/08 Council joined the Australian Employers Network on disability because Council is committed to the inclusion of people with disability in employment.

Work experience was supported by the placement of four work experience students from TAFE and local high schools in Council's libraries. Another six work experience students have been accommodated in the administration area, the Environment Division, Corporate Strategy and Council's works area. Council was recognised for its support for the vocational education of local high school students by the Hills Schools Industry Partnership programme.

## 6.4 Fraud and corruption prevention

Council has a Fraud and Corruption Prevention Strategy and an internal audit function to undertake risk analysis and instigate processes to prevent fraud and corruption. The work of the internal audit service is reported to Council biannually, and the report for 2007/08 titled 'Review of Internal Audit Plan 2007/08' can be viewed online at [www.hornsby.nsw.gov.au](http://www.hornsby.nsw.gov.au)

## 6.5 Catchments Remediation Rate and Hornsby Quarry Loan Rate

### Catchments Remediation Rate

The Catchments Remediation Rate (CRR) is levied at five percent of Council's ordinary rate income on properties throughout the shire. All modified catchments impact on water quality and benefit from the environmental and water quality improvements, in terms of improved quality of life for ratepayers. In 2007/08, income received from the CRR special rate was \$2.47 million.

The Catchments Remediation Programme for 2006/07 identified locations across the shire where water quality improvement structures and devices were to be constructed and installed. In 2007/08, 16 catchment remediation capital works projects were completed at a total cost of \$957,000. These works involved the construction and/or installation of 11 sediment basins, four end-of-pipe gross pollutant traps, eight stream remediation projects, one bioremediation basin and six stormwater gardens.

The programme also supports a number of pollution prevention initiatives such as environmental education, industrial auditing, street sweeping, emergency spill response, and pollution regulation. In addition to the pollution treatment and prevention initiatives, the CRR funds ongoing works associated with the maintenance and monitoring of these assets and the receiving waterways. In 2007/08 the total cost to Council to maintain its water quality assets and adjacent landscaped areas was \$354,000 with 1,600 tonnes of sediment, litter and organic matter being removed from the shire's drainage system and waterways.

## Hornsby Quarry Loan Rate

In 2002, Council was required under the Hornsby Local Environmental Plan, prepared in accordance with the *Environmental Planning and Assessment Act 1979*, to acquire the Hornsby Quarry site. The amount of compensation was determined to be approximately \$25 million, in accordance with notice given under the *Land Acquisition (Just Term Compensation) Act 1991*. Consequently there was a need to borrow the funds to pay for this acquisition plus initial interest paid, and this borrowing took place in early 2004.

In order to fund the repayments, this rate was approved by the Minister for Local Government on 10 June 2005 for a ten year term and is based on an increase to Council's 2004/05 notional general rate income, increased by the annual rate pegging increases (as announced by the Minister for Local Government) commencing 1 July 2005 and continuing until the 2014/15 financial year.

On 14 June 2006 Council resolved to restructure the loan to align the loan term to that of the rate. On 19 June 2006, Council repaid the \$26 million existing loan by drawing down \$19.7 million on the (new) restructured loan and applying \$6.3 million including the part proceeds from the sale of the old George Street Hornsby depot site. Repayments on the new loan include principal and interest.

The balance owing was \$16.839 million at 30 June 2008 and is expected to be approximately \$15.169 million at 30 June 2009.

## 6.6 Hornsby Shire Council's approach to Triple Bottom Line

Underpinning Hornsby Shire Council's strategic planning is a framework that integrates service planning and decision-making based on the principles of the triple bottom line (TBL) with alignment to Council's strategic themes of:

- Conserving our natural environment
- Contributing to community development through sustainable facilities and services
- Fulfilling our community's vision in planning for the future of the shire
- Working with our community
- Supporting our diverse economy
- Maintaining sound corporate and financial management

Each theme addresses aspects of TBL and has performance indicators to demonstrate progress towards achieving Council's overall aim of 'creating a living environment'. Council adopted its TBL Sustainability Policy in July 2007.

In this way TBL is applied through two integrated 'streams': the decision making process and the reporting process. Council has a TBL decision making tool (the TBL Checklist) that incorporates TBL considerations into the Business Paper system. This approach was comprehensively evaluated by the University of Western Sydney (UWS) during 2005.

The development of reporting mechanisms is the other side of TBL. The evaluation undertaken by UWS identifies that Council has developed a leading reporting culture with significant expertise and investment in sustainability indicators. However, the gap for the Council lies in the development and use of TBL measures that assess the impacts of the organisation itself rather than external conditions and is consolidated in one corporate reporting process.

## 6.7 Statutory write-offs

*Clause 132*

During 2007/08 the following rates and charges were written off under the *Local Government (Rates and Charges) Regulation 1993*:

Pensioner rates	\$1,556,822 (55% recovered from the State Government)
Pensioner rates (Quarry rate)	\$62,294
Non-pensioner rates (postponed)	\$6,376
Interest (postponed)	\$2,411



Hornsby Quarry

## 6.8 Status of 2007/08 actions in Management Plan

Section 428(2)(b)

The annual Management Plan details the activities of Council for that year. This table summarises the status of 2007/08 activities and initiatives as at 30 June 2008.

Strategic theme: Working with our community	
Action	Status
Provide opportunities at Council meetings for the community to participate in decision making.	In 2007/08, 365 people spoke at Council meetings, which equates to more than 18 hours of speaking time.
Undertake community consultations to elicit the views of the 'silent majority'.	Consultations continue via community panels (1,170 registered members) and an online, independently moderated, website.
Review the contents of Council's website.	Project not undertaken, has been deferred to 2008/09.
Develop a calendar of major events and list on website.	A 'What's On' calendar developed and updated biannually. Available on web and hard copy.
Develop a cultural plan for the shire.	Draft cultural plan on public exhibition in June 2008.
Identify opportunities to provide cultural facilities and resources across the existing community centres network and report to Council.	Options reported to Council in September 2007. Project responsibility now with the Community, Cultural and Recreation Facilities Taskforce.
Undertake, in partnership with Community Drug Action Team, the <i>Message in a Bottle</i> project with Alcohol Education Research funding.	Filming and post production completed. Resource launched in April and now widely distributed.
Enhance the Social Plan 2005-2010 to include services/support for children aged six to 12 years and their families.	Draft completed. Awaiting NSW Government information about the proposed initiatives in their Northern Sydney Plan.
Enhance the Social Plan 2005-2010 to include a chapter pertaining to Community Centres and Halls Strategic Planning.	Project underway and progressing according to schedule.
Commence, with the assistance of an internal working party, community consultations to consider the provision and funding of a community hall in Brooklyn.	Community consultations completed and way forward resolved as per CC78/07.
Continue to road-show significant issues in the rural areas.	Community Fun Day held in Galston in May 2008.
Expand Council's calendar of events and develop a five-year forward plan of events.	Community surveyed to elicit types of events desired. Survey information being reviewed to inform forward plan.
Purchase, using Section 94 funds, a vehicle to road show youth programmes in urban, rural and remote locations.	Vehicle purchase deferred to 2008/09.
Use the grant from the Federal Attorney-General's Department, under the National Community Crime Prevention Programme, to implement the <i>Including and Involving Young People in Public Malls</i> project.	Project implemented as per funding guidelines.

Continued over →

## Strategic theme: Working with our community

Action	Status
Commence a comparative study of information technology services in libraries.	Project delayed due to workload in the libraries systems area.
Complete the review of the Home Library Service.	Underway. Users of the service surveyed to ascertain usage needs and patterns. This data will be part of the review.
Review and update the Library Strategic Plan.	Deferred until 2008/09.
Investigate establishing a 'Friends of the Library' group.	Book groups are being extended to include Berowra and Galston Libraries.
Assist community groups to locate and apply for grants to fund their aspirations.	Uptake of this service has been modest despite shire-wide advertising. In 2007/08 47 community groups contacted, 7 funding applications submitted with 2 being awarded and the remainder not known or unsuccessful.
Conduct four open forums for community members to raise issues with Councillors.	Five open forums held in 2007/08. Forum outcomes reported at the Council meeting following each forum.
Participate in public policy development and lobbying (regarding the number of people addressing Council at its meetings).	365 people addressed Council at its meetings during the year and 418 people visited the online consultation hosted by Bang the Table.
Ascertain respondent satisfaction with the level of engagement in matters of discussion (target 85% +) or more.	Open Forum in A Ward and Hornsby Quarry Geotechnical Report information session at the RSL: opportunity for involvement = 90% satisfaction and appropriate meeting conduct = 83% satisfaction.
Convene community panels and research topics.	Two panels convened in the June quarter – one about use of Community Centres and Halls, and the other pertaining to the Over 55s service.
Describe community research results.	<p><b>Over 55s:</b> 225 people participated in the survey, with Hornsby being the most popular venue for facilities. The majority of respondents were aged 65 years or less and they favoured a modest activity fee without annual membership. Transport and easy access to facilities was considered important by many respondents.</p> <p><b>Community Centres and Halls:</b> Most respondents think of community centres as places of fun and celebration, linking them to social harmony and participation in community life. Affordability of hire and location were important considerations. Participants overwhelmingly support a two tiered pricing structure with higher fees for corporate customers.</p>
Monitor the number of new subscribers to Council's email information service.	1,400 people subscribe to Council's email information service.
Observe the number of community members participating in Council sustainability activities or related education - target more than 1,500.	Activities include earthwise workshops, solar house day, schools networks, schools presentation, SAC and Hornsby Schools Speech Competition. Sustainability Month - Eco festival (~3500), Business Summit Dinner (50), Hornsby 2020 Forum (150), earthwise at home (270).

## Strategic theme: Conserving our natural environment

Action	Status
Implement initiatives determined by the Bushland Management Advisory Committee.	The committee determined not to implement initiatives this year. Ongoing advice provided to the committee.
Promote the Biodiversity Conservation Strategy and Action Plan.	Top priorities implemented, including noxious weed inspections on private property.
Provide incentives/resources for biodiversity conservation on private property (Target — 40 participants per year).	Rural lands incentives programme continued (45 participants) and an urban lands programme about to commence.
Develop earthwise cottage as a functional workshop space for Council workshops/meetings (Indicator — number of events run from earthwise cottage p.a.).	11 bushcare workshops and 21 community events held at the cottage in 2007/08.
Continue the Gardens for Wildlife Workshop series.	75 workshop participants this year.
Manage Service Level Agreement with the New South Wales Rural Fire Service for the prevention, mitigation and suppression of rural fires.	Service Level Agreement managed as per its terms and conditions.
Develop the Lower Hawkesbury Estuary Management Plan.	Reported to Council for public exhibition.
Develop water conservation and reuse schemes in consultation with Council's Parks service.	Current projects are at Greenway Park and Foxglove Oval.
Progress Hornsby Creek Restoration Strategy.	Business plan completed. Project granted a six month postponement by the EPA.
Continue update of the GIS database for Environment Division.	Updating has continued as requested by the Division.
Implement the Catchments Remediation capital works programme for 2007/08.	The programme has been implemented as per the capital works programme in the Management Plan.
Continue to implement Council's 24-hour environmental emergency response service.	All incidents responded to in a timely manner. Continued to coordinate the Environmental Health and Protection Incident Response Plan.
Maintain the water quality monitoring programme, including recreational water quality.	Monitoring maintained over the critical summer months only.
Continue operation of early warning algal bloom monitoring station.	Monitoring for algal bloom is continuous.
Implement the recommendations from the Sustainable Fleet Management Study.	Fleet sustainability strategy completed. Recommendations reviewed by management and to be implemented in 2008/09.
Continue to implement Council's Sustainable Business Programme and the Sustainable Business Strategy.	11 businesses signed up to the sustainability Advantage Programme. Diagnostics and Action Planning sessions completed.  Deliver the Business Energy Savings Programme and training developed in January 2008. 10 businesses have joined the programme and 79 businesses completed the registration questionnaire.

Continued over →

Strategic theme: Conserving our natural environment	
Action	Status
Continue supporting actions recommended by Council's Sustainability Action Committee (SAC).	The Committee continues to meet regularly. SAC also participated in the OneWorld Festival during November 2007 and supported the Hornsby 2020 talk in April 2008.
Continue to develop, deliver and evaluate the suite of programmes delivered through Hornsby earthwise.	Finalised earthwise at home programme - 112 rebates allocated in total (50 – insulation, 52 – solar hot water, 10 – PV). All workshops have been conducted with good attendance and very positive feedback from residents.
Continue the Waste Education Strategy and Programme.	More than 3,000 people attended waste education workshops throughout the year.
Implement the Energy Performance Contract Stage 2 for water and energy conservation measures to meet greenhouse abatement targets by 2010. Measure and verify savings.	Stage 2 implemented. Monitoring and verification being undertaken by ECS Pty Ltd.
Adopt and deliver green procurement practices within Council.	Council is an active participant in <i>Sustainable Choice</i> an LGSA initiative. Sustainable procurement actions include recycled paper for printing letterhead and business cards, and a recycle programme for mobile phones and toner cartridges.
Implement short and medium term priorities within Sustainable Energy Strategy.	Short and medium term priorities being implemented in accordance with Council's Sustainable Energy Strategy. Actions include the Sustainable Fleet Management Study, Carbon Neutral Feasibility Study and EPC Stage 2.
Contribute to the cost of a replacement vehicle for the local SES.	Vehicle purchased - (Council contributed \$25,000).
Investigate options for street sweeping waste and implement.	Trials of composting the material undertaken. Results demonstrate suitability as a landscaping material, however all material is still being sent to landfill due to lack of an available facility to process.
Implement a trial project to collect waste from river settlement properties that currently do not receive a waste collection service.	A study of the properties and issues by Council and an independent consultant concluded the provision of this service to be inappropriate at this time.
Provide at least one e-waste collection weekend.	E-waste collection held February 08, with 22 tonnes of material collected.
Develop a waste education programme with a focus on climate change.	Not commenced. Changed emphasis to correct recycling methods and contamination problems. Waste audit results highlight need to focus on steel cans and aerosols.
Seek funding to implement public place and public event recycling programmes.	No appropriate funding sourced.
Use Sydney Coastal Councils grant to undertake study into climate change and its impact on Council facilities.	Work continues in partnership with CSIRO and Sydney Coastal Councils.

Continued over →

## Strategic theme: Conserving our natural environment

Action	Status
Implement on site sewerage management programme in Brooklyn and Dangar Island.	Onsite Sewage Management Strategy and Greywater Policy adopted by Council. Connections commenced to the Brooklyn and Dangar Island Sewerage Scheme, and over 250 properties connected to date. Inspections being undertaken of decommissioned systems.
Construct new headquarters for Rural Fire Service at Berowra Toll Gates.	Development application approved. Construction to commence in 08/09.
Develop Council's Sustainability Strategy, in consultation with key community stakeholders, to provide a forward-looking framework for Council's decision-making and activities.	Consultation undertaken with Council's Sustainable Action Committee. Second round of community consultation to occur during late 2008.
Implement the Hornsby earthwise at home community greenhouse abatement programme.	All workshops have been conducted with good attendance and very positive feedback from residents. All solar power and insulation rebates have been allocated, 10 solar hot water rebates are still to be allocated.

Continued over →



Strategic theme: Conserving our natural environment	
Action	Status
Performance indicators	
Reduce percentage of water consumption, through Council's initiatives, for own operations - target 20% reduction by 2011 (compared to Council's average annual consumption in the years from 1999 to 2002).	Council has significantly reduced the amount of water used for its own operations by increased efficiencies over recent years. Increasing Council services may however see total consumption escalate in the future. This indicator will be reported in 2011.
Reduce percentage of water consumption, through Council initiatives, with the community - target 18% by 2011.	As the shire's population increases there is a corresponding increase in water consumption. However, individuals and households are becoming much better at conserving water and therefore this target, set in 2004, may still be achievable. This indicator will be reported in 2011.
Manage the percentage of area of bushland (ha) in the active care of Council and the community compared to the total bushland in the shire under Council's management - target 12.2% or more.	10.8% of bushland is in the active care of Council.
Protect/restore habitats – number of bushcare volunteers.	The numbers of bushcare volunteers is increasing with over 820 now participating in the bushcare programme.
Reduce percentage of greenhouse gas, compared to 1995/96 levels, through Council's initiatives for its own operations - target 30% by 2010.	29% reduction on 1995/96 emission levels.
Reduce percentage of greenhouse gas, through Council's initiatives, for the community - target 5% reduction on 1995/96 levels by 2010.	4% reduction on 1995/96 emission levels.
Manage percentage of domestic waste material by weight collected by Council going to landfill - target 42% or less.	43.1% to landfill.
Manage tonnes of recycling diverted from landfill - target 18,492 tonnes or more.	22,540 tonnes of recycling diverted.
Manage tonnes of green waste diverted from landfill - target 14,340 or more.	17,632 tonnes of green waste diverted.
Manage the percentage of monitored healthy waterways in the shire - target 50%.	Council monitors representative creeks across the shire. This target aims for half of the shire's waterways to be classified as healthy. 50% of monitored waterways rated as healthy.
Manage the number of programmes implemented in progression to sustainable corporate governance - target 30 programmes.	Programmes: Sustainable Business Energy Savings, Sustainability Advantage, earthwise at home, onsite sewage management inspection, EPC and CCP Adaptation. Studies: Green Procurement and Fleet Management and Carbon Neutral Feasibility.
Inspect properties for declared noxious weeds.	810 properties inspected for noxious weeds, and 90% complied with Noxious Weeds Act. The remaining 10% actively followed up for compliance.

**Strategic theme:**  
**Contributing to community development through sustainable facilities and services**

Action	Status
Determine priorities and undertake asset improvements at community centres.	Asset maintenance programme for 2007/08 completed at all community centres.
Prepare a new Section 94 Plan including review and amalgamation of previous plans.	New Section 94 Plan and policy on Planning Agreements adopted by Council October 2007.
Adopt the Strategic Financial Plan, including the place of borrowings as a mechanism for funding the asset management plan.	An additional \$1 million borrowed to fund asset maintenance in 2007/08.
Continue the young people outreach programme.	45 organisations participate in the Youth Network and 14 groups use the youth facility.
Continue the enhancements to the Over 55s services.	<i>Mature Matters</i> newsletter produced five times this year, workshop on positive ageing held, Senior's Advisory Committee supported and Seniors Festival held.
Continue the works to upgrade the Cherrybrook Community Centre to a multi-purpose facility to be used by a wide range of people and include a childcare facility.	Tender for building work offered and accepted. Works to commence July 2008.
Implement works within Crosslands Reserve Masterplan.	Works under Council's control completed.
Continue implementing the Hornsby Mall Strategic Plan.	One key action finalised during the June quarter. Other key actions to be implemented on an ongoing basis during 2008/09.
Review the Hornsby Mall Code and Outdoor Seating Code and align with the Hornsby Mall Strategic Management Plan.	Undertaken in line with the relevant 12 Operational Plans associated with the Hornsby Mall Strategic Management Plan.
Benchmark the operation of Hornsby Mall against other Local Government-operated malls	Ongoing.
Investigate establishing protocols for private property owners who wish to establish and maintain fuel breaks and report to Council.	Financial impacts being investigated at Councils with similar programmes.
Implement a bushfire hazard risk management programme after adoption of Council's prescribed burn proposal by the Hornsby Ku-ring-Gai Bushfire Management Committee.	Ongoing. Fire Unit Strategy being implemented.
Oversee the progress of the Berowra Aquatic Centre.	Further options being explored. Report to Council WK51/08 August 2008.
Continue the refurbishment of the Hornsby Aquatic Centre including asset improvements.	Asset maintenance and improvement programme for 2007/08 completed.
Implement asset improvements at Galston and Epping Aquatic Centres.	Asset maintenance and improvement programme for 2007/08 completed.
Identify efficiency gains in park maintenance.	Substantial efficiency gains have been made in the Parks Service Unit over recent years. Little further progress was possible in 2007/08 without sacrificing service delivery.

Continued over →

**Strategic theme:**  
**Contributing to community development through sustainable facilities and services**

Action	Status
Progress proactive street tree management subject to available funds.	No funds available to progress this initiative, currently being absorbed in part by existing resources.
Finalise construction of Stages 1 and 2 of the Rural Sports Facility, Galston.	Civil works completed and building works progressed substantially.
Progress the design of a sportsground on a school oval in accordance with the Sports Facility Strategy.	Schools agreement finalised and awaiting signature. Sketch design completed and traffic study, lighting design and acoustic studies commenced.
Finalise the development of an Unstructured Recreation Strategy.	Draft document completed.
Design a shire-wide park at Galston Recreation Reserve including a skate facility.	Skate park commenced. Masterplan design commenced.
Progress implementation of Fagan Park Plan of Management including regional playground.	Ready for opening in August 2008.
Improve the entry to Hornsby Library and install new carpet.	Completed.
Performance indicators	
The number of people supported through the Home Modification and Maintenance Service - target 700 or more. (Home modification aids the elderly or those with a disability to remain comfortably accommodated in their own homes.)	810 people used this service in 2007/08.
The number of young people contacted by Youth Services - target 3,000 or more. (Youth Services provide intervention and support services to a diverse range of young people on a variety of issues.)	4,000 young people contacted and/or supported.
Donations to community, civil society and other groups in terms of cash and in-kind donations	
- Community donations programme - \$64,269	
- Foregone rental and rental subsidies - \$541,198	
- Sports ground subsidies - \$1,883,068	As per report CC76/07 \$2,488,535
Plus	Plus
- Pensioner statutory rebate (45% of \$1,556,821) - \$700,569	Pensioner rebate of \$762,864
- Additional Quarry rebate for pensioners - \$62,295	Total \$3,251,399
The number of community group grant applications assisted - information indicator, no target.	47 groups have registered with the service. Six funding applications submitted and awaiting outcome. 11 applicants currently being assisted.

## Strategic theme: Fulfilling our community's vision in planning for the future of the shire

Action	Status
Continue to support the conservation of local heritage through the Heritage Assistance Fund.	Council's support of local heritage acknowledged by being awarded the Keep Australia Beautiful Sustainable Cities Award 2008 for Heritage Conservation.
Implement programmes for Heritage Week.	2007/08 programme implemented including the popular Hawkesbury River boat trip.
Monitor sediment and erosion control by undertaking compliance inspections of new construction sites.	Ongoing.
Complete the Open Space Land Acquisition Review.	Completed.
Complete the River Settlements Controls Review.	Completed.
Complete the Development Control Plans Review for Recreation Controls.	Underway.
Progress the formulation of Council's Housing Strategy.	Draft Housing Strategy endorsed by steering committee. For consideration by new Council.
Work with Councillors to minimise litigation associated with planning decisions.	2007/08 legal expenses class 1 appeals = \$713,877. 2006/07 legal expenses class 1 appeals = \$756,006.
Continue to progress options for the Hornsby Quarry site, having regard to the findings of the geotechnical study.	Community consultations continue via focus groups, public meetings and online consultations.
Complete the Hornsby Quarry and Environs Local Environmental Plan and Development Control Plan.	Draft LEP and DCP deferred for further community consultation and the expressions of interest process for use of the site.
Undertake water management and site monitoring at the Hornsby Quarry site.	Ongoing.
Undertake the local road improvements programme as per the three year rolling programme.	Improvements completed according to adopted programme.
Undertake the footpath reconstruction and improvement programme as per the three year rolling programme, including the upgrade/construction of 50 footpath access ramps.	Improvements completed according to adopted programme.
Implement the strategy for sealing unsealed roads (Year 2 of 9).	Works programme completed according to revised schedule.
Undertake a review of parking at Brooklyn and Oxford Street, Epping.	Brooklyn – currently monitoring existing arrangements Epping – scheme prepared but deferred because of railway works.
Develop mid week morning and Saturday peak traffic models for Hornsby CBD.	On hold pending Housing Strategy modelling.

Continued over →

**Strategic theme: Fulfilling our community's vision in planning for the future of the shire**

Action	Status
Review options for metered parking at appropriate locations in the shire.	A policy being prepared for the Hornsby town centre which may be portable to other centres.
Undertake a review of equitable access to transport modes.	Not yet commenced. Will be progressed with recommendations of the Integrated Land Use Transport Strategy.
Prepare Development Control Plan amendments to implement the findings of the Childcare Centres Review.	Draft DCP amendments prepared for presentation to Council in September 2008.
Connect sewer for Council properties at Brooklyn and Dangar Island.	Council properties connected as per schedule.
Undertake a strategic review of Council's properties in the Hornsby Town Centre.	Deferred for consideration until after September 2008.
Prepare Local Environmental Plan and Development Control Plan amendments to implement Heritage Review Stage 3 and undertake Heritage Review Stage 4.	Review stage 3 completed. Review stage 4 consultant's report exhibited.
Performance indicators	
The net area of bushland on private land and agricultural land lost to development - target no net loss of bushland.	0.3 hectares of land lost to development.
The percentage of planning projects completed on time and within budget - target 90%.	90% of projects completed on time and within budget.
The number of service requests relating to health, building and planning matters that are investigated - target 1,200 pa.	1,433 complaints were received and investigated.
The number of aboriginal sites identified for conservation - information indicator, no target. (As at 2006, 235 sites had been identified).	Bar Island Aboriginal and European heritage conservation project stage 1 completed. Metropolitan Local Aboriginal Land Council undertook the Aboriginal site survey and the path was upgraded to minimise erosion of the Aboriginal midden. 235 aboriginal sites identified.
The number of heritage items and conservation areas protected in the shire - information indicator, no target. (In 2006, 814 heritage items and 5 conservation areas protected).	814 heritage items and 5 heritage conservation areas: Beecroft/Cheltenham, Barker College area, Hornsby West Side, The Crescent Pennant Hills, and Wahroonga.

## Strategic theme: Supporting our diverse economy

Action	Status
Investigate alternate sustainable funding sources for local economic and business development.	Potential funding sources reviewed but unable to fit criteria.
Complete the Tourism Review Local Environmental Plan (LEP).	In preparation as part of Council's comprehensive LEP and annual LEP amendments 2008.
Complete the Tourism Review Development Control Plan (DCP).	See above comment.
Commence the preparation of Council's comprehensive Local Environmental Plan as part of the Metropolitan Strategy.	In preparation.
Establish regular business forums in the shire.	Two meeting of 'Captains Table' held.
Provide access to an online comprehensive regional profile of the shire.	Community profile and atlas updated on web site. Economic modelling software purchased.
Support the Hornsby and District Chamber of Commerce in developing a business directory of the shire.	Additional business directory software purchased to complement that used by the Chamber of Commerce.
Implement the actions in the Economic Development Strategy Action Plan.	Employment and Economic Development Taskforce established and a 12 – 18 month work programme and funding approved.
Complete Town Centre Masterplans for the Berowra Commercial Centre, Pennant Hills Commercial Centre and Carlingford Commercial Centre.	Deferred by Council report April 2006.
Complete the Outdoor Advertising Review.	60% completed as at June 2008.
Complete the Galston Village Masterplan Development Control Plan amendments.	Not yet completed. Council to convene a meeting of the Working Party to discuss the Masterplan.
Review the future of the Hornsby Library site and develop a concept plan.	Consideration of this site and other sites deferred until after September 2008.
Develop a development strategy for Council's four strategic property holdings in the Hornsby CBD.	Consideration of these sites deferred until after September 2008.
Investigate the interest in improving some Council lands to support economic development.	Major investment houses contacted; little interest at this stage in market cycle.
Initiate an interdivisional taskforce to develop a Strategic Development Plan for the West Precinct.	Interdivisional taskforce working on planning for the precinct.
Investigate capital works funding for building extensions to the CWA building to facilitate expansion of visitor information services.	No budget capacity at this stage. Traffic management issues would need resolving before proceeding.

Continued over →

## Strategic theme: Supporting our diverse economy

### Action

### Status

#### Performance indicators

Unemployment rates compared to same time previous year  
- source: Small Area Labour Market Smooth Series, Dept of Employment and Workplace Relations - target less than same time previous year.

June 2007 Hornsby unemployment rate = 3%.

June 2008 Hornsby unemployment rate = 2.6%.

The median processing times for category one and category two development applications - target category one 60 days, category two 40 days.

Category One = 43 days.

Category Two = 53 days.

The amount of Section 94 development contributions collected in the quarter compared to the amount estimated to be collected - target \$1.5 million p.a.

\$1,761,613 ( \$261,613 better than estimated).

The number of businesses participating annually in Council's Sustainable Business Programme - information indicator, no target.

11 businesses in the Sustainability Advantage Programme and 10 businesses in the Energy Savings Business Programme.

The percentage of the population who live and work in the shire - target 27% or more.

The 2006 ABS journey to work statistics demonstrate that 50.5% (20,902) workers live and work in the shire.



Local food operator



Cameron's Nursery Arcadia

### Strategic theme: Maintaining sound corporate and financial management

Action	Status
Encourage objective community debate by providing balanced information in an open and consistent manner.	Ongoing.
Maintain the viability of the development assessment business unit.	The Planning Division achieved a surplus of \$15K during the financial year due to restrained labour costs and reduced legal expenses. Revenue is declining with increased interest rates which have frustrated development activity.
Prepare annual report to Council on the Mt Ku-ring-gai Materials Handling Facility.	Annual report (WK13/08) presented to Council in March 2008.
Review the Federal WorkChoice legislation's implications for Council's workforce.	Ongoing. Awaiting details of new Labor Government's industrial relations legislation change and impact on Local Government.
Develop a Human Resources Strategic Plan that takes a longer term view of Council's future workforce needs.	Organisational wide staff focus groups run in February/ March 08. Draft Strategy developed in May 2008.
Review the corporate induction programme.	Corporate induction is continually reviewed to meet the needs of new staff and statutory and regulatory requirements.
Continue implementing a management and supervisors' development programme.	Stage 1 completed. Proposal with Executive Managers to extend and improve course content.
Investigate the use of e-learning as one of Council's training tools.	E-learning licence has been renewed and e-workshops will commence in late 2008.
Implement the five-year Strategic Financial Plan.	Components of the Strategic Financial Plan included in the 2008/09 Management Plan.
Implement the Councils Online (COL) asset management module.	Module not yet implemented.
Undertake a review of the local government ward boundaries within the shire.	Review completed, proposed boundaries adopted by Council November 2007.
Coordinate and assist in the 2008 Local Government elections.	Council is liaising with the NSW Electoral Commission.
Review the currency of the counter disaster plan for records.	Counter disaster plan reviewed. To be signed off by Council's Risk Manager.
Finalise development and implementation of Council's new electronic business paper system as part of the Councils Online project.	Training on new electronic business paper system underway. System to commence in October 2008.
Expand knowledge and use of green procurement within Council.	Cross divisional team working on expanding green procurement. A recycled product expo held to showcase outdoor furniture etc.
Introduce electronic tendering and evaluation software.	Electronic tendering documents are to be available on Council's web site. Proposal submitted and approved in principle by executive management.

