



Annual Report

Shire of Roebourne

2011/12

Established in 1961, the Shire of Roebourne consists of five major towns including Karratha, Dampier, Roebourne, Wickham, Point Samson and the historic settlement of Cossack.

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A message from the Shire President

I am certain we will look back on 2011/12 as an important year in our Shire's history.

It was the year in which we completed construction of a number of new community facilities including the Pam Buchanan Family Centre, The Youth Shed and the Frank Butler Community Centre, work on our biggest ever project, the Karratha Leisure Complex was full steam ahead, and we introduced controlled parking at Karratha Airport. It was the year in which Main Roads also started work on duplicating Dampier Highway, Finbar opened its Pelago West Apartments and works to develop new general and light industrial lots at Gap Ridge commenced.

Yes indeed it was a busy year and this is just the tip of the iceberg. Works to deliver a number of other government and industry-led projects also started and behind-closed-doors, unprecedented planning for major new land developments, including the creation of a city centre in Karratha, and resource projects, including a new port at Anketell Point, took place. I am proud to say that as a Roebourne Shire Councillor and Shire President during this time, I was involved in a number of these projects which have changed the face of our Shire.

I am also proud to say we tackled two major issues in 2011/12, which were of particular concern to our community. A number of community residents were concerned about the proposed relocation of a group of senior citizens required as part of planned Karratha City Centre Infrastructure Works. As a Council, we successfully negotiated a positive outcome for all concerned whereby new accommodation units were constructed at the rear of the Warambie Estate. At the time of writing this report, the seniors' new accommodation units had been built and plans were in place to relocate the seniors in September 2012. Another issue which our community was particularly concerned about in 2011/12 was the closure of the Walkington Theatre and Karratha Community Library. We felt the community had been left without a library and a theatre for far too long and simply had to act. We are now operating the Woodside Moonrise Cinema and Walkington Amphitheatre and the newly-



opened temporary Karratha Community Library at Pam Buchanan Family Centre. Council has committed significant funding towards delivering these important services until long-term options for housing an indoor theatre and community library are secured. Our response to these major community concerns shows that we are serious about listening to the people who call our Shire home.

We are proud of all our achievements in 2011/12 and I would like to thank my fellow Councillors for their support during this time. A number of new Councillors were elected late in 2011 meaning that for the majority of the 2011/12 financial year we were a relatively new-look Council. I am particularly proud of those new Councillors who stepped up to the plate during this busy period. I would also like to thank the hard-working officers at the Shire without whom none of this would have been possible.

Fiona White-Hartig
Fiona White-Hartig
Roebourne Shire Council President

Welcome to the Shire of Roebourne

The Shire of Roebourne is the Pilbara's fastest growing local government area.

Situated on the spectacular Pilbara coast, 22,900 people reside in the Shire of Roebourne – the powerhouse of the Pilbara.

This number is expected to reach 50,000 by 2035 in accordance with the Karratha: City of the North Plan.

At the time of writing this report some \$147.5 billion in resource projects was committed or under consideration in the Pilbara.

It is no surprise then that the Shire of Roebourne is also a 'home-away-from-home' for a further 10,000 fly-in, fly-out workers.

Established in 1961, the Shire of Roebourne consists of five major towns including Karratha, Dampier, Roebourne, Wickham, Point Samson and the historic settlement of Cossack.

Karratha, the Shire's thriving regional centre, boasts modern, first-class facilities, city-style shopping and a laid back coastal lifestyle, while 42 kilometres

northeast of Karratha is Roebourne, a community with a strong and proud aboriginal culture.

About 15km west of Karratha is the world's biggest outdoor art gallery – the Burrup Peninsula. The rugged Burrup Peninsula is home to an estimated one million petroglyphs (Aboriginal rock carvings), some of which are more than 30,000 years old.

Nestled between two magnificent natural gems, the Shire of Roebourne is the western gateway to the Millstream-Chichester National Park and the spectacular Dampier Archipelago is just off the coast.

The Dampier Archipelago is made up of 42 islands, within a 45 kilometres radius of the coastal towns of Dampier and Point Samson, most with postcard perfect beaches and clear blue waters.

The land of year-round summers, the Shire of Roebourne is the ideal location to discover the great outdoors and unlock your hidden passion for driving, fishing, hiking or camping.

In the 10-year period ending 2011, population boomed by 55 per cent.

Elected representatives

Councillors at June 30, 2012

The Shire of Roebourne is represented by 10 elected members plus the Shire President. Each Councillor is elected for a four year term with half the terms expiring every two years.

The Shire President and Councillors dedicate significant time and effort to their responsibilities.

Crs Ben Lewis and Harry Hipworth finished with Council on 15 October 2011.

Crs Peter Long, Margaret Bertling, and Janine Miller were elected to Council on October 24, 2011.

Cr Michael Saylor was elected to Council unopposed on January 28, 2012.



Cr Fiona White-Hartig
Shire President



Cr Peter Long
Deputy President



Cr Garry Bailey



Cr Margaret Bertling



Cr John Lally



Cr Nicole Lockwood



Cr Janine Miller



Cr Jo Pritchard



Cr Michael Saylor



Cr Evette Smeathers



Cr Sharon Vertigan

Council and committee meetings held during the financial year were:

Ordinary Council Meetings	11
Electors' Meetings	2
Council Briefing Sessions	11
Special Council	4

Approximately 101 members of the public attended Ordinary Council Meetings, 48 attended Electors' Meetings and 6 attended Special Council Meetings.

Councillor attendance at Ordinary Council Meetings

Cr White-Hartig	9 of 11
Cr Long	6 of 7
Cr Bailey	11 of 11
Cr Bertling	6 of 7
Cr Lally	10 of 11
Cr Lockwood	9 of 11
Cr Pritchard	9 of 11
Cr Saylor	4 of 5
Cr Smeathers	8 of 11
Cr Vertigan	11 of 11

Corporate structure

Chief Executive Officer

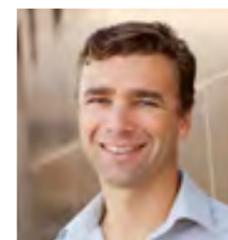
Following the departure of former Chief Executive Officer Collene Longmore, who left the Shire of Roebourne in March 2012, Director Strategic Projects and Business Simon Kot took on the role in an acting capacity.



Collene Longmore
Chief Executive Officer
(July 1, 2011 to March 2012)



Simon Kot
Acting Chief Executive Officer
(March 2012 to present)



Andrew Ward
Director Community and
Corporate Services



Simon Kot
Director Strategic Projects
and Business



David Pentz
Director Development,
Regulatory and Infrastructure
Services

Our vision and mission

Vision - Our aspirations

A cohesive and vibrant community, celebrating diversity and working together to create a sense of place and a sustainable future.

Mission - Our purpose

We will provide strong leadership to effectively deliver infrastructure facilities and services that meets the needs and aspirations of our communities and of our local economy.

Values

The Shire of Roebourne aspires to act in accordance with the following values in all of its decisions and actions.

→ Leadership

We will provide clear direction and inspire people to achieve their full potential.

→ Teamwork

We will encourage co-operation and teamwork within and between our employees and our community stakeholder.

→ Integrity

To act in an honest, professional, accountable and transparent manner.

→ Innovation

We will encourage creativity, innovation and initiative to achieve Council's vision.

Strategic Goals

Communities

We will further develop and maintain the infrastructure and facilities to create aesthetically attractive and liveable towns which will develop into more diverse and balanced communities.

Delivering Services

We will provide efficient and effective Local Government Service delivery that meets our communities' expectation.

Local Economy

Managing and maximising the benefits of growth in the region while diversifying our economic base.

A message from the Acting Chief Executive Officer



In the 2011/12 financial year, the pace of work at the Shire of Roebourne was frenetic. This is no ordinary local government. We are fast working on becoming extraordinary. Take a look at a few highlights from the Year in Review on page 12.

We built and opened the Pam Buchanan Family Centre, The Youth Shed, the Frank Butler Community Centre with three separate official opening events attended by thousands of Shire residents and dignitaries, and finally, we started work on our biggest ever project, the Karratha Leisure Complex.

We also completed two new lighting projects at the Nickol West Skate Park and Tambrey Oval and installed permanent playground shade structures at a number of parks.

We opened a temporary library for Karratha at the Pam Buchanan Family Centre in response to Karratha being left without a library facility for more than 12 months.

By June 30, 2012, we had spent approximately \$53million on capital projects but as you can see this was money well spent.

We hosted the NAIDOC Week 2012 with none other than Troy Cassar-Daley taking to the stage to close this week-long event. We again hosted the annual Cossack Art Award, which proved to be the biggest and best yet. And we hosted the second annual Red Earth Arts Festival, which wound up with the Karratha Community Celebration and a show-stopping performance by Aussie rockers Thirsty Merc.

We hosted numerous visitors to our region including the Governor-General Quentin Bryce and groups of delegates from both African and European nations.

We also took a number of important steps towards becoming a centre of local government excellence. A Business Improvement Process kicked off to meet the State Government's reform requirement of an

integrated strategic planning framework and the resultant plans and reports required.

By June 30, our operational expenditure totalled approximately \$50million and, again, this was money well spent.

We are proud of our achievements in 2011/12.

When thinking about your local government in the future, I want you to remember that there is more to the Shire of Roebourne than just a name. The Shire of Roebourne is made up of more than 300 hard-working employees based at the Administration Office, at the Depot and at our many facilities spread across the Shire. These people are working hard to deliver numerous services, programs and projects to our Shire.

Simon Kot
Acting Chief Executive Officer



Karratha: City of the North

In the 2011/12 financial year, Roebourne Shire Council had committed in excess of \$71million to complete a number of important projects including the Karratha Leisure Complex and upgrades to water, wastewater and power at Karratha Airport.

By June 30, 2012, these projects were well underway.

Construction of the Pam Buchanan Family Centre, The Youth Shed and Frank Butler Community Centre was also completed in 2011/12 and each of these new facilities officially opened to the public for the first time early in 2012. Once open, our focus shifted to maximising the use of these facilities.

At The Youth Shed, a number of new programs for youth are underway and birthday parties in the indoor play area are proving extremely popular.

At Pam Buchanan Family Centre, the temporary library is open for business and staff are also busy running the cafe, which has proven to be particularly popular.

The Frank Butler Community Centre officially opened in July and is now available for hire for community and corporate functions, the first of which was the KDCCI's Pilbara Pulse Conference, held in June. For the first time, the new centre was utilised for FeNaCING, providing an elevated view of the festival and playing host to exhibits.

With all of these new community facilities open for business, the Shire began to manage the additional cost of operating them, which is significant and includes the ongoing employment costs associated with a number of new positions, which have been created at each facility.

Towards the end of the 2011/12 financial year, work started at Jingarri, Karratha's newest housing estate, which will boast 195 traditional lots and a number of grouped and multiple housing sites. This new estate will be delivered by Otan Property Funds Management, in partnership with LandCorp.

In addition, the Shire of Roebourne is working in partnership with Mirvac and LandCorp to create a new coastal community of up to 2,500 dwellings at Mulataga. A planning design forum, led by LandCorp and Mirvac, was held in April 2012 with community members present to provide input into the design process. Site works are expected to start at Mulataga late in 2012 with the first release of lots expected in mid-2013.

During 2011/12, we also saw the first of two Pelago apartment towers take shape and we looked forward to the commencement of works to create a city centre in Karratha.

It is clear that the transformation of Karratha from mining town to major Australian city is now well underway. The Karratha: City of the North Plan is the local structure plan, which will guide this transformation.

Completed projects

Karratha's transformation from mining town to major city is well underway with the following community well-being projects completed by the end of 2011/12 financial year:

- ✓ Bulgarra Sporting Precinct
- ✓ Frank Butler Community Centre
- ✓ Pam Buchanan Family Centre
- ✓ Catrall Park redevelopment
- ✓ The Youth Shed
- ✓ Karratha Airport front of terminal precinct upgrade including controlled parking
- ✓ Dampier Highway streetscaping



YEAR IN REVIEW: OUR HIGHLIGHTS

\$939,000 +	More than \$939,000 in funding was awarded to local community, cultural, and sporting groups in 2011/12.
\$23,670,474	Rate revenue totalled more than \$23million in 2011/12.
\$670million	The Shire's Building Services team processed approximately \$670million of development in 2011/12 including major mining projects, commercial and residential developments.
Three new facilities	<p>Three new community well-being facilities were completed in 2011/12.</p> <ul style="list-style-type: none"> ➔ Frank Butler Community Centre ➔ The Youth Shed ➔ Pam Buchanan Family Centre

Year in Review: At a glance



➔ August 2011

Red Earth Arts Festival (REAF)

The second annual Red Earth Arts Festival (REAF) was launched at the Woodside Moonrise Cinema in late August. A celebration of arts, culture and entertainment, REAF included performances by Hypnolarious, arts and professional development workshops, film nights and culminated with Thirsty Merc at the Karratha Community Celebration.

Construction starts for Frank Butler Community Centre

Loaders and rollers started to clear the site on Hunt Way as construction of the Frank Butler Community Centre was underway in Bulgarra.

➔ September 2011

\$15-million funding boost for leisure complex

The Karratha Leisure Complex received \$15-million of funding under round one of the Australian Government's Regional Development Australia Fund, in early September. The \$15-million grant was the largest offered in the round of funding, highlighting Karratha's place on the national stage as well as the Australian Government's commitment to supporting the future of the town.

Karratha wins Tidy Towns awards

Karratha took out two categories at the Tidy Towns – Sustainable Communities awards thanks to a huge effort by Communities Against Rubbishing our Environment (CARE). CARE helped snatch the Recycling and Waste Management award by liaising with major scrap metal recyclers and Tox Free to help remove and reuse abandoned car bodies from throughout the Shire and help sort recyclables and divert general rubbish away from landfill. Clean-up events at Hearson's Cove, which involved the removal of 75 panels of graffiti from the natural rock formations in the area helped win the Enhancing Cultural Identity Award.

➔ July 2011

NAIDOC celebrations

With more than 6,000 Aboriginal people living in the Pilbara, the annual NAIDOC Week celebrations gave the community an opportunity to learn more about the region's rich Aboriginal culture and history. The week-long celebration launched on July 1 with performances by Jessica Mauboy and Blackstone Ramblers. The rest of the week included football competitions, cooking demonstrations, family activities, and plenty of live performances.

Cossack Art Award

The Shire of Roebourne and Cossack Art Award Principal Partner Rio Tinto congratulated Perth artist Stuart Elliott, winner of the \$15,000 Best Overall Artwork for his painting, Atra. The historic town of Cossack came alive with colour for the 2011 Award, attracting works by more than 300 artists.

Karratha Airport front of terminal precinct upgrade

The final stage of the \$6.9million redevelopment of the Karratha Airport front of terminal precinct upgrade including controlled parking was completed, offering more than 1,000 parking bays within five minutes walking distance from the terminal.



→ **October 2011**

Karratha Community Celebration

Aussie rockers Thirsty Merc headlined the Karratha Community Celebration on October 2, bringing the second annual Red Earth Arts Festival to a close. Several hundred attended the event, which also featured kids' shows Drippy Dragon and the Jolly Jim Pirate Show, roaming entertainers including EARTH, a Samba Drumming performance presented by the Pilbara Multicultural Association in partnership with KULCHA and great selection of market stalls.

Ordinary election

Peter Long, Nicole Lockwood and Janine Miller were elected to the office of councillor for the Karratha Ward in the Shire of Roebourne with the term of office expiring in October 2015; and Margaret Bertling was elected to the office of councillor for the Karratha Ward in the Shire of Roebourne with the term of office expiring in October 2013. Councillor Garry Bailey was re-elected unopposed to the Roebourne/Pastoral Ward seat and Councillor John Lally was re-elected unopposed to the vacant Dampier Ward seat. One seat remained in the Wickham/Point Samson/Cossack Ward, which was later filled via extraordinary election by Michael Saylor in December 2011.

New Shire President

Following a re-scheduled Ordinary Council Meeting on October 24, Cr Fiona White-Hartig was elected the new Roebourne Shire Council President, replacing Cr Nicole Lockwood. Cr Peter Long was elected new Deputy President, replacing Cr John Lally.

→ **November 2011**

Public arts program

Once a mining town surrounded by red dirt and machinery, the Shire of Roebourne has started to transform into a diverse and vibrant city soon to be bursting with culture as more than \$1-million was earmarked for public art associated with major community projects for the following 12 months. The public art commission brief for the \$63-million Karratha Leisure Complex project was released at a public art workshop on November 9, the third of its kind released by the Shire of Roebourne in three months.

→ **December 2011**

Shire and SAFE sign MOU

The Shire signed a Memorandum of Understanding (MOU) with SAFE (Saving Animals from Euthanasia) outlining the roles and responsibilities of both SAFE and the Shire's Ranger Services team in relation to impounded dogs. Where an impounded dog is deemed to be fit for rehoming by the Rangers, it will be released

to SAFE. To assist with the administration costs associated with this MOU, the Shire allocated \$25,000, with an additional \$2,000 provided to assist with the euthanasia of feral cats.

Temporary library solution provided by Shire

Roebourne Shire Council committed some \$400,000 to convert part of the new Pam Buchanan Family Centre into a temporary new community library for Karratha.

Club Development Officer up-and-running

Community sport and recreation clubs in the Shire of Roebourne received a new ally in new Shire of Roebourne Club Development Officer (CDO) Sam King, who will provide support to community sport and recreation groups in Karratha, Dampier, Wickham, Roebourne and Point Samson. The position was made possible through a unique joint initiative between the State Government, the Shire of Roebourne and Rio Tinto.

→ **February 2012**

Shire celebrates facility openings with community events

Celebrations kicked-off on February 24 with the official opening of The Youth Shed. Free entry to the indoor play centre, roving performers, face painting, heaps of giveaways and a special concert in the Youth Centre with by Australian Idol winner, Wes Carr, ensured a great day was had by all.

February 25 was the official opening of Karratha first purpose-built family centre, the Pam Buchanan Family Centre in Baynton West. Plenty of children's activities were available including, a bouncy castle, drawing workshops, treasure hunt, magicians, GWN7's Doopa Dog and a children's twilight concert with the Wiggles' favourite Dinosaur, Dorothy.

→ **March 2012**

Permit system at Dreamer's Hill

A permit system was introduced at Dreamer's Hill on March 3 to prevent cars, boats, motorbikes and other vehicles being parked outside the fenced area at the popular selling point. This alleviated a number of concerns raised by residents in relation to Dreamer's Hill.

Season starts with a big hoo-haa!

On March 7, the Shire of Roebourne's Walkington Amphitheatre kicked off a full program of events for 2012 including films, live music, family entertainment and comedy shows, with hit live comedy show The Big HOO-HAA!

Chief Executive Officer leaves the Shire

Chief Executive Officer Collene Longmore finished with the Shire of Roebourne March 20, and Director Strategic Projects and Business Simon Kot was selected to act as CEO until a permanent CEO was recruited.



Leisure complex construction

Concrete footings were poured at the Karratha Leisure Complex project site mid-March signifying the start of construction of the biggest recreation precinct in Western Australia outside the Perth metro area.

→ April 2012

Artwork installed at community centre

Standing more than six meters high, the latest addition to the Shire of Roebourne's growing public art collection was installed at the Frank Butler Community Centre mid-April.

Movies at the Moonrise

The Shire of Roebourne-operated Woodside Moonrise Cinema launched its new digital projector with a screening of The Descendants on April 13.

Moxham a 'Pilbara Dynamo'

The Shire of Roebourne's very own 'Pilbara dynamo' Brittany Moxham was named WA Young Person of the Year on April 19. The annual Youth Awards honour the hard work and dedication of WA's young people, youth workers and youth-led groups.

→ May 2012

More playground shade for community

Playgrounds at Kevin Richards Memorial Oval Park (Millars Well), Brolga Meander Park (Nickol West), Goshawk Circle Park (Nickol West) and the Nickol West Skate Park (Nickol West), Tambrey Park (Tambrey Estate) and Hampton Beach (Dampier) became home to permanent shade structures. More than 70% of the Shire playgrounds are now covered with a permanent structure.

→ June 2012

Frank Butler Community Centre opens

Opening of the Frank Butler Community Centre and completion of the Bulgarra Sporting Precinct Upgrade projects was celebrated by a select crowd in late June, before the fun-filled grand opening to the public on July 1.

Countdown to NAIDOC Week 2012 begins

After a very successful NAIDOC Week last year, the Shire of Roebourne announced it was proud to be partnering with Ngarluma and Yindjibarndi Foundation Limited to deliver the many festivities that would take place across the Shire from July 1 to 8.

Communities

We will further develop and maintain the infrastructure and facilities to create aesthetically attractive and liveable towns which will develop into more diverse and balanced communities.

We will achieve this by:

1. Creating aesthetically attractive and vibrant towns.
2. Facilitating inclusive and engaged communities.
3. Building capacity, capability and partnerships across the community.
4. Encouraging the building of stable and diverse communities.
5. Providing a range of appropriate facilities that reflect the demography of the communities.
6. Working with industry, LandCorp and the State Government to minimise the reliance on transient workers employment for the operational phases of our major resource projects.

