



**SHIRE OF GOOMALLING**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**30<sup>th</sup> June 2013**

**SHIRE OF GOOMALLING**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2013**

**LOCAL GOVERNMENT ACT 1995**  
**LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**  
**(AS AMENDED)**

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Shire of Goomalling being the annual financial report and supporting notes and other information for the financial year ended 30 June 2013 are in my opinion properly drawn up to present fairly the financial position of the Shire of Goomalling at 30 June 2013 and the results of the operations for the financial year then ended in accordance with the *Australian Accounting Standards* and comply with the provisions of the *Local Government Act 1995* and the regulations under that Act. (AS AMENDED)



Signed on the 20th August 2014

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Statement of Comprehensive  
Income By Nature and Type

Statement of Comprehensive  
Income by Program

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Rate Setting Statement

Statement of Surplus or Deficit

**SHIRE OF GOOMALLING**  
**STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE**  
**FOR THE PERIOD ENDING 30 JUNE 2013**

|  | NOTE | 2012-2013<br>Actual<br>\$ | 2012-2013<br>Budget<br>\$ | 2011-2012<br>Actual<br>\$ |
|--|------|---------------------------|---------------------------|---------------------------|
| <b>REVENUE</b>   |      |                           |                           |                           |
| Rates  | 24   | 1,559,919                 | 1,562,020                 | 1,472,563                 |
| Operating Grants, Subsidies                              |      | 722,044                   | 538,193                   | 1,996,877                 |
| Contributions, Reimbursements and Donations              | 30   | 227,935                   | 255,620                   | 357,211                   |
| Fees & Charges   | 28   | 1,309,310                 | 1,070,300                 | 1,188,812                 |
| Interest Earnings  | 2(a) | 74,026                    | 68,500                    | 85,832                    |
| Other Revenue  |      | 217,000                   | 73,500                    | 166,143                   |
|  |      | <b>4,110,235</b>          | <b>3,568,133</b>          | <b>5,267,437</b>          |
| <b>EXPENSES</b>  |      |                           |                           |                           |
| Employee Costs   |      | (1,910,337)               | (1,318,867)               | (1,824,102)               |
| Materials & Contracts                                    |      | (858,012)                 | (1,487,233)               | (1,445,546)               |
| Utilities  |      | (222,055)                 | (186,182)                 | (210,180)                 |
| Depreciation   | 2(a) | (1,210,056)               | (585,469)                 | (1,450,316)               |
| Interest Expenses  | 2(a) | (248,590)                 | (250,842)                 | (383,318)                 |
| Insurance  |      | (203,668)                 | (128,843)                 | (144,892)                 |
| Other Expenditure  |      | (193,075)                 | (87,826)                  | (114,668)                 |
|  |      | <b>(4,845,793)</b>        | <b>(4,045,263)</b>        | <b>(5,573,023)</b>        |
| Non-Operating Grants, Subsidies & Contributions          | 30   | 1,135,117                 | 607,648                   | 911,397                   |
| Profit on Asset Disposals                                | 22   | 12,817                    | 170,538                   | 46,715                    |
|  |      | <b>412,376</b>            | <b>301,056</b>            | <b>652,527</b>            |
| <b>NET RESULT</b>  |      |                           |                           |                           |
| Other Comprehensive Income                               |      |                           |                           |                           |
| Revaluation of Property Plant Equipment & Infrastructure | 6    | 491,474                   |                           | 9,669,534                 |
|  |      | <b>903,850</b>            | <b>301,056</b>            | <b>10,322,061</b>         |

This statement is to be read in conjunction with the accompanying notes.

**SHIRE OF GOOMALLING**  
**STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM**  
**FOR THE YEARENDED 30 JUNE 2013**

|  | NOTES       | 2012-2013<br>ACTUAL | 2012-2013<br>BUDGET | 2011-2012<br>ACTUAL |
|--|-------------|---------------------|---------------------|---------------------|
|  |             | \$                  | \$                  | \$                  |
| <b>REVENUE</b>   | 1,3,4,16,17 |                     |                     |                     |
| General Purpose Funding  |             | 2,168,889           | 1,793,465           | 2,279,664           |
| Governance   |             | 113,834             | 55,780              | 130,174             |
| Law, Order, Public Safety  |             | 60,883              | 50,750              | 36,706              |
| Health   |             | 615,746             | 564,880             | 563,532             |
| Education and Welfare  |             | 2,383               | 2,050               | 2,276               |
| Housing  |             | 221,954             | 211,380             | 214,739             |
| Community Amenities  |             | 270,271             | 242,138             | 297,536             |
| Recreation and Culture   |             | 151,574             | 142,600             | 152,602             |
| Transport  |             | 786,848             | 785,298             | 1,626,735           |
| Economic Services  |             | 680,516             | 207,650             | 691,726             |
| Other Property & Services  |             | 172,453             | 114,790             | 183,144             |
|  |             | <b>5,245,352</b>    | <b>4,170,781</b>    | <b>6,178,833</b>    |
| <b>EXPENDITURE</b>   | 1,3,4,18,19 |                     |                     |                     |
| General Purpose Funding  |             | (44,640)            | (21,000)            | (2,606)             |
| Governance   |             | (342,478.79)        | (274,005)           | (277,377)           |
| Law, Order, Public Safety  |             | (102,405)           | (100,595)           | (89,658)            |
| Health   |             | (917,491)           | (653,675)           | (653,282)           |
| Education and Welfare  |             | (13,924)            | (9,131)             | (9,736)             |
| Housing  |             | (186,192.50)        | (148,483)           | (124,457)           |
| Community Amenities  |             | (354,562)           | (333,780)           | (316,197)           |
| Recreation and Culture   |             | (692,788.63)        | (595,297)           | (574,345)           |
| Transport  |             | (1,357,639)         | (1,207,434)         | (2,505,669)         |
| Economic Services  |             | (489,168.00)        | (331,038)           | (483,435)           |
| Other Property and Services  |             | (95,913.78)         | (114,984)           | (152,942)           |
|  |             | <b>(4,597,203)</b>  | <b>(3,789,422)</b>  | <b>(5,189,703)</b>  |
| <b>Finance Costs</b>   |             |                     |                     |                     |
| Governance   |             | (12,661)            | (5,000)             | (66,428)            |
| Housing  |             | (22,777)            | (8,387)             | (75,737)            |
| Recreation   |             | (966)               | -                   | (1,503)             |
| Economic Services  |             | (146,674)           | (184,275)           | (176,741)           |
| Other Property and Services  |             | (65,512)            | (53,179)            | (62,909)            |
|  |             | <b>(248,590)</b>    | <b>(250,841)</b>    | <b>(383,318)</b>    |
| <i>Increase(Decrease)</i>  |             | 399,559             | 130,518             | 605,812             |
| <b>Disposal of Assets</b>  |             |                     |                     |                     |
| Profit on Sale of Land   | 2,6         | 12,817              | 170,538             | 46,715              |
| <i>Gain (Loss) on Disposal</i>                                     |             | 12,817              | 170,538             | 46,715              |
| <b>Other Comprehensive Income</b>                                  |             |                     |                     |                     |
| Write Back Depreciation Provision Plant-Furniture on Revaluation   |             | 891,833             |                     |                     |
| Revaluation Decrement of Property Plant Equipment & Infrastructure |             | (764,375)           |                     |                     |
| Revaluation Increment of Property Plant Equipment & Infrastructure |             | 364,016             |                     | 9,669,534           |
| <b>Total Comprehensive Income</b>                                  |             | <b>903,850</b>      | <b>301,056</b>      | <b>10,322,061</b>   |

**SHIRE OF GOOMALLING**  
**Statement of Financial Position**  
**AS AT 30 JUNE 2013**

| 2011-2012<br>\$   |  | NOTES | 2012-2013<br>\$   |
|-------------------|--|-------|-------------------|
|                   | <b>CURRENT ASSETS</b>                    |       |                   |
| 1,532,833         | Cash Assets                              | 5     | 1,315,850         |
| 504,090           | Receivables                              | 27    | 355,004           |
| 31,214            | Inventories                              | 28    | 38,735            |
| 1,329,462         | Sub-division Land Developed For Resale   |       | 1,234,462         |
| <b>3,397,599</b>  | <b>TOTAL CURRENT ASSETS</b>              |       | <b>2,944,051</b>  |
|                   | <b>NON CURRENT ASSETS</b>                |       |                   |
| 17,454,663        | Property, Plant, Equipment               | 6(c)  | 17,838,598        |
| 37,240,450        | Infrastructure                           |       | 37,751,277        |
| 55,473            | Receivables                              | 27    | 54,637            |
| <b>54,750,586</b> | <b>TOTAL NON CURRENT ASSETS</b>          |       | <b>55,644,512</b> |
| <b>58,148,185</b> | <b>TOTAL ASSETS</b>                      |       | <b>58,588,563</b> |
|                   | <b>CURRENT LIABILITIES</b>               |       |                   |
| 561,554           | Payables                                 | 29    | 206,316           |
| 525,570           | Current portion of Long Term Borrowings  |       | 449,889           |
| 249,923           | Provisions                               | 30    | 415,044           |
| <b>1,337,047</b>  | <b>TOTAL CURRENT LIABILITIES</b>         |       | <b>1,071,249</b>  |
|                   | <b>NON CURRENT LIABILITIES</b>           |       |                   |
| 2,732,750         | Interest Bearing Liabilities             | 7(d)  | 2,542,775         |
| 40,717            | Provisions                               | 30    | 33,017            |
| <b>2,773,467</b>  | <b>TOTAL NON CURRENT LIABILITIES</b>     |       | <b>2,575,793</b>  |
| <b>4,110,514</b>  | <b>TOTAL LIABILITIES</b>                 |       | <b>3,647,042</b>  |
| <b>54,037,670</b> | <b>EXCESS OF ASSETS OVER LIABILITIES</b> |       | <b>54,941,521</b> |
|                   | <b>EQUITY</b>                            |       |                   |
| 23,105,874        | Retained Profits (Surplus)               |       | 23,768,250        |
| 1,250,001         | Reserves - Cash Backed                   | 8     | 1,000,001         |
| 29,681,795        | Reserves - Asset Revaluation             |       | 30,173,269        |
| <b>54,037,670</b> |  |       | <b>54,941,521</b> |

This statement is to be read in conjunction with the accompanying notes.

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR  
ENDED 30 JUNE 2013**

| 2011-2012<br>\$   |  | NOTES | 2012-2013<br>\$   |
|-------------------|--|-------|-------------------|
|                   | <b>RETAINED PROFITS (SURPLUS)</b>        |       |                   |
| 22,453,345        | Balance As At 1 July                     |       | 23,105,874        |
| 652,527           | Net Profit/Result                        |       | 903,850           |
|                   | Revaluation / Depreciation Provision Adj |       | (491,474)         |
| (77,607)          | Transfer to Reserves                     | 8(a)  | (169,301)         |
| 77,607            | Transfer from Reserves                   | 8(a)  | 419,301           |
| 2                 | Rounding                                 |       |                   |
| <b>23,105,874</b> | <b>Balance As At 30 June</b>             |       | <b>23,768,250</b> |
|                   | <b>RESERVES</b>                          |       |                   |
| 1,250,001         | Balance As At 1 July                     | 8(a)  | 1,250,001         |
| 77,607            | Transfers from Retained Profits          | 8(a)  | 169,301           |
| (77,607)          | Transfers to Retained Profits            | 8(a)  | (419,301)         |
| <b>1,250,001</b>  | <b>Balance As At 30 June</b>             |       | <b>1,000,001</b>  |
|                   | <b>ASSET REVALUATION RESERVE</b>         | 8(b)  |                   |
| 20,012,261        | Balance as at 1st July                   |       | 29,681,795        |
| 9,669,534         | Revaluation of Fixed Assets              |       | 491,474           |
| <b>29,681,795</b> | <b>Balance As At 30 June</b>             |       | <b>30,173,269</b> |
| <b>54,037,670</b> | <b>TOTAL EQUITY</b>                      |       | <b>54,941,521</b> |

This statement is to be read in conjunction with the accompanying notes.

**SHIRE OF GOOMALLING  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDING 30 JUNE 2013**

|  | PAGE REF. | NOTES | 2012-2013          | 2012-2013          | 2011-2012          |
|--|-----------|-------|--------------------|--------------------|--------------------|
|  |           |       | ACTUAL             | ADOPTED BUDGET     | ACTUAL             |
| <b>Cash Flows from operating activities</b>              |           |       |                    |                    |                    |
| <b>REVENUE</b>   |           |       |                    |                    |                    |
| Rates  |           |       | 1,532,373          | 1,560,570          | 1,495,204          |
| Government Grants  |           |       | 722,044            | 538,193            | 1,996,877          |
| Contributions and Donations Reimbursements               |           |       | 203,751            | 255,620            | 362,866            |
| Fees and Charges   |           |       | 1,473,358          | 1,319,982          | 961,095            |
| Interest Received  |           |       | 74,026             | 68,500             | 85,832             |
| GST  |           |       | 720,849            | 400,000            | 852,713            |
| Other  |           |       | 217,000            | 84,548             | 166,142            |
|  |           |       | <b>4,943,402</b>   | <b>4,227,414</b>   | <b>5,920,728</b>   |
| <b>EXPENDITURE</b>                                       |           |       |                    |                    |                    |
| Employee Costs   |           |       | (1,752,916)        | (1,321,065)        | (1,809,910)        |
| Materials & Contracts                                    |           |       | (1,179,800)        | (1,748,794)        | (1,067,809)        |
| Utilities  |           |       | (222,055)          | (186,182)          | (210,180)          |
| Insurance  |           |       | (203,668)          | (128,843)          | (144,892)          |
| Interest Expenses  |           |       | (260,028)          | (269,539)          | (375,035)          |
| GST  |           |       | (712,778)          | -391,929           | (860,784)          |
| Other  |           |       | (193,076)          | (87,827)           | (114,667)          |
|  |           |       | <b>-4,524,320</b>  | <b>-4,134,179</b>  | <b>-4,583,276</b>  |
| <b>Net Cash flows from Operating Activities</b>          |           | 9     | <b>419,081</b>     | <b>93,234</b>      | <b>1,337,452</b>   |
| <b>Cash flows from investing activities</b>              |           |       |                    |                    |                    |
| <b>Payments</b>  |           |       |                    |                    |                    |
| Payments for land held for resale                        |           |       |                    |                    | (8,936)            |
| Purchase Land and Buildings                              |           |       | (418,339)          | (860,250)          | (576,011)          |
| Purchase Infrastructure Assets - Roads                   |           |       | (971,766)          | (1,146,226)        | (908,856)          |
| Purchase Infrastructure Assets - Recreational Facilities |           |       | -                  | -                  | (12,100)           |
| Purchase Infrastructure Assets - Other                   |           |       | -                  | (25,000)           | (859)              |
| Purchase Plant and Equipment                             |           |       | (255,650)          | (83,500)           | (617,050)          |
| Purchase Furniture and Equipment                         |           |       | (21,482)           | (30,000)           | (57,787)           |
|  |           |       | <b>(1,667,236)</b> | <b>(2,144,976)</b> | <b>(2,181,600)</b> |
| Disposal of Land   |           |       | 95,000             | 1,900,000          | 132,500            |
| Disposal of Furniture                                    |           |       | -                  | -                  | 1,000              |
| Disposal of Plant and Equipment                          |           |       | 66,709             | -                  | 185,500            |
| Contributions to the Development of Capital              |           |       | 1,135,117          | 607,648            | 911,397            |
|  |           |       | <b>1,296,826</b>   | <b>2,507,648</b>   | <b>1,230,397</b>   |
| <b>Net cash flows from investing activities</b>          |           |       | <b>-370,410</b>    | <b>362,672</b>     | <b>-951,203</b>    |
| <b>Cash flows from financing activities</b>              |           |       |                    |                    |                    |
| Proceeds from Borrowings                                 |           |       | -                  | -                  | 1,500,000          |
| Proceeds from Finance Leases                             |           |       | 134,500            | -                  | 360,310            |
| Self Supporting Loan Advance                             |           |       | -                  | -                  | -                  |
| Loan Repayments - Principal                              |           |       | (222,542)          | (275,152)          | (156,918)          |
| Principal Repayment Received -Loans                      |           |       | (0)                | -                  | 0                  |
| Lease Repayments - Principal                             |           |       | (177,614)          | (261,318)          | (221,712)          |
| <b>Net cash flows from financing activities</b>          |           |       | <b>(265,656)</b>   | <b>(536,470)</b>   | <b>1,481,680</b>   |
| <b>Net (decrease)/increase in cash held</b>              |           |       | <b>(216,985)</b>   | <b>(80,564)</b>    | <b>1,867,930</b>   |
| <b>Cash at the Beginning of Reporting Period</b>         |           |       | <b>1,532,833</b>   | <b>1,532,833</b>   | <b>(335,096)</b>   |
| <b>Rounding</b>  |           |       | <b>2</b>           | <b>2</b>           | <b>-1</b>          |
| <b>Cash at the End of Reporting Period</b>               |           | 5     | <b>1,315,850</b>   | <b>1,452,271</b>   | <b>1,532,833</b>   |