Continued over →

### Strategic theme: Maintaining sound corporate and financial management

Action	Status
Continue to implement the Global Reporting Initiative (GRI) for organisational sustainability reporting.	GRI used as basis for Council's first Annual Sustainability Report. Also continued use of GRI in Council's Management Plan.
Review the processes associated with requests from the public for access to Council information.	Processes reviewed in March 08. Additional staff (part time) employed to assist this service.
Review Council's internet and intranet sites.	Project not undertaken, has been deferred until 2008/09.
Review and renegotiate expired lease/licence agreements of properties occupied by community groups in line with the adopted Code for Lease/Licence of Council Land and Buildings to Community Groups.	Specimen application form prepared. Specimen draft leases currently being formulated. Application forms sent to community groups where the lease/licence has expired.
Performance indicators	
Return on invested funds - target >benchmark compared to relevant financial indices  Note: the interest on Section 94 funds is required to be allocated to those funds.	The 2007/08 overall return was 4.96% (\$1,804,000) compared to benchmark of 6.6%. 46% of this relates to Section 94 funds held by Council.
Percentage of Department of Local Government statutory reporting requirements completed and submitted on time - target 100%.	All statutory reporting completed and lodged on time.
Percentage of telephone calls answered and not abandoned - target 95%.	Council received an average of almost 700 calls per day in the June quarter and 93% were answered and not abandoned.
Description of policy and management systems for handling complaints - information indicator, no target.	Council's complaints handling policy was reviewed and adopted by Council in November 2007.
Extent of training and risk analysis to prevent corruption - information indicator, no target.	Monthly induction training for new and existing staff includes awareness of fraud and corruption.
The stages achieved in the rollout of Council's Green Procurement Policy - information indicator, no target  In 2007/08 Council's Sustainable Procurement Committee oversaw the introduction of:  <ul style="list-style-type: none"> <li>• Recycled paper for letterhead, business cards, printing and photocopying.</li> <li>• A recycle programme for old unusable mobile phones.</li> <li>• Recycled toner cartridges.</li> <li>• Recycled plastic outdoor furniture .</li> </ul>	Draft Green Procurement Policy developed. The draft policy will be incorporated into Council's overall sustainability strategy which is currently being developed.
Percentage of contracts arranged by Finance Branch that were paid in accordance with agreed terms - target 100%.	90% of all contracts paid as per agreed terms.

## 6.9 Income statement

Income statement of Council's other business activities  
for the financial year ended 30 June 2008

NURSERIES & PRESCHOOL  
(Category 1)  
\$ '000

	2008	2007
<b>Income from continuing operations</b>		
Access charges	-	-
User charges	2,457	2,302
Fees	-	-
Interest	-	-
Grants and contributions provided for non capital purposes	788	702
Profit from the sale of assets	2	-
Other income	14	12
<b>Total income from continuing operations</b>	<b>3,261</b>	<b>3,016</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	2,690	2,816
Borrowing costs	-	-
Materials and contracts	509	195
Depreciation and impairment	77	59
Loss on sale of assets	-	-
Calculated taxation equivalents	216	223
Debt guarantee fee (if applicable)	-	-
Other expenses	176	335
<b>Total expenses from continuing operations</b>	<b>3,668</b>	<b>3,628</b>
<b>Surplus (deficit) from continuing operations before capital amounts</b>	<b>(407)</b>	<b>(612)</b>
Grants and contributions provided for capital purposes	-	-
<b>Surplus (deficit) from continuing operations after capital amounts</b>	<b>(407)</b>	<b>(612)</b>
Surplus (deficit) from discontinued operations	-	-
<b>Surplus (deficit) from ALL operations before tax</b>	<b>(407)</b>	<b>(612)</b>
Less: corporate taxation equivalent (30%) [based on result before capital]	-	-
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>(407)</b>	<b>(612)</b>
Plus opening retained profits	1,838	2,227
Plus/less: prior period adjustments	(321)	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	216	223
- Debt guarantee fees	-	-
- Corporate taxation equivalent	-	-
Add:- Subsidy paid/contribution to operations	-	-
Less:- TER dividend paid	-	-
Less:- Dividend paid	-	-
<b>Closing retained profits</b>	<b>1,326</b>	<b>1,838</b>
Return on capital %	-3.9%	-12.7%
<b>Subsidy from Council</b>	<b>1,065</b>	<b>900</b>

	AQUATIC CENTRES & SPORTS STADIUM (Category 1) \$ '000		COMMERCIAL WASTE (Category 2) \$ '000		DEVELOPMENT APPLICATIONS (Category 2) \$ '000		PROPERTY SERVICES (Category 2) \$ '000	
	2008	2007	2008	2007	2008	2007	2008	2007
	-	-	-	-	-	-	-	-
	2,109	2,115	864	1,091	522	538	1,200	1,175
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	420	409	219	242	-	-	10	13
	2,529	2,524	1,083	1,333	522	538	1,210	1,188
	2,284	2,217	38	58	208	385	82	106
	-	-	-	-	-	-	-	-
	663	619	639	686	147	-	99	57
	186	165	47	68	28	32	93	49
	1	1	345	-	6	18	-	-
	267	263	-	-	-	-	175	138
	-	-	-	-	-	-	-	-
	392	507	25	291	1	157	34	90
	3,793	3,772	1,094	1,103	390	592	483	440
	(1,264)	(1,248)	(11)	230	132	(54)	727	748
	11	-	-	-	-	-	-	-
	(1,253)	(1,248)	(11)	230	132	(54)	727	748
	-	-	-	-	-	-	-	-
	(1,253)	(1,248)	(11)	230	132	(54)	727	748
	-	-	-	(69)	(40)	-	(218)	(224)
	(1,253)	(1,248)	(11)	161	92	(54)	509	524
	348	1,333	802	572	872	926	26,636	25,750
	964	-	(72)	-	-	-	(759)	-
	267	263	-	-	-	-	175	138
	-	-	-	-	-	-	-	-
	-	-	-	69	40	-	218	224
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	326	348	719	802	1,004	872	26,779	26,636
	-8.8%	-13.8%	-5.7%	30.7%	146.7%	-45.8%	4.0%	5.7%
	2,157	1,793	23	230	-	61	409	45

# Business Activities

NOTES TO AND FORMING PART OF THE SPECIAL PURPOSE FINANCIAL REPORTS for the year ended 30 June 2008

## SIGNIFICANT ACCOUNTING POLICIES

**The following statement summarises the supplemental accounting policies adopted in preparation of these Special Purpose Financial Report (SPFR) for National Competition Policy reporting purposes.**

These financial statements are a SPFR prepared for use by the Council and Department of Local Government. For the purpose of these statements, the Council is not a reporting entity.

This special purpose financial report, unless otherwise stated, has been prepared in accordance with 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.

The statements are also prepared on an accruals basis. They are based on 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, detailed below, have been imputed for the purposes of the National Competition Policy.

### National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its Business Activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 Government policy statement on the "Application of National Competition Policy to Local Government". The document "Pricing & Costing for Council Businesses- A Guide to Competitive Neutrality" issued by the Department of Local Government in July 1997 has also been adopted.

The pricing & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, council subsidies; return on investments (rate of return); and dividends paid.

### Declared Business Activities

In accordance with "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality", Council resolved at the Ordinary Meeting on April 12, 2006 that the following are to be declared as Business Activities:

## Category 1

Name	Brief description of activity
Nurseries & preschools	Operation of nurseries and preschool centres
Aquatic & sports centres	Operation of swimming pools, gymnasiums and indoor sports centres

## Category 2

Name	Brief Description of Activity
Commercial waste services	Services provided for the collection of commercial waste and sullage
Property services	Rental of Council owned properties to 3rd parties for residential and commercial purposes
Development assessments	Development assessment and inspection services

### (i) Taxation equivalent payments

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations in the General Purpose Financial Report in the same way as other costs.

However, when Council is not liable to pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been estimated and applied to all council nominated business activities and are reflected in the SPFR. For the purposes of disclosing comparative information relevant to the private sector, the following taxation equivalents have been applied to all Council nominated business activities (this does not include council's non-business activities):

Corporate income tax rate	30% of taxable income
Land tax	\$100 plus 1.7% on the combined value of all taxable land in excess of \$352,000
Payroll tax	6.0% of all wages above the \$600,000 threshold.

### Income tax expense

Where appropriate, an income tax expense equivalent has been calculated on the profits of the business activity. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level (gain/loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor, and it should include therefore a provision equivalent to the corporate tax rate, currently 30%. Income Tax expense is only applied where a positive result from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional, that is, it comprises an amount payable to council as the owner of business operations, it represents an internal payment and has no effect on the operations of the council.

Accordingly, there is no need for disclosure of internal charges in the GPFR. The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations which have occurred during the year.

## **Local Government rates and charges**

A calculation of the equivalent rates and charges for all Category 1 businesses has been made and applied to all assets owned or exclusively used by the business activity.

## **Loan and debt guarantee Fees**

The debt guarantee fee is designed to ensure that council business activities face “true” commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council’s borrowing rate for its business activities.

### **(ii) Subsidies**

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed. Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations. The overall effect of subsidies is contained within the Statement of Financial Performance by Business Activities.

### **(iii) Return on Investments (Rate of Return)**

The policy statement requires that councils with Category 1 business “would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field”.

### **(iv) Dividends**

Council is not required to pay dividends to either itself as owner of a range of businesses or to any external entities. Consequently, any form of dividend payment is purely notional. Dividend payments to council are also restricted to those activities which do not levy special rates or charges (water, sewer, domestic waste management).

### **(iv) Notional subsidy From Council**

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis, or accepts a lower rate of return on its investment in the business unit than would be acceptable to a private sector competitor.

In accordance with the Code of Accounting Practice, this amount has been calculated as the dollar difference between the required and actual rates of return.



## PART 7

# Statutory returns

HORNSBY SHIRE COUNCIL **ANNUAL REPORT AND SUSTAINABILITY REPORT** 2007-2008

# Statutory returns

## Customer Service Requests, Complaints and Access to Information

Hornsby Shire Council has a wide range of documents that relate to the various aspects of service provision, strategic planning and the operation of the organisation. Many of these documents are available free of charge from Council's website, [www.hornsby.nsw.gov.au](http://www.hornsby.nsw.gov.au), and from Council's libraries. A list of these documents and access methods is listed on page 15 of Hornsby Shire Council's Statement of Affairs 2008 which can be viewed and downloaded from the Corporate Documents section of Council's website. Copies are also available from the Administration counter on the second floor of Council's Administration Building or by telephoning 9847 6666.

Council's framework for handling customer requests and complaints is documented in its Customer Service Policy and its Complaints Handling Policy, both of which are available via the corporate documents section of Council's website or by telephoning 9847 6790.

In 2007/08 Council's Customer Request Management System logged 8,994 service requests, 96% (8,624) of which were handled and completed within time and 4% (370) were outstanding at 30 June 2008. The top five most common reasons for service requests relate to street trees, management of nature strips, unauthorised building works, non-compliance with domestic development applications and non-compliant pool fencing.

## Freedom of Information

*Section 68, Clause 10*

Hornsby Shire Council received 41 requests for information using the Freedom of Information legislation and 1,023 information requests using Section 12 of the *Local Government Act 1993*, which is considerably more than previous years. The increase is a result of a general growth in demand for information and a change in Council's procedures for dealing with applications to access information. Council has incurred considerable legal costs with respect to the processing and review of some Freedom of Information applications.

Council's full Freedom of Information Report is detailed in Appendix 5.

## Privacy and Personal Information

*Section 33*

Hornsby Shire Council implemented a Privacy Management Plan in 2001. The plan is used by staff to comply with the *Privacy and Personal Information Protection Act 1998* and the *Health Records and Information Privacy Act 2002*. Council also publishes a privacy notation in newspapers when advertising public information and on Council's website. Five applications were received in 2007/08 requesting an internal review of the treatment of personal information held by Council. In each case, the review found that Council had complied with the requirements of the *Privacy and Personal Information Protection Act 1998*.

## Environmental Planning and Assessment Act 1979

Council had no planning agreements in force between July 2007 and June 2008.



PART 8

# Local Government Act 1993

HORNSBY SHIRE COUNCIL **ANNUAL REPORT AND SUSTAINABILITY REPORT** 2007-2008

# Local Government Act 1993

## Audited Financial Reports

*Section 428(2)(a)*

Hornsby Shire Council's audited financial reports for 2007/08 are presented in Appendix 1 to 3 of this report.

## Performance against Management Plan

*Section 428(2)(b)*

Hornsby Shire Council's performance against its Management Plan is presented in part 6, Governance, of this report.

## Environment Report

*Section 428(2)(c)*

Hornsby Shire Council's State of the Environment Report 2005/06 is available as a separate document and can be viewed at Council's website. A detailed report of Council's regional environmental management activities is also on the website.

For a summary of Council's environmental management activities for 2007/08 see part 3, The state of our environment, of this report.

## Partnerships, cooperatives and joint Ventures

*Section 428 (2)(q)*

Hornsby Shire Council is a member of the Northern Sydney Region Organisation of Councils (NSROC), which includes a purchasing group with supply agreements for commonly used business items.

## Activities providing for the needs of children

*Section 428(2)(r), Clause 217(1)(c)*

Details of Hornsby Shire Council's activities to develop and promote services and programmes that provide for the needs of children are documented in part 4, Our Community, of this report.

## Public Works Report

*Section 428(2)(d)*

There are over 613km of sealed roads and 42km of unsealed roads in the shire and more than 413km of paved footpaths. Council has six sealed public car parks, a pedestrian overbridge, four minor road bridges and 51 major culverts. Council also maintains five public wharves, seven floating pontoons, three boat launching ramps and two loading docks. Hornsby has an extensive drainage system comprising over 18,300 pits and 390km of pipelines.

There are around 174 parks in Hornsby plus 12 garden parks, 55 separate playing fields and over 135 playgrounds. Council also has over 400 buildings, including 183 community based buildings. The estimated replacement value is over \$161 million.

The table on the next page summarises the condition of Council's transport, drainage and building assets and funding requirements currently identified to maintain them in a satisfactory condition.

The public works report continues after the table where assets are reviewed more comprehensively.

**Public Works Report** *Section 428(2)(d)(i) - (iii)*

Category	Condition at end of 30/6/08	Estimate of cost to bring to satisfactory standard s428(2)(d)(i)	Estimate of cost to maintain standard s428(2)(d)(ii)	Maintenance programme for 2007/08 s428(2)(d)(iii)
<b>Transport assets</b>				
<b>1. Roads</b>				
Urban and rural local sealed	Satisfactory. Pavement reconstruction works required for approximately 1.0% of the 577km road network.	\$3,200,000 - pavement reconstruction only.	\$4,465,000	\$4,843,000
Regional sealed	Satisfactory. Pavement upgrading works required for approximately 1.0% of the 37km road network.	\$1,321,000	\$360,000	\$183,000
Rural - unsealed	Satisfactory for the 42km unsealed road network.	Nil	\$350,000	\$515,000
<b>2. Footpaths</b>	Generally satisfactory with reconstruction works required for about 1% of the 413km paved footpath network annually.	Nil	\$854,000	\$863,000
<b>3. Car parks</b>	Satisfactory.	Nil	\$18,000	\$19,000
<b>4. Bridges and culverts</b>	Satisfactory.	Nil	Included in urban sealed local road maintenance.	Included in urban sealed local road maintenance.
<b>5. Wharves and jetties</b>	Generally satisfactory.	\$600,000 – Reconstruction or upgrading of Jetties and Pontoons at Brooklyn, Dangar Island, Kangaroo Point, Wisemans Ferry and Berowra Waters and construction of a new jetty at Bar Island.	\$150,000	\$238,000

Continued over →

**Public Works Report** Section 428(2)(d)(i) - (iii)

Category	Condition at end of 30/6/08	Estimate of cost to bring to satisfactory standard s428(2)(d)(i)	Estimate of cost to maintain standard s428(2)(d)(ii)	Maintenance programme for 2007/08 s428(2)(d)(iii)
<b>Drainage assets</b>				
Stormwater drainage systems	System capacity upgrading required for known problem locations. Structural condition of pits and pipelines currently being determined; 10% (preliminary assessment) unsatisfactory.	\$6,200,000 for system capacity upgrade.  \$12,000,000 for pits and pipelines upgrade.	\$1,203,000	\$1,200,000
<b>Building assets</b>				
Public buildings	Building Maintenance System has been developed and is now being applied progressively to building assets across the shire.		\$2,000,000	\$1,520,000

**Roads**

Council maintains 613km of sealed roads (477km of urban sealed local roads, 100km of local rural sealed roads and 37km of sealed regional roads) and 42km of rural unsealed local roads. A detailed survey of these roads was undertaken in 1994-1995. The condition of the road network is considered to be satisfactory with the following distribution:

<b>Road condition</b>								
Very poor			Poor		Fair		Good	
YEAR	Length	%	Length	%	Length	%	Length	%
2007/08	6.3km	1.0	17.9km	2.9	109.7km	17.9	479km	78.2

The one percent of the sealed road network, identified as being in very poor condition, will require reconstruction. Strategies developed estimate the cost at \$3.564 million (4.4km @ \$810,000 per km). It is considered that these roads should be reconstructed over a period of 10 years under the Local Road Improvement Programmes to bring them to a satisfactory standard.

Unsealed roads are considered to be in a satisfactory condition under the current maintenance practices using blended shoulder materials and recycled profiled materials. A strategy to seal all rural unsealed roads over the next ten years has been adopted by Council.

Council's Pavement Management System is currently utilised to determine the annual programme of maintenance work on the sealed road network. Expenditure is prioritised by the system to maximise road condition for the available budget.

## Footpaths

Council maintains 413km of paved footpaths of various types. Annual condition surveys are undertaken. The condition of the footpath network is considered to be generally satisfactory with approximately 410km or 99.3% being categorised as moderate or better.

Maintenance covers reconstruction of unsatisfactory sections of footpaths as well as routine maintenance tasks such as the replacement of slab panels, laying of a regulating surface, and temporary wedge filling to eliminate trip hazards and damaged slabs. The maintenance expenditure also covers maintenance on the entire footway where grass cutting and other works are required. About one percent of the network is reconstructed annually as it is assessed as requiring replacement.

## Car parks

Council's six sealed public car parks are generally in a satisfactory condition and current maintenance practices are considered sufficient to maintain this level of service.

Maintenance includes routine pothole patching, marking or remarking of parking bays, signage maintenance and any resealing required.

## Bridges and culverts

Council's one pedestrian overbridge, four minor road bridges and 51 major culverts are all in satisfactory structural condition. Only routine maintenance is required and this will be done as part of the routine roadside drainage undertaken for both sealed and unsealed roads.

## Wharves and jetties

Council maintains five public wharves, seven floating pontoons, three boat launching ramps and two loading docks. Monthly inspections and maintenance are carried out on all facilities. Major maintenance works are carried out periodically as required.

All existing wharves, pontoons and boat launching ramps are considered to be in satisfactory operational condition. However, additional funding of \$600,000 will be required in the near future to bring these facilities to an appropriate standard.

The jetty at Bar Island was found to be in a dangerous state and was dismantled. An estimated \$80,000 will be required to construct a new jetty.

## Drainage assets

Hornsby's drainage assets consist of 18,331 pits and 390km of pipelines.

A recent survey has revealed that most of the system inspected to date is in a satisfactory structural condition. A programme of detailed inspections is being planned to confirm the structural condition of the network and identify any structurally unsound sections.

Data collected after several severe storms over recent years has highlighted several areas of 'under-capacity' within the drainage network. A programme for upgrading these segments has been in place for some seven years. Stormwater Catchment Management Plans for each of the shire's 14 major catchments comprising 55 sub-catchments, were completed.

The output from the Catchment Management Plans is utilised to modify and augment the current upgrading programme.

It is estimated that about \$12 million (39km @ \$300,000 per km) may need to be set aside for the reconstruction of portions of the network. The exact sum will be known once a more detailed inspection of the network is complete.

A programme for upgrading the identified under-capacity segments is currently in place. The cost of this upgrading is estimated at \$38 million.

Council undertakes extensive maintenance of its drainage system. This ranges from routine works such as clearing blockages and repair of damaged

structures to the upgrading of pits and structures and channel stabilization to ensure the existing system operates at maximum efficiency.

Over a period of approximately seven years Council is accumulating sufficient funding to undertake Stage 1 of Hornsby CBD stormwater drainage upgrading which is estimated to cost \$2.5 million.

## Public buildings

Council has a number of public buildings which are used for civic and administrative purposes, childcare, community facilities, libraries, recreation and public amenities.

During the 2007/08 period, work continued on establishing the Building Maintenance System to link with Council's 'Councils Online' system. During 2007/08, Asset Management Plans were developed for all community centres within the shire. Plans for libraries, childcare centres, senior citizen centres and commercial properties are in development, with plans for administration buildings, grandstands, amenities buildings and bus shelters to follow.

## Community centres and halls

Council operates 24 community centres and halls within the Hornsby Shire. Currently, 15 of these centres are managed by committees of Council appointed under Section 377 of the *Local Government Act, 1993*. Of the remainder, Council's Community Services Branch directly manages seven centres and two are managed through lease/license agreements with specific community organisations.

In addition to this, Council has partnerships with three local schools to provide additional community space through school halls. These are Cherrybrook Technology High School, Wideview Public School and Thornleigh West Public School.

## Council works on private land

*Section 428(2)(k), Section 63(3)*

During the year Hornsby Shire Council undertook further construction works on behalf of developers in an area of closed road (formerly Orara Street, Waitara). The value of works completed during 2007/08 was \$25,574, fully funded by contributions from the developers.

## Stormwater management services

*Clause 217(1)(e)*

Stormwater Management Services undertaken during 2007/08 were generally in accordance with projected stormwater management activities as proposed in Council's Management Plan.

## Summary of legal proceedings

*Section 428(2)(e)*

Planning Division	\$733, 869.00
Environment Division	\$43,430.11
Corporate and Community Division	\$1,820.60
Strategy Division	\$16,032.37
Works Division Traffic	\$6,070.00
<b>TOTAL</b>	<b>\$67,353.08</b>

The summary of the state of progress of each legal proceeding / results is documented in Appendix 4, Litigation Summary, of this Report.

## Mayor and Councillor Fees and Expenses

*Section 428(2)(f)*

A total of \$49,164.96 was expended during 2007/2008 on Mayoral fees, while the Councillors' fees for the year totalled \$183,557.50. An itemised list of the cost of providing facilities for Councillors is shown in the below table:

Facility	Cost
Provision of dedicated office equipment allocated to Councillors	Nil
Telephone calls made by Councillors, including mobile phone expenses (includes equipment and line costs)	\$19,237.82
Attendance of Councillors at conferences and seminars	\$19,675.09
Training of Councillors and provision of skill development	Nil
Interstate visits by Councillors, including transport, accommodation and other out of pocket travelling expenses	Nil
Overseas visits by Councillors including transport, accommodation and other out of pocket travelling expenses	Nil
Expenses of any spouse, partner or other person who accompanied a Councillor	\$330.00
Expenses involved in the provision of care for a child or an immediate family member of a Councillor	Nil

Council has a policy for payment of Councillor expenses and the provision of facilities. The policy titled 'Councillors' Expenses and Facilities' can be viewed in the policies and procedures part of the corporate documents section of Council's website

### Senior staff salaries

*Section 428(2)(g), Clause 217 (1)(b)(i-v)*

Between 1 July 2007 and 30 June 2008 six senior staff were employed.

Position	Total Remuneration Package
General Manager	\$273,615.00
Executive Manager Corporate and Community	\$176,300.00
Executive Manager Planning	\$186,960.00
Executive Manager Environment	\$178,965.00
Executive Manager Strategy	\$162,442.00
Executive Manager Works	\$178,965.00

No bonus payments, performance payments or other payments were made to senior staff.

### Overseas visits

*Section 428(2)(r), Clause 217(1)(a)*

One Branch Manager attended an overseas conference; costs were budgeted from a Professional Development allocation which forms part of the Manager's total remuneration package.

### Human resource activities

*Section 428(2)(m)*

Hornsby Shire Council's statement pertaining to the human resource activities (such as training programmes) are documented in the Governance section of this report.

### External bodies with Council delegated authority

*Section 428(2)(o)*

In 2007/08 there were no external bodies with Council delegated authority.

### Council controlled companies

*Section 428(2)(p)*

In 2007/08 there were no companies in which Council held a controlling interest.

## Contracts over \$100,000

Section 428(2)(h)

The following contracts over \$100,000 were awarded by Council during the financial year 2007/2008.

Contractor	Details of contract	\$ Amount pa	Term of contract
Leech Harmon Architect	Documentation for construction of additions and alterations to Cherrybrook Community Childcare centre	\$157,000	1 year
Active Tree Services Pty Ltd, Hornsby Tree Services Pty Ltd , Bolans Tree Services Pty Ltd	Tree services and associated activities	\$216,000	2 years
Downer EDI Works	Supply and lay of asphaltic concrete	\$2,250,000	2 years
Furnass Landscaping Enterprises	Stage 1 Playground Construction – Fagan Park	\$489,696	1 year
Foster Civil Contracting, South West Kerbing Pty Ltd, De Vries Concreting and excavations	Concreting form and finish	\$240,000 for all contracts	1 year
Wade Civil Engineering Pty Ltd	Construction of civil engineering and infrastructure works for the Rural Sports Facility at Bayfield Road, Galston	\$1,811,354	1 year
Boral Asphalt	Patching of pavements in full depth asphalt	\$270,000	2 years
Envirolands Pty Ltd, The Gardenmakers, The Green Horticultural Group, Luhmann Environment Management	Grass cutting parks and reserves	\$176,254	3 years
Hanson Construction Materials	Supply and deliver road materials	\$237,000	1 year
Hanson Construction Materials, Metromix Pty Ltd	Supply and delivery of concrete	\$360,000	1 year
Aston and Burke Pty Ltd, De Vries Concreting and Excavation, Pave-Rite Excavation Pty Ltd	Construction and reconstruction of vehicular crossings and footpaths	\$650,000	1 year
Classic Group Pty Ltd	Construction of alterations and additions to community centre and 72 place childcare and multipurpose facility at Greenway Park	\$3,574,323	1 year
Sami Pty Ltd	Sprayed bitumen surfacing	\$760,000	1 year
Jakin Constructions	Construction of amenities building and store for the Rural Sports Facility Galston	\$247,272	1 year
DJB Tank and Drainage	Construction of underground storage tanks, Greenway Park, Cherrybrook	\$214,060	1 year
Zalem Pty Ltd	Construction of Galston Skate Park	\$257,870	1 year
Conergy Pty Ltd	Wind Turbine Project, Berowra	\$140,768	1 year
Furnass Landscaping Enterprises	General grounds maintenance	\$106,556	3 years

## Grants and donations

Section 428(2)(f)

Council provided over \$500,000 worth of subsidised property rental to community groups and non-profit organisations based in the shire 2007/08 to enable those groups to meet and pursue their interests. Recipients of Council grants and donations in 2007/08, with respective funded amounts are listed below:

Organisation	Amount
North Shore Filipino-Australian Association	\$132
Normanhurst Combined Playgroup	\$250
Hornsby and District TPI Social and Welfare Club	\$250
Hornsby Legacy Widows Club	\$250
Hornsby Rosemary Legacy Club	\$250
Epping Church of Christ	\$400
Hornsby Heights Neighbourhood Centre	\$400
Hornsby Ku-ring-gai Domestic Violence Network	\$500
Benowie District Scouts - Scout Association of Australia NSW	\$500
Galston Long Day Care Centre	\$500
Wisemans Ferry and Districts Community Health and Resource Centre Inc.	\$500
1st Hornsby Heights Scout Group	\$500
Berowra Toy Library	\$500
Shack Youth Outreach	\$500
Bridge for Asylum Seekers Foundation	\$500
Galston District Eisteddfod	\$500
Waitara Girl Guides	\$500
Hornsby Ku-ring-gai and Hills Multiple Birth Association	\$520
Co. As. It (Italian Association of Assistance)	\$720
Epping YMCA YouthLinx	\$800
Lifestart Co-operative Ltd	\$800
Parkinson's NSW Inc Hornsby Ku-ring-gai Support Group	\$800
Fairholme Quilters Inc.	\$844
Deerubbin Island Film Society	\$945
Disabled Alternative Road Transport Service	\$1,000
Hornsby Computer Pals for Seniors Inc.	\$1,000

Organisation	Amount
Baby Bumps Support Group	\$1,000
Assistance Dogs Australia	\$1,000
SHHH Australia Incorporated - Self Help for Hard of Hearing People	\$1,000
Pennant Hills Neighbour Aid Inc.	\$1,000
Epping Carols Committee	\$1,000
Hornsby Ku-ring-gai Volunteer Coordinators' Forum	\$1,000
Seniors Group of Cherrybrook Chinese Community Association Inc.	\$1,000
Ku-ring-gai Male Choir Inc	\$1,050
Reece Bancell Memorial Assoc. Inc.	\$1,100
Hills District Triton User Group Inc.	\$1,159
Chinese Elderly Welfare Association Inc.	\$1,200
Wisemans Ferry Pre School	\$1,352
St Bernard's School	\$1,500
Hornsby Ku-ring-gai Association for Mental Health	\$1,500
Brooklyn Community Theatre	\$1,500
Low Impact Exercise Group	\$1,500
Constant Companion	\$1,635
Hornsby Area Residents for Reconciliation	\$1,700
TADNSW (Technical Aid to the Disabled)	\$1,900
Easy Care Gardening Inc.	\$2,000
Studio ARTES Northside Inc.	\$2,100
All Saints Waitara English Classes	\$2,312
Farsi Speaking/Writing Group	\$2,500
Mayor's Youth Trust Fund	\$3,000
Hornsby Arts Council Inc.	\$3,000
Emergency Relief Fund	\$5,000
Hornsby Art Society Inc.	\$5,900



PART 9

# Global Reporting Initiative

HORNSBY SHIRE COUNCIL **ANNUAL REPORT AND SUSTAINABILITY REPORT** 2007-2008

# Global Reporting Initiative

The Global Reporting Initiative (GRI) is an independent non-profit organisation that has developed globally applicable sustainability reporting guidelines and indicators for voluntary use by organisations.

