

## ENTRY FORM

### A.R. BLUETT MEMORIAL AWARD - 2007/2008 SUBMISSION

#### 1. COUNCIL DETAILS

<b>Council Name:</b> Lake Macquarie City Council	
<b>Council Address:</b>	126-138 Main Road, Speers Point NSW 2284
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<b>Mayor:</b>	Cr Greg Piper MP
<b>General Manager:</b>	Brian Bell

#### 2. BRIEF STATISTICS FOR 2007/2008

<b>Total Population – Council Area:</b> (Source: ABS – Regional Population Growth Table)	190,320
<b>Population – Urban</b>	N/A
<b>Population – Rural</b>	N/A
<b>Council Area (sq km):</b>	754.2km <sup>2</sup>
<b>No. of Staff:</b> (Full time equivalent staff at the end of the reporting period)	862.5
<b>Date of most recent organisation structure review</b> (Sec 333 LG Act)	Tuesday 29 January 2008

### **3. EXECUTIVE SUMMARY**

Lake Macquarie City Council's achievements for the 2007/2008 financial year extends across a broad scope of major city and organisational issues.

During this time, Council has made progress in:

- implementing sustainable waste management solutions;
- refocussing environmental initiatives to reduce the causes of climate change, minimise associated risks, and ensure our city is able to adapt to any future effects of such change;
- recovering from the natural (storm) disaster that hit the region over the long weekend of June 2007;
- ensuring and encouraging controlled growth in line with the Lower Hunter Regional Strategy through a range of programs;
- addressing existing and future city challenges by conducting an extensive consultation program and developing a draft 10-year strategic plan in line with the community's priorities; and
- focussing on internal efficiencies and improvements to ensure Council can sustain a high level of service in the future, and fund the prioritised works listed in the 10-year plan.

Given the geographical size of the city with a population fast approaching 200,000, waste management is always high on Council's agenda. Our efforts in this area are proving successful. In 07/08, residents and businesses recycled 18,107 tonnes of reusable items, showing an increase from the previous year. A gas extraction system at the Awaba Waste Management Facility saved 861,385m<sup>3</sup> of methane gas from entering the atmosphere by converting it into renewable energy. Council reached a major milestone in implementing the Hunter Regional Waste Project, which will reduce our annual municipal land filling by 60%.

The City of Lake Macquarie has unique natural attributes being our coastal lake, mountain backdrop, beautiful beaches, and a diverse range of flora and fauna. Our efforts in protecting and enhancing these have not gone unnoticed. Council and the Office of the Lake Macquarie & Catchment Coordinator are joint finalists in the prestigious Thiess Riverprize Award for both the national and international categories. Our Council aims to set an example in ensuring environmental sustainability and security. Our progress towards this has been in refocussing the Environmental Systems Department into four key task areas – all of which have a strong focus on climate change mitigation and adaptation.

Our city is starting to experience a period of renewal. The formation of master plans for our existing and emerging regional centres, and the development of structure plans and servicing strategies for areas able to accommodate further growth will guide development in business and residential sectors. A new Town Centre Program will also help to revitalise these important hubs, bringing people, houses, jobs, services, and facilities closer together.

A significant achievement for Council over the past year was the holistic effort in recovering from the natural disaster of June 2007. A number of key staff members played an integral role in facilitating this coordinated approach within Council and with other emergency services. A collaborative effort of Council departments ensured the initial cleanup was completed by August 2007, which was a great feat considering the extent of damage and size of the city. Council carried out \$15million of work ensuring the city was safe and restored.

Another exciting achievement for Council was the completion of a draft 10 Year Community Plan. It was developed after extensive consultation with councillors, staff, and the community. Although, many of the aspirations put forth by the Lake Macquarie community will be unachievable due to the current financial situation and funding availability from the State and Federal governments, the Lake Macquarie Community Plan 2008-2018 will allow future elected councils and the community to work towards funding what they see as their affordable priorities. With this framework in place, such future decisions will be made easier.

In an effort to continually meet current operational and financial demands and ensure Council is able to sustain a high level of service in the future, there has been an emphasis on internal efficiencies. Our OH&S framework has received an overhaul, and a new Human Resources Strategy will ensure Council can overcome workforce challenges such as skill shortages and an ageing workforce. With the implementation of leadership programs, new employee benefits, and positioning strategies, Council will reap the rewards of retaining and attracting a quality workforce. Council's achievements in reusing a broad range of recyclable materials is also a great example of staff efforts in improving the way the organisation operates to minimise costs and our impact on the environment.

Along with addressing these major areas during the 2007/2008 year, Council was still able to accomplish improvements in the delivery of community services and provision and maintenance of public assets. As well as our usual services, Council extended its online services, and held a range of special events and community workshops to encourage public participation and create a sense of community. Council also provided additional recreation facilities. Worth mentioning is the Lake Macquarie Variety Playground at Speers Point Park. Stage one is now complete, and children of all abilities are enjoying the new play facilities.

These are just some of the achievements highlighted in this Bluett Award submission.

## 4. PRINCIPAL ACTIVITIES

### **Capital Works and Services**

#### **Capital Works**

Council completed a total of \$26.5m of capital works during 07/08. Works completed during the financial year include:

- sealing of gravel roads;
- construction of kerb and guttering;
- construction of new roads;
- rehabilitation and resurfacing of existing roads;
- drainage improvement works;
- installation of traffic facilities;
- construction of cycleways and footpaths;
- creek bank stabilisation;
- construction and installation of stormwater treatment devices;
- rehabilitation of existing wetlands;
- lake foreshore stabilisation;
- construction of salt marsh;
- reconstruction of jetties; and
- construction of sporting and recreational facilities.

A comprehensive list of works under each of these items can be provided on request.

#### **Public Transport Improvement**

Encouraging the use of public transport will help to reduce greenhouse gas emissions and improve accessibility and connectivity throughout the city. Lake Macquarie City Council developed and implemented a range of initiatives to improve public transport in the city, and reduce vehicle dependency.

- As part of the Lower Hunter Councils Transport Group, Lake Macquarie City Council was involved in developing a new publication, the Lower Hunter Transport Guide. The guide features information on the types of public transport available through the Lower Hunter. A special feature of the guide is aerial maps of the main business centres showing the location of public transport infrastructure, such as bus stops and train stations. The guide is available from council offices and websites, libraries, CityRail stations, bus depots, and the John Hunter Hospital. A promotional campaign to launch and market the publication occurred in July 2007.
- Council allocated an additional \$250,000 in its 07/08 budget to improve city infrastructure for bus services. These funds went towards:
  - the construction of bus bays at Redhead and Dudley;
  - improvement works and provision of pathway/access to existing shelters;
  - works to all shelters to accommodate disability access.
- Council has completed a draft Master Plan for Glendale/Cardiff (a major growth centre) with the inclusion of a proposed transport interchange centre. During 07/08, Council continued to lobby State and Federal governments to fund the design and construction of an overpass bridge, which will be a fundamental asset for this integrated transport centre. The State Government has provided continued funding for the design.

#### **Road Safety**

Throughout 07/08, Council delivered a range of road safety initiatives, which are listed below. Worth profiling in more detail are two additional programs introduced during the year. Lake Macquarie City Council developed the Drive Safe Seminar targeted at novice drivers, in partnership with Newcastle City Council. The aim of the seminar was to give L and P plate

drivers the opportunity to learn about the risks associated with driving relevant to their age group. The seminar held in Lake Macquarie proved popular with all places filled and participants giving positive feedback through an evaluation survey.

Council's Bike Safety Induction Course was also developed and implemented in 07/08. This followed the purchase of bicycles for staff to use during their lunch break or to travel to and from meetings to reduce Council's CO<sup>2</sup> emissions. The program was so successful, Ballina Council paid for Council's Road Safety Officer to conduct the program on their premises.

Other road safety initiatives delivered through the year include:

- two free child-seat checking days;
- the continuation of the child-seat checking vouchers to be used at six RTA-approved fitters located around the city;
- expansion of the provision of breath analysers in licensed premises around the city;
- the implementation of road safety advertising and public relations campaigns;
- attendance at the Australia Day city festival with a prominent trailer, quizzes, competitions, and prizes;
- workshops aimed at seniors, educating them about the benefits of motorised scooters and associated safety requirements.

## **Cultural and Heritage**

### **City Festivals & Events**

Council encourages a shared sense of belonging and wellbeing by bringing the community together at a range of events throughout the year. Holding meaningful, quality events also assists with promoting a positive image of the organisation and assists with sharing information with the community. Events held during the 07/08 year included the following:

- Carols By Candlelight, attracting 15,000 guests
- Australia Day Festival, attracting 21,000 guests with 84 becoming Australian citizens
- A special public event to view the Prime Minister's address for Sorry Day, and to also recognise the city's Aboriginal heritage
- State Medal ceremonies for community members, emergency services staff, and Council staff in recognition of their work during the June 2007 natural disaster
- Four major and several private citizenship ceremonies, naturalising 246 people
- Opening of the Lake Macquarie Variety Playground at Speers Point Park to recognise sponsors and invite the community to enjoy the new state-of-the-art facility
- Launch of the draft 10 Year Plan to thank the many community members for participating in the development of the Plan
- A civic reception to farewell Team Lake Macquarie, a group of school children from the City of Lake Macquarie leaving the country to compete in the International Children's Games in San Francisco
- Coordination and promotion of annual events such as Catchment Connections Carnival, Tree Give Away, Volunteers Week, Youth Week, Seniors Week, Earth Hour, World Environment Day, and Reconciliation Week

### **Lake Macquarie Regional Art Gallery**

Lake Macquarie City Regional Art Gallery plays a leading role in arranging local, national, and international exhibitions and promoting the arts within the community. Not only a place for showcasing artworks, the Gallery holds many workshops in conjunction with its exhibitions. The success of these workshops has justified the expansion of the Gallery, with an education centre to be completed by mid August 2008.