**Cash at the end of reporting period represented by:**

|                                     |                  |                  |                  |
|-------------------------------------|------------------|------------------|------------------|
| Cash on Hand                        | 650              | 550              | 650              |
| Cash at Bank Municipal              | 313,560          | 137,580          | 280,543          |
| Cash at Bank - Municipal Restricted | 1,640            | 1,640            | 1,640            |
| Cash at Bank -Reserve               | 1,000,001        | 1,312,501        | 1,250,001        |
|                                     | <b>1,315,850</b> | <b>1,452,271</b> | <b>1,532,833</b> |

**Reconciliation with Operating Result :**

|  |                |               |                  |
|--|----------------|---------------|------------------|
| Operating Result (As per Statement of Comprehensive Income ) | 903,850.       | 301,056.      | 652,527          |
| Depreciation   | 1,210,056.     | 585,469.      | 1,450,316        |
| Revaluation  | (491,474)      |               |                  |
| Prior Year Loan Liability Adjustment                         |                |               |                  |
| (Gain) Loss on Disposal of Assets                            | (12,817)       | (170,538)     | (46,715)         |
| <b>Changes in Assets and Liabilities:</b>                    |                |               |                  |
| Inventory  | (7,521)        | (7,786)       | 27,855           |
| Receivable   | 138,378.       | 267,352.      | (225,481)        |
| Accounts Payable   | (314,267)      | (253,774)     | 349,882          |
| Accrued Expenses   | (29,427)       | (18,697)      | 26,272           |
| Provisions - Employees Entitlements and Doubtful Debts       | 157,421.       | (2,198)       | 14,193           |
| Contributions to the Development of Capital                  | (1,135,117)    | (607,648)     | (911,397)        |
| Rounding   | (1)            | (1)           | (1)              |
|  | <b>419,081</b> | <b>93,234</b> | <b>1,337,452</b> |



**SHIRE OF GOOMALLING  
RATE SETTING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2013**

|  | NOT  | 2012/13<br>Actual<br>\$ | 2012/13<br>Budget<br>\$ | 2011/12<br>Actual<br>\$ |
|--|------|-------------------------|-------------------------|-------------------------|
| <b>Revenue</b>                                   | 1,2  |                         |                         |                         |
| General Purpose Funding                          |      | 763,317                 | 394,393                 | 965,482                 |
| Governance                                       |      | 113,834                 | 55,780                  | 130,174                 |
| Law, Order, Public Safety                        |      | 60,883                  | 50,750                  | 36,706                  |
| Health   |      | 615,746                 | 564,880                 | 563,532                 |
| Education and Welfare                            |      | 2,383                   | 2,050                   | 2,276                   |
| Housing  |      | 221,954                 | 211,380                 | 214,739                 |
| Community Amenities                              |      | 270,271                 | 224,298                 | 297,536                 |
| Recreation and Culture                           |      | 151,574                 | 143,600                 | 152,602                 |
| Transport  |      | 786,848                 | 790,298                 | 1,626,735               |
| Economic Services                                |      | 680,516                 | 219,490                 | 691,726                 |
| Other Property and Services                      |      | 172,453                 | 114,790                 | 183,144                 |
|  |      | <u>3,839,780</u>        | <u>2,771,709</u>        | <u>4,864,652</u>        |
| <b>Expenses</b>                                  | 1,2  |                         |                         |                         |
| General Purpose Funding                          |      | (44,640)                | -                       | (2,496)                 |
| Governance                                       |      | (355,140)               | (290,005)               | (343,805)               |
| Law, Order, Public Safety                        |      | (102,405)               | (100,595)               | (89,658)                |
| Health   |      | (917,491)               | (668,675)               | (653,282)               |
| Education and Welfare                            |      | (13,924)                | (9,131)                 | (9,736)                 |
| Housing  |      | (208,970)               | (156,870)               | (200,194)               |
| Community Amenities                              |      | (354,562)               | (306,900)               | (316,197)               |
| Recreation & Culture                             |      | (693,755)               | (595,297)               | (575,848)               |
| Transport  |      | (1,357,639)             | (1,212,434)             | (2,505,669)             |
| Economic Services                                |      | (635,842)               | (535,693)               | (660,176)               |
| Other Property and Services                      |      | (161,426)               | (169,663)               | (215,851)               |
|  |      | <u>(4,845,793)</u>      | <u>(4,045,263)</u>      | <u>(5,572,911)</u>      |
| <b>Net Operating Excluding Rates</b>             |      | <u>(1,006,013)</u>      | <u>(1,273,554)</u>      | <u>(708,260)</u>        |
| <b>Adjustments for Cash Budget Requirements:</b> |      |                         |                         |                         |
| <b>Non-Cash Expenditure and Revenue</b>          |      |                         |                         |                         |
| (Profit)/Loss on Asset Disposals                 | 4    | 12,817                  | 170,538.                | 46,715                  |
| Book Value Assets Sold Written Back              |      | 148,892                 | 1,729,462.              | 272,285                 |
| Movement in Non Current Debtos                   |      | 836                     |                         |                         |
| Movement in Provisions, Accruals, Debtors        |      | (7,700)                 |                         | (14,933)                |
| Depreciation on Assets                           | 2(a) | 1,210,056               | 585,469.                | 1,450,316               |
| Long Service Leave Bank Increase/Decrease        |      | 5,776                   | 5,776.                  | 6,753                   |
| <b>Net Non-Cash Expenditure and Revenue</b>      |      | <u>1,370,678</u>        | <u>2,491,245</u>        | <u>1,761,137</u>        |
| <b>Capital Expenditure and Revenue</b>           |      |                         |                         |                         |
| Development of Land Held for Resale              | 21   |                         | (415,000)               | (8,936)                 |
| Purchase Land and Buildings                      | 21   | (418,339)               | (445,250)               | (576,011)               |
| Infrastructure Assets - Roads                    | 21   | (971,766)               | (1,146,226)             | (908,856)               |
| Infrastructure Assets - Other                    | 21   | -                       | (25,000)                | (12,959)                |
| Purchase Plant and Equipment                     | 21   | (255,650)               | (83,500)                | (617,050)               |
| Purchase Furn and Equipment                      | 21   | (21,482)                | (30,000)                | (57,787)                |
| Proceeds Disposal of Assets                      | 4    |                         |                         |                         |
| Repayment of Debentures                          | 23   | (222,542)               | (282,502)               | (156,918)               |
| Repayment of Finance Leases                      |      | (177,614)               | (253,968)               | (221,712)               |
| Proceeds from New Debentures                     |      |                         |                         | 1,860,310               |
| Proceeds from New Finance Leases                 |      | 134,500                 |                         |                         |
| Transfers to Reserves                            | 11   | (169,301)               | (62,500)                | (77,607)                |
| Transfers from Reserves                          | 11   | 419,301                 |                         | 77,607                  |
| <b>Net Cash from Investing Activities</b>        |      | <u>(1,682,892)</u>      | <u>(2,743,946)</u>      | <u>(699,920)</u>        |
| <b>ADD</b> Estimated Surplus/(Deficit)           |      | 122,183.                | 122,183.                | (1,544,846)             |
| <b>LESS</b> Estimated Surplus/(Deficit)          |      | (209,528)               |                         | (122,183)               |
| <b>Rounding</b>                                  |      | (1)                     |                         |                         |
| <b>Amount Required to be Raised from Rates</b>   | 23   | <u>(1,405,573)</u>      | <u>(1,404,072)</u>      | <u>(1,314,072)</u>      |

**SHIRE OF GOOMALLING  
STATEMENT OF SURPLUS OR DEFICIT  
FOR THE PERIOD ENDED 30 JUNE 2013**

|  | NOTES | 2012-2013          | 2012-2013          | 2011-2012          |
|--|-------|--------------------|--------------------|--------------------|
|  |       | ACTUAL             | ADOPTED<br>BUDGET  | ACTUAL             |
|  |       | \$                 | \$                 | \$                 |
| <i>Net Profit Or Loss/Result<br/>(Refer Operating Statement)</i> |       | 903,850            | 301,056            | 10,322,061         |
| <b>ADD</b>   |       |                    |                    |                    |
| Write Back Infrastructure Revaluation                            |       | (491,474)          | -                  | (9,669,534)        |
| Change in Non Current Receivables SSL                            |       | 836                |                    | (22,590)           |
| (Increase)/Decrease in Long Service Leave Bank                   |       | 5,776              | 5,776              | 6,753              |
| Depreciation Written Back  | 19    | 1,210,056          | 585,469            | 1,450,316          |
| Book Value of Assets Sold Written Back                           | 6(a)  | 148,891.79         | 1,729,462          | 272,285            |
| Decrease (Increase) in Non-Current LSL Provision                 |       | (7,700)            |                    | 7,658              |
| <b>Sub Total</b>   |       | <b>866,386</b>     | <b>2,320,707</b>   | <b>(7,955,112)</b> |
|  |       | <b>1,770,237</b>   | <b>2,621,763</b>   | <b>2,366,949</b>   |
| <b>LESS CAPITAL PROGRAMME</b>                                    |       |                    |                    |                    |
| Purchase Tools   | 25    | -                  | -                  | -                  |
| Purchase Land and Buildings                                      | 25    | (418,339)          | (882,750)          | (584,947)          |
| Infrastructure Assets - Roads                                    | 25    | (971,766)          | (1,156,226)        | (908,856)          |
| - Recreation   | 25    | -                  | -                  | (12,100)           |
| - Other  | 25    | -                  | (25,000)           | (859)              |
| Purchase Plant & Equipment                                       | 25    | (255,650)          | (56,000)           | (617,050)          |
| Purchase Furniture and Equipment                                 | 25    | (21,482)           | (25,000)           | (57,787)           |
| Repayment Of Debt - Loans Principal                              | 7(c)  | (222,542)          | (275,152)          | (156,918)          |
| Repayment Of Debt - Finance Leases                               |       | (177,614)          | (261,318)          | (221,712)          |
| Transfers to Reserves  | 8(a)  | (169,301)          | (62,500)           | (77,607)           |
|  |       | <b>(2,236,693)</b> | <b>(2,743,946)</b> | <b>(2,637,837)</b> |
| <b>Sub Total</b>   |       | <b>(466,456)</b>   | <b>(122,183)</b>   | <b>(270,888)</b>   |
| <b>LESS - FUNDING FROM</b>                                       |       |                    |                    |                    |
| Transfers From Reserves  | 8(a)  | 419,301            | -                  | 77,607             |
| Loans Raised   | 7(b)  | -                  |                    | 1,500,000          |
| Lease Finance Raised   |       | 134,500            | -                  | 360,310            |
| Opening Funds  | 24    | 122,183            | 122,183            | (1,544,846)        |
|  |       | <b>675,984</b>     | <b>122,183</b>     | <b>393,071</b>     |
| Rounding   |       |                    |                    |                    |
| <b>( Surplus)/Deficit</b>  | 24    | <b>209,528</b>     | <b>-</b>           | <b>122,183</b>     |

**Notes to and Forming**

**Part of the Financial Report**

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**1 SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of Preparation**

The financial report is a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Standards Board, the *Local Government Act 1995* and accompanying regulations. The report has also been prepared on the accrual basis under the convention of historical cost accounting modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**Critical Accounting Estimates**

The preparation of a financial report in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of this experience and other factors combine to form the basis of making judgements about carrying values or assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

**(b) The Local Government Reporting Entity**

All funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated. All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 17 to this financial report.

**(c) Goods and Services Tax**

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables in the Statement of Financial Position are stated inclusive of applicable GST.

**(d) Cash and Cash Equivalents**

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities on the Statement of Financial Position.

**(e) Trade and Other Receivables**

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for doubtful debts. Receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**1 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(f) Inventories**

**(i) Raw materials and stores, work in progress and finished goods**

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the established selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**(ii) Land Held for resale/capitalisation of borrowing costs**

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the costs of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holding charges are expensed as incurred. Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale. Land held for resale is classified as current except where it is held as non-current based on the council's intentions to release for sale.

**(g) Fixed Assets**

**Initial Recognition**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed includes the cost of all materials, direct labour and variable and fixed overheads.

**Revaluation**

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on a basis to reflect the already consumed or expired future economic benefits of the asset.

Those assets carried at a revalue amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ significantly from that determined using fair value at reporting date.

**Land under Roads**

In Western Australia, all land under roads is Crown land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the fact that *Local Government (Financial Management) Regulations* r. 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, *Local Government (Financial Management) Regulations* r. 16(a)(i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, *Local Government (Financial Management) Regulations* r. 4(2) provides that, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

**SHIRE OF GOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**1 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(h) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are separately and systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Expenditure on items of equipment under \$2,000 are not capitalised but are placed on an "Attractive Items" list for reference and maintenance.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

|  |                |
|--|----------------|
| Buildings                              | 30 to 50 years |
| Furniture and Equipment                | 4 to 10 years  |
| Plant and Equipment                    | 5 to 15 years  |
| Sealed roads and streets               |                |
| - construction/road base               | 50 years       |
| Re-surfacing                           |                |
| - bituminous seals                     | 30 years       |
| - asphalt surfaces                     | 35 years       |
| Gravel roads                           |                |
| - construction/road base               | 50 years       |
| - gravel sheet                         | 12 years       |
| Formed roads (unsealed)                |                |
| - construction /road base              | 50 years       |
| Footpaths - Slab and Concrete          | 40 years       |
| Sewerage Piping                        | 75 years       |
| Recreational reserves                  |                |
| Water supply piping & drainage systems | 75 years       |

The assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**(i) Financial Instruments**

**Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the Council becomes a part to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

**Classification and Subsequent Measurement**

Financial instruments are subsequently measured at fair value and amortised cost using the effective interest rate method or cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**1 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(i) Financial Instruments (Continued)**

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- (d) less any reduction for impairment.

The effective interest method used is to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability.

