

2012-2013 **ANNUAL REPORT**



●
●
●

SHIRE OF **KOORDA**

■
■
■



Contents

Notice of Meeting	2
Agenda	3
Local Information	4
Presidents Report	5
Chief Executive Officers Report	8
Overview of the Plan for the Future	15
Financial Report	20
Prescribed Payments to Employees	73
Disability Access & Inclusion Plan	74
Register of Complaints	74
Sewerage Scheme Report	75
Auditors Report	76
Councillors & Delegates	78
National Competition Policy	81
Structural Reform	83
Record Keeping Plan	84
Information	85

Notice of Meeting

SHIRE OF KOORDA NOTICE OF GENERAL MEETING OF ELECTORS

Notice is hereby given that the General Meeting of Electors of the Shire of Koorda will be held on 22nd October 2013 commencing at 7.30pm in the Koorda Shire Council Chambers, Allenby Street, Koorda.

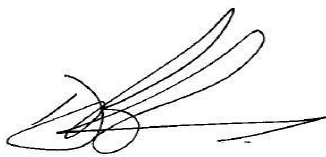
The purpose of the meeting and order of business is;

1. Presentation of the Annual Report for the 2012/2013 Financial Year.

General Business (i) As the Meeting decides

Each elector is entitled to one vote but does not have to vote.

Copies of the 2012/2013 Annual Report are available from the Shire Office during Office hours – 9.00am to 4.30pm



David Burton
CHIEF EXECUTIVE OFFICER

Agenda

**SHIRE OF KOORDA
ANNUAL GENERAL ELECTORS MEETING
22nd October 2013
COMMENCING AT 7.30PM
KOORDA SHIRE COUNCIL CHAMBERS
CRN ALLENBY AND HAIG STREETS**

AGENDA

Declaration of Opening

Apologies

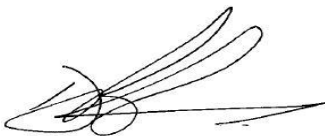
1. Business

Shire of Koorda Annual Report 2012/2013 received, and any discussions
Presidents Report
Chief Executive Officers Report
Financial Report (Statements)
Auditors Report
Other Information

2. General Business

(i) As the Meeting decides

Closure



David Burton
CHIEF EXECUTIVE OFFICER

Local Information

The Koorda Shire Council consists of 7 elected members, who represent the interests of the electors and make policy decisions, with staff that provide the resources and carry out the work that is required to implement the decisions and direction of Council and ensure statutory compliance of Acts and Regulations Administered by Council. The Shire no longer has wards. Normally, each Councillor is elected for a term of 4 years, with vacancies occurring every second year.

Council Meetings

Ordinary Council Meetings are normally held on the third Wednesday in each month, by Policy resolution, Council does not normally hold a meeting in January.

Public Question Time

Is allocated for 15 minutes from the commencement time of each Council meeting.

Elections

Council Elections are now to be held every second year on the third Saturday in October. There will be no election in October 2013, as there were 3 nominations for 3 vacancies.

Number of Electors	301
Rates Levied	\$916,729
Council Employees	19 full time equivalent employees

Tourist Attractions

Heritage Trail, Sheep Dips, Museum, Corn Dolly Displays, Picnic Sites, Koorda Agricultural Show

Local Industries

Wheat, Lupins, Canola, Barley, Oats, Triticale, Chick Peas, Wool and Meat production

COUNCIL MEETING DATES

TIME	DATE
6.00pm	20 November 2013
6.00pm	18 December 2013
3.00pm	19 February 2014
3.00pm	19 March 2014
3.00pm	16 April 2014
3.00pm	21 May 2014
3.00pm	18 June 2014
3.00pm	16 July 2014
3.00pm	20 August 2014
3.00pm	17 September 2014
3.00pm	15 October 2014
6.00pm	19 November 2014
6.00pm	17 December 2014

I am pleased to present my President Report for the year ended 30 June 2013.

In my opinion this has been a very progressive year for the Shire of Koorda. As President for the past 2 years, I am proud to highlight the many areas that have been identified as priorities for our community that have been addressed.

Having just been returned for a further 4 year term as a Councillor, I look forward to being a part of the Council I and continue to improve and add to the services which the Shire provides.

LOCAL GOVERNMENT ELECTIONS

Local Government Councillor nominations closed 12 September 2013. There were 3 nominations for 3 vacancies. I would like to congratulate Cr Shane Boyd and Cr elect GO Brooks.

I would like to thank Councillor Gerry Pauley for his contributions to the Koorda Shire Council over the past 6 years.

LOCAL GOVERNMENT REFORM

Local Government reform remains high on the agenda.

LAW, ORDER AND PUBLIC SAFETY

The Koorda SES is at present not functioning. A meeting of concerned citizens expressed a desire to at least re-establish a road rescue unit.

There have been ongoing discussions with FESA and the Bush Fire Board as to how best achieve this. It will most likely include other aspects of the normal SES operations, i.e. Search and Rescue and other emergency assistance following storms or other natural disasters.

HEALTH SERVICES

We welcome Dr Liviu Vasiniuc to the district as our resident GP. The provision of health services continues to be a high priority for Council. We have been working closely with Wyalkatchem in formulating an Aged Care Plan, which will assist the elderly to remain in their own communities for longer. We have also been in regular communication with the HACC coordinator to ensure that the residents receive improved assistance.

ROYALTIES FOR REGIONS

Royalties for Regions has provided the majority of Councils funding to upgrade existing facilities and enables us to construct new infrastructure projects. 2012-2013 project will be the construction of a duplex on 96 Greenham Street, while our funding for regional projects was for 3 universal housing units.

MOBILE PHONE

Koorda now receives good mobile communication coverage with the tower 5 kms east of the townsite and the smaller tower in within the town boundary.

DIGITAL TELEVISION RETRANSMISSION

The digital retransmission equipment has been installed and whilst there have been some issues for the most part this is now functioning adequately.

FINANCES

Council finalised the year with a \$1,974,955 net credit balance as at 30 June 2013, due in main to 50% prepaid financial assistance grant and carried forward Royalties for Regions Funds.

Council's current policy is to endeavour to fund capital asset expenditure from Municipal and Reserve Funds rather than the use of borrowings, and continue their policy of transferring funds to various reserves.

RECYCLING

Council has commenced recycling service for the town.

RECREATION

As a part of our forward planning, Council is currently reviewing the sporting facilities in the town. So we can cater for all sporting and community groups into the future a study will be undertaken to assess any additions and improvements that may be required.

TRANSPORT

CBH bin to bin transfers continue to cause major damage to our roads (in particular Koorda Mollerin Road). We will continue our seal widening on our priority roads and also the resealing of others, determined by finance and traffic numbers. Clearing and widening of our unsealed roads will continue as a part of our long term forward plan. Changes to clearing of Vegetation Legislation affecting this type of work will impact on Council. Staff has completed a large

portion of the annual maintenance grading.

The program to reseal the town streets, construct kerbing and concrete footpaths is continuing, so to is the replacement of mercury vapour lights with sodium light in strategic positions.

Council has continued their forward planned policy of replacing/purchasing plant and equipment items to ensure the flexibility needed to enable Councils workforce to carry out the expanded program, and to ensure reasonable asset management.

I would like to thank and congratulate my Deputy and fellow Councillors for their support and input in enabling Council to attempt to deliver the services and meet the requirements of our community. We continue to review our forward plans which are in reality part of our strategic objectives.

I urge all community members to provide feedback to Council to assist us in our decision making process and encourage you to contact Councillors or the Shire Office of any concerns or issues that should be addressed or considered. Your contributions ensure that we are working together to achieve the desired outcomes that benefit the community as a whole.

Also my gratitude and praise for each and every staff member for their contributions to the year's outcomes in a professional and competent manner.

Cr Ricky Storer

PRESIDENT

The primary role of the Chief Executive Officer is to implement Council Policy with the aid of other staff. This means acting as the overall manager of Council's day-to-day operations. The Chief Executive Officer also has a number of specific statutory obligations.

The functions of the Chief Executive Officer are specified in the Act:

- Advise Council on the functions of the local government under the Act and other laws;
- Ensure advice and information is available to enable the Council to make informed decisions;
- Cause Council decisions to be implemented;
- Manage the day to day operations of the local government;
- Liaise with the Mayor or President on the local government's affairs and the performance of its functions;
- Speak on behalf of the local government if the Mayor or President agrees;
- Responsible for employment, management, supervision, direction and dismissal of other employees (subject to the provisions relating to senior employees);
- Ensure records and documents are properly kept; and
- Perform other functions of the Act and other laws.

ADMINISTRATION	
<i>Team Effort/ Staff Support</i>	Council's continuing support of staff is appreciated as it is a public indication that elected members and staff are co-operating to achieve team outcomes that enhance and benefit the Shire and residents.
<i>Councillor Training</i>	Councillor training is being encouraged by the State Government to ensure elected members are more aware of their roles and responsibilities within the constantly changing Local Government environment. Council as Policy; supports the need for ongoing Councillor training. The current Councillor training curriculum consists of seventeen (17) modules. Councillors take advantage of this training (this may become compulsory).
<i>Administration Functions</i>	<p>Council continues to endeavor to adapt it's operational planning for the Shire, as further administrative burdens and financial constraints including cost shifting, and the need to accept structural reform and sustainability are placed upon our community and community resources, in our overall function as the local service provider.</p> <p>The necessity for Council to be more accountable requires ongoing monitoring and review of Council functions to ensure work practices and cost efficiencies are in place.</p>

<p>Forward Planning</p>	<p>Short and medium term planning includes;</p> <ul style="list-style-type: none"> Annual Budget (based on Plan for the Future) Strategic Community Plan Corporate Business Plan Long Term Financial Plan Workforce Plan Asset Management Plan Five year Plan for the Future (reviewed annually) Five year housing and building upgrading program (incorporated in the Plan for the Future) Ten year plant replacement plan (incorporated in the Plan for the Future) Five year major road construction, clearing & widening plan (incorporated in the Plan for the Future) Five year bushfire equipment plan (incorporated in the Plan for the Future) Five year Strategic Plan that forms the basis of forward planning objectives (currently under review).
<p>Communication</p>	<p>Council continues to promote its activities and decisions to the community and utilises the Narkal Notes on a regular basis and it is intended that this practice will continue. <i>Continued community feedback would be appreciated, particularly with likely Local Government Reform, on the Western Australian agenda.</i></p>
<p>Model Code of Conduct</p>	<p>Council again reviewed its model Code of Conduct during the year, to ensure compliance with changed legislative requirements. The Rule of Conduct broadly covers the following eight principles:</p> <ul style="list-style-type: none"> Act with reasonable care and diligence; and Act with honesty and integrity; and Act lawfully; and Avoid damage to the reputation of the local government; and Be open and accountable to the public; and Base decisions on relevant and factually correct information; and Treat others with respect and fairness; and Not be impaired by mind affecting substances. <p>There are now provisions for breaches of the 'Code' to be legally addressed and penalties applied.</p>

Chief Executive Officers Report

For the Year Ending 30 June 2013

<p>North Eastern Wheatbelt Organisational of Councils</p>	<p>Council continues to support the concept of resource sharing and co-operation with member Councils as this is acknowledged as one area that may allow cost efficiencies to be achieved, as well as regional co-operation to achieve common objectives, and sustainability is a real requirement to allow retention of our local identity. The future of this grouping of Councils is an unknown due to the likely structural reform facing local government. (Council is now part of a three (3) Shire Regional Transition Group).</p>
<p>FINANCE</p>	
<p>Council's annual financial statements for the year ended 30 June 2013, were audited in August 2013. Copies of these are available at the Council Office, during office hours. A copy of the Operating Statement, Statements of Financial Position and Statements of Change in Equity are included in this report.</p> <p>Due to the format in which the statements must be presented, a general knowledge of accounting principles is advantageous to gain an understanding of them. It should be noted they are income and expenditure based, ie closing 'net credit 'balance, is not a cash amount.</p> <p>Asset Management is becoming a more crucial issue as there is the very real need to maintain assets as well as the need to either improve or replace aging assets. There is therefore, a need when considering major expenditure to take into account not only the initial capital outlay, but the whole of life cost. Usually the initial capital cost is the lowest number. This consideration can make projects difficult to justify.</p> <p>To assist in these objectives Council endeavours to set aside funds in specific reserve accounts for future asset requirements. However, these are currently less than 25% of likely future needs. Asset Management was unfortunately for many years, ignored. All tiers of Government now recognise the need for sustainability which includes management of all assets, at all levels of government.</p> <p>Council cannot realistically on an annual financial basis, set aside sufficient funds required to maintain all their assets as their own funding base is to low. The only real funding alternative available is an increased rate burden, realistically, by way of sufficient annual increments, to assist in meeting the shortfall. However, Council is in a catch up position which only adds to the short and long term financial considerations.</p> <p>Council's rate increases over the past decade, have in reality been less than inflation, with the impact now clearly evident ie this Shires 'own contribution' to annual operating cost is in the order of 15%. Local Government now acknowledge the annual C.P.I. is not relevant, rather "Local Government Cost Index" should be accepted as the guide.</p>	
<p>Reserve Funds</p>	<p>Are cashed backed as shown, restricted to their designated purpose and not intended for general use. Council's current practice is to endeavour to set aside funds each year into reserve funds, with the objective of reducing the requirement to raise loans. These Reserves are further commented on elsewhere (page 40).</p>
<p>Loans</p>	<p>No loans were raised during the year under review.</p>