For the second time, the Gallery has been recognised for its relationship with the Aboriginal Reference Group in ensuring quality and integrity in the programming of Aboriginal works. For the second time, the Gallery won the Local Government Cultural Award for Aboriginal Cultural Development. The average yearly percentage of exhibitions with part, or all Aboriginal and Torres Strait Islander content has risen from 10% in 2001 to 54% in 2007. Overall, the Gallery

plays an active role in involving the community in fostering local talent, promoting the arts through events and travelling exhibitions, and providing meaningful educational opportunities.

## **Fernleigh Track Interpretation Project**

Lake Macquarie City Council is preparing a plan to outline how the natural and cultural heritage of the Fernleigh Track could be interpreted. This could be through methods such as signage, public art, restoration or preservation of artefacts, and the display of artefacts and memorabilia at an interpretation centre.

The former railway line was constructed in the late 1880s to ferry coal and passengers between coal mines located in Lake Macquarie to the Port of Newcastle. Fernleigh Track is a 15.5km long disused rail corridor connecting Newcastle to the eastern regions of Lake Macquarie. Lake Macquarie and Newcastle councils jointly own the 5.5km constructed pathway currently ending in Whitebridge.

In January 2008, Council completed a study, collecting stories, photos, artefacts, and general information from the community about the old railway. With help from community participants, Council is now preparing a plan for a meaningful and comprehensive interpretation centre.

## **Sport and Recreation**

### **New Lake Sport Website [www.lakesport.com.au](http://www.lakesport.com.au)**

In April 2008, Council launched *Lake Sport*, a new website giving people access to information about sporting events, groups, clubs, services, and facilities in the City of Lake Macquarie.

Groups and clubs can upload their own contact and event information. The site serves as an accessible single information directory for customers, and is a promotional tool for clubs.

### **Pool Service Delivery Model**

In July 2008, Council placed on exhibition, a draft Pool Service Delivery Model. The purpose of the first stage of this project, which was conducted during 07/08, was to investigate the current state of all Council's pool facilities, and to gauge the community's desires on the future of these recreational venues. Council's pools are ageing (average age is 30 years) and do not offer many of the contemporary design and operational features found in more successful aquatic centres.

Based on the findings of stage one, the draft Pool Service Delivery Model explores a range of feasible options for each of the facilities. The recommendations for each centre incorporate a range of strategies and capital improvements to make the facilities dynamic, self-supporting (financially and operationally), and meet the needs of the community.

Once it is adopted by Council, the Model will become the blueprint for the future. A feasible works and funding plan will be incorporated into Council's ten, four, and one year plans. The development of this Model is the first step in ensuring Council meets the community's aspirations in relation to its swim centres, as well as ensuring an achievable outcome for addressing these ageing assets.

### **City of Lake Macquarie Sports Audit – *State of Play***

Council has a lead role in the delivery of sports facilities within the region, to cater for all levels from juniors to seniors, from grass roots to elite sports. In 07/08, Council's Community Planning Department completed an audit of Lake Macquarie sports fields, teams, clubs, and organisations. The audit involved the collection of specific information including the number of participants and teams in particular sports, the number of teams based at each facility, and a statistical analysis of increase/decrease in participant and team numbers per sport and facilities over the last five years.

The information collected provides advice regarding the current 'state of play' of all sports facilities. The information is now being used to prepare future strategic planning documents for sports facilities. It also assisted with informing Council's draft 10 Year Plan with a prioritised program of projects.

The audit gives Council the capacity to benchmark its current role in sports facility provision and assess the ways and means that facilities are to be provided in the next 5-10 years through further analysis.

## **Economic and Social Development**

### **Building a Sustainable, Integrated City**

The NSW Department of Planning's Lower Hunter Regional Strategy identifies six existing and emerging major regional centres, three of which are located in Lake Macquarie. Charlestown, Glendale/Cardiff, and Morisset are earmarked for significant growth over the coming decades. Between them, the centres must accommodate an additional 12,200 jobs and 7,800 dwellings by 2031. Also, works to promote and develop our town centres across the city will help to bring housing, jobs, services, and people closer together. Boosts in tourism and increases in jobs and housing options will stem from our revitalised town centres.

In order to facilitate sustainable growth, Council has implemented the following projects:

- A master plan for Charlestown was adopted in 07/08 and a draft plan for Glendale/Cardiff is now complete. These are our major sub-regional centres.
- Structure and area plans for Swansea, Morisset and Toronto, and a Development, Conservation and Servicing Strategy for Wyee are now underway to facilitate development and the provision of services and infrastructure in areas able to accommodate further growth.
- Major rezoning projects, such as the rezoning of the former Pasmenco site at Boolaroo and various sites at Edgeworth are underway. These projects are expected to contribute to the release of land for accommodating growth, the provision of open space areas, and the protection/enhancement of bushland.
- In the 07/08 financial year, Council launched a new Town Centre Program involving extensive public consultation and the development of three-year strategic plans for each of its seven town centres.
- Implementation of a comprehensive Asset Management Program ensures that existing facilities and infrastructure are maintained for future use and/or development.

### **Cardiff Business Recovery Project.**

Council's Economic Development department sought \$25,000 in funding from the Premier's Flood Relief Fund for the Cardiff Business District to help with re-establishment following the June storm event. Funding was granted for holistic support to the business people of Cardiff to assist in their individual emotional, social, and economic needs. This was delivered via workshops, meetings, educational and awareness campaigns, advocacy, facilitation and mentoring; particularly for the areas of emergency management, post-event trauma, business re-establishment and building sustainability for the flood-prone area.

### **Town Centre Program**

The Lake Macquarie Town Centre Program was introduced in April 2008, after funds were made available to the town centres of Toronto, Warners Bay, and Belmont at \$70,000 per centre in early 2007. Following approaches from the Lake Macquarie Combined Chambers, an additional \$60,000 was made available to fund programs in Swansea, Charlestown, and Morisset.

Planning workshops with business and community members were held to identify objectives to revitalise the city's town centres. This information will be integrated into a manual and CD ROM for Council that will contain the three-year strategic plans for the seven town centres, and a

strategic approach to citywide town centre management. The three-year strategic plans for the individual town centres will provide assistance in two key areas:

1. To form the basis of annual business plans for the town centres over the next three years, and
2. To provide strategic input into citywide endeavours, which will contribute to the growth and development of the individual town centres.

The results from the 2008 workshops will be incorporated into Lake Macquarie City Council's future planning under the Town Centre Program, and help in providing direction to the Chambers of Commerce representing the individual town centres.

## **Caring for our Indigenous Community**

Council employs an Aboriginal Community Worker who facilitates programs and provides support to Aboriginal groups and for Indigenous community initiatives.

Through partnerships with schools and various community groups, Council facilitated or assisted with the following initiatives with the aim of raising Aboriginal cultural awareness to the wider community, increase access to recreational programs, and enhance a sense of importance and recognition:

- Combined community events;
- Artwork activities;
- Participation in NAIDOC Week;
- Public viewing of the Federal Government's Sorry Day address;
- Nutrition programs;
- Leadership programs;
- Sporting and recreational programs and events; and
- Provision of information about healthy living.

Further information on these activities can be provided upon request.

## **Improved Library Services**

Lake Macquarie City libraries are no longer just places for sourcing information, but community centres where people meet, learn, relax, and be entertained. Worth highlighting for 07/08 is Council's progression towards enhancing the libraries as dynamic community centres.

- Council continued to deliver early literacy and lifelong learning programs to residents. Books & Babies, Read & Rhyme Time, and Storytime enhance the development of literacy skills and encourage a love of reading in children. The BaRK Program, *Building Reading Confidence in Kids*, is a new initiative launched in February 2008. Children can practice reading to a *Pets as Therapy* dog. The dog allows children to gain confidence by providing love and attention in an atmosphere free of criticism. The program is designed for school children who struggle with reading.
- The internet and many of its social and commercial applications are changing the way people access information and interact with each other. To ensure our library staff understand these technologies and changes in behaviour, they have been participating in the Learning Web 2.0 program. The training will help staff to understand what type of additional online services they can provide that will be relevant to their customers, as well as ensuring they are able to assist people who use these online social and business applications.

## Built and Natural Environment

### 2007 Natural Disaster

The storms that swept across the Hunter and Central Coast regions during the long weekend in June 2007 devastated our whole city. The severe winds caused trees and other debris to tear across the city, damaging property and blocking access to roads. Park facilities, vehicles, and other property were swept up by the floods, and left scattered across the city once the flooding subsided. Homes and businesses had to be evacuated due to damage, flooding, and power surges and outages. Some people travelling in vehicles while the storm hit on the Friday evening needed rescuing as their vehicles were floating into flooded creeks and watercourses. The power outage added to the already challenging emergency response.

The storm also had a major impact on Council's operations. Our staff put in extraordinary efforts in responding to the needs of the organisation and community.

