

ADMINISTRATION AND FINANCE COMMITTEE MEETING

BUSINESS PAPER

TUESDAY 9 AUGUST 2011

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ADMINISTRATION AND FINANCE COMMITTEE MEETING

Notice is hereby given that a Administration and Finance Committee Meeting of the Council of the City of Randwick will be held in the Council Chamber, Town Hall, 90 Avoca Street, Randwick, on Tuesday, 9 August 2011 at 6:00pm.

Committee Members: The Mayor (M Matson), Andrews, Belleli, Bowen (Chairperson), Hughes, Matthews, Nash (Deputy Chairperson), Notley-Smith, Procopiadis, Seng, Smith, Stevenson, Tracey, White and Woodsmith.

Quorum: Eight (8) members.

NOTE: At the Extraordinary Meeting held on 28 September 2004, the Council resolved that the Administration and Finance Committee be constituted as a committee with full delegation to determine matters on the agenda.

Apologies/Granting of Leave of Absences

Confirmation of the Minutes

Administration and Finance Committee Meeting - 12 July 2011

Declarations of Pecuniary and Non-Pecuniary Interests

Address of Committee by Members of the Public

Urgent Business

Administration Reports

Nil

Finance Reports

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Notice of Rescission Motions

Nil

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Sima Truvert
ACTING GENERAL MANAGER

Finance Report No. F16/11



Subject: 2010-11 Financial Statements
(Unaudited)

Folder No: F2010/00252

Author: Mitchel Woods, Acting Manager Corporate and Financial
Planning

Introduction

As per Section 416 (1) of the Local Government Act 1993, a Council's financial statements for the year must be prepared and audited within four months after the end of the year concerned.

The statutory process that must be followed is:

1. The financial statements must include statements made by resolution of the Council and signed by the Mayor and at least one other Councillor as well as the General Manager and the Responsible Accounting Officer.
2. The financial statements must then be referred to the Council's Auditors and, once audited, they must be included in the Council's Annual Report.
3. Copies of the audited financial statements must be forwarded to the Division of Local Government by 7 November 2011.
4. As soon as practicable after Council receives a copy of the Auditor's report, the statements must be placed on public exhibition and notice given of a meeting at which Council proposes to present its audited financial statements together with the Auditor's report. (Sec. 418 LGA).

Carry Over of Unspent Funds

It is proposed to carry over funds to the new financial year 2011-12, due to the following reasons:

- Projects had already commenced and expenditure was committed;
- Projects were incomplete as at 30 June 2011;
- Grant funding has been received for projects spanning a timeframe beyond 30 June 2011;
- The funds were voted towards the latter part of the 2010-11 financial year, and the project had not yet commenced;
- Funding for the project is to be raised over more than one financial year.

A list of all proposed carryovers is listed in Attachment 1 and includes the following major projects:

\$879,908	First instalment of the 2011-12 Financial Assistance Grant – paid in June 2011 – works scheduled in 2011-12 budget
\$2,205,118	Bunnerong Road Project
\$1,767,885	Coastal Walkway

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\$4,594,874	Chifley Sports Reserve
\$2,439,011	Heffron Park
\$1,000,000	Malabar Beach Improvements
\$1,185,751	Buildings for Our Community Projects

Council continues to be programmed and disciplined in regards to its financial planning and management. The majority of the funds being carried over form part of a financial plan, plan of management, or some other form of strategy where Council is purposefully accumulating funds. Although the total funds to be carried over are \$19,898,225 only \$2,702,183 of this is General Funds.

Issues

The 2010-11 Annual Financial Statements have been prepared in accordance with the Local Government Act 1993 and the Regulations, the Australian Accounting Standards, and the Local Government Code of Accounting Practice and Financial Reporting. The unaudited Annual Financial Statements will be tabled by the Director of Governance and Financial Services.

Section 413(2) of the Local Government Act 1993 requires the Council to form an opinion as to whether the Council's Annual Financial Statements reflect a true and fair position and that they have been drawn up in accordance with the Local Government Act and associated codes and standards. Statements to this effect have been prepared (refer Attachments 2 and 3) and will be presented for signature.

Subsequent to these Statements being signed, the Annual Financial Statements will be referred to the Council's Auditor, Hill Rogers Spencer Steer, for audit. On completion of the audit, further copies of the statements including the audit report will be circulated to Councillors.

It is proposed that the audited financial statements be presented at the Council meeting to be held on 20 September 2011.

Relationship to City Plan

The relationship with the City Plan is as follows:

Outcome 1: Leadership in Sustainability.
Direction 1b: Council is a leader in the delivery of social, financial and operational activities.

Financial impact statement

Council is in a strong and stable financial position.

Conclusion

The Director Governance and Financial Services, as the responsible accounting officer, advises that the financial position is satisfactory.