Chief Executive Officers Report

For the Year Ending 30 June 2013

<u>LAW ORDER & PUBLIC SAFETY</u>	
<i>Local Emergency Services</i>	The few volunteers who man and operate these essential services are the unsung heroes who receive little or no recognition. Whilst, it goes without saying that they don't look for recognition, it doesn't hurt for them to be publicly acknowledged, particularly as numbers diminish annually. Council and community appreciation is once again expressed for a job extremely well done, by the dedicated few. The local SES is very low on active members and needs support to be able to provide or continue the service and training volunteers as road rescue unit is currently being investigated.
<u>HEALTH SERVICES</u>	Council continues to build a reserve account to assist with either the current Doctor or possible future recruitment and retention of a Medical Practitioner, this will be ongoing. We continue to assist with the retention of the current doctor, in conjunction with the Wyalkatchem Shire. Dr Liviu Vasiniuc .
<i>Community Health</i>	To ensure the provision of some associated health services to the Koorda community as Council needs to ensure all use needs can be reasonably met.
<u>WELFARE & EDUCATION</u>	
<i>Wheatbelt Ag Care</i>	Council continues to support the objectives, as it is considered this service it vital to community members.
<u>COMMUNITY AMENITIES</u>	
<i>Koorda Cemetery</i>	Council and the community thanks are extended to the team of volunteers who assist in its maintenance and upgrading ensuring the cemetery has a serene atmosphere.
<i>Rubbish Tip Site</i>	The Koorda Rubbish Disposal has erected signage to encourage the correct disposal of various waste types. If these areas are not correctly utilised; the only real alternative available to Council is the provision of a 'manned' tip, which would generally inconvenience the community, and this is a very real probability. The provision of trenches for putrescibles and general waste, to endeavour to extend the life of the site. Council has begun the process of establishing a new site.
<i>Waste Oil Facility</i>	This service/facility is currently closed.

Chief Executive Officers Report

For the Year Ending 30 June 2013

<u>RECREATION & CULTURE</u>		
<i>Recreation Facilities</i>		
<i>Swimming Pool</i>	Refurbishment of the main pool bowl was completed in time for the summer season.	
<i>Koorda Memorial Hall</i>	The floor was sanded and polished and the rear wall has been replaced, along with new stairs to the landing with an awning cover.	
<u>TRANSPORT</u>		
<i>Road Works</i>	<p>The Shire's outside work force undertook another major road works program. This involved priority road bitumen reconstruction/sealing, upgrading of rural roads, general preservation/construction work as well as continuing bitumen resealing, and ongoing maintenance, which became a very real issue, due to lack of rain.</p> <p>Seasonal conditions were not generally conducive to good road maintenance practices. The clearing and widening program on rural unsealed roads was continued.</p> <p>The Shire's major expenditure item continues to be road works. Generally whilst federal road grant funding has been increased as has state road funding. There are still insufficient funds being allocated to road upgrading, preservation and particularly maintenance to ensure adequate asset management practices are in place. This issue is Australia wide.</p> <p>Council has limited 'own resources' to make up the shortfall and has difficulty meeting their obligation to match specific funding criteria imposed at State and Federal level.</p> <p>Increasing demands being made by the use of larger road freight units, and farming machinery on the Shire road network, only highlights the lack of adequate funding, and the need to improve overall management practices with regard our road network and ensure heavy vehicle permit use policies, reflects good management practices</p>	
<i>Road Works</i>		
Construction	Widen Seal, widen shoulders, reseal	837,749
Preservation	Gravel sheet & clear & widen	471,518
Town Streets	Reseal/Footpaths/Kerbing/street trees, lights	73,788
Road Maintenance & Storm Damage	Maintenance works	270,991
TOTAL		1,654,046

Chief Executive Officers Report

For the Year Ending 30 June 2013

Council has in place forward planning, prioritising road needs, particularly with regard routes utilised by larger road freight transport units. This is reviewed at least annually and on an ongoing needs basis.

It should be noted that the apparent strategy of Cooperative Bulk Handling Limited in moving to the concept of primary, secondary and satellite receival points will obviously have an adverse impact on local roads and this may become apparent in future harvest period. Koorda is a primary site, and if the Burakin/Wialki and Koorda Mukinbudin railway lines are closed the use of heavy freight units will impact on roads not constructed for that type of freight vehicle or tonnages. A road identified for upgrade is the Koorda/Mollerin route, grain freight traffic on this route has substantially increased.

There is a need for liaison between farm operators and the Shire administration with regard use of many of Council's roads as they are not of a standard that Council can approve for Permit Vehicle use, on an ongoing basis to allow farm produce and supplies to be transported. The fact that producers purchase/contract large freight units/equipment does not mean Council has to/or should allow their use on roads and in fact may not be allowed to approve such use

<i>Plant Replacement</i>	The major expenditure items replaced/purchased was an Isuzu prime mover and small front end loader.
<i>Staff – Resignations/Appointments</i>	RESIGNED: . COMMENCED: M Segond Von Banchet (swimming pool manager)
<u>ECONOMIC SERVICES</u>	
<i>Natural Resource Management</i>	We are sharing a NRMO with the Shires of Mukinbudin & Wyalkatchem.
<i>Rural Towns Salinity Management Project</i>	Council had previously recognised salinity/land degradation problems within the shire and has continued addressing the issues raised in the strategy report .
<i>Caravan Park</i>	General maintenance was ongoing, with use needs, a balance against expenditure required.
<i>NEWTravel</i>	Council continued to support the NEWTravel organisations' endeavors to promote this sub region and continued to encourage 'off the main route' tourism and the use of Koorda as a through route.
<u>FUTURE</u>	Whilst Council continues to be proactive and adopt a forward planning mentality to provide to provide facilities for the future, the current government 'push' to restructure local government has possible unknown outcomes and impacts.

SUMMARY

There continues to be increasing pressure on the Shires human and financial resources, with regard increased administrative and service provision work load, and increasing statutory compliance requirements as well as the core function of meeting community need, and remain sustainable with the additional work load on staff and Councillors due to local government reform considerations, and assessing the impact, of possible outcome options.

Staff particularly have responded to unforeseen pressure caused by changes in staff, need to meet deadlines and additional work load due to need to consider options for local government restructure in conjunction with Council, adjoining Councils and NEWROC.

My thanks go the Shire President, (who has attended many unforeseen meetings) Deputy President, Councillors and staff for their co-operation, assistance and efforts during the year, that again enabled planned objectives to be reasonably achieved and it is pleasing to note that Council and staff continue their efforts as a team and compliment each and other to allow desired outcomes to be successfully achieved, in the community's interests.

Council continues to achieve most of their forward planning objectives, and meet community service obligations.

**DAVID BURTON
CHIEF EXECUTIVE OFFICER**

Overview of the Plan for the Future

Proposed to commence or continue next Financial year 2012 2013.

<p>OVERVIEW OF THE PLAN FOR THE FUTURE ACTIVITIES PROPOSED TO COMMENCE OR CONTINUE NEXT FINANCIAL YEAR</p> <p>(Section 5.53)(2)(e) of the Local Government Act</p>	
<p><u>GENERAL PURPOSE FUNDING</u></p>	<p>Council increased rate revenue in 2012/13 year by approximately 5.0% above the level raised in the previous year. However rates still only represented 16.1% of cash received.</p> <p>Whilst grant revenue from the Federal Government continues to be uncertain in the longer term due to the review taking place, an increase in both general purpose and road funding untied grants was again received.</p>
<p><u>ADMINISTRATION & GOVERNANCE</u></p>	<p>There is a good working relationship between Council and the staff, even though work loads are increasing all the time, the existing structure was maintained; however, it will be necessary to continue to review this structure in 2013/14 due to increased demand on Councillor, and staff time, as well as resources, financial and other. Particularly with regard Local Government Reform as this Shire is now part of a Regional Transition Group.</p>
<p style="text-align: right;"><i>NEWROC</i></p>	<p>Of which Council is a member, will continue as a voluntary body to the 30 June 2014. With local government restructuring under serious consideration, the decision may well be made by State Government.</p>
<p><u>HEALTH</u></p>	<p>The community/allied health building has proved to be an asset to the Koorda Community.</p> <p>Dr Liviu Pasintiuc has commenced as the GP for the Koorda, and Wyalkatchem community. The Shires of Koorda and Wyalkatchem currently subsidise the practise.</p>

Overview of the Plan for the Future

Proposed to commence or continue next Financial year 2012 2013.

<u>HOUSING</u>	<p>Construction of 2 x 2 bedroom units was completed during the 12/13 financial year and a third unit started.</p> <p>Council commenced the construction of 3 additional units as part of the NEWROC regional accommodation project utilising Royalties for Regions Funds.</p> <p>Council will continue their adopted ongoing general five year forward projection of anticipated upgrading/maintenance work, this is reviewed annually.</p>
<u>COMMUNITY AMENITIES</u>	<p>The Shire continues to manage the land-fill disposal site at Koorda as well as the Koorda town sewerage scheme.</p> <p>With regard the Koorda refuse site, rehabilitation will be ongoing during 2012/2013 and better site management practices will be implemented to avoid environmental issues, and extend the life of the facility.</p> <p>Approval is currently being sought for the development of a new refuse site on the area that was previously the Koorda Golf Course.</p>
<u>RECREATION & CULTURE</u>	<p>Council will continue the commitment of supporting the community in achieving and maintaining a good standard of leisure facilities, to assist in the local lifestyle to ensure the provision of recreation and cultural activities within the Shire. Council will continue improvements to the Recreation Facilities, (the oval is scheduled to be renovated in September/October of each year).</p> <p style="text-align: right;"><i>Swimming Pool</i></p> <p>The lights surrounding the swimming areas is to be upgraded so that the pool can be utilised at night.</p> <p style="text-align: right;"><i>Volunteer Park</i></p> <p>Continue to enhance the area.</p> <p>Upgrade electrical cabling</p>

Overview of the Plan for the Future

Proposed to commence or continue next Financial year 2012 2013.

<i>Drive In</i>	<p>Council has commenced a review of their forward/strategic planning for recreation facilities for the Shire of Koorda for the next five year period.</p>
<u>TRANSPORT</u>	<p>Total 'Roads to Recovery' grant funding was \$324,000 in 2012/13.</p> <p>Council has developed programs to complement their proactive forward planned activities with regard construction, preservation and maintenance of the road network within the Shire, over a rolling five (5) year programme.</p> <p>Whilst past priority was given to widening existing bitumen sealed roads, and clearing and widening of unsealed rural roads, as prioritised; the necessity to reseal existing bitumen roads will assume greater future priority, within Council's available financial resources. With regard this requirement; there will be a need to balance human, contractual and other resources, against service needs. A total of \$1.36 million was expended on construction, preservation and maintenance in 2012/13 and expenditure of \$1.75 million is scheduled for 2013/14.</p>
<i>Plant, Equipment and Machinery</i>	<p>Council has a comprehensive, ten year forward projected, 'plant replacement program' which is reviewed and updated at least annually. This is to ensure plant is replaced at the optimum time and Council will continue to replace major items of plant as planned, unless circumstances warrant review. The major item scheduled for purchase in 2013/14 is a prime mover.</p> <p>The Shire fleet key plant items continue to be replaced as assets age, to minimize associated costs of maintenance and repairs. To ensure the added flexibility necessary to complete expanded works programs, Council adopted a policy of purchasing additional second hand items of equipment. This activity has continued and is effectively managed through Works Committee who monitor and recommend items to be replaced, these would be generally be replaced by second hand items. Surplus items will be disposed of.</p> <p>Again, some plant items were purchased as forecast; others deferred, and unplanned</p>

Overview of the Plan for the Future

Proposed to commence or continue next Financial year 2012 2013.

	purchases made, where considered expedient.
<i>Infrastructure assets</i>	<p>Council will continue their program of significant road bitumen resealing, general road construction and road widening in the coming years, recognising the requirement for the network to be maintained with the objective of providing reasonable quality service to the community and meet the need use requirements of larger machinery items and freight units. However, the balance between funding and needs requirement as well as good asset management practices, is widening as is Council's ability to meet road user demands.</p> <p>The use of heavy road units to move grain is and will continue to have a detrimental impact on Councils road network.</p> <p>The need to change future priorities to resealing of bitumen roads has been recognised. However, the future priority needs of the Koorda-Mollerin Road will be monitored, as it is likely to become a 'priority road' with regard 'grain freight'.</p>
<u>ECONOMIC SERVICES</u>	<p>Council continues to support the concept of dryland salinity management strategies and natural resource management.</p> <p>An issue that is still "current" is deep drainage and the issues associated with such programs. Council will endeavour to assist in the addressing the complex issues now involved with regard natural resource management.</p>
<i>Caravan Park</i>	Upgrade electrical supply to the bay on the east side of the park.
<i>Industrial Units</i>	Undertake business and feasibility study to construct business units in Koorda.
<i>DrumMuster</i>	Council is now part of the DrumMuster program and offers the service for used chemicals drums to be delivery to our storage facility to be collected by DrumMuster for the recycling of these used containers. Collection will be arranged on a request basis.