The extent of our efforts is briefly outlined below:

- Council's on-ground crews completed \$15m worth of construction and repair works, as well as additional waste pickups.
- Council's Emergency Management Coordinator played a critical role in coordinating a joint response with the SES, police, Council and other emergency services in assisting the community during the long weekend and the following recovery period.
- Council's Director City Strategy coordinated the continuation of Council's operations over the long weekend to assist with the emergency response.
- Council's Customer Service Centre opened on the Sunday and public holiday, managing an additional 4,000 phone calls above the weekly average, over the following two weeks.
- Council's Works Depot was functional during the Friday night and over the long weekend. Dedicated staff members spent the night at the Depot by candlelight assisting crews and external emergency services operating from the facility.
- Maintenance, construction, and arborist crews worked over the entire weekend in cold, wet, and windy conditions to assist with the emergency response.
- There were 320 bulk and green waste pickups to assist residents with removing damaged property and debris from their property. All bulk waste staff worked 12-hour shifts to accommodate the extra load.
- Council waived the waste disposal fee at the Awaba Waste Management Facility for one month following the storm.
- For months after, crews put in extensive overtime in an effort to clean up the city quickly. Considering the size of the city, and the extent of damage caused by the storm, residents and Council were happy with initial clean up being complete by the end of August 2007.
- Asset inspectors assessed all of Council's property, generated inspection reports, and facilitated necessary repair works.
- Council's Director City Strategy played a major role in the Hunter Disaster Recovery Committee Executive Team. In addition, the Director successfully facilitated the restoration of private land suffering from a landslide, through negotiations with the Department of Commerce and the Premier's Department. Council also facilitated the restoration of landslip issues on Federal land affecting a private residential property.
- Temporary changes to the development approval process allowed residents to remove hazardous trees and conduct minor repair works without delay.

- Over the past year, Library staff collected photos from the public as well as verbal recordings of the community's storm stories. A CD was released and promoted on the first anniversary of the event.
- Council's Environmental Systems Department shifted their focus to climate change adaptation and mitigation, as well as the organisation and city's ability to respond to natural disasters.
- A new program, the *Cardiff Business Recovery Project*, was implemented during 07/08 to assist the Cardiff business community with recovering from the storm and to prepare for future flooding events.
- The single most impressive actions of staff following the event was their dedication to the organisation, their ability to react fast and appropriately, and their generosity in donating their time. Even out of the workplace, many stories filtered through about the heroic actions of staff. A lifeguard jumped out of his vehicle with his safety board, and paddled through the flooded roadway to pull people out of vehicles being swept away by the current. Others worked out in the rain during the night to assist their neighbours in securing their damaged homes.

## **Voluntary Planning Agreements**

Over the past financial year, there has been an increase in the establishment of voluntary planning agreements as an alternative way to collecting and using developer contributions. Council has seen great benefit in entering into these agreements, as it is a cost effective way of providing quality community assets and infrastructure. As the developer acts as project manager for the design and construction of new assets under the Agreement, Council can focus its internal resources to other prioritised areas. It offers a more flexible arrangement that may not be achievable through contribution plans, leading to better outcomes for the community. A good example of this is the construction of a new childcare facility at Mt Hutton, adjacent to an expanded shopping centre. The new childcare facility, which the developer built on Council land, is now up to new standards and caters for extra childcare places.

## **Lake Macquarie Variety Playground**

On Friday 27 June 2008, Council launched the opening of Stage One of the Lake Macquarie Variety Playground at Speers Point Park. The playground is designed to cater for the needs of children of all ages and abilities. It provides an active and exciting community space that everyone in the region can enjoy. With the generous support of Variety – the Children's Charity, and Xstrata Coal, Lake Macquarie City Council commissioned a purpose-built playground where children of all abilities and all ages could play together. The unique concept aims to increase physical activity, health, and wellbeing for all children, no matter their individual needs. Council is now working towards gaining sponsorship for the second phase of the playground. Informal feedback and usage of the facility have been positive.

## **Environmental Initiatives**

### **Lake Macquarie Improvement Project**

The health of Lake Macquarie has been a major public issue since the city experienced a period of rapid growth from the 1960s. Since the formation of the Office of the Lake Macquarie & Catchment Coordinator and implementation of the Lake Macquarie Improvement Project, community perception of the quality of the lake has increased by 11.7% (compared from the inaugural survey in 2000 to 2007).

Significant improvements in lake health include better water clarity, reduced phosphorous levels, and improved dissolved oxygen. The area of seagrass coverage has also increased by 44% since 2000. These quality and ecological improvements are a direct result of the on-ground works implemented and maintained by Council and the Lake Office. To date, the on-ground works include:

- Installation of 56 stormwater treatment devices to reduce sediment and nutrient loads entering Lake Macquarie;

- Rehabilitation of more than 30.5km of Lake foreshore and creek bank areas to reduce erosion and reinstate approximately 70.3ha of riparian and wetland vegetation;
- Removal of 6,000m<sup>3</sup> of organic sediment from Lake Macquarie to remove nutrient sources, increase natural flushing, and improve recreational amenity;
- Rehabilitation of 14 priority natural wetlands;
- Planting of approximately 30,000 endemic plants per annum (on average);
- A statistically based community survey is conducted biennially to assess community attitudes and level of knowledge on the lake environment; and
- Production of a quarterly community newsletter.

The Lake Office completed \$2.5million of capital works during 07/08. Council also carried out \$1.23 million of maintenance works during the same period.

## **Environmental Refocus**

A recent community survey by the Hunter Valley Research Foundation as well as results from an extensive city-wide consultation process have shown that the condition of our existing and future environment is at the top of the city's agenda.

Lake Macquarie residents are becoming aware of climate change issues and the underlying causes. Also, with the lake as the city's centrepiece, and the abundance of protected bushland, our community places a great importance on the enhancement and protection of these natural assets.

With this in mind, Council has shifted its organisational direction and provided further resourcing into new and existing sustainability initiatives. The restructuring of Council's Environmental Systems Department, along with a proposed name change to reflect broader sustainability outcomes will sharpen Council's focus on four critical areas:

- The Environmental Security Team is engaging with Council departments, the community, and stakeholder partners to develop and implement policies and programs to adapt to climate change. They will also focus on reducing the risk from natural disasters and environmental health hazards.
- The Sustainable Living Team is focusing on reducing Council and the community's carbon, water, and waste footprints and overall impact on the environment. Through hands-on workshops, communication strategies, and educational materials, residents will learn about the importance of reducing their ecological footprint focusing on areas such as energy, water, waste, and transport.
- The Ecosystems Enhancement Team is developing and implementing policies and strategies to maintain and enhance the health of the city's terrestrial and aquatic ecosystems including the lake, coast, ocean, bushland, and urban areas.
- The Environmental Risk Analysis Team is identifying, quantifying and prioritising threats both to and from the environment. It will develop and analyse approaches to successfully reduce and manage these threats, and will provide some direction for the other three teams.

## **Waste Management**

The *Hunter Region Waste Project* (HRWP) is a joint initiative between Lake Macquarie, Newcastle, Cessnock, and Maitland councils. The member councils have a controlling interest in Hunter Integrated Resources (HIR), an organisation that administers the project's contracts.

The goal of the project is to provide a sustainable alternative to landfilling the Hunter Region's municipal solid waste, turning it into reusable resources for now and into the future.

In very brief terms, the HRWP will:

- serve a combined population of 440,000;
- accept a total of (approx) 140,000 tonnes of solid waste per annum;

- recover reusable materials such as metals, plastics, green and organic waste, and methane (as a result of decomposition);
- use plant machinery to partially mature the biodegradable organic fraction to generate biogas as a product to convert to electricity;
- use plant machinery to complete the maturation process started in the anaerobic digester and refine the resultant compost product.

Again in very brief terms, this will:

- reduce Lake Macquarie City Council's municipal solid waste stream to landfill by approximately 60%;
- reduce the amount of greenhouse gas emissions from the four member councils by approximately 152,000 tonnes of CO<sub>2</sub> per annum;
- reduce the amount of the Waste and Environment Levy payments to the State Government by approximately \$3.36 million per annum across the four member councils.

In 07/08, Lake Macquarie City Council reached a major milestone in the *Hunter Region Waste Project*. The member councils resolved that HIR sign the Heads of Agreement with the successful tenderer, Thiess Services. The member councils are now finalising the project deed, and associated leases, guarantees, and contracts.

### **Additional Waste Management Initiatives**

As well as developing a new, innovative way to minimise our reliance upon landfill through the HRWP, Council has placed a strong emphasis on community education, the provision of public recycling services and facilities, and changes to the organisation's operations to reduce the amount of waste ending up as landfill.

Below is a list of Council's achievements for the 07/08 year in working towards sustainable waste management solutions:

- *Life Cycle*, an initiative to preserve the environment and assist the community was launched in April 2008. It is an opportunity for people to divert unwanted household goods from landfill to help local charities in need. The Life Cycle collection service expands upon the existing kerbside recycling program. For example, the yellow-top recycling bin is used for what is now known as the Life Cycle day after recycling collection. Household goods are sorted into groups with suitable items distributed to local charities while other goods are broken down and recycled. This new, joint initiative is between Lake Macquarie, Cessnock, and Maitland councils, supported by the NSW Department of Environment and Climate Change.
- As well as the regular kerbside recycling program, Council has 20 public place recycling facilities located at key locations around the city. This service enables residents to recycle materials when enjoying the city's parks and beaches.
- Council held a number of 'recycling days' where residents could drop off e-waste (computer goods) and hazardous household waste (such as batteries, paints etc) at specific locations around the city.
- Council provides a kerbside bulk and green waste collection service, much of which is sorted and recovered for reuse.
- Council also promoted and made available facilities to dispose of oils, sharps, mobile phones, and bulk and green waste at different locations around the city. Improving convenience for residents has encouraged greater participation.
- Council continued operating the Teralba Worm Farm and Waste Education Centre. Many workshops and educational tours are conducted at this facility. It also sells compost, vermicast, worms, worm farms, and compost bins.
- Council's waste education officers conduct an extensive range of waste education programs. Increasing in popularity are the Sustainable Living Workshops, where residents and children gain the necessary skills to minimise their impact on the environment by reducing solid waste, using environmentally friendly products, recycling, and reusing materials.
- At the Awaba Waste Management Facility, Council saved 45,500 tonnes of CO<sub>2</sub> emissions from entering the atmosphere by extracting methane gas (waste by-product) and converting it into electricity. This also offsets energy costs for Council.