Recommendation

That, as a Committee-of-the-Whole:

- a) the Schedule of 2010-11 funds to be carried forward into 2011-12 be adopted

as per Attachment 1

- b) in relation to the financial statements required in accordance with Section 413(2)(c) of the Local Government Act 1993:
- i) Council resolve that in its opinion the General Purpose Financial Statements, Special Purpose Financial Statements and Special Schedules for the year ended 30 June 2011:
- a. have been properly drawn up in accordance with the provisions of the Local Government Act 1993 and the Regulations there under, the Australian Accounting Standards and professional pronouncements, and the Local Government Code of Accounting Practice and Financial Reporting;
- b. to the best of the Council's knowledge and belief the statements present fairly the Council's operating result and financial position for the year and accords with the Council's accounting and other records; and
- c. the Council is unaware of any matter that would render the financial statements false or misleading in anyway.
- ii) The Statement by Councillors and Management for both the General Purpose Financial Statements and Special Purpose Financial Statements be signed by the Mayor, another Councillor, the General Manager and the Responsible Accounting Officer.
- c) the financial statements be referred to the Council's Auditors for audit.
- d) arrangements be made to place copies of the audited financial statements on public exhibition and the necessary advertisements be published.
- e) a copy of the audited financial statements be forwarded to the Division of Local Government.
- f) the audited financial statements be presented at a meeting of Council to be held on 20 September 2011 in accordance with Section 418 of the Local Government Act, 1993.

Attachment/s:

- 1.** Schedule of 2010-11 Funds to be carried forward into 2011-12 - **UNDER SEPARATE COVER**
- 2.** Statement by Councillors and Management - General Purpose Financial Statement 2010-11
- 3.** Statement by Councillors and Management - Special Purpose Financial Statement 2010-11
- 4.** 2010-11 Draft Financial Statements – **TO BE TABLED AT THE MEETING BY THE DIRECTOR GOVERNANCE AND FINANCIAL SERVICES**

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Randwick City Council

General Purpose Financial Statements
for the financial year ended 30 June 2011Statement by Councillors and Management
made pursuant to Section 413(2)(c) of the Local Government Act 1993 (as amended)

The attached General Purpose Financial Statements have 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, these Financial Statements:

- present 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 the Reports false or misleading in any way.

Signed in accordance with a resolution of Council made on 09 August 2011.

Councillor Murray Matson
MAYOR

Councillor Kiel Smith
DEPUTY MAYOR

Ms Sima Truuvert
ACTING GENERAL MANAGER

Mr Geoff Banting
RESPONSIBLE ACCOUNTING OFFICER

SPFS 2011

Randwick City Council

Special Purpose Financial Statements for the financial year ended 30 June 2011

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government"
- The Division 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 NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

To the best of our knowledge and belief, these Financial Statements:

- 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 Statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 09 August 2011.

Councillor Murray Matson
MAYOR

Councillor Kiel Smith
DEPUTY MAYOR

Ms Sima Truuvert
ACTING GENERAL MANAGER

Mr Geoff Banting
RESPONSIBLE ACCOUNTING OFFICER

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Finance Report No. F17/11



Subject: Contingency Fund - status as at 31 July 2011

Folder No: F2007/00638

Author: Julie Hartshorn, Senior Administrative Coordinator

Introduction

The purpose of this report is to detail the progressive amount of donations, allocations, waiving of fees and other similar contributions for the 2011-12 financial year.

In the 2011-12 financial year there have been twelve (12) allocations totalling \$59,646.00 as listed in the table below.

Issues

Meeting	Details	Net cost to Council
Ord Council – 26 Sept 2006	<u>Annual contribution</u> (7 years from 2006-07) Interest foregone on interest free loan - Coogee Surf Life Saving Club renovations	\$4,500.00
Extraord Council – 6 Oct 2009	<u>Annual contribution</u> (3 years from 2009-10) Sponsorship - Westpac Life Saver Rescue Helicopter	\$15,000.00
Ord Council – 24 Nov 2009	<u>Annual contribution</u> (5 years 2010-2015) Waiving of fees – Rainbow Club Australia – Ocean Swim (Maroubra to Little Bay)	\$10,820.00
Ord Council – 27 July 2010	<u>Annual contribution</u> (5 years from 2010-11) - Randwick Boys High School - 'Mayor's Award'	\$1,000.00
Ord Council – 22 Feb 2011	<u>Annual contribution</u> (5 years from 2010-11) - Randwick Girls High School - 'Mayor's Award'	\$1,000.00
Ord Council – 24 May 2011	Donation - Randwick Rugby Foundation – Rugby Hall of Fame Event	\$2,000.00
Ord Council – 28 June 2011	Donation - Preparation of Traffic Management Plan – Maroubra Fun Run	\$4,000.00
Ord Council – 28 June 2011	Waiving of fees – Hire of Goldstein Reserve – Randwick City Tourism – Sports Coast Design Event	\$3,826.00
Ord Council – 26 July 2011	Waiving of fees and financial assistance - 11th Annual Des Renford Chair of Hearts Research Family Gala and Charity Day	\$8,500.00
Ord Council – 26 July 2011	Donation – White Ribbon Day - International Day for the Elimination of Violence Against Women	\$1,500.00
Ord Council – 26 July 2011	Financial assistance - Rainbow Child Care Centre – new oven	\$3,500.00
Ord Council – 26 July 2011	Financial assistance - Randwick Boys & Girls High Schools – Combined production	\$4,000.00
TOTAL:		\$59,646.00

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Relationship to City Plan

The relationship with the City Plan is as follows:

- Outcome 2: A vibrant and diverse community.
Our community will be proud to be part of our City and celebrate its range of cultures and people.
- Direction 2b: Enrich our range of community services that meet our community's needs.
- Key Actions: Support the provision of services and facilities to meet the needs of our Target Groups and celebrate the range of cultures and people within Randwick City.

Financial impact statement

Council has allocated \$35,000.00 in the 2011-12 Budget for contingencies. This amount will be adjusted, as necessary, in conjunction with quarterly budget reviews.

Recommendation

That the report be received and noted.

Attachment/s:

Nil

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