Community Survey

A total of 618 valid responses were received in this survey: 536 residents and 82 fly-in, fly-out (FIFO) workers. This was an 11% increase on responses from the 2011 survey.

- 357 of all respondents were female (60%) and 244 were male (40%), compared to 44% and 56% from 2011.
- The age profile of respondents also changed, with an increase in the skew towards older residents, particularly male. Overall, the survey was a significantly better sample of female residents and a somewhat poorer sample of male residents than the 2011 survey.
- There was also an over-representation of respondents from Dampier and under-representation from Roebourne.
- As in 2011, respondents to the 2012 survey ranked health, affordability and entertainment/leisure as their top three priorities.
- However, in 2012 respondents ranked community safety and policing and family services and childcare higher priorities than 2011 respondents.
- Community events and activities changed from the lowest priority in 2011, to number 9 in 2012. Roads dropped from number 4 priority to number 13.
- Airport services also dropped in priority (from 11 to 17), which may reflect the airport upgrade.



Cleansweep Taskforce

A number of litter initiatives were managed by the Community Safety Coordinator in 2011/12. These included the ongoing Bucks for Bags program, support for future clean-up events to be organised by Communities Against Rubbishing our Environment (CARE) and scheduled community litter clean-up events such as Keep Australia Beautiful Day. The Cleansweep crew continued its clean-up efforts in 2011/12, making its way throughout the Shire on a daily basis and targeting litter hot spots. In total, the crew collected 5,365 bags of rubbish.

About Cleansweep Taskforce

After a 2009 Shire of Roebourne community survey revealed safety and crime prevention were major concerns for locals, the Shire of Roebourne and the WA Police joined forces to address these issues through the Cleansweep Taskforce.

The key purpose of the Cleansweep Taskforce is; To make the Shire of Roebourne a safer place to live.

Headed by the Shire of Roebourne Community Safety Coordinator, the Cleansweep Taskforce is comprised of representatives from the Shire of Roebourne, WA Police, and our funding partners Rio Tinto, Woodside and the North West Shelf Project. Further funding is provided by the State Government's Royalties for Regions initiative.

Cleansweep works constructively with a number of community groups, businesses and government agencies to achieve its goals.

Cleansweep carries out its community safety and crime prevention responsibilities by developing initiatives in the following five key target areas:

- Crime prevention/anti-social behaviour management;
- Graffiti management;
- Litter management;
- Alcohol management; and
- Road/vehicle safety.



Local History

The Local History Office was relocated twice during 2011/12 and has been situated at Pegs Creek Pavilion since March 2012. This space has been organised as a functional collection management and archival space and work has been ongoing on a number of fronts.

Collection management and museums

A grant-funded Significance Assessment of the Shire of Roebourne Historical Collections was completed in February 2012 and this document has provided guidance in prioritising the preservation and cataloguing of items deemed to be of National Significance. A Preservation Needs Assessment funding application to the National Library of Australia has also been submitted. This will allow a professional conservator to provide on-site assistance and guidance in the preservation of fragile and significant items in our collections, particularly paper, textiles and metals.

New display cabinets have also been installed in both the Cossack and Roebourne Museums in order to enlarge the number of exhibited artefacts. Auditing of the museums' contents has commenced in preparation for preservation and cataloguing tasks.

Heritage

The first update of the Municipal Heritage Inventory since 1996 commenced during the 2011/12 financial year. The Local History Officer has worked with consultants from the University of WA to research and undertake a series of site visits in June 2012. The final document will be available in early 2013. Conservation Plans for the Old Union Bank and Dalgety House in Roebourne, supported by grants obtained by the Local History Office, were also presented to Council in early 2012. Ongoing support has also been provided to the Shire Planning Department in relation to researching heritage property background and significance. The Local History Office was also successful in obtaining LotteryWest funding for the Yaburara Heritage Trail upgrade and has been involved in setting up a Steering Committee and coordinating meetings.

Public enquiries

The Local History Office responded to more than 80 public queries from all over Australia in 2011/12, largely to do with family history research.



Sports lighting

Two lighting projects were completed by the Shire of Roebourne in 2011/12 which allow residents and visitors to the Shire to make better use of existing parks and ovals.

Sporting clubs are now training and playing at night thanks to sports lighting installed at Tambrey Oval.

Meanwhile, skateboarders, BMXers and scooter riders are throwing down moves after dark thanks to new lighting installed at Nickol West Skate Park.

The newly-installed sports lighting at Tambrey Oval will relieve pressure on other ovals throughout the Shire and cater increasing levels of participation in sport, largely brought about by a growing population.

The lighting will also be beneficial as, in this region, 12-hour shifts are commonplace, meaning most sporting clubs can only train after dark.

The project will allow all sporting clubs, who choose to train and play after hours, the opportunity to do so.

New lighting at Nickol West Skate Park will also allow young people to use the park after dark, particularly during summer when temperatures soar throughout the day.

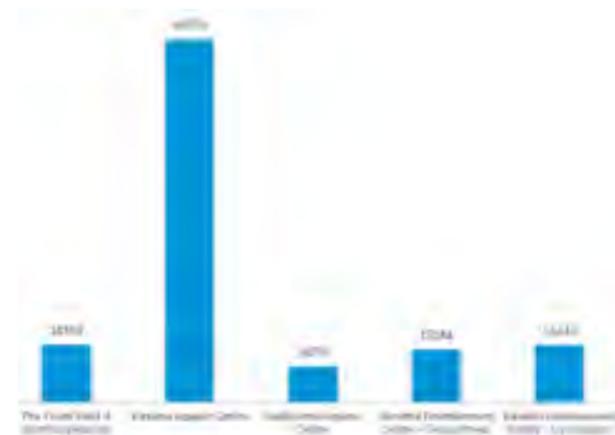
A timer system automatically switches the new lights on in the evening and then off again a few hours later.

Both these projects were managed by the Shire of Roebourne in an effort to make better use of existing parks and ovals.

The installation of sports lighting at Tambrey Oval was funded by the Australian Government's Regional and Local Community Infrastructure Program, Department of Sport and Recreation, Shire of Roebourne, Rio Tinto, Woodside, Transfield Worley and Nickol Junior Soccer Club.

The installation of lighting at Nickol West Skate Park is also funded entirely by the Australia Government's Regional and Local Community Infrastructure Program.

Community Facilities attendance figures – 2011/12



Playground shade structures

Works to install new permanent playground shade structures at six parks throughout the Shire of Roebourne were completed in 2011/12.

Shade structures were successfully installed at the following parks:

- Kevin Richards Memorial Oval Park (Millars Well)
- Broilga Meander Park (Nickol West)
- Goshawk Circle Park (Nickol West)
- Tambrey Estate Park (Tambrey Estate)
- Nickol West Park (Nickol West)
- Dampier Foreshore Park (Dampier)

The construction and installation of new permanent shade structures at the three parks in Nickol West, one in Tambrey Estate and one in Millars Well was proudly funded by the Shire of Roebourne and LandCorp through the Regional Development Assistance Program.

The permanent shade structure at Hampton Beach is proudly funded by Rio Tinto as part of its commitment to the community.

Karratha Aquatic Centre lighting

Replacement lighting was installed at the Karratha Aquatic Centre early in 2012, allowing opening hours at the facility to return to normal, following severe damage caused by a tornado in early 2011.

For most of 2011, the Shire of Roebourne was involved in a protracted dispute with its insurer in relation to the claim for the replacement of lighting. Although the claim was lodged by the Shire soon after the tornado struck, acknowledgement of a successful claim was not made by its insurer until late 2011.

Whilst the claim was being disputed, the Shire undertook a tender process and O'Donnell Griffin was appointed to replace the lighting.

The Shire did have the option of funding the replacement of lighting from its own reserves, while the claim remained in dispute. However, as the KAC will be permanently closed some time in 2013, the Shire chose not to expend unbudgeted funds on new lighting, which would only be used for a short time.

Roebourne Aquatic Centre

The Roebourne Shire Council is currently considering the need to upgrade the Roebourne Community Aquatic Centre. A business case for the upgrade project is being prepared in response to community consultation and technical advice on the current pool facility.

The project aims to enhance community participation in Roebourne, whilst creating a sense of ownership and pride for the new facility.

The Shire of Roebourne is currently pursuing funding options for the proposed future redevelopment project.





Karratha Entertainment Centre

Karratha Entertainment Centre (KEC) continued to provide a range of quality programs and services to a wide range of user groups and individuals in 2011/12, despite its ageing infrastructure.

The KEC is home to the Karratha Gymnastics Club, Squash Club, Basketball Association and Badminton Club, all of whom have conducted very successful competitive seasons.

The KEC continued to operate its popular school holiday program and children’s multi-sport and arts programs throughout the year.

A big growth area for the KEC was the provision of personal training services with more than 700 individuals taking advantage of the highly-qualified and motivated instructors, determined to make a positive difference in the lives of Karratha residents. In addition, more than 14,000 visits to the gym were recorded.

Complimenting the popularity of the gym, was the caring and professional attitude of the centre’s crèche staff. Parents were able to enjoy all of the benefits of the KEC whilst their children were cared for by expert staff. More than 7,000 people took advantage of this service.

More than 1,800 hours were played on the KEC’s air-conditioned squash courts. The popularity of squash is increasing and the transition to new world-class courts at the new Karratha Leisure Complex is very exciting for residents.

New classes Les Mills group fitness classes Zumba and CXWORX were also added to the already vast list of classes available at the KEC.

Awards

The Shire of Roebourne’s very own ‘Pilbara dynamo’ Brittany Moxham was named WA Young Person of the Year on April 19. The annual Youth Awards honour the hard work and dedication of WA’s young people, youth workers and youth-led groups.

Events

The Shire of Roebourne established an Events Portfolio in the wake of the Walkington Theatre closure at the Pilbara Institute in 2011. The portfolio oversees the delivery of the Moonrise Cinema, Walkington Theatre live shows and the Red Earth Arts Festival (REAF), which includes the annual Karratha Community Celebration.

Library Services

The Shire of Roebourne maintains library services in the towns of Karratha, Wickham, Roebourne and Dampier.

In 2011/12, the Shire of Roebourne committed \$450,000 to open a temporary library at the newly-constructed Pam Buchanan Family Centre. The temporary Karratha Community Library opened in June following the closure of its original home at the Pilbara Institute, owned by the Department of Training and Workforce Development, due to severe water damage and mold.

The temporary library has been funded entirely by Roebourne Shire Council and will be operated by

Shire employees. Many months of hard work by a number of Shire employees went into opening this temporary facility. It represents a significant investment in the community by Council, which recognises that a library is an important hub for the local community, full of great resources.

The temporary Karratha Community Library will provide a welcoming place for people to gather and relax and facilitates the opportunity for social and educational activity. From the latest books and magazines, to computer access and Internet, the temporary facility opens up a world of information, resources and entertainment for the local community.

The Department of Training and Workforce Development is undertaking remedial works on the original Karratha Library and, once completed, Shire of Roebourne will be able to relocate Karratha’s Library service to the Pilbara Institute. At this stage, we anticipate this temporary library will be needed for approximately 12 months.

Cossack Art Award

The 2011 Cossack Art Award was the first hosted in accordance with a renewed, three-year agreement with Rio Tinto, which continues to be a long-term supporter of the Cossack Art Award as its Principal Partner. The success of the Award brought record visitor numbers to Cossack throughout the exhibition season. Some 4,258 visitors viewed the Award exhibition which represented a 30 per cent increase from 2010. The 2011 Award also saw a record

number of artists enter with 308 works exhibited in the Bond Store and Post and Telegraph buildings, representing an increase of 37 works from the previous year’s exhibition.

The judges of the 2011 Award brought a very high level of knowledge and expertise to selecting the winning works for each of the categories. Antonia Syme and Janet Holmes á Court, are highly-experienced and respected national figures in the arts, selected the winning artworks and effectively and generously provided input into public programs, opening events and participated in a range of engagements with local artists and other community members. Perth-based artist, Stuart Elliott, was the winner of the Best Overall Artwork category for his painting, Atra.

Walkington Theatre

The Walkington Theatre was closed on January 10, 2011 due to the presence of dangerous mould arising from significant water damage. The State Government’s Department of Training and Workforce Development, the owner of the facility, has since determined it will demolish the Theatre and is not prepared to contribute funding to the construction of a new facility. Following this decision by the Department, the Shire made a submission seeking Royalties for Regions funding to construction a replacement facility but this submission was rejected. The Shire of Roebourne is currently investigating other funding options.

Community Development

The Community Development team is responsible for the delivery of the enhancement of arts and culture and youth and families, hosting community awards, events and projects, seniors' activities and events, preserving local history and heritage, the provision of community grants and sponsorship, community transport and the Early Learning Scholarship Program.



Youth Development

The Shire of Roebourne recognises that supporting youth development is a priority for the region. We respect and acknowledge all young people as important members of our community. Our Shire is committed to supporting the enhancement and development of effective services, programs and activities that meet the needs of youth and is keen to provide a range of opportunities that encourage all youth to be active and productive members of the community.

Some of the highlights from 2011/12 include:

- ➔ The Make a Move program calendar of events and activities targeting young people aged 12 to 25 years from across the towns within the Shire. Make a Move promotes physical activity, healthy lifestyles, networking opportunities and encourages young people to be actively involved in their community. Make a Move is offset with support from industry and corporate sponsors.
- ➔ The Youth Development Plan 2012–2014 was developed to provide a holistic representation of essential programs, services and activities required by young people in the region. The plan was adopted by Council in December 2011 and articulates the role of the Shire of Roebourne and other stakeholders in supporting the delivery of these programs, services and activities. The successful implementation of the plan will create better understanding amongst stakeholders of the current breadth of youth-based initiatives. It aligns these initiatives in a strategic framework that ensures all aspects of youth development are appropriately addressed.
- ➔ The Youth Leadership Network is an initiative that engages young people in learning, leadership and community engagement. The network was launched in May 2012 and is designed to assist in the sustainable development of cross-sector partnerships between young people and the community. It provides young people with the opportunity to raise awareness of youth issues and establish connections within the community. The Youth Leadership Network is driven by young people and provides personal and professional development opportunities.

Community Programs

The Roebourne Community Art Project aimed to engage the Roebourne community in a positive public art project to encourage a sense of ownership, pride and respect for the artwork and the Roebourne Community Hall. The initiative aimed to engage the community to reduce graffiti and criminal damage to property within the community. Designed with extensive input from local young people, Aboriginal art groups and the broader Roebourne community the final murals were painted by artist Marina Baker.

The murals focus strongly on local youth and the activities they enjoy in their community including basketball, painting, swimming and athletics. The larger mural focuses on telling the story of the Cheedi sisters from Roebourne School looking out of country with a group of school children discussing the significance of the land and culture.

NAIDOC Week

NAIDOC Week is a celebration of the culture, history and achievements of our Indigenous people. In 2011, attendance levels quadrupled across NAIDOC Week events, which were deemed an enormous success for the Shire of Roebourne as a whole. The focus of the NAIDOC activities was to provide a platform for local Indigenous performers to showcase their rich and eclectic talent in music, dance, the arts and sports as well as providing nationally-recognised and celebrated Indigenous performers and role models. The primary objective of the NAIDOC activities is to promote within the wider Shire community a sense of pride and celebration in the broad and inspiring Indigenous talent within our community, which encourages the development of positive attitudes towards Indigenous Australians.

Five core events included NAIDOC Idol at Roebourne Community Hall, NAIDOC Opening Festival at Roebourne School Oval, The Food Festival and Story Telling at Wickham Oval, Twilight Tunes at Dampier Oval, A Short Film Festival at Point Samson Community Hall, and the NAIDOC Closing Festival in Karratha. The highly-successful events featured nationally-recognised Indigenous performers including Jessica Mauboy, Archie Roach, the Bartlett Brothers, Rodeworx and many more high-calibre artists. All events were alcohol and drug-free with no incidents reported.

Funding was also divided between participating



schools to promote awareness of the significance of NAIDOC week. Participating schools included Karratha Primary School, Karratha High School, Millars Well Primary School, Pegs Creek Primary School, Roebourne High School, St Luke's College, St Paul's Primary School, Tambrey Primary School and Wickham Primary School.

NAIDOC Week 2011 would not have been possible without many sponsors and participating organisations and, in particular, Principal Sponsor the North West Shelf Project. Other sponsors included Rio Tinto, Australian Government Indigenous Coordination Centre-South Hedland, Monadelphous, API West Pilbara Iron Ore Project, Decmil Australia, Citic Pacific Mining, Woodside Pluto Project, MAS, Commonwealth Bank, Onsite, Sodexo, Pilbara Health Network, Pilbara News, Pilbara Echo, YothD10 (coordinators) FAHCSIA, the NAIDOC Working Party. Volunteers from Ngarluma Yindjibarndi Foundation, Yaandina, Ngarliyarndu Bindirri Aboriginal Corporation and Marwarnkarra Aboriginal Health also contributed their time to assist with a number of events.

Bulgarra Regional Open Space

The majority of construction works at the new Bulgarra Regional Open Space were completed in 2011/12 with the project including new barbecue and picnic facilities, play structures for a variety of age groups, permanent shade structures and a BMX park. It is intended to appeal to a wide range of ages and to provide additional connectivity with all aspects of the Bulgarra Sporting Precinct. The Bulgarra Regional Open Space was an integral component of the Bulgarra Sporting Precinct, which was identified in the Karratha 2020 Vision and Community Plan.



Club Development Officer

The Shire of Roebourne, Department of Sport and Recreation, Lotterywest and Rio Tinto proudly introduced Futureclubs, a new club development program for the Shire of Roebourne, early in 2012. Futureclubs is overseen by the Shire's Club Development Officer (CDO). The program aims to assist local sporting and recreation clubs and associations with their continued development and growth by providing support and training opportunities, and encouraging sustainable club practices to ensure they continue operating well into the future.

A great deal of work was done by the CDO in 2011/12 to develop an incentive-based scheme whereby clubs, and associations which meet set criteria surrounding club governance, management and administration can receive both tangible and intangible benefits. This scheme will be implemented in 2012/13. One such benefit will include recognition as a 'Future Club', where a Futureclubs certificate and information page will be awarded to the club for use with sponsorship proposals and funding applications. The aim of this scheme will be to give businesses and funding bodies extra incentive to consider a club's application. The scheme will be communicated to local business but the intent is not to encourage local business only consider sponsorship proposals that are accompanied by the Futureclubs logo and certificate. Rather, the intent is to add weight to participating clubs' sponsorship proposals.

In 2011/12, three club development workshops were hosted by the CDO. The workshops focused on key

elements of community sporting club governance and management and administration in order to provide opportunities for clubs and associations to up-skill volunteers. Workshops included basic sports medicine and strength and conditioning courses and advice on running effective club meetings. During 2011/12, the CDO has also assembled a database of more than 80 sports clubs and associations in the Shire of Roebourne and has also published newsletters for distribution to clubs, community members and organisations.

Catering Services

The Shire of Roebourne established an internal catering service during 2011/12 operating from the newly constructed Pam Buchanan Family Centre. The Catering portfolio services all internal events for the Shire of Roebourne and provides a café and external catering service at the Pam Buchanan Family Centre



Strategic Projects

Completed Projects

Project	Status	Funding Partners	Total Project Cost
Pam Buchanan Family Centre	Completed December 2011	Australian Government's Regional and Local Community Infrastructure Program, State Government's Royalties for Regions Pilbara Cities Program, Lotterywest, LandCorp, Shire of Roebourne	\$10 million
The Youth Shed	Completed December 2011	State Government's Royalties for Regions Pilbara Cities Program, LandCorp, Woodside, North West Shelf Project, Shire of Roebourne	\$4.9 million
Cattrall Park Redevelopment	Completed March 2012	State Government's Royalties for Regions Pilbara Cities Program, Shire of Roebourne	\$2.3 million
Bulgarra Sporting Precinct Upgrade	Final stage completed July 2012	State Government's Royalties for Regions Pilbara Cities Program, Shire of Roebourne	\$3.8 million
Frank Butler Community Centre	Completed May 2012	State Government's Country Local Government Fund, the Department of Sport and Recreation's Community Sporting and Recreation Facilities Fund, Pilbara Development Commission, Shire of Roebourne	\$4.9 million
Administration Office Annex	Completed February 2012	State Government's Royalties for Regions Pilbara Cities Program, Shire of Roebourne	\$1.65 million
Staff Housing	Final stage completed February 2012	State Government's Royalties for Regions Pilbara Cities Program, Shire of Roebourne	\$4.9 million
Yaandina Youth Centre	Completed	State Government's Royalties for Regions Pilbara Cities Program, Shire of Roebourne	\$4.8 million (Royalties for Regions \$1 million)



Projects underway

Project	Status	Funding Partners	2012/13 Project Expenditure	Total Project Cost
Karratha Leisure Complex	Works underway, due for completion July 2013	Australian Government's Regional Development Australia Fund, State Government's Royalties for Regions Pilbara Cities Program, Department of Education, LandCorp, Shire of Roebourne, Finbar Group Limited.	\$38.5 million	\$63.7 million
Dampier Highway Streetscape Upgrade	Works underway, due for completion late October/ November 2012	State Government's Royalties for Regions Pilbara Cities Program,	\$0.9 million	\$2 million
Karratha Airport Power Upgrade	Works underway, due for completion early 2013	Shire of Roebourne	\$5.5 million	\$10.9 million
Karratha Airport Hydraulic Upgrade	Works underway, due for completion April 2013.	Shire of Roebourne	\$8.7 million	\$10.9 million

Projects overview

COMPLETED PROJECTS

Frank Butler Community Centre

A landmark development on Hunt Way with views across the Bulgarra Oval playing fields, the Frank Butler Community Centre was completed in May 2012.