- In 07/08, Council started using an alternative daily waste cover at its Waste Management Facility. Its papier-mâché like consistency is a light, recycled material, and will save Council a significant amount in Waste Levy fees per annum (opposed to purchasing traditional soil daily cover).
- CiviLake, a construction, engineering, and horticultural business arm of Council, has procedures in place to minimise waste and use recycled materials where appropriate. For example, concrete and similar waste is recovered, crushed, and reused in road base. In 07/08, Council saved approximately 1,400 tonnes of concrete waste from ending up as landfill. The business unit has also developed a partnership with Vales Point Power Station, constructing an access road and expanding the ash dam with recycled materials. This activity saves airspace and extends the life of Council's waste facility, eliminates waste levy fees, eliminates the extraction of natural resources, and is a cost effective option for both parties.
- Paper and food waste is collected at Council's Administration Building, Depots, and other remote operational sites. Paper is sent off for recycling and the food waste is used as worm food at the Teralba Worm Farm.

## Corporate and Strategic Planning

### Internal Efficiencies

With increasing financial pressures, Council makes continual process and efficiency improvements to make cost savings and generate income where possible.

Internal improvements relative to the 07/08 financial year include the following:

- Council's Property Management Team shifted within the organisation structure to form a new department. The appointment of a department manager has allowed a stronger focus on the team's entrepreneurial activities.
- To eliminate the State Government's Waste Levy charges for bringing in soil matter to cover waste at the Awaba Waste Management Facility, Council sought an alternative waste cover, which is now in use. The recycled alternative day cover has saved Council significant dollars in Waste Levy charges per annum.
- Approximately 861,385m<sup>3</sup> of gas (waste by-product), was extracted from the Awaba Waste Management Facility, offsetting costs through the conversion and sale of electricity.
- The development of a draft 10 Year Plan and inclusion of a long-term financial model will ensure Council is able to provide a certain level of services and facilities for now and into the future.
- CiviLake, a construction and engineering arm of Council, recycles concrete waste and reuses it as road base. This not only saves in material costs, but also waste levy fees on an average of 1,400 tonnes of concrete per annum.
- Council recently completed a project to reconfigure its Administration Building to accommodate for staff and storage. This was achieved with minimal cost to Council and without the need for expansion. It also created improved working synergies within departments by moving formerly disjointed teams closer together.
- To minimise costs in recruitment advertising, Council developed an internal policy for which media certain types of jobs may be advertised. For example, jobs that are competitive within the 'seeker' market are only to be advertised in the joint Hunter Councils space in the Herald and on the city website. Other jobs, such as managers, directors, and positions typically difficult to fill are advertised more widely.
- Council is about to release a package of online applications, giving greater access to customers to do business with Council. Soon, customers will be able to lodge service requests, change their personal details, submit job applications, and much more from the comfort of their home or office. Launched in 07/08 was online payments and eTendering. Other applications are currently being tested.
- Council's two business units CiviLake and Lakemac Print generated a turnover of \$10 million.

## **Workstyle 2020 Human Resources Strategy**

In December 2007, Council began implementing and promoting internally the *Workstyle 2020 Human Resources Strategy*. The strategy will ensure Council has the right workforce to sustain a high level of service for years to come.

The aim of the strategy is to ensure we retain our staff, and employees choose to develop professionally within our organisation. We also need to hold a strong position within the employment market, becoming 'an employer of choice'.

The challenges:

- We have an ageing workforce. We must preserve the wealth of knowledge these employees offer, before they retire.
- There is an international skills shortage - recruiting the best people has become a competitive task.
- Younger generations have differing expectations and professional values - we need to cater for what is important to everyone.

The HR strategy is a high-level plan that sets goals under seven key human resource areas being:

- Leadership
- Recruitment
- Recognition
- Remuneration
- Career Management
- Learning and Development
- Wellbeing and Lifestyle

Each area includes actions and targets for the next five years. A copy of the strategy can be provided upon request.

## **Entrepreneurial Activities**

Council engages in a range of entrepreneurial activities, returning profits to the community through the provision of additional services.

- Council's Property Management Department manages an extensive property investment portfolio worth \$61.7m. These investments are held to generate additional income, and for future development opportunities to benefit the community. Through commercial property activities in 07/08, approximately \$1.8m was returned to Council's general fund.
- CiviLake is a business unit of Council, which provides a wide range of infrastructure services to Council and many public and private sector clients. In addition to the \$40 million worth of construction and maintenance works it carries out for the community, CiviLake continues to build relationships with its external clients, earning income from contractual works. Worth noting is the relationship with the RTA and its trust in Council to establish a Single Invitation Maintenance Contract to carry out a range of works over a number of years. This particular contract is worth a total of \$8.95m.
- Lakemac Print, another business unit, offers Council, business, and the community professional design, copying, and printing services. Lakemac Print's estimated turnover from external sources was \$320,000 with \$19,500 returned to Council and the balance used to reinvest in printing equipment to ensure future growth in this activity.

## **10 Year Community Plan**

Lake Macquarie City Council is leading the way in planning for a sustainable future; opting to develop and implement a 10 year plan for 2008-2018. The plan, which is currently on exhibition in draft form, outlines how Council can work with the community in addressing challenges it will face over the next 10 years. A communication strategy, which drove the development of the draft plan, was implemented during 07/08 to encourage the public to participate in its formation. Over 400 people participated.

The plan provides a succinct overview of five key focus areas for action and sets out short, medium, and long-term objectives, and the resources required by Council to achieve these:

- Caring for the Environment
- Caring for our Community
- Sport, Recreation, and Culture
- Transport, Roads, and Drainage
- Urban and Economic Development

The plan will be reviewed through ongoing community consultation to ensure the city remains and that Council delivers services and facilities, which respond to community changing needs.

## **10 Year Financial Modelling**

For a 10-year strategic plan to be realistic, Council needs to ensure that the plan is achievable within its financial resources. Accordingly, Council has developed a 10-year financial model to provide projections and assist with longer-term financial planning.

Council officers are continuing to refine this model and improve these financial projections. However, any financial projections over a 10-year period must make a number of assumptions, for example the percentage of allowable rate increase every year.

If these assumptions prove wrong in the longer term, then the very existence of the 10-year plan will make it easier for Council to amend its projections, identify the consequences, and report to the community on required action to address changes in Council's financial circumstances.

## **Promoting Careers in Council**

In a bid to promote the types of careers available in local government, Lake Macquarie City Council implemented a unique program aimed at high school students and career advisors.

- Council developed a partnership with Career Links to establish school-based traineeships. Four traineeships were offered within the Operations Group (a division of Council) in the areas of administration, supply, and building services. Students are completing the traineeships as part of their HSC.
- To promote the availability of traineeships, the Operations Group held a Careers Day for career advisors.
- A second Careers Day took place aimed at students. This event included work demonstrations and explanations of the types of jobs and paths available at Council.

## **5. LIST OF PROJECTS COMPLETED BY 30 JUNE 2008**

<b>Nature of project</b>	<b>Date completed</b>	<b>Total cost</b>	<b>% Council funds</b>
<b>Capital Works &amp; Infrastructure</b>			
Booragul Public Jetty - reconstruction	March 2008	\$310,000	50%
Toronto Jetty/Baths reconstruction Stage 2 - Design	June 2008	\$195,000	50%
Gregory Park West Wallsend Storage Facility – Construction	June 2008	\$52,000	100%
Speers Point All Ability Playground Construction	May 2008	\$1,500,000	80%
Brooks Parade Foreshore – Design	June 2008	\$107,000	100%
<b>Cultural &amp; Heritage</b>			
Events Review	May 2008	Staff costs only	N/A
Fernleigh Track Interpretation Plan	June 2008	\$70,000	50%
<b>Sport &amp; Recreation</b>			
Toronto West Netball Courts - construction	March 2008	\$120,000	100%
Hillsborough Oval Lighting upgrade	June 2008	\$70,000	100%
<b>Economic &amp; Social Development</b>			
Oral recordings of June 8-11 Storm experiences and compilation to CD	6 June 2008	Staff costs	100%
Youth Week – partnered with East Lakes Youth Centre to provide digital photography workshops	18 April 2008	\$2000	0%
Book Week – delivered 21 interactive shows for children K -2	31 August 2007	Staff costs	100%
Lake Macquarie Literary Awards 2007	30 November 2007	\$5000	100%
Books at the Beach – providing pre-loved books to beach visitors over the Christmas New Year period – working with Council's Lifeguard Service	31 December 2007	Staff costs	100%