Overview of the Plan for the Future
Proposed to commence or continue next Financial year 2012 2013.

<i>Waste Oil</i>	This service/facility is currently closed.
<u>OTHER PROPERTY & SERVICES</u>	Ongoing service provision as community directs.

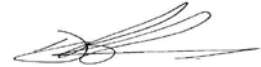
**SHIRE OF KOORDA
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Koorda being the annual financial report and other information for the financial year ended 30th June 2013 are in my opinion properly drawn up to present fairly the financial position of the Shire of Koorda at 30th 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.

Signed as authorisation of issue on the seventeenth day of September, 2013



David Burton
Chief Executive Officer

**STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE**

	NOTE	2013 \$	2013 Budget \$	2012 \$
Revenue				
Rates	22	828,202	817,880	778,986
Operating Grants, Subsidies and Contributions	28	1,372,942	677,331	1,813,561
Fees and Charges	27	457,472	542,689	413,941
Interest Earnings	2(a)	201,734	224,812	260,778
Other Revenue		<u>28,929</u>	<u>21,661</u>	<u>34,205</u>
		<u>2,889,279</u>	<u>2,284,373</u>	<u>3,301,471</u>
Expenses				
Employee Costs		(993,189)	(1,334,221)	(1,108,504)
Materials and Contracts		(797,155)	(957,013)	(537,829)
Utility Charges		(33,095)	(32,990)	(25,504)
Depreciation on Non-Current Assets	2(a)	(1,316,670)	(980,809)	(1,170,241)
Insurance Expenses		(86,458)	(128,048)	(125,903)
Other Expenditure		<u>(59,258)</u>	<u>(67,215)</u>	<u>(85,759)</u>
		<u>(3,285,825)</u>	<u>(3,500,296)</u>	<u>(3,053,740)</u>
		<u>(396,547)</u>	<u>(1,215,923)</u>	<u>247,731</u>
Non-Operating Grants, Subsidies and Contributions	28	2,140,635	2,241,856	1,597,276
Profit on Asset Disposals	20	75,192	77,107	120,454
Loss on Asset Disposal	20	<u>(91,060)</u>	<u>(3,167)</u>	<u>(20,629)</u>
Net Result		1,728,220	1,099,873	1,944,832
Other Comprehensive Income				
Changes on revaluation of non-current assets	12	<u>568,222</u>	<u>0</u>	<u>0</u>
Total Other Comprehensive Income		568,222	0	0
Total Comprehensive Income		<u>2,296,442</u>	<u>1,099,873</u>	<u>1,944,832</u>

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

STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM

	NOTE	2013 \$	2013 Budget \$	2012 \$
Revenue				
Governance		0	31,523	0
General Purpose Funding		2,230,619	1,584,452	2,360,089
Law, Order, Public Safety		42,788	43,135	43,463
Health		114,570	130,405	111,402
Housing		120,977	116,826	109,941
Community Amenities		120,363	149,105	126,090
Recreation and Culture		42,096	20,167	22,321
Transport		123,088	118,846	425,615
Economic Services		66,242	70,291	61,943
Other Property and Services		28,535	19,623	40,607
	2(a)	<u>2,889,278</u>	<u>2,284,373</u>	<u>3,301,471</u>
Expenses				
Governance		(311,251)	(389,740)	(292,643)
General Purpose Funding		(96,989)	(86,073)	(68,016)
Law, Order, Public Safety		(112,252)	(105,995)	(102,039)
Health		(228,348)	(283,539)	(241,113)
Education and Welfare		(13,966)	(11,809)	(11,850)
Housing		(134,542)	(147,828)	(100,796)
Community Amenities		(195,539)	(241,263)	(173,966)
Recreation & Culture		(592,429)	(633,227)	(576,956)
Transport		(1,364,658)	(1,313,150)	(1,345,012)
Economic Services		(233,308)	(280,628)	(137,006)
Other Property and Services		(2,543)	(7,044)	(4,343)
	2(a)	<u>(3,285,825)</u>	<u>(3,500,296)</u>	<u>(3,053,740)</u>
Non-Operating Grants, Subsidies and Contributions				
General Purpose Funding		538,123	345,721	800,493
Law, Order, Public Safety		107,546	0	0
Housing		660,000	730,000	399,532
Community Amenities		8,867	36,081	0
Recreation & Culture		121,802	289,250	89,363
Transport		672,917	632,768	307,888
Economic Services		31,380	208,036	0
		<u>2,140,635</u>	<u>2,241,856</u>	<u>1,597,276</u>
Profit/(Loss) on Disposal of Assets				
Health		(15,290)	(3,000)	(10,227)
Recreation & Culture		4,242	0	0
Transport		(644)	72,140	112,252
Other Property and Services		(4,176)	4,800	(2,200)
		<u>(15,868)</u>	<u>73,940</u>	<u>99,825</u>
Net Result		1,728,220	1,099,873	1,944,832
Other Comprehensive Income				
Changes on revaluation of non-current assets	12	568,222	0	0
Total Other Comprehensive Income		568,222	0	0
Total Comprehensive Income		2,296,442	1,099,873	1,944,832

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

STATEMENT OF FINANCIAL POSITION

	NOTE	2013 \$	2012 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	5,695,380	4,961,327
Trade and Other Receivables	4	76,534	100,231
Inventories	5	13,931	5,922
TOTAL CURRENT ASSETS		<u>5,785,845</u>	<u>5,067,480</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	6	6,119,655	5,080,226
Infrastructure	7	56,324,302	55,763,343
TOTAL NON-CURRENT ASSETS		<u>62,443,957</u>	<u>60,843,569</u>
TOTAL ASSETS		<u>68,229,802</u>	<u>65,911,049</u>
CURRENT LIABILITIES			
Trade and Other Payables	8	128,078	165,418
Provisions	10	265,804	202,934
TOTAL CURRENT LIABILITIES		<u>393,882</u>	<u>368,352</u>
NON-CURRENT LIABILITIES			
Provisions	10	38,343	41,562
TOTAL NON-CURRENT LIABILITIES		<u>38,343</u>	<u>41,562</u>
TOTAL LIABILITIES		<u>432,225</u>	<u>409,914</u>
NET ASSETS		<u>67,797,577</u>	<u>65,501,135</u>
EQUITY			
Retained Surplus		48,750,165	47,473,967
Reserves - Cash Backed	11	3,667,952	3,215,930
Revaluation Surplus	12	15,379,460	14,811,238
TOTAL EQUITY		<u>67,797,577</u>	<u>65,501,135</u>

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

STATEMENT OF CHANGES IN EQUITY

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2011		45,435,134	3,309,932	3,548,270	52,293,336
Changes in Accounting Policy					0
Correction of Errors		(1)	0	0	(1)
Restate Balance					
Comprehensive Income					
Net Result		1,944,832	0	0	1,944,832
Changes on Revaluation of Non-Current Assets	12	0		11,262,968	11,262,968
Total Other Comprehensive Income		1,944,832	0	11,262,968	13,207,800
Reserve Transfers		94,002	(94,002)	0	0
Balance as at 30 June 2012		47,473,967	3,215,930	14,811,238	65,501,135
Comprehensive Income					
Net Result		1,728,220	0	0	1,728,220
Changes on Revaluation of Non-Current Assets	12	0		568,222	568,222
Total Other Comprehensive Income		0	0	568,222	568,222
Reserve Transfers		(452,022)	452,022	0	0
Balance as at 30 June 2013		48,750,165	3,667,952	15,379,460	67,797,577

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2013**

	NOTE	2013 \$	2013 Budget \$	2012 \$
Cash Flows From Operating Activities				
Receipts				
Rates		808,713	817,880	778,307
Operating Grants, Subsidies and Contributions		1,366,732	677,331	2,298,650
Fees and Charges		457,472	599,613	413,941
Interest Earnings		201,734	224,812	260,778
Goods and Services Tax		202,865	370,000	198,863
Other Revenue		28,929	21,661	34,205
		<u>3,066,445</u>	<u>2,711,297</u>	<u>3,984,744</u>
Payments				
Employee Costs		(947,820)	(1,369,266)	(1,174,076)
Materials and Contracts		(828,222)	(1,025,584)	(485,178)
Utility Charges		(33,095)	(32,990)	(25,504)
Insurance Expenses		(86,458)	(128,048)	(125,903)
Goods and Services Tax		(153,469)	(370,000)	(248,259)
Other Expenditure		(59,258)	(67,215)	(85,759)
		<u>(2,108,322)</u>	<u>(2,993,103)</u>	<u>(2,144,679)</u>
Net Cash Provided By (Used In) Operating Activities	13(b)	<u>958,123</u>	<u>(281,806)</u>	<u>1,840,065</u>
Cash Flows from Investing Activities				
Payments for Purchase of Property, Plant & Equipment		(1,283,899)	(2,453,900)	(1,430,725)
Payments for Construction of Infrastructure		(1,357,910)	(1,388,901)	(1,562,918)
Non-Operating Grants, Subsidies and Contributions		2,140,635	2,241,856	1,597,276
Proceeds from Sale of Plant & Equipment		277,104	349,000	392,810
		<u>(224,070)</u>	<u>(1,251,945)</u>	<u>(1,003,557)</u>
Net Cash Provided by (Used in) Investment Activities		<u>(224,070)</u>	<u>(1,251,945)</u>	<u>(1,003,557)</u>
Cash Flows from Financing Activities				
Net Cash Provided By (Used In) Financing Activities		<u>0</u>	<u>0</u>	<u>0</u>
Net Increase (Decrease) in Cash Held		734,053	(1,533,751)	836,508
Cash at Beginning of Year		4,961,327	4,967,289	4,124,819
Cash and Cash Equivalents at the End of the Year	13(a)	<u><u>5,695,380</u></u>	<u><u>3,433,538</u></u>	<u><u>4,961,327</u></u>

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

RATE SETTING STATEMENT

	NOTE	2013 Actual \$	2013 Budget \$	2012 Actual \$
Revenue				
Governance		0	31,523	0
General Purpose Funding		1,940,540	1,112,293	2,381,596
Law, Order, Public Safety		150,334	43,135	43,463
Health		114,570	130,572	111,402
Education and Welfare		0	0	0
Housing		780,977	846,826	509,473
Community Amenities		129,230	185,186	126,090
Recreation and Culture		168,140	309,417	111,684
Transport		866,955	823,754	853,128
Economic Services		97,622	278,327	61,943
Other Property and Services		28,535	24,423	41,436
		<u>4,276,903</u>	<u>3,785,456</u>	<u>4,240,215</u>
Expenses				
Governance		(311,251)	(389,740)	(292,643)
General Purpose Funding		(96,989)	(86,073)	(68,016)
Law, Order, Public Safety		(112,252)	(105,995)	(102,039)
Health		(243,638)	(286,706)	(251,340)
Education and Welfare		(13,966)	(11,809)	(11,850)
Housing		(134,542)	(147,828)	(100,796)
Community Amenities		(195,539)	(241,263)	(173,966)
Recreation and Culture		(592,429)	(633,227)	(576,956)
Transport		(1,436,252)	(1,313,150)	(1,352,385)
Economic Services		(233,308)	(280,628)	(137,006)
Other Property and Services		(6,719)	(7,044)	(7,372)
		<u>(3,376,885)</u>	<u>(3,503,463)</u>	<u>(3,074,369)</u>
Net Result Excluding Rates		900,018	281,993	1,165,846
Adjustments for Cash Budget Requirements:				
Non-Cash Expenditure and Revenue				
(Profit)/Loss on Asset Disposals	20	15,868	(73,940)	(99,825)
Movement in Accrued Salaries and Wages		3,027	0	2,744
Movement in Employee Benefit Provisions (Non-current)		44,791	5,787	(40,228)
Depreciation and Amortisation on Assets	2(a)	1,316,670	980,809	1,170,241
Capital Expenditure and Revenue				
Purchase Land and Buildings	6(a)	(486,380)	(1,732,400)	(612,175)
Purchase Infrastructure Assets - Roads	7(a)	(1,197,968)	(1,208,000)	(1,228,076)
Purchase Plant and Equipment	6(a)	(106,006)	(661,000)	(765,923)
Purchase Furniture and Equipment	6(a)	(691,513)	(60,500)	(52,627)
Purchase Infrastructure Assets - Other	7(a)	(159,942)	(180,901)	(334,842)
Proceeds from Disposal of Assets	20	277,104	349,000	392,810
Transfers to Reserves (Restricted Assets)	11	(614,022)	(882,709)	(490,998)
Transfers from Reserves (Restricted Assets)	11	162,000	665,900	585,000
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	22(b)	1,721,177	1,698,081	1,250,244
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	22(b)	2,013,027	0	1,721,177
Total Amount Raised from General Rate	22(a)	<u>(828,202)</u>	<u>(817,880)</u>	<u>(778,986)</u>

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**1. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

(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 Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, 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 management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

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 which form the basis of making the judgements about carrying values of assets and liabilities that are 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 19 to these financial statements.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables in the statement of financial position are stated inclusive of applicable GST. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities on the statement of financial position.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(e) Trade and Other Receivables**

Trade and other receivables include amounts due from ratepayers for unpaid rates and services charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectibility of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(f) Inventories***General***

Inventories are measured at the lower of cost and net realisable value.