The colourful new addition to the Bulgarra Sporting Precinct provides indoor and outdoor entertainment areas, fully equipped kitchen and servery, four change rooms, first aid post and dedicated umpires' room. The Frank Butler Community Centre and associated amenities provides support for sporting activities and events hosted on Bulgarra Oval. In addition to this, it provides the perfect space for community and business functions of any size and is now available to hire.

Bulgarra Sporting Precinct Upgrade Projects

A number of upgrade projects were completed in 2011/12 as part of the multi-million dollar transformation of the Bulgarra Sporting Precinct. These projects include:

- ➔ Electrical and floodlighting upgrade to oval, tennis pavilion and netball precinct;
- ➔ BMX track;
- ➔ Children's adventure playground;
- ➔ Permanent softball diamonds with floodlighting, one fully-fenced with dugouts;
- ➔ Multi-user storage shed;
- ➔ Hunt Way car park redevelopment; and
- ➔ Tennis court resurfacing.

Catrrall Park Redevelopment

Karratha's favourite community space, Catrrall Park, is accessible to the public once again following a multi-million dollar redevelopment that was completed in February 2012. The newly-revitalised space now boasts:

- ➔ Children's adventure playground;
- ➔ Barbecues;
- ➔ Shaded picnic areas;
- ➔ Upgraded lighting;
- ➔ A path network;
- ➔ Water-wise landscaping with shade and native plantings;

Administration Office Annex

A number of new positions have been created at the Shire to accommodate organisational growth. In response, an Administration Office Annex was built. The Annex provides high quality transportable office accommodation for Shire employees, meeting amenities and staff amenities.

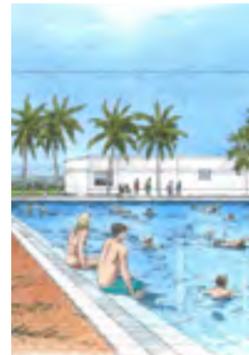
Karratha Leisure Complex

Set to become the Pilbara's premier indoor sports and aquatic centre, the Karratha Leisure Complex will boast top-class facilities that reflect those of a major Australian city. Earthworks and concrete foundations have been completed in the main building area and construction of the indoor sport centre is now underway with the complex on track to open in mid-2013.

This landmark community project will boast top-class facilities including a resort-style aquatic precinct with children's splash playground and three swimming pools, multi-purpose sports venues including playing fields and clubhouse as well as various indoor and outdoor courts and squash courts. The indoor sports centre will double as an emergency evacuation centre for the community, as well as emergency response teams, in adverse weather events.

Other facilities within the complex include:

- Three indoor sports courts for use of:
 - Basketball
 - Volleyball
 - Netball
 - Gymnastics
 - Indoor hockey
 - Major indoor entertainment events with capacity of approximately 800 seated
- Six outdoor undercover playing courts with separate clubrooms for use of:
 - Basketball
 - Netball
 - Indoor soccer
 - Indoor hockey
 - Indoor tennis
- A main oval area with separate clubrooms for use of playing:
 - Football
 - Cricket
 - Two soccer and rugby fields
- A rectangular field for soccer and rugby
- Cricket practice nets



- Outdoor children's playground
- Gymnasium with:
 - Weights areas
 - Aerobics room
 - Spin room
- Three squash courts
- Children's crèche
- Kids gym
- Private tenant business spaces
- Function room with capacity of 250 seated and ability to section off to smaller meeting rooms with separate server and foyers areas
- Commercial kitchen with indoor and outdoor poolside kiosks
- Ablutions and administration facilities to support the above facilities together with three car parking areas

Dampier Highway Streetscape Upgrade

This project will transform a major stretch of Dampier Highway with a rich tapestry of native landscaping and vibrant public art that will celebrate the community spirit and cultural heritage of the Shire of Roebourne. Taking inspiration from the City Centre master plan, the revitalised Dampier Highway will provide a welcoming entrance to Karratha. The project, extending from Balmoral Road East to Balmoral Road West, will include:

- Public art;
- Beautification of five roundabouts; and
- Water-wise landscaping.

The Dampier Highway Streetscape upgrade project is underway and programmed for completion in October/November 2012.

Karratha Airport Power Upgrade

The Shire of Roebourne is continuing upgrade works for the Karratha Airport with a major power upgrade now underway. This project will provide the Karratha Airport with the capability to expand its services as well as continue to provide a high level of service to existing tenants.

The existing electrical network circulating the Karratha Airport subdivision has a supply capacity of 11kVA. To cater for the increase in demand and potential future terminal upgrades the electrical network will be upgraded to 33kVA.

The project is scheduled for completion in early 2013.

Karratha Airport Hydraulic Upgrade

Works commenced in June to upgrade the entire hydraulic system at Karratha Airport.

The project includes the installation of a new potable water supply system with supporting upgraded fire services to the Airport precinct. Additionally a new sewage treatment plant will be installed to service the current and proposed future airport operations. The treated effluent will have the capability of being recycled for allowable uses and effectively reducing the demand on the potable water supply.

The project is due for completion in April 2013.

PROPOSED FUTURE PROJECT

Roebourne Community Aquatic Centre Redevelopment

Roebourne Shire Council is currently considering the need to upgrade the Roebourne Community Aquatic Centre. A business case for the upgrade project is being prepared in response to community consultation and technical advice on the current pool facility.

The project aims to enhance community participation in Roebourne, whilst creating a sense of ownership and pride for the new facility.

The Shire of Roebourne is currently pursuing funding options for the proposed future redevelopment project.





STRATEGIC GOAL 2

Delivering Services

We will provide efficient and effective Local Government service delivery that meets our communities' expectations.

We will achieve this by:

1. Implementing an asset register to identify opportunities to upgrade existing infrastructure.
2. Increasing the profile of the organisation to attract high-quality candidates and ensuring Human Resource policies reflect best practice.
3. Promoting the Shire as an employer of choice, with trainee and indigenous employment opportunities available.
4. Meeting the set service standards
5. Building a high-performance work culture
6. Focusing on continuous improvement and best practice
7. Enhancing environmental attitudes organisation wide.

Our workforce

Employees as at 30 June 2012

Full-time	187
Part-time	33
Casual	104
TOTAL	324

Remuneration

Employees earning more than \$100,000

\$100,000-\$109,999	14
\$110,000-\$ 119,999	11
\$120,000-\$129,999	5
\$130,000-\$139,999	2
\$140,000-\$149,999	1
\$150,000-\$159,999	0
\$160,000-\$169,999	3
\$170,000-\$179,999	0
\$180,000-\$189,999	0
\$190,000-\$199,999	1

Occupational Health and Safety (OHS)

The Shire of Roebourne participated in the Health on the Move Skin Cancer Screening Program in February 2012. As a result, 82 participants in the program received comprehensive skin screenings.

In addition, 41 staff undertook Health Risk Assessments, which contribute in a proactive way to reducing illness and injury in the workplace. This involved initial blood testing then detailed cardio, muscular and skeletal assessments of staff.

As part of the Shire's OHS Induction and Training Policy, which helps those that have line management responsibility of other staff to understand their OHS obligations, 28 supervisors and managers undertook the OHS for Managers one-day training.

Twenty-seven staff undertook Manual Handling Training to improve workplace practices and reduce injury in relation to poor lifting, posture and hazards.

Twenty-two staff undertook Ergonomics Training, which provides the basic skills and knowledge of office ergonomics to be able to setup individual workstations and mitigate the risk of cumulative workplace injuries.

Nine staff undertook the comprehensive ChemAlert User Training that allows staff the ability to use the Shire's Chemical Management System and keep up-to-date with chemicals stored and used within the workplace.

Workplace relations

Following the Staff Engagement Survey in June 2011, considerable progress was made in 2011/12 to address key development needs identified by staff, including:

- Implementation of Team Brief, Curiosity Session and employee newsletters to improve communication across the organisation.
- Development of online induction tools and a corporate training program.
- Implementation of an Employee Recognition Program and Rising Stars Program designed to recognise and reward staff.
- Streamlined the Annual Performance Review process.

With the Shire of Roebourne Collective Agreement 2009-2012 due to expire in August 2012, the Shire commenced the process of educating staff about Enterprise Bargaining and establishing a negotiating team in December 2011. The bargaining committee, which comprised four management and 12 employee representatives, commenced negotiations in June 2012 in order to finalise the terms of an Agreement with the following objectives:

- Positioning the Shire as an employer of choice.
- Ensuring the Shire meets its strategic and business objectives.
- Recognising the impact of high housing costs on employees.
- Supporting a culture of learning and professional development.
- Rewarding and recognising contributions and achievements.

Towards the end of 2011/12 a draft Workforce Plan was produced to lay the foundation for the development of the organisation in relation to our workforce over the next four years. Based on a comprehensive review of internal and external demographics and consultation with staff from across the organisation, the Workforce Plan will guide how we manage our people to ensure that we have a workforce that will lead the Shire towards the vision of the City of the North.



Work experience placements

The Shire of Roebourne recognises the contribution that work experience provides to young people in our community and is committed to providing this community service to schools and students. Several students were placed across the organisation in 2011/12 in a range of work functions, including office administration and recreation.

Customer Service

Customer Service continues to excel in its relationship with the community. Well in excess of 4,000 enquiries per month are dealt with by the Shire's diligent team in a professional manner. The Customer Services reception area was revamped at a cost of approximately \$110,000 to create a more functional environment for staff and customers. This reception area is where many ratepayers come to make enquiries, pay bills, submit building plans and much more.

Information services

A number of information technology (IT) activities were undertaken during 2011/12 including:

- ➔ Increasing our capabilities in the areas of disaster recovery of computing services and business systems continuity resilience.
- ➔ Installation and commissioning of new IT infrastructure to enable access to corporate information systems from anywhere, improving mobile worker capabilities.
- ➔ Replacing the corporate email system to a latest generation solution incorporating a high availability design with a real-time fault tolerant capability.
- ➔ Installing and testing a new waste management system which integrates with the corporate business system to streamline business debt collection processes and provide a greater environmental and legislative management system capability.
- ➔ Upgrading the Internet content management system to enable the Shire's website to be advanced.
- ➔ Completing a project which extended the Shire's high-speed Wide Area Network infrastructure to support the opening of the Shire's new temporary Karratha Community Library located at the Pam Buchanan Family Centre.
- ➔ Completing an initiative to upgrade the business connectivity of remote facilities further standardising IT infrastructure providing for a more reliable and functional remote office experience.
- ➔ Completing development of a community crime and safety reporting and capture system for effective graffiti management in the Shire.
- ➔ Increasing our capabilities for providing flexible, secure and reduced cost telephony communications across the Shire business by installing a new generation IP business communications solution.

Rangers

New uniforms and vehicles

Both the Ranger uniforms and Ranger vehicles have been re-badged to provide a more visible and professional image. In addition, the Ranger vehicles used for fire control purposes have been fitted with sirens and lighting to meet Priority 2 emergency road conditions.

Greening of streets and beautification funding

Through Royalties for Regions, funding was provided in 2011/12 to assist with community projects in each of the towns within the Shire. These projects have included the installation of street banners, improvements to entry statements, the installation of bollards and the installation of a community garden.

SAFE Memorandum of Understanding

A Memorandum of Understanding (MOU) was signed between the Shire of Roebourne and Saving Animals from Euthanasia (SAFE). The MOU outlines the roles and responsibilities of both SAFE and the Shire's Ranger Services team in relation to impounded dogs. Where an impounded dog is deemed to be fit for re-homing by the Rangers, it will be released to SAFE. To assist with the administration costs associated with this MOU, the Shire allocated \$25,000, with an additional \$2,000 provided to assist with the euthanasia of feral cats.

Off-road vehicles

Through Cleansweep Taskforce funding and Royalties for Regions funding, Trail Bike Management Australia Pty Ltd was engaged to provide a report pertaining to the management of off-road vehicle activities in Karratha and the consideration of potential off-road vehicle areas. If additional funding is made available in 2012/13, a similar report will be undertaken for the areas surrounding Wickham and Point Samson.

Overflow camping

A new Memorandum of Understanding for an overflow camping area with Karratha Visitor Centre and Karratha Country Club has been signed by all parties. This has included new signage, bollards to designate the area, tariff and occupancy rules established at the overflow camping area

Records Management

The Shire has been faced with the task of managing its expanding paper-based record-keeping systems. With the introduction of technologies and a shortage of resources, archiving of documents has not been a priority resulting in a build-up of paper files. Space was at a premium as the organisation continued to grow in 2011/12. The need to use available space meant a relocation of non-current records was required. In 2012, more than 1,000 boxes of archived material were transported to Perth for safe storage. Access to documents in Perth can be electronically conducted through Iron Mountain, the company which has the State contract to manage local governments' off-site records. Over the coming years, this material will be classified and then archived or destroyed based on the Shire's Retention and Disposal Schedule.



Rates

Raising rates is a primary source of revenue for the Shire of Roebourne to meet its budgetary requirements. The rate levy is based on the individual Gross Rental Valuation (GRV) supplied by Landgate

Valuation services for each property is deemed to be fair and equitable for all rate payers in the community.

Rate revenue for the 2011/12 financial year totalled \$23,670,474 inclusive of interim rate notices processed during the financial year.

Council has continued to provide rates concessions to affected properties located within the Cossack Townsite in recognition of lack of community infrastructure. Concessions have also been provided to pastoral leases.

Rate Category	Cents in \$	Number of Properties
Residential	0.028865	5319
Commercial/Tourism/Town Centre/Airport	0.057730	218
Industry/Mixed Business	0.057730	309
Transient Workforce/Workforce Accommodation	0.094630	23
Strategic Industry	0.057730	2

Rates and Charges Levied	2011/12
General	\$15,913,886
Minimum Rate	\$2,058,104
Unimproved	\$3,919,717
Interim	\$1,908,171
Prospecting	\$1,890
Back	\$26,418
Concessions	- \$1,011,616
Ex Gratia	\$853,904
TOTAL	\$23,670,474

Minimum Rates		Number of Properties
Residential	\$1,124	1,454
Commercial/Tourism/Town Centre/Airport	\$1,124	165

Gross Rental Values

GRV	11/12	10/11	% Increase	Comment	*Revaluation occurred for 12/13 Rates levied
Residential	342,846,040	327,530,196	4.47%	Increase in properties 214 since 10/11	No revaluation since 2009
Commercial/tourism/town centre/airport	29,067,618	33,177,678	-14.14%	Decrease in properties 15 since 10/11	No revaluation since 2009
Industrial/Mixed Business	19,847,160	18,765,980	5.45%	Increase in properties 27 since 10/11	No revaluation since 2009

Residential Gross Rental Value (GRV) increased by 4.47%, commercial decreased by 14.14% and industrial increased by 5.45%. GRVs have not significantly changed from 2009/10 as there has been no revaluation since 2009.

Business Improvement Process

As part of the 2011/12 Budget, Council endorsed the commencement of a Business Improvement Process (BIP). The BIP is critical to the efficient and effective functioning of the Shire in a sustained manner. It becomes even more significant considering the increased pressure on delivery of services and projects by the Shire resulting from anticipated future growth plans outlined in the Karratha City of the North Plan, related planning documents and the State Government's Local Government Reform Agenda. The BIP will compliment the State Government's Local Government Reform Agenda and is necessary to position the Shire to meet the intent - namely 'stronger local government authorities that better service their communities'.

The key areas identified for improvement were:

- Workforce Development Plan – training, workloads, performance management and housing, Human Resource policies and procedures.
- Internal communications.

The BIP is geared towards meeting the State Government reform requirement of an integrated strategic planning framework and the resultant plans and reports.

Medical Services Equalisation Scheme

During the 2011/12 financial year what is now known as the Medical Services Equalisation Scheme (MSES) was called the Medical Services Incentive Scheme (MSIS). The new name came into effect on July 1, 2012.

In 2011/12, the Shire made two retention payments to private practice general practitioners (GPs) in accordance with the MSIS contract. The MSIS also provided access to quality accommodation for eight GPs participating in the MSIS. A formal review of the MSIS was undertaken in 2011/12 with the approximate cost of \$35,000 shared between the MSIS partners the Shire of Roebourne, Rio Tinto and the North West Shelf Project. The implementation of recommendations from this review began in July 2012 including the change of name to the MSES.

Emergency Management

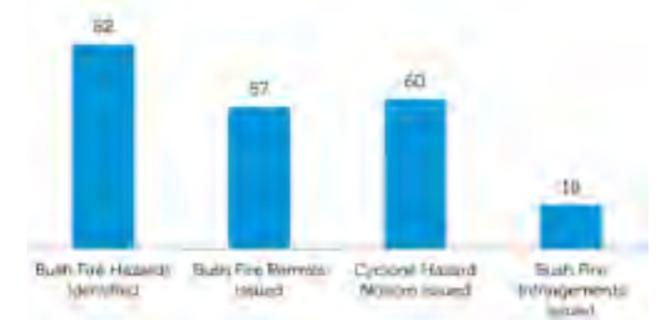
The Shire's Emergency Management Officer (EMO) again had a busy year, undertaking numerous pre-cyclone clean-up inspections on yards, both residential and non-residential, along with Ranger Services. The EMO also partnered with Ranger Services to undertake thorough inspections of numerous properties to achieve full compliance in the areas of fire hazards and fire breaks. Both the EMO and Rangers provide advice on the dangers associated with fires wherever possible.

The EMO also prepared evacuation plans for the Shire's new Administration Office Annex, Frank Butler Community Centre and The Youth Shed.

The EMO also:

- Managed three cyclones during cyclone season in association with FESA and SES.
- Managed 43 Shire fires throughout the 2011/12 financial year.
- Managed Point Samson Volunteer Bush Fire Brigade including attending all meetings, organising FESA training courses, supplying personal protective equipment (PPE) and servicing of the vehicle.
- Hosted three Local Emergency Management Committee (LEMC) meetings with 42 companies participating throughout the year.
- Attended 11 meetings of the Burrup Industries Emergency Management Committee and reported back to the LEMC.
- Sought funding on behalf of the Point Samson Volunteer Bush Fire Brigade for a new fire appliance. Rio Tinto provided \$179,000 and the new appliance was built.
- Took part in multiple multi-agency exercises with Rio Tinto, Woodside and FESA.
- Made arrangements, along with the Department of Transport for new Ranger Services vehicles to be fitted out to Priority 2 status.

Statistics



Environmental Health

In 2011/12, the Environmental Health team continued with its usual monitoring and assessments of food premises, lodging houses, recreational waters, and public buildings.

The team also ran quarterly Healthy Dog Days, an ongoing joint venture in Roebourne, Wickham and Indigenous communities between Regulatory Services, Karratha Veterinary Clinic and Mawarnkarra Health Service, whereby dogs are treated for internal and external parasites to minimise the risk of disease being passed to humans.

Quarterly groundwater and pond sampling at the 7-Mile Waste Facility were also conducted by the team along with annual audits of swimming pool facilities (including public pools and commercial pools).

Golden Gecko

A new initiative in 2011/12 was the implementation of the Golden Gecko program - a food premises grading system, which aims to provide information to consumers on food health and hygiene practices implemented at food premises. This will be an ongoing program and is in addition to annual/bi-annual food premises assessments.

Sentinel chicken program

The fortnightly sentinel chicken bleeding program continued in 2011/12 in conjunction with the University of Western Australia and the Department of Health. Due to the prevalence of Kunjin Virus and Murray Valley Encephalitis in the Shire, the entire flock was infected resulting in the chickens being replaced. The infection of the flock was used to provide evidence of the virus activity in the area, which lead to media releases to inform residents and visitors to the area.

Mosquito-borne diseases

Due to rainfall events associated with tropical lows and cyclones in 2011/12, there was an increase in the formation of mosquito breeding areas within and around the towns throughout the Shire. Mosquito numbers have been controlled through targeted treatment of areas subject to storm water inundation and regular hand dosing of areas subject to continual inundation. Where mosquitos have reached nuisance numbers in the community, fogging has occurred, with all towns being treated.

Construction noise

In 2011/12, the Environmental Health team also targeted out-of-hours construction work and this push has been mostly successful. The major building companies in the area are now aware of approved starting times and days of operation. For major projects, the Shire's Environmental Health team has received and supported out-of-hours construction noise applications where it was shown that the standard working hours would have a detrimental effect on the works. As an example, major concrete pours at the Karratha Leisure Complex construction site were done at night to enable the concrete to be worked correctly and set without major structural cracking.

Dreamer's Hill signage

New signage has been installed at Dreamer's Hill in Karratha to advise residents of the permit system now required to sell vehicles at the site and new parking arrangements.