<b>Nature of project</b>	<b>Date completed</b>	<b>Total cost</b>	<b>% Council funds</b>
<b>Tourism</b> Marketing Flood funding campaign	April 2008	\$84,000	25%
Charlestown Master Plan	February 2008	\$242,000	59%
Cemetery Strategy	March 2008	Staff costs only	N/A
Negotiation of Voluntary Planning Agreement – Hillsborough Road, Major Traffic Works	December 2008	Staff costs only	N/A
Completed Mount Hutton Child Care Centre	July 2007	\$1.2m	50%
Developed a Youth Community Plan addressing housing, education, employment and health	October 2007	Staff costs	N/A
Developed a fully costed 10 year Ageing Population Plan to address the impact of the ageing population on Council.	June 2008	Staff costs	N/A
Undertook an event in celebration of International Day for People with a Disability	December 2007	\$5,000	40%
Undertook events and activities in recognition of International Women's Day	March 2008	\$2,000	50%
Provided funding for community organisations to undertake Health and Wellbeing programs for the Aboriginal people within Lake Macquarie	June 2008	\$6,000	100%
Undertook an event in recognition of International Children's Week	October 2007	\$2,000	50%
Bright Futures – early intervention program	Ongoing	\$165,000	0%
<b>Built &amp; Natural Environment</b>			
Belmont Senior Citizen Hall upgrade - Design	May 2008	\$6000 plus staff costs	100%
Negotiation of Voluntary Planning Agreement – Cameron Park, Conservation Land	June 2008	Staff costs only	N/A

<b>Nature of project</b>	<b>Date completed</b>	<b>Total cost</b>	<b>% Council funds</b>
<b>Environmental Initiatives</b>			
Significance Assessment of the Lake Macquarie Coal and Power Collection (\$4,400 incl GST grant funds)	27 June 2008	\$5,240	16%
E-Waste Collection	28 June 2008	Pending contractor's invoice	100% via DWMC
E-Waste Collection	28 June 2008	Pending contractor's invoice	100% via DWMC
Communities Learning About Marine Shorelines (CLAMS) Coastal Education Project	30 June 2008	\$30,000	60%
Estuary Watch estuarine foreshore monitoring program for schools and community groups	30 June 2008	\$35,000	55%
Construction of permeable timber groynes to stabilise foreshore erosion in Swansea Channel	5 June 2008	\$86,000	66%
<b>Corporate &amp; Strategic Planning</b>			
Phase 1 & 2 – Consultation for the 10 Year Community Plan	December 2007	\$80,000	100%
Lease Equity Project	February 2008	Staff costs only	N/A
Development of new OHS Management System	11 March 2008	\$80,000	100%
<b>Online payments facility:</b> allowing customers to make a range of payments via the Council website	June 2008	\$71,000	100%
<b>Roaming access:</b> provide employees with full access to corporate online systems from remote locations	May 2008	\$32,000	100%

## 6. LIST OF PROJECTS IN PROGRESS AT 30 JUNE 2008

Nature of project	% Completed as at 30/6/08	Total cost	% Council funds
<b>Capital Works &amp; Infrastructure</b>			
Sunshine Park, Sunshine Access Road & Car Park at boat ramp	25%	\$150,000	50%
Brooks Parade Belmont Foreshore - Construction	5%	\$1,000,000	100%
<b>Cultural &amp; Heritage</b>			
Fernleigh track Interpretation oral history recording	60%	Staffing	100%
<b>Sport &amp; Recreation</b>			
Chapman Oval Swansea - Design playing fields and skate facility	90%	\$180,000	90%
Regatta Foreshore Walk Toronto – Design new amenities and landscaping	80%	\$64,000	100%
Charlestown Oval - Design	70%	\$300,000	65%
<b>Economic &amp; Social Development</b>			
Next in Line – memoir writing workshops	Ongoing	Staffing	100%
BaRK – building reading confidence in kids. A program where children read to a pets as therapy dog in the library to increase reading skills and confidence.	Ongoing	\$450	100%
Lake Macquarie Literary Award 2008	50%	\$5,000	100%
Read & Rhyme Time – early literacy program targeted for 12-36 mths	Ongoing	\$700 & Staffing	100%
Books & Babies – early literacy program designed for 0-12mths	Ongoing	\$1,000	100%
Storytimes – early literacy program designed for pre-schoolers	Ongoing	Staffing	100%
Holiday Programs – events held each school holiday period including Summer Reading Program suitable for 5-12 years	Ongoing	\$4,000	100%
Book Clubs – opportunities	Ongoing	Staffing	100%

<b>Nature of project</b>	<b>% Completed as at 30/6/08</b>	<b>Total cost</b>	<b>% Council funds</b>
for people to meet and discuss recent titles and old favourites			
Morisset Structure Plan	90%	\$87,500	25%
Pasminco Land Stage 1 and 2 Rezoning	40%	\$71,500	0%
Edgeworth Rezoning	75%	\$53,000	0%
Wangi Power Station Rezoning	70%	\$21,000	0%
Glendale Master Plan	30%	\$100,000	65%
Strategy for Wyee Conservation	25%	\$46,000	35%
Swansea Area Plan	90%	\$38,400	100%
Developing a Children's Plan to enhance the quality of life for children in the city	85%	N/A	N/A
Developing an Aboriginal Community Plan to enhance the health and well-being of Aboriginal people within the city	85%	N/A	N/A
<b>Built &amp; Natural Environment</b>			
Negotiation of Voluntary Planning Agreement – Cooranbong, Local Infrastructure	60%	Staff costs only plus Legal Fees	N/A
Undertaking a program of activities and events aimed at enhancing the health, safety and well-being of older people.	50%	\$16,000	25%
<b>Environmental Initiatives</b>			
Calculation of ecological, carbon and energy footprints for domestic waste disposal strategies	Ongoing til October 2008	\$42K	100%
Regional Waste Project	Project Deed negotiations	\$500m over 20 year term	Approx 43.5% funded Domestic Waste Management Charge
Life Cycle	Service Roll Out	Nil	Absorbed under existing service charge
Stony Creek (Blackalls/Toronto) Floodplain Management	85% - due for completion October	\$76,445	33%

<b>Nature of project</b>	<b>% Completed as at 30/6/08</b>	<b>Total cost</b>	<b>% Council funds</b>
Study/Plan	2008		
North Creek (Warners Bay) Floodplain Management Study/Plan	85% - due for completion October 2008	\$80,930	33%
L T Creek (Fassifern) Flood Study	15% - due for completion June 2009	\$59,910	33%
South Creek (Warners Bay) Flood Study	15% - due for completion June 2009	\$57,760	33%
Regional Waste Project	Project Deed negotiations	\$500m over 20 year term	Approx 43.5% funded via Domestic Waste Management Charge
Life Cycle	Service Roll Out	Nil	Absorbed under existing service charge
<b>Corporate &amp; Strategic Planning</b>			
Phase 3 of the 10 Year Community Plan	80%	\$30,000	100%
eServices rollout: customer web portal including online licensing and application submission	40%	\$240,000	100%
Council intranet: for internal communication, collaboration, and social networking	60%	\$98,000	100%
Datacentre refresh: replacement of Council's computing platform to meet projected business needs	80%	\$570,000	100%
Telecommunications refresh: upgrade and expansion of Council's telecommunications platform to meet projected business needs	10%	\$320,000	100%
Multimedia venues: standardised fit-out of audio-visual technology in key Council venues	20%	\$80,000	100%

## **7. AWARDS & CITATIONS**

**June 2008**

**Finalist: Theiss Riverprize Award – International and National**

**Initiative: Lake Macquarie Improvement Project**

The Lake Macquarie Improvement Project was chosen as a finalist in both the international and national categories for its innovative techniques to achieve significant catchment and estuary improvements for one of the state's most important waterways – Lake Macquarie. Winners will be announced in September. This is the third consecutive year the Project has earned a finalist position in the award program.

**May 2008**

**Winner: Local Government Cultural Awards – Aboriginal Cultural Development**

**Initiative: Indigenous exhibitions and programming**

The award recognises the commitment between the gallery and the Aboriginal Reference Group in ensuring consistent quality and integrity in the programming of Aboriginal artworks at the gallery. The average yearly percentage of exhibitions with part, or all Aboriginal and Torres Strait Islander content has risen from 10% in 2001 to 54% in 2007.

This is the second time the gallery and its ARG have won this award.

**2 August 2007**

**Winner: Marketing Award for Public Libraries**

**Initiative: Read & Rhyme Time sessions**

Lake Macquarie City Library won the award for libraries that serve a population of over 100,000 and received a \$1,500 cash prize.

The lively and interactive Read and Rhyme Time sessions use music, songs, stories, and rhymes to hold the interest of toddlers and allow interaction with their parents and carers. Read and Rhyme Time helps children to develop a positive attitude to reading which can help their development into independent readers.

**18 October 2007**

**Winner: Australian Council of the Month for Climate Change**

**Initiative: Cities for Climate Protection Program activities**

Lake Macquarie City Council earned the title 'Australian Council of the Month for Climate Change' due to its range of environmental initiatives.

Council has established many processes that will lead to further climate change action throughout the city, including retrofitting council assets, and working with local businesses on energy audits, which allows Council to reduce its ecological footprint. Council also captures gases emitted from the Awaba Waste Management Facility, which is then converted into electricity.

**29 October 2007**

**Winner: State Medal awards by the Premier of NSW, Morris Iemma**

**Initiative: Storm Emergency Response June 2007**

In October 2007, Lake Macquarie Mayor, Cr Greg Piper, on behalf of the Premier, presented State Medals to volunteers and Council staff who were involved in the emergency response to the storms, which lashed the Hunter on the June 2007 long weekend.

