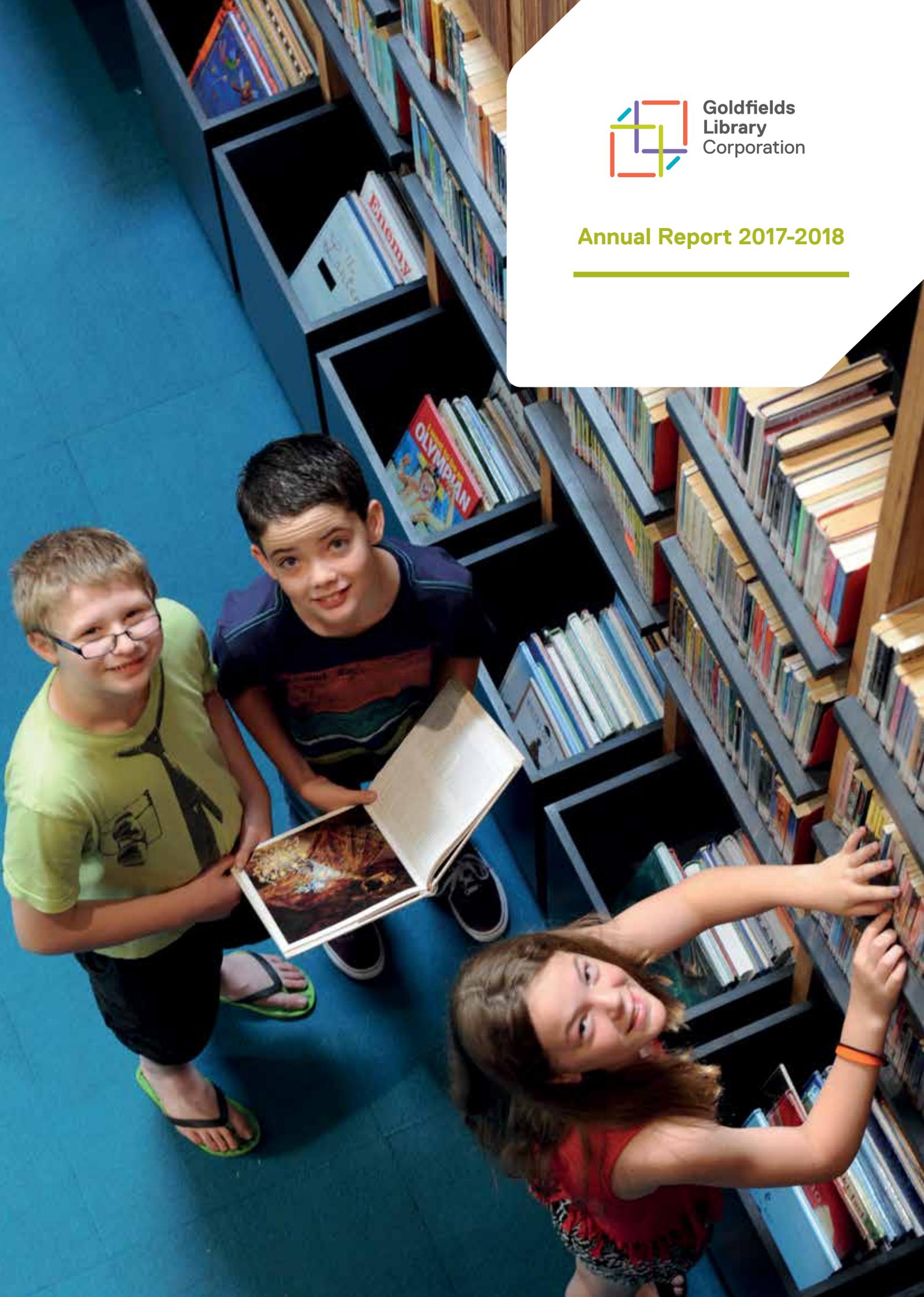


Goldfields
Library
Corporation

Annual Report 2017-2018





VISION

EXPLORE, ENGAGE AND
CREATE WITH GOLDFIELDS
LIBRARIES

MISSION

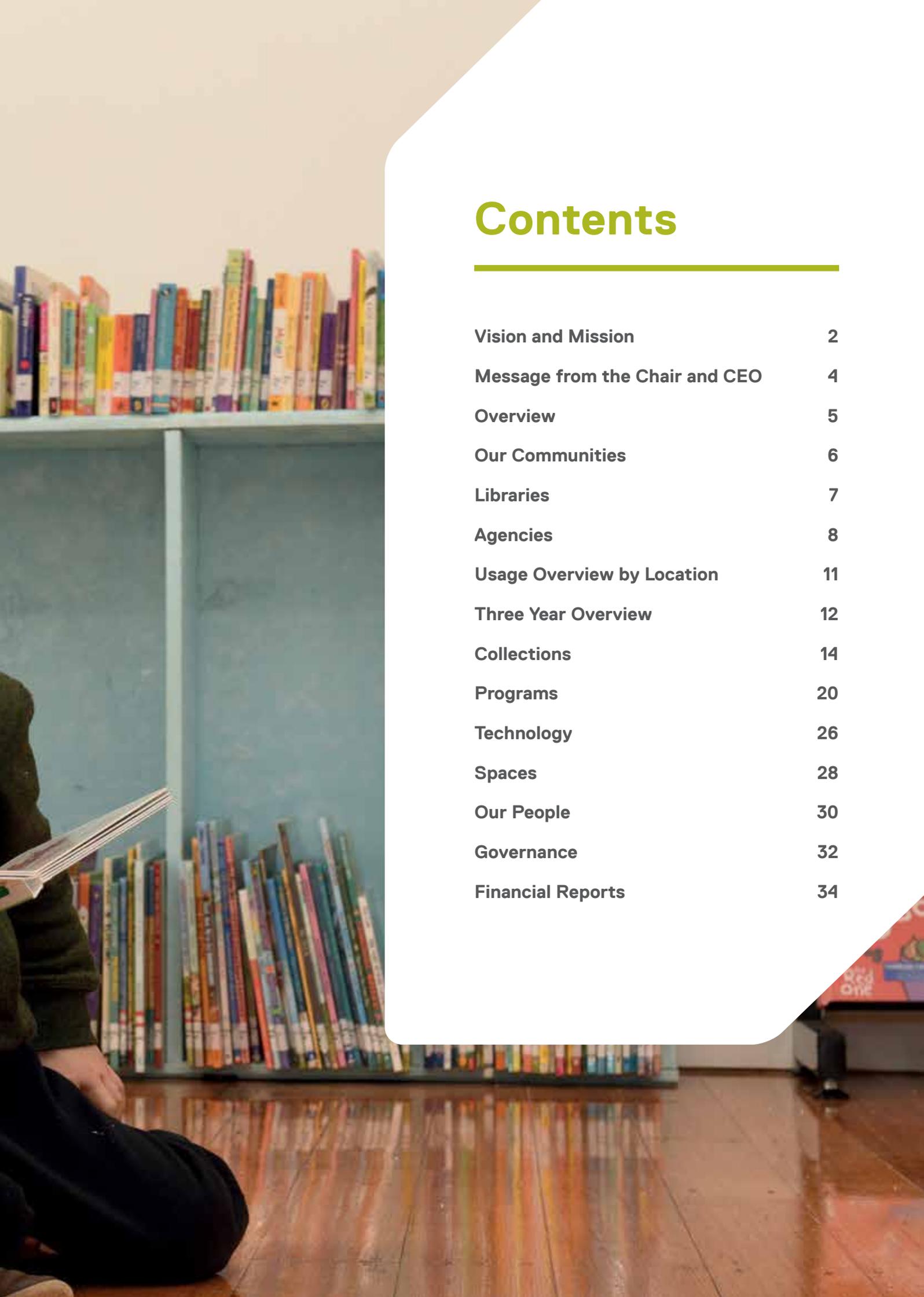
WE WILL ENRICH OUR
COMMUNITIES BY PROVIDING:

Welcoming and inclusive spaces

Friendly helpful and knowledgeable
staff

Access to information, collections and
technology

Programs for learning, creativity and
recreation

The background of the page is a photograph of a library. On the left, a person is sitting on the floor, reading a book. Behind them are several tall bookshelves filled with colorful children's books. The floor is made of polished wood, reflecting the light. The right side of the page is a white, rounded rectangular overlay containing the table of contents.

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Message from our Chair and CEO

Year in Review

On behalf of the Goldfields Library Corporation we are delighted to present the 2017-18 Annual Report.

This year represents a transition in leadership with a new CEO, but a continued focus on our core values and vision that reflect a whole of community approach to outcomes of literacy, learning and access. Our goals are based on key areas of service delivery; collections, programs, technology, spaces, good governance and importantly our people, the staff who optimise the benefits of library services for their communities.

This report is a fantastic opportunity to tell the story of our libraries and the communities we operate within. When it comes to usage and activity statistics, our library service is one of the top 10 performers from 46 services in the state. Our libraries are so much more than statistics though and the true pleasure in developing this report is in being able to share just a fraction of the very human stories that occur every day in our libraries.

This year has seen the completion of the extensive review of library services, highlighting that we remain one of the most efficiently delivered library services in Victoria. The service review also noted the need for us to continue developing our connection with and engagement of community in helping drive what we do.

We would like to thank the Board for their vision and support as well as their strategic decision-making and strong advocacy and our member councils for their support and investment in public libraries which has enabled us to continue to offer the high standard of service-provision to our communities.

We would also like to thank our previous CEO, Chris Kelly whose work in libraries went beyond just being a job—she lived and breathed the importance of libraries to community. Her time with Goldfields Libraries established a new strategic approach that will reap rewards for many years to come.

Finally, the impressive success of Goldfields Libraries is a reflection of the people: staff, visitors, volunteers, supporters and stakeholders. We thank each and every one of you for your dedication and passion for our libraries. We are well positioned to continue to build on our substantial achievements.