The GRI Reporting Framework encourages disclosures on sustainability performance aligned to social, economic and environmental considerations. It is an open, inclusive and has a global approach.

Gradual alignment to the GRI means Council is moving towards the leading global approach to triple bottom line sustainability reporting. Council endorsed this approach at its meeting on 13 December 2006, noting that by using a respected framework such as the GRI to report on its economic, environmental and social performance Council would be demonstrating both clarity and consistency in its reporting. To that end Council has committed to aligning with the ten GRI principles relating to report content and report quality:

## Report content

- Materiality
- Stakeholder inclusiveness
- Sustainability context
- Completeness

## Report quality

- Balance
- Comparability
- Accuracy
- Timeliness
- Clarity
- Reliability

The first step involved using the 2006/07 Annual Report as a vehicle to present the traditional budget statements and report statements as well as appropriate GRI indicators, and we have continued with the same approach this year. The focus for this Annual Report and Sustainability Report has been to review the contents of Council's Management Plan, Quarterly Reviews and Annual Report to obtain a better level of detail in each of the documents. The Economic section of this report has been expanded to improve its materiality and balance, and to simplify the GRI content index. Council has a legislated requirement to report various aspects of its operations to other levels of government. Those reports can be found at the Corporate Documents section of Council's website and are noted as such with an \* in the GRI content index. For example GRI Reference 3.5 'Policies and practices Council relies on' is reported annually in the Summary of Affairs which is available on Council's website and therefore not replicated in this report.

Information on the Global Reporting Initiative can be downloaded from [www.globalreporting.org](http://www.globalreporting.org)

## Global Reporting Initiative – content index

The Global Reporting Framework encourages disclosures on the organisation's approach to sustainability and indicators that, over time, demonstrate progress towards achieving sustainability outcomes.

The indicators below have been chosen from the suite of GRI indicators because of the relevance and applicability to Hornsby Council.

The corporate documents mentioned in this content index (Management Plan, Summary of Affairs and Statement of Affairs) are available for viewing and downloading from the corporate documents section of Council's website.

## GRI G3 reference

Vision and strategy		Location / page number
1.1	Council's vision relating to sustainability, including Mayor's statement describing key elements of the report	14
1.2	Key impacts, risks and opportunities for Council	16
Profile		
2.1	Council's name	Front page
2.2	Core functions	7
2.3	Operational structure and major divisions	8
2.4	Location of operations	Inside front cover
2.6	Legal form of Council	8
2.7	Nature of operations	7
2.8	Scale of the organisation	72
2.10	Awards received in the reporting period	20
Report parameters		
3.1	Reporting period	6
3.2	Date of most recent report	Front page
3.3	Reporting cycle	6
3.4	Feedback - contact details	Inside front cover
3.5	Policies and internal practices Council relies on	Summary of Affairs 2008*
3.6	Report boundary	6
3.7	Decisions why not to apply all GRI principles	82
3.11	Significant changes to reporting mechanisms from last year	82
Governance, commitments and engagement		
4.1	Governance structure of Council	8
4.4	Mechanisms for the community to engage with Councillors	Statement of Affairs 2008*
4.8	Organisational values and approach to reporting social, environmental and economic performance	48
4.9	Processes for overseeing Council's identification and management of economic, environmental and social risks and opportunities	49
PA2	Sustainable development definition	6
4.16	Approaches to stakeholder consultation	51
4.17	Type of information generated by stakeholder consultations and indicators developed as a result of the information gathered	51
PA3	Major sustainable development strategies and policies	42

\* Available on the corporate document section of Council's website [www.hornsby.nsw.gov.au](http://www.hornsby.nsw.gov.au)

## GRI G3 reference

GRI G3 indicator number	Location / page number	Performance indicators
Economic (EC) performance indicators		
EC1	123	Total income broken down into capital and operating revenue
EC1	159	Cost of all goods, materials and services purchased
EC1	63	Percentage of contracts developed by Financial Services Branch that were paid in accordance with agreed terms
EC1	57	Donations to community, civil society and other groups in terms of cash and in-kind donations (community donations programme, pensioner rebate and foregone rental)
EC4	143	Income derived from development contributions (Section 94)
EC9	42	The organisation's indirect economic impacts
PA8	115	Gross expenditures by type - documented in the Financials section
PA10	Management Plan page 41	Capital expenditures by type - documented in Capital Works section of Council's Management Plan 2007/08
Environmental (EN) performance indicators		
EN10	55	% of water consumption reduction achieved through Council's initiatives for its own operations
		% of water consumption reduction achieved through Council's initiatives for the community
EN11	55	Area of bushland (ha) in the active care of the community and Council compared to the total bushland under Council's management
EN13	55	Area of bushland (ha) on private land lost to development
EN13	55	Habitats protected or restored – Number of Bushcare volunteers
EN14	28	Biodiversity management plans
EN18	55	% of greenhouse gas reduction achieved through Council's initiatives for its own operations
		% of greenhouse gas reduction achieved through Council's initiatives for the community
EN22	55	% of domestic material by weight collected by Council going to landfill
EN22	55	Tonnes of recycling diverted from landfill
		Tonnes of green waste diverted from landfill
EN25	55	% of monitored healthy waterways within the shire
EN26	26	Impact of environmental initiatives (number of programmes implemented in progression to sustainable corporate governance)

GRI G3 indicator number	Location / page number	Performance indicators
Social performance - labour (LA) practices indicators		
LA1	46	Total workforce by employment type
LA2	46	Total number and rate of employee turnover by age, gender and region
LA7	46	Rates of injury and number of claims for workers compensation
		Absenteeism and staff turnover
LA10	46	Average hours of training per year per employee
LA11	46	Programmes for skills management and lifelong learning that support employability and career endings
LA14	13 & 46	Breakdown of Councillors and Council employees by gender
Social performance – society (SO) performance indicators		
S02	47	Extent of risk analysis to prevent corruption
S03	47	Percentage of employees trained in anti-corruption policies and procedures
S05	50	Participation in public policy development and lobbying (opportunities to participate)
Social performance – product responsibility (PR)		
PR5	Back cover	Description of policy and management system for handling complaints
PR5	51	Number of community panels convened, topics researched and results
PR6	20	Voluntary code compliance, product labels or awards with respect to social or environmental responsibility
PA11	63	The stages achieved in the rollout of Council's Green Procurement Policy
Social performance - administrative efficiency		
PA15	18	Description of assessments of the efficiency and effectiveness of services provided by Council and actions taken to improve either the efficiency or effectiveness of services

GRI indicator legend					
MP	Management Plan	EC	Economic indicator	PA	Public agency indicator
GRI	Global Reporting Initiative	EN	Environmental indicator	PR	Product responsibility indicator
G3	G3 Reporting Guidelines 2006	LA	Labour practices indicator	SO	Social indicator

Z



Country and Garden Fair



Appendix 1

# General Purpose Financial Report

for the year ended 30 June 2008

## Hornsby Shire Council

### General Purpose Financial Report for the financial year ended 30 June 2008

#### Enclosed

#### 1. Statement by Councillors & Management

#### 2. Primary Financial Statements:

- Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Cash Flow Statement

#### 3. Notes to the Financial Statements

#### 4. Independent Auditor's Reports:

- On the Financial Report (Sect 417 [2])
- On the Conduct of the Audit (Sect 417 [3])

---

#### Overview

- (i) This Financial Report covers the consolidated operations for Hornsby Shire Council, whose principal place of business is 296 Pacific Highway, Hornsby, NSW. 2077.
- (ii) Hornsby Shire Council is a body corporate of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.

Council's Statutory Charter is specified in Section 8 of the LGA and includes;

- carrying out activities and providing goods, services & facilities appropriate to the current & future needs of the Local community and of the wider public
- responsibility for administering regulatory requirements under the LGA and other applicable legislation, &
- a role in the management, improvement and development of the resources of the local government area.

A description of nature of Council's operations and its principal activities are provided in Note 2(b).

- (iii) All figures presented in this Financial Report represent Australian Currency.
  - (iv) This Financial Report was authorised for issue by the Council on 16/10/08. Council has the power to amend and reissue the financial report.
-

Hornsby Shire Council

**General Purpose Financial Report**  
for the financial year ended 30 June 2008

**Statement by Councillors and Management**  
made pursuant to Section 413(2)(c) of the Local Government Act 1993 (as amended)

The attached General Purpose Financial Report has been prepared in accordance with:

- The Local Government Act 1993 (as amended) and the Regulations made thereunder,
- The Australian Accounting Standards and professional pronouncements, and
- The Local Government Code of Accounting Practice and Financial Reporting

To the best of our knowledge and belief, this Report:

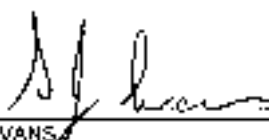
- presents fairly the Council's operating result and financial position for the year; and
- accords with Council's accounting and other records.

We are not aware of any matter that would render this Report false or misleading in any way.

Signed in accordance with a resolution of Council made on 8 October 2008.



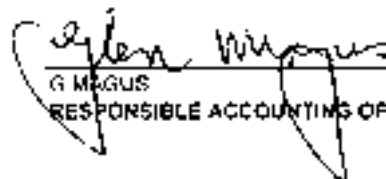
N. RERMAN  
MAYOR



S. EVANS  
DEPUTY MAYOR



R.J. BALU  
GENERAL MANAGER



G. MAGUS  
RESPONSIBLE ACCOUNTING OFFICER

# Hornsby Shire Council

## Income Statement

for the financial year ended 30 June 2008

Budget <sup>(1)</sup> 2008 \$ '000		Notes	Actual 2008	Actual 2007
<b>Income from Continuing Operations</b>				
<b>Revenue:</b>				
67,115	Rates & Annual Charges	3a	66,836	64,670
11,463	User Charges & Fees	3b	11,124	11,044
2,798	Interest & Investment Revenue	3c	-	3,558
4,434	Other Revenues	3d	5,342	5,031
7,658	Grants & Contributions provided for Operating Purposes	3e,f	9,267	8,917
3,430	Grants & Contributions provided for Capital Purposes	3e,f	4,531	3,094
<b>Other Income:</b>				
4,788	Net gains from the disposal of assets	5	17	113
-	Share of interests in Joint Ventures & Associated Entities using the Equity Method	19	-	-
<b>101,686</b>	<b>Total Income from Continuing Operations</b>		<b>97,117</b>	<b>96,427</b>
<b>Expenses from Continuing Operations</b>				
40,649	Employee Benefits & On-Costs	4a	39,059	38,482
1,578	Borrowing Costs	4b	1,528	1,617
29,469	Materials & Contracts	4c	31,396	31,967
11,640	Depreciation & Amortisation	4d	12,418	11,922
-	Impairment	4d	-	-
11,398	Other Expenses	4e	11,200	10,885
-	Interest & Investment Losses <sup>(2)</sup>	3c	1,308	-
<b>94,734</b>	<b>Total Expenses from Continuing Operations</b>		<b>96,909</b>	<b>94,873</b>
<b>6,952</b>	<b>Operating Result from Continuing Operations</b>		<b>208</b>	<b>1,554</b>
<b>Discontinued Operations</b>				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
<b>6,952</b>	<b>Net Operating Result for the Year</b>		<b>208</b>	<b>1,554</b>
6,952	Net Operating Result attributable to Council		208	1,554
-	Net Operating Result attributable to Minority Interests		-	-
<b>3,522</b>	<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>		<b>(4,323)</b>	<b>(1,540)</b>

(1) Original Budget as approved by Council - refer Note 16

(2) Net of income and fair value adjustment- refer Note 3

## Hornsby Shire Council

## Balance Sheet

as at 30 June 2008

\$ '000	Notes	Actual 2008	Actual 2007
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	6a	10,910	393
Investments	6b	23,370	37,714
Receivables	7	5,239	5,426
Inventories	8	870	877
Other	8	-	-
Non-current assets classified as "held for sale"	22	-	-
<b>Total Current Assets</b>		<b>40,389</b>	<b>44,410</b>
<b>Non-Current Assets</b>			
Investments	6b	-	-
Receivables	7	333	279
Inventories	8	-	-
Infrastructure, Property, Plant & Equipment	9	1,700,044	1,586,230
Investments Accounted for using the equity method	19	-	-
Investment Property	14	-	-
Intangible Assets	25	4,836	5,694
Other	8	-	-
<b>Total Non-Current Assets</b>		<b>1,705,213</b>	<b>1,592,203</b>
<b>TOTAL ASSETS</b>		<b>1,745,602</b>	<b>1,636,613</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	10	6,990	6,981
Borrowings	10	2,702	2,565
Provisions	10	10,448	10,685
<b>Total Current Liabilities</b>		<b>20,140</b>	<b>20,231</b>
<b>Non-Current Liabilities</b>			
Payables	10	-	-
Borrowings	10	21,104	21,807
Provisions	10	608	473
<b>Total Non-Current Liabilities</b>		<b>21,712</b>	<b>22,280</b>
<b>TOTAL LIABILITIES</b>		<b>41,852</b>	<b>42,511</b>
<b>Net Assets</b>		<b>1,703,750</b>	<b>1,594,102</b>
<b>EQUITY</b>			
Retained Earnings	20	1,570,893	1,594,102
Revaluation Reserves	20	132,857	-
Council Equity Interest		1,703,750	1,594,102
Minority Equity Interest		-	-
<b>Total Equity</b>		<b>1,703,750</b>	<b>1,594,102</b>

# Hornsby Shire Council

## Statement of Changes in Equity for the financial year ended 30 June 2008

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Equity Interest	Minority Interest	Total Equity
<b>2008</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		1,592,514	-	<b>1,592,514</b>	-	<b>1,592,514</b>
a. Correction of Prior Period Errors	20 (c)	1,588	-	<b>1,588</b>	-	<b>1,588</b>
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance (as at 1/7/07)</b>		<b>1,594,102</b>	-	<b>1,594,102</b>	-	<b>1,594,102</b>
c. Current Year Income & Expenses Recognised direct to Equity						
- Transfers to/(from) Asset Revaluation Reserve	20b (ii)	-	132,857	<b>132,857</b>	-	<b>132,857</b>
- Transfers to/(from) Other Reserves	20b (ii)	-	-	-	-	-
- Other Income/Expenses recognised	20b (ii)	-	-	-	-	-
- Other Adjustments	20b (ii)	(23,417)	-	<b>(23,417)</b>	-	<b>(23,417)</b>
<b>Net Income Recognised Directly in Equity</b>		<b>(23,417)</b>	<b>132,857</b>	<b>109,440</b>	-	<b>109,440</b>
d. Net Operating Result for the Year		<b>208</b>	-	<b>208</b>	-	<b>208</b>
<b>Total Recognised Income &amp; Expenses (c&amp;d)</b>		<b>(23,209)</b>	<b>132,857</b>	<b>109,648</b>	-	<b>109,648</b>
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>1,570,893</b>	<b>132,857</b>	<b>1,703,750</b>	-	<b>1,703,750</b>

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Equity Interest	Minority Interest	Total Equity
<b>2007</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		1,590,960	-	<b>1,590,960</b>	-	<b>1,590,960</b>
a. Correction of Prior Period Errors	20 (c)	1,588	-	<b>1,588</b>	-	<b>1,588</b>
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance (as at 1/7/06)</b>		<b>1,592,548</b>	-	<b>1,592,548</b>	-	<b>1,592,548</b>
c. Current Year Income & Expenses Recognised direct to Equity						
- Transfers to/(from) Asset Revaluation Reserve	20b (ii)	-	-	-	-	-
- Transfers to/(from) Other Reserves	20b (ii)	-	-	-	-	-
- Other Income/Expenses recognised	20b (ii)	-	-	-	-	-
- Other Adjustments	20b (ii)	-	-	-	-	-
<b>Net Income Recognised Directly in Equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
d. Net Operating Result for the Year		<b>1,554</b>	-	<b>1,554</b>	-	<b>1,554</b>
<b>Total Recognised Income &amp; Expenses (c&amp;d)</b>		<b>1,554</b>	-	<b>1,554</b>	-	<b>1,554</b>
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>1,594,102</b>	-	<b>1,594,102</b>	-	<b>1,594,102</b>

## Hornsby Shire Council

## Cash Flow Statement

for the financial year ended 30 June 2008

Budget 2008	\$ '000	Notes	Actual 2008	Actual 2007
<b>Cash Flows from Operating Activities</b>				
<b>Receipts:</b>				
67,115	Rates & Annual Charges		66,832	64,502
14,141	User Charges & Fees		11,599	14,004
2,798	Interest & Investment Revenue Received		1,773	3,932
12,197	Grants & Contributions		13,818	12,088
3,346	Other		10,234	7,445
<b>Payments:</b>				
(40,649)	Employee Benefits & On-Costs		(39,365)	(38,171)
(32,416)	Materials & Contracts		(34,730)	(33,302)
(1,578)	Borrowing Costs		(1,570)	(1,604)
(12,538)	Other		(13,361)	(15,074)
<b>12,416</b>	<b>Net Cash provided (or used in) Operating Activities</b>	11b	<b>15,230</b>	<b>13,820</b>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts:</b>				
-	Sale of Investment Securities		21,427	52,100
4,788	Sale of Infrastructure, Property, Plant & Equipment		2,947	3,264
-	Deferred Debtors Receipts		5	-
<b>Payments:</b>				
-	Purchase of Investment Securities		(10,388)	(53,081)
(20,877)	Purchase of Infrastructure, Property, Plant & Equipment		(18,138)	(15,663)
<b>(16,089)</b>	<b>Net Cash provided (or used in) Investing Activities</b>		<b>(4,147)</b>	<b>(13,380)</b>
<b>Cash Flows from Financing Activities</b>				
<b>Receipts:</b>				
2,000	Proceeds from Borrowings & Advances		2,000	1,000
<b>Payments:</b>				
(2,567)	Repayment of Borrowings & Advances		(2,566)	(2,748)
<b>(567)</b>	<b>Net Cash Flow provided (used in) Financing Activities</b>		<b>(566)</b>	<b>(1,748)</b>
<b>(4,240)</b>	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>10,517</b>	<b>(1,308)</b>
393	plus: <b>Cash &amp; Cash Equivalents - beginning of year</b>	11a	393	1,701
<b>(3,847)</b>	<b>Cash &amp; Cash Equivalents - end of the year</b>	11a	<b>10,910</b>	<b>393</b>

Please refer to Note 11 for information on the following:

- Non Cash Financing & Investing Activities.
- Financing Arrangements.

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Notes accompanying the Financial Statements Enclosed

Note	Details
1	Summary of Significant Accounting Policies
2(a)	Council Functions / Activities - Financial Information
2(b)	Council Functions / Activities - Component Descriptions
3	Income from Continuing Operations
4	Expenses from Continuing Operations
5	Gains or Losses from the Disposal of Assets
6(a)	Cash & Cash Equivalent Assets
6(b)	Investments
6(c)	Restricted Cash, Cash Equivalents & Investments - details
7	Receivables
8	Inventories & Other Assets
9(a)	Infrastructure, Property, Plant & Equipment
9(b)	Restricted Infrastructure, Property, Plant & Equipment
9(c)	Infrastructure, Property, Plant & Equipment - Current Year Impairments
10(a)	Payables, Borrowings & Provisions
10(b)	Description of (& movements in) Provisions
11	Reconciliation of Cash Flow movements & additional information
12	Commitments for Expenditure
13	Statement of Performance Measures
14	Investment Properties
15	Financial Risk Management disclosures
16	Material Budget Variations
17	Statement of Developer Contributions
18	Contingencies and Other Liabilities/Assets not recognised
19	Investments in Subsidiaries, Associated Entities & Joint Ventures
20	Equity - Retained Earnings and Revaluation Reserves
21	Reinstatement, Rehabilitation & Restoration Liabilities
22	Non Current Assets and Disposal Groups classified as "Held for Sale"
23	Events occurring after Balance Sheet date
24	Discontinued Operations
25	Intangible Assets

n/a - not applicable

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of this financial report are set out below in order to assist in its general understanding.

Under Australian Equivalents to International Financial Reporting Standards (AIFRS), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial reports.

##### (a) Basis of preparation

###### (i) Background

This financial report is a general purpose financial report which has been prepared in accordance with;

- applicable Australian equivalents to International Financial Reporting Standards (AIFRSs),
- other authoritative pronouncements of the Australian Accounting Standards Board,
- Urgent Issues Group Interpretations,
- the Local Government Act (1993) and Regulations and
- the Local Government Code of Accounting Practice and Financial Reporting.

###### (ii) Compliance with International Financial Reporting Standards (IFRSs)

Australian Accounting Standards (AASB's) include Australian equivalents to International Financial Reporting Standards (IFRS's).

Because AASB's are sector neutral, some standards either (i) have local Australian content and prescription that is specific to the Not-For-Profit sector (including Local Government) which are not in compliance with IFRS's or (ii) specifically exclude application by Not for Profit entities.

Examples include;

- excluding Local Government from applying AASB 120 (IAS 20) for Grant Accounting and AASB 118 (IAS 18) for Segment Reporting, &

- different requirements on (a) Impairment of Assets relating to Not-For-Profit AASB 136 (IAS 36) and (b) AASB 116 (IAS 16) regarding accounting for the Revaluation of Assets.

**Accordingly in preparing this Financial Report and Accompanying Notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.**

Under the Local Government Act, Regulations and Local Government Code of Accounting Practice & Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with Australian Accounting Standards.

###### (iii) Application of AAS 27

Council is required to comply with AAS 27 –“Financial Reporting by Local Government”, and where AAS 27 conflicts with AIFRS, the requirements of AAS 27 have been applied.

Where AAS 27 makes reference to another Australian accounting standard, the new Australian IFRS equivalent standards will apply and in particular any specific “not for profit” reporting requirements.

###### (iv) Basis of Accounting

These financial statements have been prepared on an **historical cost basis** except for (i) financial assets and liabilities at fair value through profit or loss, available-for-sale financial assets and investment properties which are all valued at fair value, (ii) the write down of any Asset on the basis of Impairment (if warranted) and (iii) certain classes of Infrastructure, property, plant & equipment.

The accrual basis of accounting has also been applied in their preparation.

###### (v) Changes in Accounting Policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

Unless otherwise stated, there have also been no changes in accounting policies when compared with previous financial reports.

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 1. Summary of Significant Accounting Policies (continued)

#### (vi) Critical Accounting Estimates

The preparation of this financial report (and financial statements) in conformity with AIFRS requires the use of certain critical accounting estimates.

It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

#### (b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

#### Rates, Annual Charges, Grants and Contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for doubtful debts on rates has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Income from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, and (i) it is probable that the economic benefits comprising the contribution will flow to the Council and (ii) the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on

condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g).

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contributions required from developers under the provisions of S94 of the EPA Act 1979.

Whilst Council generally incorporates these amounts as part of A Development Consents Orders, such developer contributions are only recognised as income upon their physical receipt by Council, due to the possibility that individual Development Consents may not be acted upon by the applicant or payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required but the Council may apply contributions according to the priorities established in work schedules.

A detailed Note relating to developer contributions can be found at Note 17.

#### User Charges, Fees and Other Income

User charges, fees and other income (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for doubtful debt is recognised when collection in full is no longer probable.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided as at balance date.

#### Sale of Infrastructure, Property, Plant and Equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 1. Summary of Significant Accounting Policies (continued)

##### Interest and Rents

Rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

Interest Income from Cash & Investments is accounted for using the Effective Interest method in accordance with AASB 139.

##### (c) Principles of Consolidation

These Financial Reports incorporate **(i)** the assets and liabilities of Council and any entities (or operations) that it **controls** (as at 30/6/08) and **(ii)** all the related operating results (for the financial year ended the 30th June 2008).

The consolidated fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the Consolidated fund:

- General Purpose Operations

Due to their immaterial value and nature, Section 377 Committees (run externally by volunteers) & their Operations have been excluded from Consolidation.

The **(i)** total income and expenditure from continuing operations and **(ii)** the net assets held by these excluded Committees & Operations is as follows:

<b>Total income from continuing operations</b>	\$400,000
<b>Total expenditure from continuing operations</b>	\$400,000
<b>Total net assets held (ie Equity)</b>	\$1,000,000

**Note:**

Where actual figures are not known, best estimates have been applied.

##### (d) Leases

###### Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

##### (e) Cash and Cash Equivalents

Cash and cash equivalents includes;

- cash **on hand**,
- deposits held **at call** with financial institutions,
- other short-term, highly liquid investments with **original maturities of three months or less** that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

##### (f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss**,
- **loans and receivables**,
- **held-to-maturity investments**, and
- **available-for-sale financial assets**.

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 1. Summary of Significant Accounting Policies (continued)

Each classification depends on the purpose/intention for which the investment was acquired.

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

Council has classified all investments as financial assets at fair value through profit or loss.

Financial assets at fair value through profit or loss are financial assets held for trading.

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term.

Assets in this category are classified as current assets as they are primarily held for trading &/or are expected to be realised within 12 months of the balance sheet date.

#### General Accounting & Measurement of Financial Instruments:

##### (i) Initial Recognition

Investments are initially recognised (and measured) at fair value.

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

##### (ii) Subsequent Measurement

**Financial assets at fair value through profit and loss** are subsequently carried at fair value.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as "fair value through profit or loss" category are included in the income statement in the period in which they arise.

The fair values of quoted investments are based on current bid prices. Some investments do not have an active market and independent valuations are not readily available. In this instance fair values have been assessed based on estimates from issuers and/or evaluation models. These estimates have been reviewed by Council's investment advisor. In most cases there is limited market evidence available to verify their reasonableness and the ongoing volatility of financial markets creates greater uncertainty to the valuation process.

##### (iii) Types of Investments

Council has an approved Investment Policy in order to undertake its investment of money in accordance with Section 625 of the Local Government Act and S212 of the LG (General) Regulations 2005.

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Local Government Investment Order.

Council maintains its investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing council funds.

##### (g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 1. Summary of Significant Accounting Policies (continued)

Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

##### (h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in accordance with Councils policy.

A provision for doubtful receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

##### (i) Inventories

###### Raw Materials and Stores, Work in Progress and Finished Goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

##### Land Held for Resale/Capitalisation of Borrowing Costs

Land held for resale is stated at the lower of cost and net realisable value.

Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

When development is completed borrowing costs and other holding charges are expensed as incurred.

##### (j) Infrastructure, property, plant and Equipment (I,PP&E)

###### Acquisition of assets

Council's non current assets are being progressively revalued to fair value in accordance with a staged implementation as advised by the Department of Local Government.

At balance date, the following classes of I,PP&E were stated at their Fair Value;

- **Operational Land** (External Valuation)
- **Buildings – Specialised/Non Specialised** (External Valuation)
- **Plant and Equipment** (as approximated by depreciated historical cost)

The remaining asset classes to be revalued in future reporting periods include;

- **2008/09:** Roads, bridges, footpaths and drainage, land improvements, other structures and other assets
- **2009/10:** Community land

Until these designated future reporting periods, the above asset classes are stated at cost (or deemed cost) less accumulated depreciation and any accumulated impairment losses.

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 1. Summary of Significant Accounting Policies (continued)

#### Initial Recognition

On initial recognition, an assets cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial report at their fair value at acquisition date - being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

#### Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

#### Asset Revaluations

In accounting for Asset Revaluations relating to Infrastructure, Property, Plant & Equipment:

- Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve.
- To the extent that the increase reverses a decrease previously recognising profit or loss, the increase is first recognised in profit or loss.
- Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

#### Capitalisation Thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

#### Land

- council land	100% Capitalised
- open space	100% Capitalised

#### Plant & Equipment

Office Furniture	> \$5,000
Office Equipment	> \$5,000
Other Plant & Equipment	> \$5,000

#### Buildings & Land Improvements

Park Furniture & Equipment	> \$5,000
----------------------------	-----------

#### Building

- construction/extensions	100% Capitalised
- renovations	> \$5,000

#### Other Structures

> \$5,000

#### Stormwater Assets

Drains & Culverts	> \$5,000
Other	> \$5,000

#### Transport Assets

Road construction & reconstruction	100% Capitalised
------------------------------------	------------------

#### Bridge construction & reconstruction

100% Capitalised

#### Depreciation

Depreciation on Councils infrastructure, property, plant and equipment assets is calculated using the straight line method in order to allocate an assets cost (net of their residual values) over its estimated useful life.

Land is not depreciated.