Along with Council staff members who worked around the clock to clean up after the storm, we are also presented medals to 28 community members who volunteered to ensure the safety or wellbeing of others.

## **8. SUPPLEMENTARY INFORMATION**

- Supplementary financial information is attached to this document.
- Please visit the city website [www.lakemac.com.au](http://www.lakemac.com.au) to view Council's latest Management Plan & Budget Review being March 2008.

# our finances

## Income Statement

FOR THE YEAR ENDED 30 JUNE 2007

	Notes	Original Budget(1) 2007 \$'000	Actual 2007 \$'000	Actual 2006 \$'000
<b>INCOME FROM CONTINUING OPERATIONS</b>				
<b>Revenue:</b>				
Rates and annual charges	3a	79,245	79,142	72,810
User charges and fees	3b	13,349	12,512	12,579
Interest and investment revenue	3c	4,909	6,688	5,362
Other revenues	3d	8,120	11,593	9,416
Grants and contributions provided for operating purposes	3e,f	21,740	22,547	20,889
Grants and contributions provided for capital purposes	3e,f	13,384	19,750	29,882
<b>Other Income:</b>				
Net gain from the disposal of assets	5	-	3,012	217
<b>Total Income from Continuing Operations</b>		<b>140,747</b>	<b>155,244</b>	<b>151,155</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>				
Employee benefits and on-costs	4a	15,776	51,808	48,278
Borrowing costs	4b	2,461	2,851	2,426
Materials and contracts	4c	24,692	25,867	21,880
Depreciation and amortisation	4d	31,570	32,051	30,775
Other expenses	4e	13,704	13,704	11,704
<b>Total Expenses from Continuing Operations</b>		<b>124,203</b>	<b>126,281</b>	<b>115,063</b>
<b>Operating Result from Continuing Operations</b>		<b>16,544</b>	<b>28,963</b>	<b>36,092</b>
<b>Operating Result from Discontinued Operations</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>NET OPERATING RESULT FOR THE YEAR</b>		<b>16,544</b>	<b>28,963</b>	<b>36,092</b>
Attributable to: - Council		16,544	28,963	36,092
<b>Net Operating Result for the Year Before Grants and Contributions Provided for Capital Purposes</b>		<b>3,160</b>	<b>9,213</b>	<b>6,210</b>

Note: (1) Original budget as approved by Council - refer to Note 16.

The above Income Statement should be read in conjunction with the accompanying notes.

# Balance Sheet

AS AT 30 JUNE 2007

	Notes	Actual 2007 \$'000	Actual 2006 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6a	54,634	38,691
Investments	6b	10,001	8,517
Receivables	7	8,238	6,517
Inventories	8	2,075	1,787
Other	8	1,183	1,147
Non-current assets classified as held for sale	22	2,082	2,027
<b>Total Current Assets</b>		<b>78,212</b>	<b>58,686</b>
<b>Non-Current Assets</b>			
Investments	6b	36,179	34,888
Receivables	7	662	476
Inventories	8	728	1,709
Infrastructure, property, plant and equipment	9	1,722,008	1,710,725
Investment Property	14	56,167	56,208
Intangible Assets	23	6,822	8,058
<b>Total Non-Current Assets</b>		<b>1,822,566</b>	<b>1,812,064</b>
<b>Total Assets</b>		<b>1,900,778</b>	<b>1,870,750</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	10	4,599	5,274
Interest bearing liabilities	10	5,095	5,343
Provisions	10	31,452	30,749
<b>Total Current Liabilities</b>		<b>41,146</b>	<b>41,366</b>
<b>Non-Current Liabilities</b>			
Interest bearing liabilities	10	30,277	30,371
Provisions	10	9,853	8,474
<b>Total Non-Current Liabilities</b>		<b>40,130</b>	<b>38,845</b>
<b>Total Liabilities</b>		<b>81,275</b>	<b>38,845</b>
<b>Net Assets</b>		<b>1,819,502</b>	<b>1,790,539</b>
<b>EQUITY</b>			
Retained Earnings	20	1,151,827	1,115,332
Asset Revaluation Reserve	20	638,712	638,712
<b>Council Equity Interest</b>		<b>1,790,539</b>	<b>1,754,044</b>
Minority Equity Interest		-	-
<b>Total Equity</b>		<b>1,790,539</b>	<b>1,754,044</b>

The above Balance Sheet should be read in conjunction with the accompanying notes.

# Statement of Changes in Equity

## FOR THE YEAR ENDED 30 JUNE 2007

# our finances

Actual 2007 \$'000

Actual 2006 \$'000

Notes Ref	Retained Earnings	Asset Revaluation Reserve	Council Equity Interest	Minority Interest	Total Equity	Accum Surplus	Asset Revaluation Reserve	Council Equity Interest	Outside Equity Interest	Total Equity
	20 1,151,827	638,712	1,790,539		1,790,539	1,115,332	638,712	1,754,044		1,754,044
Adjustment on adoption of AASB 132 and AASB 139						403		403		403
Transfers to/from Asset Revaluation Reserve										-
Transfers to/from Other Reserves										
Other Adjustments										
Distributions to minority interests										
Net movements recognised directly to equity		-	-	-	-	403	-	403	-	403
<b>Net operating result for the year</b>	<b>28,963</b>	<b>-</b>	<b>28,963</b>	<b>-</b>	<b>28,963</b>	<b>36,092</b>				<b>36,092</b>
<b>Balance at end of the reporting period</b>	<b>1,180,790</b>	<b>638,712</b>	<b>1,819,502</b>	<b>-</b>	<b>1,819,502</b>	<b>1,151,827</b>	<b>638,712</b>	<b>1,790,539</b>	<b>-</b>	<b>1,790,539</b>
Effect of correction of error in previous years being an increase in retained earnings										

The above Statement of changes in equity should be read in conjunction with the accompanying notes.

# Cash Flow Statements

## FOR THE YEAR ENDED 30 JUNE 2007

	Notes	Budget 2007 \$'000	Actual 2007 \$'000	Actual 2006 \$'000
<b>Cash flows from operating activities</b>				
<b>Receipts:</b>				
Rates and annual charges		79,245	79,011	72,752
User charges and fees		13,512	12,661	13,431
Interest		4,909	6,492	5,120
Grants and Contributions		35,124	32,945	34,197
Other		7,957	17,991	14,677
<b>Payments:</b>				
Employee costs		(48,690)	(50,626)	(47,722)
Materials and contracts		(23,904)	(27,234)	(24,198)
Interest		(2,083)	(2,181)	(1,943)
Other		(14,492)	(18,284)	(17,012)
<b>Net cash provided (or used) in operating activities</b>	<b>11(b)</b>	<b>51,578</b>	<b>50,775</b>	<b>49,302</b>
<b>Cash flows from investing activities</b>				
<b>Receipts:</b>				
Sale of investment		-	9,625	4,625
Sale of real estate assets		990	3,170	186
Sale of property, plant and equipment		1,719	6,629	3,036
Other proceeds		-	-	-
<b>Payments:</b>				
Purchase of investments		-	(12,526)	(11,001)
Purchase of property, plant and equipment		(59,562)	(41,387)	(54,525)
<b>Net cash provided (or used) in investing activities</b>		<b>(56,853)</b>	<b>(34,489)</b>	<b>(57,679)</b>
<b>Cash flows from financing activities</b>				
<b>Receipts:</b>				
Borrowings and advances		5,000	5,000	7,500
<b>Payments:</b>				
Borrowings and advances		(5,344)	(5,343)	(5,251)
<b>Net cash provided (or used) in financing activities</b>		<b>(344)</b>	<b>343</b>	<b>2,249</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(5,619)</b>	<b>(15,943)</b>	<b>(6,128)</b>
<b>Cash and cash equivalents at beginning of reporting period</b>	<b>11(a)</b>	<b>61,254</b>	<b>38,691</b>	<b>44,819</b>
<b>Cash &amp; cash equivalents at end of reporting period</b>	<b>11(a)</b>	<b>55,635</b>	<b>54,634</b>	<b>38,691</b>

Notes:(1) The budget as approved by Council combines cash and investments together however in the actuals above investments are excluded. The above Cash flow statement should be read in conjunction with the accompanying notes.