Cr Cheryl McKinnon
Chair



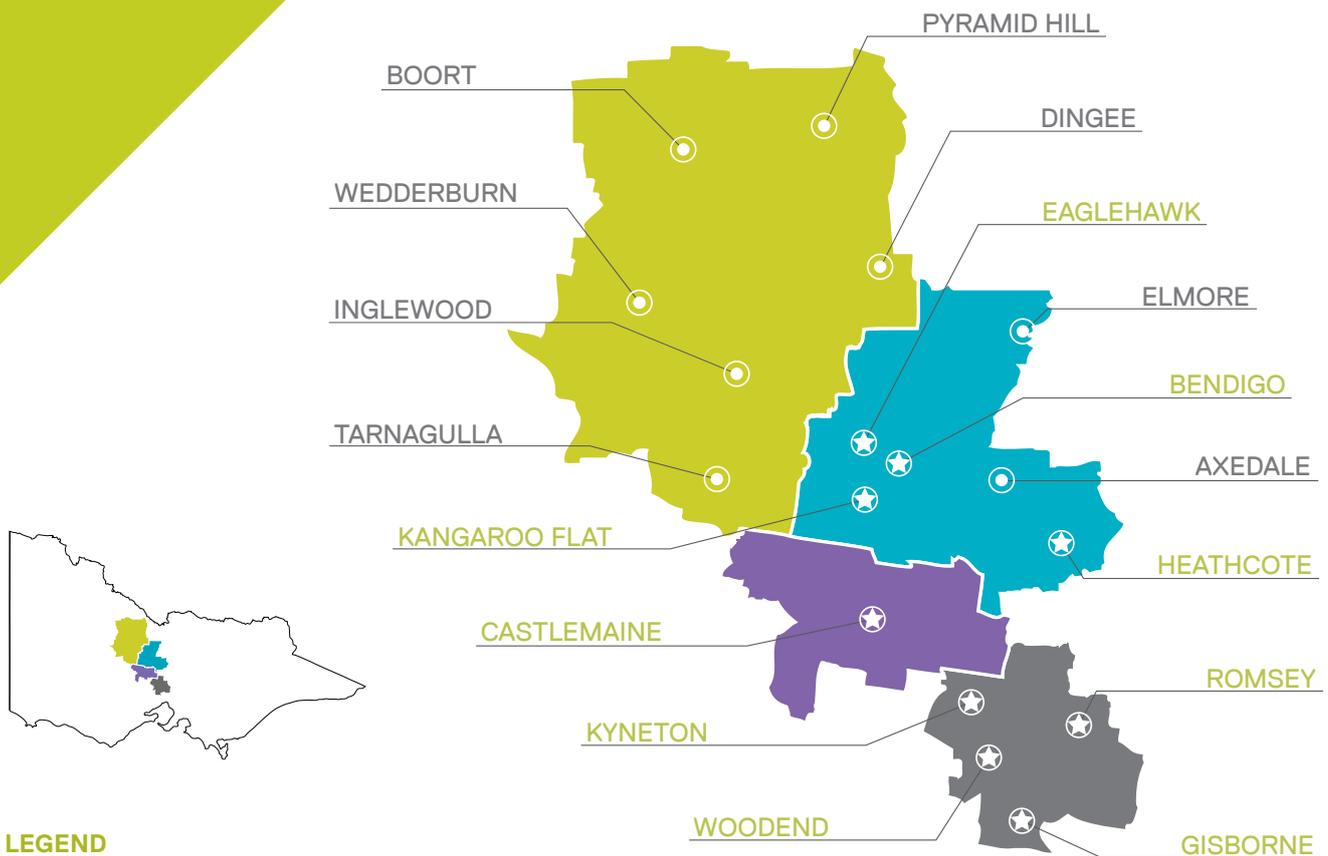
Mark Hands
Chief Executive
Officer

Overview

About the Corporation

The North Central Goldfields Regional Library Corporation (trading as Goldfields Library Corporation) was established in January 1996 to provide library services to the City of Greater Bendigo, Loddon Shire, Macedon Ranges Shire and Mount Alexander Shire.

The Corporation delivers services to communities located along the Calder Highway from Boort to Gisborne covering an area of 12,979 km². With a staff of approximately 50 EFT (including casuals), the service provides for a community of approximately 180,000 people and has a collection of around 280,000 items. The service is coordinated from an administration hub located in the Bendigo Library.



Our Communities

City of Greater Bendigo

City of Greater Bendigo (CoGB) has an estimated population of over 113,000 people, 85% residing in urban areas and 15,000 in rural communities. Both the urban and rural populations are growing at about 1.7% per year, with 33.5% increase in the overall population forecasted by 2036.

Libraries are located in Bendigo, Kangaroo Flat, Eaglehawk and Heathcote, and Agencies in Axedale and Elmore. The future challenge will be to ensure that service levels and sites are able to meet the needs of this growing, and spreading, population.

The vision of the CoGB Community Plan 2017–2021 is to create the world’s most liveable community. The Plan also acknowledges that as the population continues to grow, Council needs to prepare CoGB for the future. There will be many more residents, and new infrastructure will be needed to support them in both urban and rural communities, providing places to live, work, learn and relax.

The CoGB SEIFA* score of 981 is lower than the Victorian average (1,010) placing CoGB towards the disadvantaged end of the scale.

Loddon Shire

Loddon Shire represents more than 50% of the geographic area serviced by our libraries at 6,694 km², coupled with just 4% of the population. Agencies are located in Boort, Dingee, Inglewood, Pyramid Hill, Tarnagulla and Wedderburn.

Council have identified the growth and invigoration of the Loddon population as a key priority, along with supporting the development of a prosperous local economy and creating attractive, vibrant and well-serviced communities within the Shire. In alignment with these priorities, Council has focused on developing local community hubs in population centres, where a number of services, including six library agencies, can share space and deliver collective services in a sustainable and effective manner.

Loddon Shire have experienced a minor decline in population per year over the last ten years and SEIFA* ratings indicate that Loddon Shire is amongst the ten most disadvantaged communities in Victoria.

The community shows significant resilience through high levels of volunteerism and excellent service networks in areas such as early year’s literacy and development, mental health support and strengthening families.

Macedon Ranges Shire

Macedon Ranges Shire has a population of approximately 48,500 residents spread across small to medium size townships, which presents a challenge for equitable service delivery across the region. Libraries are located in the townships of Gisborne, Kyneton, Romsey and Woodend.

The Shire has one of the highest SEIFA* ratings at 1,060 so is considered relatively advantaged.

Whilst townships such as Kyneton and Woodend are growing slowly and generally have an ageing population, other areas such as Gisborne are growing rapidly (around 2% per annum) and have a much younger profile, with new families moving into the area.

Key challenges in providing library services in an effective and efficient manner include delivering equitable access for a diverse set of communities, and in particular, accommodating significant population growth in the south, which has a high level of commuter workforce.

Mount Alexander Shire

Over 18,000 people reside in Mount Alexander Shire (MAS), with just under 7,000 of those residents living in Castlemaine, and smaller populations in Maldon and Newstead. Library services are provided at Castlemaine Library and the municipality has the highest rate of library membership per capita with approximately 48% of residents registered as members. There are also community run libraries in Newstead and Maldon.

By 2031 the population is projected to increase by 25%, predominantly in the older age brackets. The Shire has a greater proportion of older residents than other parts of regional Victoria – in 2016 the median age was 50 years, which is higher than the average in both regional Victoria (41 years) and Victoria (37 years).

The Shire’s SEIFA* score is 995, lower than the Victorian average (1,010), and similarly to CoGB are considered a more disadvantaged community in comparison to other local government areas in the state.

The three pillars of the current MAS Council Plan 2017-2021: Our People, Our Place and Our Economy are strongly supported by library activities.

*SEIFA: Socio-Economic Indexes for Areas, an Australian Bureau of Statistics product used to rank areas in Australia according to relative socio-economic advantage and disadvantage, based on five yearly Census data.

Libraries



BENDIGO



CASTLEMAINE



EAGLEHAWK



GISBORNE



KANGAROO FLAT



HEATHCOTE



WOODEND



ROMSEY



KYNETON



ELIBRARY

Agencies

Highlights

- **Average number of items on loan each month has increased to 703, from 667 last year**
- **917 people attended the 81 programs delivered last year**
- **Attendance at children's programs increased from 262 to 699 people**
- **Adult program attendance grew to 135 people**

Goldfields Libraries has 8 agencies, located at Inglewood, Wedderburn, Boort, Elmore, Dingee, Tarnagulla, Pyramid Hill and Axedale.

The agencies provide a permanent presence for library services in these small communities within the Loddon Shire and City of Greater Bendigo. All library services in the Loddon Shire are provided through agencies.

Agencies provide access to collection for borrowing, and website access for reservations and eLibrary services. Agencies also offer access to a range of programs, including early year's literacy programs, school holiday programs, online learning workshops, digital literacy sessions, writing workshops, author talks, performances, book clubs and seniors specific events.

The aim of the agencies is to:

- Develop a stronger community-library link in small rural towns
- Provide greater equity of access to a range of library services and longer opening hours
- Engage remote communities in diverse library activities that support learning and literacy

The agencies are based on collaborative partnerships with local organisations. Goldfields Libraries extends its gratitude and thanks to all agency partners and volunteers for their hard work and commitment to supporting the provision of library services.

We look forward to continuing to work with our partners to grow the use of our agencies.

'We are so lucky to have an agency here. It's such a wonderful service.'



AXEDALE



BOORT



DINGEE



ELMORE



INGLEWOOD



PYRAMID HILL



TARNAGULLA



WEDDERBURN



Usage Overview By Location

As Goldfields Libraries largest branch, Bendigo Library is also the busiest, with around 11,000 visits on average per week. Castlemaine Library is achieving 23.3 loans per member, which when compared to Bendigo at 12.8 loans per members, indicates a significant level of frequent users. Kangaroo Flat Library also attracts a high number of avid readers with an average of around 30 items per member loaned throughout the year.

The eLibrary also continues to be well utilised with around 33% of all loans completed via this service and record high levels of visitation.

Across the smaller branches, Eaglehawk and Heathcote with limited opening hours welcome fewer patrons through their venues, however Eaglehawk shows a good number in program

attendance and loans per member. This indicates strong engagement from the current members, with a focus needed on developing a larger membership base.

Gisborne Library have the third highest membership rate overall, however a lower number of visits than Kangaroo Flat, Woodend and Kyneton Libraries. This is in part a result of closures for renovations during the second half of the financial year.

Woodend Library have achieved an increased number of visits, reflecting the significant numbers in attendance at programs and events. Romsey Library are also hosting a good number of programs with an average of 16 attendees per event.

Library	Members	Visits	Loans	Internet PC sessions	Wi-Fi	Program Attendance	Programs
eLibrary	-	316,715	588,792	-	-	-	-
Bendigo	33,534	565,259	427,601	42,400	52,766	18,266	584
Castlemaine	8,902	157,852	207,109	9,678	12,390	8,497	723
Eaglehawk	420	12,967	23,467	836	770	1,652	132
Gisborne	6,172	66,914	101,378	4,062	4,360	4,105	236
Heathcote	783	19,796	14,198	237	243	182	46
Kangaroo Flat	4,235	76,977	126,795	5,825	2,592	4,415	209
Kyneton	5,038	78,572	92,495	7,476	4,335	4,096	282
Library Agencies/ Home Library Service	2,148	12,882	31,025	0	0	1,420	114
Romsey	2,533	36,520	39,079	4,075	2,286	2,658	159
Woodend	4,053	81,168	81,935	3,296	2,619	8,134	332
External Program Participation	-	10,259	-	-	-	-	-
Total Usage	67,818	1,435,881	1,733,874	77,885	82,361	53,425	2,817