The range of estimated useful lives for Councils assets include:

Buildings	40-80 years
Plant & Equipment	6-8 years
Vehicles	5 years
Furniture & fittings	6-7 years
Land Improvements	20 years
Road Assets	100 years
Drainage Assets	100 years
Bridges	60-80 years

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 1. Summary of Significant Accounting Policies (continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount – refer Note 1 (p) on Asset Impairment.

#### Disposal and De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

#### (k) Intangible Assets

##### IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems.

Costs capitalised include external direct costs of materials and service, direct payroll and payroll related costs of employees' time spent on the project.

Amortisation is calculated on a straight line bases over periods ranging up to 10 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where Council has an intention and ability to use the asset.

#### (l) Crown Reserves

Crown Reserves under Council's care and control are recognised as assets of the Council.

While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance

and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating the reserves are recognised within Council's Income Statement.

A working party of interested representatives from both State and Local Government is being formed to consider the accounting issues related to the Crown Reserves, with the intention of developing a consistent approach to their recognition and future accounting treatment across both tiers of government.

#### (m) Rural Fire Service assets

Under section 119 of the Rural Fires Act 1997, *"all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed"*.

At present, the accounting for such fire fighting equipment is not treated in a consistent manner across all Councils.

Until such time as discussions on this matter have concluded and the legislation changed, council will continue to account for these assets as it has been doing in previous years, which is to incorporate the assets, their values and depreciation charges within these Financial Reports.

#### (n) Investment property

Investment property comprises land &/or buildings that are principally held for long-term rental yields or capital gains (or both) and is not occupied by Council.

Council currently holds no property which is classified as investment property.

#### (o) Land

Land in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) is classified on purchase as either Operational or Community.

This classification of Land is disclosed in Note 9(a).

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 1. Summary of Significant Accounting Policies (continued)

#### (p) Land under roads

Council has elected not to recognise land under roads in accordance with the deferral arrangements available to it under AASB 1045.

These deferral arrangements cease to apply as of 1 July 2008.

#### (q) Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For non-cash generating assets of Council such as roads, drains, public buildings etc - value in use is represented by the "deprival value" of the asset which is approximated as it's written down replacement cost.

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

#### (r) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

#### (s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

#### (t) Provisions

Provisions for legal claims and service warranties are recognised when:

- Council has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

#### (u) Employee benefits

##### (i) Wages & salaries, annual leave and sick leave

Liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave, are recognised in the provision for employee benefits in respect of employees' services up to the reporting date.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 1. Summary of Significant Accounting Policies (continued)

Calculations therefore incorporate (where the leave is expected to be paid more than 12 months after the reporting date) the use of discounted cash flows.

Liabilities for non vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages & salaries, annual leave and vesting sick leave are all classified as Current Liabilities.

##### (ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits in respect of services provided by employees up to the reporting date.

Long Service Leave is measured at the present value of the expected future payments to be made using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows.

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 4 or more years of service has been classified as Current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

##### (iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death.

Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans.

Councils contributions to the schemes have been recognised as an expense and disclosed as part of Superannuation Expenses at Note 4(a).

##### (iv) Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those arising from the payment of employee benefits in future periods – including Superannuation and Workers Compensation expenses which will be payable upon the future payment of some Leave Liabilities accrued as at 30/6/08.

##### (v) Allocation between current and non-current

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

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 1. Summary of Significant Accounting Policies (continued)

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

#### Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if not expected to be settled within the next 12 months.

In the case of inventories that are "held for trading", these are classified as current even if not expected to be realised in the next 12 months.

Investing and Financing cash flows are treated on a net basis (where recoverable from the ATO), ie. they are exclusive of GST.

Accordingly, the GST component of investing and financing activity cash flows which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

#### (w) New accounting standards and UIG interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2008.

Council's assessment of the impact of these new standards and interpretations is set out below.

#### Applicable to Local Government with the implications:

- Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 and AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101

- AASB 1051 Land Under Roads,

AASB 1051 will allow Council to recognise or not recognise land under roads acquired before 30 June 2008.

Council will be required to nominate whether to recognise Land under roads (acquired after 30 June 2008) or to exclude these Assets from recognition.

This Standard could have a significant impact on the Council's Balance Sheet depending on Council's accounting policy choice.

- AASB 1052 Disaggregated Disclosures,

AASB 1052 requires disclosure of financial information by function or activity.

Council already provides this information in Note 2(a) so there will be no additional impact on the financial statements.

- AASB 1004 Contributions (revised),

AASB 1004 requires contributions made to Council to be recognised at fair value when they are controlled and to be appropriately disclosed.

Council already accounts for contributions in this manner so there will be no additional impact on the financial statements.

- AASB 2007-9 Amendments to Australian Accounting Standards arising from the review of AAS 27, AAS 29 and AAS 31,

Council will no longer apply AAS 27 from 1 July 2008 due to its withdrawal. Council currently applies AIFRS (but with AAS 27 taking precedence).

The withdrawal of AAS 27 will see specific paragraphs transferred to existing AIFRS, and accordingly there is little impact from its withdrawal.

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 1. Summary of Significant Accounting Policies (continued)

##### **Applicable to Local Government but no implications for Council;**

- Revised AASB 123 Borrowing Costs and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]

##### **Applicable to Local Government but not relevant to Council at this stage;**

- AASB-I 12 Service Concession Arrangements, AASB 2007-1 Amendments to Australian Accounting Standards arising from AASB Interpretation 12, revised UIG 4 Determining whether an Arrangement contains a Lease and revised UIG 129 Service Concession Arrangements: Disclosures
- ASB-I 13 Customer Loyalty Programmes
- AASB-I 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

##### **Not applicable to Local Government per se;**

- AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8
- AASB 1049 Whole of Government and General Government Sector Financial Reporting
- AASB 1050 Administered Items
- Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities (revised)

Council has not adopted any of these standards early.

##### **(x) Rounding of amounts**

Unless otherwise indicated, amounts in the financial report have been rounded off to the nearest thousand dollars.

##### **(y) Comparative Figures**

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within this Financial Report and/or the Notes.

##### **(z) Disclaimer**

Nothing contained within this report may be taken to be an admission of any liability to any person under any circumstance.

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 2(a). Functions / Activities - Financial Disclosures

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Original Budget 2008	Actual 2008	Actual 2007	Original Budget 2008	Actual 2008	Actual 2007	Original Budget 2008	Actual 2008	Actual 2007	Actual 2008	Actual 2007	Actual 2008	Actual 2007
General Managers Division	1	21	11	1,321	1,321	1,311	(1,320)	(1,300)	(1,300)	208	1	-	-
Strategy	1,535	1,822	1,236	2,140	1,918	2,027	(605)	(96)	(791)	16	24	-	-
Corporate & Community	15,439	13,222	11,130	30,458	32,899	30,601	(15,019)	(19,677)	(19,471)	1,844	1,900	264,819	226,329
Environment	20,467	21,239	21,119	30,138	30,415	30,370	(9,671)	(9,176)	(9,251)	1,760	1,415	266,021	1,144,603
Works	6,392	7,055	6,658	21,987	22,059	22,402	(15,595)	(15,004)	(15,744)	1,638	1,329	1,214,762	265,681
Planning	3,315	3,006	2,844	8,690	8,297	8,162	(5,375)	(5,291)	(5,318)	40	25		-
<b>Total Functions &amp; Activities</b>	<b>47,149</b>	<b>46,365</b>	<b>42,998</b>	<b>94,734</b>	<b>96,909</b>	<b>94,873</b>	<b>(47,585)</b>	<b>(50,544)</b>	<b>(51,875)</b>	<b>5,506</b>	<b>4,694</b>	<b>1,745,602</b>	<b>1,636,613</b>
General Purpose Income <sup>1</sup>	54,537	50,752	53,429	-	-	-	54,537	50,752	53,429	4,614	4,473	-	-
<b>Operating Result from Continuing Operations</b>	<b>101,686</b>	<b>97,117</b>	<b>96,427</b>	<b>94,734</b>	<b>96,909</b>	<b>94,873</b>	<b>6,952</b>	<b>208</b>	<b>1,554</b>	<b>10,120</b>	<b>9,167</b>	<b>1,745,602</b>	<b>1,636,613</b>

1. Includes: Rates & Annual Charges (incl. Ex-Gratia), Non-Capital General Purpose Grants & Unrestricted Interest & Investment Income.

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 2(b). Components of Functions / Activities

**Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:**

##### **GENERAL MANAGERS DIVISION**

Costs relating to community relations, internal audit, citizenship, ceremonies & other community events, annual reports & quarterly newsletters.

##### **STRATEGY DIVISION**

Human resources, Section 94 Development Contributions, Quality Systems & Corporate Projects.

##### **CORPORATE & COMMUNITY DIVISION**

Administration, Finance, Information Technology, Library & Information Services, Community Services, Children's Services and Community Development.

##### **ENVIRONMENTAL DIVISION**

Parks & Landscape, Water Catchments, Environmental Health & Protection, Waste Management, Bushland & Biodiversity and Customer Service.

##### **WORKS DIVISION**

Assets, Traffic & Road Safety, Property Development, Design & Construction, Engineering Services & Works Support.

##### **PLANNING DIVISION**

Town Planning, Development Assessments, Subdivisions & Customer Service.

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2008	Actual 2007
<b>(a). Rates &amp; Annual Charges</b>			
<b>Ordinary Rates</b>			
Residential		43,379	41,943
less: Compulsory Pensioner Rebate		(1,189)	(1,145)
Farmland		400	369
Business		5,754	5,533
<b>Total Ordinary Rates</b>		<b>48,344</b>	<b>46,700</b>
<b>Special Rates</b>			
Catchments Remediation Rate		2,471	2,381
Hornsby Quarry Special Rate		2,641	2,554
less: Voluntary Pensioner Rebate		(62)	(60)
<b>Total Special Rates</b>		<b>5,050</b>	<b>4,875</b>
<b>Annual Charges</b> (pursuant to s.496 & s.501)			
Domestic Waste Management Services		13,442	13,095
<b>Total Annual Charges</b>		<b>13,442</b>	<b>13,095</b>
<b>TOTAL RATES &amp; ANNUAL CHARGES</b>		<b>66,836</b>	<b>64,670</b>

Council has used 2005 year valuations provided by the NSW Valuer General in calculating its rates.

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2008	Actual 2007
<b>(b). User Charges &amp; Fees</b>			
<b>Specific User Charges</b> (per s.502 - Specific "actual use" charges)			
Sullage		29	279
Commercial Waste Management		855	825
<b>Total User Charges</b>		<b>884</b>	<b>1,104</b>
<b>Other User Charges &amp; Fees</b>			
<b>(i) Fees &amp; Charges - Statutory &amp; Regulatory Functions</b> (per s608, 610A & 611)			
Inspection Fees		435	436
Planning & Building Regulation		2,578	2,436
Registration Fees		91	105
Section 611 Charges		55	54
<b>Total Fees &amp; Charges - Statutory/Regulatory</b>		<b>3,159</b>	<b>3,031</b>
<b>(ii) Fees &amp; Charges - Other (incl. General User Charges</b> (per s.610C))			
Childrens Centre - Pennant Hills		12	126
Community Centre Hire Fees		114	95
Indoor Sports Centre Stadium - Admission Fees		417	395
Library Fees & Charges		138	128
Nursery & Preschool Hire Fees		2,456	2,302
Park & Oval Hire Fees		657	647
Restoration Charges		1,083	1,014
Swimming Centre - Admission Fees		1,649	1,663
Tennis / Netball Hire Fees		144	135
Other Hire Fees		18	12
Other		393	392
<b>Total Fees &amp; Charges - Other</b>		<b>7,081</b>	<b>6,909</b>
<b>TOTAL USER CHARGES &amp; FEES</b>		<b>11,124</b>	<b>11,044</b>

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2008	Actual 2007
(c). Interest & Investment Revenue (incl. losses)			
Interest on Overdue Rates & Annual Charges		193	156
Interest earned on Investments (interest & coupon payment income)		1,804	2,930
Fair Valuation Movements in Investments (unrealised capital gains/(losses))		(3,305)	472
<b><u>TOTAL INTEREST &amp; INVESTMENT REVENUE</u></b>		<b><u>(1,308)</u></b>	<b><u>3,558</u></b>
<b>Interest Revenue is attributable to:</b>			
<b>Unrestricted Investments/Financial Assets:</b>			
Overdue Rates & Annual Charges		193	156
General Council Cash & Investments		(2,223)	2,063
<b>Restricted Investments/Funds - External:</b>			
Development Contributions			
- Section 94		713	1,318
Catchments Remediation		9	21
<b><u>Total Interest &amp; Investment Revenue Recognised</u></b>		<b><u>(1,308)</u></b>	<b><u>3,558</u></b>

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2008	Actual 2007
<b>(d). Other Revenues</b>			
Rental Income - Other Council Properties		1,346	1,363
Ex Gratia Rates		17	15
Prosecution & Infringements		177	230
Parking Fines		1,119	1,066
Legal Fees Recovery - Rates & Charges (Extra Charges)		128	82
Legal Fees Recovery - Other		11	13
Legal Fees Recovery - Planning		15	66
Commissions & Agency Fees		17	15
Insurance Claim Recoveries		121	265
Recycling Income (non domestic)		118	111
Sales - General		509	510
Bushfire Fund Income		28	27
Car Park Management		20	129
Centenary Celebrations		-	1
Crosslands Reserve Income		34	30
Department of Environmental Waste Rebate		264	127
Florence Mall Incomes		56	25
Home Modification		223	198
Income from Community Events		21	10
Property Services Sundry Income		10	13
Road Closure Income		600	50
Salaries & Wages Charged Out		141	95
Sustainability Advantage Program		-	29
Telecommunications Mobile Site Fees		82	166
Vehicle Dealer Rebate		-	41
Vehicular Crossings Income		8	36
Other		277	318
<b><u>TOTAL OTHER REVENUE</u></b>		<b><u>5,342</u></b>	<b><u>5,031</u></b>

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 3. Income from Continuing Operations (continued)

\$ '000	2008 Operating	2007 Operating	2008 Capital	2007 Capital
<b>(e). Grants</b>				
<b>General Purpose (Untied)</b>				
Financial Assistance	3,957	3,855	-	-
Pensioners' Rates Subsidies - General Component	657	618	-	-
<b>Total General Purpose</b>	<b>4,614</b>	<b>4,473</b>	<b>-</b>	<b>-</b>
<b>Specific Purpose</b>				
Pensioners' Rates Subsidies:				
- Domestic Waste Management	208	206	-	-
Aged & Disabled	428	291	-	89
Bushfire & Emergency Services	559	411	-	-
Bushland	90	128	-	-
Child Care	830	946	-	-
Environmental Protection	633	335	-	-
Library	291	291	115	124
Noxious Weeds	24	23	-	-
Parks & Gardens	-	-	454	286
Street Lighting	244	237	-	-
Transport (Other Roads & Bridges Funding)	345	341	962	657
Youth Services	21	17	-	-
Other	146	297	156	15
<b>Total Specific Purpose</b>	<b>3,819</b>	<b>3,523</b>	<b>1,687</b>	<b>1,171</b>
<b>Total Grants</b>	<b>8,433</b>	<b>7,996</b>	<b>1,687</b>	<b>1,171</b>
<b>Grant Revenue is attributable to:</b>				
- Commonwealth Funding	832	571	100	540
- State Funding	7,601	7,425	1,587	631
- Other Funding	-	-	-	-
	<b>8,433</b>	<b>7,996</b>	<b>1,687</b>	<b>1,171</b>

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 3. Income from Continuing Operations (continued)

\$ '000	2008 Operating	2007 Operating	2008 Capital	2007 Capital
(f). Contributions				
<b>Developer Contributions:</b>				
<b>(s93 &amp; s94 - EP&amp;A Act, s64 of the NSW LG Act):</b>				
S 94 - Contributions towards amenities/services	-	-	1,762	1,171
<b>Total Developer Contributions</b>	17 -	-	<b>1,762</b>	<b>1,171</b>
<b>Other Contributions:</b>				
Employee Vehicle Contributions	643	632	-	-
Environment	-	59	-	-
Rural Fire Service	48	167	275	606
Community Facilities	63	-	-	-
Other	80	63	807	146
<b>Total Other Contributions</b>	<b>834</b>	<b>921</b>	<b>1,082</b>	<b>752</b>
<b>Total Contributions</b>	<b>834</b>	<b>921</b>	<b>2,844</b>	<b>1,923</b>
<b>TOTAL GRANTS &amp; CONTRIBUTIONS</b>	<b>9,267</b>	<b>8,917</b>	<b>4,531</b>	<b>3,094</b>

\$ '000	Actual 2008	Actual 2007
(g). Restrictions relating to Grants and Contributions		
<b>Certain grants &amp; contributions are obtained by Council on condition that they be spent in a specified manner:</b>		
Unexpended at the Close of the Previous Reporting Period	22,416	23,757
<b>add:</b> Grants and contributions recognised in the current period which have not been spent:	4,098	4,391
<b>less:</b> Grants and contributions recognised in a previous reporting period which have been spent in the current reporting period:	(6,930)	(5,732)
<b>Net Increase (Decrease) in Restricted Assets during the Current Reporting Period</b>	<b>(2,832)</b>	<b>(1,341)</b>
<b>Unexpended at the Close of this Reporting Period and held as Restricted Assets</b>	<b>19,584</b>	<b>22,416</b>
<b>Comprising:</b>		
- Specific Purpose Unexpended Grants	2,611	2,183
- Developer Contributions	16,973	20,233
	<b>19,584</b>	<b>22,416</b>

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2008	Actual 2007
<b>(a) Employee Benefits &amp; On-Costs</b>			
Salaries and Wages		34,072	33,464
Travelling		29	30
Employee Leave Entitlements (ELE)		1,076	1,033
Superannuation		2,604	2,612
Workers' Compensation Insurance		1,018	1,107
Fringe Benefit Tax (FBT)		152	152
Training Costs (other than Salaries & Wages)		451	474
Other		462	442
<b>Total Employee Costs</b>		<b>39,864</b>	<b>39,314</b>
less: Capitalised Costs		(805)	(832)
<b>TOTAL EMPLOYEE COSTS EXPENSED</b>		<b>39,059</b>	<b>38,482</b>
Number of "Equivalent Full Time" Employees at year end		591	584
<b>(b) Borrowing Costs</b>			
<b>(i) Interest Bearing Liability Costs</b>			
Interest on Loans		1,528	1,617
<b>Total Interest Bearing Liability Costs</b>		<b>1,528</b>	<b>1,617</b>
less: Capitalised Costs		-	-
<b>Total Interest Bearing Liability Costs Expensed</b>		<b>1,528</b>	<b>1,617</b>
<b>(ii) Other Borrowing Costs</b>			
Nil			
<b>TOTAL BORROWING COSTS EXPENSED</b>		<b>1,528</b>	<b>1,617</b>

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2008	Actual 2007
<b>(c) Materials &amp; Contracts</b>			
Raw Materials & Consumables		5,017	4,743
Contractor & Consultancy Costs			
- Consultants		1,767	1,567
- Computer Support		1,823	1,720
- Home Modification Service		160	151
- Animal Pound Service		155	140
- Air Conditioning		97	91
- Garbage Collection, Tipping & Recycling		12,174	11,429
- Footpath Maintenance		172	268
- Mechanical Services		155	176
- Property Cleaning		302	298
- Litter Control		391	370
- Contracts - Tree Work		326	311
- Contracts - Grass Cutting		426	427
- Contracts - Electrical		315	349
- Contracts - Plumbing		331	282
- Building Maintenance		340	285
- Berowra Ferry Operation		-	32
- Drainage Maintenance		248	311
- Maintenance of Parks		186	251
- Road Maintenance		2,834	3,270
- External Plant & Equipment Hire		240	379
- Contractor & Agency Fees		979	987
Auditors Remuneration			
- Council's Auditor:			
i. Audit Services		80	72
ii. Other Services		4	9
Legal Expenses - Planning & Development		1,019	1,235
Legal Expenses - Other		408	594
Operating Lease Rentals - Minimum Lease Payments <sup>1</sup>		360	508
Other		1,087	1,712
<b>Total Materials &amp; Contracts</b>		<b>31,396</b>	<b>31,967</b>
less: Capitalised Costs		-	-
<b>TOTAL MATERIALS &amp; CONTRACTS</b>		<b>31,396</b>	<b>31,967</b>
<b>1. Operating Leases are attributable to:</b>			
- Computers		360	508
		<b>360</b>	<b>508</b>

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 4. Expenses from Continuing Operations (continued)

\$ '000	Depreciation/Amortisation		Impairment Costs	
	Actual 2008	Actual 2007	Actual 2008	Actual 2007
(d) Depreciation, Amortisation & Impairment				
Plant and Equipment	2,006	2,008	-	-
Office Equipment	231	249	-	-
Furniture & Fittings	125	152	-	-
Land Improvements (depreciable)	2,408	2,240	-	-
Buildings - Non Specialised	516	438	-	-
Buildings - Specialised	489	421	-	-
Other Structures	243	288	-	-
Infrastructure:				
- Roads, Bridges & Footpaths	3,880	3,723	-	-
- Stormwater Drainage	1,287	1,266	-	-
- Water Supply Network	4	4	-	-
Other Assets				
- Library Books	371	273	-	-
Intangible Assets <sup>26</sup>	858	860	-	-
<b>Total Depreciation &amp; Impairment Costs</b>	<b>12,418</b>	<b>11,922</b>	<b>-</b>	<b>-</b>
less: Capitalised Costs	-	-	-	-
<b><u>TOTAL DEPRECIATION &amp; IMPAIRMENT COSTS EXPENSED</u></b>	<b><u>12,418</u></b>	<b><u>11,922</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2008	Actual 2007
<b>(e) Other Expenses</b>			
Advertising		521	554
Bad & Doubtful Debts		65	69
Bank Charges & Cash Collection Expenses		262	324
Catering		275	315
Contributions to Other Levels of Government		2,639	2,502
Councillor Expenses - Mayoral Fee		49	47
Councillor Expenses - Councillors Fees		191	172
Councillors Expenses (incl. Mayor) - Other (excluding fees above)		23	25
Donations, Contributions & Assistance to other organisations (Section 356)		292	118
Electricity & Heating		719	703
Insurance		1,641	1,378
Licences & Registration		265	278
Postage		215	222
Printing, Stationery & Design		436	716
Street Lighting		1,889	1,718
Subscriptions & Publications		238	215
Subscription to Local Government Association		47	43
Telephone & Communications		499	459
Valuation Fees		229	185
Water & Sewerage		330	495
Other		375	347
<b>Total Other Expenses</b>		<b>11,200</b>	<b>10,885</b>
less: Capitalised Costs		-	-
<b><u>TOTAL OTHER EXPENSES</u></b>		<b><u>11,200</u></b>	<b><u>10,885</u></b>

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 5. Gains or Losses on Disposal of Assets

\$ '000	Notes	Actual 2008	Actual 2007
<b>Property</b> (excl. Investment Property)			
Proceeds from Disposal		-	-
less: Carrying Amount of Property Assets Sold		-	-
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>-</b>
<b>Plant &amp; Equipment</b>			
Proceeds from Disposal		2,947	3,264
less: Carrying Amount of P&E Assets Sold		(2,930)	(3,151)
<b>Net Gain/(Loss) on Disposal</b>		<b>17</b>	<b>113</b>
<b>Infrastructure</b>			
Proceeds from Disposal		-	-
less: Carrying Amount of Infrastructure Assets Sold		-	-
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>-</b>
<b>Real Estate Assets Held For Sale</b>			
Proceeds from Disposal		-	-
less: Carrying Amount of Real Estate Assets Sold		-	-
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>-</b>
<b>Investment Properties</b>			
Proceeds from Disposal		-	-
less: Carrying Amount of Investment Properties Sold		-	-
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>-</b>
<b>Financial Assets</b>			
Proceeds from Disposal		21,427	-
less: Carrying Amount of Financial Assets Sold		(21,427)	-
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>-</b>
<b>Non Current Assets Classified as "Available for Sale"</b>			
Proceeds from Disposal		-	-
less: Carrying Amount of "Available for Sale" Assets Sold		-	-
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>-</b>
<b>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</b>		<b>17</b>	<b>113</b>

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 6a. - Cash Assets and Note 6b. - Investment Securities

\$ '000	2008 Actual Current	2008 Actual Non Current	2007 Actual Current	2007 Actual Non Current
<b>Cash &amp; Cash Equivalents (Note 6a)</b>				
Cash on Hand and at Bank	110	-	393	-
Cash-Equivalent Assets <sup>1</sup>				
- Short Term Deposits	10,800	-	-	-
<b>Total Cash &amp; Cash Equivalents</b>	<b>10,910</b>	<b>-</b>	<b>393</b>	<b>-</b>
<b>Investment Securities (Note 6b)</b>				
- Managed Funds	9,946	-	21,104	-
- NCD's, FRN's (with Maturities > 3 months)	1,892	-	1,015	-
- CDO's	5,044	-	7,585	-
- Capital Guaranteed Financial Instruments	6,488	-	8,010	-
<b>Total Investment Securities</b>	<b>23,370</b>	<b>-</b>	<b>37,714</b>	<b>-</b>
<b>TOTAL CASH ASSETS, CASH EQUIVALENTS &amp; INVESTMENTS</b>	<b>34,280</b>	<b>-</b>	<b>38,107</b>	<b>-</b>

<sup>1</sup> Those Investments where time to maturity (from date of purchase) is < 3 mths.

**Cash, Cash Equivalents & Investments were  
classified at year end in accordance with  
AASB 139 as follows:**

**Cash & Cash Equivalents**

<b>a. "At Fair Value through the Profit &amp; Loss"</b>	<b>10,910</b>	<b>-</b>	<b>393</b>	<b>-</b>
---	---------------	----------	------------	----------

**Investments****a. "At Fair Value through the Profit & Loss"**

- "Held for Trading"	6(b-i)	-	-	-	-
- "Designated At Fair Value on Initial Recognition"	6(b-i)	23,370	-	37,714	-
<b>b. "Held to Maturity"</b>	6(b-ii)	-	-	-	-
<b>c. "Loans &amp; Receivables"</b>	6(b-iii)	-	-	-	-
<b>d. "Available for Sale"</b>	6(b-iv)	-	-	-	-
<b>Investments</b>		<b>23,370</b>	<b>-</b>	<b>37,714</b>	<b>-</b>

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 6b. Investments (continued)

	2008	2008	2007	2007
	Actual	Actual	Actual	Actual
\$ '000	Current	Non Current	Current	Non Current
<b>Note 6(b-i)</b>				
<b>Reconciliation of Investments classified as "At Fair Value through the Profit &amp; Loss"</b>				
Balance at the Beginning of the Year	37,714	-	36,733	-
Revaluations (through the Income Statement)	(3,305)	-	472	-
Additions	10,388	-	52,609	-
Disposals (sales & redemptions)	(21,427)	-	(52,100)	-
<b>Balance at End of Year</b>	<b>23,370</b>	<b>-</b>	<b>37,714</b>	<b>-</b>
<b>Comprising:</b>				
- Managed Funds	9,946	-	21,104	-
- NCD's, FRN's (with Maturities > 3 months)	1,892	-	1,015	-
- CDO's	5,044	-	7,585	-
- Capital Guaranteed Financial Instruments	6,488	-	8,010	-
<b>Total</b>	<b>23,370</b>	<b>-</b>	<b>37,714</b>	<b>-</b>

### Note 6(b-ii) Reconciliation of Investments classified as "Held to Maturity"

Nil

### Note 6(b-iii) Reconciliation of Investments classified as "Loans & Receivables"

Nil

### Note 6(b-iv) Reconciliation of Investments classified as "Available for Sale"

Nil

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 6c. Restricted Cash, Cash Equivalents &amp; Investments

	2008 Actual Current	2008 Actual Non Current	2007 Actual Current	2007 Actual Non Current
\$ '000				
Total Cash, Cash Equivalents and Investment Securities	34,280	-	38,107	-
attributable to:				
External Restrictions (refer below)	25,668	-	28,545	-
Internal Restrictions (refer below)	8,599	-	7,519	-
Unrestricted	13	-	2,043	-
	34,280	-	38,107	-

2008 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
-----------------	--------------------	------------------------------	--------------------------------	--------------------

## Details of Restrictions

## External Restrictions - Included in Liabilities

Nil

## External Restrictions - Other

Developer Contributions - General (A)	20,233	2,475	(5,735)	16,973
Specific Purpose Unexpended Grants (B)	2,183	428	-	2,611
Domestic Waste Management (C)	4,746	13,924	(13,665)	5,005
Other	1,383	2,515	(2,819)	1,079
External Restrictions - Other	28,545	19,342	(22,219)	25,668
Total External Restrictions	28,545	19,342	(22,219)	25,668

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 6c. Restricted Cash, Cash Equivalents & Investments (continued)

2008 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
<b>Internal Restrictions</b>				
Plant & Vehicle Replacement	578	575	(340)	813
Employees Leave Entitlement	2,039	-	(500)	1,539
Construction of Buildings	638	180	(110)	708
M2 Open Space Land	543	-	(3)	540
Civil Works	2,481	1,205	(545)	3,141
Council Strategies Projects	214	690	(243)	661
Land Acquisition	302	-	-	302
Other	724	343	(172)	895
<b>Total Internal Restrictions (D)</b>	<b>7,519</b>	<b>2,993</b>	<b>(1,913)</b>	<b>8,599</b>
<b>TOTAL RESTRICTIONS</b>	<b>36,064</b>	<b>22,335</b>	<b>(24,132)</b>	<b>34,267</b>

- A** Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).
- B** Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)
- C** Domestic Waste Management (DWM) & other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.
- D** Council has approved borrowings from Internal Restrictions totalling approx. \$3.6M to fund the purchase of the CBA Building in George St .in 2002 (\$2.5M) , Energy Performance Contracts (\$1.0M) and the new Bushfire Control Centre at Berowra (\$65K).