Revisions to expected future cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

**(i) Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. ~~Assets in this category are classified as current assets.~~

**(ii) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Statement of Financial Position.

**(iii) Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the council's management has the positive intention and ability to hold to maturity. If council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

**(iv) Available-for-sale financial assets**

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the Statement of Financial Position date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

**(v) Financial Liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

**Impairment**

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

**SHIRE OF GOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**1 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(j) Fair Value Estimation**

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

The fair value of financial instruments traded in active markets is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the council for similar financial instruments.

**(k) Provisions**

Provisions are recognised when the council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

**(l) Leases**

Leases of property, plant and equipment where the council has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term. Lease payments under operating leases, where substantially all the risks and benefits remain with the lesser, are charged as expenses in the periods in which they are incurred.

**(m) Impairment**

In accordance with Australian Accounting Standards the council's assets, other than inventories, are tested annually for impairment. Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment losses are recognised in the Statement of Comprehensive Income.

For non-cash generating assets of the council such as roads, drains, public buildings and the like, value in use is represented by the asset's written down replacement cost.

**(n) Trade and Other Payables**

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.



**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**1 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(o) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid of the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the council has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date. Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**(p) Employee Benefits**

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

**Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)**

The provision for employees' benefits wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the council has a present obligation to pay resulting from employees' services provided to balance date.

The provision has been calculated at nominal amounts based on remuneration rates the council expects to pay and includes related on-costs.

**Long Service Leave (Long-term Benefits)**

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows.

Where council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

**(q) Superannuation**

The council contributes to a number of Superannuation Funds on behalf of their employees. Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(r) Joint Venture**

The municipality's interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the relevant items reported in the Statement of Financial Position and Statement of Comprehensive Income. Information about the joint venture is set out in Note 16.

**SHIRE OF GOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**1 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(s) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed at Note 2(d). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

**(t) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the council's operation cycle. In the case of liabilities where the council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on the council's intentions to release for sale.

**(u) Rounding Off Figures**

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar.

**(v) Comparative Figures**

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

**(w) Budget Comparative Figures**

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

|   | 2012/13<br>Actual<br>\$ | 2012/13<br>Budget<br>\$ | 2011/12<br>Actual<br>\$ |
|---|-------------------------|-------------------------|-------------------------|
| <b>2 REVENUES AND EXPENSES</b>  |                         |                         |                         |
| <b>(a) Result from Ordinary Activities</b>  |                         |                         |                         |
| (i) Charging as Expenses:   |                         |                         |                         |
| <b>Significant Expense</b>  |                         |                         |                         |
| The significant expense relates to the reduction in the fair value of investments |                         |                         |                         |
| <br>  |                         |                         |                         |
| <b>Auditor's Remuneration</b>   |                         |                         |                         |
| Audit   | 15,000                  | 9,500                   | 7,750                   |
| <b>Depreciation</b>   |                         |                         |                         |
| <b>By Program</b>   |                         |                         |                         |
| Governance  | 71,956                  | 10,455                  | 25,111                  |
| Law, Order, Public Safety   | 21,988                  | 20,795                  | 25,299                  |
| Health  | 20,740                  | 9,825                   | 12,268                  |
| Education and Welfare   | 9,294                   | 1,081                   | 6,200                   |
| Housing   | 68,403                  | 27,370                  | 83,123                  |
| Community Amenities   | 82,680                  | 18,400                  | 41,481                  |
| Recreation and Culture  | 196,493                 | 66,350                  | 111,053                 |
| Transport   | 598,088                 | 397,000                 | 1,019,357               |
| Economic Services   | 140,414                 | 34,193                  | 126,424                 |
| Other Property and Services   | 0                       | 0                       | 0                       |
|   | <b>1,210,056</b>        | <b>585,469</b>          | <b>1,450,316</b>        |
| <br>  |                         |                         |                         |
| <b>By Class</b>   |                         |                         |                         |
| Land and Buildings  | 238,129                 | 94,849                  | 138,668                 |
| Furniture and Equipment   | 159,266                 | 16,925                  | 33,073                  |
| Plant and Equipment   | 292,465                 | 194,501                 | 367,484                 |
| Roads and Footpaths   | 367,865                 | 253,730                 | 879,066                 |
| Other   | 152,331                 | 25,464                  | 32,025                  |
|   | <b>1,210,056</b>        | <b>585,469</b>          | <b>1,450,316</b>        |
| <br>  |                         |                         |                         |
| <b>Interest Expenses (Finance Costs)</b>  |                         |                         |                         |
| - Finance Lease Charges   | 67,372                  | 53,179                  | 65,703                  |
| - Debentures (refer note 22(a))   | 169,451                 | 197,663                 | 253,597                 |
| - Bank Overdraft  | 11,767                  | 5,000                   | 64,017                  |
|   | <b>248,590</b>          | <b>255,842</b>          | <b>383,317</b>          |
| <br>  |                         |                         |                         |
| (ii) Crediting as Revenue:  |                         |                         |                         |
| <b>Interest Earnings</b>  |                         |                         |                         |
| Investments   |                         |                         |                         |
| - Reserve Funds   | 59,301                  | 62,500                  | 77,607                  |
| - Other Funds   | 14,724                  | 6,000                   | 8,225                   |
| Other Interest Revenue (refer note 13)  | 0                       | 0                       | 0                       |
|   | <b>74,025</b>           | <b>68,500</b>           | <b>85,832</b>           |

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**2 OPERATING REVENUES AND EXPENSES (Continued)**

**(b) Statement of Objectives, Reporting Programs and Nature or Type Classifications**

The Shire of Goomalling is dedicated to providing high quality services to the community through the various service orientated programs which it has established

**REPORTING PROGRAM DESCRIPTIONS**

Council operations that are disclosed encompass the following service orientated activities/programs:

**GOVERNANCE**

**Objective:** To provide a decision making process for the efficient allocation of scarce resources.

**Activities:** Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

**GENERAL PURPOSE FUNDING**

**Objective:** To collect revenue to allow for the provision of services.

**Activities:** Rates, general purpose government grants, and interest revenue.

**LAW, ORDER, PUBLIC SAFETY**

**Objective:** To provide services to help ensure a safer and environmentally conscious community.

**Activities:** Supervision and enforcement of various local laws relating to fire prevention, animal control and protection of the environment and other aspects of public safety including emergency services.

**HOUSING**

**Objective:** To provide and maintain elderly residents housing.

**Activities:** Provision and maintenance of elderly residents housing.

**COMMUNITY AMENITIES**

**Objective:** To provide services required by the community.

**Activities:** Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.

**RECREATION AND CULTURE**

**Objective:** To establish and effectively manage infrastructure and resources which will help the social well being of the community.

**Activities:** Maintenance of public halls, civic centre, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.

**TRANSPORT**

**Objective:** To provide safe, effective and efficient transport services to the community.

**Activities:** Construction and maintenance of roads, streets, footpaths, depots, cycleways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

**ECONOMIC SERVICES**

**Objective:** To help promote the shire and it's economic wellbeing.

**Activities:** Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building control.

**OTHER PROPERTY & SERVICES**

**Objective:** To monitor and control council's overheads operating accounts.

**Activities:** Private works operation, plant repair and operation costs and engineering operation costs.

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**2 OPERATING REVENUES AND EXPENSES (Continued)**

**(c) Nature or Type Classifications**

The Shire of Goomalling is required by the Australian Accounting Standards to disclose revenue and expenditure according to its nature or type classification. The following nature or function descriptions are also required by State Government regulations

**Revenue**

**Rates**

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Excludes administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

**Operating Grants, Subsidies and**

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

**Non-Operating Grants, Subsidies and**

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

**Profit on Asset Disposal**

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

**Fees and Charges**

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

**Service Charges**

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations (1996) identifies the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services. Excludes rubbish removal charges.

**Interest Earnings**

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

**Other Revenue**

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates, etc.

**Expenditure**

**Employee Costs**

All costs associated with the employment of persons such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefits tax etc.

**Material and Contracts**

All expenditure on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc.

**Utilities (Gas, Electricity, Water, etc)**

Expenditures made to respective agencies for the provision of power, gas or water. Excludes expenditure incurred for the re-instatement of road works on behalf of these agencies.

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**2 OPERATING REVENUES AND EXPENSES (Continued)**

**(c) Nature or Type Classifications (continued)**

**Depreciation on Non-Current Assets**

Depreciation and amortisation expense raised on all classes of assets.

**Loss on Asset Disposal**

Loss on the disposal of fixed assets.

**Interest Expenses**

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and re-financing expenses.

**Insurance**

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

**Other Expenditure**

Statutory fees, taxes, provision of bad debts. Donations and subsidies made to community groups.

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**2 OPERATING REVENUE AND EXPENSES (continued)**

**(d) Conditions Over Grants/Contributions**

| <b>Grant/Contribution</b>   | <b>Balance<br/>1-Jul-11</b> | <b>Received<br/>2011-12</b> | <b>Expended<br/>2011-12</b> | <b>Closing<br/>Balance<br/>30-Jun-12</b> | <b>Received<br/>2012-2013</b> | <b>Expended<br/>2012-2013</b> | <b>Closing<br/>Balance<br/>30-Jun-13</b> |
|---|-----------------------------|-----------------------------|-----------------------------|--|-------------------------------|-------------------------------|--|
|   | \$                          | \$                          | \$                          | \$                                       | \$                            | \$                            | \$                                       |
| <b>Operating Grants/Contributions</b>                                 |                             |                             |                             |  |                               |                               |  |
| <b>General Purpose Funding</b>  |                             |                             |                             |  |                               |                               |  |
| General Purpose Grants Commission                                     |                             | 430,948                     | 430,948                     | -  | 328,813                       | 328,813                       | -  |
| Local Road Funding Grants Commission                                  |                             | 428,836                     | 428,836                     | -  | 329,299                       | 329,299                       | -  |
| Special Projects Grants Commission                                    |                             |                             |                             |  |                               |                               |  |
| FESA Admin  |                             | 4,000                       | 4,000                       | -  | 4,000                         | 4,000                         | -  |
| <b>Law, Order &amp; Public Safety</b>                                 |                             |                             |                             |  |                               |                               |  |
| Aware Program   |                             |                             |                             |  | 9,091                         | 7,645                         | 1,446                                    |
| Government Grant FESA   |                             | 35,380                      | 35,380                      | -  |                               |                               | -  |
| <b>Health</b>   |                             |                             |                             |  |                               |                               |  |
| Government Grant Rural Doctor   |                             | 10,000                      | 10,000                      | -  |                               |                               | -  |
| <b>Education and Welfare</b>  |                             |                             |                             |  |                               |                               |  |
| Department of Reg. Dev - Respite Pool                                 |                             |                             |                             |  |                               |                               | -  |
| <b>Community Amenities</b>  |                             |                             |                             |  |                               |                               |  |
| Grant- Thank a volunteer  |                             | 1,000                       | 1,000                       | -  |                               |                               | -  |
| <b>Recreation</b>   |                             |                             |                             |  |                               |                               |  |
| Swimming Pool Grant   |                             | 3,000                       | 3,000                       | -  | 3,000                         | 3,000                         | -  |
| Grant Cota WA   |                             | 1,000                       | 1,000                       | -  | 470                           | 470                           | -  |
| Healthway Coordinators Subsidy  |                             |                             |                             |  | 35,000                        | 35,000                        | -  |
| Volunteer Grant-Netball Club  |                             | 1,000                       | 1,000                       | -  |                               |                               | -  |
| Swap It Don't Stop It Heart Foundation                                |                             |                             |                             |  | 700                           | 700                           | -  |
| Blke Week   |                             |                             |                             |  | 227                           | 227                           | 0  |
| <b>Transport</b>  |                             |                             |                             |  |                               |                               |  |
| Government Grant - Direct Grant                                       |                             | 54,410                      | 54,410                      | -  |                               |                               | -  |
| MRD Flood Damage  |                             | 240,949                     | 240,948.9                   | -  |                               |                               | -  |
| MRWA Contribution Upgrade   |                             | 784,354                     | 784,354                     | -  |                               |                               | -  |
| State Black Spot Funding  |                             |                             |                             |  |                               |                               | -  |
| <b>Economic Services</b>  |                             |                             |                             |  |                               |                               |  |
| Skelton Weed Research   |                             |                             |                             |  | 7,560                         | 7,560                         | -  |
| Work for the Dole Grant   |                             |                             |                             |  | 3,884                         | 3,884                         | -  |
| Adult Learners Weeks Event Building                                   |                             |                             |                             |  |                               |                               | -  |
| Dry Season Assistance Grant   | 20,000                      |                             | 20,000                      | -  |                               |                               | -  |
| Know Your neighbour Grant   |                             |                             |                             |  |                               |                               | -  |
| Forward Capital Plan Expense  | 25,370                      |                             | 25,370                      | -  |                               |                               | -  |
| Indigenous Reconciliation Grant 11/12                                 |                             | 2,000                       | 2,000                       | -  |                               |                               | -  |
| <b>Capital Grants/Contributions towards the Development of Assets</b> |                             |                             |                             |  |                               |                               |  |
| <b>Law, Order &amp; Public Safety</b>                                 |                             |                             |                             |  |                               |                               |  |
| Government Grant Special  |                             |                             |                             |  |                               |                               | -  |
| <b>Health</b>   |                             |                             |                             |  |                               |                               |  |
| Government Grant Health   |                             |                             |                             |  |                               |                               | -  |
| <b>Community Amenities</b>  |                             |                             |                             |  |                               |                               |  |
| Grant Disability Services - Acct # 13241                              | 20,000                      |                             | 20,000                      | -  |                               |                               | -  |
| <b>Recreation</b>   |                             |                             |                             |  |                               |                               |  |
| Grant Tennis Australia  |                             |                             |                             |  |                               |                               | -  |
| <b>Transport</b>  |                             |                             |                             |  |                               |                               |  |
| Grant - Roads to Recovery   |                             | 172,648                     | 172,648                     | -  | 172,648                       | 172,648                       | -  |
| Government Grants - Tied MRWA Specific                                |                             | 215,380                     | 215,380                     | -  | 60,186                        | 60,186                        | -  |
| MRWA Contribution Upgrade   |                             |                             |                             |  | 115,576                       | 115,576                       | -  |
| Government Grants - State Special Grant                               |                             |                             |                             |  | 397,049                       | 397,049                       | -  |
| Government Grants - States Blackspot                                  |                             | 154,220                     | 154,220                     | -  | 38,578                        | 38,578                        | -  |
| Bikewest Grant  |                             |                             |                             |  |                               |                               | -  |
| Grant - EMA Generator Grant   |                             |                             |                             |  |                               |                               | -  |
| <b>Economic Services</b>  |                             |                             |                             |  |                               |                               |  |
| Rural Transaction Centre  |                             |                             |                             |  |                               |                               | -  |
| Royalties for Regions   | 180,951                     | 294,149                     | 267,535                     | 207,565                                  | 294,149                       | 176,242                       | 325,472                                  |
| Government Grant - Slater Homestead                                   |                             | 75,000                      | 75,000                      | -  | 56,931                        | 56,931                        | -  |
| Government Grant  | 30,000                      |                             | 30,000                      | -  |                               |                               | -  |
| <b>Total Operating</b>  | <b>45,370</b>               | <b>1,994,877</b>            | <b>2,042,247</b>            | <b>0</b>                                 | <b>722,044</b>                | <b>720,598</b>                | <b>1,446</b>                             |
| <b>Total Capital</b>  | <b>230,951</b>              | <b>911,397</b>              | <b>934,783</b>              | <b>207,565</b>                           | <b>1,135,117</b>              | <b>1,017,210</b>              | <b>325,472</b>                           |
| <b>Total Operating and Capital</b>                                    | <b>276,321</b>              | <b>2,906,274</b>            | <b>2,977,030</b>            | <b>207,565</b>                           | <b>1,857,161</b>              | <b>1,737,808</b>              | <b>326,918</b>                           |