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

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in the statement of comprehensive income at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on Council's intention to release for sale.

(g) Fixed Assets

Each class of fixed assets is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation or impairment losses.

Mandatory Requirement to Revalue Non-Current Assets

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The amendments allow for a phasing in of fair value in relation to fixed assets over three years as follows:

(a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and

(b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government -

(i) that are plant and equipment; and

(ii) that are -

(I) land and buildings; or-

(II) Infrastructure;

and

(c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(g) Fixed Assets (Continued)**

Thereafter, in accordance with the regulations, each asset class must be revalued at least every 3 years.

Council has commenced the process of adopting Fair Value in accordance with the Regulations.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, has been made in the financial report as necessary.

Land Under Control

In accordance with Local Government (Financial Management) Regulation 16(a), the Council is required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or Regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with other policies detailed in this Note.

Whilst they were initially recorded at cost, fair value at the date of acquisition was deemed cost as per AASB 116.

Consequently, these assets were initially recognised at cost but revalued along with other items of Land and Buildings at 30 June 2013.

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 by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of comprehensive income in the period in which they are incurred.

Revaluation

Revalued assets are carried at their fair value being the price that would be received to sell the asset, in an orderly transaction between market participants at the measurement date.

For land and buildings, fair value will be determined based on the nature of the asset class. For land and non-specialised buildings, fair value is determined on the basis of observable open market values of similar assets, adjusted for conditions and comparability at their highest and best use (Level 2 inputs in the fair value hierarchy).

With regards to specialised buildings, fair value is determined having regard for current replacement cost and both observable and unobservable costs. These include construction costs based on recent contract prices, current condition (observable Level 2 inputs in the fair value hierarchy), residual values and remaining useful life assessments (unobservable Level 3 inputs in the fair value hierarchy).

For infrastructure and other asset classes, fair value is determined to be the current replacement cost of an asset (Level 2 inputs in the fair value hierarchy) less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset (Level 3 inputs in the fair value hierarchy).

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(g) Fixed Assets (Continued)**

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases in the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised as profit and loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Those assets carried at a revalued 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 materially from the determined using fair value at reporting date.

In addition, the amendments to the Financial Management Regulations mandating the use of Fair Value, imposes a further minimum of 3 years revaluation requirement. As a minimum, all assets carried at a revalued amount, will be revalued at least every 3 years.

Transitional Arrangement

During the time it takes to transition the carrying value of non-current assets from the cost approach to the fair value approach, the Council may still be utilising both methods across differing asset classes

Those assets carried at cost will be carried in accordance with the policy detailed in the ***Initial Recognition*** section as detailed above.

Those assets carried at fair value will be carried in accordance with the ***Revaluation*** Methodology section as detailed above.

Early Adoption of AASB 13 - Fair Value Measurement

Whilst the new accounting standard in relation to Fair Value, *AASB 13 - Fair Value Measurement* does not become applicable until the end of the year ended 30 June 2014 (in relation to Council), given the legislative need to commence using Fair Value methodology for this reporting period, the Council chose to early adopt AASB 13 (as allowed for in the standard)

As a consequence, the principles embodied in *AASB 13 - Fair Value Measurement* have been applied to this reporting period (year ended 30 June 2013).

Due to the nature and timing of the adoption (driven by legislation), the adoption of this standard has had no effect on previous reporting periods.

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 AASB1051 - Land Under Roads and the fact Local Government (Financial Management) Regulation 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) Regulation 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) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(g) Fixed Assets (Continued)**

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

Depreciation of Non-Current Assets

All non-current assets having a limited useful life (excluding freehold land) are 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.

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

Buildings	2%
Furniture and Equipment	10 - 25%
Plant and Equipment	15 - 25%
Motor Vehicles	25%
Roads - Aggregate	25 years
Roads - Unsealed - Gravel	35 years
Drains and Sewers	75 years
Airfield - Runways	12 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 in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that to retained earnings surplus.

Capitalisation Threshold

Expenditure on items of equipment under \$5,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

(h) Intangible Assets***Easements***

Due to legislative changes, Easements are required to be recognised as assets.

If significant, they are initially recognised at cost and have an indefinite useful life.

(i) Financial Instruments***Initial Recognition and Measurement***

Financial assets and financial liabilities are recognised when the Council becomes a party 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 (i.e. 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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(i) Financial Instruments*****Classification and Subsequent Measurement***

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

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 rate method is used 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 discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net 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 and 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. They are subsequently measured at Fair Value with changes to carrying amount being included in profit and loss.

Classification and Subsequent Measurement (Continued)***(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 and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in non-current assets, where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(i) Financial Instruments***(iv) Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within the 12 months after the end of the reporting period. All other financial assets are classified as non-current.

(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.

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial instruments, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Council no longer has any significant continued involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(j) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(j) Impairment (Continued)**

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

(k) Trade and Other Payables

Trade payables and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

(l) Employee Benefits

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(m) Borrowing Costs

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.

(n) Provisions

Provisions are recognised when:

- a) The Council has a present legal or constructive obligation as a result of past events;
- b) for which it is probable that an outflow of economic benefits will result; and
- c) that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(o) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Council, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(p) Investment in Associates**

Associates are entities in which the Council has significant influence through holding, directly or indirectly, 20% or more of the voting power of the Council. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Council's share of net assets of the associated entity. In addition, Council's share of the profit or loss of the associate entity is included in the Council's profit and loss.

The carrying amount of the investment includes goodwill relating to the associate. Any discount on acquisition, whereby the Council's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Council and the associate are eliminated to the extent of the Council's interest in the associate.

(q) Joint Venture

The Council'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 appropriate line items of the financial statement. Information about the joint venture is set out in Note 16.

The Council's interests in joint venture entities are recorded using the equity method of accounting in (refer to Note 1(p) for details) in the financial report.

Where the Council contributes assets to the joint venture or if the Council purchases assets from the joint venture, only the portion of the gain or loss that is not attributable to the Council's share of the joint venture shall be recognised. The Council recognises the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.

(r) 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 in Note 2(c). 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.

(s) Superannuation

The Council contributes to a number of superannuation funds on behalf of employees. All funds to which the Council contributes are defined contribution plans.

(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 operational 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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(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.

When the Council applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, a statement of financial position as at the beginning of the earliest period will be disclosed.

(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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Council.

Management's assessment of the new and amended pronouncement that are relevant to the Council, applicable to future reporting periods and which have not yet been adopted are set out as follows:

	Title and Topic	Issued	Applicable ⁽¹⁾	Impact
(i)	AASB 9 – Financial Instruments	December 2009	1 January 2013	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect.
	AASB 2012 - 6 Amendments to Australian Accounting Standards - Mandatory effective date of AASB 9 and Transition Disclosures	September 2012	Deferred AASB 9 until 1 January 2015	
(ii)	AASB 2009 -11 Amendments to Australian Accounting Standards arising from AASB 9	December 2009	1 January 2013	Nil - The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
	[AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12)			

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

Title and Topic	Issued	Applicable ⁽¹⁾	Impact
(iii) AASB 2010 - 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	December 2010	1 January 2013	Nil - The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).
(iv) AASB 10 – Consolidated Financial Statements, AASB 11 - Joint Arrangements, AASB 12 - Disclosure of Interests in Other Entities, AASB 127 - Separate Financial Statements, AASB 128 - Investments in Associates and Joint Ventures, AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 131, 132, 133, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	August 2011	1 January 2013	Nil – None of these, except for AASB 128, are expected to have significant application to the operations of the Council. With respect to AASB 128, where the Council has an interest in a Joint Venture, the requirements of AASB 128 supercede those of the current Joint Venture Standard AASB 131. The new standard more clearly defines the accounting treatment and disclosure in relation to it. Due to the nature of the Joint Venture it is not expected to have a significant impact on the Council.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

Title and Topic	Issued	Applicable ⁽¹⁾	Impact
(v) AASB 2011 - 9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 134, 1039 & 1049]	September 2011	1 July 2013	The main change embodied in this standard is the requirement to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit and loss subsequently. It effects presentation only and is not expected to significantly impact the Council.
(vi) AASB 119 - Employee Benefits, AASB 2011 10 Amendments to Australian Accounting Standards arising from AASB 119 [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Interpretation 14]	September 2011	1 January 2013	The changes in relation to defined benefits plans contained in this standard are not expected to significantly impact the Council nor are the changes to AASBs in relation to termination benefits.
(vii) AASB 2012 - 2 Amendments to Australian Accounting Standards - Disclosure - Offsetting Financial Assets and Financial Liabilities [AASB 7 & 32]	June 2012	1 January 2013	Principally amends AASB 7: Financial Instruments: Disclosures to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. The Standard is not expected to significantly impact on the Council's financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

Title and Topic	Issued	Applicable ⁽¹⁾	Impact
(viii) AASB 2012-3: Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132]	June 2012	1 January 2014	This Standards adds application guidance to AASB 132: <i>Financial Instruments: Presentation</i> to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement. The Standard is not expected to significantly impact on the Council's financial statements.
(ix) AASB 2012-5: Amendments to Australian Accounting Standards arising from the Annual Improvements 2009-2011 Cycle [AASB 1, 101, 116, 132, 134 and Interpretation 2]	June 2012	1 January 2013	Outlines changes to the various standards and interpretations as listed. These topics are not currently relevant to Council, nor are they expected to be in the future. As a consequence, this Standard is not expected to significantly impact on the Council's financial statements.
(x) AASB 2012-10 - Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102 108, 112, 118, 119, 127, 128, 132, 133,134 137, 1023, 1038, 1039, 1049 & 2011-7 and Interpretations 12]	December 2012	1 January 2013	Mainly consequential changes relating to transition guidance. It is not expected to have a significant impact on Council.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)****(y) Adoption of New and Revised Accounting Standards**

During the current year, the Council adopted all of the new and revised Australian Accounting Standards and Interpretations which became mandatory and which were applicable to its operations.

These new and revised standards were:

AASB 2010 - 8
AASB 2011 - 3
AASB 2011 - 13

The standards adopted had a minimal effect on the accounting and reporting practices of the Council as they were either not applicable largely editorial in nature, were revisions to help ensure consistency with presentation, recognition and measurement criteria of IFRSs or related to topics not relevant to operations.

The Council also chose to early adopt AASB 13 - *Fair Value Measurement* as allowed for in the standard. For further details with respect to this early adoption, refer to Note 1(g).

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

2. REVENUE AND EXPENSES

(a) Net Result

The Net Result includes:

	2013	2012
	\$	\$
(i) Charging as an Expense:		
Auditors Remuneration		
- Audit of the annual financial report	14,605	8,500
- Audit of grant acquittal	1,901	0
Depreciation		
Buildings	110,128	98,254
Furniture and Equipment	35,627	28,686
Plant and Equipment	373,964	310,864
Roads	750,920	696,354
Other Infrastructure	46,031	36,083
	<u>1,316,670</u>	<u>1,170,241</u>
Rental Charges		
- Operating Leases	<u>0</u>	<u>8,500</u>

(ii) Crediting as Revenue:

Significant Revenue

This significant revenue in both years relates to the prepayment of the first Financial Assistance Grant of the next year.