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 7. Receivables

\$ '000	2008		2007	
	Current	Non Current	Current	Non Current
<b>Purpose</b>				
Rates & Annual Charges	2,152	333	2,207	274
Interest & Extra Charges	226	-	180	-
User Charges & Fees	147	-	155	-
Accrued Revenues				
- Interest on Investments	106	-	-	-
- Other Income Accruals	625	-	754	-
Government Grants & Subsidies	208	-	341	-
Deferred Debtors	-	-	-	5
Net GST Receivable	551	-	779	-
Sullage	67	-	132	-
Restorations	385	-	204	-
Licencing	39	-	39	-
Commercial Rent	372	-	224	-
Sale & Leaseback of Computer Equipmen	44	-	228	-
Workers Compensation Claims	17	-	38	-
Facility Hire	23	-	5	-
Other Debtors	441	-	278	-
<b>Total</b>	<b>5,403</b>	<b>333</b>	<b>5,564</b>	<b>279</b>
<b>less: Provision for Impairment</b>				
Other Debtors	(164)	-	(138)	-
<b>Total Provision for Impairment - Receivables</b>	<b>(164)</b>	<b>-</b>	<b>(138)</b>	<b>-</b>
<b><u>TOTAL NET RECEIVABLES</u></b>	<b><u>5,239</u></b>	<b><u>333</u></b>	<b><u>5,426</u></b>	<b><u>279</u></b>
<b>Externally Restricted Receivables</b>				
Domestic Waste Management	514	-	518	-
Other				
- Catchment Remediation Rate	113	-	106	-
- Hornsby Quarry Special Rate	91	-	121	-
- Special Purpose Grants	208	-	341	-
<b>Total External Restrictions</b>	<b>926</b>	<b>-</b>	<b>1,086</b>	<b>-</b>
<b>Unrestricted Receivables</b>	<b>4,313</b>	<b>333</b>	<b>4,340</b>	<b>279</b>
<b><u>TOTAL NET RECEIVABLES</u></b>	<b><u>5,239</u></b>	<b><u>333</u></b>	<b><u>5,426</u></b>	<b><u>279</u></b>

## Notes on Debtors above:

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Interest is charged on overdue rates & charges at 10.00% (2007 9.00%).  
Generally all other receivables are non interest bearing.
- (iii) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 8. Inventories & Other Assets

\$ '000	2008		2007	
	Current	Non Current	Current	Non Current
<b>Inventories</b>				
Real Estate for resale (refer below)	705	-	705	-
Stores & Materials	165	-	172	-
<b>Total Inventories</b>	<b>870</b>	<b>-</b>	<b>877</b>	<b>-</b>
<b>Other Assets</b>				
<b>TOTAL INVENTORIES &amp; OTHER ASSETS</b>	<b>870</b>	<b>-</b>	<b>877</b>	<b>-</b>
<b>Details for Real Estate Development</b>				
Residential	705	-	705	-
<b>Total Real Estate for Resale</b>	<b>705</b>	<b>-</b>	<b>705</b>	<b>-</b>
(Valued at the lower of cost and net realisable value)				
<b>Represented by:</b>				
Acquisition Costs	705	-	705	-
<b>Total Costs</b>	<b>705</b>	<b>-</b>	<b>705</b>	<b>-</b>
<b>Total Real Estate for Resale</b>	<b>705</b>	<b>-</b>	<b>705</b>	<b>-</b>
<b>Movements:</b>				
Real Estate assets at beginning of the year	705	-	705	-
<b>Total Real Estate for Resale</b>	<b>705</b>	<b>-</b>	<b>705</b>	<b>-</b>
<b>(i) Externally Restricted Assets</b>				
Nil				
<b>Total Externally Restricted Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Unrestricted Assets</b>	<b>870</b>	<b>-</b>	<b>877</b>	<b>-</b>
<b>TOTAL INVENTORIES &amp; OTHER ASSETS</b>	<b>870</b>	<b>-</b>	<b>877</b>	<b>-</b>

### (ii) Other Disclosures

#### (a) Current Assets not anticipated to be settled within the next 12 months

The following Inventories & Other Assets, even though classified as current are not expected to be recovered in the next 12 months;

	2008	2007
Real Estate for Resale	-	-
	-	-

## Hornsby Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2008

## Note 9a. Infrastructure, Property, Plant &amp; Equipment

	as at 30/6/2007					Asset Movements during the Reporting Period					as at 30/6/2008				
	At Cost	At Fair Value	Accumulated Deprec.	Impairment	Carrying Value	Asset Additions	WDV-Asset Disposals	Depreciation Expense	Adjustments & Transfers (incl. WIP transfers)	Revaluation Increments to Equity (ARR)	At Cost	At Fair Value	Accumulated Dep'n	Impairment	Carrying Value
<b>\$ '000</b>															
Capital Work in Progress	15,138	-	-	-	15,138	12,892	-	-	(18,603)	-	9,427	-	-	-	9,427
Plant & Equipment	14,280	-	7,413	-	6,867	4,120	(2,818)	(2,006)	281	-	-	14,757	8,313	-	6,444
Office Equipment	1,655	-	1,071	-	584	235	-	(231)	-	-	-	1,304	716	-	588
Furniture & Fittings	2,371	-	1,821	-	550	229	-	(125)	-	-	-	2,528	1,874	-	654
Plant & Equipment (under Finance Lease)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Land:</b>															
- Operational	37,541	-	-	-	37,541	-	-	-	4,114	103,800	-	145,455	-	-	145,455
- Community	1,176,013	-	-	-	1,176,013	726	-	-	(4,303)	-	1,172,436	-	-	-	1,172,436
- Land under Roads	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Improvements - non depreciable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Improvements - depreciable	44,962	-	16,964	-	27,998	13	(83)	(2,408)	5,136	-	50,024	-	19,368	-	30,656
Buildings - Non Specialised	47,362	-	5,102	-	42,260	-	-	(516)	(11,348)	8,871	-	67,068	27,801	-	39,267
Buildings - Specialised	42,019	-	5,139	-	36,880	-	-	(489)	(10,394)	20,186	-	76,442	30,259	-	46,183
Other Structures	7,214	-	3,323	-	3,891	89	(29)	(243)	1,957	-	9,413	-	3,748	-	5,665
<b>Infrastructure:</b>															
- Roads, Bridges, Footpaths	348,555	-	186,787	-	161,768	100	-	(3,880)	8,390	-	357,045	-	190,667	-	166,378
- Bulk Earthworks (non-depreciable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Stormwater Drainage	119,647	-	43,866	-	75,781	-	-	(1,287)	1,353	-	121,000	-	45,153	-	75,847
- Water Supply Network	128	-	53	-	75	-	-	(4)	-	-	128	-	57	-	71
- Sewerage Network	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other Assets:</b>															
- Heritage Collections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Library Books	1,428	-	544	-	884	460	-	(371)	-	-	-	1,888	915	-	973
- Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Reinstatement, Rehabilitation &amp; Restoration Assets (refer Note 21):</b>															
- Tip Asset	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Quarry Asset	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIP.</b>	<b>1,858,313</b>	<b>-</b>	<b>272,083</b>	<b>-</b>	<b>1,586,230</b>	<b>18,864</b>	<b>(2,930)</b>	<b>(11,560)</b>	<b>(23,417)</b>	<b>132,857</b>	<b>1,719,473</b>	<b>309,442</b>	<b>328,871</b>	<b>-</b>	<b>1,700,044</b>

Additions to Buildings and Infrastructure (including Work in Progress) are made up of Asset Renewals (\$7,643) and New assets (\$5,349).

Renewals are defined as Replacements of existing assets as opposed to the acquisition of New Assets.

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 9b. Infrastructure, Property, Plant & Equipment that is Externally Restricted

---

\$ '000

---

Council has no Externally Restricted Infrastructure, Property, Plant & Equipment.

#### Note 9c. Infrastructure, Property, Plant & Equipment Gains/(Losses) arising from the Impairment of Assets

---

Council did not impair any I,PP&E during the year nor has there been any prior period impariments.

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 10a. Payables, Borrowings & Provisions

\$ '000	Notes	2008		2007	
		Current	Non Current	Current	Non Current
<b>Payables</b>					
Goods & Services		4,209	-	5,180	-
Payments Received In Advance		257	-	198	-
Accrued Expenses;					
- Borrowings		34	-	38	-
- Other Expenditure Accruals		1,869	-	849	-
Deposits, Retentions & Bonds		143	-	125	-
Contributions & Bonds		149	-	184	-
Employee Costs		281	-	337	-
Other		48	-	70	-
<b>Total Payables</b>		<b>6,990</b>	<b>-</b>	<b>6,981</b>	<b>-</b>
<b>Borrowings</b>					
Loans - Secured <sup>1</sup>		2,702	21,104	2,565	21,807
<b>Total Borrowings</b>		<b>2,702</b>	<b>21,104</b>	<b>2,565</b>	<b>21,807</b>
<b>Provisions</b>					
Employee Benefits;					
Annual Leave		3,008	-	3,062	-
Sick Leave		668	-	588	-
Long Service Leave		6,294	608	6,425	473
Gratuities		466	-	603	-
Sub Total - Aggregate Employee Benefits		10,436	608	10,678	473
Other		12	-	7	-
<b>Total Provisions</b>		<b>10,448</b>	<b>608</b>	<b>10,685</b>	<b>473</b>
<b>Total Payables, Borrowings &amp; Provisions</b>					
		<b>20,140</b>	<b>21,712</b>	<b>20,231</b>	<b>22,280</b>

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 10a. Payables, Borrowings &amp; Provisions (continued)

\$ '000

## (i) Liabilities relating to Restricted Assets

	2008		2007	
	Current	Non Current	Current	Non Current
<b>Externally Restricted Assets</b>				
Domestic Waste Management	1,967	-	1,515	-
Liabilities relating to externally restricted assets	1,967	-	1,515	-
<b>Internally Restricted Assets</b>				
Employee Leave entitlements	1539	-	2039	-
Liabilities relating to internally restricted assets	1,539	-	2,039	-
<b>Total Liabilities relating to restricted assets</b>	<b>3,506</b>	<b>-</b>	<b>3,554</b>	<b>-</b>

<sup>1</sup>. Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 15.

## (ii) Current Liabilities not anticipated to be settled within the next 12 months

	2008	2007
The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions - Employees Benefits	6,776	7,373
	<b>6,776</b>	<b>7,373</b>

## Note 10b. Description of and movements in Provisions

Class of Provision	2007			2008	Unused amounts reversed	Closing Balance as at 30/6/08
	Opening Balance as at 1/7/07	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting		
Annual Leave	3,062	2,370	(2,424)	-	-	3,008
Sick Leave	588	174	(94)	-	-	668
Long Service Leave	6,898	972	(968)	-	-	6,902
Gratuities	603	50	(187)	-	-	466
Other	7	5	-	-	-	12
<b>TOTAL</b>	<b>11,158</b>	<b>3,571</b>	<b>(3,673)</b>	<b>-</b>	<b>-</b>	<b>11,056</b>

Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 11. Cash Flow Statement - Additional Information

\$ '000	Notes	Actual 2008	Actual 2007
<b>(a) Reconciliation of Cash Assets</b>			
Total Cash & Cash Equivalent Assets	6a	10,910	393
Less Bank Overdraft	10	-	-
<b>BALANCES as per the CASH FLOW STATEMENT</b>		<b>10,910</b>	<b>393</b>
<b>(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities</b>			
<b>Net Operating Result from Income Statement</b>		<b>208</b>	<b>1,554</b>
Adjust for non cash items:			
Depreciation & Amortisation		12,418	11,922
Losses/(Gains) recognised on Fair Value Re-measurements through the P&L			
- Investments classified as "@ Fair Value" or "Held for Trading"		3,305	-
Net Losses/(Gains) on Disposal of Assets		(17)	(113)
Non Cash Capital Grants and Contributions		(726)	-
<b>+/- Movement in Operating Assets and Liabilities &amp; Other Cash Items:</b>			
Decrease/(Increase) in Receivables		102	(629)
Increase/(Decrease) in Provision for Doubtful Debts		26	55
Decrease/(Increase) in Inventories		7	3
Decrease/(Increase) in Other Current Assets		-	1
Increase/(Decrease) in Payables		(971)	1,989
Increase/(Decrease) in accrued Interest Payable		(4)	-
Increase/(Decrease) in other accrued Expenses Payable		1,020	(1,045)
Increase/(Decrease) in Other Current Liabilities		(36)	(165)
Increase/(Decrease) in Employee Leave Entitlements		(107)	283
Increase/(Decrease) in Other Provisions		5	(35)
<b>NET CASH PROVIDED FROM/(USED IN)</b>			
<b>OPERATING ACTIVITIES from CASH FLOW STATEMENT</b>		<b>15,230</b>	<b>13,820</b>

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 11. Cash Flow Statement - Additional Information (continued)

\$ '000	Notes	Actual 2008	Actual 2007
<b>(c) Non-Cash Investing &amp; Financing Activities</b>			
Other Dedications		726	-
<b>Total Non-Cash Investing &amp; Financing Activities</b>		<b>726</b>	<b>-</b>
<b>(d) Financing Arrangements</b>			
<b>(i) Unrestricted access was available at balance date to the following lines of credit:</b>			
Bank Overdraft Facilities <sup>1</sup>		2,000	2,000
<b>Total Financing Arrangements</b>		<b>2,000</b>	<b>2,000</b>
<b>Amounts utilised as at Balance Date:</b>			
- Bank Overdraft Facilities		-	-
<b>Total Financing Arrangements Utilised</b>		<b>-</b>	<b>-</b>

1. The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Interest rates on overdrafts and Interest Rates on Loans & Other Payables are disclosed in Note 15.

**(ii) Secured Loan Liabilities**

Loans are secured by a mortgage over future years Rate Revenue only.

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2008	Actual 2007
<b>(a) Capital Commitments (exclusive of GST)</b>			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
<b>Property, Plant &amp; Equipment</b>			
Buildings & Land Improvements		198	2,298
Infrastructure - Roads, Bridges & Footpaths		19	48
Plant & Equipment		191	149
Intellectual Property - "Councils on Line"		6,948	8,148
Furniture & Fittings		21	-
Other		42	10
<b>Total Commitments</b>		<b>7,419</b>	<b>10,653</b>
<b>These expenditures are payable as follows:</b>			
Within the next year		2,216	4,260
Later than one year and not later than 5 years		5,203	5,754
Later than 5 years		-	639
<b>Total Payable</b>		<b>7,419</b>	<b>10,653</b>
<b>Sources for Funding of Capital Commitments:</b>			
Unrestricted General Funds		7,419	10,653
<b>Total Sources of Funding</b>		<b>7,419</b>	<b>10,653</b>
<b>(b) Other Expenditure Commitments (exclusive of GST)</b>			
Other Non Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Waste Management Services		11,304	13,918
Banking, Audit & Legal Services		785	910
<b>Total Commitments</b>		<b>12,089</b>	<b>14,828</b>
<b>These expenditures are payable as follows:</b>			
Within the next year		7,525	7,173
Later than one year and not later than 5 years		4,564	7,655
Later than 5 years		-	-
<b>Total Payable</b>		<b>12,089</b>	<b>14,828</b>

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 12. Commitments for Expenditure (continued)

\$ '000	Notes	Actual 2008	Actual 2007
(c) Finance Lease Commitments			
Nil			
(d) Operating Lease Commitments (Non Cancellable)			
<b>a. Commitments under Non Cancellable Operating Leases at the Reporting date, but not recognised as Liabilities are payable:</b>			
Within the next year		222	345
Later than one year and not later than 5 years		266	173
Later than 5 years		-	-
<b>Total Non Cancellable Operating Lease Commitments</b>		<b>488</b>	<b>518</b>
<b>b. Non Cancellable Operating Leases include the following assets:</b>			
Computer Equipment			
Contingent Rentals may be payable depending on the condition of items or usage during the lease term.			
<b>Conditions relating to Operating Leases:</b>			
- All Operating Lease Agreement are secured only against the Leased Asset.			
- No Lease Agreements impose any financial restrictions on Council regarding future debt etc.			
(f) Remuneration Commitments			
Commitments for the payment of salaries & other remuneration under long-term employment contracts in existence at reporting date but not recognised as liabilities are payable:			
Within the next year		1,094	1,119
Later than one year and not later than 5 years		2,554	1,785
Later than 5 years		-	-
<b>Total Payable</b>		<b>3,648</b>	<b>2,904</b>

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 13. Statement of Performance Measurement

\$ '000	Amounts 2008	Indicator 2008	Prior Periods 20072006	
1. Unrestricted Current Ratio				
Current Assets less all External Restrictions <sup>(1)</sup>	13,795	1.21 : 1	1.30	1.18
Current Liabilities less Specific Purpose Liabilities <sup>(2,3)</sup>	11,397			
2. Debt Service Ratio				
Debt Service Cost	4,094	4.66%	5.00%	5.00%
Revenue from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	87,933			
3. Rates & Annual Charges Coverage Ratio				
Rates & Annual Charges	66,836	68.82%	67.00%	64.00%
Revenue from Continuing Operations	97,117			
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual & Extra Charges Outstanding	2,711	3.88%	3.95%	3.89%
Rates, Annual & Extra Charges Collectible	69,818			
5. Building & Infrastructure Renewals Ratio				
Asset Renewals <sup>(4)</sup>	7,643	123.75%	n/a	n/a
Depreciation, Amortisation & Impairment (Building & Infrastructure Assets)	6,176			

## Notes

<sup>(1)</sup> Refer Notes 6-8 inclusive.

Also excludes any Real Estate &amp; Land for resale not expected to be sold in the next 12 months

<sup>(2)</sup> Refer to Note 10(a).<sup>(3)</sup> Refer to Note 10(c) - excludes all ELE not expected to be paid in the next 12 months.<sup>(4)</sup> Asset Renewals represents Capital Expenditure on the replacement, refurbishment or upgrade to an existing Asset/s.

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 14. Investment Properties

\$ '000

Council has not classified any Land or Buildings as "Investment Properties"

### Note 15. Financial Risk Management

#### Risk Management

Council's activities expose it to a variety of financial risks including (i) price risk, (ii) credit risk, (iii) liquidity risk and (iv) interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2008	2007	2008	2007
<b>Financial Assets</b>				
Cash and Cash Equivalents	10,910	393	10,910	393
Investments				
- "Designated At Fair Value on Initial Recognition"	23,370	37,714	23,370	37,714
Receivables	5,572	5,705	5,572	5,705
<b>Total Financial Assets</b>	<b>39,852</b>	<b>43,812</b>	<b>39,852</b>	<b>43,812</b>
<b>Financial Liabilities</b>				
Payables	6,733	6,783	6,733	6,783
Loans / Advances	23,806	24,372	21,760	22,570
<b>Total Financial Liabilities</b>	<b>30,539</b>	<b>31,155</b>	<b>28,493</b>	<b>29,353</b>

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates mkt value.
- Borrowings & Held to Maturity Investments -are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) "at far value through profit & loss" or (ii) **Available for Sale** - are based upon quoted market prices at the reporting date or independent valuation.

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 15. Financial Risk Management (continued)

\$ '000

##### (a) Cash & Cash Equivalents, Financial assets "at fair value through the profit & Loss", "Available-for-sale" financial assets & "Held-to-maturity" Investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's Financial Section manages its Cash & Investments portfolio with the assistance of independent advisors.

Council has an Investment Policy which complies with the Local Government Act & Ministers Investment Order. This Policy is regularly reviewed by Council and its staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is credit risk - the risk that the counterparty (to an investment) will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from its independent advisers before placing any funds in Cash Equivalents & Investments.

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (during the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
<b>2008</b>				
Impact of a 10% movement in Market Values	2,337	2,337	(2,337)	(2,337)
Impact of a 1% movement in Interest Rates	227	227	(227)	(227)
<b>2007</b>				
Impact of a 10% movement in Market Values	3,771	3,771	(3,771)	(3,771)
Impact of a 1% movement in Interest Rates	225	225	(225)	(225)

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 15. Financial Risk Management (continued)

\$ '000

#### (b) Receivables

Council's major receivables comprise **(i)** Rates & Annual charges and **(ii)** User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts. - that ie, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates & annual charges at higher than market rates which further encourages the payment of debt.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	2008	2008	2007	2007
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
<b>(i) Aging of Receivables</b>				
Current	-	2,379	-	2,977
Overdue	2,485	872	2,481	385
	<b>2,485</b>	<b>3,251</b>	<b>2,481</b>	<b>3,362</b>
<b>(ii) Movement in Provision for Impairment of Receivables</b>			2008	2007
Balance at the beginning of the year			138	83
+ new provisions recognised during the year			26	55
<b>Balance at the end of the year</b>			<b>164</b>	<b>138</b>

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 15. Financial Risk Management (continued)

\$ '000

## (c) Payables &amp; Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

As well, payment terms can (in extenuating circumstances) be extended and overdraft facilities drawn down.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the Liquidity Table below:

\$ '000	Subject to no maturity	payable in:						Total	Actual
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs	Cash Outflows	Carrying Values
2008									
Trade/Other Payables	143	-	-	-	-	-	-	143	6,733
Loans & Advances	-	4,236	4,253	4,218	4,187	4,164	9,592	30,650	23,806
Total Financial Liabilities	143	4,236	4,253	4,218	4,187	4,164	9,592	30,793	30,539
2007									
Trade/Other Payables	125	6,094	-	-	-	-	-	6,219	6,783
Loans & Advances	-	4,097	3,937	3,954	3,919	3,886	11,960	31,753	24,372
Total Financial Liabilities	125	10,191	3,937	3,954	3,919	3,886	11,960	37,972	31,155

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

The following interest rates were applicable to Council's Borrowings at balance date:

	2008		2007	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	6,733		6,783	
Loans & Advances - Fixed Interest Rate	23,806	6.6%	24,372	6.4%
	<u>30,539</u>		<u>31,155</u>	

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 07/08 was incorporated as part of its Management Plan and was adopted by the Council on 13 June 2007.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act permits Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various movements in actuals versus budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

**Note that for Variations:** **F** = Favourable Budget Variation, **U** = Unfavourable Budget Variation

\$ '000	2008 Budget	2008 Actual	2008 Variance*		
<b>REVENUES</b>					
Rates & Annual Charges	67,115	66,836	(279)	(0.4%)	<b>U</b>
User Charges & Fees	11,463	11,124	(339)	(3%)	<b>U</b>
Interest & Investment Revenue	2,798	(1,308)	(4,106)	(147%)	<b>U</b>
Fair value adjustment to writedown book value of investments to current market value - (3,305) U					
Investment returns lower than budget due to downturn in the market - (801) U					
Other Revenues	4,434	5,342	908	20%	<b>F</b>
Road closure income received that was not expected when budget adopted - 600 F					
Waste performance improvement funds received from Dept of Climate Change - 264 F					
Operating Grants & Contributions	7,658	9,267	1,609	21%	<b>F</b>
In many instances the actual amount of grants received depends on decisions made by State and Federal governments after the original budget was adopted. Operating Grants above budgeted expectations were received for environmental issues and bushfire services.					
Capital Grants & Contributions	3,430	4,531	1,101	32%	<b>F</b>
As above. Funding above budgeted expectations was received for library services grants, S.94 contributions and road grants.					
Net Gains from Disposal of Assets	4,788	17	(4,771)	(100%)	<b>U</b>
The adopted budget only included the proceeds receivable from the sale of assets. It did not include the written down value of assets sold.					

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 16. Material Budget Variations (continued)

\$ '000	2008 Budget	2008 Actual	2008 Variance*		
<b>EXPENSES</b>					
Employee Benefits & On-Costs	40,649	39,059	1,590	4%	F
Borrowing Costs	1,578	1,528	50	3%	F
Materials & Contracts	29,469	31,396	(1,927)	(7%)	U
Depreciation & Amortisation	11,640	12,418	(778)	(7%)	U
Increase in depreciation for buildings due to the reassessment of the expired life of building assets.					
Other Expenses	11,398	11,200	198	2%	F

## Additional Variations

Additional Variations set out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual Results for the year as per Note 2a & Cash Flow Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

Note that for Variations: **F** = Favourable Budget Variation, **U** = Unfavourable Budget Variation

\$ '000	2008 Budget	2008 Actual	2008 Variance*		
<b>Note 2a</b>					
<b>REVENUES</b>					
General Managers Division	1	21	20	2000.0%	F
Events run by the Community Relations Dept for which revenues were not included in the budget.					
Strategy	1,535	1,822	287	19%	F
S94 contributions greater than expected.					
Corporate & Community	15,439	13,222	(2,217)	(14%)	U
Written Down Value of assets sold not included in Original Budget.					
Environment	20,467	21,239	772	4%	F
Works	6,392	7,055	663	10%	F
Service authority restorations greater than expected.					
Planning	3,315	3,006	(309)	(9%)	U

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 16. Material Budget Variations (continued)

\$ '000	2008 Budget	2008 Actual	2008 Variance*		
Note 2a					
EXPENSES					
General Managers Division	1,321	1,321	-	0.0%	F
Strategy	2,140	1,918	222	10%	F
Unfilled staff vacancies in Human Resources Department.					
Corporate & Community	30,458	32,899	(2,441)	(8%)	U
Environment	30,138	30,415	(277)	(1%)	U
Works	21,987	22,059	(72)	(0%)	U
Planning	8,690	8,297	393	5%	F
Cash Flow Statement					
Cash Flows from Operating Activities	12,416	15,230	2,814	22.7%	F
GST claimable not taken into consideration in budget process.					
Cash Flows from Investing Activities	(16,089)	(4,147)	11,942	(74%)	F
Reduction in investment portfolio balance to meet expenditures.					
Cash Flows from Financing Activities	(567)	(566)	1	(0%)	F

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 17. Statement of Developer Contributions

\$ '000

Under Section 94 & Section 94A of the Environmental Planning and Assessment Act 1979, a Council may require (i) the payment of a monetary contribution or dedication of land or (ii) a % levy on the value of development, in relation to development works that are subject to a development consent issued by Council.

These developer contributions (under S94) or developer levies (under S94A) must be spent specifically for the purpose they were levied and any interest applicable to unspent funds must be attributed to the funds and also spent in accordance with the purpose levied.

As well, Council may under Section 93F enter into a Planning Agreement with Developers under which the developer is required to either dedicate land free of cost, pay a monetary contribution, or provide any other material public benefit (or any combination of the three) to be used for or applied towards a public purpose.

S94F funds are also required to be spent on the public purposes nominated within each individual Planning Agreement.

The following tables detail the receipt, interest and use of the above contributions & levies and the value of all remaining funds which are "restricted" in use by their nature and must be spent for the specific purposes raised.

## SUMMARY OF CONTRIBUTIONS &amp; LEVIES

PURPOSE	Opening Balance	Received during Year		Interest earned in Yr	Exp. during Yr	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding
Drainage	416	11	-	17	-	-	444	616	(2,500)	(1,440)
Roads	1,888	125	-	74	(236)	-	1,851	312	(4,291)	(2,128)
Traffic Facilities	213	14	-	8	(90)	-	145	995	(3,458)	(2,318)
Parking	-	-	-	-	-	-	-	130	-	130
Open Space	7,624	985	-	221	(4,246)	-	4,584	4,224	(12,898)	(4,090)
Community Facilities	6,759	463	-	279	(259)	-	7,242	2,166	(8,467)	941
Civic Improvements	2,183	23	-	84	(158)	-	2,132	1,557	(3,660)	29
Bushfire Facilities	204	2	-	8	-	-	214	-	(214)	-
S94 Administration	(22)	99	-	(8)	(285)	-	(216)	228	(750)	(738)
Other	413	40	-	8	(461)	-	-	-	-	-
<b>S94 Contributions - under a Plan</b>	<b>19,678</b>	<b>1,762</b>	<b>-</b>	<b>691</b>	<b>(5,735)</b>	<b>-</b>	<b>16,396</b>	<b>10,228</b>	<b>(36,238)</b>	<b>(9,614)</b>
<b>S94A Levies - under a Plan</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total S94 Revenue Under Plans</b>	<b>19,678</b>	<b>1,762</b>	<b>-</b>	<b>691</b>	<b>(5,735)</b>	<b>-</b>	<b>16,396</b>	<b>10,228</b>	<b>(36,238)</b>	<b>(9,614)</b>
S94 not under Plans	555	-	-	22	-	-	577	-	(577)	-
<b>Total Contributions</b>	<b>20,233</b>	<b>1,762</b>	<b>-</b>	<b>713</b>	<b>(5,735)</b>	<b>-</b>	<b>16,973</b>	<b>10,228</b>	<b>(36,815)</b>	<b>(9,614)</b>

# Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

### Note 17. Statement of Developer Contributions (continued)

\$ '000

#### S94 CONTRIBUTIONS - UNDER A PLAN

##### CONTRIBUTION PLAN NUMBER 1 (2007 to 2011)

PURPOSE	Opening Balance	Received during Year		Interest earned in Yr	Exp. during Yr	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding
Drainage	416	11	-	17	-	-	444	616	(2,500)	(1,440)
Roads	1,888	125	-	74	(236)	-	1,851	312	(4,291)	(2,128)
Traffic Facilities	213	14	-	8	(90)	-	145	995	(3,458)	(2,318)
Parking	-	-	-	-	-	-	-	130	-	130
Open Space	7,624	985	-	221	(4,246)	-	4,584	4,224	(12,898)	(4,090)
Community Facilities	6,759	463	-	279	(259)	-	7,242	2,166	(8,467)	941
Civic Improvements	2,183	23	-	84	(158)	-	2,132	1,557	(3,660)	29
Bushfire Facilities	204	2	-	8	-	-	214	-	(214)	-
S94 Administration	(22)	99	-	(8)	(285)	-	(216)	228	(750)	(738)
Other	413	40	-	8	(461)	-	-	-	-	-
<b>Total</b>	<b>19,678</b>	<b>1,762</b>	<b>-</b>	<b>691</b>	<b>(5,735)</b>	<b>-</b>	<b>16,396</b>	<b>10,228</b>	<b>(36,238)</b>	<b>(9,614)</b>

#### S94 CONTRIBUTIONS - NOT UNDER A PLAN

PURPOSE	Opening Balance	Received during Year		Interest earned in Yr	Exp. during Yr	Internal Borrowing (to)/from	Held as Restricted Asset	Projections		
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding
Parking	555	-	-	22	-	-	577	-	(577)	-
<b>Total</b>	<b>555</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>577</b>	<b>-</b>	<b>(577)</b>	<b>-</b>

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

##### 1. Potential Insurance Losses

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to a deductible "insurance excess", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excesses) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

##### 2. Land Acquisition

There are a number of properties in the Shire affected by the Land Acquisition (Just Terms Compensation) Act (as amended). Council may be required to acquire some of these properties in the future. If council does acquire some of these properties it will record a liability and an equal asset.