Local Laws

The Shire has completed the development and review of both the Health Local Law and Local Government Act Local Law. The public review process for both local laws has been completed and will be gazetted early in the 2012/13 financial year.



Local Economy

Managing and maximising the benefits of growth in the region while diversifying our economic base.

We will achieve this by:

1. Encouraging best practice community consultation for major resource projects.
2. Facilitating an increase in affordable housing in the Shire.
3. Growing tourism.
4. Creating opportunities for growth and diversification for local business.
5. Facilitating the release of land to cater for growing development opportunities.
6. Encouraging downstream processing (value adding).
7. Developing a financially sustainable revenue stream.



Small Business Breakfast Briefings

A series of quarterly free small business breakfast briefings were hosted by the Shire of Roebourne in 2011/12. These briefings outlined significant projects the Shire planned to progress and how small businesses could benefit. All briefings held to date have been oversubscribed, with positive feedback received from attendees.

Tourism

The Shire of Roebourne continued its support of the Karratha and Roebourne Visitor Centres, with a financial contribution of \$290,000 and \$188,000 respectively to the centres' operations. An additional \$3,500 was allocated to each centre to assist them in developing long term strategic plans. The Shire also contributed \$10,000 to a short-stay accommodation study being undertaken by the Pilbara Regional Council and Pilbara Development Commission.

Small Business Research Studies

The Shire of Roebourne co-sponsored two important small business studies, which will provide valuable information on economic diversification and business support strategies. Funding agreements were established with the Karratha and Districts Chamber of Commerce and Industry to develop a map and gap and supply chain analysis and with the Small Business Centre West Pilbara to investigate the feasibility of a business park/incubator. In both cases, the consultants contracted have delivered final reports, which are awaiting ratification by the respective agencies.

Home-based Business Project

The Shire of Roebourne has developed an informative booklet detailing the important requirements for setting up a home occupation/business within the Shire. Additionally, the Shire facilitated a home-based business workshop as part of the Pilbara Pulse Economic Development Conference in June 2012. The workshop was well attended and provided participants with valuable information and contacts with respect to establishing a sustainable home-based business.

Online Economic and Demographic Information Systems

In 2011/12, the Shire of Roebourne implemented detailed online economic, demographic and community profiles designed to inform Council and staff, community groups, investors, business, government agencies, students and the general public of detailed information about the Shire of Roebourne community, business and industry sectors.

The Shire also continued its population forecasts website with forecasts available for each year from 2006 to 2031.

These websites provide quality, up-to-date economic and demographic data that is utilised by many key stakeholders when planning for future development within the Shire of Roebourne.

Karratha Airport

Karratha Airport continues to be Western Australia's busiest regional airport with an estimated 816,014 total passengers this last financial year.

To support the continuing growth and cater to increasing passenger numbers, key strategic projects were commenced in 2011/12. These include new high voltage and low voltage electrical, and water and wastewater infrastructure projects, which will provide improved supplies to the Airport precinct. These critical infrastructure upgrades will be completed during 2012/13.

Significant land-side upgrades were completed in 2011/12 including the provision of bus parking. Air-side, storage areas were expanded to accommodate aircraft ground equipment.

Public Affairs

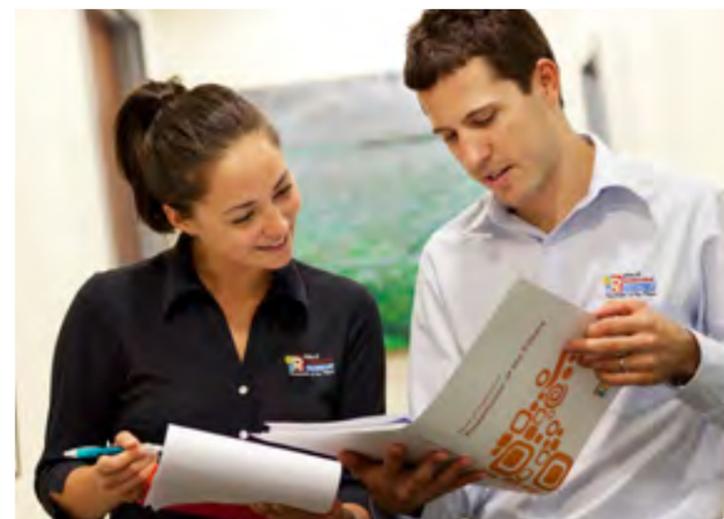
Public Affairs has continued the engagement of key stakeholders, the media and the local community, to promote awareness of the Shire of Roebourne, its operations and strategic projects.

During the 2011/12 financial year, the Shire's Public Affairs team responded to 132 formal media enquiries in addition to a number of other informal enquiries from journalists seeking background information and local knowledge to confirm the accuracy of their stories.

A Facebook page for the Shire of Roebourne was launched early in 2012 and has been an effective new tool for communicating information. At last count the Shire had well in excess of 150 friends, had posted 61 updates, and responded to about 60 comments. It's used to participate in a number of conversations on Facebook groups including Karratha Moan and Groan, Karratha Residents Unite, Living in Karratha and Surrounds and Karratha Neighbourhood Watch.

In summary, the Public Affairs team issued 145 proactive media releases or Facebook posts and responded with media responses and Facebook comments 192 times. In total, the Shire of Roebourne interacted with media, including social media 337 times in 2011/12. The Public Affairs team also released a number of From the Council Chambers newsletters.

Early in 2012, InTouch Public Relations was contracted for a period of 12 months to provide public affairs support for strategic projects including the Karratha Leisure Complex, the Frank Butler Community Centre, a range of projects underway at Karratha Airport and other general public affairs support where required.



Compliance

Strengthening governance structures and procedures was a focus for the Corporate Compliance team during 2011/12. A meeting of the Audit and Organisational Risk Committee prompted an undertaking of internal reviews of Karratha Airport operations and major capital works contracts to assess compliance with procedures and examine improvement opportunities. Ongoing reviews of organisational policies and authorities continue to build robust processes. Additional governance controls were put in place to guide the preparation of Council meeting agenda reports to provide elected members with fully-detailed reports so that all known issues are considered during Council deliberations.

A risk management framework was also established and will continue to be worked through and applied throughout the organisation as a decision making and risk assessment tool.

Asset Management

In 2012, progress was made towards fulfilling the requirements of the Integrated Strategic Planning initiative. An asset management framework and plan was instigated together with the development of asset class hierarchy and levels of service for operational and maintenance requests. Further development will occur throughout 2012/13.

Building Maintenance

Building Maintenance continues to offer exceptional services with a capital works program valued at \$630,419 delivered in 2011/12. This program included upgrades to existing housing stocks, plus new toilet facilities at Roebourne, Wickham and Dampier, revitalisation of the Roebourne Shire offices and modifications to the depot at the Karratha Industrial Estate. The team also inherited new community facilities of the Pam Buchanan Family Centre, Frank Butler Centre, Karratha Youth Shed, 12 new Shire-owned houses and an Administration Office Annex.



Planning services

Local Planning Policies

In 2011/12, Planning Services reviewed and updated the local planning policy for city centre development, city centre car parking, and the Gap Ridge Industrial Estate design guidelines.

Major new developments in the city centre were given planning approval including the Pelago towers, construction of which is fully underway.

Further work to review priority planning policies commenced, including residential frontages and set backs, and storm surge.

City Centre

The Karratha City Centre Master Plan is being progressively implemented by the Shire of Roebourne and LandCorp and a new road layout plan has been approved by Council.

Planning approval was given for the relocation of the Seniors' Village as an extension of the Warambie Estate complex, to enable construction of Sharpe Avenue through to Dampier Highway, enabling the development of Sharpe Avenue as a major entry to and focal point of the Karratha City Centre.

Future growth areas

Council commenced the process to amend the Town Planning Scheme to set aside new urban areas sufficient to meet the population growth targets set out in the Karratha City of the North Plan. Covering a number of sites, an "omnibus amendment", known as Scheme Amendment 21 was prepared and lodged

with the Environmental Protection Authority for assessment prior to public advertising and final approval. Amendment 21 will secure future growth areas for Karratha.

Town Planning Scheme Amendment No 25 was prepared for one of the Karratha City of the North future growth areas, land west of the former Karratha Drive-In site. It was advertised and adopted by Council and the Western Australian Planning Commission, paving the way for The Ranges Valley development.

Residential Infill – LazyLands Project

Pilbara Cities identified a number of land areas suitable for residential development to be excised from drainage reserves identified as surplus to requirements. Pilbara Cities and the Shire of Roebourne assessed the interest for innovative housing developments on these surplus land areas across Karratha. Termed LazyLands, the residential infill projects will see much needed additional housing development in previously under-utilised land. Amendments to the planning scheme are now being prepared to pave the way for these residential infill developments.

Shire-wide and local area planning

Detailed preparations have been undertaken to commence a local planning strategy in 2012/13. The Shire will take into account land use pressures that are impacting on the stable and sustainable economic base and development of the community. Land and infrastructure capabilities and constraints will be assessed. Appropriate new areas to meet growth and development demands will be identified. This strategy,

once complete, will inform a comprehensive update of the Shire's town plan.

In 2011/12, preparation commenced for the design of structure plans for the long term revitalisation of Roebourne and improvements to the urban layout, built form and economic base of both Roebourne and Point Samson townships.

Through a partnership with Rio Tinto, the Planning Services team are working to improve the planning for future growth and quality of life in the townships of Dampier and Wickham. Major new redevelopment projects have been approved in Wickham, along with a plan for the new Wickham South residential growth area.

Compliance

In a project co-funded with Rio Tinto, the Shire has commenced a planning compliance program to raise awareness of the need to obtain planning approval, and comply with the set conditions. Preparations have commenced for a special program in Dampier and the Karratha Industrial Estate.

Storm surge and coastal vulnerability

A Karratha Coastal Vulnerability Study was commissioned by LandCorp on behalf the State Government, in partnership with the Departments of Transport, Planning and Water. It has provided a major set of new information to plan for and mitigate against storm surge and overland flooding in and around Karratha.

Detailed examination of risks, legal opinion and expert advice has informed Council's adoption for public

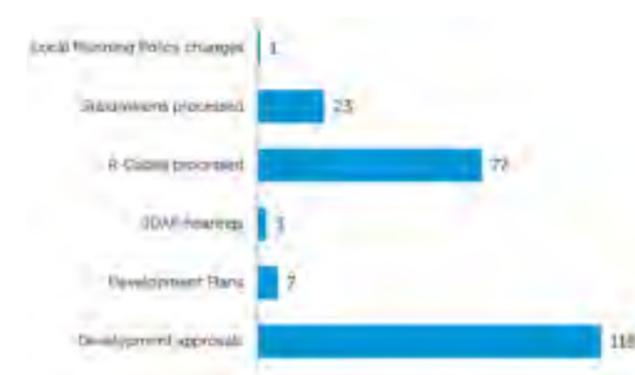
exhibition: Planning Scheme Amendment 27 and Local Planning Policy DP19. These will enable Council and the community to better respond to coastal vulnerability in future development applications and planning for future growth areas.

During 2011/12, Planning Services prepared a draft coastal management strategy. This strategy will be updated and finalised in 2012/13 taking into account new information provided by the Karratha Coastal Vulnerability Study.

Working with Industry, LandCorp and the State Government to minimise reliance on transient workers employment for the operation phases of our major resource projects

A review of current and new work commenced in 2011/12 to prepare additional local planning policies. This will focus on policies for transient worker accommodation, development and legacy contributions, and social impact analysis and management plans.

Planning Statistics





Building services

Building approvals

The Shire's Building Services team processed approximately \$670million of developments in 2011/12 including major mining projects, commercial and residential developments.

New Building Act

A new Building Act (2011) for Western Australia came into effect on April 2, 2012. The primary function of the new Act was to introduce the option for applicants to have their applications assessed by either private Independent Certified Building Surveyors or continue to have them assessed by their local authority.

The Local Government authorities still remain the statutory providers for the issue of all Building Permits.

Since the introduction of the new Act, the Building Services team noticed a slight reduction in the number of commercial applications coming through without certification. However, there was a steady rise in the number of applicants wishing to revert back to having their applications certified by the Shire's Building Services team towards the end of the 2011/12.

Most local residential builders have chosen to continue to have their applications assessed by the Shire's Building Services team.

The Building Services team will typically turn around an application in 10 days or less.

Works and services

In 2011/12, the Shire's Works team set out to maintain the engineering and public open space infrastructure residents and visitors to the Shire of Roebourne enjoy on a daily basis. In particular, the team set out to deliver improved infrastructure facilities and to maintain existing infrastructure to a high level.

The 2010/11 wet season dumped more than 700mm of rainfall on the Shire of Roebourne, highlighting the vulnerability of some road surface conditions and increasing vegetation growth in drain lines and public spaces. Although some delays were experienced, minimal public complaints were received. In response, the Works team worked hard to respond in a timely manner to repair road damage and clear vegetation.

Major projects completed by Works in 2011/12 included the construction of a new information bay in Point Samson and gravel re-sheeting and asphalt sealing of a number of roads.

Roads

A number of the Shire's asphalt roads have been in place for more than 20 years and are nearing the end of their life expectancy. To address this issue, the Shire has spent in excess of \$1million each year for the past two years on full asphalt overlays along a number of its ageing roads. It is envisaged that similar funding will be required for at least the next five years to asphalt all roads in need of an overlay. Where asphalt overlays are not completed, there is a risk that roads will fail completely and require full reconstruction.

Funding received from the Regional Road Group and Roads to Recovery is insufficient to assist the Shire of Roebourne to upgrade the road network to a suitable standard.

For the past three years, the Shire has taken on an extensive program of resealing roads to overcome a backlog, but it will be some time before the majority of roads are returned to a manageable standard.

In 2011/12, \$734,710 was spent on street maintenance to repair potholes and cracking and to undertake general shoulder maintenance. An additional \$269,413 was spent on pastoral and rural roads including maintenance grading and guide post replacement.

The Regional Road Group assisted with funding, which was primarily spent on the upgrade of gravel roads. The Shire matches this funding dollar-for-dollar.

Roads to Recovery funding was also sourced to undertake asphalt reseals in Roebourne, Wickham, Dampier and Karratha.

Footpath construction

New footpaths were constructed in Point Samson along Bruce Way and Mears Drive.

Gravel road re-sheeting

Regional Road Group-funded road re-sheets included:

- Woodbrook Road
- Roebourne-Wittenoom Road
- Cleaverville Road

Shire-funded road re-sheet

- Hearson's Cove Road

Car park construction

Karratha Airport bus bay car park

Works to upgrade the bus-only parking area at Karratha Airport were completed in May 2012.

The project included sealing of the hard stand parking area, drainage upgrades and the installation of lighting at the bus park and along the walkway to the terminal.

Improvements to the bus park were needed to ensure the many large buses, which frequently transfer passengers to and from the airport, have access to an adequate parking facility.

The bus-only parking area is located east of the public Long Term A car parking area. This parking area allows buses to park in close proximity to the terminal but without disrupting the flow of other traffic and airport users.

Hunt Way Pavilion car park

A new car park was constructed outside the Frank Butler Community Centre as part of the broader Bulgarra Sporting Precinct project.

Land development

The Works team was intimately involved in planning for and construction of a number of land developments in 2011/12 including the new Gap Ridge industrial area, the Mac Village Karratha, Madigan Estate and the more recent stages of Baynton West, as well as planning for both Mulataga, the Karratha City Centre Infrastructure Works and other associated Karratha: City of the North projects.

New permanent playground shade structures

Permanent playground shade structures were constructed at six parks throughout Karratha and Dampier in 2011/12.

The structures were installed at the following parks:

- Kevin Richards Memorial Oval Park (Millars Well)
- Brolga Meander Park (Nickol West)
- Goshawk Circle Park (Nickol West)
- Tambrey Estate Park (Tambrey Estate)
- Nickol West Park (Nickol West)
- Dampier Foreshore Park (Dampier)

The construction and installation of new permanent shade structures at the three parks in Nickol West, one in Tambrey Estate and one in Millars Well is proudly funded by the Shire of Roebourne and LandCorp through the Regional Development Assistance Program.

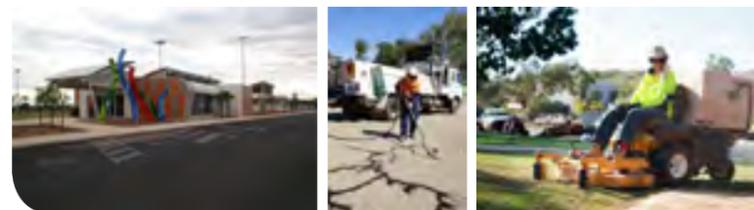
The permanent shade structure at Hampton Beach is proudly funded by Rio Tinto as part of its commitment to the community.

Catrrall Park Redevelopment

A \$2.2-million redevelopment of Catrrall Park was completed during the 2011/12 financial year including the installation of new barbecue areas, seating, playground equipment, beautification of the existing stream and an extension to the existing car park.

Other projects

The Shire continued to manage its treated wastewater reuse system, installed new benches and barbeques at 40-Mile Beach and completed a number of crossovers and verge inspections.





Waste services

Waste Services achievements in 2011/12:

- Recycled and diverted 300 tonnes of scrap metal from the landfill and sold to the reuse market.
- Recycled and diverted 14 tonnes of lead acid batteries from the landfill and sold to the recovery market.
- Called for quotations for the preparation of a landfill plan to inform the current and future disposal operations of the 7-Mile Waste Facility towards achieving best practice landfill operations guidelines. Once complete, the plan will include landfill lifespan and long-term closure planning.
- Upgraded site office at Roebourne-Wickham Transfer Station.
- The Waste Services-managed Cleansweep Taskforce Crew also collected 4,500 bags (30 tonnes) of litter from Shire streets, beaches and reserves.
- Installed a weighbridge data system to improve waste tracking and reporting capabilities.

The Shire's 2012 Community Satisfaction and Needs Survey results revealed Waste Services to be one of the top performing services provided by the Shire.

Statutory reporting

Freedom of Information (FOI)

In accordance with Section 96 and 97 of the Freedom of Information Act 1992, the Shire is required to publish an Information Statement which details the process of applying for information under the Act, as well as information that the Shire provides outside the Act.

During 2011/12, five FOI applications were received, five were successfully processed, none are currently pending review, dismissed, withdrawn or appealed.

The following are some of the documents available for public inspection at the Shire of Roebourne free of charge:

- Council agenda and minutes
- Annual budgets
- Annual financial statements
- Annual reports
- Electoral rolls

Many of the above documents are also available for download on the Shire of Roebourne website at www.roebourne.wa.gov.au.

National Competition Policy

The Competition Principles Agreement (CPA) is a contractual agreement between the Federal Government and all State and Territory Governments. The CPA aims to ensure that all public enterprises operate in a transparent manner in the best interests of the public.

The Shire of Roebourne continues to meet its obligations to the competition policy and monitors the introduction of council policies and local laws which may be subject of anticompetitive practices. Annual reviews are undertaken.

Disability Access and Inclusion

The Shire of Roebourne continues to promote access and inclusion for all community members. The Shire's Disability Access and Inclusion Plan ensures

that people with disabilities have equal access to all Council services, facilities and information.

Both formal and informal meetings have taken place with the Disability Services Commission, individuals and other organisations across the Shire. These meetings will assist with future planning and design requirements for infrastructure, improve universal access to events and progress and complete strategies and tasks outlined in the Shire's Disability Access and Inclusion Plan. During the 2011/12 financial year, the Shire's Disability Access and Inclusion Plan was updated in consultation with the local communities and staff through community consultation, one-on-one staff meetings, an online survey, and will be ready for implementation in 2012/13.

Equal Opportunity

The Shire of Roebourne is committed to equal opportunity principles and will continue to develop and implement equal opportunity strategies to ensure that all Shire of Roebourne's structures, policies, practices and decisions are based on the assessment of individual ability and achievement.

The Shire of Roebourne rejects inappropriate distinctions on the grounds of race (colour, ethnicity, national origin, nationality or descent), sex, pregnancy, marital status, age, sexual orientation, family responsibility, family status, political conviction, religious belief, disability or medical condition (not affecting work performance).

Register of Complaints

During the period 1 July 2011, through to 30 June 2012, no breaches or complaints were registered under Part 5, Division 9 of the Local Government Act 1995.