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**Notes:**

- (\*) Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.
- (+) New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.
- (#) Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor



**SHIRE OF GOOMALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDING 30 JUNE 2013**

|  | 2012/13<br>\$    | 2011/12<br>\$    |
|--|------------------|------------------|
| <b>3 CASH AND CASH EQUIVALENTS</b>   |                  |                  |
| Unrestricted   | (12,708)         | 73,628           |
| Restricted   | <u>1,328,558</u> | <u>1,459,205</u> |
|  | <u>1,315,850</u> | <u>1,532,833</u> |
| <b>Cash at Bank - Municipal</b>  |                  |                  |
| Unrestricted Cash  | <u>(12,708)</u>  | <u>73,628</u>    |
| Restricted Cash - Unspent Grants (refer  | 326,918          | 207,565          |
| Restricted Cash - Local Medical Practice   | 1640             | 1640             |
| Various Reserve Accounts (refer note11)  | <u>1,000,000</u> | <u>1,250,000</u> |
|  | <u>1,328,558</u> | <u>1,459,205</u> |
| <b>The following restrictions have been imposed by regulations<br/>or other externally imposed requirements:</b> |                  |                  |
| (d) Conditions over contributions - Rural Transaction Centre   |                  |                  |
| (d) Conditions over contributions - Blackspot Program  |                  |                  |
| (d) Conditions over contributions - Forward Capital Plan   |                  |                  |
| <del>(d) Conditions over contributions - Skelton Weed Search</del>   |                  |                  |
| (d) Conditions over contributions - Crime Prevention   |                  |                  |
| (d) Conditions over contributions - Dry Season Assistance Grant  |                  |                  |
| (d) Conditions over contributions - Disabilities Assistance grant  |                  |                  |
| (d) Conditions over contributions - Royalties for Regions  | 325,472          | 207,565          |
| (d) Conditions over contributions - Aware Grant - Emergency Risk Mgmt  | <u>1,446</u>     |                  |
|  | <u>326,918</u>   | <u>207,565</u>   |

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**4 TRADE & OTHER RECEIVABLES**

|                                | 2012/13        | 2011/12        |
|--------------------------------|----------------|----------------|
| <b>Current</b>                 | \$             | \$             |
| Rates and Rubbish              | 75,608         | 78,975         |
| General Receivables            | 280,402        | 408,131        |
| Provision for Doubtful Debts   | (1,006)        | (1,006)        |
| Self Supporting Loan Debtors   | 38,735         | 17,989         |
|                                | <u>393,739</u> | <u>504,090</u> |
| <b>Non-Current</b>             |                |                |
| Rates Outstanding - Pensioners | 48,247         | 31,093         |
| Self Supporting Loan Debtors   | 0              | 17,989         |
| Other                          | 6,390          | 6,390          |
|                                | <u>54,637</u>  | <u>55,472</u>  |

**5 INVENTORIES**

|                      | 2012/13   | 2011/12   |
|----------------------|-----------|-----------|
| <b>Current</b>       | \$        | \$        |
| Fuel and Materials   | 493       | 493       |
| History Books        | 30,721    | 30,721    |
| <b>Non Current</b>   |           |           |
| Land Held for Resale | 1,234,462 | 1,329,462 |

**6 PROPERTY, PLANT AND EQUIPMENT**

|  | 2012/13            | 2011/12            |
|--|--------------------|--------------------|
|  | \$                 | \$                 |
| Land and Buildings - At Valuation-1/7/11 | 18,373,426         | 18,020,421         |
| Less Accumulated Depreciation            | <u>(1,841,308)</u> | <u>(1,446,693)</u> |
|  | 16,532,118         | 16,573,728         |
| Furniture and Equipment - Cost           | 776,539            | 850,877            |
| Less Accumulated Depreciation            | <u>(312,052)</u>   | <u>(481,323)</u>   |
|  | 464,487            | 369,554            |
| Plant and Equipment - Cost               | 2,034,137          | 2,968,784          |
| Less Accumulated Depreciation            | <u>(371,439)</u>   | <u>(1,506,709)</u> |
|  | <u>1,662,698</u>   | <u>1,462,075</u>   |
| Swimming Pool and Equipment - Cost       | 675,991            | 615,794            |
| Less Accumulated Depreciation            | <u>(262,234)</u>   | <u>(237,026)</u>   |
|  | <u>413,757</u>     | <u>378,768</u>     |
|  | 19,073,060         | 18,784,125         |
| Less land held for resale as disclosed   | <u>(1,234,462)</u> | <u>(1,329,462)</u> |
|  | <u>17,838,596</u>  | <u>17,454,661</u>  |

All property, plant and equipment asset classes are carried at cost and whilst not subject to a policy of regular revaluation, they are subject to an annual assessment as to whether there is any indication an asset may have been impaired in accordance with AASB 136 "Impairment of Assets".

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**6 PROPERTY, PLANT AND EQUIPMENT (continued)**

**Movements in Carrying Amounts**

The following represents the movement in carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial

| Program  | Land &<br>Buildings | Furn<br>and<br>Equip | Plant<br>and<br>Equipment | Swimming<br>Pool | Infra-<br>structure | Total             |
|--|---------------------|----------------------|---------------------------|------------------|---------------------|-------------------|
|  | \$                  | \$                   | \$                        | \$               | \$                  | \$                |
| Balance 1/7/2011   | 9,645,774           | 340,740              | 1,392,733                 | 374,159          | 34,142,637          | 45,896,041        |
| Revaluation  | 6,589,534           |                      |                           |                  | 3,080,000           | 9,669,534         |
| Additions 2011-2012  | 584,947             | 61,887               | 601,250                   | 23,800           | 909,713             | 2,181,597         |
| Depreciation 2011-2012   | (138,668)           | (33,073)             | (367,484)                 | (19,191)         | (891,900)           | (1,450,316)       |
| Cost of Disposals 2011-2012  | (107,860)           | (12,825)             | (245,496)                 |                  |                     | (366,181)         |
| Depreciation on Disposals  |                     | 12,825               | 81,074                    |                  |                     | 93,899            |
| <b>Total 2011/2012 Annual Accounts</b>   | <b>16,573,727</b>   | <b>369,554</b>       | <b>1,462,077</b>          | <b>378,768</b>   | <b>37,240,450</b>   | <b>56,024,574</b> |
| Contra Adjustments on Rollover   | (126,819)           |                      | 165,597                   | 15,222           | (54,000)            | 0                 |
| Revaluation  |                     | 230,195              | (755,949)                 | 38121            | 87,274              | (400,359)         |
| Additions 2012-2013  | 418,339             | 21,482               | 248,020                   | 7630             | 971,766             | 1,667,237         |
| Depreciation 2012-2013   | (238,129)           | (159,266)            | (292,465)                 | (25,984)         | (494,213)           | (1,210,057)       |
| Cost of Disposals 2012-2013  | (95,000)            | (326,016)            | (426,719)                 | (9,888)          |                     | (857,623)         |
| Depreciation on Disposals  |                     | 326,016              | 372,827                   | 9888             |                     | 708,731           |
| Subdivision land developed for resale<br>Write Back Provision for Depreciation on<br>Revaluation | (1,234,462)         |                      |                           |                  |                     | (1,234,462)       |
|  |                     | 2,522                | 889,311                   |                  |                     | 891,833           |
| <b>Total 2012-2013 Annual Accounts</b>   | <b>15,297,656</b>   | <b>464,487</b>       | <b>1,662,699</b>          | <b>413,757</b>   | <b>37,751,277</b>   | <b>55,589,875</b> |

**7 INFRASTRUCTURE**

|  | 2012/13<br>\$       | 2011/12<br>\$       |
|--|---------------------|---------------------|
| Roadworks(Includes Bridges & Culverts) | 44,253,109          | 43,315,747          |
| Less Accumulated Depreciation          | <u>(11,748,941)</u> | <u>(11,381,076)</u> |
|  | 32,504,168          | 31,934,671          |
| Drainage                               | 1,435,854           | 1,435,854           |
| Less Accumulated Depreciation          | <u>(785,910)</u>    | <u>(766,765)</u>    |
|  | 649,944             | 669,089             |
| Footpaths and Cycleways                | 1,408,183           | 1,373,777           |
| Less Accumulated Depreciation          | <u>(372,884)</u>    | <u>(337,679)</u>    |
|  | 1,035,299           | 1,036,098           |
| Sewerage                               | 4,067,085           | 4,033,811           |
| Less Accumulated Depreciation          | <u>(505,219)</u>    | <u>(433,219)</u>    |
|  | 3,561,866           | 3,600,592           |
|  | <u>37,751,277</u>   | <u>37,240,450</u>   |

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**7 INFRASTRUCTURE (Continued)**

**Movements in Carrying Amounts**

The following represents the movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

|   | Roads             | Drainage       | Sewerage         | Footpaths<br>&<br>Cycleways | Total             |
|---|-------------------|----------------|------------------|-----------------------------|-------------------|
|   | \$                | \$             | \$               | \$                          | \$                |
| Balance as at 1 July 2012               | 31,934,671        | 669,089        | 3,600,592        | 1,036,098                   | 37,240,450        |
| Opening Balance Adjustment (see Note 6) |                   |                | (54,000)         |                             | (54,000)          |
| Additions                               | 937,361           |                |                  | 34,405                      | 971,766           |
| Depreciation (Expense)                  | (367,865)         | (19,144)       | (71,999)         | (35,205)                    | (494,213)         |
| Sewerage Revaluation Increment          |                   |                | 87,274           |                             | 87,274            |
| <b>Balance as at 30 June 2013</b>       | <b>32,504,167</b> | <b>649,945</b> | <b>3,561,867</b> | <b>1,035,298</b>            | <b>37,751,277</b> |

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

|   | 2012/13          | 2011/12          |
|---|------------------|------------------|
|   | \$               | \$               |
| <b>8 TRADE AND OTHER PAYABLES</b>                       |                  |                  |
| Current   |                  |                  |
| Sundry Creditors  | 187,547          | 513,357          |
| Accrued Interest on Debentures                          | 18,770           | 48,197           |
| Accrued Salaries and Wages                              |                  |                  |
|   | <u>206,317</u>   | <u>561,554</u>   |
| <b>9 LONG-TERM BORROWINGS</b>                           |                  |                  |
| Current   |                  |                  |
| Secured by Floating Charge                              |                  |                  |
| Debentures  | 176,873          | 275,152          |
| Lease Liability   | <u>273,016</u>   | <u>250,419</u>   |
|   | <u>449,889</u>   | <u>525,570</u>   |
| Non-Current   |                  |                  |
| Secured by Floating Charge                              |                  |                  |
| Debentures  | 2,143,358        | 2,267,623        |
| Lease Liability   | <u>399,417</u>   | <u>465,128</u>   |
|   | <u>2,542,775</u> | <u>2,732,750</u> |
| Additional detail on borrowings is provided in Note 22. |                  |                  |
| <b>10 PROVISIONS</b>                                    |                  |                  |
| Current   |                  |                  |
| Provision for Annual Leave                              | 228,757          | 150,043          |
| Provision for Long Service Leave                        | <u>186,287</u>   | <u>99,880</u>    |
|   | <u>415,044</u>   | <u>249,923</u>   |
| Non-Current   |                  |                  |
| Provision for Long Service Leave                        | <u>33,017</u>    | <u>40,717</u>    |
|   | <u>33,017</u>    | <u>40,717</u>    |

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

|   | 2012/2013<br>Actual | 2012/2013<br>Budget | 2011/2012<br>Actual |
|---|---------------------|---------------------|---------------------|
| <b>11 RESERVES - CASH/INVESTMENT BACKED</b> |                     |                     |                     |
| <b>Bitumen Reserve</b>                      |                     |                     |                     |
| Balance brought forward 1st July            | 6,743               | 6,743               | 6,349               |
| Plus transfer from General Purpose Funding  | 297                 | 337                 | 394                 |
| Less transfer To General Purpose Funding    | (7,041)             |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>              | <u>0</u>            | <u>7,080</u>        | <u>6,743</u>        |
| <b>Long Service Leave Reserve</b>           |                     |                     |                     |
| Balance brought forward 1st July            | 115,524             | 115,524             | 108,771             |
| Plus transfer from General Purpose Funding  | 5,776               | 5,776               | 6,753               |
| Less transfer To General Purpose Funding    |                     |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>              | <u>121,300</u>      | <u>121,300</u>      | <u>115,524</u>      |
| <b>Mortlock Lodge Reserve</b>               |                     |                     |                     |
| Balance brought forward 1st July            | 3,525               | 3,525               | 3,319               |
| Plus transfer from General Purpose Funding  | 176                 | 176                 | 206                 |
| Less transfer To General Purpose Funding    |                     |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>              | <u>3,701</u>        | <u>3,701</u>        | <u>3,525</u>        |
| <b>Office Equipment Reserve</b>             |                     |                     |                     |
| Balance brought forward 1st July            | 2,785               | 2,785               | 2,622               |
| Plus transfer from General Purpose Funding  | 99                  | 140                 | 163                 |
| Less transfer To General Purpose Funding    | (2,884)             |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>              | <u>0</u>            | <u>2,925</u>        | <u>2,785</u>        |
| <b>Plant Replacement Reserve</b>            |                     |                     |                     |
| Balance brought forward 1st July            | 300,274             | 300,274             | 321,607             |
| Plus transfer from General Purpose Funding  | 15,014              | 15,014              | 19,967              |
| Less transfer To General Purpose Funding    | (114,230)           |                     | (41,300)            |
| <b>BALANCE AS AT 30TH JUNE</b>              | <u>201,058</u>      | <u>315,288</u>      | <u>300,274</u>      |
| <b>Sanitation Reserve</b>                   |                     |                     |                     |
| Balance brought forward 1st July            | 468                 | 468                 | 441                 |
| Plus transfer from General Purpose Funding  | 20                  | 20                  | 27                  |
| Less transfer To General Purpose Funding    | (488)               |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>              | <u>0</u>            | <u>488</u>          | <u>468</u>          |
| <b>Sport &amp; Recreation Reserve</b>       |                     |                     |                     |
| Balance brought forward 1st July            | 31,960              | 31,960              | 30,092              |
| Plus transfer from General Purpose Funding  | 76,598              | 1,598               | 1,868               |
| Less transfer To General Purpose Funding    |                     |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>              | <u>108,558</u>      | <u>33,558</u>       | <u>31,960</u>       |
| <b>Staff Housing Reserve</b>                |                     |                     |                     |
| Balance brought forward 1st July            | 85,367              | 85,367              | 80,377              |
| Plus transfer from General Purpose Funding  | 4,268               | 4,268               | 4,990               |
| Less transfer To General Purpose Funding    |                     |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>              | <u>89,636</u>       | <u>89,635</u>       | <u>85,367</u>       |
| <b>Staff Training Reserve</b>               |                     |                     |                     |
| Balance brought forward 1st July            | 4,484               | 4,484               | 4,222               |
| Plus transfer from General Purpose Funding  | 145                 | 224                 | 262                 |
| Less transfer To General Purpose Funding    | (4,629)             |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>              | <u>0</u>            | <u>4,708</u>        | <u>4,484</u>        |