##### 3. Legal Expenses

Council is the planning consent authority for its area under the Environmental Planning and Assessment Act (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal to the Land and Environment Court. It is the Court's normal practice that parties bear their own legal costs irrespective of the outcome of the proceedings. In addition Council has initiated against various parties in relation to other matters. The full amount of costs cannot be known until all appeals are determined.

##### 4. Hornsby Quarry Site

Council has yet to resolve the future of the old CSR Hornsby quarry site.

Currently, there is no obligation upon Council to carry out any remediation work on the property.

##### 5. Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit superannuation Scheme, and makes contributions as determined by the Superannuations Trustees.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were more than sufficient to meet the accrued benefits of the Schemes defined benefit member category.

Council has not recorded any asset in these Financial Reports to represent any future economic benefit relating to the Scheme's Financial Position, nor has it recorded any movements in the Schemes Financial Position in these Accounts.

## Hornsby Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2008

#### Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

---

\$ '000

---

Council has no interest in any Controlled Entities, Associated Entities or Joint Ventures.

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2008	Actual 2007
<b>a. Retained Earnings</b>			
<b>Movements in Retained Earnings were as follows:</b>			
Balance at beginning of Year (from previous years audited accounts)		1,592,514	1,590,960
a. Correction of Prior Period Errors - Employee leave entitlements	20 (c)	1,588	1,588
b. Changes in Accounting Policies (Prior Period Effects)		-	-
c. Correction of Prior Period Errors - Revaluation of Buildings and Operational Land		(23,417)	-
d. Net Operating Result for the Year		208	1,554
e. Distributions to/(Contributions from) Minority Interests		-	-
f. Transfers between Equity		-	-
<b>Balance at End of the Reporting Period</b>		<b>1,570,893</b>	<b>1,594,102</b>

**b. Reserves****(i) Reserves are represented by:**

- Infrastructure, Property, Plant & Equipment Reserve	132,857	-
<b>Total</b>	<b>132,857</b>	<b>-</b>

**(ii). Reconciliation of movements in Reserves:****Infrastructure, Property, Plant & Equipment Reserve**

- Opening Balance	-	-
- Revaluations for the year	132,857	-
<b>- Balance at End of Year</b>	<b>132,857</b>	<b>-</b>

**TOTAL VALUE OF RESERVES**

<b>132,857</b>	<b>-</b>
----------------	----------

**(iii). Nature & Purpose of Reserves****Infrastructure, Property, Plant & Equipment Revaluation Reserve**

- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000	Notes	Actual 2008	Actual 2007
<b>c. Correction of Error/s relating to a Previous Reporting Period</b>			
The methodology for discounting the employee leave entitlements at the end of June 2007 was incorrect. The total provision figure in Note 10 of the June 2007 accounts should have been \$11,151K instead of \$12,739K, resulting in decrease in Liabilities.		1,588	-
- Adjustments to Closing Equity - 30/6/07 (relating to adjustments for the 30/6/07 year end)		1,588	-
<b>Total Prior Period Adjustments - Prior Period Errors</b>		<b>1,588</b>	<b>-</b>
Council had not previously reassessed the useful life of its buildings and, as a result, was found to have significantly understated their depreciation. It was also found that certain buildings and land parcels had not previously been recognised or derecognised.			
A revaluation exercise in the 2008 year identified these errors and an adjustment has been made against the current balances of IPPE and Retained Earnings to correct the errors because it was found to be impractical to restate the prior year comparatives.			
Buildings not recognised		944	-
Operational Land not derecognised		(188)	-
Depreciation understated		(24,173)	-
<b>Total Current Period adjustments - Prior Period Errors</b>	9 (a)	<b>(23,417)</b>	<b>-</b>

**d. Voluntary Changes in Accounting Policies**

Council made no voluntary changes in any accounting policies during the year.

## Note 21. Reinstatement, Rehabilitation &amp; Restoration Liabilities

Not Applicable

## Note 22. Non Current Assets/Liabilities classified as "Held for Sale"

Council did not classify any Non Current Assets or Disposal Groups as "Held for Sale".

## Hornsby Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2008

#### Note 23. Events occurring after Balance Sheet Date

---

\$ '000

---

Events that occur after the reporting date of 30 June 2008, up to and including the date when the financial report is "authorised for issue" have been taken into account in preparing this financial report.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to this General Purpose Financial Report.

Accordingly, the "authorised for issue" date is 16/10/08.

Events that occur after the Reporting Date represent one of two types:

**(i) Events that have provided evidence of conditions that existed at the Reporting Date**

These financial reports (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2008.

**(ii) Events that have provided evidence of conditions that arose after the Reporting Date**

These financial reports (and figures therein) do not incorporate any "non adjusting events" that have occurred after 30 June 2008 and which are only indicative of conditions that arose after 30 June 2008.

**Council is unaware of any material or significant "non adjusting events" that should be disclosed.**

#### Note 24. Discontinued Operations

---

Council has not classify any of its Operations as "Discontinued".

## Hornsby Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2008

## Note 25. Intangible Assets

\$ '000

Intangible Assets represent identifiable non-monetary asset without physical substance.

	Actual 2008 Carrying Amount	Actual 2007 Carrying Amount
<b>Intangible Assets are as follows;</b>		
<b>Opening Values:</b>		
Gross Book Value (1/7)	8,590	8,590
Accumulated Amortisation & Impairment	(2,896)	(2,036)
<b>Net Book Value - Opening Balance</b>	<b>5,694</b>	<b>6,554</b>
<b>Movements for the year</b>		
- Amortisation charges	(858)	(860)
<b>Closing Values:</b>		
Gross Book Value (30/6)	8,590	8,590
Accumulated Amortisation & Impairment	(3,754)	(2,896)
<b><u>TOTAL INTANGIBLE ASSETS - NET BOOK VALUE</u></b> <sup>1</sup>	<b><u>4,836</u></b>	<b><u>5,694</u></b>

<sup>1</sup>. The Net Book Value of Intangible Assets represent:

- Software (representing the "Council's Online" software development)	4,836	5,694
	<b><u>4,836</u></b>	<b><u>5,694</u></b>

**HORNSBY SHIRE COUNCIL**

**Independent Audit Report to the Council  
S417(2) – Report on the general purpose financial report**

PricewaterhouseCoopers  
ABN 52 780 433 757

Darling Park Tower 2  
201 Sussex Street  
GPO BOX 2650  
SYDNEY NSW 1171  
DX 77 Sydney  
Australia  
Telephone +61 2 8266 0000  
Facsimile +61 2 8266 9999  
[www.pwc.com/au](http://www.pwc.com/au)

**Qualified audit opinion**

In our opinion because of the existence of the limitation on the scope of our work as described in the paragraph below titled Basis for qualified Auditor's Opinion and except for the effects of such adjustments if any, as might have been determined to be necessary on the financial statements had the limitation not existed,

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13 part 3 Division 2; and
- (b) the financial report:
  - (i) has been presented in accordance with the requirements of this Division;
  - (ii) is consistent with the Council's accounting records;
  - (iii) presents fairly the Council's financial position, the results of its operations and its cash flows; and
  - (iv) are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia.
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial report that have come to light during the course of the audit.

This opinion must be read in conjunction with the rest of our audit report.

**Basis for Qualified Auditor's Opinion**

Since July 2008, global financial markets have experienced a period of high volatility led by events in the US housing market, particularly sub prime loans, which has impacted the value, recoverability, liquidity, cash flows and rates of return of many financial assets including Collateralised Debt Obligations (CDOs), Equity Linked Notes (ELNs) and certain other Managed Funds.

At 30 June 2008, Hornsby Shire Council's investment portfolio totalled \$34 million and included securities totalling \$11.5 million that have been impacted by this market volatility. The impact on individual securities varies depending on their degree of exposure to affected markets.



Many of these securities do not have market values that are independently quoted and they are not widely traded. Independent market valuations are not readily available and in many cases, values are assessed based on estimates from issuers and/or evaluation models for which there is limited market evidence available to verify their reasonableness. Further, the ongoing volatility of financial markets creates greater uncertainty to the valuation process.

These circumstances have resulted in our inability to obtain sufficient appropriate audit evidence to satisfy ourselves as to the fair value and recoverability of \$11.5 million of Council's total investment portfolio.

#### **Scope and summary of our role**

##### **The financial report and Council's responsibility**

The financial report comprises the Balance Sheet, Income Statement, Cash Flow Statement, accompanying notes to the financial statements, and the Statement by Councillors and Management in the approved form as required by Section 413(2) of the Local Government Act 1993 for Hornsby Shire Council (the Council), for the year ended 30 June 2008.

The Council is responsible for the preparation and true and fair presentation of the financial report in accordance with the Local Government Act 1993. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

##### **Audit approach**

We conducted an independent audit of the financial report in order to express an opinion on them to the Council. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. Our audit responsibility does not extend to the Original Budget figures included in the Income Statement, Cash Flow Statement and the Original Budget disclosures in Notes 2(a) and 16 to the financial statements and accordingly, we express no opinion on them. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. For further explanation of an audit.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1993, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Council's financial position, and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Council.

When this audit report is included in an Annual Report, our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Our audit did not involve an analysis of the prudence of business decisions made by Councillors or management.

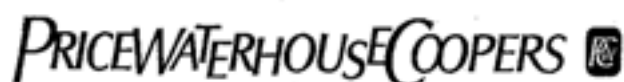
**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

  
PricewaterhouseCoopers  
Chartered Accountants

J A Gordon  
Partner

16/11/2012



The Mayor  
Councillor Nick Berman  
Hornsby Shire Council  
DX 9655  
HORNSBY NSW 2066

PricewaterhouseCoopers  
ABN 52 780 433 757

Darling Park Tower 2  
201 Sussex Street  
GPO BOX 2650  
SYDNEY NSW 1171  
DX 77 Sydney  
Australia  
[www.pwc.com/au](http://www.pwc.com/au)  
Telephone +61 2 8266 0000  
Facsimile +61 2 8266 9999  
Direct Phone +61 2 8266 4431  
Direct Fax +61 2 8266 4431

Dear Councillor Berman

**Report on the conduct of the audit for year ended 30 June 2008  
Section 417(3)**

We have completed our audit of the financial reports of Hornsby Council for the year ended 30 June 2008, in accordance with Section 415 of the Local Government Act, 1993.

Our audit has been conducted in accordance with Australian Standards to provide reasonable assurance as to whether the financial reports are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial reports, 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 reports are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) as well as Statutory requirements so as to present a view which is consistent with our understanding of the Council's financial position, the results of its operations and its cash flows.

Flowing from our audit there are a number of comments we wish to raise concerning the trends in Council's finances. These are set out below.

Liability limited by a scheme approved under Professional Standards Legislation

## The Mayor

### Operating result

Council's operating surplus declined from \$1.6 million in the previous year to \$208k. Some reasons for this movement were:

- Lower interest and investment revenue (down \$4.9m)
- Higher capital grants and contributions (up to \$1.5m).

### Cash position

Council's overall cash position fell from \$38.1 million to \$34.3 million during the period under review. The following table highlights the composition of cash.

	June 2008	June 2007
	\$m	\$m
Externally restricted	25.7	28.5
Internally restricted	8.6	7.4
Unrestricted	-	2.2
	<u>34.3</u>	<u>38.1</u>

### Working capital

Council's net current assets fell from \$24 million to \$20 million during the period under review.

The value of net current assets needs to be adjusted in order to establish Council's available working capital.

### The Mayor

	June 2008 \$'000	June 2007 \$'000
Net current assets	20,249	24,179
<b>Less</b> External restrictions	25,668	28,545
Internal restrictions	8,599	7,519
	<u>(14,048)</u>	<u>(11,885)</u>
<b>Add</b> Current liabilities to be funded from other sources	13,150	13,250
<b>Available working capital</b>	<u>(898)</u>	<u>1,365</u>

The effective unrestricted or available working capital upon which Council could build its 2008/09 budget was a deficit of \$898k.

### Performance indicators

The financial reports disclose a number of indicators in Note 13 and these are detailed below:

	June 2008 %	June 2006 %
Unrestricted Current Ratio	121	130
Debt Service Ratio	4.7	5.1
Rate Coverage Ratio	69	67
Rates Outstanding Ratio	3.9	4.0
Asset Renewal Ratio	124	-

The Unrestricted Current Ratio declined and remained above the accepted industry benchmark of 100%.

Council's Debt Service Ratio dropped to 4.7% of total revenue and remained below the industry benchmark of 10%.

The Rate Coverage Ratio increased to 69% of total revenue reflecting the decline in interest and investment revenue previously discussed.

**The Mayor**

The Rates Outstanding Ratio improved to 3.9% of collectables and remained better than the accepted industry benchmark of 5%.

The Asset Renewal Ratio indicates that Council is renewing key infrastructure at 124% of the rate at which they are depreciating.

Council is considered to be in a sound and stable financial position. All indicators remain better than the accepted industry benchmarks.

**Investments**


Since July 2007 global financial markets have experienced a period of high volatility led by events in the United States housing market, particularly sub-prime loans, which has impacted the value, recoverability, liquidity, cash flows and rates of return of many financial assets, including Collateralised Deb Obligations (CDOs), Equity Linked Notes (ELNs) and certain other managed funds.

At 30 June 2008 Council's investment portfolio totalled \$34 million and included securities that have been impacted by this market volatility. These securities were principally CDOs and Equity Linked Notes which were written down by \$3.3 million to their fair value.

**General**

The books of accounts and records inspected by us have been kept in an accurate and conscientious manner. We thank the General Manager and his staff for the co-operation and courtesy extended to us during the course of our audit.

Yours faithfully

  
16/Jul 2008

JA Gordon  
Partner  
Assurance and Business Advisory Services



Country and Garden Fair



New pirate ship playground at Ruddock Park, Westleigh



Australia Day celebrations



The new skate park at Thornleigh



Appendix 2

# Special Schedules

for the year ended 30 June 2008

## Hornsby Shire Council

### Special Schedules

for the financial year ended 30 June 2008

### Enclosed

#### Special Schedules<sup>1</sup>

- Special Schedule No. 1	Net Cost of Services
- Special Schedule No. 2(a)	Statement of Long Term debt (all purposes)
- Special Schedule No. 2(b)	Statement of Internal Loans (Sect. 410(3) LGA 1993)
- Special Schedule No. 3	Water Supply - Income Statement
- Special Schedule No. 4	Water Supply - Balance Sheet
- Special Schedule No. 5	Sewerage Service - Income Statement
- Special Schedule No. 6	Sewerage Service - Balance Sheet
- Notes to Special Schedules No. 3 & 5	
- Special Schedule No. 7	Condition of Public Works
- Special Schedule No. 8	Financial Projections

<sup>1</sup> Special Purpose Schedules are not audited.

---

#### Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
  - the Australian Bureau of Statistics (ABS),
  - the Department of Energy, Utilities & Sustainability (DEUS), and
  - the Department of Local Government (DLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
  - the incorporation of Local Government financial figures in national statistics,
  - the monitoring of loan approvals,
  - the allocation of borrowing rights, and
  - the monitoring of specific service financial activities.
-

# Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2008

\$'000

Function or Activity	Expenses from continuing operations		Income from continuing operations			Net Cost of Services	
	Expenses	Group Totals	Non Capital Revenues	Capital Revenues	Group Totals	Net Cost	Group Totals
<b>Governance</b>	2,017	<b>2,017</b>	-	-	-	(2,017)	<b>(2,017)</b>
<b>Administration</b>							
Corporate Support	10,506		6,319	822		(3,365)	
Engineering and Works	6,684		1,370	37		(5,277)	
Other Support Services	-	<b>17,190</b>	-	-	<b>8,548</b>	-	<b>(8,642)</b>
<b>Public Order and Safety</b>							
Contributions to Fire Service Levy	1,728		-	-		(1,728)	
Fire Protection – Other	1,254		557	321		(376)	
Animal Control	442		91	-		(351)	
Beach Control	-		-	-		-	
Enforcement of Local Govt Regs	-		-	-		-	
Emergency Services	-		-	-		-	
Other	100	<b>3,524</b>	-	-	<b>969</b>	(100)	<b>(2,555)</b>
<b>Health</b>							
Administration and Inspection	401		114	-		(287)	
Immunisations	-		-	-		-	
Food Control	-		-	-		-	
Insect/Vermin Control	-		-	-		-	
Noxious Plants	-		-	-		-	
Health Centres	39		-	-		(39)	
Other	-	<b>440</b>	-	-	<b>114</b>	-	<b>(326)</b>
<b>Community Services and Education</b>							
Administration	723		5	-		(718)	
Family Day Care	3,445		3,259	-		(186)	
Child Care	77		15	-		(62)	
Youth Services	363		89	-		(274)	
Other Families and Children	106		40	-		(66)	
Aged and Disabled	764		690	-		(74)	
Migrant Services	-		-	-		-	
Aboriginal Services	-		-	-		-	
Other Community Services	567		-	-		(567)	
Education	-	<b>6,045</b>	-	-	<b>4,098</b>	-	<b>(1,947)</b>

## Hornsby Shire Council

### Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2008

\$'000

Function or Activity	Expenses from continuing operations		Income from continuing operations			Net Cost of Services	
	Expenses	Group Totals	Non Capital Revenues	Capital Revenues	Group Totals	Net Cost	Group Totals
<b>Housing and Community Amenities</b>							
Housing	-		-	-		-	
Town Planning	8,297		3,006	-		(5,291)	
Domestic Waste Management	13,315		13,924	-		609	
Other Waste Management	1,731		1,155	-		(576)	
Street Cleaning	297		-	-		(297)	
Other Sanitation and Garbage	921		176	-		(745)	
Drainage	-		-	-		-	
Stormwater Management	2,694		1	13		(2,680)	
Environmental Protection	3,997		3,206	-		(791)	
Public Cemeteries	-		-	-		-	
Public Conveniences	-		-	-		-	
Other Community Amenities	206	31,458	-	393	21,874	187	(9,584)
<b>Water Supplies</b>	4	4	-	-	-	(4)	(4)
<b>Sewerage Services</b>	-	-	-	-	-	-	-
<b>Recreation and Culture</b>							
Public Libraries	5,439		535	187		(4,717)	
Museums	-		-	-		-	
Art Galleries	-		-	-		-	
Community Centres	616		256	107		(253)	
Public Halls	-		-	-		-	
Other Cultural Services	-		-	-		-	
Swimming Pools	3,035		1,994	11		(1,030)	
Sporting Grounds	571		-	-		(571)	
Parks and Gardens (Lakes)	9,824		1,119	1,487		(7,218)	
Other Sport and Recreation	611	20,096	680	-	6,376	69	(13,720)
<b>Fuel and Energy</b>							
Gas Supplies	-	-	-	-	-	-	-
<b>Mining, Manufacturing and Construction</b>							
Building Control	-		-	-		-	
Abattoirs	-		-	-		-	
Quarries and Pits	-		-	-		-	
Other	-	-	-	-	-	-	-

## Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2008

\$'000

Function or Activity	Expenses from continuing operations		Income from continuing operations			Net Cost of Services	
	Expenses	Group Totals	Non Capital Revenues	Capital Revenues	Group Totals	Net Cost	Group Totals
<b>Transport and Communication</b>							
Urban Roads (UR) - Local	8,816		482	906		(7,428)	
Urban Roads - Regional	-		-	-		-	
Sealed Rural Roads (SRR) - Local	-		-	-		-	
Sealed Rural Roads - Regional	-		-	-		-	
Unsealed Rural Roads (URR) - Local	330		11	-		(319)	
Unsealed Rural Roads - Regional	-		-	-		-	
Bridges on UR - Local	99		-	-		(99)	
Bridges on UR - Regional	-		-	-		-	
Bridges on SRR - Local	-		-	-		-	
Bridges on SRR - Regional	-		-	-		-	
Bridges on URR - Local	-		-	-		-	
Bridges on URR - Regional	-		-	-		-	
Footpaths	1,278		-	8		(1,270)	
Aerodromes	-		-	-		-	
Parking Areas	68		-	-		(68)	
Bus Shelters and Services	19		-	-		(19)	
Water Transport	34		-	-		(34)	
RTA Works (State)	-		-	-		-	
Street Lighting	1,891		244	-		(1,647)	
Other	1,595	14,130	1,187	225	3,063	(183)	(11,067)
<b>Economic Affairs</b>							
Camping Areas	-		-	-		-	
Caravan Parks	-		-	-		-	
Tourism and Area Promotion	367		-	-		(367)	
Industrial Development Promotion	-		-	-		-	
Saleyards and Markets	-		-	-		-	
Real Estate Development	-		-	-		-	
Commercial Nurseries	-		-	-		-	
Other Business Undertakings	1,638	2,005	1,309	14	1,323	(315)	(682)
<b>Totals – Functions</b>		96,909	41,834	4,531	46,365		(50,544)
<b>General Purpose Revenues<sup>(1)</sup></b>			50,752		50,752	50,752	50,752
Share of interests - joint ventures & associates using the equity method	-	-	-	-	-	-	-
<b>NET OPERATING RESULT FOR YEAR</b>	96,909		92,586	4,531	97,117	208	208

Notes:

(1) Includes: Rates &amp; Annual Charges (incl. Ex Gratia), Non Capital General Purpose Grants &amp; Interest on Investments (excl. Restricted Assets)

## Hornsby Shire Council

### Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose) for the financial year ended 30 June 2008

\$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year
	Current	Non Current	Total	
<b>Loans (by Source)</b>				
Commonwealth Government	-	-	-	
Treasury Corporation	-	-	-	
Other State Government	-	-	-	
Public Subscription	-	-	-	
Financial Institutions	2,565	21,807	24,372	2,000
Other	-	-	-	
<b>Total Loans</b>	<b>2,565</b>	<b>21,807</b>	<b>24,372</b>	<b>2,000</b>
<b>Other Long Term Debt</b>				
Ratepayers Advances	-	-	-	
Government Advances	-	-	-	
Finance Leases	-	-	-	
Deferred Payments	-	-	-	
<b>Total Long Term Debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Debt</b>	<b>2,565</b>	<b>21,807</b>	<b>24,372</b>	<b>2,000</b>

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

This Schedule is prepared using the Face Value of debt obligations, rather than Fair Value (as per the GPFR's).

Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
From Revenue	Sinking Funds			Current	Non Current	Total
					-	-
					-	-
					-	-
2,566			1,528	2,702	21,104	23,806
					-	-
2,566	-	-	1,528	2,702	21,104	23,806
					-	-
					-	-
					-	-
-	-	-	-	-	-	-
2,566	-	-	1,528	2,702	21,104	23,806

## Hornsby Shire Council

### Special Schedule No. 7 - Condition of Public Works

as at 30 June 2008

\$'000

		Dep'n. Rate (%)	Dep'n. Expense (\$)
ASSET CLASS	Asset Category		
		per Note 1	per Note 4
<b>Buildings</b>	Council Offices	1-2%	208
	Council Works Depot	1-2%	37
	Council Halls/Amenities	1-2%	431
	Council Houses	1-2%	10
	Commercial Buildings	1-2%	42
	Library	1-2%	67
	Childcare Centres	1-2%	81
	Aquatic Centres	1-2%	62
	Other	2.00%	67
	<b>sub total</b>		<b>1,005</b>
<b>Public Roads</b>	Sealed Roads		-
	Unsealed Roads	1.00%	45
	Sealed Roads Structure	1.00%	2,970
	Bridges	1.50%	99
	Footpaths	2.00%	452
	Kerb and Gutter	1.00%	238
	Road Furniture	1.00%	76
	<b>sub total</b>		<b>3,880</b>

<b>Cost</b>	<b>Valuation</b>	<b>Accumulated Depreciation &amp; Impairment</b>	<b>Carrying Amount (WDV)</b>	<b>Asset Condition<sup>#</sup></b>	<b>Estimated cost to bring up to a satisfactory condition standard<sup>(1)</sup></b>	<b>Required<sup>(2)</sup> Annual M'ntce</b>	<b>Current<sup>(3)</sup> Annual M'ntce</b>
<b>&lt;&lt;&lt;&lt;&lt;&lt;&lt;&lt;&lt; per Note 9 &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>				<b>&lt;&lt;&lt;&lt;&lt;&lt;&lt; per Section 428(2d) &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>			
-	20,316	8,915	11,401	1	45	200	155
-	3,824	1,537	2,287	2	10	60	50
-	62,287	24,296	37,991	2	215	975	760
-	1,998	1,255	743	2	-	30	30
-	4,850	3,396	1,454	2	15	75	60
-	19,946	5,714	14,232	2	70	310	240
-	10,229	3,841	6,388	2	35	160	125
-	10,146	5,574	4,572	3	65	250	185
-	9,914	3,532	6,382	3	45	190	145
<b>-</b>	<b>143,510</b>	<b>58,060</b>	<b>85,450</b>		<b>500</b>	<b>2,250</b>	<b>1,750</b>
-	-	-	-				
4,532	-	2,208	2,324	2	4,725	350	515
293,816	-	166,235	127,581	2	-	5,000	5,026
6,832	-	2,135	4,697	2	-	-	-
23,125	-	9,955	13,170	2	-	850	863
21,929	-	7,087	14,842	2	-	-	-
6,811	-	3,047	3,764	2	-	-	-
<b>357,045</b>	<b>-</b>	<b>190,667</b>	<b>166,378</b>		<b>4,725</b>	<b>6,200</b>	<b>6,404</b>

## Hornsby Shire Council

## Special Schedule No. 7 - Condition of Public Works (continued)

as at 30 June 2008

\$'000

		Dep'n. Rate (%)	Dep'n. Expense (\$)
ASSET CLASS	Asset Category		
		per Note 1	per Note 4
<b>Wharves &amp; Jetties</b>	Infrastructure	2.00%	39
	<b>sub total</b>		<b>39</b>
<b>Drainage Works</b>	Drainage Infrastructure	1.00%	1,287
	<b>sub total</b>		<b>1,287</b>
	<b>TOTAL - ALL ASSETS</b>		<b>6,211</b>

## Notes:

- (1). Satisfactory refers to estimated cost to bring the asset to a satisfactory condition as deemed by Council. It does not include any planned enhancements to the existing asset.  
 (2). Required Annual Maintenance is what should be spent to maintain assets in a satisfactory standard.  
 (3). Current Annual Maintenance is what has been spent in the current year to maintain assets.

## # Asset Condition "Key" - as per NSW Local Government Asset Accounting Manual:

1	<b>Near Perfect</b> - Ranges from New or Good
2	<b>Superficial Deterioration</b> - Ranges from Generally Good to Fair
3	<b>Deterioration Evident</b> - Ranges from Fair to Marginal
4	<b>Requires Major Reconstruction</b> - Ranges from Poor to Critical
5	<b>Asset Unserviceable</b> - Critical, Beyond Repair

<b>Cost</b>	<b>Valuation</b>	<b>Accumulated Depreciation &amp; Impairment</b>	<b>Carrying Amount (WDV)</b>	<b>Asset Condition<sup>#</sup></b>	<b>Estimated cost to bring up to a satisfactory condition standard <sup>(1)</sup></b>	<b>Required<sup>(2)</sup> Annual Maintenance</b>	<b>Current<sup>(3)</sup> Annual Maintenance</b>
<b>&lt;&lt;&lt;&lt;&lt;&lt;&lt;&lt;&lt; per Note 9 &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>				<b>&lt;&lt;&lt;&lt;&lt;&lt;&lt; per Section 428(2d) &gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>			
1,461	-	707	754	3	600	150	238
<b>1,461</b>	<b>-</b>	<b>707</b>	<b>754</b>		<b>600</b>	<b>150</b>	<b>238</b>
121,000	-	45,153	75,847	2	12,000	1,200	1,200
<b>121,000</b>	<b>-</b>	<b>45,153</b>	<b>75,847</b>		<b>12,000</b>	<b>1,200</b>	<b>1,200</b>
<b>479,506</b>	<b>143,510</b>	<b>294,587</b>	<b>328,429</b>		<b>17,825</b>	<b>9,800</b>	<b>9,592</b>

## Hornsby Shire Council

### Special Schedule No. 8 - Financial Projections

as at 30 June 2008

\$ million	Actual <sup>(1)</sup> 07/08	Forecast 08/09	Forecast 09/10	Forecast <sup>(3)</sup> 10/11	Forecast <sup>(3)</sup> 11/12
<b>(i) RECURRENT BUDGET</b>					
Income from continuing operations	97.1	97.5	100.8	102.8	106.8
Expenses from continuing operations	96.9	98.8	100.8	102.8	106.8
<b>Operating Result from Continuing Operations</b>	<b>0.2</b>	<b>- 1.3</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(ii) CAPITAL BUDGET</b>					
New Capital Works <sup>(2)</sup>	5.2	8.2	6.0	6.2	6.2
Replacement/Refurbishment of Existing Assets	13.7	17.4	18.0	18.6	18.5
<b>Total Capital Budget</b>	<b>18.9</b>	<b>25.6</b>	<b>24.0</b>	<b>24.8</b>	<b>24.7</b>
<b>Funded by:</b>					
- Loans	2.0	2.0	1.0	1.0	1.0
- Asset sales	3.0	6.8	5.6	5.4	5.4
- Reserves	-	-	-	-	-
- Grants/Contributions	9.3	7.7	7.7	7.7	7.7
- Recurrent revenue	1.1	3.2	1.7	2.5	2.5
- Other	3.5	5.9	8.0	8.2	8.1
	<b>18.9</b>	<b>25.6</b>	<b>24.0</b>	<b>24.8</b>	<b>24.7</b>

**Notes:**

(1) From 07/08 Income Statement.