General Purpose Funding	<u>929,193</u>	<u>886,206</u>
	<u>929,193</u>	<u>886,206</u>

	2013 Actual \$	2013 Budget \$	2012 Actual \$
Interest Earnings			
Investments			
- Reserve Funds	152,354	170,100	201,543
- Other Funds	40,263	52,500	54,512
Other Interest Revenue (<i>refer note 26</i>)	9,117	2,212	4,723
	<u>201,734</u>	<u>224,812</u>	<u>260,778</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

In order to discharge its responsibilities to the community, the Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities/programs.

Council operations as disclosed in this statement encompass the following service orientated activities/programs:

GOVERNANCE

Details expenses related to Councils seven councillors, who normally meet the third Wednesday of each month, make policy decisions, review Councils operations, plan for current and future service provision requirements and undertake necessary appropriate training and attend conferences.

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue. □

Rates - the amount to be raised is determined by Councils budget "shortfall" that is known income and desired expenditure. Rates actually levied on individual rate payers required to raise the desired rate income, and is determined by calculating the rate in the dollar and multiplying by the gross rental or unimproved values of individual properties. Due to property valuation changes actual individual percentage rate increases may vary.

General Purpose Government Grants - are the grant amounts paid to the local government from Federal Government funding as determined by and via the Western Australian Local Government Grants Commission.

Interest - interest earned on monies invested or deposited by Council.

LAW, ORDER, PUBLIC SAFETY

Supervision of bylaws, fire prevention, animal control and emergency services. Requirements that Council carries out by statute.

HEALTH

Food quality control, immunisation, contributions to medical, health and operation of the child health clinic.

Council is a member of the group health scheme (North Eastern Wheat Belt Health Scheme). Monitors food quality and caters for health requirements for the broader community.

EDUCATION AND WELFARE

Assists in the provision of the Home and Community Care Services and Seniors and Pensioner requirements.

HOUSING

Provides and maintains housing rented to staff and non-staff.

Council is the major landlord, providing accommodation for aged, pensioner, single, married and government employees.

COMMUNITY AMENITIES

Operation and control of cemeteries, public conveniences and sanitation service.

Provides public amenities. Owns and operates the town site deep sewerage service. Controls and maintains the rubbish disposal site.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

2. REVENUE AND EXPENSES (Continued)

Maintenance of hall, aquatic & recreations centre, library and various reserves.

Provision of leisure, cultural, sporting, and passive activity facilities for the community.

TRANSPORT

Construction and maintenance of roads, footpaths, drainage works and cleaning of streets.

Provision of infrastructure necessary to ensure adequate transport, communication, freight, social access routes and environmental enhancement within the Shire.

ECONOMIC SERVICES

Tourism, pest control, building controls and Department of Transport Agency for vehicle registrations and drivers licenses.

Tourism facilities, information and directional signs.

Weed and pest control services.

Necessary building control services.

OTHER PROPERTY AND SERVICES

Private works carried out by Council and indirect cost allocation pools.

Council is available to carry out limited private works.

Public works overheads, plant operation and administration costs are allocated to the various functions, works and services provided by Council.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

2. REVENUE AND EXPENSES (Continued)

(c) Conditions Over Grants/Contributions		Opening Balance ⁽¹⁾ 1/07/2011	Received ⁽²⁾ 2011/12	Expended ⁽³⁾ 2011/12	Closing Balance ⁽¹⁾ 30/06/2012	Received ⁽²⁾ 2012/13	Expended ⁽³⁾ 2012/13	Closing Balance 30/06/2013
Grant/Contribution	Function/ Activity	\$	\$	\$	\$	\$	\$	\$
Royalties for Regions	GPF	454,504	0	(402,118)	52,386	0	(52,386)	0
RLCIP	Health	0	0	0	0	0		0
Federal Assistance	GPF	256,120	0	(256,120)	0	605,712		605,712
Federal Road	GPF	166,463	0	(166,463)	0	323,481		323,481
Local Government Reform	Gov	0	0	0	0	0		0
Community Drought Event	Rec & Culture	9,796	0	(9,796)	0	0		0
Royalties for Regions 11/12	GPF	0	399,532	(127,980)	271,552	0	(154,845)	116,707
Royalties for Regions Regional	Housing	0	0	0	0	660,000	0	660,000
Total		886,883	399,532	(962,477)	323,938	1,589,193	(207,231)	1,705,900

Notes:

(1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.

(2) - 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.

(3) - 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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

	Note	2013 \$	2012 \$
3. CASH AND CASH EQUIVALENTS			
Unrestricted		321,528	1,421,459
Restricted		5,373,852	3,539,868
		<u>5,695,380</u>	<u>4,961,327</u>
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Accrued Leave Reserve	11	250,945	240,411
Road Reserve	11	341,378	327,048
Plant Reserve	11	397,001	315,023
Council Building Reserve	11	815,546	737,897
TV Reserve	11	3,002	78,910
Recreation Reserve	11	620,022	402,314
Medical Practitioners Reserve	11	244,728	202,885
IT & Administration Reserve	11	87,443	98,143
Sewerage Reserve	11	556,187	499,213
Community Housing Reserve	11	65,136	59,145
JVC Units Reserve	11	49,300	58,728
Community Bus Reserve	11	78,222	74,938
NRM Reserve	11	18,091	17,331
Waste Management Reserve	11	124,676	89,789
JV Johnson Reserve	11	16,275	14,155
Unspent Grants	2(c)	1,705,900	323,938
		<u>5,373,852</u>	<u>3,539,868</u>
4. TRADE AND OTHER RECEIVABLES			
Current			
Rates Outstanding		43,683	24,194
Sundry Debtors		32,068	26,195
GST Receivable		0	49,396
Interest Receivable		783	446
		<u>76,534</u>	<u>100,231</u>
5. INVENTORIES			
Current			
Fuel and Materials		13,931	5,922
		<u>13,931</u>	<u>5,922</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

	2013 \$	2012 \$
6. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings - Cost	5,456,467	4,970,088
Less Accumulated Depreciation	<u>(1,339,405)</u>	<u>(1,229,277)</u>
Total Land and Buildings	4,117,062	3,740,811
Furniture and Equipment - Cost	177,610	310,713
Less Accumulated Depreciation	<u>(40,293)</u>	<u>(197,747)</u>
	137,317	112,966
Plant and Equipment - Independent Valuation 2013	1,636,164	3,844,924
Plant and Equipment - Management Valuation 2013	229,112	0
Less Accumulated Depreciation	<u>0</u>	<u>(2,618,475)</u>
	1,865,276	1,226,449
	<u>6,119,655</u>	<u>5,080,226</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Land (Level 2) \$	Non- Specialised Buildings (Level 2) \$	Specialised Buildings (Level 3) \$	Total Buildings \$	Total Land and Buildings \$	Furniture and Equipment (Level 2) \$	Plant and Equipment (Level 3) \$	Total \$
Balance as at the beginning of the year					3,740,811	112,966	1,226,449	5,080,226
Additions					486,380	106,006	691,513	1,283,899
(Disposals)					0	(46,028)	(246,945)	(292,973)
Revaluation - Increments					0	0	568,222	568,222
- (Decrements)					0	0		0
Impairment - (Losses)					0	0		
- Reversals					0	0		0
Initial Recognition of Assets Due to Change to Regulations					0	0		0
Depreciation (Expense)					(110,128)	(35,627)	(373,964)	(519,719)
Carrying amount at the end of year					4,117,063	137,317	1,865,275	6,119,655

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

	2013	2012
	\$	\$
7. INFRASTRUCTURE		
Roads - Management Valuation 2011	63,379,557	63,379,557
Roads - Cost	2,426,044	1,228,076
Less Accumulated Depreciation	<u>(10,360,207)</u>	<u>(9,609,287)</u>
	55,445,394	54,998,346
Infrastructure Other - Cost	1,434,172	1,274,230
Less Accumulated Depreciation	<u>(555,264)</u>	<u>(509,233)</u>
	878,908	764,997
	<u>56,324,302</u>	<u>55,763,343</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

7. INFRASTRUCTURE (Continued)

Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Roads	Other	Total
	\$	\$	\$
Balance at the beginning of the year	54,998,346	764,997	55,763,343
Additions	1,197,968	159,942	1,357,910
(Disposals)	0	0	0
Revaluation - Increments - (Decrements)	0 0	0 0	0 0
Impairment - (losses) - Reversals	0 0	0 0	0 0
Depreciation (Expense)	(750,920)	(46,031)	(796,951)
			0
Carrying amount at the end of year	<u>55,445,394</u>	<u>878,908</u>	<u>56,324,302</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

	2013	2012
	\$	\$
8. TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	60,720	106,228
Bonds and Deposits	15,274	4,195
Accrued Salaries and Wages	38,072	35,045
Collections	13,981	2,610
ATO Liabilities	31	17,340
	<u>128,078</u>	<u>165,418</u>

9. LONG-TERM BORROWINGS

There are no long term borrowings as per note 21.

10. PROVISIONS

Analysis of Total Provisions

Current	265,804	202,934
Non Current	<u>38,343</u>	<u>41,562</u>
	<u>304,147</u>	<u>244,496</u>

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
Opening balance at 1 July 2012	152,026	92,470	244,496
Additional provision	<u>8,367</u>	<u>51,284</u>	<u>59,651</u>
Balance at 30 June 2013	<u>160,393</u>	<u>143,754</u>	<u>304,147</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

	2013 \$	2013 Budget \$	2012 \$
11. RESERVES - CASH BACKED			
(a) Accrued Leave Reserve			
Opening Balance	240,411	240,411	283,204
Amount Set Aside / Transfer to Reserve	10,534	12,000	17,207
Amount Used / Transfer from Reserve	0	0	(60,000)
	<u>250,945</u>	<u>252,411</u>	<u>240,411</u>
(b) Road Reserve			
Opening Balance	327,048	327,049	308,317
Amount Set Aside / Transfer to Reserve	14,330	40,000	18,731
Amount Used / Transfer from Reserve	0	(36,000)	0
	<u>341,378</u>	<u>331,049</u>	<u>327,048</u>
(c) Plant Reserve			
Opening Balance	315,023	315,023	419,534
Amount Set Aside / Transfer to Reserve	116,978	253,500	245,489
Amount Used / Transfer from Reserve	(35,000)	(290,000)	(350,000)
	<u>397,001</u>	<u>278,523</u>	<u>315,023</u>
(d) Council Building Reserve			
Opening Balance	737,897	737,897	695,633
Amount Set Aside / Transfer to Reserve	77,649	50,200	42,264
Amount Used / Transfer from Reserve	0	(174,400)	0
	<u>815,546</u>	<u>613,697</u>	<u>737,897</u>
(e) TV Reserve			
Opening Balance	78,910	78,909	69,677
Amount Set Aside / Transfer to Reserve	24,092	12,000	9,233
Amount Used / Transfer from Reserve	(100,000)	0	0
	<u>3,002</u>	<u>90,909</u>	<u>78,910</u>
(f) Recreation Reserve			
Opening Balance	402,314	402,314	539,534
Amount Set Aside / Transfer to Reserve	217,708	392,509	32,780
Amount Used / Transfer from Reserve	0	(121,000)	(170,000)
	<u>620,022</u>	<u>673,823</u>	<u>402,314</u>
(g) Medical Practitioners Reserve			
Opening Balance	202,885	202,885	181,838
Amount Set Aside / Transfer to Reserve	41,843	18,000	21,047
Amount Used / Transfer from Reserve	0	(5,000)	0
	<u>244,728</u>	<u>215,885</u>	<u>202,885</u>
(h) IT & Administration Reserve			
Opening Balance	98,143	98,144	97,236
Amount Set Aside / Transfer to Reserve	4,300	9,000	5,907
Amount Used / Transfer from Reserve	(15,000)	(20,000)	(5,000)
	<u>87,443</u>	<u>87,144</u>	<u>98,143</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

	2013 \$	2012 Budget \$	2012 \$
11. RESERVES - CASH BACKED (continued)			
(i) Sewerage Reserve			
Opening Balance	499,213	499,213	437,625
Amount Set Aside / Transfer to Reserve	56,974	64,500	61,588
Amount Used / Transfer from Reserve	0	0	0
	<u>556,187</u>	<u>563,713</u>	<u>499,213</u>
(j) Community Housing Reserve			
Opening Balance	59,145	59,144	53,683
Amount Set Aside / Transfer to Reserve	5,991	5,000	5,462
Amount Used / Transfer from Reserve	0	(7,500)	0
	<u>65,136</u>	<u>56,644</u>	<u>59,145</u>
(k) JVC Units Reserve			
Opening Balance	58,728	58,727	54,514
Amount Set Aside / Transfer to Reserve	2,572	6,000	4,214
Amount Used / Transfer from Reserve	(12,000)	(7,500)	0
	<u>49,300</u>	<u>57,227</u>	<u>58,728</u>
(l) Community Bus Reserve			
Opening Balance	74,938	74,938	64,707
Amount Set Aside / Transfer to Reserve	3,284	6,000	10,231
Amount Used / Transfer from Reserve	0	0	0
	<u>78,222</u>	<u>80,938</u>	<u>74,938</u>
(m) NRM Reserve			
Opening Balance	17,331	17,331	14,453
Amount Set Aside / Transfer to Reserve	760	900	2,878
Amount Used / Transfer from Reserve	0	0	0
	<u>18,091</u>	<u>18,231</u>	<u>17,331</u>
(n) Waste Management Reserve			
Opening Balance	89,789	89,788	79,932
Amount Set Aside / Transfer to Reserve	34,887	9,000	9,857
Amount Used / Transfer from Reserve	0	0	0
	<u>124,676</u>	<u>98,788</u>	<u>89,789</u>
(o) JV Johnson Reserve			
Opening Balance	14,155	14,156	10,045
Amount Set Aside / Transfer to Reserve	2,120	4,100	4,110
Amount Used / Transfer from Reserve	0	(4,500)	0
	<u>16,275</u>	<u>13,756</u>	<u>14,155</u>
TOTAL CASH BACKED RESERVES	<u><u>3,667,952</u></u>	<u><u>3,432,738</u></u>	<u><u>3,215,930</u></u>

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**11. RESERVES - CASH BACKED (continued)**

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

Accrued Leave Reserve

To fund payment of Long Service Leave, Accrued Holiday and Sick Leave entitlements to employees as those liabilities arise.