**SHIRE OF GOMALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDING 30 JUNE 2013**

**11 RESERVES - CASH BACKED  
(Continued)**

|  | 2012/2013<br>Actual | 2012/2013<br>Budget | 2011/2012<br>Actual |
|--|---------------------|---------------------|---------------------|
| <b>Two Way Radio Reserve</b>               |                     |                     |                     |
| Balance brought forward 1st July           | 1,389               | 1,389               | 1,308               |
| Plus transfer from General Purpose Funding | 30                  | 70                  | 81                  |
| Less transfer To General Purpose Funding   | (1,419)             |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>             | <u>0</u>            | <u>1,459</u>        | <u>1,389</u>        |
| <b>Aged Care Reserve</b>                   |                     |                     |                     |
| Balance brought forward 1st July           | 121,033             | 121,033             | 113,958             |
| Plus transfer from General Purpose Funding | 6,052               | 6,052               | 7,075.17            |
| Less transfer To General Purpose Funding   |                     |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>             | <u>127,085</u>      | <u>127,085</u>      | <u>121,033</u>      |
| <b>Vehicle Reserve</b>                     |                     |                     |                     |
| Balance brought forward 1st July           | 199,284             | 199,284             | 199,875             |
| Plus transfer from General Purpose Funding | 9,968               | 9,968               | 12,409              |
| Less transfer To General Purpose Funding   | (91,500)            |                     | (13,000)            |
| <b>BALANCE AS AT 30TH JUNE</b>             | <u>117,753</u>      | <u>209,252</u>      | <u>199,284</u>      |
| <b>Community Bus Reserve</b>               |                     |                     |                     |
| Balance brought forward 1st July           | 48,582              | 48,582              | 45,742              |
| Plus transfer from General Purpose Funding | 2,429               | 2,429               | 2,840               |
| Less transfer To General Purpose Funding   |                     |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>             | <u>51,011</u>       | <u>51,011</u>       | <u>48,582</u>       |
| <b>Sewerage Reserve</b>                    |                     |                     |                     |
| Balance brought forward 1st July           | 127,096             | 127,096             | 119,666             |
| Plus transfer from General Purpose Funding | 41,355              | 6,355               | 7,430               |
| Less transfer To General Purpose Funding   |                     |                     |                     |
| <b>BALANCE AS AT 30TH JUNE</b>             | <u>168,450</u>      | <u>133,451</u>      | <u>127,096</u>      |
| <b>S.E.E.D Reserve</b>                     |                     |                     |                     |
| Balance brought forward 1st July           | 190,036             | 190,036             | 200,203             |
| Plus transfer from General Purpose Funding | 6,502               | 9,502               | 12,430              |
| Less transfer To General Purpose Funding   | (196,538)           |                     | (22,597)            |
| <b>BALANCE AS AT 30TH JUNE</b>             | <u>0</u>            | <u>199,538</u>      | <u>190,036</u>      |
| <b>LCDC Reserve</b>                        |                     |                     |                     |
| Balance brought forward 1st July           | 11,448              | 11,448              | 11,448              |
| Plus transfer from General Purpose Funding | 572                 | 572                 | 711                 |
| Less transfer To General Purpose Funding   | (572)               |                     | (711)               |
| <b>BALANCE AS AT 30TH JUNE</b>             | <u>11,448</u>       | <u>12,020</u>       | <u>11,448</u>       |
| <b>TOTAL RESERVES</b>                      | <u>1,000,000</u>    | <u>1,312,501</u>    | <u>1,250,000</u>    |

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**11 RESERVES - CASH BACKED**  
**(Continued)**

**Summary of Reserve Transfers**

|  | 2012/13<br>Actual | 2012/13<br>Budget | 2011/12<br>Actual |
|--|-------------------|-------------------|-------------------|
| <b>Transfers to Reserves</b>             |                   |                   |                   |
| Bitumen Reserve                          | \$ 297            | \$ 337            | \$ 394            |
| Long Service Leave Reserve               | 5,776             | 5,776             | 6,753             |
| Mortlock Lodge Reserve                   | 176               | 176               | 206               |
| Office Equipment Reserve                 | 99                | 140               | 163               |
| Plant Replacement Reserve                | 15,014            | 15,014            | 19,967            |
| Sanitation Reserve                       | 20                | 20                | 27                |
| Sport & Recreation Reserve               | 76,598            | 1,598             | 1,868             |
| Staff Housing Reserve                    | 4,268             | 4,268             | 4,990             |
| Staff Training Reserve                   | 145               | 224               | 262               |
| Two Way Radio Reserve                    | 30                | 70                | 81                |
| Aged Care Reserve                        | 6,052             | 6,052             | 7,075             |
| Vehicle Reserve                          | 9,968             | 9,968             | 12,409            |
| Community Bus Reserve                    | 2,429             | 2,429             | 2,840             |
| Sewerage Reserve                         | 41,355            | 6,355             | 7,430             |
| S.E.E.D Reserve                          | 6,502             | 9,502             | 12,430            |
| LCDC Reserve                             | 572               | 572               | 711               |
|  | <b>169,301</b>    | <b>62,501</b>     | <b>77,607</b>     |
| <b>Transfers from Reserves</b>           |                   |                   |                   |
| Bitumen Reserve                          | (7,041)           | -                 | -                 |
| Long Service Leave Reserve               | -                 | -                 | -                 |
| Mortlock Lodge Reserve                   | -                 | -                 | -                 |
| Office Equipment Reserve                 | (2,884)           | -                 | -                 |
| Plant Replacement Reserve                | (114,230)         | -                 | (41,300)          |
| Sanitation Reserve                       | (488)             | -                 | -                 |
| Sport & Recreation Reserve               | -                 | -                 | -                 |
| Staff Housing Reserve                    | -                 | -                 | -                 |
| Staff Training Reserve                   | (4,629)           | -                 | -                 |
| Two Way Radio Reserve                    | (1,419)           | -                 | -                 |
| Aged Care Reserve                        | -                 | -                 | -                 |
| Vehicle Reserve                          | (91,500)          | -                 | (13,000)          |
| Community Bus Reserve                    | -                 | -                 | -                 |
| Sewerage Reserve                         | -                 | -                 | -                 |
| S.E.E.D Reserve                          | (196,538)         | -                 | (22,597)          |
| LCDC Reserve                             | (572)             | -                 | (711)             |
|  | <b>(419,301)</b>  | <b>0</b>          | <b>(77,607)</b>   |
| <b>Total Transfer to/(from) Reserves</b> | <b>(250,000)</b>  | <b>62,501</b>     | <b>0</b>          |



**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**11 RESERVES - CASH BACKED**  
**(Continued)**

All of the cash backed reserve accounts are supported by money held in financial institutions and match the amounts shown as restricted cash in Note 3 to this financial report.

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

**Bitumen Reserve**

- to be used to fund future maintenance of existing roads and the construction of new bitumen roads.

**Long Service Leave Reserve**

- to be used to fund long service leave requirements.

**Mortlock Lodge Reserve**

- to be used for maintenance and improvements to the Mortlock Retirement Units.

**Office Equipment Reserve**

- to be used for the purchase of new office equipment.

**Plant Replacement Reserve**

- to be used for the future replacement of plant.

**Sanitation Reserve**

- to be used to maintain and improve sanitation services to the community.

**Sport & Recreation Reserve**

- to be used for the upgrading and improvements to sporting and recreational facilities within the Shire.

**Staff Housing Reserve**

- to be used for the maintenance, upgrading and construction of new housing for Council's employees or public rental housing.

**Staff Training Reserve**

- to be used for future training of Council's staff.

**Two Way Radio Reserve**

- to be used for the upkeep and improvement to council's two way network.

**Streetscape Reserve**

- to be used for the maintenance and improvements of roads & streets within the municipality.

**Aged Care Reserve**

- to be utilised to provide for the needs of the aged.

**Vehicle Reserve**

- to be used for the purchase of motor vehicles and utilities if at a future date council ceases to lease the same.

**Landcare Project Officer Reserve**

- to be used to fund the purchase of a new vehicle for the Landcare Co-ordinator.

**Community Bus Reserve**

- to be used to fund the purchase of a new community bus.

**Sewerage Reserve**

- to be used to maintain and upgrade the sewerage scheme in the Goomalling townsite.

**SEED (Social Economic & Environmental Development) Reserve**

- to be used for the social and economic & environmental development for the district of the Shire of Goomalling.

**Sport & Recreation Co-Ordinator Leave Entitlements Reserve**

- to be used to fund annual leave for the Sport and Recreation Officer.

**LCDC Reserve**

- to be used to fund Landcare Activities

It's the Shire's Intention to utilise the Funds held in the abovementioned Reserves for the purpose of not utilising external Overdraft Facilities from time to time during the Financial year. The benefits to the Shire is that it reduces its Financing Costs.

**12 RESERVES - ASSET REVALUATION**

Asset revaluation reserves have arisen on revaluation of the following classes of

|  | <b>2012/13</b>           | <b>2011/12</b>           |
|--|--------------------------|--------------------------|
| <b>(a) Roads</b>                                     | <b>\$</b>                | <b>\$</b>                |
| Opening Balance                                      | 29,681,795               | 20,012,261               |
| Revaluation Increment                                | 364,016                  | 9,669,534                |
| Revaluation Decrement                                | -764,375                 | 0                        |
| Write Back Provision for Depreciation on Revaluation | 891,833                  | 0                        |
|  | <u>30,173,269</u>        | <u>29,681,795</u>        |
| <b>TOTAL ASSET REVALUATION RESERVES</b>              | <u><b>30,173,269</b></u> | <u><b>29,681,795</b></u> |

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**13 NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

|                           | 2012/13<br>Actual | 2012/13<br>Budget | 2011/12<br>Actual |
|---------------------------|-------------------|-------------------|-------------------|
| Cash and Cash Equivalents | <u>1,315,850</u>  | <u>1,452,271</u>  | <u>1,532,833</u>  |

**(b) Reconciliation of Net Cash Provided  
By Operating Activities to Net Result**

|  |                       |                      |                         |
|--|-----------------------|----------------------|-------------------------|
| Net Result   | 903,850               | #REF!                | 652,527                 |
| Revaluation  | (491,474)             |                      |                         |
| Depreciation   | 1,210,056             | 585,469              | 1,450,316               |
| Write-down in Fair Value of Investments  |                       |                      |                         |
| (Profit)/Loss on Sale of Asset   | (12,817)              | (170,538)            | (46,715)                |
| Prior Year Loan liability Adjustment   | 0                     |                      | 0                       |
| (Increase)/Decrease in Receivables   | 138,378               | 267,352              | (225,481)               |
| (Increase)/Decrease in Inventories   | (7,521)               | (7,786)              | 27,855                  |
| Increase/(Decrease) in Payables  | (314,267)             | (253,774)            | 349,882                 |
| Increase/(Decrease) Accrued Loan   | (29,427)              | (18,697)             | 26,272                  |
| Increase/(Decrease) in Employee Grants/Contributions for the Development of Assets | 157,421               | (2,198)              | 14,193                  |
|  | <u>(1,135,117)</u>    | <u>(607,648)</u>     | <u>(911,397)</u>        |
| <b>Net Cash from Operating Activities</b>  | <u><b>419,082</b></u> | <u><b>93,234</b></u> | <u><b>1,337,452</b></u> |

**(c) Undrawn Borrowing Facilities**

|  |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|
| <b>Credit Standby Arrangements</b>             |                       |                       |                       |
| Bank Overdraft limit                           | 500,000               | 500,000               | 500,000               |
| Bank Overdraft at Balance Date                 |                       |                       |                       |
| Credit Card limit                              | 10,000                | 10,000                | 15,000                |
| Credit Card Balance at Balance Date            |                       | 0                     | 4,192                 |
| <b>Total Amount of Credit Unused</b>           | <u><b>510,000</b></u> | <u><b>510,000</b></u> | <u><b>519,192</b></u> |
| <b>Loan Facilities</b>                         |                       |                       |                       |
| Loan and Lease Facilities - Current            | 449,889               | 528,569               | 525,570               |
| Loan and Lease Facilities - Non-Current        |                       |                       | 2,732,750             |
|  | <u>2,542,775</u>      | <u>2,193,281</u>      |                       |
| <b>Total Facilities in Use at Balance Date</b> | <u>2,992,664</u>      | <u>2,721,850</u>      | <u>3,258,320</u>      |
| <b>Unused Loan Facilities at Balance Date</b>  | <u>0</u>              | <u>0</u>              | <u>0</u>              |

**14 CONTINGENT LIABILITIES**

The council is not aware of any contingent liability that may arise in relation to the day to day operations and activities of the Shire of Goomalling for the period under review.

**15 CAPITAL AND LEASING COMMITMENTS**

|                                  | 2012/13<br>\$         | 2011/12<br>\$         |
|----------------------------------|-----------------------|-----------------------|
| <b>Finance Lease Commitments</b> |                       |                       |
| <b>(a) Payable:</b>              |                       |                       |
| Not later than one year          | 271,952               | 329,490               |
| Not later than five years        | 595,441               | 498,061               |
| Total Lease Payments             | <u>867,392</u>        | <u>827,551</u>        |
| Less Future Finance Charges      | (194,960)             | (112,004)             |
| <b>Total Lease Liability</b>     | <u><b>672,433</b></u> | <u><b>715,546</b></u> |

**SHIRE OF GOOMALLING**  
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**FOR THE YEAR ENDING 30 JUNE 2013**

**15 CAPITAL AND LEASING COMMITMENTS (continued)**

The council has not entered into any operating leases and all capital expenditure commitments on contracts entered into during the financial year were completed and finalised as at 30 June 2013

**16 JOINT VENTURE**

**(a) Details**

This Shire of Goomalling together with the Shire of Toodyay have a Joint Venture arrangement with regard to the provision of a Sport and Recreation Co-ordinator. The only assets are miscellaneous equipment. These assets are included in Furniture & Equipment. In addition The Shire has entered into an arrangement with the DFES & The Shire of Toodyay in respect to providing Fire & Emergency services in the region. The Assets used in the levy of the services are shared on the basis of 70% by DFES & 15% each by Toodyay & Shire of Goomalling.