(2) New Capital Works are major non-recurrent projects, eg new Fire Control Centre, new Childcare Centre.



Appendix 3

# Special Purpose Financial Reports

for the year ended 30 June 2008

## Hornsby Shire Council

### Special Purpose Financial Reports

for the financial year ended 30 June 2008

#### Enclosed

#### 1. Statement by Councillors & Management

#### 2. Special Purpose Financial Reports:

- Income Statement of Water Supply Business Activity
- Income Statement of Sewerage Business Activity
- Income Statement of Other Business Activities
  
- Balance Sheet of Water Supply Business Activity
- Balance Sheet of Sewerage Business Activity
- Balance Sheet of Other Business Activities

#### 3. Notes to the Special Purpose Financial Reports

#### 4. Auditor's Report

---

#### Background

- (i) These Special Purpose Financial Reports have been prepared for the use by both Council and the Department of Local Government in fulfilling their requirements under National Competition Policy.
- (ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- (iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and **(b)** those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

- (iv) In preparing these financial reports for Council's self classified Category 1 businesses and ABS defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).
-

Hornsby Shire Council

**Special Purpose Financial Reports**  
for the financial year ended 30 June 2008

**Statement by Councillors and Management**  
made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government"
- The Department of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality"
- The Local Government Code of Accounting Practice and Financial Reporting
- The Department of Water and Energy Best-Practice Management of Water and Sewerage Guidelines

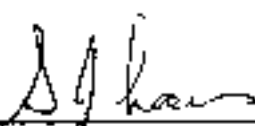
To the best of our knowledge and belief, these Reports:

- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records

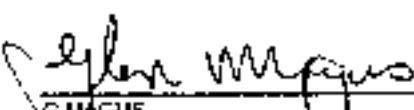
We are not aware of any matter that would render these reports false or misleading in any way.

Signed in accordance with a resolution of Council made on 8 October 2008.

  
 N. BERMAN  
MAYOR

  
 S. EVANS  
DEPUTY MAYOR

  
 R.J. BALL  
GENERAL MANAGER

  
 G. MAGUS  
RESPONSIBLE ACCOUNTING OFFICER

## Hornsby Shire Council

## Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2008

\$ '000	Nurseries & Preschools		Aquatic Centres & Sports Stadium	
	Actual 2008	Actual 2007	Actual 2008	Actual 2007
<b>Income from continuing operations</b>				
Access charges	-	-	-	-
User charges	2,457	2,302	2,109	2,115
Fees	-	-	-	-
Interest	-	-	-	-
Grants and contributions provided for non capital purposes	788	702	-	-
Profit from the sale of assets	2	-	-	-
Other income	14	12	420	409
<b>Total income from continuing operations</b>	<b>3,261</b>	<b>3,016</b>	<b>2,529</b>	<b>2,524</b>
<b>Expenses from continuing operations</b>				
Employee benefits and on-costs	2,690	2,816	2,284	2,217
Borrowing costs	-	-	-	-
Materials and contracts	509	195	663	619
Depreciation and impairment	77	59	186	165
Loss on sale of assets	-	-	1	1
Calculated taxation equivalents	216	223	267	263
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	176	335	392	507
<b>Total expenses from continuing operations</b>	<b>3,668</b>	<b>3,628</b>	<b>3,793</b>	<b>3,772</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>(407)</b>	<b>(612)</b>	<b>(1,264)</b>	<b>(1,248)</b>
Grants and contributions provided for capital purposes	-	-	11	-
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>(407)</b>	<b>(612)</b>	<b>(1,253)</b>	<b>(1,248)</b>
Surplus (deficit) from discontinued operations	-	-	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>(407)</b>	<b>(612)</b>	<b>(1,253)</b>	<b>(1,248)</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-	-	-
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>(407)</b>	<b>(612)</b>	<b>(1,253)</b>	<b>(1,248)</b>
plus Opening Retained Profits	1,838	2,227	348	1,333
plus/less: Prior Period Adjustments	(321)	-	964	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	216	223	267	263
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	-	-	-	-
add:				
- Subsidy Paid/Contribution To Operations	-	-	-	-
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	-	-	-	-
<b>Closing Retained Profits</b>	<b>1,326</b>	<b>1,838</b>	<b>326</b>	<b>348</b>
Return on Capital %	-3.9%	-12.7%	-8.8%	-13.8%
Subsidy from Council	1,065	900	2,157	1,793

## Hornsby Shire Council

### Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2008

\$ '000	Commercial Waste		Development Applications	
	Actual 2008	Actual 2007	Actual 2008	Actual 2007
<b>Income from continuing operations</b>				
Access charges	-	-	-	-
User charges	864	1,091	522	538
Fees	-	-	-	-
Interest	-	-	-	-
Grants and contributions provided for non capital purposes	-	-	-	-
Profit from the sale of assets	-	-	-	-
Other income	219	242	-	-
<b>Total income from continuing operations</b>	<b>1,083</b>	<b>1,333</b>	<b>522</b>	<b>538</b>
<b>Expenses from continuing operations</b>				
Employee benefits and on-costs	38	58	208	385
Borrowing costs	-	-	-	-
Materials and contracts	639	686	147	-
Depreciation and impairment	47	68	28	32
Loss on sale of assets	345	-	6	18
Calculated taxation equivalents	-	-	-	-
Debt guarantee fee (if applicable)	-	-	-	-
Other expenses	25	291	1	157
<b>Total expenses from continuing operations</b>	<b>1,094</b>	<b>1,103</b>	<b>390</b>	<b>592</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>(11)</b>	<b>230</b>	<b>132</b>	<b>(54)</b>
Grants and contributions provided for capital purposes	-	-	-	-
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>(11)</b>	<b>230</b>	<b>132</b>	<b>(54)</b>
Surplus (deficit) from discontinued operations	-	-	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>(11)</b>	<b>230</b>	<b>132</b>	<b>(54)</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	(69)	(40)	-
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>(11)</b>	<b>161</b>	<b>92</b>	<b>(54)</b>
plus Opening Retained Profits	802	572	872	926
plus/less: Prior Period Adjustments	(72)	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	-	-	-	-
- Debt guarantee fees	-	-	-	-
- Corporate taxation equivalent	-	69	40	-
add:				
- Subsidy Paid/Contribution To Operations	-	-	-	-
less:				
- TER dividend paid	-	-	-	-
- Dividend paid	-	-	-	-
<b>Closing Retained Profits</b>	<b>719</b>	<b>802</b>	<b>1,004</b>	<b>872</b>
Return on Capital %	-5.7%	30.7%	146.7%	-45.8%
Subsidy from Council	23	230	-	61

# Hornsby Shire Council

## Income Statement of Council's Other Business Activities

for the financial year ended 30 June 2008

	Property Services	
	Actual 2008	Actual 2007
<b>\$ '000</b>		
<b>Income from continuing operations</b>		
Access charges	-	-
User charges	1,200	1,175
Fees	-	-
Interest	-	-
Grants and contributions provided for non capital purposes	-	-
Profit from the sale of assets	-	-
Other income	10	13
<b>Total income from continuing operations</b>	<b>1,210</b>	<b>1,188</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	82	106
Borrowing costs	-	-
Materials and contracts	99	57
Depreciation and impairment	93	49
Loss on sale of assets	-	-
Calculated taxation equivalents	175	138
Debt guarantee fee (if applicable)	-	-
Other expenses	34	90
<b>Total expenses from continuing operations</b>	<b>483</b>	<b>440</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>727</b>	<b>748</b>
Grants and contributions provided for capital purposes	-	-
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>727</b>	<b>748</b>
Surplus (deficit) from discontinued operations	-	-
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>727</b>	<b>748</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(218)	(224)
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>509</b>	<b>524</b>
plus Opening Retained Profits	26,636	25,750
plus/less: Prior Period Adjustments	(759)	-
plus Adjustments for amounts unpaid:		
- Taxation equivalent payments	175	138
- Debt guarantee fees	-	-
- Corporate taxation equivalent	218	224
add:		
- Subsidy Paid/Contribution To Operations	-	-
less:		
- TER dividend paid	-	-
- Dividend paid	-	-
<b>Closing Retained Profits</b>	<b>26,779</b>	<b>26,636</b>
Return on Capital %	4.0%	5.7%
Subsidy from Council	409	45

## Hornsby Shire Council

## Balance Sheet of Council's Other Business Activities

as at 30 June 2008

	Nurseries & Preschools		Aquatic Centres & Sports Stadium	
	Category 1		Category 1	
\$ '000	Actual 2008	Actual 2007	Actual 2008	Actual 2007
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	-	-	-	-
Investments	174	-	305	305
Receivables	54	-	46	-
Inventories	-	-	27	25
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
<b>Total Current Assets</b>	<b>228</b>	<b>-</b>	<b>378</b>	<b>330</b>
<b>Non-Current Assets</b>				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	10,524	4,803	14,294	9,076
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
<b>Total Non-Current Assets</b>	<b>10,524</b>	<b>4,803</b>	<b>14,294</b>	<b>9,076</b>
<b>TOTAL ASSETS</b>	<b>10,752</b>	<b>4,803</b>	<b>14,672</b>	<b>9,406</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	322	-	247	-
Borrowings	2,666	2,666	9,640	8,861
Provisions	306	299	186	197
<b>Total Current Liabilities</b>	<b>3,294</b>	<b>2,965</b>	<b>10,073</b>	<b>9,058</b>
<b>Non-Current Liabilities</b>				
Payables	-	-	-	-
Borrowings	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>3,294</b>	<b>2,965</b>	<b>10,073</b>	<b>9,058</b>
<b>NET ASSETS</b>	<b>7,458</b>	<b>1,838</b>	<b>4,599</b>	<b>348</b>
<b>EQUITY</b>				
Retained earnings	1,326	1,838	326	348
Revaluation reserves	6,132	-	4,273	-
Council equity interest	7,458	1,838	4,599	348
Minority equity interest	-	-	-	-
<b>TOTAL EQUITY</b>	<b>7,458</b>	<b>1,838</b>	<b>4,599</b>	<b>348</b>

# Hornsby Shire Council

## Balance Sheet of Council's Other Business Activities

as at 30 June 2008

	Commercial Waste Category 2		Development Applications Category 2	
\$ '000	Actual 2008	Actual 2007	Actual 2008	Actual 2007
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	-	-	-	929
Investments	552	-	1,108	-
Receivables	214	287	11	-
Inventories	-	-	-	-
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-
<b>Total Current Assets</b>	<b>766</b>	<b>287</b>	<b>1,119</b>	<b>929</b>
<b>Non-Current Assets</b>				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Infrastructure, property, plant and equipment	194	749	90	118
Investments accounted for using equity method	-	-	-	-
Investment property	-	-	-	-
Other	-	-	-	-
<b>Total Non-Current Assets</b>	<b>194</b>	<b>749</b>	<b>90</b>	<b>118</b>
<b>TOTAL ASSETS</b>	<b>960</b>	<b>1,036</b>	<b>1,209</b>	<b>1,047</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	121	114	60	-
Borrowings	99	99	-	-
Provisions	21	21	145	175
<b>Total Current Liabilities</b>	<b>241</b>	<b>234</b>	<b>205</b>	<b>175</b>
<b>Non-Current Liabilities</b>				
Payables	-	-	-	-
Borrowings	-	-	-	-
Provisions	-	-	-	-
Other Liabilities	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>241</b>	<b>234</b>	<b>205</b>	<b>175</b>
<b>NET ASSETS</b>	<b>719</b>	<b>802</b>	<b>1,004</b>	<b>872</b>
<b>EQUITY</b>				
Retained earnings	719	802	1,004	872
Revaluation reserves	-	-	-	-
Council equity interest	719	802	1,004	872
Minority equity interest	-	-	-	-
<b>TOTAL EQUITY</b>	<b>719</b>	<b>802</b>	<b>1,004</b>	<b>872</b>

## Hornsby Shire Council

### Balance Sheet of Council's Other Business Activities

as at 30 June 2008

	Property Services	
	Category 2	
\$ '000	Actual 2008	Actual 2007
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	-	-
Investments	14,570	13,262
Receivables	31	226
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
<b>Total Current Assets</b>	<b>14,601</b>	<b>13,488</b>
<b>Non-Current Assets</b>		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	18,180	13,212
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
<b>Total Non-Current Assets</b>	<b>18,180</b>	<b>13,212</b>
<b>TOTAL ASSETS</b>	<b>32,781</b>	<b>26,700</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Payables	120	-
Borrowings	-	-
Provisions	62	64
<b>Total Current Liabilities</b>	<b>182</b>	<b>64</b>
<b>Non-Current Liabilities</b>		
Payables	-	-
Borrowings	-	-
Provisions	-	-
Other Liabilities	-	-
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>182</b>	<b>64</b>
<b>NET ASSETS</b>	<b>32,599</b>	<b>26,636</b>
<b>EQUITY</b>		
Retained earnings	26,779	26,636
Revaluation reserves	5,820	-
Council equity interest	32,599	26,636
Minority equity interest	-	-
<b>TOTAL EQUITY</b>	<b>32,599</b>	<b>26,636</b>

## Hornsby Shire Council

### Special Purpose Financial Reports for the financial year ended 30 June 2008

#### Enclosed of the Notes accompanying the Financial Statements

Note	Details
1	Summary of Significant Accounting Policies
2	Water Supply Business Best Practice Management disclosure requirements
3	Sewerage Business Best Practice Management disclosure requirements

## Hornsby Shire Council

### Notes to the Special Purpose Financial Reports

for the financial year ended 30 June 2008

#### Note 1. Significant Accounting Policies

These financial statements are Special Purpose Financial Reports (SPFR's) prepared for use by the Council, the Department of Local Government and the Department of Water & Energy.

For the purposes of these statements, the council's activities (listed herein) are based upon them not being reporting entities.

This special purpose financial report, unless otherwise stated, has been prepared in accordance with;

- 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.

The statements are also prepared on an accruals basis. They are based on 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' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 Government Policy statement on the "Application of National Competition Policy to Local Government". The "Pricing & Costing for Council Businesses A Guide to Competitive Neutrality" issued by the Department of Local Government in July 1997 has also been adopted.

The pricing & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These

disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

#### Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, council has declared that the following are to be considered as business activities:

##### Category 1

(where gross operating turnover is over \$2 million)

- a. **Nurseries & Preschools**  
Operation of children's nurseries & preschools.
- b. **Aquatic & Sports Centres**  
Operation of swimming pools, gymnasiums & indoor sports centres.

##### Category 2

(where gross operating turnover is less than \$2 million)

- a. **Commercial Waste Service**  
Services provided for the collection of commercial waste and sullage.
- b. **Property Services**  
Rental of Council properties to 3<sup>rd</sup> parties for residential & commercial purposes.
- c. **Development Assessments**  
Development assessment & inspection services.

#### Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars.

#### (i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations (General Purpose Financial Report) just like all other costs.

## Hornsby Shire Council

### Notes to the Special Purpose Financial Reports

for the financial year ended 30 June 2008

#### Note 1. Significant Accounting Policies (continued)

However, where council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all council nominated business activities and are reflected in the SPFR.

For the purposes of disclosing comparative information relevant to the private sector equivalent the following taxation equivalents have been applied to all council nominated business activities (this does not include council's non-business activities):

##### Notional Rate Applied %

Corporate Income Tax Rate – 30%

Land Tax – 1.6% + \$100 on combined land values above \$359,000

Payroll Tax – 6% on Salaries and Wages in excess of \$600,000

##### Income Tax

An income tax equivalent has been applied on the profits of the business.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional - that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the operations of the council. Accordingly, there is no need for disclosure of internal charges in the GPFR.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments

have been made for variations that have occurred during the year.

##### Local Government Rates & Charges

A calculation of the equivalent rates and charges for all Category 1 businesses have been applied to all assets owned or exclusively used by the business activity.

##### Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face "true" commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council's borrowing rate for its business activities.

##### (ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community service obligations.

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of Business Activities.

##### (iii) Return on Investments (Rate of Return)

The Policy statement requires that councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field".

Such funds are subsequently available for meeting commitments or financing future investment

## Hornsby Shire Council

### Notes to the Special Purpose Financial Reports for the financial year ended 30 June 2008

#### Note 1. Significant Accounting Policies (continued)

---

strategies. The rate of return is disclosed for each of Councils business activities on the Income Statement.

#### **(iv) Dividends**

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



**Hornsby Shire Council  
Special Purpose Financial Reports  
Independent Auditors' Report**

PricewaterhouseCoopers  
ABN 52 780 433 757

Darling Park Tower 2  
201 Sussex Street  
GPO BOX 2650  
SYDNEY NSW 1171  
DX 77 Sydney  
Australia  
[www.pwc.com/au](http://www.pwc.com/au)  
Telephone +61 2 8266 0000  
Facsimile +61 2 8266 9999

**Scope**

We have audited the special purpose financial reports of **Hornsby Shire Council** for the year ended 30 June 2008, comprising the Statement by Council, Income Statements of Business Activities, Balance Sheets of Business Activities, and accompanying Notes to the Accounts. The financial statements include the accounts of the business activities of the Council and the entities it controlled at the year's end or from time to time during the year. The Council is responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the Council.

The special purpose financial reports have been prepared for distribution to the Council and the Department of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Council or the Department of Local Government or for any purpose other than for which the report was prepared.

Our 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. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures 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 those Australian Accounting Standards adopted and the Local Government Code of Accounting Practice and Financial Reporting so as to present a view which is consistent with our understanding of the business activities of the Council and their financial position and the results of their operations.

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

**Audit opinion**

In our opinion, the Special Purpose Financial Reports of **Hornsby Shire Council** are presented fairly in accordance with the requirements of those applicable Accounting Standards detailed in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting.

PricewaterhouseCoopers  
Chartered Accountants

John Gordon  
Sydney

16/07/2008

Liability is limited by the Accountant's Scheme under the Professional Standards Act 1994 (NSW)



Grevillea Glory by Katherine Johnstone

## Appendix 4

# Litigation Summary

## Appendix 4 : Litigation summary

### Administration branch (risk and insurance)

Location / File / Type	Action date	Status	HSC paid in 2007/08	Comments
File Ref: F2005/01033 Location: Storey Park, Hornsby Type: Public Liability	Ongoing	No court proceedings. FOI demands and legal advice only.	\$1,820.60	Youth allegedly jumped from roof of sporting field amenities block sustaining injuries.
File Ref: F2008/00250 Location: Hornsby CBD Type: Public Liability	Ongoing	No court proceedings. Letter of intent received and information requests only.	nil to date	Claimant alleged tripped on Telstra utility pit lid

### Environment Division litigation summary

Case	Court	Costs 07/08	Results
Amanda Benson and Alan Devaney Illegal Land Modification	Land and Environment Court	\$9,306.30	Court orders granted
Mr T Y Chin Illegal Land Modification	Land and Environment Court	\$2,914.11	Court orders upheld
Yelena Udy Illegal Land Modification	Land and Environment Court	\$19,360.39	Court orders granted
Mr Jack Fatouleh Illegal Land Modification	Hornsby Local Court	\$11,849.34	Court orders issued
<b>TOTAL</b>		<b>\$43,430.11</b>	

### Human Resources

Dispute in the NSW IRC (Matter 1836 of 2007) with depa, LGEA, USU and Unions NSW re development of 'Management of Alcohol and Other Drugs in the Workplace Determination and Procedures' for Council - legal costs to Council \$16,032.37.

## Traffic and Road Safety Branch litigation summary 2007/08

Name/Court reference	Offence	Court date/ Officer	Results
Van Hien LE	Light traffic	Mention 03.07.07	Fine \$400, CC \$70
Total Hoardings Pty Ltd	Disobey no stopping	Mention 03.07.07	S 10 dismissed
Total Hoardings Pty Ltd	Disobey no stopping	Mention 03.07.07	S 10 dismissed
Joe Leatigaga	Light traffic	Mention 03.07.07	Fine \$400, CC \$70
Julie Anne Norman	Stop on path/strip in built up area	Mention 03.07.07	Fine \$10, CC \$70
Nakuljit Singh	Stop in bus zone	Mention 03.07.07	Fine \$200, CC \$70
Harvey Richard Jones	Disobey no stopping sign	Mention 05.07.07	S 10 dismissed
Mirregar Pty Ltd	Disobey no stopping sign TB	Mention 31.07.07	Fine \$150, CC \$70
Ghaiaath Ahmad Atieh Abu Matar	Disobey no parking sign	Mention 07.08.07	S10 dismissed, CC \$70
Joe Leatigaga	Light traffic	Mention 07.08.07	S10 dismissed
Sean Patrick Tohill	Not park rear to kerb	Mention 07.08.07	Fine \$77
John Arthur Tanner	Stop in taxi zone	Mention 07.08.07	S10 dismissed
Peter Raymond Long	Double park	Mention 07.08.07	S10 dismissed
Robert Frith	Stop in parking area without displaying disabled permit	Mention 07.08.07	Withdrawn
Darren Charles Clark	Light traffic	Mention 07.08.07	Fine \$200, CC \$70
Alan Donald Gilligan	Disobey no parking sign	Mention 07.08.07	S10 dismissed
Fauzia Tokhl	Stop in taxi zone	Mention 07.08.07	Withdrawn
Hendvitharana Jayalath	Doubled park	Mention 07.08.07	Withdrawn
Matthew Maclure	Disobey no stopping sign	Mention 14.08.07	Fine \$100, CC \$70
Margaret Elizabeth Dobbin	Parking continuously for longer than permitted.	Mention 21.08.07 Hearing 11.10.07	Withdrawn
Jigna Khimani	Disobey no parking sign	Mention 21.08.07	S10 – dismissed, CC \$70
Pei Sun	Parking continuously for longer than permitted.	Mention 21.08.07 Hearing 08.10.07	Fine \$77, PC \$275
Jane Frances Richter	Stop on strip in built up area	Mention 28.08.07	Fine \$77, CC \$70
Amber Louise Shepherd	Park continuously for longer than permitted	Mention 28.08.07 Hearing 28/09/07	S10 Dismissed
Suzanne Hemil Mead	Park continuously for longer than permitted	Mention 28.08.07	S10 dismissed, CC \$70
Mohammad Taghi Razaz-Rahmati	Disobey no stopping sign	Mention 24.07.07	Fine \$179, CC \$70
Jacqueline Louise Brigstocke	Stop in bus zone	Mention 28.08.07	S10 dismissed
Jitendra Singh	Stop near intersection	Mention 28.08.07	S10 dismissed, CC \$70
Food Fore Us Pty Ltd	Exceed laden mass	Mention 10.07.08	S10 dismissed
Leos Used Cars	Stop in loading zone	Mention 07.08.07	Fine \$125, CC \$70
Hendavitharana De Silva	Double park	Mention 07.08.07	\$50
Luke Stanton	Breach weight limit road	Mention 18.09.07	Fine \$200, CC \$70
Trevor Cotherill	Breach weight limit road	Mention 18.09.07 Hearing 21.12.07	Fine \$743, CC \$70

Continued over →

Name/Court reference	Offence	Court date/ Officer	Results
Paul Maatouk	Breach weight limit road	Mention 18.09.07	Fine \$300, CC \$70
Trevor Cottrill	Breach weight limit road	Mention 18.09.07 Hearing 21.12.07	Fine \$743, CC \$70
John Bartrop	Park longer than permitted	Mention 03.07.07 Hearing 22.08.07	S10 dismissed
James Edward Gough	Park in loading zone	Mention 10.07.07 Hearing 24.08.07	S10 dismissed, CC \$50
Robert John McFarlane	Breach weight limit road	Mention 10.07.07	Fine \$900, CC \$70
Tracey Anne Davis	Double park	Mention 10.07.07	Fine \$150, CC \$70
James Grouse	Exceed laden weight	Mention 10.07.07 Hearing 27.08.07	Fine \$743
Parviz Moradi	Stop on/near intersection	Mention 02.10.07	PG Fine \$179
Kerry May Bliss	Disobey no stopping sign	Mention 02.10.07	Fine \$200, CC \$70
Greg Dowden	Exceed laden weight	Mention 02.10.07 Hearing 16/11/07	Fine \$743
Nicholas Patsidis	stop in loading zone	Mention 04.09.07	S10 dismissed
Halil Kandas	Exceed laden weight	Mention 11.10.07	Fine \$200
Ali R Jeyranpour	Stand vehicle in area longer than allowed	Mention 09.10.07 Hearing 26.11.07	Fine \$77 CC \$70, PC \$165
Desmond P Sinha	Exceed laden weight	Mention 04.12.07	S10 dismissed CC \$70
Mario Robert Dolfo	Exceed Laden Weight	Mention 11.09.07	S10 dismissed
Johnathan Mathew Seidel	Park longer than permitted	Mention 11.09.07	Fine \$150, CC \$70
Elizabeth Mary Button	Not Park rear to kerb	Mention 04.09.07	Withdrawn
Ruben Martinez	Park longer than permitted	Mention 19.06.07 Hearing 18.09.07	Withdrawn
Ian Jason Bright	Stop in loading zone	Mention 18.09.07	Fine \$60, CC \$70
Mark James Osborne	Stop in loading zone	Mention 18/09/07	S10 withdrawn
Therese Kendirjian	Stop on path/Strip in built-up area	Mention 18/09/07	S10 – withdrawn
Adam Socha	Stop in taxi zone	Mention 18/09/07	S10 – withdrawn
Karen Lynnette Clair Weeden	Stop in loading zone	Mention 23/10/2007	S10 - PG
Gordon Kentish	Exceed laden weight	Mention 30.10.07	PG \$743, CC \$70
Julie Kay Ryan	Stop in loading zone	Mention 09.10.07	S10 withdrawn
Gregory Lynn Dezius	Breach weight limited road	Mention 06.11.07	Fine \$ 450
Jeremy Joseph Weglewski	Stop in bus zone	Mention 13.11.07	Fine \$185, CC \$70
Manisha Arora D	isobey no stopping sign	Mention 20.11.07 Hearing 17.01.08	S10
Mohamed Marzook	Stop in disabled parking area	Mention 25.09.07 Hearing 12.10.07	Fine \$300, CC \$70, PC \$100
Van Nghi Le	Exceed laden mass of road	Mention 20.11.07	Fine \$400, CC \$70
Cagin Gucl	Exceed laden mass of road	Mention 20.11.07	Withdrawn
Barry Francis Williams	Park continuously for longer than permit	Mention 20.11.07	Withdrawn

Continued over →

Name/Court reference	Offence	Court date/ Officer	Results
Thomas Szolnoky	Stand vehicle longer than allowed	Mention 25.09.07 Hearing 22.10.07	Withdrawn
Musa Kacanic	Exceed laden mass of road	Mention 20.11.07 Adjourned 11.12.07	Fine \$923, CC \$70
Cagin Gucl	Exceed laden mass of road	Mention 20.11.07	Withdrawn
Isobel Ann Curran	Park in area longer than allowed	Mention 27.11.07 Hearing 17.01.08	Fine \$200
Shampa Acharya	Stop in bus zone	Mention 27.11.07	Withdrawn PG \$50 (no cost)
Paul Cole	Exceed laden mass of road	Mention 27.11.07	\$10
David James Hamilton Hooper	Stop on path/strip in built up area	Mention 4.09.07 Hearing 6.11.07	Fine \$77, CC \$70
David James Hamilton Hooper	Stop on path/strip in built up area	Mention 18.09.07 Hearing 6.11.07	Fine \$70, CC \$70
Raymond John Snelgrove	Exceed laden mass of road	Mention 4.11.07 Hearing 17.1.08	Fine \$300, CC \$100
Ammar Al Hasani	Exceed laden mass of road	Mention 4.11.07	Fine \$500
Floyd Brown	Exceed laden mass of road	Mention 4.11.07	\$10, CC \$70
Andrew Jaffrey	Park in area longer than allowed	Mention 25.09.07 Hearing 07.11.07	Fine \$77, CC \$75
Ammar Al Hasani.	Exceed laden mass of road	Mention 4.12.07	Fine \$500
Yu Chen	Stop in bus zone	Mention 11.12.07 Hearing 01.02.08	Withdrawn
Alister Pearson	Let article be exposed at road without approval	Mention 11.12.07 Hearing 01.02.08 Adjourned 17.03.08	Withdrawn
Christopher Vanderland	Stop on/across driveway	Mention 18.09.07 Hearing 16.11.07	Fine \$77
Christopher John Redman	Parked to long	Mention 8.1.08	Sec 10, No cost
George Rapheal	Disobey no stopping sign	Mention 8.1.08	Fine \$185, CC \$70
Nathan James Campbell	Parked to long	Mention 8.1.08	Fine \$20
Stewart Gordon	Parked to long	Mention 25.9.07 Hearing 5.12.07	Fine \$100, CC \$70
Sadegh Valipour Goudarzi	Stop in loading zone	Mention 25.9.07 Hearing 28.11.07	Fine \$128, CC \$70, PC \$165
Michael James Griffin	Not parallel park in direction of travel	Mention 8.1.08	Sec 10
Mark Merrin	Exceed laden mass	Mention 27.11.07	Sec 10 1(A)
Paul Francis Joseph	Disobey no stopping sign	Mention 06.11.07 Hearing 12.12.07	Dismissed
Maria E C Linssen	Stop in work zone	Mention 05.02.08	\$10 dismissed, CC \$70
Ravi Walia	Stop in taxi zone	Mention 05.02.08 Adjourned 03.04.08 Hearing 07.05.08	\$10 dismissed