Road Reserve

To assist future road works difficult to fund on an annual basis i.e. reseals and acts of nature. RTR portion specific purpose - restricted to approved projects by 30th June 2012.

Plant Reserve

To ensure purchases are basically funded from funds set aside in the Reserve and the use of those funds determined by a ten year Forward Plan, which is reviewed annually. The intent is that at least the annual plant depreciation component is set aside.

Council Buildings Reserve

To fund the major asset category the Shire owns, and allow some management of the various building requirements.

TV Reserve

To fund future upgrading or extension of receiver/retransmission facility.

Recreation Reserve

To assist funding of future upgrading, renovations and general requirements.

Medical Practitioners Reserve

To accumulate funds to assist in the future costs of attracting and retaining a qualified medical practitioner within the District/Region.

IT & Administration Reserve

To fund technology that will require regular updating and Valuer General Valuation Registers.

Sewerage Reserve

Unexpended annual income must be set aside for future upgrading and replacement of the town sewerage treatment plant.

Community Housing Reserve

Restricted (Not Council controlled) funds that must be used for future maintenance/upgrading or replacement of CHP units or returned to the Department of Housing and Works.

JVC Units Reserve

Restricted (Not Council controlled) funds that must be used for future maintenance/upgrading or replacement of JV Units or returned to the Department of Housing and Works.

Community Bus Reserve

To fund the change over costs of the community bus.

NRM Reserve

To fund future retention of the Natural Resource Management Officer.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**11. RESERVES - CASH BACKED (continued)****Waste Management Site Reserve**

To fund future refuse development.

JVC Johnston Reserve

Restricted (Not Council controlled) funds that must be used for future maintenance/upgrading or replacement of JV Units or returned to the Department of Housing and Works.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**12. REVALUATION SURPLUS****2013**
\$**2012**
\$

Revaluation surpluses have arisen on revaluation of the following classes of non-current assets:

(a) Roads

Opening balance	14,811,238	14,811,238
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>14,811,238</u>	<u>14,811,238</u>

(b) Plant & Equipment

Opening balance	0	0
Revaluation Increment	568,222	0
Revaluation Decrement	0	0
	<u>568,222</u>	<u>0</u>

TOTAL ASSET REVALUATION SURPLUS**15,379,460** **14,811,238**

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

13. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash 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:

	2013 \$	2013 Budget \$	2012 \$
Cash and Cash Equivalents	<u>5,695,380</u>	<u>3,433,538</u>	<u>4,961,327</u>

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

Net Result	1,728,220	1,099,873	1,944,832
Depreciation	1,316,670	980,809	1,170,241
(Profit)/Loss on Sale of Asset	15,868	(73,940)	(99,825)
(Increase)/Decrease in Receivables	23,697	56,924	435,014
(Increase)/Decrease in Inventories	(8,009)	923	2,655
Increase/(Decrease) in Payables	(40,366)	(63,251)	21,908
Increase/(Decrease) in Employee Provisions	62,678	(41,288)	(37,484)
Grants Contributions for the Development of Assets	(2,140,635)	(2,241,856)	(1,597,276)
Non-Current Assets recognised due to changes in legislative requirements	<u>0</u>	<u>0</u>	<u>0</u>
Net Cash from Operating Activities	<u>958,123</u>	<u>(281,806)</u>	<u>1,840,065</u>

(c) Undrawn Borrowing Facilities Credit Standby Arrangements

	2013 \$	2012 \$
Bank Overdraft limit	150,000	150,000
Bank Overdraft at Balance Date	0	0
Credit Card limit	5,000	0
Credit Card Balance at Balance Date	<u>0</u>	<u>0</u>
Total Amount of Credit Unused	<u>155,000</u>	<u>150,000</u>

Loan Facilities

Loan Facilities - Current	0	0
Loan Facilities - Non-Current	<u>0</u>	<u>0</u>
Total Facilities in Use at Balance Date	<u>0</u>	<u>0</u>

Unused Loan Facilities at Balance Date

Nil	<u>Nil</u>
-----	------------

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**14. CONTINGENT LIABILITIES**

There were no known contingent liabilities at balance date.

15. CAPITAL AND LEASING COMMITMENTS	2013	2012
	\$	\$

(a) Finance Lease Commitments

There are no finance lease commitments.

(b) Operating Lease Commitments

There are no operating lease commitments.

(c) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects	80,000	0
--------------------------------	--------	---

Payable:

- not later than one year	80,000	0
---------------------------	--------	---

The capital expenditure project outstanding at the end of the current reporting period represents the commitment to complete a housing unit, Lot 95 Greenham St.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

16. JOINT VENTURE

The Shire together with the Shires of Mukinbudin, Mt Marshall, Trayning and Wyalkatchem have a joint venture arrangement with regard to the provision of an Environmental Health and Building Surveying Service. The only assets are a motor vehicle and miscellaneous equipment. The Shire's one-fifth share of the change over of a vehicle has been expensed.

	2013	2012
	\$	\$
Non-Current Assets		
Plant & Equipment	6,528	6,759
Less: Accumulated Depreciation	<u>(358)</u>	<u>(72)</u>
	<u>6,170</u>	<u>6,687</u>

The Shire also has a joint venture with the Shire of Wyalkatchem to fund a medical centre. The asset in this joint venture is a motor vehicle. The Shire's one-half share in the charge over the vehicle has been expensed.

	2013	2012
	\$	\$
Non-Current Assets		
Plant & Equipment	34,334	29,156
Less: Accumulated Depreciation	<u>(22,045)</u>	<u>(5,178)</u>
	<u>12,289</u>	<u>23,978</u>

17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

General Purpose Funding	44,771	24,641
Law, Order, Public Safety	315,412	165,380
Health	552,507	781,806
Education and Welfare	4,240	4,388
Housing	1,752,931	2,448,076
Community Amenities	232,880	891,413
Recreation and Culture	2,071,098	2,201,413
Transport	56,121,984	56,244,732
Economic Services	235,777	171,709
Other Property and Services	1,202,822	1,135,876
Unallocated	5,695,380	1,841,615
	<u>68,229,802</u>	<u>65,911,049</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

	2013	2012	2011
18. FINANCIAL RATIOS			
Current Ratio	2.88	8.45	4.55
Asset Sustainability Ratio	2.01	2.56	1.87
Debt Service Cover Ratio	0.00	0.00	0.00
Operating Surplus Ratio	(0.26)	0.22	(0.06)
Own Source Revenue Coverage Ratio	0.25	0.51	0.48

The above ratios are calculated as follows:

Current Ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset Sustainability Ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$
Debt Service Cover Ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating Surplus Ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own Source Revenue Coverage Ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

Notes:

Information relating to the **Asset Consumption Ratio** and the **Asset Renewal Funding Ratio** can' be found at Supplementary Ratio Information on Page 55 of this document.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

19. TRUST FUNDS

Funds held at balance date over which the Shire has no control and which are not included in the financial statements are as follows:

	Balance 1 July 2012 \$	Amounts Received \$	Amounts Paid (\$)	Balance 30 June 2013 \$
Housing Bonds	6,770	2,054	0	8,824
Drive In	4,719	1,140	0	5,859
Swimming Pool Committee	301	0	0	301
Youth Group	630	0	0	630
Drought Relief Grant	1,871	0	(1,871)	0
Wheatbelt NRM	0	200	(200)	0
NEWROC Housing Project				
- Shire of Koorda	0	771,629	0	771,629
- Shire of Mt Marshall	0	813,272	0	813,272
- Shire of Mukinbudin	0	864,714	0	864,714
	<u>14,291</u>			<u>2,465,229</u>

20. DISPOSALS OF ASSETS - 2012/13 FINANCIAL YEAR

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)		
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$	
Motor Vehicles							
Health							
EHO Vehicle - 1	34,046	32,500	29,272	30,666	(4,774)	(1,834)	
EHO Vehicle - 2	32,386	30,500	27,046	30,667	(5,340)	167	
EHO Vehicle - 3	33,358	32,000	28,182	30,667	(5,176)	(1,333)	
Transport							
Executive Sedan (KD 0)	40,088	41,260	39,551	43,000	(537)	1,740	
WS Ford Ranger (KD000)	32,227	27,800	29,027	30,000	(3,200)	2,200	
WS Ford Ranger (KD000)	22,352	28,000	28,182	30,000	5,830	2,000	
Other Property and Services							
Executive Sedan - Caprice (KD0)		41,200		43,000	0	1,800	
Admin Sedan	20,024	18,000	15,848	21,000	(4,176)	3,000	
Plant and Equipment							
Law Order & Public Safety							
DFES Fire Truck	0	0	0	0	0	0	
Recreation & Culture							
Toro Mower	758	0	5,000	0	4,242	0	
Transport							
Front End Loader	0	23,800	0	25,000	0	1,200	
Semi Side Tipper	0	0	0	15,000	0	15,000	
Prime Mover	0	0	61,287	50,000	61,287	50,000	
Ute \$x2 KD064	9,876	0	13,709	0	3,833	0	
Side Tipper Written off #289	0	0	0	0	0	0	
Other below threshold W/off	67,857	0	0	0	(67,857)	0	
	<u>292,972</u>	<u>275,060</u>	<u>277,104</u>	<u>349,000</u>	<u>(15,868)</u>	<u>73,940</u>	
					Profit	75,192	77,107
					Loss	(91,060)	(3,167)
						<u>15,868</u>	<u>73,940</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**21. INFORMATION ON BORROWINGS****(a) Repayments - Debentures**

The Shire of Koorda has no borrowings.

(b) New Debentures - 2012/13

No new debentures were raised during 2012/13.

(c) Unspent Debentures

There were no unspent debentures at 30 June 2013.