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SHIRE OF ROEBOURNE

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Roebourne being the annual financial report and other information for the financial year ended 30th June 2012 are in my opinion properly drawn up to present fairly the financial position of the Shire of Roebourne at 30th June 2012 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 on the 28 day of September 2012



Christopher Adams
Chief Executive Officer

SHIRE OF ROEBOURNE
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2012

	NOTE	2012 \$	2012 Budget \$	2011 \$
REVENUE				
Rates	22	23,670,474	22,555,137	18,619,986
Operating Grants, Subsidies and Contributions	28	7,922,156	5,532,075	6,428,544
Fees and Charges	27	40,114,341	35,888,076	37,339,305
Interest Earnings	2(a)	4,130,043	2,835,400	3,657,772
Other Revenue		1,197,732	317,550	1,476,513
		<u>77,034,746</u>	<u>67,128,238</u>	<u>67,522,120</u>
EXPENSES				
Employee Costs		(25,536,457)	(25,269,423)	(19,913,488)
Materials and Contracts		(15,242,681)	(18,639,138)	(13,248,049)
Utility Charges		(3,136,671)	(2,525,385)	(2,312,484)
Depreciation on Non-Current Assets	2(a)	(8,446,204)	(10,303,176)	(7,209,845)
Interest Expenses	2(a)	(897,219)	(927,708)	(963,246)
Insurance Expenses		(1,542,174)	(975,476)	(875,021)
Other Expenditure		(3,979,779)	(4,760,307)	(2,829,584)
		<u>(58,781,185)</u>	<u>(63,400,613)</u>	<u>(47,351,717)</u>
		18,253,561	3,727,625	20,170,403
Non-Operating Grants, Subsidies and Contributions	28	24,312,866	15,282,898	26,297,290
Profit on Asset Disposals	20	28,928	16,118	1,201,390
Loss on Asset Disposal	20	(141,425)	(202,014)	(583,046)
NET RESULT		42,453,930	18,824,627	47,086,037
Other Comprehensive Income				
Other Comprehensive Income		0	0	0
Total Other Comprehensive Income		<u>0</u>	<u>0</u>	<u>0</u>
TOTAL COMPREHENSIVE INCOME		<u>42,453,930</u>	<u>18,824,627</u>	<u>47,086,037</u>

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

**SHIRE OF ROEBOURNE
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2012**

	NOTE	2012 \$	2012 Budget \$	2011 \$
REVENUE				
General Purpose Funding		32,497,617	28,722,383	26,277,297
Governance		347,312	67,010	83,301
Law, Order and Public Safety		1,070,032	492,915	412,086
Health		118,547	85,832	67,351
Education and Welfare		83,300	107,650	85,659
Housing		279,578	329,412	1,938,135
Community Amenities		12,089,278	10,389,917	12,512,718
Recreation and Culture		26,571,346	16,438,142	24,457,330
Transport		25,837,818	23,999,070	24,818,571
Economic Services		1,620,264	1,482,009	3,778,587
Other Property and Services		618,701	110,900	590,244
		<u>101,133,793</u>	<u>82,225,240</u>	<u>95,021,279</u>
EXPENSES EXCLUDING FINANCE COSTS				
Governance		(3,085,367)	(833,097)	(414,955)
General Purpose Funding		(926,574)	(4,414,386)	(1,999,298)
Law, Order and Public Safety		(2,322,498)	(2,668,577)	(1,732,054)
Health		(1,253,399)	(1,258,710)	(921,105)
Education and Welfare		(332,010)	(418,199)	(304,021)
Housing		(1,070,211)	(1,500,705)	(789,303)
Community Amenities		(10,642,554)	(11,286,067)	(9,395,216)
Recreation and Culture		(18,418,550)	(18,113,160)	(14,382,958)
Transport		(16,980,290)	(17,256,059)	(14,364,191)
Economic Services		(2,776,808)	(4,127,706)	(1,796,043)
Other Property and Services		25,618	(596,239)	(872,852)
		<u>(57,782,643)</u>	<u>(62,472,905)</u>	<u>(46,971,996)</u>
FINANCE COSTS				
General Purpose Funding		(4,259)	(4,306)	(4,495)
Governance		(108,276)	(114,038)	(134,983)
Housing		(283,179)	(288,142)	(305,986)
Community Amenities		(21,489)	(21,946)	(30,173)
Recreation and Culture		(13,269)	(22,281)	(57,466)
Transport		(386,785)	(394,805)	(418,723)
Other Property and Services		(79,963)	(82,190)	(11,420)
		<u>(897,220)</u>	<u>(927,708)</u>	<u>(963,246)</u>
NET RESULT		42,453,930	18,824,627	47,086,037
Other Comprehensive Income				
Other Comprehensive Income		0	0	0
Total Other Comprehensive Income		<u>0</u>	<u>0</u>	<u>0</u>
TOTAL COMPREHENSIVE INCOME		<u>42,453,930</u>	<u>18,824,627</u>	<u>47,086,037</u>

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

**SHIRE OF ROEBOURNE
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2012**

	NOTE	2012 \$	2011 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	76,803,079	86,958,575
Trade and Other Receivables	4	12,505,530	9,391,811
Inventories	5	513,717	270,828
TOTAL CURRENT ASSETS		<u>89,822,326</u>	<u>96,621,214</u>
NON-CURRENT ASSETS			
Other Receivables	4	69,607	83,171
Property, Plant and Equipment	6	114,702,994	78,960,080
Infrastructure	7	93,081,413	84,642,110
TOTAL NON-CURRENT ASSETS		<u>207,854,014</u>	<u>163,685,361</u>
TOTAL ASSETS		<u>297,676,340</u>	<u>260,306,575</u>
CURRENT LIABILITIES			
Trade and Other Payables	8	8,945,220	10,953,374
Borrowings	9(a)	2,163,402	3,017,431
Provisions	10(a)	2,673,479	2,211,660
TOTAL CURRENT LIABILITIES		<u>13,782,101</u>	<u>16,182,465</u>
NON-CURRENT LIABILITIES			
Borrowings	9(b)	12,662,768	14,851,611
Provisions	10(b)	361,050	220,809
TOTAL NON-CURRENT LIABILITIES		<u>13,023,818</u>	<u>15,072,420</u>
TOTAL LIABILITIES		<u>26,805,919</u>	<u>31,254,885</u>
NET ASSETS		<u>270,870,421</u>	<u>229,051,690</u>
EQUITY			
Retained Surplus		182,961,193	133,720,252
Reserves - Cash Backed	11	76,228,218	83,650,428
Reserves - Asset Revaluation	12	11,681,010	11,681,010
TOTAL EQUITY		<u>270,870,421</u>	<u>229,051,690</u>

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

**SHIRE OF ROEBOURNE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2012**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH/ INVESTMENT BACKED \$	ASSET REVALUATION RESERVE \$	TOTAL EQUITY \$
Balance as at 1 July 2010		106,853,672	63,430,971	11,681,010	181,965,653
Net Result		47,086,037	0	0	47,086,037
Total Other Comprehensive Income		0	0	0	0
Reserve Transfers		(20,219,457)	20,219,457	0	0
Balance as at 30 June 2011		133,720,252	83,650,428	11,681,010	229,051,690
Net Result		42,453,930	0	0	42,453,930
Total Other Comprehensive Income		0	0	0	0
Reserve Transfers		6,787,011	(7,422,210)	0	(635,199)
Balance as at 30 June 2012		182,961,193	76,228,218	11,681,010	270,870,421

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

**SHIRE OF ROEBOURNE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2012**

	NOTE	2012 \$	2012 Budget \$	2011 \$
Cash Flows From Operating Activities				
Receipts				
Rates		23,749,318	22,555,137	19,021,695
Operating Grants, Subsidies and Contributions		7,922,156	5,532,075	6,761,219
Fees and Charges		41,005,347	36,638,076	36,338,420
Interest Earnings		4,130,043	2,835,400	3,657,771
Goods and Services Tax		523,202	2,412,739	5,570,414
Other Revenue		1,180,789	317,550	1,975,343
		<u>78,510,855</u>	<u>70,290,977</u>	<u>73,324,862</u>
Payments				
Employee Costs		(24,666,320)	(25,269,423)	(19,679,268)
Materials and Contracts		(15,916,583)	(19,389,138)	(7,949,037)
Utility Charges		(3,136,671)	(2,525,385)	(2,312,484)
Insurance Expenses		(1,542,174)	(975,476)	(875,021)
Interest expenses		(933,424)	(927,708)	(977,295)
Goods and Services Tax		(906,503)	(2,412,739)	(5,479,394)
Other Expenditure		(3,979,779)	(4,760,307)	(2,809,362)
		<u>(51,081,454)</u>	<u>(56,260,176)</u>	<u>(40,081,861)</u>
Net Cash Provided By (Used In) Operating Activities	13(b)	<u>27,429,401</u>	<u>14,030,801</u>	<u>33,243,001</u>
Cash Flows from Investing Activities				
Payments for Purchase of Property, Plant & Equipment		(39,385,380)	(48,624,185)	(21,267,931)
Payments for Construction of Infrastructure		(15,298,471)	(20,285,959)	(14,970,502)
Non-Operating Grants, Subsidies and Contributions used for the Development of Assets		20,060,107	15,282,898	26,297,290
Proceeds from Sale of Plant & Equipment		71,552	157,281	2,553,876
Net Cash Provided By (Used In) Investing Activities		<u>(34,552,192)</u>	<u>(53,469,965)</u>	<u>(7,387,267)</u>
Cash Flows from Financing Activities				
Repayment of Debentures		(3,042,872)	(3,013,113)	(1,817,272)
Proceeds from Self Supporting Loans		2,631	0	5,523
Proceeds from Local Group Loans		7,536	0	101,536
Proceeds from New Debentures		0	0	1,497,700
Net Cash Provided By (Used In) Financing Activities		<u>(3,032,705)</u>	<u>(3,013,113)</u>	<u>(212,513)</u>
Net Increase (Decrease) in Cash Held		<u>(10,155,496)</u>	<u>(42,452,277)</u>	<u>25,643,221</u>
Cash at Beginning of Year		86,958,575	78,445,687	61,315,354
Cash and Cash Equivalents at the End of the Year	13(a)	<u><u>76,803,079</u></u>	<u><u>35,993,410</u></u>	<u><u>86,958,575</u></u>

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

**SHIRE OF ROEBOURNE
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2012**

NOTE	2012 \$	2012 Budget \$
REVENUE		
General Purpose Funding	9,069,890	6,167,246
Governance	347,312	67,010
Law, Order and Public Safety	1,047,053	492,915
Health	118,547	85,832
Education and Welfare	83,300	107,650
Housing	279,578	329,412
Community Amenities	12,089,278	10,547,427
Recreation and Culture	26,570,205	16,475,737
Transport	25,837,818	23,999,070
Economic Services	1,620,264	1,482,009
Other Property and Services	618,701	110,900
	<u>77,681,946</u>	<u>59,865,208</u>
EXPENSES		
General Purpose Funding	(1,173,581)	(837,403)
Governance	(3,193,643)	(4,528,424)
Law, Order, Public Safety	(2,322,498)	(2,668,577)
Health	(1,253,399)	(1,258,710)
Education and Welfare	(332,010)	(418,199)
Housing	(1,353,390)	(1,788,847)
Community Amenities	(10,664,043)	(11,465,523)
Recreation and Culture	(18,431,819)	(18,173,036)
Transport	(17,367,074)	(17,650,864)
Economic Services	(2,776,808)	(4,127,706)
Other Property and Services	(54,345)	(678,429)
	<u>(58,922,610)</u>	<u>(63,595,718)</u>
Net Operating Result Excluding Rates	18,759,336	(3,730,510)
Adjustments for Cash Budget Requirements:		
Non-Cash Expenditure and Revenue		
(Profit)/Loss on Asset Disposals	112,497	185,896
Movement in Accrued Interest	(36,205)	0
Movement in Deferred Pensioner Rates (Non-Current)	3,293	0
Movement in Accrued Salaries and Wages	268,079	0
Movement in Employee Benefit Provisions	602,058	(136,666)
Depreciation and Amortisation on Assets	8,446,204	10,303,176
Capital Expenditure and Revenue		
Purchase Artwork	(241,030)	0
Purchase Buildings	(35,741,160)	(46,878,252)
Purchase Equipment	(284,526)	0
Purchase Furniture and Equipment	(1,750,633)	(516,200)
Purchase Plant	(1,368,031)	(1,229,733)
Purchase Infrastructure Assets	(13,651,656)	(20,285,959)
Income Set Aside As Restricted Funds - Income	492,160	492,160
Income Set Aside As Restricted Funds - Expense	(183,410)	0
Proceeds from Disposal of Assets	71,552	157,281
Repayment of Debentures	(3,042,872)	(3,013,113)
Self-Supporting Loan Principal Income	2,631	0
Repayment of Interest Free Loans to Local Groups	7,536	0
Transfers to Reserves (Restricted Assets)	(22,570,169)	(9,638,367)
Transfers from Reserves (Restricted Assets)	29,357,180	50,597,797
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	1,553,944	1,137,353
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	4,477,252	0
Amount Required to be Raised from Rates	22 <u>(23,670,474)</u>	<u>(22,555,137)</u>

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

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this financial report are:

(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.

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 the 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

Revenues, expenses and assets capitalised are stated net of any GST recoverable.

Receivables and payables in the statement of financial position are stated inclusive of applicable GST. 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 held at call 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.

(e) Trade and Other Receivables

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.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 Finance costs and holding charges incurred after development is completed are expensed.

Revenue arising from the sale of property is recognised in the statement of comprehensive income as at the time of signing an unconditional contract of sale.

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.

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 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

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

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 charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

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 that determined using fair value at reporting date.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

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.

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 are separately and systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

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

Artwork/sculptures	2.00%
Buildings	1.80%
Furniture and (Internal) Equipment	
- Computers and peripherals	32.00%
- Other Electronic Equipment	18.00%
- Furniture	9.00%
Plant	
- construction plant (includes prime movers and trailers)	9.00%
- construction vehicles (eg trucks)	15.00%
- light commercial vehicles	15.00%
- passenger vehicles	12.00%
Equipment	
- light plant and (external) equipment	
heavy usage	42.00%
light usage	21.00%
Infrastructure	
- roads	3.60%
- paths and cycleways	4.80%
- aerodromes	3.60%
- parks and gardens	1.00%
- hardcourt facilities	
bitumen surface	3.60%
concrete base	2.40%
- bridges and culverts	4.80%
- drainage	1.80%
- miscellaneous structures	4.80%
- boat ramps/jetties	6.67%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

Depreciation of Non-Current Assets (Continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Capitalisation Threshold

For reasons of practicality, the following thresholds have been applied, below which any expenditure on assets is not capitalised:

- Land - All purchases are capitalised at cost.
- Artwork/Sculptures - All purchases are capitalised at cost.
- Buildings - Expenses totalling less than \$1,000 on any building in any one year are not capitalised.
- Furniture and (Internal) Equipment - Expenses totalling less than \$500 on any one item in any one year are not capitalised.
- Plant and (External) Equipment and Tools - Expenses totalling less than \$1,000 on any one item one year are not capitalised.
- Infrastructure Assets - Roads - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.
- Infrastructure Assets - Footpaths and Cycleways - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.
- Infrastructure Assets - Aerodrome - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.
- Infrastructure Assets - Parks and Reserves - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.
- Infrastructure Assets - Hardcourt Facilities - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.
- Infrastructure Assets - Bridges and Culverts - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.
- Infrastructure Assets - Drainage - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.
- Infrastructure Assets - Miscellaneous Structures - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.
- Infrastructure Assets - Boat Ramps/Jetties - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.

For assets which, at the time of acquisition, there is a reasonable expectation that they may last for more than one accounting period, but their cost is below the declared thresholds for capitalisation, they are recorded in quantitative terms to ensure a record of ownership and location exists.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) 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 (ie trade date accounting is adopted).

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

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, 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.

(h) Financial Instruments

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
- (b) 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 assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period (classified as non-current assets).

(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.

Held-to-maturity financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period (classified as current assets).

If the Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

(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.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period (classified as current assets).

(v) Financial liabilities

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

Impairment

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

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 expire. 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.

(i) Estimation of Fair Value

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

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

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

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 (eg AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

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 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 and are usually paid within 30 days of recognition.

(l) Employee Benefits

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

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

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Council has a present obligation to pay resulting from employees services provided to reporting date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

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

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

Employee benefits are accrued on the basis of numbers of years employed (continuously) in Local Government as follows:

0-1	years	10%	of normal accrual
1-2	years	15%	of normal accrual
2-3	years	25%	of normal accrual
3-4	years	40%	of normal accrual
4-5	years	60%	of normal accrual
5-6	years	80%	of normal accrual
6-7	years	90%	of normal accrual
7-10	years	100%	of normal accrual

(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.

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 to settle the obligation; 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.

Provisions are not recognised for future operating losses.

(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 equal to the present

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.

(p) 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.

(q) 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.

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) 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.

(s) 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 Council's intentions to release for sale.

(t) Rounding Off Figures

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

(u) Comparative Figures

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

(v) Budget Comparative Figures

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

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the annual reporting period ending 30 June 2012.

Council's assessment of these new and amended standards and interpretations is set out below:

Title and Topic	Issued	Applicable (*)	Impact
(i) AASB 9 – Financial Instruments	December 2009	01 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.
(ii) AASB 1053 - Application of Tiers of Australian Accounting Standards	June 2010	01 July 2013	Nil - Due to its nature and statutory requirements the Council will be deemed a Tier 1 entity and will continue to prepare general purpose financial statements.
(iii) AASB 2009– 11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	December 2009	01 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.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title and Topic	Issued	Applicable (*)	Impact
(iv) AASB 2010 - 2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050, & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052]	June 2010	01 July 2013	Nil - None of these amendments will have any effect on the financial report as the standard does not apply in the case of general purpose financial statements.
(v) 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	01 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).
(vi) AASB 2010 - 8 Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets [AASB 112]	December 2010	01 January 2012	Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title and Topic	Issued	Applicable (*)	Impact
(vii) AASB 2010 - 10 Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters [AASB 2009 - 11 & 2010 - 7]	December 2010	01 January 2013	Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2011 - 2 Amendments to Australian Accounting Standards - Arising from the Trans-Tasman Consequence Project - Reduced Disclosure Requirements. [AASB 101 & 1054]	May 2011	01 July 2013	
AASB 2011 - 3 Amendments to Australian Accounting Standards - Orderly Adoption of Changes to ABS GFS manual and related Amendments. [AASB 1049]	May 2011	01 July 2012	
AASB 2011 - 6 Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements [AASB 127, 128 & 131]	July 2011	01 July 2013	

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title and Topic	Issued	Applicable (*)	Impact
(viii) 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, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	August 2011	01 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.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title and Topic	Issued	Applicable (*)	Impact
(ix) AASB 13 - Fair Value Measurement, AASB 2011 - 8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	September 2011	01 January 2013	AASB 13 defines fair value, establishes a framework for measuring fair value and requires disclosures about fair value measurements. AASB 13 requires inputs to all fair value measurements to be categorised in accordance with fair value hierarchy. AASB 13 also requires enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value. AASB 13 will have particular relevance to the process of the Council adopting fair value methodology in relation to its fixed assets as mandated from 1 July 2012. Apart from the changes in value in relation to assets to be revalued (which are mandated by legislation and not changes to the standard) it is not expected to significantly impact the Council as the framework embodied in AASB 13 does not differ significantly from that which is present in existing standards. The amendments to the legislation requires the phasing in of fair value in relation to fixed assets over the three years from 1 July 2012. It is not possible to estimate the likely amount of any revaluations.
(x) 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	01 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 or loss subsequently. It effects presentation only and is not expected to significantly impact the Council.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title and Topic	Issued	Applicable (*)	Impact
(xi) 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	01 January 2013	The changes in relation to defined benefit plans contained in this standard are not expected to significantly impact the Council nor are the changes to AASBs in relation to termination benefits.
(xii) AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	September 2011	01 July 2013	Nil - None of these amendments will have any effect on the financial report as none of the topics are relevant to the operations of the Council.
AASB 2011 - 12 Amendments to Australian Accounting Standards arising from Interpretation 20 [AASB 1]	November 2011	01 January 2013	
AASB 2011 - 13 Amendments to Australian Accounting Standards - Improvements to AASB 1049	December 2011	01 July 2012	

Notes:

(*) Applicable to reporting periods commencing on or after the given date.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) 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 124
AASB 1054
AASB 2009 - 12
AASB 2009 - 14
AASB 2010 - 4
AASB 2010 - 5
AASB 2010 - 6
AASB 2010 - 9
AASB 2011 - 1

The standards adopted had a minimal effect on the accounting and reporting practices of the Council as they were either 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.

(y) Securing a Clean Energy Future - the Australian Government's Climate Change Plan

On 10 July 2011, the Commonwealth Government announced the "Securing a Clean Energy Future - the Australian Government's Climate Change Plan". Whilst the announcement provides further details of the framework for a carbon pricing mechanism, uncertainties continue to exist on the impact of any carbon pricing mechanisms on the Council as legislation must be voted on and passed by both houses of Parliament. In addition, as the Council will not fall within the "Top 500 Australian Polluters", the impact of the Carbon Scheme will be through indirect effects of increased prices on many production inputs and general business expenses as suppliers subject to the carbon pricing mechanism are likely to pass on their carbon price burden to their customers in the form of increased prices. Council expect that this will not have significant impact upon the operation costs within the business, and therefore will not have an impact upon the valuation of assets and/or going concern of the business.