Three Year Overview

Indicator	2015/16	2016/17	2017/18	% change since last year	% change over last 3 years
Population - regional (ABS ERP)	174,867	177,153	188,731	7%	8%
Library opening hours weekly	351	335.5	356	6%	1%
Agency opening hours weekly	24	110	126.5	15%	427%
Library floor space* (m ²)	5,846	5,846	5,846	0%	0%
Staff EFT	51.5	51.6	50	-4%	-4%
Collection items	303,583	296,921**	288,302	-3%	-5%
Public access internet computers	100	116	126	9%	26%
Activity					
Visits	1,445,837	1,462,286	1,435,881	-2%	-1%
Members	67,143	68,019	67,818	0%	1%
Collection utilisation	1,755,739	1,776,767	1,733,874	-2%	-1%
Computer bookings	80,183	77,140	77,885	1%	-3%
Wireless internet access	55,553	53,167	82,361	55%	48%
Program attendance	48,654	51,766	53,425	3%	10%
Number of programs	1,971	2,338	2,817	20%	43%
Expenditure					
Total operating expenditure	\$4,962,318	\$4,986,291	\$4,968,764	0%	0%
Total capital expenditure	\$1,051,284	\$1,061,994	\$1,092,264	3%	4%
Capital expenditure on collections	\$911,778	\$912,315	\$855,259	-6%	-6%
Total collections expenditure	\$1,207,202	\$1,316,741	\$1,337,311	2%	11%
Total expenditure (excludes depreciation)	\$6,013,602	\$6,048,285	\$6,061,028	0%	1%
Cost of Service					
Cost per loan	\$3.43	\$3.40	\$3.50	3%	2%
Cost per visit	\$4.16	\$4.14	\$4.22	2%	1%
Activity per Capita					
Loans per capita	10.0	10.0	9.2	-8%	-8%
Visits per capita	8.3	8.3	7.6	-8%	-8%
Activity per Staff Member					
Loans per EFT staff member	34,092	34,433	34,936	1%	2%
Visits per EFT staff member	28,075	28,339	28,932	2%	3%
Activity per Opening Hour					
Loans per operating hour*	96	102	94	-8%	-3%
Visits per operating hour*	79	84	78	-7%	-2%

*Excludes Agencies

**Corrected from 2016-2017 Annual Report

The Three Year Overview depicts a growing population in the Goldfields Libraries service area. Notably, the total collection utilisation which represents the number of physical and online loans has reduced by 3% in the last year and 1% in the three years overall. As a result of this significant increase in population, and reduction in collection usage, loans per capita has reduced by 9% over the three year period. This is a clear representation of the changing way in which communities view and use their libraries.

Although collection utilisation has reduced slightly, wi-fi usage, program attendance and the number of programs delivered has continued to grow significantly. These trends continue to inform how our communities use our service and how we need to invest our resources.

In response to the evolving needs of the communities GLC operates within, the collection has been slowly refined to reduce in size by 5% over the past three years. This has allowed for a steady utilisation level with a total of 1,733,874 loans, including renewals and loans both physical and online, throughout the year.

The cost per loan (\$3.50) and cost per visit (\$4.22) have increased very slightly by 1% and 2% respectively over a three year period. These indicators of value remain in the top 5 percent of the state with the average costs for public libraries in Victoria at \$4.96 for cost per loan and \$6.51 for cost per visit.*

* PLVN Public Libraries Annual Statistical Survey 2016-17



Collections

Highlights

- Access provided to more than 280,000 items
- Continued monitoring and response to customer requests and popular items via collection reporting
- 14% Increase in number of eResources available
- 65% increase in eAudio loans
- Home Library delivery continued to be rolled out across our participating councils to people who are unable to visit our libraries
- 75% of the collection purchased in the last 5 years
- 1,733,874 items loaned
- 30,878 new items added to the collection

Equity of Access

Continued patronage of our agencies ensured equity of access to quality collections in our rural communities in Loddon Shire.

Extension of our home library service to the Mount Alexander and Macedon Ranges communities meant those library members most at risk through isolation now have the opportunity to access information and maintain connections within their community. A total of 18,066 loans were delivered to more than 70 recipients.

Meeting Local Needs

We aim to develop high quality, responsive and sustainable collections which meet community requirements.

Our main measure of success and responsiveness is the ongoing use of evidence-based collection

GOAL

A collection that encourages learning, enjoyment, imagination and enriches our culture.

STRATEGIES

We will achieve this:

1. By providing equitable access to quality collections
2. With collections that meet local needs
3. Through skilled staff maximising access to collections and information

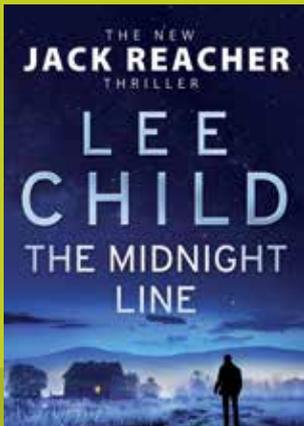
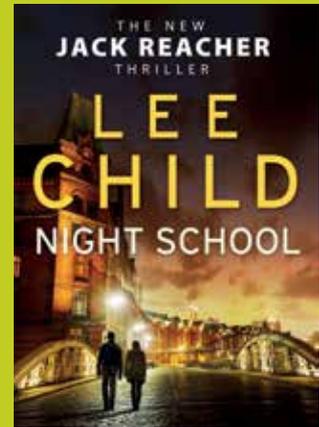
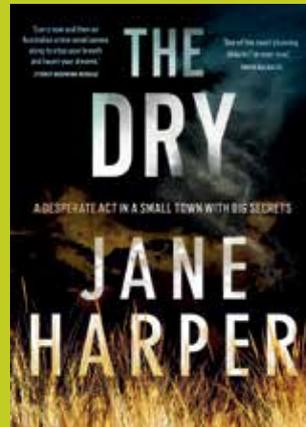
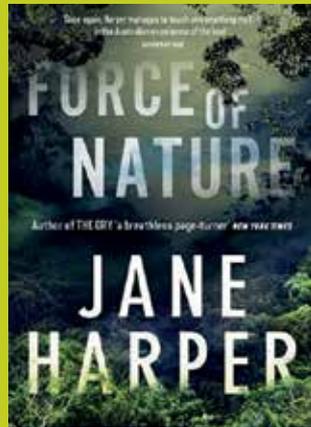
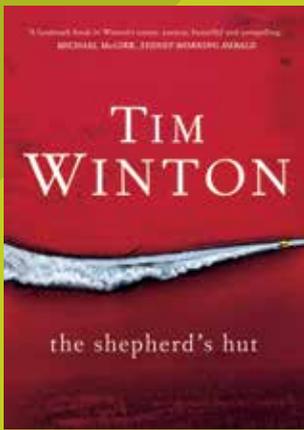
management reporting. CollectionHQ analyses usage, under performing titles and popular author trends, assisting with floating collection balances and requests across all our libraries, ensuring the most relevant titles are located in the right communities. In addition to Collection HQ reporting, we also manage community requests via our Library Management System requests module, endeavouring to purchase titles and add to collections where required.

Maximising Access to Collections and Information

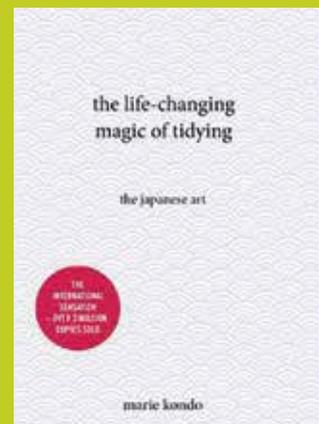
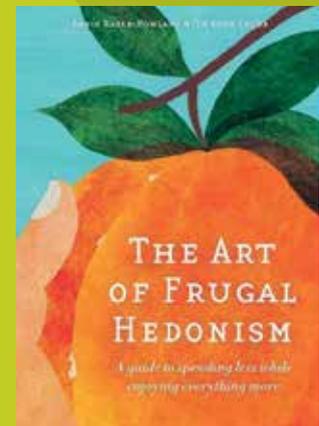
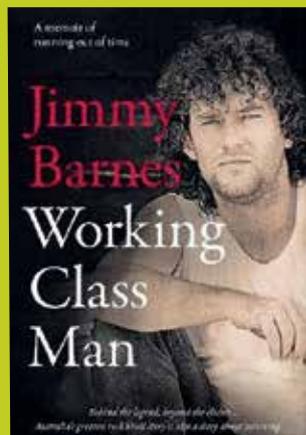
Our staff responded to 203,720 requests for information from library patrons, representing a continuing trend of increasing demand, this year totally a 4% increase from the previous year. The nature of information requests has transitioned in the last few years from in-depth reference queries to assistance in accessing online information and services essential for day to day living. Adding to this pressure is the continued move to Government services being available only online. This has meant the necessity to develop staff skills, increase training and resources, improve technology and foster new partnerships to support community members to successfully negotiate online services.

Our library members placed 2,536 requests for items from other libraries this year (8% increase). We received 3,730 requests from other libraries for items from our collection (10% decrease).

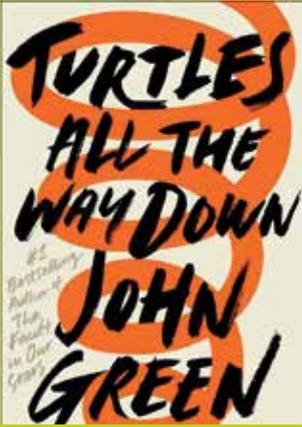
Top 5 Fiction



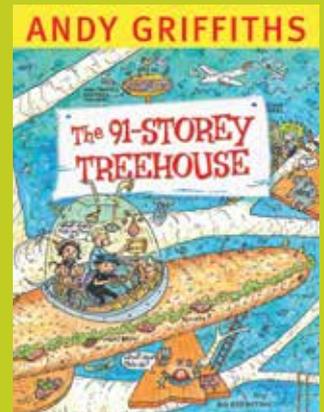
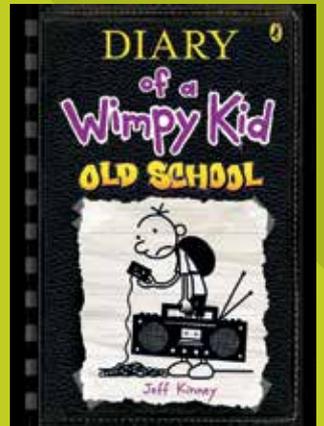
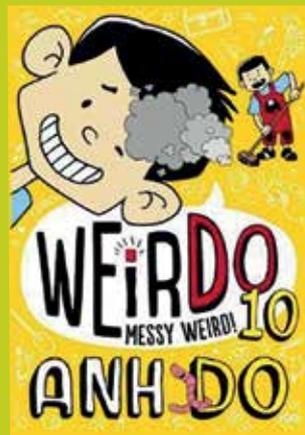
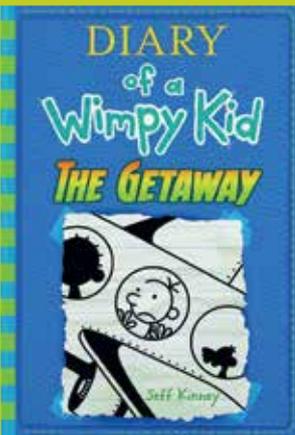
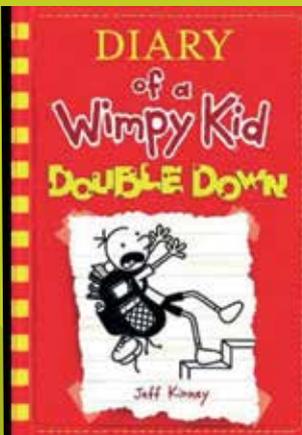
Top 5 Non-Fiction