**(b) Current Year Transactions**

**2012/13**  
\$

**2011/12**  
\$

The Council's value of Furniture & Equipment under the joint venture is as follows:

**Non-Current Assets**  
Furniture & Equipment

3,380  
3,380

3,380  
11,250

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**17 TRUST FUNDS**

|                             | Balance<br>30-Jun-12 | Amounts<br>Received | Amounts<br>Paid | Balance<br>30-Jun-13 |
|-----------------------------|----------------------|---------------------|-----------------|----------------------|
|                             | \$                   | \$                  | (\$)            | \$                   |
| Financial Assistance Grants | 6,640                | 7,990               |                 | 14,630               |
| Road Wise Grant             |                      |                     |                 |                      |
| HACC Surplus                |                      |                     |                 |                      |
| Young Persons Unit Surplus  |                      |                     |                 |                      |
| New Sporting Complex        |                      |                     |                 |                      |
| Subdivision Bond            |                      |                     |                 |                      |
| Tidy Towns                  |                      |                     |                 |                      |
| A.V.T.A                     |                      |                     |                 |                      |
| Cemetery Deposits           |                      |                     |                 |                      |
| Rental Bonds                | 7,390                | 2,814               | 2,820           | 7,384                |
| Aged Homes Rentals          |                      |                     |                 |                      |
| Police Licensing            | 0                    | 808,232             | 808,232         | 0                    |
| Slater Homestead Donation   | 17,098               | 200                 | 4,317           | 12,981               |
| Deposits                    |                      |                     |                 |                      |
| Konno Special Series Plate  | 670                  |                     |                 | 670                  |
| War Memorial                |                      |                     |                 |                      |
| Mortlock Farm               | 1,542                |                     |                 | 1,542                |
| Novated Lease               |                      |                     |                 |                      |
| Accrued AL and LSL Beactive | 7,284                | 4,179               |                 | 11,463               |
| Department Sport            |                      |                     |                 |                      |
| Amazing Race                | 5,628                |                     |                 | 5,628                |
| Youth Group Activities      | 105                  |                     |                 | 105                  |
| Special Series Plates       |                      |                     |                 |                      |
| Arcadia Creek Project       |                      |                     |                 |                      |
| Shopping Bags Slater Homes  |                      |                     |                 |                      |
| Market Day Stalls           |                      |                     |                 | 0                    |
| 2007 Muni Golf Day          |                      |                     |                 |                      |
| Goom/Wong Womans Football   | (293)                |                     |                 | (293)                |
| Pioneers Pathway Sign Fund  | 27,691               | 8,448               | 14,850          | 21,289               |
| Skeleton Weed               | 5,120                | 1,959               |                 | 7,079                |
| Goom Biggest Loser (GYM)    | (1,000)              |                     |                 | (1,000)              |
| Cross Over Bond             | 0                    |                     |                 | 0                    |
|                             | <b>77,874</b>        | <b>833,822</b>      | <b>830,219</b>  | <b>81,478</b>        |

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

| 18 FINANCIAL RATIOS                                | 2012/13 | 2011/12 | 2010/11 |
|--|---------|---------|---------|
| Current Ratio                                      | 1.62    | 1.54    | 0.70    |
| Untied Cash to Unpaid Trade Creditors              | 0.00    | 0.14    | 0.00    |
| Debt Ratio   | 0.06    | 0.05    | 0.08    |
| Debt Service Ratio                                 | 0.16    | 0.16    | 0.21    |
| Gross Debt to Revenue Ratio                        | 0.73    | 0.75    | 0.86    |
| Gross Debt to Economically Realisable Assets Ratio | 0.14    | 0.07    | 0.25    |
| Debt Service Cover Ratio                           | 2.88    | 3.26    | 2.41    |
| Rate Coverage Ratio                                | 0.27    | 0.28    | 0.28    |
| Outstanding Rates Ratio                            | 0.03    | 0.06    | 0.07    |
| Asset Sustainability Ratio                         | 138%    | 150%    | 389     |
| Operating Surplus Ratio                            | -7.2%   | -8.2%   | 10.80%  |
| Own Source Revenue Coverage Ratio                  | 75.8%   | 56.5%   | 81.9%   |
| Asset Consumption Ratio                            | 64.2%   | NA      | NA      |
| Asset Renewal Funding Ratio                        | 105.0%  | NA      | NA      |

The above ratios are calculated as follows:

|  |  |
|--|--|
| Current Ratio:<br>Benchmark > 1.0  | $\frac{\text{Current Assets minus Restricted Current Assets}}{\text{Current Liabilities minus Liabilities Associated with Restricted Assets}}$ |
| Untied Cash to Unpaid Trade Creditors Ratio:<br>Benchmark = 1.0  | $\frac{\text{Untied Cash}}{\text{Unpaid Trade Creditors}}$   |
| Debt Ratio:<br>Benchmark < 0.1   | $\frac{\text{Total Liabilities}}{\text{Total Assets}}$   |
| Debt Service Ratio:<br>Benchmark < 0.1   | $\frac{\text{Debt Service Cost}}{\text{Available Operating Revenue}}$  |
| Gross Debt to Revenue Ratio:<br>Benchmark - lower the better   | $\frac{\text{Gross Debt}}{\text{Total Revenue}}$   |
| Gross Debt to Economically Realisable Assets Ratio:<br>Benchmark < 0.3                                     | $\frac{\text{Gross Debt}}{\text{Economically Realisable Assets}}$  |
| Rate Coverage Ratio:<br>Benchmark > 0.4  | $\frac{\text{Net Rate Revenue}}{\text{Operating Revenue}}$   |
| Outstanding Rates Ratio:<br>Benchmark < 0.05   | $\frac{\text{Rates Outstanding}}{\text{Rates Collectable}}$  |
| Asset Sustainability Ratio<br>Benchmark - Target > 90%   | $\frac{\text{Capital Renewal and Replacement Expenditure}}{\text{Depreciation}}$   |
| Operating Surplus Ratio<br>Benchmark - Basic 1% to 15%, Advanced > 15%                                     | $\frac{\text{Operating Revenue less Operating Expense}}{\text{Own Source Operating Revenue}}$  |
| Own Source Revenue Coverage Ratio<br>Benchmark - Basic 40% to 60%, Intermediate 60% to 90%, Advanced > 90% | $\frac{\text{Own Source Operating Revenue}}{\text{Operating Expense}}$   |
| Asset Consumption Ratio<br>Benchmark - Target > 50%  | $\frac{\text{Depreciated Replacement Cost or Depreciable Assets}}{\text{Current Replacement Cost of Depreciable Assets}}$                      |
| Asset Renewal Funding Ratio<br>Benchmark - Target 95% to 105%  | $\frac{\text{NPV of Planned Capital Renewal over 10years}}{\text{NPV of Required Capital Renewal over 10years}}$                               |
| Debit Service Cover Ratio  | $\frac{\text{Annual Operating Surplus before Interest and Depreciation}}{\text{Principal and Interest}}$                                       |

**19 TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

|                             | <b>2012/13</b>           | <b>2011/12</b>           |
|-----------------------------|--------------------------|--------------------------|
|                             | <b>Actual</b>            | <b>Actual</b>            |
|                             | \$                       | \$                       |
| Governance                  | 11,718                   | 11,630                   |
| General Purpose Funding     | 23,435                   | 23,259                   |
| Law, Order, Public Safety   | 820,240                  | 814,075                  |
| Health                      | 292,943                  | 290,741                  |
| Education and Welfare       | 0                        | 0                        |
| Housing                     | 234,354                  | 232,593                  |
| Community Amenities         | 351,531                  | 348,889                  |
| Recreation and Culture      | 3,163,782                | 3,140,002                |
| Transport                   | 50,292,422               | 49,914,400               |
| Economic Services           | 175,766                  | 174,445                  |
| Other Property and Services | 2,519,308                | 2,500,372                |
| Unallocated                 | 703,063                  | 697,778                  |
|                             | <u><b>58,588,563</b></u> | <u><b>58,148,182</b></u> |

**SHIRE OF GOOMALLING**  
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**20 ACQUISITION OF ASSETS**

|   | Total Acquisitions  | Acquisitions Source of Funding for the year ended 30 June 2013 |                         |                   |                          |                |                |                 |
|---|---------------------|--|-------------------------|-------------------|--------------------------|----------------|----------------|-----------------|
|   | Actual<br>2012-2013 | Restricted Funds from prior period                             | RRGroup & Direct Grants | Roads to Recovery | Finance Lease Borrowings | Reserves       | Sale of Assets | Council Revenue |
| <b>Land and Buildings</b>                         |                     |  |                         |                   |                          |                |                |                 |
| <b>Housing</b>                                    |                     |  |                         |                   |                          |                |                |                 |
| 32 Eaton Street (Capital)                         | 615                 |  |                         |                   |                          |                |                | 615             |
| L&B - 8 FORREST STREET                            | 455                 |  |                         |                   |                          |                |                | 455             |
| 73A James Street (Capital)                        | 3,100               |  |                         |                   |                          |                |                | 3,100           |
| Doctors Residence (Capital)                       | 2,483               |  |                         |                   |                          |                |                | 2,483           |
| L&B - JOINT VENTURE A.P.U.                        | 4,766               |  |                         |                   |                          |                |                | 4,766           |
| PURCHASE VACANT RESIDENTIAL LAND                  | 2,474               |  |                         |                   |                          |                |                | 2,474           |
| L&B - 52 James Street Resid (Capital)             | 2,362               |  |                         |                   |                          |                |                | 2,362           |
| Joint Venture Lot 460 Wollyam                     | 23,556              | 23,556   |                         |                   |                          |                |                |                 |
| 45 James Street (Capital)                         | 1,961               |  |                         |                   |                          |                |                | 1,961           |
| <b>Community Amenities</b>                        |                     |  |                         |                   |                          |                |                |                 |
| L&B - PUBLIC CONVENIENCES                         | 13,169              | 13,169   |                         |                   |                          |                |                |                 |
| <b>Recreation and Culture</b>                     |                     |  |                         |                   |                          |                |                |                 |
| OLD OFFICE (Road Board) (Capital)                 | 3,169               |  |                         |                   |                          |                |                | 3,169           |
| L&B - Golf Club Building (Capital)                | 4,000               |  |                         |                   |                          |                |                | 4,000           |
| L&B - OLD BANKWEST BUILDING CAPITAL               | 26,264              |  |                         |                   |                          |                |                | 26,264          |
| Land & Buildings Museum Extent                    | 40,029              | 40,029.00  |                         |                   |                          |                |                |                 |
| <b>Transport</b>                                  |                     |  |                         |                   |                          |                |                |                 |
| Throssel St Upgrade - L&B                         | 27,646              | 27,646.00  |                         |                   |                          |                |                |                 |
| <b>Economic Services</b>                          |                     |  |                         |                   |                          |                |                |                 |
| L&B OLD SLATER HOMESTEAD                          | 179,887             |  |                         |                   |                          | 179,887        |                |                 |
| CARAVAN PARK CAMP KITCHEN                         | 9,336               |  |                         |                   |                          |                |                | 9,336           |
| L&B UPGRADE TO CARAVAN PARK                       | 7,030               |  |                         |                   |                          |                |                | 7,030           |
| C/Park Onsite Units - Capital                     | 1,047               |  |                         |                   |                          |                |                | 1,047           |
| L&B - THT BUILDING CAPITAL                        | 58,374              | 58,374.00  |                         |                   |                          |                |                |                 |
| L&B - MENS SHED CAPITAL                           | 6,618               | 6,618.00   |                         |                   |                          |                |                |                 |
| <b>Total Land and Buildings</b>                   | <b>418,339</b>      |  |                         |                   |                          |                |                |                 |
| <b>Furniture and Equipment</b>                    |                     |  |                         |                   |                          |                |                |                 |
| <b>Governance</b>                                 |                     |  |                         |                   |                          |                |                |                 |
| OFFICE FURNITURE & EQUIPMENT PURCHASES            | 3,631               |  |                         |                   |                          |                |                | 3,631           |
| Office Equip - IPADS                              | 6,050               |  |                         |                   |                          |                |                | 6,050           |
| F&E New TV Digital Council Chambers               | 390                 |  |                         |                   |                          |                |                | 390             |
| <b>Health</b>                                     |                     |  |                         |                   |                          |                |                |                 |
| Doctors Surgery - Office Equipment (capital)      | 741                 |  |                         |                   |                          |                |                | 741             |
| <b>Recreation and Culture</b>                     |                     |  |                         |                   |                          |                |                |                 |
| F&E - GYM EQUIPMENT                               | 4,700               |  |                         |                   |                          |                |                | 4,700           |
| <b>Economic Services</b>                          |                     |  |                         |                   |                          |                |                |                 |
| BANNER POLES                                      | 832                 |  |                         |                   |                          |                |                | 832             |
| CHRISTMAS LIGHTS & DECORATIONS                    | 5,138               |  |                         |                   |                          |                |                | 5,138           |
| <b>Total Furniture and Equipment</b>              | <b>21,482</b>       |  |                         |                   |                          |                |                |                 |
| <b>Machinery Plant and Tools</b>                  |                     |  |                         |                   |                          |                |                |                 |
| <b>Recreation and Culture</b>                     |                     |  |                         |                   |                          |                |                |                 |
| Lawn Mowers (Capital)                             | 579                 |  |                         |                   |                          |                |                | 579             |
| P&E - RIDE ON MOWER (OVAL/HOCKEY)                 | 9,921               |  |                         |                   |                          |                |                | 9,921           |
| <b>Transport</b>                                  |                     |  |                         |                   |                          |                |                |                 |
| PLANT - ROAD SWEEPER                              | 5,632               |  |                         |                   |                          |                |                | 5,632           |
| Major Overhaul of Grader Go 032                   | 22,346              |  |                         |                   |                          | 22,346         |                |                 |
| PLANT - HONDA MANUAL AIR COMPRESSOR               | 1,327               |  |                         |                   |                          |                |                | 1,327           |
| Spray Gun - Samson (Alan Jones) P&E               | 250                 |  |                         |                   |                          |                |                | 250             |
| Purchase Roller Lease Finance                     | 134,500             |  |                         |                   | 134,500                  |                |                |                 |
| <b>Economic Services</b>                          |                     |  |                         |                   |                          |                |                |                 |
| P&E - 12 GAUGE SHOTGUN                            | 1,119               |  |                         |                   |                          |                |                | 1,119           |
| P&E - BEC VEHICLE                                 | 72,345              |  |                         |                   |                          |                | 43,618         | 28,727          |
| <b>Total Machinery Plant and Tools</b>            | <b>248,020</b>      |  |                         |                   |                          |                |                |                 |
| <b>Swimming Pool and Equipment</b>                |                     |  |                         |                   |                          |                |                |                 |
| <b>Recreation and Culture</b>                     |                     |  |                         |                   |                          |                |                |                 |
| SWIMMING POOL REPAIR MAIN BOWL                    | 6,850               | 6,850.00   |                         |                   |                          |                |                |                 |
| S/Pool shades Community Facilities Grant          | 780                 |  |                         |                   |                          |                |                | 780             |
| <b>Total Swimming Pool and Equipment</b>          | <b>7,630</b>        |  |                         |                   |                          |                |                |                 |
| <b>Infrastructure Road Network</b>                |                     |  |                         |                   |                          |                |                |                 |
| <b>Transport</b>                                  |                     |  |                         |                   |                          |                |                |                 |
| Bitumen Widening & Primerseal                     | 599,312             |  | 397,049                 |                   |                          | 7,040          |                | 195,222.66      |
| Municipal Road Construction                       | 103,354             |  |                         |                   |                          |                |                | 103,354         |
| BLACKSPOT - PATTERSON RD CONSTRUCTION             | 57,951              |  | 38,578                  |                   |                          |                |                | 19,372.84       |
| Roads To Recovery Expend                          | 176,745             |  |                         | 172,648           |                          |                |                | 4,097           |
| <b>Total Infrastructure Road Network</b>          | <b>937,361</b>      |  |                         |                   |                          |                |                |                 |
| <b>Infrastructure Footpaths and Kerbing</b>       |                     |  |                         |                   |                          |                |                |                 |
| <b>Transport</b>                                  |                     |  |                         |                   |                          |                |                |                 |
| Footpaths & Kerbing                               | 34,405              |  |                         |                   |                          |                |                | 34,405          |
| <b>Total Infrastructure Footpaths and Kerbing</b> | <b>34,405</b>       |  |                         |                   |                          |                |                |                 |
|   | <b>1,667,236</b>    | <b>176,242</b>   | <b>435,627</b>          | <b>172,648</b>    | <b>134,500</b>           | <b>209,273</b> | <b>43,618</b>  | <b>495,331</b>  |