(z) Comparative figures

Where required comparative balances have been amended to conform with Accounting Standards and / or the Local Government Act 1995.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

	2012	2011
	\$	\$
2. REVENUE AND EXPENSES		
(a) Net Result		
The Net Result includes:		
(i) Charging as an Expense:		
Auditors Remuneration		
Audit	33,306	25,837
Other Services	2,347	0
	35,653	25,837
Depreciation		
Artwork/Sculptures	3,820	2,552
Buildings	1,368,107	1,159,371
Equipment	219,332	202,024
Furniture and Equipment	484,685	374,133
Plant	1,392,825	1,068,968
Infrastructure - Roads	2,322,757	2,275,829
Infrastructure - Paths and Cycleways	253,807	251,537
Infrastructure - Aerodromes	1,489,854	1,329,216
Infrastructure - Parks and Gardens	113,488	(56,461)
Infrastructure - Hardcourt Facilities	103,608	94,272
Infrastructure - Bridges and Culverts	95,581	124,884
Infrastructure - Drainage	21,768	21,768
Infrastructure - Miscellaneous	452,156	237,346
Infrastructure - Boat Ramps/Jetties	124,416	124,406
	8,446,204	7,209,845
Interest Expenses (Finance Costs)		
Other Finance Charges	5,010	0
Debentures (<i>refer Note 21(a)</i>)	892,209	963,246
	897,219	963,246
Rental Charges		
Operating Leases	180,121	61,184
	180,121	61,184

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

2. REVENUE AND EXPENSES (Continued)

(ii) Crediting as Revenue:	2012	2012	2011
	\$	Budget	\$
		\$	
Interest Earnings			
Earnings on Reserve Funds			
Aerodrome	692,175	645,230	681,128
Dampier Drainage	1,187	1,208	1,089
Walkington Theatre Operating	226	230	207
Plant Replacement	112,399	43,727	69,682
Workers Compensation	55,474	56,521	50,875
Waste Management	480,799	372,312	320,292
Infrastructure	862,555	239,785	520,805
Housing	75,247	76,691	69,009
Aged Persons Homes	3,633	3,703	3,332
Junior Sports	4,141	4,217	3,798
Public Open Space	58,825	112,502	68,785
History and Cultural Publications	2,506	2,553	2,298
Mosquito Control	133	136	100
Medical Services Incentive Scheme	12,228	12,458	11,215
Royalty for Regions	1,211,013	875,327	1,390,688
Employee Entitlements	25,987	36,750	0
Community Development	7,685	21,550	0
Earnings on Municipal Funds			
General Funds	523,830	330,500	444,904
Long Service Leave	0	0	19,565
	<u>4,130,043</u>	<u>2,835,400</u>	<u>3,657,772</u>

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

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

GOVERNANCE

Functions relating to the Councillors and the running of Council.
 Expenditure includes the running of elections, payments of expenses to Councillors and non statutory donations.

GENERAL PURPOSE FUNDING

Rating and Government Grant functions.
 Includes the financial assistance grant received from the Local Government Grants Commission and all rate income.

LAW, ORDER AND PUBLIC SAFETY

Supervision of various by-laws, fire and emergency services, and animal control.
 Includes expenditure for the Ranger Services, State Emergency Service and also cyclone preparation expenses.

HEALTH

Food control, immunisation services, mosquito control and maintenance of child health centres.
 Expenditure includes the maintenance of the child health clinic buildings, various health promotions and pest control expenses mainly relating to mosquito control.

EDUCATION AND WELFARE

Maintain preschool facilities and day care centres.
 It includes expenditure in maintaining the day care centre buildings and also donations to schools for awards etc.

HOUSING

Maintain staff housing.

COMMUNITY AMENITIES

Rubbish collection services, operation of tip, administration of town planning schemes and operation of cemeteries.
 Also included are the cost associated with the maintaining and cleaning of public toilets.

RECREATION AND CULTURE

Maintenance of halls, swimming pool, recreation centres, various reserves and operation of libraries.
 Expenditure includes the cost of the Karratha Entertainment Centre and other pavilions, oval and parks maintenance, Karratha Swimming Pool, coastal rehabilitation, and the four libraries. Expenses relating to the historical town of Cossack, the Walkington Theatre and SBS television and JJJ radio re-broadcasting are also included in this function.

TRANSPORT

Construction and maintenance of roads, drainage, footpaths, parking facilities, traffic signs and the aerodromes.
 It includes expenditure for the construction and maintenance of the roads, footpaths and also the expenditure relating to parking control and the operation of the Karratha Airport.

ECONOMIC SERVICES

Tourism and administration of building controls.
 Expenditure includes Councils contributions to the Karratha and Roebourne Tourist Bureau's and the Pilbara Tourism Association, and the costs associated with building control.

OTHER PROPERTY AND SERVICES

Private works and other unclassified works.
 It also includes expenditure relating to plant operations and the Technical Services Division however these cost are then reallocated to the other functions.

The costs associated with financing are allocated direct to the relevant functions.
 The costs associated with administration are allocated to the relevant functions as set out in Appendix 2.

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

2. REVENUE AND EXPENSES (Continued)

(c) Conditions Over Grants/Contributions

Grant/Contribution	Function/ Activity	Opening Balance (*) 1-Jul-10 \$	Received (+) 2010/11 \$	Expended (#) 2010/11 \$	Closing Balance 30-Jun-11 \$	Received (+) 2011/12 \$	Expended (#) 2011/12 \$	Closing Balance 30-Jun-12 \$	Notes
PDC Andover Way Park		3,600	0	0	3,600	0	0	3,600	(iv)
Roebourne Community Recreation Assoc Inc		23,024	0	0	23,024	0	0	23,024	(iv)
PDC Hydrology Grant		40,000	0	0	40,000	0	0	40,000	(iv)
City of Belmont "Finding My Place"		4,877	0	0	4,877	0	0	4,877	(iv)
PDC Cultural Planning and Development - formerly "Art Consultancy"		20,981	0	0	20,981	0	(20,981)	0	
WA Tourism Commission - Tourism Feasibility		2,273	0	0	2,273	0	(2,273)	0	
Waterways Grant-St Luke's Oval		45,455	0	0	45,455	0	(45,455)	0	
Dept of Sport and Rec - Roebourne Enhancement Scheme		331,950	0	0	331,950	0	(220,041)	111,909	(iv)
Office of Crime Prevention - Roebourne Sports Activity Officer		20,000	0	0	20,000	0	(20,000)	0	
Office of Crime Prevention - Community Safety Plan		0	18,000	0	18,000	0	(18,000)	0	
Country Local Government Fund - Frank Butler Community Centre		0	557,284	0	557,284	0	(557,284)	0	
Royalties for Regions - Wickham Skate Park		56,000	0	0	56,000	0	(56,000)	0	
Dept of Agriculture - 2010 Dry Season Assistance Scheme		0	20,000	0	20,000	0	(20,000)	0	
Disability Services Commission - Accessible Communities Grant - Disabled Toilet		0	8,830	0	8,830	0	(8,830)	0	
National Libraries Australia - Community Heritage Grant		0	13,600	(2,489)	11,111	0	(11,111)	0	
Roads to Recovery 10/11		80,119	0	(80,119)	0	0	0	0	
Regional Road Group Funding 10/11 (Wittenoom Rd)		0	58,738	0	58,738	0	(58,738)	0	
RLCIP Playground Structures		158,182	0	(158,182)	0	0	0	0	
Forward Capital Works Planning Grant		35,000	0	(35,000)	0	0	0	0	
Dept of Transport - John's Creek Boat Ramp Carpark		218,947	0	(218,947)	0	0	0	0	
Walking Paths Network - Landcorp		101,797	0	(101,797)	0	100,000	(17,040)	82,960	(iii)
Pilbara Iron - Pt Samson Entry Statement		141,437	0	(141,437)	0	0	0	0	
Pilbara Iron - Planning Compliance Officer 2011		0	250,178	0	250,178	0	(250,178)	0	
Financial Assistance Grant 11/12, 12/13 Advance Payment		0	0	0	0	4,546,478	(2,655,446)	1,891,032	(i)
Long Term Financial Planning Grant - CLGF 10/11		0	0	0	0	30,000	(28,493)	1,507	(iii)
Pilbara Iron - Point Samson VBFB Contribution		0	0	0	0	175,000	(175,000)	0	
FESA - SES Capital Grant funding 11/12		0	0	0	0	7,598	(1,926)	5,672	(iii)
FESA - BFB Operating Grant funding 11/12		0	0	0	0	9,722	(6,238)	3,484	(iii)
Department of Education & Training - Karratha Leisure Complex Grant Claim 1		0	0	0	0	3,000,000	(3,000,000)	0	
Department of Education & Training - Karratha Leisure Complex Grant Claim 2		0	0	0	0	5,000,000	(2,116,175)	2,883,825	(ii)
Department of Regional Aust, Local Govt, Arts & Sports - KLC Claim 1		0	0	0	0	2,250,000	(2,250,000)	0	
Department of Regional Aust, Local Govt, Arts & Sports - KLC Claim 2		0	0	0	0	5,000,000	(5,000,000)	0	
ICC WA - Stay on Your Feet Week		0	0	0	0	596	(596)	0	
Department of Indigenous Affairs 2012 Reconciliation Sponsorship Funding		0	0	0	0	2,625	(2,210)	415	(iii)
State Graffiti Fund GRAF091112		0	0	0	0	15,000	0	15,000	(iii)
Woodside Crime Initiatives		0	0	0	0	54,500	(37,273)	17,227	(iii)
WALGA Community Road Safety Grant		0	0	0	0	20,000	(20,000)	0	
Department of Regional Development and Lands Northwest Planning Fund 11/12		0	0	0	0	100,000	(100,000)	0	
Department of Sport & Recreation - Tambrey Oval Lighting Project		0	0	0	0	200,000	(200,000)	0	
Landcorp Regional Development Assistance Program (RDAP)		0	0	0	0	1,800,000	(1,034,010)	765,990	(i)
Regional & Local Community Infrastructure Program - Baynton West Family Centre		0	0	0	0	661,886	(661,886)	0	
Lotterywest Grant 11/12 - Pam Buchanan Family Centre		0	0	0	0	1,000,000	(1,000,000)	0	
Landcorp Contribution 11/12 - Pam Buchanan Family Centre		0	0	0	0	1,000,000	(915,674)	84,326	(iii)
Department of Sport & Recreation - Frank Butler Community Centre		0	0	0	0	936,056	(936,056)	0	
Department of Regional Development & Lands 11/12 - Frank Butler Community Centre		0	0	0	0	870,116	(870,116)	0	
Woodside Energy Contribution to Youth Shed "Fit Out"		0	0	0	0	1,050,000	(940,000)	110,000	(ii)
Department of Transport - Recreational Boating Facilities Scheme		0	0	0	0	32,277	(32,277)	0	
PDC Country Local Government Fund (Strategic Planning Business Case Project)		0	0	0	0	25,000	(25,000)	0	
Roads to Recovery 11/12		0	0	0	0	372,359	(372,359)	0	
Regional Road Group Funding 11/12		0	0	0	0	442,071	(442,071)	0	
MRWA Direct Road Grant 11/12		0	0	0	0	128,836	(128,836)	0	
Total		1,283,642	926,630	(737,971)	1,472,301	28,830,120	(24,257,573)	6,044,848	

Notes:

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

(+) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.

(#) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

(i) - The following grants/contributions have been received in Municipal cash but have been transferred to Restricted Reserve cash funds in 2011/12. (\$2,657,022)

(ii) - The following restricted purpose grant/contribution has not been received in Municipal/restricted cash by 30th June 2012 and is contained as net receivable in the 30 June Cfdw surplus. (\$2,993,825)

(iii) - The following restricted purpose grants/contributions have been received in Municipal cash by 30th June 2012 and are contained in Note 3 Restricted Cash. This revenue is to be spent in 12/13 therefore no adjustment is required to closing funds. (\$210,591)

(iv) - The following restricted purpose grants/contributions have been received in Municipal cash by 30th June 2012 and are contained in Note 3 Restricted Cash (\$183,410). They are fully restricted cash and excluded from Net Current Assets as they are not likely to be spent in 12/13. (\$183,410)

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

3. CASH AND CASH EQUIVALENTS

	2012 \$	2011 \$
Unrestricted		
Cash on Hand	24,555	12,840
Cash at Municipal Bank	156,305	2,931,735
Cash at Bank LSL	0	363,572
Restricted - Municipal (Unspent Grants/Contributions)	394,001	0
Restricted - Reserves	76,228,218	83,650,428
	<u>76,803,079</u>	<u>86,958,575</u>

The following restrictions have been imposed by regulations or other externally imposed requirements

Reserves	2012 \$	2011 \$
Aerodrome	19,145,602	14,296,582
Dampier Drainage	25,707	24,520
Walkington Theatre Operating	4,886	4,661
Plant Replacement	2,433,949	2,321,551
Workers Compensation	600,000	1,145,797
Waste Management	14,308,321	9,930,704
Infrastructure	12,871,764	16,331,878
Housing	1,629,434	1,554,188
Aged Persons Homes	78,665	75,032
Junior Sports	89,673	85,532
Public Open Space	263,180	1,644,488
History and Cultural Publications	54,265	51,759
Mosquito Control	3,442	2,759
Medical Services Incentive Scheme	264,798	252,569
Royalty for Regions	19,353,736	35,928,408
Employee Entitlements	2,159,674	0
Community Development	1,050,090	0
Carry Forward Budget Reserve	1,891,032	0
	<u>76,228,218</u>	<u>83,650,428</u>

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

	2012 \$	2011 \$
4. TRADE AND OTHER RECEIVABLES		
Current		
Sundry Debtors		
Rates	894,881	857,914
Rubbish	1,456,276	1,107,201
Legal Costs Rates	0	42,347
Fees and Charges for Services	77,645	15,018
Private Works	3,524	21,715
Income from Property	7,846	125,930
Aerodrome	4,577,889	3,249,733
Grants and Contributions	5,671,625	1,418,866
Reimbursements and General	32,047	571,679
Excess Rates Receipts	(168,595)	(100,285)
Staff Housing Bonds	155,138	122,565
Self Supporting Loans	2,736	2,631
Pensioner Rebates Unclaimed	0	875
Interest Free Loans	7,536	7,536
Accrued Income	(15,000)	1,563,938
Prepayments	158,952	174,582
Less Provision for Doubtful Debts	(661,243)	(617,909)
GST Receivable	304,273	827,475
	<u>12,505,530</u>	<u>9,391,811</u>
Non-Current		
Loans to Local Groups	7,501	15,037
Self Supporting Loans	56,335	59,070
Deferred Pensioners Rates	5,771	9,064
	<u>69,607</u>	<u>83,171</u>
5. INVENTORIES		
Current		
Fuel and Materials	473,797	235,516
Food, Drinks & Merchandise TienTsin Inne	28,025	23,606
Food, Drinks & Merchandise Karratha Entertainment Centre	1,239	1,103
Food, Drinks & Merchandise Cossack Café	4,430	2,603
Food, Drinks & Merchandise Karratha Aquatic Centre	2,517	6,070
Food, Drinks & Merchandise Roebourne Aquatic Centre	711	1,930
Food, Drinks & Merchandise Youth Shed	2,212	0
Food, Drinks & Pam Buchanan Family Centre	786	0
	<u>513,717</u>	<u>270,828</u>

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

	2012 \$	2011 \$
6. PROPERTY, PLANT AND EQUIPMENT		
Land		
Land	<u>6,409,438</u>	<u>6,409,438</u>
Buildings		
Buildings at Cost	94,750,315	70,321,544
Less Accumulated Depreciation	<u>(19,387,129)</u>	<u>(18,202,676)</u>
	75,363,186	52,118,868
Plant		
Plant at Cost	12,929,400	11,693,748
Less Accumulated Depreciation	<u>(3,543,199)</u>	<u>(2,244,767)</u>
	9,386,201	9,448,981
Equipment (External)		
Equipment (External) at Cost	3,459,303	3,226,722
Less Accumulated Depreciation	<u>(2,997,094)</u>	<u>(2,808,608)</u>
	462,209	418,114
Furniture (Internal)		
Furniture (Internal) - Cost	4,972,926	3,263,003
Less Accumulated Depreciation	<u>(2,495,560)</u>	<u>(2,042,902)</u>
	2,477,366	1,220,101
Artwork/Sculptures		
Artwork/Sculptures Assets at Cost	368,859	127,829
Less Accumulated Depreciation	<u>(25,771)</u>	<u>(21,951)</u>
	343,088	105,878
Works in Progress	<u>20,261,506</u>	<u>9,238,700</u>
	<u>114,702,994</u>	<u>78,960,080</u>

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

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 \$	Buildings \$	Plant \$	Equipment \$	Furniture \$	Artworks \$	Work in Progress \$	Total \$
Balance as at the beginning of the year	6,409,438	52,118,868	9,448,981	418,114	1,220,101	105,878	9,238,700	78,960,080
Transfers	0	(11,014,278)	0	(9,018)	490	0	11,022,806	0
Additions	0	35,741,160	1,368,031	284,526	1,750,633	241,030	0	39,385,380
(Disposals)	0	(114,457)	(37,986)	(12,081)	(9,173)	0	0	(173,697)
Depreciation (Expense)	0	(1,368,107)	(1,392,825)	(219,332)	(484,685)	(3,820)	0	(3,468,769)
Carrying amount at the end of year	6,409,438	75,363,186	9,386,201	462,209	2,477,366	343,088	20,261,506	114,702,994

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

7. INFRASTRUCTURE

Roads

	2012 \$	2011 \$
Infrastructure assets at cost	68,318,104	65,954,092
Less Accumulated Depreciation	(46,957,882)	(44,635,126)
	<u>21,360,222</u>	<u>21,318,966</u>

Footpaths

	2012 \$	2011 \$
Infrastructure assets at cost	6,846,552	6,670,233
Less Accumulated Depreciation	(3,831,307)	(3,577,499)
	<u>3,015,245</u>	<u>3,092,734</u>

Aerodromes

	2012 \$	2011 \$
Infrastructure assets at cost	44,324,967	36,919,880
Less Accumulated Depreciation	(9,300,415)	(7,810,562)
	<u>35,024,552</u>	<u>29,109,318</u>

Parks and Gardens

	2012 \$	2011 \$
Infrastructure assets at cost	11,196,978	8,894,810
Less Accumulated Depreciation	(1,014,401)	(900,913)
	<u>10,182,577</u>	<u>7,993,897</u>

Hardcourt Facilities

	2012 \$	2011 \$
Infrastructure assets at cost	3,894,066	3,426,938
Less Accumulated Depreciation	(1,017,950)	(914,343)
	<u>2,876,116</u>	<u>2,512,595</u>

Bridges and Culverts

	2012 \$	2011 \$
Infrastructure assets at cost	5,141,229	5,141,229
Less Accumulated Depreciation	(4,115,101)	(4,019,520)
	<u>1,026,128</u>	<u>1,121,709</u>

Drainage

	2012 \$	2011 \$
Infrastructure assets at cost	1,209,325	1,209,325
Less Accumulated Depreciation	(520,892)	(499,124)
	<u>688,433</u>	<u>710,201</u>

Boat Ramps and Jetties

	2012 \$	2011 \$
Infrastructure assets at cost	2,415,002	2,415,002
Less Accumulated Depreciation	(1,555,095)	(1,430,679)
	<u>859,907</u>	<u>984,323</u>

Miscellaneous Structures

	2012 \$	2011 \$
Infrastructure assets at cost	11,788,456	6,182,696
Less Accumulated Depreciation	(1,838,000)	(1,394,572)
	<u>9,950,456</u>	<u>4,788,124</u>

Work in Progress

	2012 \$	2011 \$
	<u>8,097,777</u>	<u>13,010,243</u>
	<u>93,081,413</u>	<u>84,642,110</u>

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 \$	Footpaths \$	Aerodromes \$	Parks and Gardens \$	Hardcourt Facilities \$	Bridges and Culverts \$	Drainage \$	Boat Ramps and Jetties \$	Miscellaneous Structures \$	Work in Progress \$	Total \$
Balance at the beginning of the year	21,318,966	3,092,734	29,109,318	7,993,897	2,512,595	1,121,709	710,201	984,323	4,788,124	13,010,243	84,642,110
Transfers	302,111	0	7,086,971	1,331,100	0	0	0	0	3,155,580	(12,100,328)	(224,566)
Additions	2,061,901	176,318	318,117	971,068	467,129	0	0	0	2,469,261	7,187,862	13,651,656
(Disposals)	0	0	0	0	0	0	0	0	(10,352)	0	(10,352)
Depreciation (Expense)	(2,322,756)	(253,807)	(1,489,854)	(113,488)	(103,608)	(95,581)	(21,768)	(124,416)	(452,157)	0	(4,977,435)
Carrying amount at the end of year	21,360,222	3,015,245	35,024,552	10,182,577	2,876,116	1,026,128	688,433	859,907	9,950,456	8,097,777	93,081,413

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

8. TRADE AND OTHER PAYABLES

Current

	2012 \$	2011 \$
Sundry Creditors	7,325,944	5,082,525
Other Liabilities	21,544	12,204
Retention Monies	67,993	405,515
Accrued Expenses	1,000,156	3,854,993
GST Payable	54,912	961,415
Income Received in Advance	474,671	636,722
	<u>8,945,220</u>	<u>10,953,374</u>

9. BORROWINGS

(a) Current

WA Treasury Loans	2,011,328	2,883,439
Commonwealth Bank	152,074	133,992
	<u>2,163,402</u>	<u>3,017,431</u>

(b) Non-Current

WA Treasury Loans	12,583,060	14,611,250
Commonwealth Bank	79,708	240,361
	<u>12,662,768</u>	<u>14,851,611</u>

Additional detail on borrowings is provided in Note 21.