Top 5 Young Adult Fiction



Top 5 Junior Fiction



Collection by Genre/Format

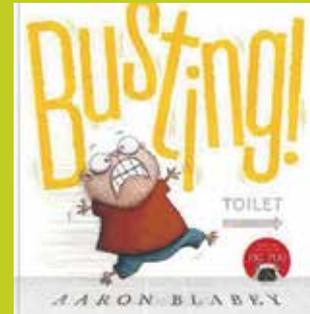
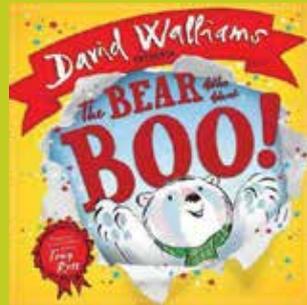
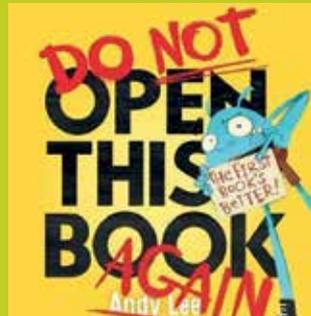
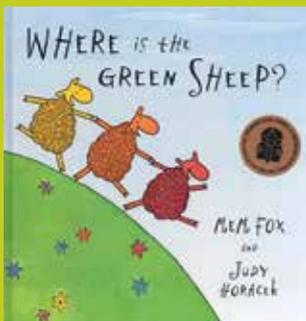
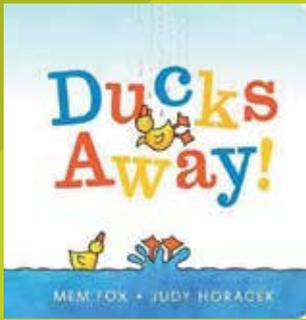
	No. items	% of total collection
Adult Fiction	46,715	16%
Adult Non-Fiction	57,405	20%
Large Print	8,970	3%
Junior Fiction	25,470	9%
Young Adult	25,761	9%
Picture Books	9,363	3%
Junior Non-Fiction	9,694	3%
Magazines	11,565	4%
AudioBooks	16,734	6%
DVD	7,041	2%
Music CDs	6,342	2%
eCollection	17,094	6%
Special Collections	46,148	16%
	288,302	100%

Collection Size by Location

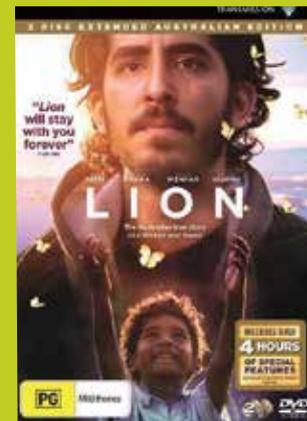
Library	Collection Size
Bendigo	109,460
Castlemaine	32,976
Kangaroo Flat	20,788
Kyneton	18,953
Online	17,094
Woodend	16,818
Gisborne	16,142
Off site	14,547
Romsey	13,649
Eaglehawk	7,345
Heathcote	5,066
Inglewood	2,853
Elmore	1,912
Wedderburn	1,822
Boort	1,708
Home Library Service	1,591
Pyramid Hill	1,574
Dingee	1,529
Axedale	1,260
Tarnagulla	1,215
	288,302

'Love this service, borrowing books from the eLibrary especially the audiobooks to be read to me is heaven. Audio books for me are perfect.'

Top 5 Picture Books



Top 5 DVDs





Programs

Highlights

- **2,817 programs were delivered, an increase of 365 from the previous year**
- **53,425 people attended a library program, our second year of attendance over the 50,000 mark**
- **30 story time sessions have been held each week of the school year with the inclusion of regular sessions at Heathcote Library, increased sessions at Eaglehawk and Gisborne Libraries; and Boort, Elmore and Inglewood**

Our Programs Framework provides a focus for Goldfields Libraries programming on seven key strategic themes: early years, school years, reading culture, digital literacy, family and local history, creativity, and wellbeing.

Our approach to the planning, design and development of programs ensures that we identify partnerships, ensure equity, contribute to creativity and community, and support inclusion.

'The Library Logistics course has opened my eyes. I had no idea so much was available... Just fantastic, many thanks.'

GOAL

Programs that support enjoyable opportunities for social connection, creativity and learning opportunities.

STRATEGIES

We will achieve this:

1. Partnerships that expand benefit and reach,
2. Providing equitable access to programs,
3. Contributing to our learning and creative communities, and
4. Hosting community events that support progressive social inclusion.





Partnerships

With the support of partners, we have been able to expand the scope and diversity of programs delivered to our communities including:

- Marking National Reconciliation Week at the Bendigo Library, in a partnership with the Dja Dja Wurrung people. Elders of the community undertook a moving Welcome to Country and smoking ceremony outside on the lawn.
- Delivery of Scam Savvy programs in eight of our Libraries and Agencies by linking with Consumer Affairs Victoria.
- Programs for people aged over 55, including Reminiscing sessions with Museums Victoria, were supported by the City of Greater Bendigo, Strengthening Seniors Inclusion and Participation program.
- Presenting the Tech Savvy Seniors series in Kyneton, Woodend, Gisborne and Romsey Libraries supported by the Macedon Ranges Shire Council, Healthy Ageing program. The program develops skills, confidence and understanding of tablets, computers and smartphones.
- Bendigo Library partnered with La Trobe University to deliver a series of monthly evening lectures local history. Dr Michele Matthews' "Women and Children on the Goldfields" was well attended as was Dr Charles Fahey's "They Came for Gold," with an excess of 50 people at each event.
- Celebrating the written word with literacy based exhibitions, workshops and activities as part of the Write on the Fringe Festival, in the Bendigo Library, in partnership with the City of Greater Bendigo.
- Partnering with the Australian Decorative and Fine Arts Society, and Friends of Castlemaine Libraries, to enable a visit to Castlemaine Library from English children's book author Antony Penrose who talked about his books *The Boy Who Bit Picasso* and *Miro's Magic Animals* to 220 school children.
- Participation in the Victorian Small Business Festival with the running of a Microbusiness Pop Up Expo at Bendigo Library with support from the City of Greater Bendigo

- We partnered with Loddon Campaspe Community Legal Centre to deliver a range of sessions across Law Week, and to host this year's Talking Justice Seminar which more than 200 people attended.
- Working closely with the Woodend Winter Arts Festival and Friends of Macedon Ranges Libraries we held a session for parents and young children at Woodend Library with Australian children's author and literacy advocate Mem Fox.
- Through the City of Greater Bendigo's Cultural Diversity Inclusion Program we were able to host a series of workshops, supporting children from the Karen and Afghan communities to illustrate beautiful bilingual children's books.



Equity

We endeavour to provide learning opportunities that are accessible and which enable participation by the whole of our diverse community. By being aware of the characteristics of each community, we have developed programs that address specific needs.

We continue to focus on early literacy as data indicates a clear link between early literacy skills and future health and wellbeing. The expansion of our story time program to include all corners of our region reflects our commitment to fostering early literacy with consistently high attendances suggesting we can and are making a real difference. Highlights include:

- A partnership with City of Greater Bendigo's Young, Pregnant and Parenting Program providing this group with a home, support and children's activities.
- With the support of the Friends of the Castlemaine Library preschool and school children from small outlying townships in the Mount Alexander Shire were bussed in to enjoy a range of special activities at Castlemaine Library, including performers, authors, the Story Island Exhibition and a visit from Museums Victoria.
- Storytime Specials such as a 'Goat Storytime' at the Inglewood Library Agency featuring two baby goats, and 'Supermen Storytime' at Eaglehawk Library for fathers, grandfathers, and the young people in their lives.
- A significant increase in the number of programs delivered at Heathcote and at our Agencies in Loddon bringing these communities together and providing opportunities to improve digital literacy and early years literacy not previously available.
- Special and eye catching displays both promoted our collections and acknowledged special times for diverse communities, such as for IDAHOBIT Day (a worldwide celebration of sexual and gender diversity) and Reconciliation Week.

'Your job seeking class was really helpful – now I hope I can get a job.'

Learning and Creativity

Our programs provide opportunities for expression, development of new skills and exposure to the arts. We deliver learning opportunities through a range of resources and activities in an accessible and stimulating learning environment for our communities. In particular:

- The “Share a Yarn” knitting project has been a huge hit at Eaglehawk Library with people in the community donating wool, taking wool to knit items at home and knitting in the library.
- Lego Challenges in our libraries encourage open-ended play. Participants can be as creative as they like, test structures, build from scratch and make something that only they can see in their heads.
- Raising Children In The Digital Age and Job seeking in the Digital World with Stef Cola proved to be of immense value to all those who attended, including both teachers and parents who appreciated the discussion about children’s use of digital devices.
- The Kyneton Daffodil Festival was celebrated at the Library, with a beautiful big daffodil painting on the window inscribed with poetry by a local poet. A ‘yellow’ display, and daffodil craft activities and word searches completed the theme.
- Our commitment to STEM (Science, Technology, Engineering and Maths) literacy has focused on children aged 3-15 years with programs offered across the region. These include Little Bang Discovery Club, a science club for young children to stimulate curiosity, Robotics Clubs for older children to build and program robots; Minecraft sessions where children come together to play and build in virtual worlds and Bookmaking on iPads for both parents and children.
- Author visits for writing of all genre’s, from fiction to research, to biography, to history. Highlights included Christine Nixon at Castlemaine with ‘Women Leading’, Ross McMullin with ‘Pompey Elliot at War’ at Bendigo, Heathcote, Kyneton and Castlemaine, and Nicole Hurley-Moore with ‘White Gum Creek’ at Boort, Castlemaine and Kangaroo Flat.



Inclusion and Community

Our programs embrace all sectors of our community and our library spaces welcome everyone. We also love to move beyond our library walls to participate in community events large and small:

- Bendigo Library staff participated in some high profile community festivals including hosting a Polka Dot Picnic as part of Summer in the Parks, Goldfields Libraries Play and Stay at the Bendigo Easter Festival, and activities at the Fun Loong Fun Day.
- Eaglehawk and Kangaroo Flat Libraries hosted story readings and fun literary activities at Family Fun Days, Splash Into Fun Play Group Family Day, and the Eaglehawk Children's Festival.
- We visited the Illumin8 Festival of Light and Peace at the Great Stupa with a Pop Up Library and literary activities.
- We support 169 Book Clubs for the opportunity they provide for people to get in touch with others and be active in a local friendly group. They provide an opportunity to meet new people and discover new authors, share ideas and experiences about books and about our different lives. Book Clubs give a reason to read and an opportunity to share. We have 320 book club sets available for loan, which are used 3.3 times per year on average. This equates to 10,420 loans in total.
- We helped celebrate the 50 year anniversary of Joan Lindsay's Picnic at Hanging Rock with Macedon Ranges Shire Council with Woodend Library supporting the Unleash Your Inner Miranda dance mob at Hanging Rock, and with a reading of the book by actor Anne Phelan at the Romsey Library.
- At the Eaglehawk Children's Festival in October the Library hosted a stall with a reading corner and Library Bag decorating for children.
- Woodend Library staff participated in the local Rotary Club's Halloween event at Woodend's Children's Park with over 1000 community members attending.
- Our librarians have toured the Bendigo Probus club circuit talking to three local groups about Goldfields Libraries services and the importance of libraries for community engagement and socialisation. All sessions generated lively and thoughtful discussions and new memberships.
- Bendigo Library once again participated in the Zinda Festival. We provided a bilingual Karen/English story time for children, and shared traditional and contemporary stories, costume, dance and culture.