# LAKE MACQUARIE CITY COUNCIL

## Notes to the Financial Statements 30 June 2007 (Continued)

### Note 6(c) RESTRICTED CASH, CASH EQUIVALENTS AND INVESTMENTS

	Actual 2007		Actual 2006	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
	\$100,814		\$82,096	
<b>Total cash, cash equivalents and investments</b>	<b>64,635</b>	<b>36,179</b>	<b>47,208</b>	<b>34,888</b>
External Restrictions	16,079	36,179	7,382	34,888
Internal Restrictions	48,556	-	39,826	-
	<b>64,635</b>	<b>36,179</b>	<b>47,208</b>	<b>34,888</b>
	<b>Opening Balance \$'000</b>	<b>Transfers to restrictions \$'000</b>	<b>Transfers from restrictions \$'000</b>	<b>Closing Balance \$'000</b>
<b>External Restrictions</b>				
<i>Included in liabilities</i>				
RTA Advances (A)	21	234	-	255
Self Insurance Claims (B)	-	-	-	-
	<b>21</b>	<b>234</b>	<b>-</b>	<b>255</b>
<i>Other</i>				
Developer Contributions (C)	26,131	8,365	856	33,640
Specific Purpose Unexpended Grants (D)	2,394	24,629	24,986	2,037
Domestic Waste Management (E)	7,469	17,161	15,187	9,443
DWM Site Rehabilitation (E)	1,298	363	152	1,509
DWM Land Infrastructure (E)	989	137	152	974
LAWC Caravan Park Reserve	249	2,377	2,171	455
Contribution to other works	3,640	2,409	2,193	3,856
Sundry Income	79	10	-	89
	<b>42,249</b>	<b>55,451</b>	<b>45,697</b>	<b>52,003</b>
<b>Total External Restrictions</b>	<b>42,270</b>	<b>55,685</b>	<b>45,697</b>	<b>52,258</b>
<b>Internal Restrictions</b>				
Employee Leave Entitlements	4,528	2,290	2,129	4,689
Replacement of Assets	10,723	32,882	34,055	9,550
Lake Levy	1,469	1,606	1,331	1,744
Open Space Acquisition	1,565	1,000	141	2,424
Reinvestment in Assets	5,382	8,435	4,595	9,222
Unexpended Loan Funds	8,915	8,802	6,356	11,361
External Works Surplus	737	449	393	793
Quarry Rehabilitation	133	-	92	41
Matching Funds Sec 94	942	-	234	708
Grant Matching Funds	254	-	52	202
Cemeteries Improvement	14	-	-	14
General Fund Carried F'wd Works	3,910	2,761	1,063	5,608
Community Land Transactions	254	530	89	695
IT Replacement	484	406	-	890
Employee Resources	-	99	-	99
Water & Energy Reduction Strategies	516	-	-	516
	<b>39,826</b>	<b>59,260</b>	<b>50,530</b>	<b>48,556</b>
<b>Total Internal Restrictions</b>	<b>39,826</b>	<b>59,260</b>	<b>50,530</b>	<b>48,556</b>
<b>Total Restrictions</b>	<b>82,096</b>	<b>114,945</b>	<b>96,227</b>	<b>100,814</b>

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**LAKE MACQUARIE CITY COUNCIL****Notes to the Financial Statements****30 June 2007****(Continued)**

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**Note 6(c) CASH ASSETS & INVESTMENT SECURITIES (Continued)**

- A. Advances by the Roads and Traffic Authority for works on the State's classified roads network.
- B. Self Insurance liability resulting from reported claims or incurred claims not yet reported must have cash, specific investments or bank guarantee held for the full amount of the provision plus a prudential margin determined by the Actuary. In 2001/2002 the investment with Treasury Corporation, held for Council's self insurance liability, was replaced with a bank guarantee. Council has continued to maintain this guarantee in lieu of a cash deposit.
- C. Development contributions which are not yet expended for the provisions of services and amenities in accordance with contributions plans (also includes those not under contribution plans).
- D. Grants which are not yet expended for the purposes for which they were obtained. (See Note 1.)
- E. Domestic Waste Management (DWM) funds, which are externally restricted assets, must be applied for the purposes for which they were raised.

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## LAKE MACQUARIE CITY COUNCIL

### Notes to the Financial Statements 30 June 2007 (Continued)

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#### Note 13 STATEMENT OF PERFORMANCE MEASURES

	Amounts \$'000	Current year indicators	2006	2005
<b>1. Unrestricted Current Ratio</b>				
Current Assets less All External Restrictions <sup>(1)</sup>	\$ 59,575	<b>296.31%</b>	250.83%	225.66%
Current liabilities less Specific Purpose Liabilities <sup>(2),(3)</sup>	\$ 20,106			
<b>2. Debt Service Ratio</b>				
Debt Service Cost	\$ 7,511	<b>5.89%</b>	6.25%	5.83%
Revenue from Continuing Operations excluding capital items and specific purpose grants/contributions	\$ 127,515			
<b>3. Rate Coverage Ratio</b>				
Rates & Annual Charges	\$ 79,142	<b>50.98%</b>	48.17%	52.87%
Revenue for Continuing Operations	\$ 155,244			
<b>4. Rates and Annual Charges Outstanding Percentage</b>				
Rates & Annual Charges Outstanding	\$ 2,315	<b>2.85%</b>	2.79%	2.80%
Rates & Annual Charges Collectible	\$ 81,345			
<b>5. Asset Renewals Ratio</b>				
Asset Renewals <sup>(4)</sup>	\$ 29,671	<b>92.57%</b>	111.88%	102.44%
Depreciation, amortisation and impairment	\$ 32,051			

*Notes:*

- (1) Refer to Notes 6-8 inclusive.
- (2) Refer to Note 10(a).
- (3) \$16.1m ELE transferred out.
- (4) Refer Note 9(a) - Notes: (3)

**LAKE MACQUARIE CITY COUNCIL**

**INCOME STATEMENT OF CATEGORY 1 BUSINESS ACTIVITIES**

For the year ended 30 June 2007

	<b>Business Activities</b>			
	<b>Civilake</b>		<b>Property Management</b>	
	<b>2007 \$'000</b>	<b>2006 \$'000</b>	<b>2007 \$'000</b>	<b>2006 \$'000</b>
<b>Income from continuing operations</b>				
User Charges & Fees	12,161	8,055	5,951	5,740
Interest	-	-	546	468
Grants & Contributions for non-capital purposes	-	-	-	-
Profit on sale of assets	-	-	1,954	109
Other Income	-	-	518	386
<b>Total Income from continuing operations</b>	<b>12,161</b>	<b>8,055</b>	<b>8,969</b>	<b>6,703</b>
<b>Expenses from continuing operations</b>				
Employee benefits and on-costs	4,122	2,843	602	514
Materials & Contracts	4,298	2,284	1,375	1,052
Borrowing Costs	-	-	19	23
Depreciation and impairment	12	-	127	104
Calculated taxation equivalents	-	-	351	145
Debt Guarantee Fee	-	-	-	-
Other Expenses	2,502	1,864	1,834	2,066
<b>Total expenses from continuing operations</b>	<b>10,934</b>	<b>6,991</b>	<b>4,308</b>	<b>3,904</b>
<b>Surplus/(deficit) from continuing operations before capital amounts</b>	<b>1,227</b>	<b>1,064</b>	<b>4,661</b>	<b>2,799</b>
Grants & contributions provided for capital purposes	-	-	-	-
<b>Surplus/(deficit) from continuing operations after capital amounts</b>	<b>1,227</b>	<b>1,064</b>	<b>4,661</b>	<b>2,799</b>
<b>Surplus/(deficit) from all operations before tax</b>	<b>1,227</b>	<b>1,064</b>	<b>4,661</b>	<b>2,799</b>
Less Corporate Taxation Equivalent (30%)	368	319	1,398	840
<b>Surplus/(deficit) after Tax</b>	<b>859</b>	<b>745</b>	<b>3,263</b>	<b>1,959</b>
Less Dividend Payment (5%)	43	37	163	98
<b>Surplus/(deficit) after Dividend Payment</b>	<b>816</b>	<b>708</b>	<b>3,100</b>	<b>1,861</b>
<b>Opening Retained Profits</b>	<b>5,051</b>	<b>3,987</b>	<b>60,872</b>	<b>57,928</b>
Surplus/(deficit) after tax & dividend	816	708	3,100	1,861
<b>Adjustments for amounts unpaid</b>				
Taxation Equivalent Payments	-	-	351	145
Debt Guarantee Fees	-	-	-	-
Corporate Taxation Equivalent	368	319	1,398	840
Dividend paid	43	37	163	98
<b>Closing Retained Profits</b>	<b>6,278</b>	<b>5,051</b>	<b>65,884</b>	<b>60,872</b>
<b>Return on capital %</b>	<b>n/a</b>	<b>n/a</b>	<b>9.47%</b>	<b>10.03%</b>
<b>Subsidy from Council</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Calculation of dividend payable:</b>				
Surplus/(deficit) after tax	859	745	3,263	1,959
Less: Capital grants & contributions	-	-	-	-
Surplus for dividend calculation purposes	859	745	3,263	1,959
Dividend calculated from surplus	43	37	163	98

**LAKE MACQUARIE CITY COUNCIL**

**BALANCE SHEET OF CATEGORY 1 BUSINESS ACTIVITIES**

For the year ended 30 June 2007

	Business Activities			
	Civilake		Property Management	
	2007	2006	2007	2006
	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	-	-	-	-
Investments	6,006	4,700	11,541	7,355
Receivables	2,681	1,949	50	71
Inventories	-	-	1,403	1,132
Other	-	-	-	-
Non-current assets classified as held for sale	-	-	2,082	2,027
<b>Total Current Assets</b>	<b>8,687</b>	<b>6,649</b>	<b>15,076</b>	<b>10,585</b>
<b>Non-current Assets</b>				
Investments	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	728	1,709
Infrastructure, property, plant & equipment	-	-	10,759	9,633
Investment Property	-	-	40,013	39,768
Other	-	-	-	-
<b>Total Non-current Assets</b>	<b>-</b>	<b>-</b>	<b>51,500</b>	<b>51,110</b>
<b>Total Assets</b>	<b>8,687</b>	<b>6,649</b>	<b>66,576</b>	<b>61,695</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	366	282	40	34
Interest bearing liabilities	-	-	121	121
Provisions	2,009	1,301	222	243
<b>Total Current Liabilities</b>	<b>2,375</b>	<b>1,583</b>	<b>383</b>	<b>398</b>
<b>Non-current Liabilities</b>				
Payables	-	-	-	-
Interest bearing liabilities	-	-	299	420
Provisions	34	15	10	5
<b>Total Non-current Liabilities</b>	<b>34</b>	<b>15</b>	<b>309</b>	<b>425</b>
<b>Total Liabilities</b>	<b>2,409</b>	<b>1,598</b>	<b>692</b>	<b>823</b>
<b>Net Assets</b>	<b>6,278</b>	<b>5,051</b>	<b>65,884</b>	<b>60,872</b>
<b>EQUITY</b>				
Retained Earnings	6,278	5,051	65,884	60,872
Revaluation Reserves	-	-	-	-
<b>Total Equity</b>	<b>6,278</b>	<b>5,051</b>	<b>65,884</b>	<b>60,872</b>