Continued over →

Name/Court reference	Offence	Court date/ Officer	Results
Alister Pearson	Let article be exposed at road without approval	Mention 05.02.08	Withdrawn
John Larke Landon	Not park rear to kerb where indicated	Mention 12.02.08	S10 dismissed
John Masih	Exceed laden mass of road	Mention 04.03.08	Fine \$200, CC \$70
Keith Zammit	Exceed laden mass of road	Mention 04.03.08	Fine \$200, CC \$70
Fatima A Hussien	Park continuously for longer than allowed	Mention 15.5.08	S10 dismissed
George Raphael	Disobey no stopping sign	Mention 8.1.08	Fine \$185, CC \$70
Adam Bilsborough	Exceed laden mass	Mention 29.05.08	Fine \$200, CC \$70
Paul C Tuffin	Disobey no stopping sign	Mention 17.04.08	Fine \$300, CC \$70
Peter Glen Robinson	Exceed laden mass of road	Mention 17.04.08	S10, CC \$70
Kim Murhall-Griffith	Disobey no parking	Mention 17.04.08	Fine \$79
Ma Lynette Nonato Koopmans	Disobey no stopping sign	Mention 29.04.08 Hearing 14.07.08	Withdrawn
Michael Steven Migdoll	Disobey no stopping sign	Mention 15.04.08	Fine \$100, CC \$70
Aminul Haque	Disobey no stopping sign	Mention 29.04.08	S10, CC \$70
Attila Juhasz	Disobey no parking sign	Mention 17.04.08	Fine \$79, CC \$70
Reece Joel Lawrence	Park longer than permitted	Mention 15.04.08	Fine \$79, CC \$70
Aldo Gino Jose Bayona	Disobey no stopping sign	Mention 12.06.08 Hearing 4.08.08	Council withdrawn
Mohamad El Dahbi	Exceed laden mass limit	Mention 08.04.08	Fine \$ 200, CC \$70
Liane Maree Martin	Stop in work zone	Mention 26.06.08	S10 dismissed, CC \$70
Andrew Kulibab	Exceed laden mass limit	Mention 26.06.08	S10 dismissed, CC \$70
Zabiullah Azimi	Disobey no stopping sign	Mention 12.06.08	S10 dismissed

## Planning Division litigation summary 2007/08

### Class 1. Land and Environment Court

Project	Case	Expenditure	Income	Result/status
10721	J. W. HEPBURN PTY LTD DA/2172/2004 32 Palmerston Road, Waitara. Appeal against refusal to issue development consent for demolition of structures and erection of child care centre.	\$15,792.00		Appeal upheld 12/3/07
10709	ARDEN ANGLICAN SCHOOL DA/1804/2005 37 - 41 Oxford Street, Epping. Appeal against refusal to issue development consent for use of existing premises as an educational establishment for Arden Anglican School.	\$472.00		Appeal upheld 25/5/07
10697	PHILIP JOHN DALY DA/1007/2005 3 & 5 Turner Road, Berowra. Appeal against refusal to issue development consent for demolition of existing structures and erection of eleven multi-unit dwellings.	\$32,926.00	Paid \$900.00	Appeal upheld 31/10/07
10722	MR RAJALINGAM MAHALINGAM DA/992/2006 5 Sussex Street, Epping. Appeal against refusal of demolition of existing dwelling and construction of new dwelling.	\$10,729.00	\$10,728.56	Appeal dismissed 22/6/07
10698	LENA ANNE D'SOUZA DA/2025/2002/C 18 Wentworth Avenue, Waitara. Appeal against refusal of Section 96(2) modification of consent to increase the number of childcare centre places from 16 to 24.	\$40,645.00		Appeal upheld. Section 96 application approved 29/11/07
10688	MINTER ELLISON LAWYERS DA/2233/2004 93 - 103 Pacific Highway, Hornsby. Appeal against refusal of demolition of existing building and erection of a mixed use development (9 storeys) comprising 38 multi-unit dwellings and commercial floor space.	\$62,862.00		Appeal upheld. Consent granted 2/11/07
10699	MR LES CHILVERS DA/1986/2006 9 Canoelands Road, Canoelands. Appeal against refusal of use of the southern part of the site as a wholesale plant nursery and ancillary works.	\$133,504.00		Appeal upheld. Consent granted 13/12/07
10689	SOLIMAN & SONS PTY LTD DA/1021/2003/B 444 Galston Road, Dural. Appeal against refusal of section 96(2) application to vary condition No. 71 (hours of operation).	\$40,274.00		Appeal Upheld 30/8/07

Project	Case	Expenditure	Income	Result/status
10693	MR EDDIE TAKCHI DA/1676/2006 27 Loftus Road, Pennant Hills. Appeal against refusal of erection of a second dwelling to create a multi-unit housing development and subdivision of one lot into two.	\$40,924.00		Appeal dismissed 20/9/07
10710	DOMAIN APARTMENTS (SYDNEY) PTY LTD DA/2187/2002/C 6X Station Street, 1 & 3 Thornleigh Street & 295-299 Pennant Hills Road, Thornleigh. Appeal against refusal of Section 96(A) application to amend the boundary retaining wall and the carpark wall.	\$21,452.00		Appeal discontinued 10/8/07
10687	MEPSTEAD & ASSOCIATES DA/1887/2006 8-20 Mundowi Road, Mount Ku-ring-gai. Appeal against refusal of torrens title subdivision of three lots into 12.	\$18,315.00		Appeal upheld. Consent granted 23/10/07
10686	JOHN DREWITT-SMITH DA/1718/2006 202-206 Somerville Road, Hornsby Heights. Appeal against refusal of subdivision of three lots into 15 lots.	\$23,745.00		Appeal dismissed 20/1/08
10685	TRUECLAD AS TRUSTEE TO THE GALEA FAMILY TRUST DA/902/2007 124 Castle Hill Road, West Pennant Hills. Appeal against deemed refusal of community title subdivision of one lot into six residential lots and one accessway lot and the construction of two two-storey dwellings.	\$26,035.00		Appeal upheld and consent granted 26/2/08
10682	JOSEPH PHILIP LOICANO DA/1915/2006 3 Maida Road, Epping. Appeal against refusal of strata subdivision of an existing building containing six units.	\$7,238.00		Consent Orders issued 21/1/08
10683	JOHNSON & JOHNSON DA/1941/2005 1 Roper Lane, Hornsby. Appeal against refusal of demolition of garage and carport - Torrens title subdivision of one allotment into two and erection of a second dwelling.	\$18,731.00		Appeal upheld. Consent granted to amended plan 14/2/08
10681	MINH TUYEN HOANG & THI HANH HOANG DA/636/2007 8-10 Florence Street, Hornsby. Appeal against deemed refusal of change of use from supermarket to restaurant including alterations and fitout.	\$7,612.00		Appeal upheld. Consent granted 10/12/07
10718	THE SCOUTS ASSOCIATION OF NSW DA/843/2007 29 & 31 York Street, Beecroft. Appeal against deemed refusal of demolition of an existing scout hall.	\$4,796.00		Consent Orders issued 21/11/07
10736	B WEBB DA/481/2007 32 Alberta Street, Cown. Appeal against refusal of alterations and additions to existing dwelling and freestanding double garage and carport.	\$9,513.00		Appeal upheld. Consent granted subject to amended plans 8/11/07

Continued over →

Project	Case	Expenditure	Income	Result/status
10737	JIAHANG LIN DA/1855/2006 41 Chester Street, Epping. Appeal against refusal of dwelling and retaining walls - proposed Lot 2.	\$8,860.00	Paid \$452.00	Appeal upheld. Amended plans lodged 19/12/07
10720	MR OMER TIMUR OTARAN DA/141/2006 12 & 14A Brucesdale Avenue, Epping. Appeal against refusal to issue development consent for subdivision of two lots into three lots and erection of two single storey dwellings.	\$1,910.00	Paid \$5,000.00	Discontinued by applicant. Agreed costs of \$5,000 paid to Council 18/5/07
10768	PS GRAHAM & ASSOCIATES DA/626/2007 23 Excelsior Road, Mount Colah. Appeal against refusal to conversion of existing dwelling into a multi unit development comprising two units.	\$14,535.00		Appeal upheld 6/3/08
10769	ROGER KEITH BROOKES DA/1322/2006 16-24 Robert Road, Cherrybrook. Appeal against refusal of a torrens title subdivision of one lot into fifteen lots and the construction of a public road.	\$17,209.00		Section 34 conference held 18/3/08. Agreed conditions prepared. 3/7/08
10714	TELSTRA CORPORATION LIMITED DA/1514/2004 60-74 The Crescent, Cheltenham. Appeal against refusal to issue development consent for installation of telecommunication equipment on existing building and new equipment cabin.	\$62,728.00		
10805	MR K & MRS T BROWN DA/1370/2007 43 Carters Road, Dural. Appeal against refusal of establishment of a home industry, construction of fencing and installation of rainwater tank.	\$10,564.00		Appeal upheld 28/5/08
10818	MR K & MRS T BROWN DA/168/2007/A 43 Carters Road, Dural. Appeal against deemed refusal of Section 96(2) application for approved addition - garage, inground swimming pool, cabana, tennis court and retaining walls.	\$7,169.00		Section 34 conference held 9/4/08. Agreed conditions prepared. Matter finalised 6/6/08.
10811	WALDORF AUSTRALIA GROUP PTY LTD DA/616/2004/E 2 City View Road, Pennant Hills. Appeal against deemed refusal of Section 96AA(1) application for variation of condition 2(b) to remove limitation of hours of operation and consequential amendments to conditions Nos. 83, 84 and 85	\$6,750.00		Appeal upheld 28/3/08
10838	MR BRADLEY BOWERMAN DA/1392/2005 22 Singleton Road, Wisemans Ferry. Appeal against refusal of erection of a dwelling	\$2,500.00		Consent orders issued 12/3/07.

## Class 4 Land and Environment Court

Project	Case	Expenditure	Income	Result/status
10702	MR LES CHILVERS DA/2235/2004 9 Canoelands Road, Canoelands. Appeal against unauthorised use of land and illegal landfill.	\$19,551.00		Class 1 appeal upheld 16/8/07. Class 4 adjourned to March 2008 to ensure works undertaken.
10692	MULTISTRUTURE ENGINEERS & PROJECT MANAGEMENT DA/903/2006 24 Derby Street, Epping. Appeal against non-compliance with development consent.	\$2,800.00	\$19,000.00	Defendant order to pay Court costs and fined \$19,000 20/7/07.
10703	DOMAIN APARTMENTS (SYDNEY) PTY LTD DA/2187/2002 295 - 299 Pennant Hills Road, Thornleigh. Appeal against non-compliance with Order No. 15.	\$2,828.00		Agreement reached between parties. Consent Orders issued 23/11/07
10691	IGS ENTERPRISES PTY LTD P2007/01521 Lot 1 DP 925054 & Lot 1 DP 925055 Fisherman's Point, Hawkesbury River. Appeal against alleged unauthorised building works.	\$26,930.00		Draft consent orders prepared and with applicant for review.
10705	AMY DE CERBO P2006/00307 525 Pennant Hills Road, West Pennant Hills. Appeal against premises not in healthy or safe conditions.	\$7,518.00	\$3,500.00	Costs awarded. \$3,500.00 to be paid in 60 days.
10730	PETTIGREW DA/585/1998 5 Coppabella Road, Middle Dural. Appeal against non compliance with Order No. 15.	\$453.00	\$452.50	Order complied with.
10747	Mrs T FRAUNFELTER P2007/00205 12-14 Charltons Creek Road, Berrilee. Appeal against non-compliance with Part 2, Section 23 Order.	\$763.00		Written undertakings provided. Fence erected.
10787	POOLWERX PYMBLE P2006/01480 43 Orana Street, Hornsby. Appeal against unauthorised storage of pool chemicals.			Chemicals removed. Order complied with.

## Class 5 Land and Environment Court

Project	Case	Expenditure	Income	Result/status
10716 & 10717	MR IAN CREAK DA/74/2006/A & P2006/00451 24 Welham Street, Beecroft. Appeal against Penalty Infringement Notice to Local Court - Development without consent (Notice 7600792861).	\$2,332.00	Paid \$6,500.00	Appeal dismissed. Offence proved. Deed of Agreement entered into by both parties.
10731	SEMANN, AZIZ P2007/01430 50 Station Street, Thornleigh. Development without consent.	\$361.00	\$5,300.00	Found guilty of offence: Fine \$4,500, Court Costs \$70, Legal Costs \$800.
10735	SYDNEY METRO PROJECTS P2006/0036 295-299 Pennant Hills Road, Thornleigh. Working outside of hours.	\$2,666.00	\$31,500.00	Found guilty of offence. Fine \$30,000. Legal costs \$1,500.
10732	DAMIEN DE-SOUZA P2006/01300 20 Ashford Road, Cherrybrook. Development without consent.	\$361.00	\$14,350.00	Found guilty of offence. Fine \$14,000. Court Costs \$70, Legal Costs \$350.
10733	MR P L RYMAN P2007/0200 21 Eyre Place, Mount Colah. Development without consent.	\$431.00	\$3,850.00	Found guilty of offence: Fine \$3,500, Court Costs \$70, Legal Costs \$350.
10734	MR MP WILICKRAMASURIYA P2007/01826 17 Forest Close, Cherrybrook. Development without consent.	\$ 624.00	\$5,550.00	Found guilty of offence: Fine \$5,00, Court Costs \$70, Legal Costs \$550.
10749	INDUSTRIAL PARKS OF AUSTRALIA PTY LTD P2007/00968 22-24 Beaumont Road, Mount Ku-ring-gai. Undertaking prohibited development.	\$1,396.00	\$16,200.00	Found guilty of offence: Fine \$15,000, Professional Costs \$1,200, Court Costs \$70.
10757	MRS MB HOLM & MR SE HOLM P2007/03292 1431-1433 Old Northern Road, Glenorie. Unlawful erection of three sheds.	\$7,098.00	\$20,000.00	Defendant pleaded guilty. Fine issued \$20,000, Court Costs \$7,000.

Continued over →

Project	Case	Expenditure	Income	Result/status
10774	ROHOLLAH MORTEZALYAN P2006/03592 79 Appletree Drive, Cherrybrook. Development without consent.	\$2,206.00		Found guilty of offence: Fine \$3,500, Legal \$1,500, Court Costs \$490.00.
10816	MR C J PERRIN and MRS J C PERRIN P2005/01605 14 Killaloe Avenue, Pennant Hills. Non-compliance with DA/1755/2006 - garage erected not as per approval.	\$2,111.00	\$5,000.00	Found guilty of offence: Fine issued \$5,000.
10827	COMMERCIAL & HOUSING ADVANCES AUSTRALIA PTY LTD P2008/00063 7 Rosella Street, Dural. Undertaking development without consent - unauthorised driveway and fill.	\$3,966.00	\$10,000.00	Found guilty of offence: Fine issued \$10,000.
10817	MIN-BIN WASTE CONTRACTORS PTY LTD DA/1386/2007 & P2008/00232 7-9 Brennan Close, Asquith. Breach of development consent - condition No. 14.	\$1,684.00	\$400.00	Found guilty of offence. Fine issued \$400.00
Totals		\$733,869.00	\$158,683.06	



Snoopy by Dale Casey

Appendix 5

# Freedom of Information Report

## Appendix 5 - Freedom of Information Report

---

There were no major issues relating to compliance with Freedom of Information (FOI) applications. Council continued to administer a Document Access Policy to facilitate access to information under Section 12 of the *Local Government Act 1993*. In the financial year, 1,023 Document Access applications and 41 FOI applications were processed by Council. Two of the FOI applications were carried forward into the next financial year. This represents a significant increase in applications to access information when compared with the 2006/07 financial year in which there were 619 Document Access applications and 21 FOI applications. This increase is a result of a general growth in demand for information and a change in Council's procedures for dealing with applications to access information. Council has incurred considerable legal costs with respect to the processing and review of some FOI applications.

Since 1 January 2007, the processing of applications under council's Document Access Policy has been progressively moved from Council's Planning Division to the Administration Services Branch. Information requests are now dealt with as individual requests to the Administration Services Branch or by direct access to documents via Council's website.

The legal requirements for the provision of information to the community and the preservation of privacy in relation to information that Council holds are competing priorities which can sometimes be in conflict. Council's Document Access Policy and published Privacy Notification give important criteria on the procedures adopted by Council to balance these competing priorities.

Council did not receive any new applications for amendment of personal records during the year. Three internal reviews were, however, completed in the year. In each case the original determination was upheld and no amendments to Council records were made.

## FOI Statistics

### SECTION A Number of new FOI applications

How many FOI applications were received, discontinued or completed?

FOI requests	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
A1 New	1	-	20	40	21	40
A2 Brought forward	-	-	-	1	-	1
A3 Total to be processed	1	-	20	41	21	41
A4 Completed	1	-	15	30	16	30
A5 Discontinued	-	-	4	9	4	9
A6 Total processed	1	-	19	39	20	39
A7 Unfinished (carried forward)	-	-	1	2	1	2

### SECTION B Number of discounted FOI applications

Why were FOI applications discontinued?

Result of FOI requests	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
B1 Request transferred out to another agency (s.20)	-	-	-	-	-	-
B2 Applicant withdrew request	-	-	1	3	1	3
B3 Applicant failed to pay advance deposit (s.22)	-	-	3	3	3	3
B4 Applicant failed to amend a request that would have been an unreasonable diversion of resources to complete (s.25(1)(a1))	-	-	-	3	-	3
B5 Total discontinued	-	-	4	9	4	9

### SECTION C Number of completed FOI applications

What happened to completed FOI applications?

Result of FOI requests	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
C1 Granted/available in full	-	-	6	14	6	14
C2 Granted/available in part	1	-	3	8	4	8
C3 Refused	-	-	-	1	-	1
C4 No documents held	-	-	6	7	6	7
C5 Total completed	1	-	15	30	16	30

**SECTION D Number of FOI applications (granted or otherwise available in full)**

How were the documents made available to the applicant?

Method of FOI provision	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
D1 Provided to the applicant	-	-	-	14	-	14
D2 Provided to the applicant's medical Practitioner	-	-	-	-	-	-
D3 Available for inspection	-	-	-	-	-	-
D4 Available for purchase	-	-	-	-	-	-
D5 Library material	-	-	-	-	-	-
D6 Subject to deferred access	-	-	-	-	-	-
D7 Available by a combination of any of the reasons listed in D1-D6 above	-	-	6	-	6	-
D8 Total granted or otherwise available in full	-	-	6	14	6	14

**SECTION E Applications granted or otherwise available in part**

How were the documents made available to the applicant?

Method of FOI availability	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
E1 Provided to the applicant	-	-	-	8	-	8
E2 Provided to the applicant's medical Practitioner	-	-	-	-	-	-
E3 Available for inspection	-	-	-	-	-	-
E4 Available for purchase	-	-	-	-	-	-
E5 Library material	-	-	-	-	-	-
E6 Subject to deferred access	-	-	-	-	-	-
E7 Available by a combination of any of the reasons listed in E1-E6 above	1	-	3	-	4	-
E8 Total granted or otherwise available in part	1	-	3	8	4	8

## SECTION F Refused FOI applications

Why was access to the documents refused?

Result of FOI requests	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
F1 Exempt	-	-	-	1	-	1
F2 Deemed refused	-	-	-	-	-	-
F3 Total refused	-	-	-	1	-	1

## SECTION G Number of FOI applications refused or otherwise available in part only

Why were the documents classified as exempt? (Only one reason identified).

Method of FOI provision	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
<b>Restricted documents:</b>	-	-	-	-	-	-
G1 Cabinet documents (Clause 1)	-	-	-	-	-	-
G2 Executive Council documents (Clause 2)	-	-	-	-	-	-
G3 Documents affecting law enforcement and public safety (Clause 4)	-	-	-	-	-	-
G4 Documents affecting counter terrorism measures (Clause 4A)	-	-	-	-	-	-
<b>Documents requiring consultation:</b>	-	-	-	-	-	-
G5 Documents affecting intergovernmental relations (Clause 5)	-	-	-	-	-	-
G6 Documents affecting personal affairs (Clause 6)	-	-	-	4	-	4
G7 Documents affecting business affairs (Clause 7)	-	-	-	1	-	1
G8 Documents affecting the conduct of research (Clause 8)	-	-	-	-	-	-
<b>Documents otherwise exempt:</b>	-	-	-	-	-	-
G9 Schedule 2 exempt agency	-	-	-	-	-	-
G10 Documents containing information confidential to Olympic Committees (Clause 22)	-	-	-	-	-	-

Continued over →

Method of FOI provision	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
G11 Documents relating to threatened species, Aboriginal objects or Aboriginal places (Clause 23)	-	-	-	-	-	-
G12 Documents relating to threatened species conservation (Clause 24)	-	-	-	-	-	-
G13 Plans of management containing information of Aboriginal significance (Clause 25)	-	-	-	-	-	-
G14 Private documents in public library collections (Clause 19)	-	-	-	-	-	-
G15 Documents relating to judicial functions (Clause 11)	-	-	-	-	-	-
G16 Documents subject to contempt (Clause 17)	-	-	-	-	-	-
G17 Documents arising out of companies and securities legislation (Clause 18)	-	-	-	-	-	-
G18 Exempt documents under interstate FOI Legislation (Clause 21)	-	-	-	-	-	-
G19 Documents subject to legal professional privilege (Clause 10)	-	-	1	3	-	3
G20 Documents containing confidential material (Clause 13)	1	-	-	-	-	-
G21 Documents subject to secrecy provisions (Clause 12)	-	-	1	-	-	-
G22 Documents affecting the economy of the State (Clause 14)	-	-	-	-	-	-
G23 Documents affecting financial or property Interests of the State or an agency (Clause 15) G24 Documents concerning operations of agencies (Clause 16)	-	-	-	1	-	1
G25 Internal working documents (Clause 9)	-	-	-	-	-	-
G26 Other exemptions (e.g., Clauses 20, 22A and 26)	-	-	1	-	-	-
G27 Total applications including exempt documents	1	-	3	9	4	9

**SECTION H Number of Ministerial Certificates issued (S.59)**

	Previous year	Current year
H1 Ministerial certificates issued	0	0

**SECTION I Formal consultations**

Number of requests requiring consultations (issued) and total number of formal consultations:

	Number consulted	
	previous year	current year
I1 Number of applications requiring formal consultation	-	5
I2 Number of persons formally consulted	-	10

**SECTION J Amendment of personal records**

How many applications for amendment of personal records were agreed or refused?

	Number of applications for amendment of personal records	
	previous year	current year
J1 Agreed in full	-	-
J2 Agreed in part	-	-
J3 Refused	3	-
J4 Total	3	0

**SECTION K Notation of personal records Section M – fee discounts**

How many applications for notation of personal records were made (s.46)?

	Number of applications for notation	
	previous year	current year
K1 Applications for notation	0	0

**SECTION L FEES AND COSTS**

What fees were assessed and received for FOI applications processed (excluding applications transferred out)?

Result of FOI requests	Personal		Other	
	previous year	current year	previous year	current year
L1 All completed applications	\$2640	\$6240	\$630	\$3863.50
Council's legal costs associated with FOI applications	-	\$37,750.78	-	\$Nil

**SECTION M FEE DISCOUNTS**

How many fee waivers or discounts were allowed and why?

Result of FOI requests	Personal		Other		Total	
	previous year	current year	previous year	current year	previous year	current year
M1 Processing fees waived in full	-	-	-	-	-	-
M2 Public interest discounts	-	-	-	-	-	-
M3 Financial hardship discounts – pensioner or child	-	-	-	3	-	3
M4 Financial hardship discounts – non profit organisation	-	-	-	-	-	-
M5 Total	0	0	0	3	0	3

**SECTION N FEE REFUNDS**

How many fee refunds were granted as a result of significant correction of personal records?

	Number of refunds	
	previous year	current year
N1 Number of fee refunds granted as a result of significant correction of personal records	0	0

**SECTION O DAYS TAKEN TO COMPLETE REQUEST**

How long did it take (in calendar days) to process completed applications?

Number of completed FOI applications	Personal		Other		total	
	previous year	current year	previous year	current year	previous year	current year
O1: 0-21 days – statutory determination period	-	-	12	15	12	15
O2: 22-35 days – extended statutory determination period for consultation or retrieval of archived records (S.59B)	-	-	-	3	-	3
O3: Over 21 days – deemed refusal where no extended determination period applies	-	-	3	11	3	11
O4: Over 35 days – deemed refusal where extended determination period applies	1	-	-	1	1	1
O5: Total	1	0	15	30	16	30

**SECTION P PROCESSING TIME: HOURS**

How long did it take to process completed applications?

Number of completed FOI applications	Personal		Other		total	
	previous year	current year	previous year	current year	previous year	current year
P1 0-10 hours	-	-	15	24	15	24
P2 11-20 hours	1	-	-	5	1	5
P3 21-40 hours	-	-	-	-	-	-
P4 Over 40 hours	-	-	-	1	-	1
P5 Total	1	0	15	30	16	30

**SECTION Q NUMBER OF REVIEWS**

How many reviews were finalised?

	Number of completed reviews	
	previous year	current year
Q1 Internal reviews	4	2
Q2 Ombudsman reviews	-	-
Q3 ADT reviews	1	1

**SECTION R RESULTS OF INTERNAL REVIEWS**

What were the results of internal reviews finalised?

Number of internal reviews	Personal		Other		total	
Grounds on which the internal review was requested	Original agency decision					
	upheld	varied	upheld	varied	upheld	varied
R1 Access refused	-	-	-	-	-	-
R2 Access deferred	-	-	-	-	-	-
R3 Exempt matter deleted from documents	-	-	-	-	-	-
R4 Unreasonable charges	-	-	-	-	-	-
R5 Failure to consult with third parties	-	-	-	-	-	-
R6 Third parties views disregarded	-	-	-	-	-	-
R7 Amendment of personal records refused	3	-	-	-	3	-
R8 Total	3	0	0	0	3	0

Shading denotes not a service of Council

Abandoned vehicles	Council's Rangers	9847 6713
Aged or those with a disability	For information on services, activities and accommodation for Over 55's	9847 6535
Backyard Burning	Prohibited in suburban areas – enquiries	9847 6853
Barking Dogs	Contact Council's Environment Customer Service	9847 6853
Bicycle Tracks and Maps		9847 6616
Planning and Building Assessment and Compliance Inspections	To book a building inspection or specific enquiries for a building surveyor or development compliance officer. Contact hours 8.30am–5pm	9847 6760
Bushland	Enquiries about bush regeneration, volunteering & bush walks	9847 6797
Children's Services	Nursery and PreSchool Care	9847 6611
Community Centres	Halls for hire at reasonable rates for a variety of community events	9847 6611
Community Information		9847 6611
Complaints	About Council's service delivery	9847 6790
Council Buildings and Bus Shelters - Damage only		9847 4805
Council Meetings		9847 6836
Development Applications	Advice or appointments	9847 6760
Disabled Parking Stickers	Call Roads and Traffic Authority	132 213
Dogs and Cats	Enquiries and registration	9847 6853
Dog Pound	180 Pennant Hills Road, Thornleigh	9484 2166
Drains	Council drains, blocked drains or pits	9847 6940
Drains	On private property	9847 6760
Garbage	Also see Waste	9847 4856
Graffiti Hotline	To report graffiti	1800 199 282
Halls for Hire	Also see Community Centres	9847 6611
Health matters	Issues such as <ul style="list-style-type: none"> <li>• overgrown vegetation on properties</li> <li>• sewage complaints and food safety on commercial premises</li> </ul>	9847 6760 9847 6853
Hornsby Courthouse		9847 9933
Hornsby Hospital		9477 9123
Impounded Animals or Vehicles		9847 6713
Libraries	Hornsby Library	28 George St, enter Hunter Lane
	Pennant Hills Library	Cnr Ramsay & Yarrara Roads
	Epping Library	Chambers Court, off Pembroke St
	Galston	357 Galston Road
	Berowra	Community Centre, Gully Road
Noise	Enquiries about	<ul style="list-style-type: none"> <li>• air-conditioning units &amp; pool pumps</li> <li>• musical instruments &amp; intruder alarms</li> </ul>
Possum problems	National Parks and Wildlife, Sydney North Region	9472 8949
Police Station	Hornsby Police	9476 9799
Rates	Enquiries	9847 6777
School Holiday Program	Vacation Care	9869 8966
	Hornsby Library	9847 6813
Swimming Pools - Council	Hornsby	9477 3855
	Epping	9876 5945
	Galston	9651 2393
Tennis Courts	For locations and booking details of council's tennis courts, go to council's web page at <a href="http://www.hornsby.nsw.gov.au/Recreation/Sports">www.hornsby.nsw.gov.au/Recreation/Sports</a>	
Traffic Information	Parking and other enquiries	9847 6616
Trees	On Council land (eg removal or pruning)	9847 6853
Trees	Overhanging power lines- call Energy Australia	131 525
	Storm damage – call SES	132 500
Uncollected Bins		9847 4856
Waste and Recycling	Household Waste and Recycling	9847 4856
Wildlife Rescue	Wildlife Information and Rescue Service (WIRES)	8977 3333
Youth Services	Information on services for young people	9847 6721
Zoning Enquiries		9847 6540



*Produced by*  
**Hornsby Shire Council**

296 Pacific Hwy Hornsby NSW 2077  
PO Box 37 Hornsby NSW 1630  
Ph: 9847 6666  
[www.hornsby.nsw.gov.au](http://www.hornsby.nsw.gov.au)



*Printed on Monza 55% Recycled*