Technology

Highlights

- **77,885 Internet sessions on public PCs**
- **82,361 Wi-Fi logins (36% increase in usage)**
- **42 Terabytes of data downloaded**
- **120 internet enabled devices available through libraries**
- **892 people attended 380 digital literacy programs**
- **NBN Internet installed at Romsey, Woodend, Kyneton, Kangaroo Flat and Castlemaine**
- **Upgraded library phone system and expanded to NBN connected branches.**
- **IT network rebuild as part of Gisborne redevelopment**
- **Network upgrade and wi-fi expansion at Castlemaine**

As NBN services have become available, branches have been connected as quickly as possible. Overall the services delivered have been a major improvement for all branches. Some branches like Woodend only saw a minor increases in download speed while other branches such as Romsey and Kangaroo Flat saw the combined bandwidth go from under 30 Mbps to over 180 Mbps. NBN is yet to become available at Eaglehawk, Heathcote and Gisborne branches.

The main benefit of NBN at our branches is a bigger and faster internet connection for patrons to access the internet. This has, in part, been a key factor in the increase in usage of the free wi-fi service available across our branches. Utilising this increased bandwidth has allowed GLC to connect all branch phones to a centralised system. This allows branches to be part of centralised system reducing call costs by more than \$1200 pe month. These savings will increase as we convert all branches to NBN.

GOAL

Innovative infrastructure and digital services that inspire and excite our community and enhance service provision.

STRATEGIES

We will achieve this:

1. By maintaining an efficient and innovative ICT network,
2. With systems that support operational efficiency for staff workflows and procedures, and
3. By enhancing the customer experience with technology.

The increased bandwidth has helped accomodate increasing demand for public computers as well as a substantial increase in wi-fi usage. Wi-fi networks were expanded at Gisborne and Castlemaine libraries to provide better wi-fi coverage and cope with increasing usage and growth in wi-fi usage.

'Your staff have gone above and beyond kindness helping this 83 year old lady with her iPad. I am so very grateful.'



Spaces

Highlights

- **1,427,040 library visits**
- **316,715 website and eLibrary visits**
- **1,109,680 visits to library buildings**
- **Eight Library Agencies thriving in community hubs**
- **65% increase in eAudio usage**
- **New additions of Freegal – music streaming & Cloud Library – eBooks & eAudio**
- **Gisborne Library Refurbishment has significantly increased the usability of the current indoor and new outdoor space**

Our libraries support the information, education, cultural and recreational needs of local communities by providing free access to extensive collections, computers and the internet, programs, knowledgeable staff and spaces to read, research, relax and connect with others.

Library services are provided through a variety of service points:

- eLibrary provides 24/7 access to library information, catalogue and eCollections
- Agencies at Axedale, Boort, Dingee, Elmore, Inglewood, Pyramid Hill, Tarnagulla and Wedderburn house small collections of books and other materials.
- Castlemaine, Eaglehawk, Gisborne, Heathcote, Romsey and Woodend Libraries are housed in buildings with other council facilities
- Kyneton and Kangaroo Flat Libraries
- Bendigo Library includes the Bendigo Regional Archive Centre (BRAC) and is a partnership between the Public Record Office of Victoria (PROV), City of Greater Bendigo (CoGB) and Goldfields Library Corporation

GOAL

Welcoming and functional spaces.

STRATEGIES

We will achieve this:

1. With an eLibrary that has ease of access to collections and library information, and
2. By providing welcoming and flexible physical spaces that enable people to work, connect, learn and relax.
3. Work with our member councils to explore funding opportunities to enhance our spaces.



Access

We continue to provide opportunities for our patrons to acquire skills and participate in the ever growing digital space. Continued growth in use of devices and access to our website and eLibrary has stressed the importance of targeted services and maximisation of access to online content. We have committed significant resourcing to improve the quality of online information and eLibrary products, information discoverability, ease of use and overall effectiveness of our website and eLibrary. Our online usage feedback is positive and the investment of resources and time is reflected in the increase in overall activity levels.

eLibrary

	2016/17 usage	2017/18 usage	% change
eBooks and eMagazines	62,834	61,558	-2%*
eLearning	166,568	185,732	+12%
eAudio and streaming	42,968	70,452	+65%
Databases	85,626	64,010	- 25%*
Total eitem usage	105,802	132,010	+25%
Total combined usage	357,996	381,752	+7%

* Products deleted during the financial year have an impact on usage statistics. Several products were removed throughout the year following an analysis of cost per use.

Regular monitoring of quantity and popularity of eCollections via targeted reporting has resulted in an increase of over 2,000 titles available in eBook, eAudiobook and eMagazine collections.

Targeted reserve reports were generated to monitor popular items and extra copies were added to reduce waiting lists.

Bendigo Regional Archive Centre

Bendigo Regional Archives Centre (BRAC) holds unique council and court records dating from 1855 to 2003, primarily from the north central region of Victoria. These records are used for individual research connecting families with property ownership, 19th century occupations, court appearances and social issues. They also provide information for heritage assessments, historical exhibitions, talks and workshops and sculpture identification.

BRAC is open 13 hours per week. This year 405 researchers accessed 1305 records. 50% of those records were rate books from Bendigo and the immediate surroundings. There were 396 enquiries and 4175 website visits.

The BRAC Annual Service report is available at www.brac.vic.gov.au.



Our People

Learning and Improvement

A vacancy in the leadership team provided the opportunity to ensure that our organisational structure supported delivery of our commitments in the Library Plan. After feedback from staff, our Councils and partners we identified the need to both increase our capacity in community engagement and provide more consistent support and communication to our library managers. In response we recruited to a Manager Engagement and Operations role, and readjusted responsibilities across the leadership team. We have also been able to increase the capacity of the Bendigo library team by converting existing roles to team leader positions, once again improving communication and supervision.

Our twice yearly all staff professional development days continue to provide a great opportunity to get our people together, talk about issues and changes, and share information.

We are active participants in Victorian public library professional networks, taking advantage of the opportunity to participate in industry wide special interest groups, and professional development opportunities.

Over the year we also developed our understanding of child safe standards, emergency management, mental health in the workplace, privacy, and managing difficult situations.

'The service from every member of staff has been friendly, accommodating, efficient and VERY patient. Thank you – we are extremely fortunate to have such a great asset in the community.'

GOAL

Engaged and motivated staff that enable our communities to benefit from our collections, technology, programs and spaces

STRATEGIES

We will achieve this:

1. With a culture of continuous learning and improvement,
2. By engagement of our staff in planning for the future, and
3. With plans, policies and communications that provide clarity and direction



Engagement

The Goldfields Libraries staff bulletin issued fortnightly is our strongest tool for bringing the team, spread across 13,000km², together by sharing information, providing updates, talking about training opportunities and our organisational direction.

Our practice of advertising short term roles in-house and asking for Expressions of Interest from current staff has been very successful in developing the skills and confidence of our team. Forty two such processes were run over the year, and the improvements in staff performance and effectiveness have enabled staff to provide strong competition for externally advertised higher level roles. Forty ongoing positions were advertised externally over the year and attracted over 1000 applications. Candidates for these positions were shortlisted and interviewed on merit, with current staff performing well and filling 75% of these positions.

Clarity and Direction

Our participation in a Worksafe/Victorian Chamber program in June 2017 helped us work out what our Occupational Health and Safety (OHS) priorities should be, and gave us the tools to start working on improving our performance in this area.

Over the year we have completed an OHS Leadership Policy and a First Aid Policy, selected and trained First Aid Officers for every library, and trained our OHS Committee members. We have also resolved our Designated Work Group and the number of Health and Safety Representatives, written a new terms of reference for the OHS Committee, and arranged training in how to identify hazardous manual handling processes.



Governance

Highlights

- **Presentations to Councillors to increase awareness of the benefits of libraries and to increase collaboration**
- **Implementation of collection delivery to housebound individuals across the Corporation region is underway**
- **Review of the 2017–2021 Library Plan which was based on community consultation undertaken in collaboration with member Councils**
- **Complete service review and audit of Macedon Ranges library services independently completed by Council appointed auditors**
- **Budget planning that matches inflation and rate cap requirements to ensure best value services**

About the Board

The Goldfields Library Corporation Board is responsible for the provision of the best library service outcomes for the communities of the four member Councils. The Board is appointed to provide leadership for good governance of the Corporation through strategic planning, policy determination and service evaluation.

Representation on the Board is established by the Regional Library Agreement adopted by the member Councils: City of Greater Bendigo, Loddon Shire Council, Macedon Ranges Shire Council and Mount Alexander Shire Council.

The service operates as an independent legal entity and is audited annually by the Victorian Auditor-General.

GOAL

The Board and staff work collaboratively to ensure organisational sustainability and equity of access

STRATEGIES

We will achieve this:

1. With strategic planning in the context of financial sustainability,
2. By implementing systems that support operational effectiveness, and
3. By actively promoting and building a culture of good governance.

Funding to Extend Services

- Funding of \$20,000 received through donation toward upgrades at several smaller branches.
- Funding received for the Tech Savvy Seniors program and Write on the Fringe Festival.
-

Communications and Marketing Activity

Our communications and marketing activity continues to increase, utilising a range of online and offline mediums. Social media engagement continues to grow, with the number of Facebook and Twitter followers growing 17% from 3,855 in the previous financial year to 4,527. A new events website has been established, streamlining our online events promotions.

Digital screens are now used for promotion at both Bendigo and Woodend Libraries. Four seasonal programs were distributed in print and online format, along with 12 monthly email newsletters and numerous printed flyers and posters. Sixty-two media releases and photo opportunities were circulated to local media outlets, with consistent coverage received.

Board Members



Cr Rod Fyffe
Greater Bendigo City Council



Vicky Mason
Greater Bendigo City Council



Cr Cheryl McKinnon
Loddon Shire Council
(Chair)



Phil Pinyon
Loddon Shire Council



Karen Stevens
Macedon Ranges Shire Council



Cr Bill West
Macedon Ranges Shire Council



Cr Bronwen Machin
Mount Alexander Shire Council



Lisa Knight
Mount Alexander Shire Council

**North Central Goldfields
Regional Library Corporation**

Trading as
Goldfields Library Corporation

Financial Report

For the year

**1 July 2017
to
30 June 2018**



Financial Report

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North Central Goldfields Regional Library Corporation
Comprehensive Income Statement
For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Income			
Member contributions	2.1	4,950,045	4,613,118
Grants - operating	2.3	1,320,614	1,338,661
Grants - capital	2.3	35,419	67,961
User, fees, charges and fines	2.2	215,816	270,966
Non monetary contributions	2.5	9,030	7,365
Interest on investments		71,393	75,569
Net gain on disposal of plant, resources and equipment	2.6	5,892	-
Other income	2.4	63,661	45,304
Total income		6,671,870	6,418,944
Expenses			
Employee costs	3.1	4,307,502	4,353,617
Plant and equipment costs	3.2	269,468	290,286
Depreciation	3.3	1,210,686	1,560,351
Administration and maintenance charges	3.4	496,067	445,254
Net loss on disposal of plant, resources and equipment	2.6	-	930,149
Other expenses	3.5	343,935	301,560
Total expenses		6,627,658	7,881,217
Surplus/(deficit) for the year		44,212	(1,462,273)

The above comprehensive income statements should be read with the accompanying notes.