(d) Overdraft

Council established an overdraft facility of \$150,000 in 2012 to assist with short term liquidity requirements. The balance of the bank overdraft at 1 July 2012 and 30 June 2013 was \$Nil.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

22. RATING INFORMATION - 2012/13 FINANCIAL YEAR

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
General Rate											
GRV Residential	0.1220	122	559,680	68,281	0	0	68,281	71,504	0	0	71,504
GRV Industrial	0.1220	2	24,960	3,045	0	0	3,045	3,394	0	0	3,394
GRV Commercial	0.1220	15	123,888	15,114	0	0	15,114	11,542	0	0	11,542
GRV Special Rural	0.1220	6	27,509	3,356	0	0	3,356	3,356	0	0	3,356
UV Rural	0.0184	215	42,502,500	782,046	0	0	782,046	782,690	0	0	782,690
UV Mining	0.0184	1	44,310	544	156	0	700	544	0	0	544
							0				0
Sub-Totals		361	43,282,847	872,387	156	0	872,543	873,030	0	0	873,030
Minimum Rates	Minimum \$										
GRV Residential	230	3	1,750	690	0	0	690	2,990	0	0	2,990
GRV Industrial	230	1	500	230	0	0	230	230	0	0	230
GRV Commercial	230	6	8,010	1,380	0	0	1,380	1,380	0	0	1,380
GRV Special Rural	230	3	0	690	0	0	690	690	0	0	690
GRV Vacant	230	9	3,200	2,070	0	0	2,070	0	0	0	0
UV Rural	230	6	37,050	1,380	0	0	1,380	1,150	0	0	1,150
UV Mining	230	7	16,524	1,610	0	0	1,610	460	0	0	460
Sub-Totals		35	67,034	8,050	0	0	8,050	6,900	0	0	6,900
Ex-Gratia Rates							880,593				879,930
							5,897				4,950
Discounts (refer note 25)							886,490				884,880
Totals							(58,288)				(67,000)
							828,202				817,880

SHIRE OF KOORDA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2013

22. RATING INFORMATION - 2012/13 FINANCIAL YEAR (Continued)

(b) Information on Surplus/(Deficit) Brought Forward

	2013 (1 July 2013 Carried Forward)	2013 (1 July 2012 Brought Forward) \$	2012 (30 June 2012 Carried Forward) \$
Surplus 1 July Brought Forward	<u>1,721,177</u>	<u>1,250,244</u>	<u>1,250,244</u>
Comprises:			
Cash - Unrestricted	321,528	1,421,459	1,421,459
Cash - Restricted	5,373,852	3,539,868	3,539,868
Rates Outstanding	43,683	24,194	24,194
Sundry Debtors	32,068	26,195	26,195
Interest Receivable	783	446	446
GST Receivable	0	49,396	49,396
Inventories			
- Fuel and Materials	13,931	5,922	5,922
Less:			
Reserves - Cash Backed	(3,667,952)	(3,215,930)	(3,215,930)
Sundry Creditors	(60,720)	(106,228)	(106,228)
Accrued Interest on Debentures	(15,274)	(4,195)	(4,195)
Non-Cash Backed Employee Entitlements	(14,860)	0	0
ATO Liabilities	(31)	(17,340)	(17,340)
Collections	(13,981)	(2,610)	(2,610)
Surplus/(Deficit)	<u>2,013,027</u>	<u>1,721,177</u>	<u>1,721,177</u>

Difference

There was no difference between the Surplus/(Deficit) 1 July 2012 Brought Forward position used in the 2013 audited financial report and the Surplus/(Deficit) Carried Forward position as disclosed in the 2012 audited financial report.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

23. SPECIFIED AREA RATE - 2012/13 FINANCIAL YEAR

No specified area rates were levied in 2012/13.

24. SERVICE CHARGES - 2012/13 FINANCIAL YEAR

No service charges were imposed in 2012/13.

25. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS - 2012/13 FINANCIAL YEAR

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	10%	58,289	67,000
			58,289	67,000

A discount on rates was granted to all who paid their rates in full within 35 days of the date of service appearing on the rate notice.

26. INTEREST CHARGES AND INSTALMENTS - 2012/13 FINANCIAL YEAR

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00%		9,117	2,212
Instalment Charges	11.00%	30	1,406	0
			10,523	2,212

Ratepayers had the option of paying rates in four equal instalments, due on 5 September, 2012, 14 November, 2012, 15 January, 2013 and 12 March, 2013. Administration charges and interest applied for the final three instalments.

27. FEES & CHARGES	2013 \$	2012 \$
General Purpose Funding	7,302	6,503
Law, Order, Public Safety	4,739	5,123
Health	114,570	110,625
Housing	120,977	109,941
Community Amenities	120,363	126,090
Recreation and Culture	10,588	16,821
Economic Services	66,242	29,157
Other Property and Services	12,691	9,681
	<u>457,472</u>	<u>413,941</u>

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

28. GRANT REVENUE

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

	2013	2012
	\$	\$
By Nature and Type:		
Operating Grants, Subsidies and Contributions	1,372,942	1,813,561
Non-Operating Grants, Subsidies and Contributions	2,140,635	1,597,276
	<u>3,513,577</u>	<u>3,410,837</u>
By Program:		
General Purpose Funding	1,731,504	2,114,314
Law, Order, Public Safety	145,596	38,340
Housing	660,000	399,532
Health	0	0
Community Amenities	8,867	0
Recreation and Culture	134,802	92,363
Transport	791,763	733,502
Economic Services	31,380	32,786
Other Property and Services	9,665	0
	<u>3,513,577</u>	<u>3,410,837</u>

29. ELECTED MEMBERS REMUNERATION

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

	2013	2013	2012
	\$	Budget	\$
		\$	
Meeting Fees	8,970	6,301	10,200
President's Allowance	6,999	7,000	7,000
Deputy President's Allowance	1,500	1,500	1,500
Travelling Expenses	4,505	6,301	5,461
Telecommunications Allowance	7,336	11,149	6,363
	<u>29,310</u>	<u>32,251</u>	<u>30,524</u>

30. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date

	2013	2012
	<u>22</u>	<u>23</u>

31. MAJOR LAND TRANSACTIONS

There were no Major Land Transactions in 2012/13.

32. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2012/13 financial year.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

33. FINANCIAL RISK MANAGEMENT

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

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

Financial risk management is carried out by the finance area under policies approved by the Council.

The Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2013 \$	2012 \$	2013 \$	2012 \$
Financial Assets				
Cash and cash equivalents	5,695,380	4,961,327	5,695,380	4,961,327
Receivables	76,534	100,231	76,534	100,231
	<u>5,771,914</u>	<u>5,061,558</u>	<u>5,771,914</u>	<u>5,061,558</u>
Financial Liabilities				
Payables	128,078	165,418	128,078	165,418
Borrowings	0	0	0	0
	<u>128,078</u>	<u>165,418</u>	<u>128,078</u>	<u>165,418</u>

Fair value is determined as follows:

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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

33. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

Cash is also subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to Council.

Council manages these risks by diversifying its portfolio and only investing in registered commercial banks. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

	2013	2012
	\$	\$
Impact of a 10% movement in interest rates on cash		
- Equity	497,583	461,270
- Statement of Comprehensive Income	497,583 (*)	461,270 (*)
	2013	2012
	\$	\$
Impact of a 1% movement in interest rates on cash		
- Equity	49,758	46,127
- Statement of Comprehensive Income	49,758 (*)	46,127 (*)

Notes:

(*) Sensitivity percentages based on management's expectation of future possible market movements.

Recent market volatility has seen large market movements for certain types of investments.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**33. FINANCIAL RISK MANAGEMENT (Continued)****(b) Receivables**

Council'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. Council manages this risk by monitoring outstanding debt and employing 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 Council to recover these debts as a secured charge over the land – that is, the land can be sold to recover the debt. Council 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 Council monthly.

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

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

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

	2013	2012
Percentage of Rates and Annual Charges		
- Current	1.00%	0.00%
- Overdue	100.00%	100.00%
Percentage of Other Receivables		
- Current	2.38%	67.60%
- Overdue	97.62%	32.40%

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

33. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables

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. Council 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 if required.

The contractual undiscounted cash flows of Council’s Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
<u>2013</u>					
Payables	128,078	0	0	128,078	128,078
Borrowings	0	0	0	0	0
	<u>128,078</u>	<u>0</u>	<u>0</u>	<u>128,078</u>	<u>128,078</u>
<u>2012</u>					
Payables	165,418	0	0	165,418	165,418
Borrowings	0	0	0	0	0
	<u>165,418</u>	<u>0</u>	<u>0</u>	<u>165,418</u>	<u>165,418</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

33. FINANCIAL RISK MANAGEMENT (Continued)

**(c) Payables
Borrowings (Continued)**

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. Council manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

At balance date, Council has no long term borrowings.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
Year Ended 30 June 2013								
Payables	128,078	0	0	0	0	0	128,078	
Borrowings	0	0	0	0	0	0	0	0.00%
Fixed Rate								
Debentures	0	0	0	0	0	0	0	0.00%
Weighted Average Effective Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Year Ended 30 June 2012								
Payables	165,418	0	0	0	0	0	165,418	
Borrowings	0	0	0	0	0	0	0	0.00%
Fixed Rate								
Debentures	0	0	0	0	0	0	0	0.00%
Weighted Average Effective Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		

SUPPLEMENTARY RATIO INFORMATION**RATIO INFORMATION**

The following information relates to those ratios which only require attestation they have been checked and are supported by verifiable information. It does not form part of the audited financial report

The Asset Consumption Ratio and the Asset Renewal Funding Ratio have been calculated based on the current adopted Asset Management Plan which contains information on asset classes Buildings and Road Infrastructure. The impact of the exclusion of the remaining asset classes on the ratios is unknown.

	2013	2012	2011
Asset Consumption Ratio	77%	N/A	N/A
Asset Renewal Funding Ratio	115%	N/A	N/A

The above ratios are calculated as follows:

Asset Consumption Ratio $\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$

Asset Renewal Funding Ratio $\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

N/A - In keeping with amendments to Local Government (Financial Management) Regulations 50, comparatives for the two preceding years (being 2012 and 2011) have not been reported as financial information is not available.

Prescribed Payments were made during 2012/2013.

One employee, the Chief Executive Officer received a salary of more than \$100,000.

Disability Access & Inclusion Plan

For Year Ended 30 June 2013

Council's future disability service plan was implemented to improve access to buildings and services by those members of our community suffering disabilities of varying natures and degree.

One of the main objectives of the plan is to ensure in the future that all new constructions will have disability access incorporated into the design.

Council will continue to utilise the plan to improve disabled access to existing buildings, public areas, car parks etc and fully support the ongoing training of staff to ensure awareness of the needs for the disabled.

Council continues to monitor their current plan and are considering any additional requirements seen as desirable by Council or the community and ensured it met the key changes between Disability Service Plans and the now legislated, disability access and inclusion plans (DAIP's) has been prepared and adopted by Council.

Council has continued a program of upgrading access to sealed footpaths and some local amenities to ensure that community members utilising "wheel chairs or gophers" are not disadvantaged.

Other facilities not accessible by the disabled have been considered in developing the new plan.

Register of Complaints

For Year Ended 30 June 2013

No complaints were received under Section 5.121 of the Local Government Act 1995 (as amended) for the 2012/2013 financial year.

In accordance with the operating license issued to the Shire of Koorda by the Office of Water Regulation, this Local Government has prepared a report on the operation of the sewerage scheme.

The scheme operated for the period 01/07/2012 to 30/06/2013 with an operating expenditure of \$66,692 and revenue of \$92,625 with the costs being ongoing operational maintenance, and asset management plan.

Council will continue to budget for ongoing operating maintenance, annual sewer cleaning, with the balance of income received being set aside in a Reserve Fund for future requirements.

For the 12 month period to the 30 June 2013 three (4) defect reports were received.



Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS

Unit 8 / 7 Hector Street, Osborne Park WA 6017

PO Box 1357, Osborne Park WA 6916

Phone: (08) 9445 9955 Fax: (08) 9445 9966

ABN 59 125 425 274

Website: www.amwaudit.com.au

Liability limited by a scheme approved under Professional Standards Legislation

INDEPENDENT AUDIT REPORT TO THE ELECTORS OF THE SHIRE OF KOORDA

Scope

We have audited the financial report of Shire of Koorda for the year ended 30 June 2013. The financial report comprises the Statement by Chief Executive Officer, Statement of Comprehensive Income, Statement of Financial Position, Statement of Change in Equity, Cash Flow Statement, Rate Setting Statement and accompanying notes to the financial statements.

The Council is responsible for the preparation of a financial report which provides a true and fair view of the financial performance and position of the council in accordance with the Local Government Act 1995, and Regulations. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for accounting policies and estimates inherent to the financial report.

Audit Approach

We conducted an independent audit of the financial report in order to express an opinion on it to the electors of the Shire of Koorda. Our audit was conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore an audit cannot guarantee that all misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1995, and Regulations, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Council's financial position, and of their performance which is represented by the results of operations and cash flows.

We formed our opinion on the basis of these procedures, which included:

- examining on a test basis, information to provide evidence, supporting the amounts and disclosures in the financial report.
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the directors.

Whilst we considered the effectiveness of managements internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions were accurately reflected in the financial report. These and our other procedures did not include



consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the executive and management of the Shire of Koorda.

Independence

Anderson Munro & Wyllie are independent of the Shire of Koorda, and have met the independence requirements of Australian professional ethical pronouncements and the Local Government Act 1995.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial statements of the Shire of Koorda are properly drawn up:

- a) So as to give a true and fair view of the state of affairs of the Shire as at 30 June 2013 and the results of its operations and cash flows for the year then ended;
- b) In accordance with the requirements of the Local Government Act 1995; and
- c) In Accordance with Applicable Australian Accounting Standards.

Statutory Compliance

- a) We did not during the course of the audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.
- b) There were no material or significant adverse trends in financial position or financial management practices revealed during the course of our audit.
- c) We have obtained all necessary information and explanations in relation to our audit.
- d) Our audit procedures were all satisfactorily completed.