**SHIRE OF GOOMALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDING 30 JUNE 2013**

**2.1 DISPOSAL OF ASSETS 2012/2013 FINANCIAL YEAR**

The following assets were disposed of during the year

|                                 | Proceeds<br>Sale of Assets |                | Written Down<br>Value |                  | Gain/(Loss)<br>on Disposal |                  |
|---------------------------------|----------------------------|----------------|-----------------------|------------------|----------------------------|------------------|
|                                 | 2012/13                    | 2012/13        | 2012/13               | 2012/13          | 2012/13                    | 2012/13          |
|                                 | Budget                     | Actual         | Budget                | Actual           | Budget                     | Actual           |
|                                 | \$                         | \$             | \$                    | \$               | \$                         | \$               |
| <b>Asset by Class</b>           |                            |                |                       |                  |                            |                  |
| Land Held for Resale            |                            | 95,000         |                       | 95,000           |                            | -                |
| Plant and Equipment             |                            | 53,892         |                       | 66,709           |                            | -12,817          |
|                                 | -                          | <b>53,892</b>  | -                     | <b>66,709</b>    | -                          | <b>(12,817)</b>  |
| <b>Assets by Program</b>        |                            |                |                       |                  |                            |                  |
| <b>Transport</b>                |                            |                |                       |                  |                            |                  |
| Sale of Grader                  |                            | 17,091         |                       | -                |                            | 17,091           |
| Sale of Roller                  |                            | 6,000          |                       | 5,963            |                            | 37               |
| <b>Economic Services</b>        |                            |                |                       |                  |                            |                  |
| Motor Vehicle                   |                            | 43,618         |                       | 47,929           |                            | (4,311)          |
| Land Held for Resale            |                            | 95,000         |                       | 95,000           |                            | -                |
| <b>TOTAL BY CLASS OF ASSETS</b> | <b>-</b>                   | <b>161,709</b> | <b>-</b>              | <b>148,892</b>   | <b>-</b>                   | <b>12,817</b>    |
|                                 |                            |                |                       |                  |                            |                  |
|                                 |                            |                |                       | <b>2012-2013</b> | <b>2012-2013</b>           | <b>2011-2012</b> |
|                                 |                            |                |                       | <b>Actual</b>    | <b>Budget</b>              | <b>Actual</b>    |
|                                 |                            |                |                       | <b>\$</b>        | <b>\$</b>                  | <b>\$</b>        |
| <b>Summary</b>                  |                            |                |                       |                  |                            |                  |
| Profit on Asset Disposals       |                            |                |                       | 12,817           | -                          | 46,715           |
| Loss on Asset Disposals         |                            |                |                       | <b>12,817</b>    | <b>-</b>                   | <b>46,715</b>    |



**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**22 INFORMATION ON BORROWINGS**  
**(a) Debenture Repayments**

| Particulars                                  | Borrowing Institution | Interest Rate % | Principal 1-Jul-12 \$ | New Loans \$ | Principal Repayments |                | Principal 30-Jun-13 |                  | Interest Repayments |                | Repayments Due 2014 |                |
|--|-----------------------|-----------------|-----------------------|--------------|----------------------|----------------|---------------------|------------------|---------------------|----------------|---------------------|----------------|
|  |                       |                 |                       |              | Actual \$            | Budget \$      | Actual \$           | Budget \$        | Actual \$           | Budget \$      | Interest \$         | Principal \$   |
|  |                       |                 |                       |              |                      |                |                     |                  |                     |                |                     |                |
| <b>Housing</b>                               |                       |                 |                       |              |                      |                |                     |                  |                     |                |                     |                |
| Loan 98 - Community Bank Housing *           | Bendigo Bank          | 6.63            | 33,183                |              | 8,278                | 16,051         | 24,905              | 17,132           | 9,230               | 1,938          | 1,380               | 16,609         |
| Loan 99 - Young Peoples Housing              | Bendigo Bank          | 6.63            | 33,183                |              | 8,278                | 16,051         | 24,905              | 17,132           | 9,230               | 1,938          | 1,380               | 16,609         |
| Loan 101 - Tradesmans Residence              | Bendigo Bank          | 6.54            | 72949                 |              | 16,220               | 16,161         | 56,730              | 56,788           | 4,453               | 4,511          | 3,516               | 17,157         |
| <b>Economic Services</b>                     |                       |                 |                       |              |                      |                |                     |                  |                     |                |                     |                |
| Loan 97 - Various Building Upgrades          | Bendigo Bank          | 5.97            | 68,749                |              | 68,749               | 68,749         | 0                   | 0                | -1,505              | 3,162          | 0                   | 0              |
| Loan 105 - Slater Homestead                  | Bendigo Bank          | 7.65            | 95,424                |              | 0                    | 9,534          | 95,424              | 85,890           | 7,285               | 7,188          | 7,285               | 0              |
| Loan 104 - Rural Transaction Centre          | Bendigo Bank          | 7.65            | 318,088               |              | 0                    | 31,632         | 318,088             | 286,456          | 24,284              | 23,973         | 24,396              | 0              |
| Loan 106 - Rural Transaction Centre          | Bendigo Bank          | 8.75            | 472,492               |              | 8,497                | 8,415          | 463,995             | 464,077          | 41,081              | 41,163         | 40,403              | 9,175          |
| Loan 108 - Grange & Salmon Gums Subdivisions | Bendigo Bank          | 7.65            | 1,448,706             |              | 112,520              | 108,559        | 1,336,186           | 1,340,147        | 104,820             | 108,789        | 100,017             | 117,324        |
|  |                       |                 | <b>2,542,774</b>      | <b>0</b>     | <b>222,542</b>       | <b>275,152</b> | <b>2,320,232</b>    | <b>2,267,622</b> | <b>198,878</b>      | <b>192,662</b> | <b>178,377</b>      | <b>176,873</b> |

**Funding of Borrowings**

All loan repayments were funded by general purpose income.

**Self-Supporting Loan**

\* Those loans denoted with \* are subject of a repayment agreement that secured the reimbursement from a community organisation of all costs associated with the loan.

Accrued Interest 1 July 2012 **48,197**

Accrued Interest 30 July 2013 **18,770**

**169,451**

**(b) Overdraft**

The Shire established an overdraft facility of \$500,000 to assist with short term liquidity requirements. The facility was used during the year.

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**23 RATING INFORMATION 2012/2013 FINANCIAL YEAR**

| <b>RATE TYPE</b>                 | <b>Rate in \$</b> | <b>Number of Properties</b> | <b>Rateable Value \$</b> | <b>Rate Revenue \$</b> | <b>Total Revenue \$</b> | <b>Budget Revenue \$</b> |
|----------------------------------|-------------------|-----------------------------|--------------------------|------------------------|-------------------------|--------------------------|
| <b>Differential General Rate</b> |                   |                             |                          |                        |                         |                          |
| GRV - District                   | 0.09830           | 220                         | 1,481,325                | 145,614                | 145,614                 | 144,114                  |
| UV - Rural Zone 2                | 0.00400           | 55                          | 24,510,000               | 98,040                 | 98,040                  | 98,040                   |
| UV - Special Rural               | 0.00795           | 16                          | 2,195,000                | 17,450                 | 17,450                  | 17,450                   |
| UV - General Zone 3              | 0.00540           | 242                         | 168,549,000              | 910,165                | 910,165                 | 910,165                  |
| CBH Exgratia Contribution        |                   |                             |                          | 12,045                 | 12,045                  | 12,045                   |
| ExGratia Other                   |                   |                             |                          | 808                    | 808                     | 808                      |
| <b>Sub-Totals</b>                |                   | 533                         | 196,735,325              | 1,184,122              | 1,184,122               | 1,182,622                |
| <b>Minimum Rates</b>             | <b>Minimum</b>    |                             |                          |                        |                         |                          |
| GRV - District                   | 750               | 208                         | 980,517                  | 156,000                | 156,000                 | 156,000                  |
| UV - General Zone 3              | 850               | 77                          | 7,066,872                | 65,450                 | 65,450                  | 65,450                   |
| UV - Mining                      |                   |                             |                          |                        |                         |                          |
| UV - Commercial/Industrial       |                   |                             |                          |                        |                         |                          |
| <b>Sub-Totals</b>                |                   | 285                         | 8,047,389                | 221,450                | 221,450                 | 221,450                  |
| <b>Totals</b>                    |                   |                             |                          |                        | <b>1,405,572</b>        | <b>1,404,072</b>         |

**24 SPECIFIED AREA RATE - 2012/2013 FINANCIAL YEAR**

|                                 | <b>Rate in \$</b> | <b>Basis of Rate</b> | <b>Rateable Value \$</b> | <b>Rate Revenue \$</b> | <b>Applied to Costs \$</b> | <b>Budget Rate Revenue \$</b> | <b>Budget Applied to Costs \$</b> |
|---------------------------------|-------------------|----------------------|--------------------------|------------------------|----------------------------|-------------------------------|-----------------------------------|
| <b>Goomalling Town Sewerage</b> |                   |                      |                          |                        |                            |                               |                                   |
| Scheme Operating Expenses       |                   |                      |                          |                        | 121,027                    |                               | 147,800                           |
| Transfer To Reserve Account     |                   |                      |                          |                        | 41,355                     |                               | 6,355                             |
| - Rate                          | 7.2000            | GRV                  |                          | 166,450                |                            | 139,148                       |                                   |
| - Interim Rate                  |                   |                      |                          |                        |                            |                               |                                   |
| - Back Rate                     |                   |                      |                          |                        |                            |                               |                                   |
| Other Charges and Contributions |                   |                      |                          | 1176                   |                            | 750                           |                                   |
|                                 |                   |                      |                          | <b>167,626</b>         | <b>162,382</b>             | <b>139,898</b>                | <b>154,155</b>                    |

**25 SERVICE CHARGES - 2012/2013 FINANCIAL YEAR**

Council did not raise any service charges during the 2012/13 financial year.

**SHIRE OF GOOMALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDING 30 JUNE 2013**

**26 DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS**

**(a) Discounts**

The council does not offer a discount on rates for those who pay their rates in full within 35 days of the date of service appearing on the rate notice.

**(b) Write-Offs**

The council did not write off any rates during the financial year ending 30 June 2013

**(c) Waivers**

The council did not offer any waivers during the financial year ending 30 June 2013

**(d) Concessions**

The council did not offer any Concessions during the financial year ending 30 June 2013

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**SHIRE OF GOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**27 INTEREST CHARGES AND INSTALMENTS - 2012-2013 FINANCIAL YEAR**

|                              | Interest Rate | Admin. Charge | Revenue      | Budgeted Revenue |
|------------------------------|---------------|---------------|--------------|------------------|
|                              | %             | \$            | \$           | \$               |
| Interest on Unpaid Rates     | 11%           |               | 1,496        | 12,500           |
| Interest on Instalments Plan | 5.50%         |               | 4,411        | 3,000            |
| Charges on Instalment Plan   |               | \$5           | 1,825        | 1,500            |
|                              |               |               | <u>7,732</u> | <u>17,000</u>    |

Ratepayers had the option of paying rates in four equal instalments, due on 17th September 2012, 17th November 2012, 17th January 2013 and 17th March 2013. Administration charges and interest applied for the final three instalments.

| <b>28 FEES &amp; CHARGES</b> | <b>2012/13</b>   | <b>2012/13</b>   | <b>2011/12</b>   |
|------------------------------|------------------|------------------|------------------|
|                              | <b>Actual</b>    | <b>Budget</b>    | <b>Actual</b>    |
|                              | \$               | \$               | \$               |
| General Purpose Funding      | 16,558           | -                | -                |
| Governance                   | 985              | 2,280            | 57,412           |
| Law, Order, Public Safety    | 51,792           | 1,650            | 1,288            |
| Health                       | 565,754          | 517,600          | 501,371          |
| Education & Welfare          | 576              | -                | -                |
| Housing                      | 187,885          | 191,380          | 187,346          |
| Community Amenities          | 98,810           | 82,550           | 95,121           |
| Recreation & Culture         | 36,847           | 26,900           | 24,981           |
| Transport                    | 142              | 150              | 149              |
| Economic Services            | 219,221          | 155,790          | 180,342          |
| Other Property & Services    | <u>130,740</u>   | <u>92,000</u>    | <u>140,802</u>   |
|                              | <u>1,309,310</u> | <u>1,070,300</u> | <u>1,188,812</u> |

There were no changes during the year to the amount of the fees and charges detailed in the original budget.

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**29 GRANTS, SUBSIDIES & CONTRIBUTIONS**

Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:

|   | 2012/13<br>Actual<br>\$ | 2011/12<br>Actual<br>\$ |
|---|-------------------------|-------------------------|
| <b>(a) By Nature &amp; Type:</b>                  |                         |                         |
| Operating Grants, Subsidies and Contributions     | 722,044                 | 1,996,877               |
| Non-Operating Grants, Subsidies and Contributions | <u>1,135,117</u>        | <u>911,397</u>          |
|   | <u>1,857,161</u>        | <u>2,908,274</u>        |
| <b>(b) By Program:</b>                            |                         |                         |
| General Purpose Funding                           | 662,112                 | 859,784                 |
| Governance  |                         | 4,000                   |
| Law, Order, Public Safety                         | 9,091                   | 35,380                  |
| Health  | -                       | 10,000                  |
| Education & Welfare                               | -                       | -                       |
| Community Amenities                               | -                       | 1,000                   |
| Recreation and Culture                            | 39,397                  | 5,000                   |
| Transport **                                      | 784,037                 | 1,621,961               |
| Economic Services                                 | <u>362,524</u>          | <u>371,140</u>          |
| Other Property & Services                         | -                       | -                       |
|   | <u>1,857,161</u>        | <u>2,908,274</u>        |

**30 EMPLOYEE NUMBERS**

The number of full-time equivalent employees at balance date

| 2012/13 | 2011/12 | 2010/11 |
|---------|---------|---------|
| 29      | 26      | 26      |

**31 COUNCILLORS' REMUNERATION**

The following fees, expenses and allowances were paid to council members and/or the president.

|                              | 2012/13<br>Actual<br>\$ | 2012/13<br>Budget<br>\$ | 2011/12<br>Actual<br>\$ |
|------------------------------|-------------------------|-------------------------|-------------------------|
| Meeting Fees                 | 18,525                  | 20,000                  | 16,950                  |
| President's Allowance        | 2,500                   | 2,500                   | 2,500                   |
| Deputy President's Allowance | 500                     | 500                     | 500                     |
| Travelling Expenses          | 5,497                   | 4,200                   | 2,681                   |
|                              | <u>27,022</u>           | <u>27,200</u>           | <u>22,631</u>           |

**32 EMPLOYEES' REMUNERATION**

Set out below, in bands of \$10,000, is the number of employees of the Shire

| Details                            | Salary Range<br>\$ | 2012/13<br>\$ | 2011/12<br>\$ |
|------------------------------------|--------------------|---------------|---------------|
| LG Administration Regulations 19 B | 100,000 - 109,999  | -             | -             |
| LG Administration Regulations 19 B | 110,000 - 119,999  | -             | -             |
| LG Administration Regulations 19 B | 120,000 - 129,999  | -             | -             |
| LG Administration Regulations 19 B | 130,000 - 139,999  | -             | -             |
| LG Administration Regulations 19 B | 140,000 - 149,999  | -             | -             |
| LG Administration Regulations 19 B | 150,000 - 159,999  | -             | -             |
| LG Administration Regulations 19 B | 160,000 - 169,999  | -             | -             |

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**33 MAJOR LAND TRANSACTIONS**

**(a) Details**

The council proposes to continue developing major land transactions during the year. The Shire of Goomalling has undertaken rural residential subdivisions in Salmon Gum Way and Grange Street Goomalling. The Shire will conduct either auction or tender process for the Sale of lots for Salmon Gum Way. In relation to rural lots in Grange Street, the sale will be by tender process at market valuations. The proceeds from the sale of the two rural residential subdivisions will be applied towards the repayment of loans raised to finance the development and thereafter any surplus funds remaining will be held in the Municipal Fund Account. A Business Plan was prepared for the two rural residential subdivisions in accordance with section 3.59 of the Local Government Act 1995.