North Central Goldfields Regional Library Corporation
Balance Sheet
For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Assets			
Current assets			
Cash and cash equivalents	4.1	2,391,301	2,132,488
Trade and other receivables	4.1	14,778	31,492
Other assets	4.1	110,356	172,228
Total current assets		2,516,435	2,336,208
Non-current assets			
Plant, resources and equipment	5.1	4,096,964	4,215,625
Total non-current assets		4,096,964	4,215,625
Total assets		6,613,399	6,551,833
Liabilities			
Current liabilities			
Trade and other payables	4.2	205,902	179,895
Trust funds and deposits	4.2	-	673
Provisions	4.3	1,001,401	1,046,785
Total current liabilities		1,207,303	1,227,353
Non-current liabilities			
Provisions	4.3	105,698	68,294
Total non-current liabilities		105,698	68,294
Total liabilities		1,313,001	1,295,647
Net assets		5,300,398	5,256,186
Equity			
Member contributions		2,466,638	2,466,638
Accumulated surplus		1,607,954	1,554,082
Reserves	8.1	1,225,806	1,235,466
Total Equity		5,300,398	5,256,186

The above balance sheet should be read with the accompanying notes.

North Central Goldfields Regional Library Corporation
Statement of Changes in Equity
For the Year Ended 30 June 2018

2018	Total	Member	Accumulated	Discretionary
	\$	Contributions	Surplus	Reserve
	\$	\$	\$	\$
Balance at beginning of the financial year	5,256,186	2,466,638	1,554,082	1,235,466
Surplus/(deficit) for the year	44,212	-	44,212	-
Transfers to other reserves	-	-	(10,430)	10,430
Transfers from other reserves	-	-	20,090	(20,090)
Balance at end of the financial year	5,300,398	2,466,638	1,607,954	1,225,806

2017	Total	Contributions	Accumulated	Discretionary
	\$	\$	Surplus	Reserve
	\$	\$	\$	\$
Balance at beginning of the financial year	6,718,459	2,466,638	3,060,020	1,191,801
Surplus/(deficit) for the year	(1,462,273)	-	(1,462,273)	-
Transfers to other reserves	-	-	(63,665)	63,665
Transfers from other reserves	-	-	20,000	(20,000)
Balance at end of the financial year	5,256,186	2,466,638	1,554,082	1,235,466

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

North Central Goldfields Regional Library Corporation
Statement of Cash Flows
For the Year Ended 30 June 2018

	Note	2018 Inflows/ (Outflows) \$	2017 Inflows/ (Outflows) \$
Cash flows from operating activities			
Member Contributions		5,445,050	5,074,430
Grants - Operating		1,369,825	1,338,661
Grants - Capital		35,419	67,961
User Charges Fees and Fines		237,398	297,545
Interest Received		71,393	75,569
Other Receipts		68,291	49,509
Employee Costs		(4,293,968)	(4,410,154)
Plant and Equipment costs		(279,272)	(310,386)
Materials and Services		(538,078)	(481,048)
Other Expenses		(368,280)	(329,882)
Net GST Payment		(412,103)	(417,472)
Net cash provided by operating activities	8.2	<u>1,335,676</u>	<u>954,733</u>
Cash flows from investing activities			
Proceeds - Sale of Property, Plant and Equipment and Infrastructure	2.6	6,132	123,273
Payments - Property, Plant, Equipment and Infrastructure	5.1	(1,082,994)	(1,055,238)
Net cash used in investing activities		<u>(1,076,862)</u>	<u>(931,965)</u>
Cash flows from financing activities			
Net cash provided by/(used in) financing activities		<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents		258,813	22,768
Cash and cash equivalents at the beginning of the financial year		<u>2,132,488</u>	<u>2,109,720</u>
Cash and cash equivalents at the end of the financial year		<u>2,391,301</u>	<u>2,132,488</u>

The above cash flow statement should be read with the accompanying notes.

North Central Goldfields Regional Library Corporation
Statement of Capital Works
For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Resources		855,259	912,315
Plant and vehicles		35,572	-
Information technology		145,926	149,679
Office equipment, furniture and fittings		55,507	-
Total capital works expenditure	5.1	<u>1,092,264</u>	<u>1,061,994</u>
Represented by:			
New asset expenditure		35,572	-
Asset renewal expenditure		1,056,692	1,061,994
Total capital works expenditure		<u>1,092,264</u>	<u>1,061,994</u>

The above statement of capital works should be read with the accompanying notes.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Overview

Introduction

The North Central Goldfields Regional Library Corporation was established by an Order of the Governor in Council on 12 January 1996 and is a body corporate. The Corporation's main office is located at 259 Hargreaves St Bendigo VIC 3550.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989, and the Local Government (Planning and Reporting) Regulations 2014.

Significant accounting policies

a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of resources, plant and vehicles, furniture and equipment (refer to Note 5.1)
- the determination of depreciation of resources, plant and equipment (refer to note 5.1)
- the determination of employee provisions (refer to Note 4.3)

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 1 Performance against budget

The budget comparison notes compare the Corporation's financial plan, expressed through its annual budget, with actual performance. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variances. The Corporation has adopted a materiality threshold, with explanations provided if there is a difference of 10% and \$10,000. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by the Corporation on 26th May 2017. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. The Corporation sets guidelines and parameters for income and expense targets in this budget in order to meet the Corporation's planning and financial performance targets for both the short and long-term.

These notes are prepared to meet the requirements of the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.

1.1 Income and expenditure

	Budget 2018 \$	Actual 2018 \$	Variance \$	Variance %	Ref
Income					
Member contributions	4,950,044	4,950,045	1	0%	
Grants - operating	1,312,456	1,356,033	43,577	3%	
Grants - capital	-	-	-	0%	
User, fees, charges and fines	202,091	215,816	13,725	7%	
Non monetary contributions	-	9,030	9,030	100%	
Interest on Investments	72,800	71,393	(1,407)	-2%	
Net gain on disposal of plant, resources and	-	5,892	5,892	100%	
Other income	39,566	63,661	24,095	61%	1
Total income	6,576,957	6,671,870	94,913		
Expenses					
Employee costs	4,380,666	4,307,502	73,164	2%	
Plant and equipment costs	325,208	269,468	55,740	17%	2
Depreciation and amortisation	1,193,387	1,210,686	(17,299)	-1%	
Administration and maintenance charges	453,252	496,067	(42,815)	-9%	
Other expenses	382,676	343,935	38,741	10%	3
Total expenses	6,735,189	6,627,658	107,531		
Surplus/(deficit) for the year	(158,232)	44,212	(12,619)		

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 1 Performance against budget (cont'd)

Variance Ref	Item	Explanation
1	Other income	The positive variance in other income actual to budget is due to the \$17K of donations and an additional \$8K of rental income for library rooms.
2	Plant and equipment costs	Plant and equipment costs are below budget due to a saving of \$25K in the photocopier lease, \$19K saving in software maintenance, \$8K saving in photocopier use and \$5K in maintenance services
3	Other expenses	Other expenses are below budget due to a saving of \$10K on internet charges, as well as minor savings on periodicals, marketing, travel, children's programs, newspapers, and memberships and training.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 1 Performance against budget (cont'd)

1.2 Capital works	Budget 2018 \$	Actual 2018 \$	Variance \$	Variance %	Ref
Resources	878,406	846,230	(32,177)	-4%	
Plant and vehicles	-	35,572	35,572	100%	1
Information technology	146,000	145,926	(75)	0%	
Office equipment, furniture and fittings	80,600	55,507	(25,093)	-31%	2
Total Plant and Equipment	1,105,006	1,083,235	(21,771)	-2%	

Represented by:

New asset expenditure	-	35,572	35,572	100%
Asset renewal expenditure	1,105,006	1,047,662	(57,344)	-5%
Total Capital Works Expenditure	1,105,006	1,083,235	(21,771)	-2%

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Plant and vehicles	The variation to budget is due to the timing of the delivery of the transporter in early July 2017 which was purchased in response to the sale of the mobile library to transport resources between library agencies after the sale of the mobile library in 2016/2017.
2	Office equipment, furniture and fittings	Historical display cabinetry was not purchased after evaluation of available staff resources to manage the displayed resources and it was deemed to be unfeasible.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 2 Funding for the delivery of our services	2018	2017
2.1 Member Contributions	\$	\$
Member Council Contributions		
City of Greater Bendigo	2,996,059	2,814,813
Loddon Shire	201,226	145,351
Mt. Alexander Shire	500,923	476,332
Macedon Ranges Shire	1,251,837	1,176,622
Total Member Council Contributions	<u>4,950,045</u>	<u>4,613,118</u>

Annual member Council Contributions per Capita **27.63** **26.31**

Annual Member Contributions are recognised as revenue when the Corporation issues invoices to the member Councils.

2.2 User fees	2018	2017
	\$	\$
Fines	60,284	59,983
Mobile Library User Contributions	-	53,106
Inter Library Loans	4,984	4,258
Reimbursements	84,050	91,363
Book Recovery	7,085	8,070
Photocopying and Printing	59,413	54,186
Total user fees	<u>215,816</u>	<u>270,966</u>

User fees are recognised as revenue when the service has been provided or the corporation has otherwise earned the income.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

2.3 Funding from other levels of government	2018	2017
	\$	\$
Grants were received in respect of the following :		
Summary of grants		
State funded grants	1,356,033	1,399,522
Local Government Grants	-	7,100
Total grants received	<u>1,356,033</u>	<u>1,406,622</u>
(a) Operating grants		
<i>Recurrent - State Government</i>		
State Government Library Grant	1,247,933	1,221,188
Total recurrent operating grants	<u>1,247,933</u>	<u>1,221,188</u>
<i>Non-recurrent - State Government</i>		
State Government - Local Priorities	65,681	64,273
State Government - Other	-	46,100
<i>Non-recurrent - Local Government</i>		
Local Government - Other	7,000	7,100
Total non-recurrent operating grants	<u>72,681</u>	<u>117,473</u>
Total operating grants	<u>1,320,614</u>	<u>1,338,661</u>
(b) Capital Grants		
<i>Non-recurrent - State Government</i>		
State Government - Premiers Reading Challenge	35,419	38,961
State Government - Living Libraries Infrastructure Program	-	29,000
Total non-recurrent capital grants	<u>35,419</u>	<u>67,961</u>
Total capital grants	<u>35,419</u>	<u>67,961</u>

Grant income is recognised when corporation obtains control of the contribution. Control is normally obtained upon receipt (or acquittal) or upon earlier notification that a grant has been secured.

2.4 Other Income

Dontations	17,355	6,503
Rental income	44,215	37,698
Other	2,091	1,103
Total other income	<u>63,661</u>	<u>45,304</u>

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

2.5 Contributions

Non-Monetary Assets at fair value	9,030	7,365
Total Contributions	<u>9,030</u>	<u>7,365</u>

Monetary and non monetary contributions are recognised as revenue when corporation obtains control over the contributed asset.