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

	2012 \$	2011 \$
10. PROVISIONS		
(a) Current		
Provision for Annual Leave		
Executive Services	285,948	94,647
Corporate Services	320,166	193,920
Community Services & Development	244,430	167,679
Development & Regulatory Services	162,170	206,500
Infrastructure & Technical Services	489,063	541,427
Waste Management	171,281	156,555
Aerodrome & TTI	128,703	143,136
Provision for Long Service Leave		
Executive Services	170,287	22,197
Corporate Services	64,572	91,755
Community Services & Development	147,240	46,685
Development & Regulatory Services	114,339	123,544
Infrastructure & Technical Services	275,672	310,406
Waste Management	70,288	42,055
Aerodrome & TTI	29,320	71,154
	<u>2,673,479</u>	<u>2,211,660</u>
(b) Non-Current		
Provision for Long Service Leave		
Executive Services	52,992	5,943
Corporate Services	67,088	41,085
Community Services & Development	101,140	36,428
Development & Regulatory Services	8,238	43,593
Infrastructure & Technical Services	53,687	58,608
Waste Management	29,232	16,444
Aerodrome & TTI	48,673	18,708
	<u>361,050</u>	<u>220,809</u>

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

	2012 \$	2012 Budget \$	2011 \$
11. RESERVES - CASH BACKED			
(a) Aerodrome Reserve			
Opening Balance	14,296,582	12,904,602	15,839,476
Transfer From Accumulated Surplus	4,998,396	645,230	724,804
Transfer To Accumulated Surplus	(149,376)	(4,793,987)	(2,267,698)
Closing Balance	<u>19,145,602</u>	<u>8,755,845</u>	<u>14,296,582</u>
(b) Dampier Drainage Reserve			
Opening Balance	24,520	24,164	23,432
Transfer From Accumulated Surplus	1,187	1,208	1,088
Transfer To Accumulated Surplus	0	0	0
Closing Balance	<u>25,707</u>	<u>25,372</u>	<u>24,520</u>
(c) Walkington Theatre Reserve			
Opening Balance	4,661	4,594	4,454
Transfer From Accumulated Surplus	225	230	207
Transfer To Accumulated Surplus	0	0	0
Closing Balance	<u>4,886</u>	<u>4,824</u>	<u>4,661</u>
(d) Plant Replacement Reserve			
Opening Balance	2,321,551	874,545	1,572,522
Transfer From Accumulated Surplus	112,399	43,727	749,029
Transfer To Accumulated Surplus	0	(349,150)	0
Closing Balance	<u>2,433,950</u>	<u>569,122</u>	<u>2,321,551</u>
(e) Workers Compensation Reserve			
Opening Balance	1,145,797	1,130,422	1,094,922
Transfer From Accumulated Surplus	55,475	56,521	50,875
Transfer To Accumulated Surplus	(601,272)	(375,000)	0
Closing Balance	<u>600,000</u>	<u>811,943</u>	<u>1,145,797</u>
(f) Waste Management Reserve			
Opening Balance	9,930,704	7,446,237	6,893,215
Transfer From Accumulated Surplus	4,377,617	1,055,074	3,037,489
Transfer To Accumulated Surplus	0	0	0
Closing Balance	<u>14,308,321</u>	<u>8,501,311</u>	<u>9,930,704</u>

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011

	2012 \$	2012 Budget \$	2011 \$
11. RESERVES - CASH BACKED (continued)			
(g) Infrastructure Reserve			
Opening Balance	16,331,878	11,158,792	13,261,070
Transfer From Accumulated Surplus	6,268,553	5,428,440	8,222,912
Transfer To Accumulated Surplus	(9,728,667)	(15,673,477)	(5,152,104)
Closing Balance	<u>12,871,764</u>	<u>913,755</u>	<u>16,331,878</u>
(h) Housing Reserve			
Opening Balance	1,554,188	2,823,829	1,485,179
Transfer From Accumulated Surplus	75,247	76,691	69,009
Transfer To Accumulated Surplus	0	0	0
Closing Balance	<u>1,629,435</u>	<u>2,900,520</u>	<u>1,554,188</u>
(i) Aged Persons Units Reserve			
Opening Balance	75,032	74,050	71,700
Transfer From Accumulated Surplus	3,633	99,253	3,332
Transfer To Accumulated Surplus	0	0	0
Closing Balance	<u>78,665</u>	<u>173,303</u>	<u>75,032</u>
(j) Junior Sport Reserve			
Opening Balance	85,532	84,334	81,734
Transfer From Accumulated Surplus	4,141	4,217	3,798
Transfer To Accumulated Surplus	0	0	0
Closing Balance	<u>89,673</u>	<u>88,551</u>	<u>85,532</u>
(k) Public Open Space Reserve			
Opening Balance	1,644,488	2,250,043	2,074,544
Transfer From Accumulated Surplus	58,825	112,502	991,875
Transfer To Accumulated Surplus	(1,440,134)	(962,958)	(1,421,931)
Closing Balance	<u>263,179</u>	<u>1,399,587</u>	<u>1,644,488</u>
(l) History & Cultural Publications Reserve			
Opening Balance	51,759	51,061	49,461
Transfer From Accumulated Surplus	2,506	2,553	2,298
Transfer To Accumulated Surplus	0	0	0
Closing Balance	<u>54,265</u>	<u>53,614</u>	<u>51,759</u>

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011

	2012 \$	2012 Budget \$	2011 \$
11. RESERVES - CASH BACKED (continued)			
(m) Mosquito Control Reserve			
Opening Balance	2,759	2,729	2,159
Transfer From Accumulated Surplus	683	636	600
Transfer To Accumulated Surplus	0	0	0
Closing Balance	<u>3,442</u>	<u>3,365</u>	<u>2,759</u>
(n) Medical Services Assistance Package Reserve			
Opening Balance	252,569	249,155	241,355
Transfer From Accumulated Surplus	12,228	12,458	11,214
Transfer To Accumulated Surplus	0	(100,000)	0
Closing Balance	<u>264,797</u>	<u>161,613</u>	<u>252,569</u>
(o) Royalties for Regions Reserve			
Opening Balance	35,928,408	37,080,835	20,735,748
Transfer From Accumulated Surplus	1,211,013	875,327	22,376,688
Transfer To Accumulated Surplus	(17,785,685)	(28,223,225)	(7,184,028)
Closing Balance	<u>19,353,736</u>	<u>9,732,937</u>	<u>35,928,408</u>
(p) Employee Entitlement Reserve			
Opening Balance	0	0	0
Transfer From Accumulated Surplus	2,159,674	771,750	0
Transfer To Accumulated Surplus	0	(120,000)	0
Closing Balance	<u>2,159,674</u>	<u>651,750</u>	<u>0</u>
(q) Community Development Reserve			
Opening Balance	0	0	0
Transfer From Accumulated Surplus	1,337,335	452,550	0
Transfer To Accumulated Surplus	(287,245)	0	0
Closing Balance	<u>1,050,090</u>	<u>452,550</u>	<u>0</u>
(r) Carry Forward Budget Reserve			
Opening Balance	0	0	0
Transfer From Accumulated Surplus	1,891,032	0	0
Transfer To Accumulated Surplus	0	0	0
Closing Balance	<u>1,891,032</u>	<u>0</u>	<u>0</u>
	<u>76,228,218</u>	<u>35,199,962</u>	<u>83,650,428</u>

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

11. RESERVES - CASH BACKED (continued)

Aerodrome Reserve

The purpose of this reserve is to fund the development, operation and maintenance of the Karratha airport inclusive of repayments of borrowings and the funding of employee entitlements.

Airconditioning Reserve

The purpose of this reserve is to fund upgrades to major Airconditioning plant.

Dampier Drainage Reserve

This reserve is maintained as part of an agreement between Council and Hamersley Iron, the purpose of the reserve is to ensure funds are available for the maintenance of drainage in Dampier. Hamersley Iron contribute \$10,000 each year and any surplus funds are placed in the reserve.

Walkington Theatre Reserve

The purpose of this reserve is to fund the operation and capital works of the Walkington Theatre.

Plant Replacement Reserve

The purpose of this reserve is to fund the capital purchase of plant and equipment .

Workers Compensation Reserve

The purpose of this reserve is to provide Council with sufficient funds to cover its potential liability in regard to the performance based workers compensation scheme of Local Government Insurance Services of which the Shire of Roebourne is a member. Funds within the Reserve that become surplus to requirements will be transferred to Council's Employee Entitlements Reserve via way of Council's Annual Budget.

Waste Management Reserve

The purpose of this reserve is to fund the development, operation and maintenance of the Council's Waste Management facilities inclusive of repayments of borrowings and the funding of employee entitlements.

Infrastructure Reserve

The purpose of this reserve is to allow for the use of these reserve funds for the enhancement, replacement refurbishment and purchase of Infrastructure assets or project works of the Shire of Roebourne inclusive of any associated repayment of borrowings on infrastructure. Project works funded from this reserve may not necessarily belong to the Shire of Roebourne but must be carried out for the ultimate benefit of the Shire of Roebourne.

Housing Reserve

The purpose of this reserve is to fund the maintenance, refurbishment, replacement and construction of staff housing inclusive of the purchase of land and repayment of borrowings.

Parks, Ovals & Recreation Facilities Reserve

The purpose of this reserve is to fund the development/replacement of Parks, Ovals and Recreation Facilities.

Information Technology Reserve

This Reserve was created in June 2004 for the specific purpose of replacing major items relating to Council's Information Technology. Major organisational software upgrades will be sourced from this fund as well.

Aged Persons Units Reserve

The purpose of this reserve is to assist in the transfer of Seniors from the current senior's village on Welcome Road to the new village provisioned by the State Government.

**SHIRE OF ROEBOURNE
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FOR THE YEAR ENDED 30TH JUNE 2011**

11. RESERVES - CASH BACKED (continued)

Junior Sport Reserve

The purpose of this Reserve is to fund the development of junior sport within the Shire of Roebourne including infrastructure.

Public Open Space Reserve

The purpose of this reserve is to fund future developments of public open spaces funded by proceeds from the undertaking of Land transactions and Community Contributions received for the purpose of Public Open Space.

History & Cultural Publications Reserve

The purpose of this reserve is to fund future history and cultural publications. The income is generated from the sale of these publications.

Mosquito Control Reserve

The purpose of this reserve is to fund mosquito control programmes inclusive of the purchase of replacement equipment as required.

Medical Services Assistance Package Reserve

The purpose of this reserve is to fund future assistance to Medical Services in accordance with Council's participation in the Medical Services Incentive Scheme. This is inclusive of retention payments to General Practitioner's in accordance with the Medical Services Incentive Scheme.

Royalties for Regions

The purpose of this reserve is to hold unexpended grant revenues, and associated interest, from the State Government's Royalties for Regions programme.

Underground Power Reserve

The purpose of this reserve is to secure the unspent portions of borrowings pertaining to the Shire of Roebourne's 25% share of costs in relation to the Pilbara Underground Power Project.

Employee Entitlements Reserve

The purpose of this reserve is to fund employee leave entitlements when on extended leave, including long service leave as well as periods of annual Leave for periods of greater than four weeks duration thereby retaining salary and wages budgets for the funding of replacement staffing during extended periods of leave.

Community Development Reserve

The purpose of this reserve is to hold Annual Community Association Development Scheme unspent payments each year and to fund approved projects initiated by Community Associations via the Annual Community Association Development Scheme.

Carry Forward Budget Reserve

This reserve is for the purpose of preserving project funds carried over.

Restricted Funds Reserve

The reserve is for the purpose of holding unexpended or prepaid Grants (other than Royalties for Regions) and Capital Contributions provided for specific purposes.

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

12. RESERVES - ASSET REVALUATION

Asset revaluation reserves have arisen on revaluation of the following classes of non-current assets:

	2012 \$	2011 \$
Land	3,594,711	3,594,711
Buildings	8,086,099	8,086,099
Artwork	200	200
	<u>11,681,010</u>	<u>11,681,010</u>

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

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:

	2012 \$	2012 Budget \$	2011 \$
Cash and Cash Equivalents	76,803,079	35,993,410	86,958,575

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

Net Result	42,453,930	18,824,627	47,086,037
Movement in Work in Progress	0	0	0
Depreciation	8,446,204	10,303,176	7,209,845
(Profit)/Loss on Sale of Asset	112,497	185,896	(618,344)
(Increase)/Decrease in Receivables	1,142,436	750,000	(92,629)
(Increase)/Decrease in Inventories	(242,889)	50,000	247,339
Increase/(Decrease) in Payables	(771,971)	(800,000)	5,568,231
Increase/(Decrease) in Employee Provisions	602,060	0	139,812
Grants/Contributions for the Development of Assets	(24,312,866)	(15,282,898)	(26,297,290)
Net Cash from Operating Activities	<u>27,429,401</u>	<u>14,030,801</u>	<u>33,243,001</u>

(c) Undrawn Borrowing Facilities Credit Standby Arrangements

Bank Overdraft limit	1,000,000	1,000,000	1,000,000
Credit Card limit	80,000	60,000	60,000
Credit Card Balance at Balance Date	80,000	36,650	26,502
Total Amount of Credit Unused	<u>1,160,000</u>	<u>1,096,650</u>	<u>1,086,502</u>
Loan Facilities			
Loan Facilities - Current	2,011,328	0	2,883,439
Loan Facilities - Non-Current	79,708	14,425,180	240,361
Total Facilities in Use at Balance Date	<u>2,091,036</u>	<u>14,425,180</u>	<u>3,123,800</u>
Unused Loan Facilities at Balance Date	<u>0</u>	<u>0</u>	<u>911,182</u>

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

14. CONTINGENT LIABILITIES

During the financial year, the Shire provided the following Bank Guarantee with the Westpac Bank Corporation for the Nor West Jockey Club for their overdraft facility

	2012 \$	2011 \$
Nor West Jockey Club		
Amount of original guarantee	65,000	65,000
Amount required as at 30 June	65,000	65,000

15. CAPITAL AND LEASING COMMITMENTS

	2012 \$	2011 \$
(a) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the accounts.		
Payable:		
not later than one year	1,310,024	852,281
later than one year but not later than five years	209,609	205,977
later than five years	0	0
	<u>1,519,633</u>	<u>1,058,258</u>

(b) Capital Expenditure Commitments

At the reporting date the Shire had entered into contracts for the following:

Not later than one year		
Frank Butler Community Facility (Previously Bulgarra)	13,209	4,024,069
Karratha Airport Building/Carpark Improvements	0	361,571
Pam Buchanan Family Centre (Previously Baynton West)	28,443	4,939,677
Karratha Leisure Centre	39,106,410	23,922,839
Bulgarra Precinct Electrical Upgrade	0	200,000
Bulgarra Oval Softball Diamonds	0	251,821
Bulgarra Oval Playground	103,807	0
Cattrall Park Upgrade	47,639	513,978
Karratha Airport Low Voltage Upgrade	5,378,259	890,215
Karratha Youth Shed	46,096	4,003,703
Staff Housing	0	4,998,086
Karratha Water Infrastructure Upgrade	9,633,325	0
Effluent Systems Upgrade	144,875	0
Various Outstanding Purchase Orders	165,527	30,419
	<u>54,667,590</u>	<u>44,136,378</u>
Later than one year but not later than two years		
Karratha Leisure Centre	0	9,077,161
	<u>0</u>	<u>9,077,161</u>

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

16. JOINT VENTURE

Council has entered into a joint venture agreement with the State Housing Commission to construct 6 Aged Persons Units. Council will receive rent charged and are responsible for the maintenance and management of the units. An amount equivalent to 1% of the current replacement cost of the properties shall be set aside from the annual rental income, per annum, for the long term maintenance needs of the joint venture.

	2012 \$	2011 \$
Non-Current Assets		
Buildings	359,475	359,475
Less: Accumulated Depreciation	(51,907)	(45,436)
	<u>307,568</u>	<u>314,039</u>

17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

Governance	0	158,238
General Purpose Funding	9,096,728	7,680,797
Law, Order, Public Safety	904,258	638,001
Health	736,126	768,666
Education and Welfare	3,536,468	3,585,936
Housing	24,455,570	20,377,567
Community Amenities	6,631,553	9,958,213
Recreation and Culture	73,739,622	35,737,625
Transport	87,494,250	83,716,259
Economic Services	195,707	165,928
Other Property and Services	994,126	814,959
Unallocated	89,891,932	96,704,386
	<u>297,676,340</u>	<u>260,306,575</u>

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

18. FINANCIAL RATIOS	2012	2011	2010
Current Ratio	1.847	1.726	1.116
Untied Cash to Unpaid Trade Creditors Ratio	0.059	1.452	0.131
Debt Ratio	0.090	0.120	0.135
Debt Service Ratio	0.051	0.040	0.050
Gross Debt to Revenue Ratio	0.193	0.260	0.367
Gross Debt to Economically Realisable Assets Ratio	0.072	0.102	0.355
Rate Coverage Ratio	0.234	0.200	0.265
Outstanding Rates Ratio	0.038	0.045	0.070

The above ratios are calculated as follows:

CURRENT RATIO

Current Assets	89,822,326		
Less: Restricted Current Assets	76,622,219		
-Reserve cash at bank	76,228,218		
-Restricted Unspent Grants/Contributions	394,001		
		13,200,107	
	=	-----	=
			1.847
Current Liabilities	13,782,101		
Less: Liabs Assoc with Rest Curr Assets	6,634,738	7,147,363	
-Leave provisions assoc with waste & aero -Note 10	399,592		
-Leave provisions (Employee Entitlement Reserve)	2,159,674		
-Accrued Capex for R4R funded projects	0		
-Sundry Creditors (Karratha Leisure Complex) 11/12	0		
-Sundry Creditors Reserve funded 11/12	1,914,805		
-Loans 91,93,94,95,98,99 -Backed by reserves	2,160,667		

UNTIED CASH TO UNPAID TRADE CREDITORS RATIO

Untied Cash	180,860		
	-----	=	
Untied Creditors	3,083,346	0.059	
Creditors	7,325,944		
Less: sundry creditors assoc with capital funded by reserve	1,914,805		
Less: sundry creditors assoc with grant funding (KLC project)	2,327,793		

DEBT RATIO

Total Liabilities	26,805,919		
	-----	=	
Total Assets	297,676,340	0.090	

DEBT SERVICE RATIO

Debt Service Cost	3,935,081		
- principal repayments on loans	3,042,872		
- interest repayments on loans	892,209		
- interest repayments on O/D	0		
	-----	=	
Available Operating Revenue	76,823,558	0.051	
- operating revenue	101,133,793		
- add: principal contrib for s/s loans	2,631		
- less: specific purpose grants	24,312,866		
- less: specific purpose contribs&donations	0		

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

GROSS DEBT TO REVENUE RATIO

Gross Debt	14,826,170		
- loans - current	2,163,402		
- loans - non current	12,662,768		
- overdraft	0		
	-----	=	
Total Revenue	76,820,927	0.193	
- operating revenue	101,133,793		
- less: specific purpose grants	24,312,866		
- less: specific purpose contribs&donations	0		

GROSS DEBT TO ECONOMICALLY REALISABLE ASSETS RATIO

Gross Debt	14,826,170		
- loans - current	2,163,402		
- loans - non current	12,662,768		
- overdraft	0		
	-----	=	
Economically Realisable Assets	204,594,927	0.072	
- total Assets	297,676,340		
- less: infrastructure assets	93,081,413		
- less: other			

RATE COVERAGE RATIO

Net Rate Revenue	23,656,795		
- gross rate revenue	24,682,091		
- add: interest & charges on instalments	229,067		
- less: discounts, concessions, write offs	1,254,363		
	-----	=	
Operating revenue	101,133,793	0.234	

OUTSTANDING RATES RATIO

Rates Outstanding	894,881		
- rates o/s - current	497,295		
	-----	=	
Rates Collectable	23,844,519	0.038	
- rate revenue	23,656,795		
- current rates o/s - prior year	187,725		

The following information is to be considered when calculating the above ratios:

The current liability for long service and annual leave provision associated with Airport and Waste Department employees is reserve backed and therefore has been excluded from current ratio current liabilities (\$399,592).

The current liability for trade creditors includes expenditure for capital grant & royalties for regions funded capital project (Karratha Leisure Complex) which is funded by both restricted purpose grant revenue (Debtors Receivable) and reserve transfers and therefore these liabilities have been excluded from the Untied Cash to Unpaid Trade Creditors Ratio (\$2,327,793).

The current liability for trade creditors includes expenditure for projects including Dampier Highway Streetscape (R4R Reserve), Airport Infrastructure Upgrades (Airport Reserve) which are funded by reserve transfers and therefore these liabilities have been excluded from the current ratio current liabilities (\$1,914,805). This amount has also been excluded from the Untied Cash to Unpaid Trade Creditors Ratio.