**(b) Transactions to Date**

**Salmon Gums Subdivision**

|                      |         |  |
|----------------------|---------|--|
| Development Expenses |         |  |
| 2007-2008            | 361,983 |  |
| 2008-2009            | 64,794  |  |
| 2009-2010            | 131,128 |  |
| 2010-2011            | 76,162  |  |
| 2011-2012            | 1,276   |  |
|                      | 635,343 |  |

**Grange Subdivision**

|                      |         |         |
|----------------------|---------|---------|
| Development Expenses |         |         |
| 2007-2008            | 46,957  |         |
| 2008-2009            | 340,678 |         |
| 2009-2010            | 329,693 |         |
| 2010-2011            | 61,415  |         |
| 2011-2012            | 7,660   | 786,403 |

|                           |          |          |
|---------------------------|----------|----------|
| Less Book Value Land Sold | -187,284 | -187,284 |
|---------------------------|----------|----------|

|  |           |  |
|--|-----------|--|
| Book Value of Development ( Refer CEO) | 1,234,462 |  |
|--|-----------|--|

**Plus Interest on Borrowings  
(Not Capitalised in Asset Register)**

|           |         |         |
|-----------|---------|---------|
| 2007-2008 | 46,381  |         |
| 2008-2009 | 63,483  |         |
| 2009-2010 | 44,399  |         |
| 2010-2011 | 14,026  |         |
| 2011-2012 | 57,376  |         |
| 2012-2013 | 104,820 | 330,485 |

|   |                  |  |
|---|------------------|--|
| <b>Total Costs of development to Date</b> | <b>1,564,947</b> |  |
|---|------------------|--|

**(c)** The council raised loans \$1.5 million dollars to finance the above sub division costs.

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**34 MAJOR TRADING UNDERTAKING**

Council did not participate in any trading undertakings or major trading undertakings during the 2012/2013 financial year.

**35 FINANCIAL RISK MANAGEMENT**

The Shire's activities expose it to a variety of financial risk including price risk, credit risk, liquidity risk and interest rate risk. The Shire's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Shire.

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

Financial risk management is carried out by the finance area under policies approved by the Shire. The Shire held the following financial instruments at balance date.

| Financial Assets   | Carrying Value   |                  | Fair Value       |                  |
|--|------------------|------------------|------------------|------------------|
|  | 2012/13          | 2011/12          | 2012/13          | 2011/12          |
| Cash and cash equivalents  | 1,315,850        | 1,532,833        | 1,315,850        | 1,532,833        |
| Receivables  | 355,004          | 504,090          | 355,004          | 504,090          |
| Financial assets at fair value through profit or loss              |                  |                  |                  |                  |
| Available for sale financial assets - Land Held for Resale at Cost | 1,234,462        | 1,329,462        | 1,234,462        | 1,329,462        |
| Held to maturity investments                                       |                  |                  |                  |                  |
|  | <u>2,905,316</u> | <u>3,366,385</u> | <u>2,905,316</u> | <u>3,366,385</u> |
| <b>Financial Liabilities</b>                                       |                  |                  |                  |                  |
| Bank Overdraft   | -                | -                | -                | -                |
| Payables ( Excludes accrued Loan Interest)                         | 187,547          | 513,357          | 187,547          | 513,357          |
| Borrowings   | 2,992,664        | 3,258,320        | 2,992,664        | 3,258,320        |
| Fair value is determined as follows:                               | <u>3,180,211</u> | <u>3,771,677</u> | <u>3,180,211</u> | <u>3,771,677</u> |

Cash and Cash Equivalents, Receivables, Payables - estimated to be the carrying value which approximates net market value.

\*

**(a) Cash and Cash Equivalents**

The Shire's objective is to maximise its return on cash and cash equivalents whilst maintaining an adequate level of liquidity and preserving capital. The Finance Section manages the cash and investments portfolio with the assistance of independent advisers. The Shire has an investment policy which complies with the relevant legislations. The policy is regularly reviewed by the Shire and an Investment Report provided to the Shire monthly setting out the make-up and performance of the portfolio.

Cash and investments are also subject to interest rate risk - the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the Shire.

**SHIRE OF GOOMALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDING 30 JUNE 2013**

**FINANCIAL RISK MANAGEMENT (continued)**

**35 FINANCIAL RISK MANAGEMENT (Continued)**

Impact of a 1% movement in interest rates on cash and investments

|                                     | <b>30-Jun-13</b> | <b>30-Jun-12</b> |
|-------------------------------------|------------------|------------------|
| • Equity                            | \$10,000         | \$12,500         |
| • Statement of Comprehensive Income | \$10,000         | \$12,500         |

The impact on the council's \$1million cash investment portfolio in the event of a 1% movement in market interest rates could result in investment returns being reduced by up to \$10,000.

**(b) Receivables**

The Shire's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk - the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing stringent debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

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

The level of outstanding receivables is reported to the Shire monthly and benchmarks are set and monitored for acceptable collection performance.

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

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



**SHIRE OF GOOMALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDING 30 JUNE 2013**

**FINANCIAL RISK MANAGEMENT (continued)**

**35 Receivables (continued)**

**(b)**

The profile of the Shire's credit risk at balance date was:

|   | <b>30-Jun-13</b> | <b>30-Jun-12</b> |
|---|------------------|------------------|
|   | %                | %                |
| <b>Percentage of Rates and Annual Charges</b> |                  |                  |
| · Current                                     | 97.00%           | 94.75%           |
| · Overdue                                     |                  |                  |
|   | 3.00%            | 5.25%            |

The rates collectable total \$1,405,572. The rate arrears as at 30 June 2012 was \$55,013 and at 30 June 2013 the arrears totalled \$43,876. The rate collection percentage of the council for the financial year ended 30 June 2012 was therefore 97%. Rate Arrears excludes Pensioner Deferred Rate.

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**Percentage of Other Receivables**

|           |        |        |
|-----------|--------|--------|
| · Current | 66.98% | 82.00% |
| · Overdue | 33.02% | 18.00% |

Current Receivables represents 30 days or less and Overdue more than 30 days

SHIRE OF GOOMALLING  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDING 30 JUNE 2013

**FINANCIAL RISK MANAGEMENT (Continued)**

**35 Payables**  
**(c) Borrowings**

Payables and borrowings are both subject to liquidity risk - that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon in extenuating circumstances.

The contractual undiscounted cash-flows of the Shire's Payables and Borrowings are set out in the Liquidity Sensitivity Table Below:

|                                 | Due within<br>1 year | Due<br>between<br>1 & 5 years | Due<br>after<br>5 years | Total<br>contractual<br>cash flows | Carrying<br>values |
|---------------------------------|----------------------|-------------------------------|-------------------------|------------------------------------|--------------------|
|                                 | \$                   | \$                            | \$                      | \$                                 | \$                 |
| <b>2012</b>                     |                      |                               |                         |                                    |                    |
| Payables                        | 513,357              |                               |                         | 513,357                            | 513,357            |
| Borrowings - Loan Principal     | 68,749               | 139,315                       | 2,334,710               | 2,542,774                          | 2,542,774          |
| Borrowings - Interest           | 3,162                | 16,929                        | 1,305,515               | 1,325,606                          | Nil                |
| Finance Lease - Lease Principal | 32,121               | 683,425                       |                         |                                    | 715,546            |
| Finance Lease - Lease Interest  | 1,506                | 110,498                       |                         |                                    | Nil                |
|                                 | <u>618,896</u>       | <u>950,167</u>                | <u>3,640,225</u>        | <u>4,381,737</u>                   | <u>3,771,677</u>   |
| <b>2013</b>                     |                      |                               |                         |                                    |                    |
| Payables                        | 187,547              |                               |                         | 187,547                            | 187,547            |
| Borrowings - Loan Principal     | 49,810               | 152,154                       | 2,118,268               | 2,320,231                          | 2,320,231          |
| Borrowings - Interest           | 4,158                | 27,274                        | 1,053,674               | 1,085,106                          | Nil                |
| Finance Lease - Lease Principal | 215,447              | 456,986                       | Nil                     | 672,433                            | 672,433            |
| Finance Lease - Lease Interest  | 56,505               | 138,455                       | Nil                     | 194,959                            | Nil                |
|                                 | <u>513,466</u>       | <u>774,868</u>                | <u>3,171,942</u>        | <u>4,460,276</u>                   | <u>3,180,211</u>   |

**36 Determination of Closing Funds - Position at Close of Financial Year**

|  | Actual<br>2012-2013 | Budget<br>2012-2013 |
|--|---------------------|---------------------|
| <b>Current Assets</b>                                |                     |                     |
| Cash at Bank and on Hand                             | 1,315,850           | 1,452,271           |
| Sundry Debtors                                       | 355,004             | 225,194             |
| Inventories on Hand                                  | 38,735              | 39,000              |
| Sub-division Land Developed For Resale               | 1,234,462           | 1,729,462           |
|  | <u>2,944,051</u>    | <u>3,445,927</u>    |
| <b>Less Current Liabilities</b>                      |                     |                     |
| Sundry Creditors                                     | (206,316)           | (277,539)           |
| Accrued Employees Entitlements                       | (415,044)           | (247,725)           |
| Less Current Portion of Long term Borrowings         | (449,889)           | (525,570)           |
|  | <u>1,872,802</u>    | <u>2,395,093</u>    |
| <b>Surplus of Current Assets Current Liabilities</b> |                     |                     |
|  | <u>1,071,249</u>    | <u>1,050,834</u>    |
| <b>Adjustments</b>                                   |                     |                     |
| <b>Reserves</b>                                      |                     |                     |
| Less cash backed Reserves                            | (878,700)           | (1,191,201)         |
| Less Sub-division Land Developed for Resale          | (1,234,462)         | (1,729,462)         |
| Plus Current Portion of Long Term Borrowings         | 449,889             | 525,570             |
|  | <u>209,529</u>      | <u>0</u>            |
| Opening/Closing Funds                                | <u>209,529</u>      | <u>0</u>            |

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**37 Comparison with Rate Setting Budget**

**(a) Non Operating Income and Expenditure**

In accordance with the Financial Management Regulation 36 (1)(a) the following information provides details of all income and expenditure together with movements to and from Reserve Accounts which have not been included in the operating statement but which have been included in the rate setting statement.

| <b>Non Operating Income</b>         | <b>Actual<br/>2012-2013</b> | <b>Budget<br/>2012-2013</b> |
|-------------------------------------|-----------------------------|-----------------------------|
| Transfers from Reserve              | 419,301                     | -                           |
| Loans Raised                        | -                           | -                           |
| Lease Finance Raised                | <u>134,500</u>              | <u>-</u>                    |
|                                     | <u>553,801</u>              | <u>0</u>                    |
| <b>Non Operating Expenditure</b>    |                             |                             |
| Purchase Land and Buildings         | (418,339)                   | (882,750)                   |
| Infrastructure Assets - Roads       | (971,766)                   | (1,156,226)                 |
| Recreation Assets - Other           | -                           | (25,000)                    |
| Purchase Plant & Equipment          | (255,650)                   | (56,000)                    |
| Purchase Furniture and Equipment    | (21,482)                    | (25,000)                    |
| Repayment Of Debt - Loans Principal | <u>(222,542)</u>            | <u>(275,152)</u>            |
| Repayment Of Debt - Finance Leases  | (177,614)                   | (261,318)                   |
| Transfers to Reserves               | <u>(169,301)</u>            | <u>(62,500)</u>             |
|                                     | <u>(2,236,693)</u>          | <u>(2,743,946)</u>          |

**(b) Statement of Reconciliation of Net Current Assets brought Forward**

Regulation 36(1)(b) of the Local Government (Financial Management) Regulations 1996 provides that the annual financial report is to disclose the amount of any difference between the net current assets carried forward from the previous financial year for the purpose of the budget of the financial year to which this report relates and the net current assets disclosed in the audited annual financial report for the previous financial year. There was no variance between the net current assets carried forward from the previous financial year and the net current assets detailed in the 2012-2013 in the budget.

**SHIRE OF GOOMALLING**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**36 DISABILITY SERVICES ACT**

The Disability Services management Plan, as required by that Act, was reviewed during the year under review. Outcomes were met in accordance with the Plan and the provisions of the ACT.

The Plan includes:

- a. Information on Council functions, facilities and services;
- b. A policy statement about Council's commitment to addressing the issue of access for people with disabilities, their families and carers;
- c. A description of the process used to consult with people with disabilities, their families, carers, disabilities organizations and relevant community groups;
- d. The identification of objectives and strategies to overcome barriers that people with disabilities identified during the consultation period;
- e. A method of review and evaluation of the plan; and
- f. Information about how the plan is being communicated to staff and people with disabilities.

**37 Record Keeping Plan**

The Shire of Goomalling has prepared a Record Keeping Plan as required by the State Records Act 2000. The plan has been approved by the State Records Commission and the Shire of Goomalling is committed to ensuring record keeping practices comply with legislation.

Performance Indicators and Disaster Management Plans are currently being developed and must be in place by 9 March 2007. Information sessions for staff will be undertaken to ensure that they are aware of the requirements of the State Records Act 2000 and these will be ongoing in order to evaluate the record keeping practices of the council. In addition induction programs have been established to address employee roles and responsibilities to enable compliance with the Record Keeping Plan.

## INDEPENDENT AUDITOR REPORT TO THE RATE PAYERS OF SHIRE OF GOOMALLING

### Report on the Financial Report

We were engaged to audit the accompanying financial report of Shire of Goomalling, which comprises the statement of financial position as at 30 June 2013 and the statement of comprehensive income, statement of changes in equity, rate setting statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Statement by Chief Executive Officer.

### Council's Responsibility for the Financial Report

Council is responsible for the preparation of the financial report which gives a true and fair view in accordance with Australian Accounting Standards (including Australia Accounting Interpretations), the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit.

Because of the matters described in the Basis for Disclaimer of Opinion paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### Basis for Disclaimer of Opinion

Due to the lack of available information in a readily auditable format and a limitations of scope imposed upon us by management, we were unable to carry out the audit procedures we considered necessary to obtain adequate assurance regarding the transactions and balances recorded in the financial statements and notes thereto.

### Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial report.

Further to the above, we note the omission of various significant disclosures from the financial report, including but not limited to the existence of various collateral provided to the financiers of the Shire in relation to financial liabilities included in the financial report. This collateral includes a first registered charge over the Shire's rates, a deed of set-off over the restricted cash term deposit held in the name of the Shire and a first mortgage over several properties that are held in the name of the Shire.

### **Other matters**

During the course of our audit, we became aware of several instances where the Shire did not comply with the statutory requirements of the Local Government Act (1995) (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

Therefore, in accordance with the Local Government (Audit) Regulations 1996, we also report that:

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- a) There are material matters that in our opinion indicate significant adverse trends in the financial position and the financial management practices of the Shire.
- b) The Shire did not comply with substantial sections of Part 6 of the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).
- c) Certain information and explanations required were not made available to us.
- d) We were not able to perform the audit procedures which we considered necessary in order for us to obtain sufficient appropriate audit evidence.

BUTLER SETTINERI (AUDIT) PTY LTD



MARIUS VAN DER MERWE CA  
Director

Perth  
Date: 1 September 2014