2.6 Net gain/(loss) on disposal of plant, resources and equipment	2018	2017
	\$	\$
Proceeds of Sale	6,132	123,273
Costs associated with Sale	-	(609)
Written Down Value of Assets Disposed	(240)	(1,052,813)
Total net gain (loss) on disposal of property, infrastructure, plant and	<u>5,892</u>	<u>(930,149)</u>

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

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 3 The cost of delivering services

3.1 Employee costs	2018	2017
	\$	\$
Wages and salaries	3,490,497	3,558,868
Annual Leave	314,009	293,906
Long service leave	115,070	95,360
WorkCover	18,485	18,602
Superannuation	351,617	352,845
Fringe benefits tax	2,803	5,503
Staff training/conferences	15,020	28,533
Total employee costs	4,307,502	4,353,617

(a) Superannuation

The Corporation made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	34,910	45,003
	34,910	45,003

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	195,609	197,638
Employer contributions - other funds	129,060	107,532
	324,669	305,170
Employer contributions payable at reporting date.	-	166

Total employer contributions to funds in (a) are on a cash basis.

Refer to note 8.3 for further information relating to Council's superannuation obligations.

3.2 Plant and Equipment Costs

Plant Operating and Maintenance	13,239	29,477
Photocopier Expenses	12,984	14,095
Photocopier - Lease	10,809	12,024
ABN - Cataloguing	6,629	6,649
General Office Equipment	43,259	65,038
Automated Systems Maintenance	182,546	163,003
Total plant and equipment costs	269,468	290,286

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

3.3 Depreciation	2018	2017
	\$	\$
Plant and vehicles	10,674	60,825
Resources	965,583	1,294,263
Information technology	213,800	185,796
Furniture and equipment	20,629	19,467
Total depreciation	<u>1,210,686</u>	<u>1,560,351</u>

Refer to note 5.1 for a more detailed breakdown of depreciation charges and accounting policy.

3.4 Administration and Maintenance Charges

Administration charge	76,444	76,544
Insurances	46,579	53,772
Headquarters maintenance charge	32,955	32,284
Database costs	288,896	258,742
Consultants fees	39,109	15,505
Human resources	12,084	8,407
Total administration and maintenance charges	<u>496,067</u>	<u>445,254</u>

3.5 Other Expenses

Rural transaction centre	25,918	13,125
Postage	7,496	10,577
Publicity/advertising	6,427	3,096
Marketing/promotion	8,362	13,655
Children program promotion	23,915	30,276
Adult program promotion	23,081	17,342
Printing and stationery	34,074	26,764
Periodicals	43,240	41,851
Internet expenses	66,006	61,050
Newspapers	15,263	15,534
Processing supplies	32,217	7,315
Freight	20,521	19,486
Travelling	2,761	5,055
Inter library loan costs	242	285
Membership & sponsorships	5,168	8,320
Audit fees	8,200	8,200
Bank charges	2,994	2,789
Board costs	160	231
Cleaning services	3,904	2,748
First aid	151	10
Collection software	13,030	13,000
Recycling/shredding collection	806	851
Total Other Expenses	<u>343,935</u>	<u>301,560</u>

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 4 Our financial position

	2018	2017
	\$	\$
4.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	1,960	1,960
Cash at bank	91,453	27,979
Term deposits	2,297,889	2,102,549
Total cash and cash equivalents	2,391,301	2,132,488
Total financial assets	2,391,301	2,132,488
The Corporation's cash and cash equivalents are subject to external restrictions that limit the amounts available for discretionary use.		
- Trust funds and deposits (Note 4.2)	-	673
Total restricted funds	-	673
Total unrestricted cash and cash equivalents	2,391,301	2,131,815

Intended allocations

Although not externally restricted the following amounts have been allocated for specific future purposes by the corporation:

- Long Service Leave - Investments *	596,802	609,547
- Discretionary Reserves (Note 8.1)	1,225,806	1,235,466
Total funds subject to intended allocations	1,822,607	1,845,013

* Intended Allocations for long service leave is based on the former Local Government (Long Service Leave) Regulations 2002 and does not necessarily equate to the long service leave liability disclosed in Note 4.3 due to a different basis of calculation prescribed by the regulation. Changes to the Local Government Long Service Leave Regulations 2002 during the 2012 financial year has meant that under the Regulation the requirement to maintain separate investments for Long Service Leave balances no longer exists. As at 30 June 2018 the Corporation still maintains the investment balance under the former Regulation requirements.

(b) Trade and Other Receivables

Non-Statutory Receivables

Interest receivable	4,973	4,937
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Statutory Receivables

GST debtor	9,806	26,555
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Total Trade and Other Receivables

	14,778	31,492
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Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred.

(c) Other Assets

Prepayments	110,356	172,228
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Total Other Assets

	110,356	172,228
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North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

4.2 Payables	2018	2017
(a) Trade and other payables	\$	\$
Trade payables	58,796	28,650
Accrued expenses	-	9,020
Accrued salaries	147,106	142,225
Total trade and other payables	205,902	179,895
(b) Trust funds and deposits		
Paid Parental Leave	-	673
Total trust funds and deposits	-	673

Amounts received as deposits and retention amounts controlled by the Corporation are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. There are no trust funds held at 30 June 2018.

4.3 Provisions	Annual Leave	Long Service	Total
2018	\$	\$	\$
Balance at beginning of the financial year	317,574	797,505	1,115,079
Additional provisions	335,285	114,993	450,278
Amounts used	(330,732)	(128,541)	(459,273)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	15	1,000	1,015
Balance at the end of the financial year	322,142	784,957	1,107,099
2017			
Balance at beginning of the financial year	336,074	847,110	1,183,184
Additional provisions	300,532	141,030	441,562
Amounts used	(318,954)	(145,514)	(464,468)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(78)	(45,121)	(45,199)
Balance at the end of the financial year	317,574	797,505	1,115,079

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

4.3 Provisions (cont'd)

(a) Employee provisions	2018	2017
Current provisions expected to be wholly settled within 12 months	\$	\$
Annual leave	270,126	266,789
Long service leave	86,064	67,806
	356,190	334,595
Current provisions expected to be wholly settled after 12 months		
Annual leave	52,016	50,785
Long service leave	593,195	661,405
	645,211	712,190
Total current employee provisions	1,001,401	1,046,785
Non-current		
Long service leave	105,698	68,294
Total non-current employee provisions	105,698	68,294
Aggregate carrying amount of employee provisions:		
Current	1,001,401	1,046,785
Non-current	105,698	68,294
Total aggregate carrying amount of employee provisions	1,107,099	1,115,079

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability.

Key assumptions:	2018	2017
- discount rate	2.65%	2.61%
- index rate		
- inflation rate	3.80%	3.81%
- settlement rate		

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

4.4 Financing arrangements

The Corporation has the following funding arrangements in place as at 30th June 2018.

	2018	2017
	\$	\$
Credit card facilities	8,000	8,000
Total facilities	8,000	8,000
Used facilities	2,461	5,437
Unused facilities	5,539	2,563
Total facilities	8,000	8,000

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

4.5 Commitments

The Corporation has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

2018	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years	Total
Operating	\$	\$	\$	\$
Cleaning contracts	1,390	-	-	1,390
Financial services	82,950	84,444	-	167,394
Mechanical services	636	-	-	636
Fire services	102	51	-	154
Lifts & hoists	206	343	-	548
Automatic doors	86	-	-	86
Security services	7	-	-	7
Total	85,378	84,837	-	170,215

Capital

The Corporation had no outstanding capital commitments at 30 June 2018.

2017	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years	Total
Operating	\$	\$	\$	\$
Cleaning contracts	3,521	1,467	-	4,988
Financial services	81,324	0	-	81,324
Mechanical services	2,055	2,055	-	4,110
Fire services	84	42	-	126
Lifts & hoists	144	-	-	144
Security services	174	29	-	203
Total	87,302	3,593	-	90,895

Capital

The Corporation had no outstanding capital commitments at 30 June 2017.

Operating Lease Commitments

At the reporting date, the Corporation had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Corporation's activities (these obligations are not recognised as liabilities):

	2018	2017
	\$	\$
Not later than one year	42,458	42,458
Later than one year and not later than five years	204,215	246,674
Later than five years	-	-
	<u>246,673</u>	<u>289,132</u>

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

5.1 Plant, Resources and Equipment
Summary of plant, resources and equipment

	At Fair Value 30 June 2017	Additions	Donated Assets	Revaluation	Depreciation	Disposal	At Fair Value 30 June 2018
	\$	\$	\$	\$	\$	\$	\$
Resources	3,494,812	846,230	9,030	-	(965,583)	(1)	3,384,488
Plant and vehicles	24,669	35,572	-	-	(10,674)	-	49,567
Information technology	581,362	145,926	-	-	(213,800)	(239)	513,249
Furniture & equipment	114,782	55,507	-	-	(20,629)	-	149,660
	4,215,625	1,083,235	9,030	-	(1,210,686)	(240)	4,096,964

Asset recognition thresholds and depreciation periods

Plant and Equipment	Period	Threshold Limit
Resources (i)		\$
Plant and vehicles	3-7 years	\$1
Information technology	2-4 years	\$1,000
Furniture & equipment	2-10 years	\$1,000
	5-20 years	\$1,000

(i) Resources comprise of the library's lending and research resources including books, DVD's and CD's.

Resources are catalogued, and as items are taken out of circulation the catalogue is adjusted. Once items are fully depreciated in accordance with individual category useful lives, they are disposed of for accounting purposes from opening cost and accumulated depreciation.

5.1 Property, infrastructure, plant and equipment (cont'd)

	Resources	Plant and Vehicles	Information Technology	Furniture and Equipment	Total Plant, Resources and Equipment
	\$	\$	\$	\$	\$
At fair value 1 July 2017	5,567,066	67,905	1,256,949	358,879	7,250,799
Accumulated depreciation at 1 July 2017	(2,072,254)	(43,236)	(675,587)	(244,097)	(3,035,174)
	3,494,812	24,669	581,362	114,782	4,215,625
Movements in fair value					
Additions	846,230	35,572	145,926	55,507	1,083,235
Contributions	9,030	-	-	-	9,030
Disposal	(957,810)	(34,901)	(136,122)	-	(1,128,833)
Impairment losses recognised in operating result	-	-	-	-	-
	(102,551)	671	9,803	55,507	(36,568)
Movements in accumulated depreciation					
Depreciation and amortisation	(965,583)	(10,674)	(213,800)	(20,629)	(1,210,686)
Accumulated depreciation of disposals	957,809	34,901	135,883	-	1,128,593
	(7,774)	24,227	(77,917)	(20,629)	(82,092)
At fair value 30 June 2018	5,464,516	68,576	1,266,752	414,386	7,214,231
Accumulated depreciation at 30 June 2018	(2,080,028)	(19,009)	(753,504)	(264,726)	(3,117,266)
	3,384,488	49,567	513,249	149,660	4,096,964

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

5.1 Property, infrastructure, plant and equipment (cont'd)

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

In accordance with the Corporation's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Depreciation of Plant, Resources and Equipment

Plant and vehicles, resources, information technology and furniture and equipment having limited useful lives are systematically depreciated over their useful lives to the Corporation in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