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

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-Jul-11 \$	Amounts Received \$	Amounts Paid (\$)	Balance 30-Jun-12 \$
Building/Kerb Deposits	12,540	251	0	12,791
Hall Hire Bonds	10,465	18,050	(19,520)	8,995
Verge Bonds	0	590,320	(90,320)	500,000
Retention Funds	310,729	385,632	(39,103)	657,258
Staff Housing Bonds	0	20,015	(8,702)	11,313
Staff Airport Parking Cards	0	1,500	(250)	1,250
Nomination Deposits	0	720	(640)	80
Other Deposits				
Bonds & Guarantees	1,308,671	1,095,135	(371,500)	2,032,306
Bonds & Guarantees (old)	2,520	0	0	2,520
Kerb Deposits (old)	2,800	0	0	2,800
Stale Cheques	3,915	0	0	3,915
ATM Monies	820	0	0	820
Unclaimed Wages	37	0	0	37
NADC Research Funds	805	0	0	805
Staff Travel Allowances	30,164	52,816	(38,038)	44,942
	<u>1,683,466</u>			<u>3,279,832</u>

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

20. DISPOSALS OF ASSETS - 2011/12 FINANCIAL YEAR

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Buildings						
10000003 Toilet Block - Roebourne	31,797	0	0	0	(31,797)	0
10000018 Exeloo Dampier	82,810	0	0	0	(82,810)	0
Plant						
40000022 P947 Boxtop Trailer R15336	0	0	973	0	973	0
40000098 P276 Toyota Landcruiser R479	0	0	22,978	0	22,978	0
40000176 P954 Litter Critter Trailer R5564	4,700	5,494	4,000	5,000	(700)	(494)
40000269 P906 Acco Side Loader	0	179,711	0	43,650	0	(136,061)
40000275 P042 Toyota Hilux R7216	16,772	17,686	21,364	24,545	4,592	6,859
40000300 P047 Mitsubishi Triton R7537	16,513	17,327	16,363	18,636	(150)	1,309
40000350 P7000 Walker MDD48 Mower	0	26,505	0	4,500	0	(22,005)
40000351 P7001 Walker MDD48 Mower	0	26,505	0	4,500	0	(22,005)
40000381 P8088 Acco Side Loader	0	57,849	0	36,400	0	(21,449)
Furniture & Equipment						
30000272 Sharp ER-A570 Cash Register	0	0	25	0	25	0
30000273 Sharp ER-A570 Cash Register	0	0	25	0	25	0
30000514 Club Treadmill	2,255	0	400	0	(1,855)	0
30000715 Strairmaster 612 Treadmill	14	0	300	0	286	0
30000984 Upright Freezer	3,741	0	50	0	(3,691)	0
30001181 SpidoCook Toasted Sandwich	1,508	0	5	0	(1,503)	0
30001201 Casio Cash Register	1,504	0	20	0	(1,484)	0
31210001 Plain Paper Copier	0	0	9	0	9	0
Equipment						
20000494 Robotic Total Station	12,081	12,100	5,000	20,000	(7,081)	7,900
20000502 P548 Brushcutter	0	0	40	50	40	50
Infrastructure						
Fencing - Bulgarra Oval	1,724	0	0	0	(1,724)	0
Fencing - Millars Well Oval	2,119	0	0	0	(2,119)	0
Play Equipment - Ausburn Place Park	6,511	0	0	0	(6,511)	0
	<u>184,049</u>	<u>343,177</u>	<u>71,552</u>	<u>157,281</u>	<u>(112,497)</u>	<u>(185,896)</u>

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

21. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

Particulars	Principal 1-Jul-11 \$	New Loans \$	Principal Repayments		Principal 30-Jun-12		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
88-Chamber of Commerce	61,622	0	2,552	2,552	59,070	59,070	4,259	4,306
91-Administration Building Renovation	2,021,233	0	462,478	462,478	1,558,754	1,558,754	108,276	114,038
92-Aged Persons Units	58,059	0	58,059	28,303	0	29,757	1,647	2,590
93-Wickham Transfer Station	374,354	0	142,572	142,571	231,782	231,782	21,489	21,946
94-Staff Housing	4,115,807	0	211,031	211,030	3,904,776	3,820,437	256,351	259,031
95-Staff Housing	470,054	0	107,553	107,553	362,501	362,501	25,180	26,521
96-Cossack Infrastructure	911,182	0	911,182	911,180	0	0	13,270	22,281
98-Karratha Airport Upgrade	8,359,031	0	880,486	880,486	7,478,545	7,132,139	381,774	394,805
99-Plant Purchases 10/11	1,497,700	0	266,959	266,960	1,230,741	1,230,740	79,963	82,190
	17,869,042	0	3,042,872	3,013,113	14,826,170	14,425,180	892,209	927,708

(*) Self supporting loan financed by payments from third parties.
All other loan repayments were financed by general purpose & reserve revenue.

(b) New Debentures - 2011/12

No new debentures were raised in 2011/12.

(c) Unspent Debentures

Particulars	Date Borrowed	Balance 01-Jul-11 \$	Borrowed During Year \$	Expended/ Repaid During Year \$	Balance 30-Jun-12 \$
96-Cossack Infrastructure	21-May-05	911,182	0	(911,182)	0
(d) Overdraft		911,182	0	(911,182)	0

(d) Overdraft

Council established an overdraft facility of \$1,000,000 with Westpac Banking Corporation to assist with short term liquidity requirements.
The balance of the bank overdraft at 30 June 2012 was \$0 (2011 was Nil). The facility was renewed for 12 months.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

22. RATING INFORMATION - 2011/12 FINANCIAL YEAR

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 \$
Differential General Rate											
Gross Rental Values											
Residential	0.028865	5,319	342,845,040	9,896,640			9,896,640	9,898,809			9,898,809
Commercial/Tourism/Town Centre/Airport/Industry/Mixed Business	0.057730	527	48,914,778	2,823,849			2,823,849	2,823,851			2,823,851
Transient Workforce/ Workforce Accommodation	0.094630	23	27,130,040	2,567,316			2,567,316	2,567,316			2,567,316
Strategic Industry (GRV)	0.057730	2	10,945,000	626,082			626,082	626,082			626,082
Interim Rates		380	27,450,674		726,883	26,417	726,893		500,000	15,000	500,000
Back Rates							26,417				15,000
Unimproved Values											
General Unimproved (UV Strategic Industry/ Mining)	0.120159	191	30,038,547	3,608,871			3,608,871	3,618,792			3,618,792
Pastoral	0.060079	11	4,092,100	245,849			245,849	245,849			245,849
Prospecting	0.120159	47	68,126	8,717			8,717	0			0
Interim Rates		28	15,794,858		965,373		965,373	0			0
Sub-Totals		6,528	507,180,163	19,777,324	1,692,266	26,417	21,496,007	19,780,699	500,000	15,000	20,285,699
Minimum Rates											
Gross Rental Values											
Residential	1,124	1,454	31,446,656	1,629,860			1,629,860	1,633,172			1,633,172
Commercial/Tourism/Town Centre/Airport/Industry/Mixed Business	1,124	381	4,334,349	428,244			428,244	425,996			425,996
Interim Rates		210	2,555,020		207,424		207,424	0			0
Unimproved Values											
General Unimproved (UV Strategic Industry/ Mining)	420	136	149,899	56,280			56,280	55,860			55,860
Prospecting	210	9	4,421	1,890			1,890	1,890			1,890
Interim Rates			9,319		8,481		8,481	0			0
Sub-Totals		2,190	38,499,664	2,116,274	215,905	0	2,332,179	2,116,918	0	0	2,116,918
Ex-Gratia Rates											
Cossack Rates Concession							23,828,186	330,000			22,412,617
Pastoral Rates Concession							853,904	(20,406)			(19,380)
UV Concession (Gap Ridge)							(176,506)	(188,100)			(188,100)
Totals							23,670,474	0			22,555,137

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

23. SPECIFIED AREA RATE - 2011/12 FINANCIAL YEAR

No Specified area rates were raised in the 2011/12 financial year.

24. SERVICE CHARGES - 2011/12 FINANCIAL YEAR

No Service Charges were imposed in the 2011/12 financial year.

**25. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS
- 2011/12 FINANCIAL YEAR**

	Type	Total Cost/ Value \$	Budget Cost/ Value \$
Cossack Rate Concession	Concession	20,406	19,380
Pastoral Rate Concession	Concession	176,506	168,100
UV(Gap Ridge) Concession	Concession	814,704	0
		1,011,616	187,480
Rate Assessment	Write-Offs	242,747	0
		1,254,364	187,480

No discount on rates were granted to rate payers in the 2011/12 financial year.

The above concessions & rates write-offs were granted to rate payers in the 2011/12 financial year as per Council Resolutions 151696, 152010, 151712 and 151975.

Rate payers who paid their rates and rubbish collection charges in full by the due date (35 days from date of issue) were eligible for the rates incentive scheme as outlined in our 2011/12 Budget Note 12.

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

26. INTEREST CHARGES AND INSTALMENTS - 2011/12 FINANCIAL YEAR

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates & Rubbish	11.00%		134,774	120,000
Interest / Charges on Instalments	5.50%	5.00	94,293	70,000
			229,067	190,000

Option No. 1

No. Of Payments One

Payments Due 1) Monday 29 August 2011

Option No. 2

No. Of Payments Two

Payments Due 1) Monday 29 August 2011
2) Monday 31 October 2011

Option No. 3

No. Of Payments Four

Payments Due 1) Monday 29 August 2011
2) Monday 31 October 2011
3) Wednesday 4 January 2012
4) Wednesday 7 March 2012

27. FEES & CHARGES

	2012 \$	2011 \$
Governance	11,673	11,299
General Purpose Funding	171,999	138,046
Law, Order, Public Safety	42,378	35,798
Health	62,618	55,341
Education and Welfare	63,808	53,992
Housing	279,578	242,423
Community Amenities	11,876,574	10,958,326
Recreation and Culture	1,539,160	1,106,747
Transport	24,258,961	22,978,039
Economic Services	1,507,166	1,493,632
Other Property and Services	300,426	265,662
	<u>40,114,341</u>	<u>37,339,305</u>

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

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

28. GRANT REVENUE

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

	2012	2011
	\$	\$
By Nature and Type:		
Operating Grants, Subsidies and Contributions	7,922,156	6,428,544
Non-Operating Grants, Subsidies and Contributions	24,312,866	26,297,290
	<u>32,235,022</u>	<u>32,725,834</u>
By Program:		
Governance	112,210	13,265
General Purpose Funding	4,546,155	3,861,360
Law, Order, Public Safety	852,646	200,768
Health	55,929	12,010
Education and Welfare	19,491	31,667
Community Amenities	167,788	1,362,817
Recreation and Culture	24,798,986	23,284,050
Transport	1,570,777	1,687,997
Economic Services	102,669	2,271,900
Other Property and Services	8,371	0
	<u>32,235,022</u>	<u>32,725,834</u>

29. ELECTED MEMBERS REMUNERATION

The Local Government Act 1995 provides for the payment to Councillors of the following fees, expenses and allowances

	2012	2012	2011
	\$	Budget	\$
		\$	
Sitting Fees			
Shire President at \$14,000 per year	13,841	14,000	14,000
Deputy President at \$7,000 per year	6,841	7,000	7,000
8 Councillors at \$7,000 per year	56,438	63,000	56,000
Local Government Allowance			
Shire President at \$60,000 per year	58,637	60,000	60,000
Deputy President at \$15,000 per year (25% of President's Allowance)	14,659	15,000	15,000
Telephone Expenses			
10 Councillors at \$2,400 per year	24,096	26,400	24,000
Information Technology			
10 Councillors at \$1,000 per year	10,040	11,000	10,000
Other Expenses			
Childcare (actual costs or \$20/hour whichever is lower)	2,500	0	0
Travelling expenses (as per Local Govt Officers Award)	10,756	10,000	6,609
Councillors receive a Professional Development Allowance of \$5,500 which covers costs associated with Conferences	43,162	60,500	48,740
President's Discretionary Fund (Council Related Expenses)	4,413	6,000	0
	<u>245,383</u>	<u>272,900</u>	<u>241,349</u>

30. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date

	2012	2011
	<u>246</u>	<u>219</u>

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

31. MAJOR LAND TRANSACTIONS

Residential Subdivision

(a) Details

Council endorsed the Business Plan for Major Land Transactions titled: "Purchase, Develop and dispose of Land - Part of Lot 4933, Karratha Reserve 32335 and Lot 837 Clarkson Way, Karratha and Part of Lot 4655 Karratha Reserve 40041" and authorised proceedings with the purchase, development and sale of said land at the Ordinary Council Meeting of 16 June 2009, resolution number 14389.

The plan provided for the development of 21 freehold lots with 10 to be utilised for staff housing, 2 lots for GPs under the Medical Services Package and the remaining 9 lots to be disposed of in accordance with s3.58(2) of the Local Government Act 1995.

Development of the lots was completed in 2009/10.

2011/12 Transactions

The Council had 9 lots available for sale in accordance with the 2009/10 business plan. Two of the lots are subject to Native Land Title and will not be transferred to the Council if clearance cannot be secured. Four lots were sold in the 2009/10 year. The remaining three lots were sold in 2010/11, as described below.

The net proceeds from sale of these lots are being utilised for POS development, specifically the redevelopment of Cattrall Park. No further Land transactions occurred in 2011/12.

	2012	2012	2011
	\$	Budget	\$
		\$	
(b) Current year transactions			
Operating Revenue			
Profit on sale	0	0	778,090
Capital Revenue			
Sale Proceeds - 3 Lots Clarkson	0	0	997,147
Capital Expenditure			
Development Costs	0	0	1,432

There are no liabilities in relation to this land transaction as at 30 June 2012.

SHIRE OF ROEBOURNE
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FOR THE YEAR ENDED 30TH JUNE 2012

32. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The Tien Tsin Inne operates inside the Karratha Airport Terminal Building. The Tien Tsin Inne is a self-funded trading undertaking, with any surplus transferred as a rate of return to the Airport Reserve.

	2012 \$	2012 Budget \$	2011 \$
Operating Revenue			
Kiosk/Bar	2,399,160	2,460,000	2,474,527
Profit on Sale of Assets	50	0	0
	<u>2,399,210</u>	<u>2,460,000</u>	<u>2,474,527</u>
Operating Expenditure			
Employment Costs	(1,182,665)	(1,037,442)	(1,139,889)
Office Expenses	(20,047)	(27,200)	(4,998)
Building Costs	(29,316)	(10,000)	(21,733)
Insurance	(16,709)	(280)	(192)
Equipment Repairs & Replacement	(4,681)	(4,800)	(6,491)
Consumables/Shrinkage	(29,990)	(39,600)	(41,488)
Kiosk Expenses	(703,164)	(650,400)	(588,713)
Bar Expenses	(310,706)	(300,000)	(437,303)
Depreciation	(14,175)	(9,690)	(11,051)
Loss on Sale of Assets	(6,679)	0	0
Employee Leave Provisions	53,454	(35,000)	(6,634)
Total	<u>(2,264,678)</u>	<u>(2,114,412)</u>	<u>(2,258,492)</u>
Net Operating Surplus	134,532	345,588	216,035
Capital Expenditure			
Purchase Furniture & Equipment	(14,066)	(12,000)	(32,543)
	<u>(14,066)</u>	<u>(12,000)</u>	<u>(32,543)</u>
Add Back Non Cash			
Depreciation	14,175	9,690	11,051
Employee Leave Provisions	(53,454)	35,000	6,634
	<u>(39,279)</u>	<u>44,690</u>	<u>17,685</u>
Rate of Return utilised to fund Airport Capital Improvements	81,187	378,278	201,177
Net Surplus/(Deficit)	<u>(0)</u>	<u>0</u>	<u>0</u>

This statement does not include and of the followign expenses as they are embedded in the total cost of running the airport:

- Administration
- Utilities - power, water consumption, water rates, ESL
- Airport Security

SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012

32. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS (con't)

	2012 \$	2011 \$
Current Assets		
Cash and Cash Equivalents	8,600	8,600
Inventories	28,025	23,606
Total Current Assets	<u>36,625</u>	<u>32,206</u>
Non-Current Assets		
Property, Plant and Equipment	94,020	79,954
Total Non-Current Assets	<u>94,020</u>	<u>79,954</u>
Total Assets	<u>130,645</u>	<u>112,160</u>
Current Liabilities		
Provisions	43,675	121,257
Total Current Liabilities	<u>43,675</u>	<u>121,257</u>
Non-Current Liabilities		
Provisions	28,649	4,521
Total Non-Current Liabilities	<u>28,649</u>	<u>4,521</u>
Total Liabilities	<u>72,324</u>	<u>125,778</u>
Net Assets	<u>58,321</u>	<u>(13,618)</u>

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

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	
	2012 \$	2011 \$	2012 \$	2011 \$
Financial Assets				
Cash and cash equivalents	76,803,079	86,958,575	76,803,079	86,958,575
Receivables	12,575,135	9,474,982	12,575,135	9,474,982
	<u>89,378,214</u>	<u>96,433,557</u>	<u>89,378,214</u>	<u>96,433,557</u>
Financial Liabilities				
Payables	8,945,220	10,953,374	8,945,220	10,953,374
Borrowings	14,826,170	17,869,042	13,668,662	17,869,042
	<u>23,771,390</u>	<u>28,822,416</u>	<u>22,613,882</u>	<u>28,822,416</u>

Fair value is determined as follows:

- Cash and Cash Equivalents, Receivables, Payables – estimated to the carrying value which approximates net market value.
- Borrowings – estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

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.

The major risk associated with investments is price risk – the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk – the risk that movements in interest rates could affect returns.

Another risk associated with cash and investments 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 purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

Impact of a 10% (*) movement in interest rates on cash and investments:

	2012 \$	2011 \$
- Equity	8,421,578	7,764,365
- Statement of Comprehensive Income	8,421,578	7,764,365

Impact of a 1% (*) movement in interest rates on cash and investments:

	2012 \$	2011 \$
- Equity	842,158	776,437
- Statement of Comprehensive Income	842,158	776,437

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.

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

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 and benchmarks are set and monitored for acceptable collection performance.

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:

	2012	2011
Percentage of Rates and Annual Charges		
- Current	66.77%	72.06%
- Overdue	33.23%	27.94%
Percentage of Other Receivables		
- Current	92.92%	88.87%
- Overdue	7.08%	11.13%

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

33. FINANCIAL RISK MANAGEMENT (Continued)
(c) Payables and 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:

	2012	2011			
	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
Payables	8,945,220	0	0	8,945,220	8,945,220
Borrowings - Long Term	2,964,297	9,517,674	5,869,569	18,351,540	14,826,170
	<u>11,909,517</u>	<u>9,517,674</u>	<u>5,869,569</u>	<u>27,296,760</u>	<u>23,771,390</u>
Payables	10,953,374	0	0	10,953,374	10,953,374
Borrowings - Long Term	3,127,411	12,118,822	8,773,118	24,019,351	17,869,042
	<u>14,080,785</u>	<u>12,118,822</u>	<u>8,773,118</u>	<u>34,972,725</u>	<u>28,822,416</u>

**SHIRE OF ROEBOURNE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2012**

33. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and 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.

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 2012								
Payables and Borrowings								
Fixed Rate								
Debtentures	0	0	231,782	1,921,256	1,230,741	1,144,239	14,826,170	5.44%
Weighted Average Effective Interest Rate	0.00%	0.00%	6.42%	5.85%	5.68%	5.33%		
Year Ended 30 June 2011								
Payables and Borrowings								
Fixed Rate								
Debtentures	0	0	432,413	0	2,491,287	14,945,342	17,869,042	5.47%
Weighted Average Effective Interest Rate	6.04%	0.00%	6.23%	0.00%	5.85%	5.33%		

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**INDEPENDENT AUDITOR'S REPORT TO THE RATEPAYERS
OF THE SHIRE OF ROEBOURNE**

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Report on the Financial Report

We have audited the accompanying financial report of the Shire of Roebourne, which comprises the statement of financial position as at 30 June 2012, and the statement of comprehensive income, statements of changes in equity, and statements of cash flows for the year ended 30 June 2012, a summary of significant accounting policies and other explanatory notes, and the Chief Executive Officer's statement.

Council responsibility for the financial report

The Council of the Shire of Roebourne is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1995 Part 6. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Local Government Act 1995 Part 6 and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the Shire of Roebourne's financial position and of their performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

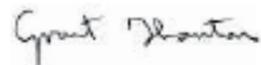
Auditor's opinion on the financial report

In our opinion, the financial report of the Shire of Roebourne:

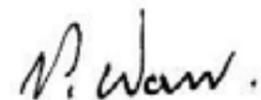
- (i) gives a true and fair view of the Shire of Roebourne's financial position as at 30 June 2012 and of its performance for the financial year ended 30 June 2012, and
- (ii) complies with Australian Accounting Standards (including the Australian Accounting Interpretations),
- (iii) are prepared in accordance with the requirements of the Local Government Act 1995 Part 6 (as amended) and Regulations under that Act.

Statutory Compliance

I did not, during the course of my audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996 as they relate to financial statements.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



P W Warr
Partner – Audit & Assurance

Perth, 28 September 2012



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