Dated the 18th day of September 2013 in Perth, Western Australia

BILLY-JOE THOMAS
Registered Company Auditor

ANDERSON MUNRO & WYLLIE
Chartered Accountants

<p>3.2 Role of the Councillor Councillors are elected members of a Local Government working for the community</p>	<p><i>The role of a Councillor is specified in the Act as–</i></p> <ul style="list-style-type: none"> ** <i>To represent the interests of electors, ratepayers and residents of the district;</i> ** <i>To provide leadership and guidance to the community;</i> ** <i>To facilitate communication between the community and the Council; and vice versa</i> ** <i>To participate in the decision-making processes at Council and Committee meetings; and</i> ** <i>To perform functions given to a Councillor by the Act or other laws.</i>
<p>Role of the Council Is the decision maker responsible for :</p>	<ul style="list-style-type: none"> ** <i>Governs the Local Government's affairs of the local government;</i> ** <i>Is responsible for the performance of the Local Government's Functions;</i> ** <i>Oversee the allocation of the Local Government's Finances and Resources;</i> ** <i>Determine the Local Government's policies.</i>

<p>Councillor FJ Storer</p> <p>President 2011 Councillor 2005 Retirement 2013</p> <p>Phone 9684 4088 Fax 9684 4088 PO Box 161 KOORDA 6475</p> <p>Works Committee – Delegate Management Review Committee – Chair Audit Committee – Chair LEMC Committee – Chair Regional Road Sub Group – Delegate GECZWALGA – Delegate RTG – Delegate Natural Resource Management – Delegate NEWHealth – Deputy</p>	<p>Councillor SE Boyd</p> <p>Deputy President 2011 Councillor 2005 Retirement 2013</p> <p>Phone 9684 1235 Fax 9684 1395 PO Box 2 KOORDA 6475</p> <p>Works Committee – Deputy Pres Management Review Committee – Deputy Pres Audit Committee – Delegate GECZWALGA – Delegate NEWROC – Delegate Recreation Liaison – Deputy NEWREC – Delegate LEMC – Deputy</p>
--	---

Councillors and Delegates

For the Year Ending 30 June 2013

		PORTFOLIO:- Law, Order, Health and Building	
Councillor JP Brooks		Councillor GV Pauley	
Councillor 2005 Retirement 2015	Phone 9684 1087 Fax 9684 1454 PO Box 171 KOORDA 6475	Councillor 2007 Retirement 2013	Phone 9684 1393 Fax 9684 1393 PO Box 198 KOORDA 6475
Building/Recreation/Town Planning Committee – Delegate Management Review Committee – Deputy Audit Committee – Delegate GECZWALGA – Deputy RTG – Delegate NEWTRAVEL – Delegate		Works Committee – Deputy Building/Recreation/Town Planning Committee – President Management Review Committee – Delegate NEWROC – Deputy NEWHealth – Delegate Natural Resource Management – Delegate Rural Water Council – Delegate Bush Fire Advisory – Delegate	
PORTFOLIO:- Governance, Administration and Finance		PORTFOLIO:- Economic, Other Property & Service and Reserves	
Councillor PL McWha		Councillor GW Greaves	
Councillor 2011 Retirement 2015	Phone 9684 1196 Fax 9684 1224 PO Box 225 KOORDA 6475	Councillor 2011 Retirement 2015	Phone 9684 3015 Fax 9684 3015 PO Box 74 KOORDA 6475
Building/Recreation/Town Planning Committee – D Pres Audit Committee – Deputy NEWHealth – Delegate Local Recreation Liaison – Delegate NEWRec – Deputy Bush Fire Advisory Committee – Delegate		Works Committee –President Regional Road Sub Group – Deputy Local Recreation Liaison – Delegate	
PORTFOLIO:- Community Amenities, Environment, Recreation, Culture and Youth		PORTFOLIO:- Transport and Communication	

Councillors and Delegates

For the Year Ending 30 June 2013

Councillor AD Clarke

Councillor 2011
Retirement 2015

Phone 0429 080 258
Fax 9684 1787
PO Box 40
KOORDA 6475

Building/Recreation/Town Planning Committee – Deputy
RTG – Deputy
NEWTravel – Delegate
NEWRec – Delegate

PORTFOLIO:- Education, Welfare and Property

National Competition Policy

<p>Competition Reform</p>	<p>National Competition Policy (NCP) is designed to enhance the efficiency and effectiveness of public sector agencies, and lead to more efficient use of all economic resources. There are a number of specific requirements placed on local government in the areas of competitive neutrality, legislation review and structural reform.</p> <p>Each local government is required to report its progression achieving NCP reforms in its annual report.</p>
<p>Competitive Neutrality</p>	<p>The objective of competitive neutrality is that government businesses should not enjoy a competitive advantage, or disadvantage, simply as a result of their public sector ownership. Measures should be introduced to effectively neutralise any net competitive advantage flowing from government ownership.</p> <p>Competitive neutrality should apply to all business activities which generate a user-pays income of over \$200,000 unless it can be shown it is not in the public interest.</p> <p>A public benefit test is used to determine if competitive neutrality is in the public interest.</p> <p>This involves assessing the benefits of implementing competitive neutrality against the costs. If the benefits exceed the costs, competitive neutrality should be implemented.</p> <p>Annual reports must show that a public benefit test has been conducted for all significant business activities. They should also provide information on how a decision was reached to implement or not implement competitive neutrality in each case.</p> <p>If competitive neutrality has been found to be in the public interest, the Annual Report must show the schedule for implementing it over the coming year.</p> <p>As the Shire of Koorda does not have any “Significant Business Activities: with an annual user pays income exceeding \$200,000 PA, this negates further action or reporting obligation.</p>

National Competition Policy

Legislation Review

All local governments are required to assess which of their local laws might impact on competition and conduct a review of each to determine how any restrictive practices might be overcome.

There are specific reporting requirements which must be included in the Annual Report, including;

A statement of which local laws have been reviewed, the conclusions of those reviews, and an implementation schedule for any resultant recommendations; Council has commenced the review of its Local Laws.

Reviewing the Operating procedures and Local Laws for the Shire of Koorda confirms legislative requirements are being complied with, as required.

Note: It was intended to complete the review of our Local Laws in accordance with the Local Government Act 1995; during 2011/2012 this will now be completed during 2012/2013.

Structural Reform

In the year under review, following the outcomes of the study undertaken to identify the any benefit in amalgamating with the Shires of Mt Marshall and Trayning, Council resolve not to continue in the direction of amalgamation as no clear benefits were identified.

The Shire of Koorda has resolved to continue working in a collaborative relationship with the Shires of Mt Marshall and Trayning as a member of the KTM Transition Group. It is believed that there will be benefits for the three local governments by way of resource sharing.

<p>The State Records Commission Standard 2</p>	<p>Created under the State Records Act 2000, required a Government Organisation to include comment on the following;</p>
<p><i>Whether the efficiency and effectiveness of your record keeping systems has been evaluated or alternatively when such evaluation is proposed?</i></p>	<p>An evaluation of our Record Keeping Plan (RKP) was undertaken by a consultant. The review assessed that our current policies and procedures are in accordance with industry standards and best practice. The current Record Keeping Plan has been reviewed and approved until 2016. A review will be undertaken prior to June 30 2016.</p>
<p><i>The nature and extent of record keeping training program conducted.</i></p>	<p>The consultant conducted appropriate training courses designed to equip users with the knowledge and skills necessary to complete their duties confidently.</p>
<p><i>Whether the efficiency and effectiveness of the record keeping training program has been reviewed or alternatively, how this is planned to be done?</i></p>	<p>The consultant will continue future reviews of our record keeping plan and training programs and make the appropriate recommendations; as or when necessary.</p>
<p><i>Assurance that the organisation's induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's record keeping plan.</i></p>	<p>The Shire has an induction package for new employees. The presentation and booklet covers records management responsibilities, guidelines, statutory compliance and other related matters.</p>

Information

Address:

The Administration Building, Library and Chambers are located on the corner of Allenby and Haig Streets, Koorda

Postal Address:

The Chief Executive Officer
Shire of Koorda
PO Box 20,
KOORDA WA 6475

Office Hours:

9.00am—4.30pm

Telephone Number:

(08) 9684 1219

Facsimile Number:

(08) 9684 1379

E-mail Address:

David Burton - ceo@koorda.wa.gov.au
Linda Longmuir - dceo@koorda.wa.gov.au
Karen Clare - admin1@koorda.wa.gov.au
Jackie Rooney - admin2@koorda.wa.gov.au
Lois Green - admin3@koorda.wa.gov.au
Jenni Wansbrough – admin4@koorda.wa.gov.au
Darren West - works@koorda.wa.gov.au
Generic - shire@koorda.wa.gov.au

Website:

www.koorda.wa.gov.au

Revenue:

\$5,104,009

Townships and Localities in Shire:

Koorda, Kulja, Dukin, Mollerin, Badgerin

Area:

2662 km²

Distance from Perth:

238kms

Length of Roads:

Sealed - 245kms
Unsealed - 840kms

Number of Ratable Assessments:

383

Number of Dwellings:

296

Population:

493

Electricity supply Western Power:

Grid system

Sewerage System

Shire owned and maintained

Information

Water Supply:

WAWA

Schools:

Primary, Pre Primary and Play Group.
Bus to Wyalkatchem High School daily

Machinery in Use:

1 x Bobcat and attachments; 1 x Champion Grader; 2 x Volvo Grader; 1 x Ford Tandem Tip Truck; 1 x Isuzu 3t Truck; 1 x Cat 938 Front End Loader; 1 x Volvo L90 Front End Loader; 1 x Cat D4E Dozer; 3 x Isuzu Prime Mover, 2 x 25t Tri Axle Side Tipper; 26T Low Loader; 2 x SPMTR Rollers; 1 x McDonald SP Steel Roller; 1 x Case CX 70 Tractor; 1 x Foton Tractor/Loader; 1 x Water Truck; 1 x Nissan single cab Tip Utility; 1 x Ford 1t ute, 1 x 20t Side tipper, 1 x Holden Caprice Sedan; 1 x Ford 4x4 Crew Cab Utility, 4 x 4 x 2 Ford Crew Cab Utility; 2 x Toyota single cab tip utility; 1 x Vibrating Roller; 1 x 36,000lt tri axle water tanker, 1 x Cherry Picker, 1 x Holden Cruz sedan, other various minor items and equipment

Sporting Facilities:

Football, Cricket, Tennis, Basketball, Hockey, Pistol Shooting
Swimming, Darts, Golf, Bowls, Netball

Local Organisations:

P & C Association, St John Ambulance, Koorda and Kulja Volunteer Bushfire Brigades, State Emergency Service, Land Conservation District Committee (in recess), Country Women's Association, Music and Dramatic Club, Red Cross, Learning Centre, Agricultural Society, Young Rurals, Museum and Historical Society and Community Resource Centre.

Rubbish Removal:

All rubbish removal occurs on Monday commencing at 10.30am. All bins must be out early for collection by 9.30am. Recycling is every second Tuesday of the month.

Fire Breaks

All owners and/or occupiers of land are required to carry out fire prevention work in accordance with this notice on land owned or occupied by you each year on or before the 31 day of October or within fourteen days of the date of you becoming the owner or occupier should this be after the 31 day of October. Fire breaks shall be reasonably maintained until the 15th day of March the following year.

Dog Registrations:

Due on the 1st November, each year.

Unsterilised Dog or Bitch 1 year and three years - Sterilised Dog or Bitch 1 year and three years.

Dogs used for tendering stock 1/4 of ordinary fee and pensioners 1/2 of ordinary fee.

Dog owners have an obligation to keep their dogs under control at all times. Dogs wandering at large present a nuisance and a danger to the public.

The Shire carries out dog patrols and response of complaints. (part of the Central Wheatbelt Ranger Scheme).

Information

Dog Impoundments:

The Dog Act provides heavy penalties for owners whose dogs are impounded.

Cat Registrations:

During the year under review the Cat Act 2011 which requires identification, registration and sterilisation of domestic cats. As from the 1st November 2013 will require that all cats that reach the age of 6 months to be microchipped, sterelised and registered with the relevant Local Government.

Local Emergency Management Committee

Police, Shire together with the community manage the training and operation of the Koorda Local Emergency Plan.

Tourist Information:

A well stocked information stand is located in the Shire Office and the Community Resource Centre, local information brochures and maps are also available.

Transport:

Licensing staff are able to assist with all drivers, vehicle, firearm payments or transfers as well as change of address or name.

Health & Building Information:

Council participates in a group health scheme and the Principal Environmental Health Officer/Building Surveyor can be contacted at the Shire Office for any matters concerning health and building.

Medical Practitioner

The doctor is based in Wyalkatchem and appointments can be made at the Wyalkatchem Medical Centre to see the doctor on Wednesdays at the Koorda Health Centre.

Library:

Council has a fully stocked library open from 9.00am to 4.30pm Monday to Friday. New library exchanges are received every month.