Repairs and Maintenance

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Impairment of Assets

At each reporting date, the Corporation reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 6 People and relationships **2018** **2017**

6.1 Corporation and key management remuneration **No.** **No.**

(a) Related Parties

City of Greater Bendigo	2	2
Macedon Ranges Shire Council	2	4
Mount Alexander Shire Council	2	4
Loddon Shire Council	2	2

Subsidiaries and Associates

Nil

(b) Key Management Personnel

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

Board Member

Karen Stevens - Macedon Ranges Shire Council
 Lisa Knight - Mt Alexander Shire Council
 Phil Pinyon - Loddon Shire Council
 Vicky Mason - City of Greater Bendigo
 Cr Bill West - Macedon Ranges Shire Council
 Cr Bronwen Machin - Mt Alexander Shire Council
 Cr Rod Fyffe - City of Greater Bendigo
 Cr Cheryl McKinnon - Loddon Shire Council
 Mark Hands (CEO November 2017 to June 2018)
 Chris Kelly (CEO - July 2017 to October 2017)

Total Number of Board Memebers 8 **12**

Chief Executive Officer and other Key Management Personnel 2 **1**

Total Key Management Personnel 10 13

(c) Remuneration of Key Management Personnel

	2018	2017
	\$	\$
Total remuneration of key management personnel was as follows:		
Short-term benefits	169,380	122,848
Post Employment Benefits	23,866	28,131
Total	<u>193,246</u>	<u>150,979</u>

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

\$0,000 - \$9,999	8	12
\$150,000 - \$159,999	2	1
	<u>10</u>	<u>13</u>

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

6.1 Corporation and key management remuneration (cont.)

(d) Senior Officer Remuneration

A Senior Officer is an officer of the Corporation, other than Key Management Personnel, who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$142,000

The number of Senior Officers are shown below in their relevant income bands:

	2018	2017
Income Range:	No.	No.
\$80,000 - \$89,999	1	1
\$100,000 - \$109,999	3	3
	<u>4</u>	<u>4</u>
 Total Remuneration for the reporting year for Senior Officers included above, amounted to	 \$ 323,265	 \$ 408,879

6.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into the following transactions with related parties.

	2018	2017
Income	\$	\$
Council contribution received from City of Greater Bendigo	2,996,059	2,814,813
Council contribution received from Macedon Ranges Shire Council	1,251,837	1,176,622
Council contribution received from Mount Alexander Shire Council	500,923	476,332
Council contribution received from Loddon Shire Council	201,226	145,351
Reimbursement for running the Bendigo Regional Archive Centre	84,050	91,364
Hire of rooms at the Bendigo Library received from City of Greater	984	2,062
Grant for contribution to the library received from City of Greater Bendigo	7,000	5,000
Socially Isolated Seniors Inclusion, received from CoGB	15,059	-
Tech savvy Seniors, received from Macedon Ranges	1,059	-
	<u>5,058,197</u>	<u>4,711,544</u>
Expenses		
Financial Services paid to City of Greater Bendigo	76,444	84,089
Fittings & Fixtures Gisborne Upgrade, paid to Macedon	21,900	1,100
Rent and outgoings of Headquarters at Bendigo Library paid to City of Greater Bendigo	32,955	35,512
Repairs to Mobile Library paid to City of Greater Bendigo	-	15,657
	<u>131,299</u>	<u>136,358</u>

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

6.2 Related party disclosure (cont.)

(b) Outstanding balances with related parties

There was material no balances outstanding at the end of the reporting period in relation to transactions with related parties.

(c) Loans to/from related parties

There are no loans in existence at balance date which have been made, guaranteed or secured by the Corporation to a related party.

(d) Commitments to/from related parties

There are no commitments in existence at balance date which have been made, guaranteed or secured by the Corporation to a related party.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 7 Managing uncertainties

7.1 Contingent assets and liabilities

(a) Contingent liabilities

The Corporation has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in Note 8.3. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

7.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2018 reporting period. The Corporation has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

Financial Instruments - Disclosures (AASB 7) (applies 2018/19)

This Standard requires entities to provide disclosures in their financial statements that enable users to evaluate: (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed.

Financial Instruments (AASB 9) (applies 2018/19)

The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.

Revenue from contracts with customers (AASB 15) (applies 2019/20 for LG sector)

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 2016-7) (applies

This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

Leases (AASB 16) (applies 2019/20)

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 7.2 Change in accounting standards (cont'd)

Income of Not-for-Profit Entities (AASB 1058) (applies 2019/20)

This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.

7.3 Financial instruments

(a) Objectives and policies

The Corporation's principal financial instruments comprise cash assets, term deposits, receivables, payables. Significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in relevant notes. Risk management is carried out by senior management under policies approved by the Corporation. These policies include identification and analysis of the risk exposure to Corporation and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. The Corporation's exposures to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest Rate Risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. The Corporation does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. The Corporation manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product,
- monitoring of return on investment, and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Corporation's exposure, or its objectives, policies and processes for Interest rate movements have not been sufficiently significant during the year to have an impact on the Corporation's year end result.

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause the Corporation to make a financial loss. The Corporation has exposure to credit risk on some financial assets included in the balance sheet. To help manage this risk the Corporation only invests surplus funds with financial institutions which have a recognised credit rating specified in the Corporation's investment policy.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 7.3 Financial instruments (cont'd)

Receivables are predominately other Local Government entities (Member Councils). Credit risk associated with the Corporation's financial assets is minimal because the main debtor is the Victorian Government and other Member Councils. Apart from the Victorian Government and Member Councils the Corporation does not have any significant credit risk exposure to a single customer or groups of customers.

There are no material financial assets which are individually determined to be impaired.

(d) Liquidity risk

Liquidity risk includes the risk that, as a result of the Corporation's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks the Corporation:

- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid investments; and
- monitor budget to actual performance on a regular basis.

The Corporation's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet, and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in the Corporation's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Corporation believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 1% and -0.5% in market interest rates (AUD) from year-end rates of 2.5%.

These movements will not have a material impact on the valuation of the Corporation's financial assets and liabilities, nor will they have a material impact on the results of the Corporation's operations.

7.4 Fair value measurement

Fair value hierarchy

The Corporation's financial assets and liabilities are not valued in accordance with the fair value hierarchy. The Corporation's financial assets and liabilities are measured at amortised cost.

7.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 8 Other matters

8.1 Reserves	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	\$	\$	\$
Discretionary Reserves			
2018			
Plant replacement	457,918	-	457,918
Local history bequest	399,193	(10,902)	388,291
Defined benefits	300,000	-	300,000
Art book bequest	78,355	1,242	79,597
Total discretionary reserves	1,235,466	(9,660)	1,225,806
Discretionary Reserves			
2017			
Plant replacement	477,918	(20,000)	457,918
Local history bequest	387,439	11,754	399,193
Defined benefits	250,000	50,000	300,000
Art book bequest	76,444	1,911	78,355
Total discretionary reserves	1,191,801	43,665	1,235,466

Discretionary Reserves

Plant Replacement Reserve

This reserve was established for future vehicle purchases and will be reviewed in 2018/2019.

Local History Bequest Reserve

This reserve was established when the Corporation received a Bequest to be spent on Local History.

Defined Benefits Reserve

This reserve is used to assist with the funding of any call that may be made on the Corporation as a result of shortfall in the Local Authorities Superannuation Fund Defined Benefits Plan.

Art Book Bequest Reserve

This reserve was established when the Corporation received a Bequest to be spent on Art Books.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

	2018	2017
8.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	\$	\$
Surplus/(deficit) for the year	44,212	(1,462,273)
Depreciation / Amortisation	1,210,686	1,560,351
(Profit) / Loss on disposal of Property, Infrastructure, Plant and Equipment	(5,892)	930,149
Contributions - Non Monetary Assets	(9,030)	(7,365)
<i>Change in assets and liabilities:</i>		
(Increase) / Decrease in Trade and Other Receivables	16,714	(25,781)
(Increase) / Decrease in Other Assets	61,872	11,941
Increase / (Decrease) in Trade and Other Payables	25,767	16,598
Increase / (Decrease) in Trust Funds and Deposits	(673)	(782)
Increase / (Decrease) in Provisions	(7,980)	(68,105)
Net cash provided by/(used in) operating activities	1,335,676	954,733

8.3 Superannuation

The Corporation makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2017, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

The Corporation does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of The Corporation in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

The Corporation makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 8.3 Superannuation (cont'd)

As at 30 June 2017, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which the Corporation is a contributing employer was 102%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

Net investment returns 6.5% pa
Salary information 3.5% pa
Price inflation (CPI) 2.5% pa.

Vision Super has advised that the estimated VBI at March was 106.2%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2017 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2017 triennial actuarial investigation conducted by the Fund Actuary, the Corporation makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2018, this rate was 9.5% of members' salaries (9.5% in 2016/2017). This rate will increase in line with any increases in the SG contribution rate. In addition, the Corporation reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including the Corporation) are required to make an employer contribution to cover the shortfall. Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers. In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

North Central Goldfields Regional Library Corporation
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 8.3 Superannuation (cont'd)

2017 Triennial actuarial investigation surplus amounts

The Fund's triennial investigation as at 30 June 2017 identified the following in the defined benefit category of which the Corporation is a contributing employer:

- A VBI surplus of \$69.8 million
- A total service liability surplus of \$193.5 million.
- A discounted accrued benefits surplus of \$228.8 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2017. The Corporation was notified of the 30 June 2017 VBI during August 2017.

2018 Interim actuarial investigation

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2018. It is anticipated that this actuarial investigation will be completed in December 2018.

Certification of Financial Statements

North Central Goldfields Regional Library Corporation

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.



Nathan R Morsillo, FCPA
Principal Accounting Officer

Date : 14 September 2018
Romsey, Victoria

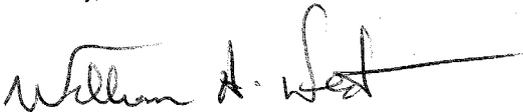
In my opinion the accompanying financial statements present fairly the financial transactions of the North Central Goldfields Regional Library Corporation for the year ended 30 June 2018 and the financial position of the Corporation as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Board and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.



Cr Rod Fyffe
Board Member
Date : 14 September 2018
Romsey, Victoria



Cr Bill West
Board Member
Date : 14 September 2018
Romsey, Victoria



Mark Hands
Chief Executive Officer
Date : 14 September 2018
Romsey, Victoria

Independent Auditor's Report

To the Board Members of North Central Goldfields Regional Library Corporation

Opinion	<p>I have audited the financial report of North Central Goldfields Regional Library Corporation (the corporation) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2018 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial report. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the corporation as at 30 June 2018 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the corporation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board Members's responsibilities for the financial report	<p>The Board Members of the corporation are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Board Members determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board Members are responsible for assessing the corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

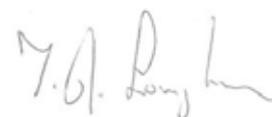
As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the corporation's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board Members
- conclude on the appropriateness of the Board Members's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the corporation to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
17 September 2018



Tim Loughnan
as delegate for the Auditor-General of Victoria



**Thank you to our valued
members, visitors and
partners for supporting the
Goldfields Library
Corporation this year.**