**LAKE MACQUARIE CITY COUNCIL**

**INCOME STATEMENT OF CATEGORY 2 BUSINESS ACTIVITIES**

For the year ended 30 June 2007

	Business Activities			
	Swimming Pools		Non-Domestic Waste	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
<b>Income from continuing operations</b>				
Rates and annual charges	-	-	954	664
User Charges & Fees	760	760	1,713	1,426
Interest	-	-	-	-
Grants & Contributions for non-capital purposes	-	-	-	-
Profit on sale of assets	-	-	-	-
Other Income	231	231	-	-
<b>Total Income from continuing operations</b>	<b>991</b>	<b>991</b>	<b>2,667</b>	<b>2,090</b>
<b>Expenses from continuing operations</b>				
Employee benefits and on-costs	1,634	1,738	768	732
Materials & Contracts	816	636	755	815
Borrowing Costs	-	-	-	-
Depreciation and impairment	89	212	6	15
Calculated taxation equivalents	48	53	1	-
Debt Guarantee Fee	-	-	-	-
Other Expenses	467	465	777	494
<b>Total expenses from continuing operations</b>	<b>3,054</b>	<b>3,104</b>	<b>2,307</b>	<b>2,056</b>
<b>Surplus/(deficit) from continuing operations before</b>	<b>(2,063)</b>	<b>(2,113)</b>	<b>360</b>	<b>34</b>
Grants & contributions provided for capital purposes	-	-	-	-
<b>Surplus/(deficit) from continuing operations after</b>	<b>(2,063)</b>	<b>(2,113)</b>	<b>360</b>	<b>34</b>
<b>Surplus/(deficit) from all operations before tax</b>	<b>(2,063)</b>	<b>(2,113)</b>	<b>360</b>	<b>34</b>
Less Corporate Taxation Equivalent (30%)	-	-	108	10
<b>Surplus/(deficit) after Tax</b>	<b>(2,063)</b>	<b>(2,113)</b>	<b>252</b>	<b>24</b>
Less Dividend Payment (5%)	-	-	13	1
<b>Surplus/(deficit) after Dividend Payment</b>	<b>(2,063)</b>	<b>(2,113)</b>	<b>239</b>	<b>23</b>
<b>Opening Retained Profits</b>	<b>(8,215)</b>	<b>(6,155)</b>	<b>1,719</b>	<b>1,685</b>
Surplus/(deficit) after tax & dividend	(2,063)	(2,113)	239	23
<b>Adjustments for amounts unpaid</b>				
Taxation Equivalent Payments	48	53	1	-
Debt Guarantee Fees	-	-	-	-
Corporate Taxation Equivalent	-	-	108	10
Dividend paid	-	-	13	1
<b>Closing Retained Profits</b>	<b>(10,230)</b>	<b>(8,215)</b>	<b>2,080</b>	<b>1,719</b>
<b>Return on capital %</b>	<b>n/a</b>	<b>n/a</b>	<b>72.18%</b>	<b>1.74%</b>
<b>Subsidy from Council</b>	<b>2,286</b>	<b>2,391</b>	<b>-</b>	<b>-</b>
<b>Calculation of dividend payable:</b>				
Surplus/(deficit) after tax	(2,063)	(2,113)	252	24
Less: Capital grants & contributions	-	-	-	-
Surplus for dividend calculation purposes	(2,063)	(2,113)	252	24
Dividend calculated from surplus	-	-	13	1

**LAKE MACQUARIE CITY COUNCIL**

**INCOME STATEMENT OF CATEGORY 2 BUSINESS ACTIVITIES**  
**For the year ended 30 June 2007**

	<b>Business Activities</b>			
	<b>Family Day Care</b>		<b>Printing</b>	
	<b>2007 \$'000</b>	<b>2006 \$'000</b>	<b>2007 \$'000</b>	<b>2006 \$'000</b>
<b>Income from continuing operations</b>				
User Charges & Fees	315	236	880	770
Interest	-	-	-	-
Grants & Contributions for non-capital purposes	2,323	2,681	-	-
Profit on sale of assets	-	-	-	-
Other Income	-	-	-	-
<b>Total Income from continuing operations</b>	<b>2,638</b>	<b>2,917</b>	<b>880</b>	<b>770</b>
<b>Expenses from continuing operations</b>				
Employee benefits and on-costs	587	604	317	295
Materials & Contracts	4	48	441	375
Borrowing Costs	-	-	-	-
Depreciation and impairment	4	4	6	7
Calculated taxation equivalents	-	-	-	-
Debt Guarantee Fee	-	-	-	-
Other Expenses	2,043	2,261	58	53
<b>Total expenses from continuing operations</b>	<b>2,638</b>	<b>2,917</b>	<b>822</b>	<b>730</b>
<b>Surplus/(deficit) from continuing operations before</b>	<b>-</b>	<b>-</b>	<b>58</b>	<b>40</b>
Grants & contributions provided for capital purposes	-	-	-	-
<b>Surplus/(deficit) from continuing operations after</b>	<b>-</b>	<b>-</b>	<b>58</b>	<b>40</b>
<b>Surplus/(deficit) from all operations before tax</b>	<b>-</b>	<b>-</b>	<b>58</b>	<b>40</b>
Less Corporate Taxation Equivalent (30%)	-	-	17	12
<b>Surplus/(deficit) after Tax</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>28</b>
Less Dividend Payment (5%)	-	-	2	1
<b>Surplus/(deficit) after Dividend Payment</b>	<b>-</b>	<b>-</b>	<b>39</b>	<b>27</b>
<b>Opening Retained Profits</b>	<b>46</b>	<b>46</b>	<b>311</b>	<b>271</b>
Surplus/(deficit) after tax & dividend	-	-	39	27
<b>Adjustments for amounts unpaid</b>				
Taxation Equivalent Payments	-	-	-	-
Debt Guarantee Fees	-	-	-	-
Corporate Taxation Equivalent	-	-	17	12
Dividend paid	-	-	2	1
<b>Closing Retained Profits</b>	<b>46</b>	<b>46</b>	<b>369</b>	<b>311</b>
<b>Return on capital %</b>	<b>n/a</b>	<b>n/a</b>	<b>336.19%</b>	<b>146.31%</b>
<b>Subsidy from Council</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Calculation of dividend payable:</b>				
Surplus/(deficit) after tax	-	-	41	28
Less: Capital grants & contributions	-	-	-	-
Surplus for dividend calculation purposes	-	-	41	28
Dividend calculated from surplus	-	-	2	1

**LAKE MACQUARIE CITY COUNCIL**

**INCOME STATEMENT OF CATEGORY 2 BUSINESS ACTIVITIES**

**For the year ended 30 June 2007**

	<b>Business Activity</b>	
	<b>Hunter Councils (Lake Macquarie Share)</b>	
	<b>2007 \$'000</b>	<b>2006 \$'000</b>
<b>Income from continuing operations</b>		
User Charges & Fees	62	55
Interest	-	-
Grants & Contributions for non-capital purposes	-	-
Profit on sale of assets	-	-
Other Income	18	16
<b>Total Income from continuing operations</b>	<b>80</b>	<b>71</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	29	29
Materials & Contracts	26	28
Borrowing Costs	29	30
Depreciation and impairment	16	16
Calculated taxation equivalents	-	-
Debt Guarantee Fee	4	4
Other Expenses	9	9
<b>Total expenses from continuing operations</b>	<b>113</b>	<b>116</b>
<b>Surplus/(deficit) from continuing operations before</b>	<b>(33)</b>	<b>(45)</b>
Grants & contributions provided for capital purposes	-	-
<b>Surplus/(deficit) from continuing operations after</b>	<b>(33)</b>	<b>(45)</b>
<b>Surplus/(deficit) from all operations before tax</b>	<b>(33)</b>	<b>(45)</b>
Less Corporate Taxation Equivalent (30%)	-	-
<b>Surplus/(deficit) after Tax</b>	<b>(33)</b>	<b>(45)</b>
Less Dividend Payment (5%)	-	-
<b>Surplus/(deficit) after Dividend Payment</b>	<b>(33)</b>	<b>(45)</b>
<b>Opening Retained Profits</b>	<b>(158)</b>	<b>(117)</b>
Surplus/(deficit) after tax & dividend	(33)	(45)
<b>Adjustments for amounts unpaid</b>		
Taxation Equivalent Payments	-	-
Debt Guarantee Fees	4	4
Corporate Taxation Equivalent	-	-
Dividend paid	-	-
<b>Closing Retained Profits</b>	<b>(187)</b>	<b>(158)</b>
<b>Return on capital %</b>		
<b>Subsidy from Council</b>	-	-
<b>Calculation of dividend payable:</b>		
Surplus/(deficit) after tax	(33)	(45)
Less: Capital grants & contributions	-	-
Surplus for dividend calculation purposes	(33)	(45)
Dividend calculated from surplus	-	-