

Shire of Roebourne Annual Report



2008/2009

Shire of Roebourne Annual Report

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Shire of Roebourne Profile

The Shire of Roebourne is the powerhouse of the Pilbara.

More than 2.5 billion years in the making, the resources-rich Pilbara is Australia's most productive region and in 2008-09 contributed more than \$34 billion to the national economy.

Flush with natural assets, including iron ore and oil and gas, the Pilbara accounts for more than 68 per cent of Western Australia's total mineral production and the majority of the state's \$21.3 billion petroleum industry. And with more than \$49.7 billion in committed or under construction iron ore and offshore oil and gas projects the region's enviable growth shows no signs of slowing.

Of the 45,000 people that call the Pilbara home nearly 18,500 local residents live in the Shire of Roebourne, located 1,557 kilometres north of Perth on the spectacular Pilbara coast, occupying an area of 15,197 square kilometres.

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, its thriving regional centre, boasts modern, first-class community facilities and a laidback, coastal lifestyle, while 42 kilometres north east 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 passions for diving, fishing, hiking or camping.

Not surprisingly more than 4000 boats are registered in the Shire of Roebourne, according to the Australian Bureau of Statistics.

Fast facts:

- Since 1996, the Shire of Roebourne's population has increased by more than 25 percent.
- With more than 500,000 passenger movements a year, Karratha is WA's busiest regional airport.
- Processing more than 220 million tonnes a year, the Dampier Port Authority is one of Australia's biggest non-metropolitan ports.
- Building approvals in the Shire of Roebourne jumped from 36 in 2001 to 284 in 2008.
- More than 4000 boats are registered in the Shire of Roebourne.



Message from the Shire President

2008-2009 will be remembered as the year the Shire of Roebourne stopped playing catch-up and started planning for its future as a City of the North.

I am pleased to provide the Shire President message on behalf of outgoing Shire President Cr Brad Snell.

One of the first steps forward was to engage the services of a consultant to undertake a functional review of the Council and the administration to identify internal barriers to achieving best practice.

Following the review Council and the Executive Management Team started work developing service standards, drafting a strategic plan and developing annual community and staff surveys which will help us achieve our goal of becoming the best local government association in Australia.

In 2008-2009, the Shire of Roebourne delivered two major projects the upgrade and extension of the Millars Well Day Care Centre and the \$21-million upgrade of the runways and taxiways at the Karratha Airport.

Both projects focused on increasing the service capacity of critical community services, the Millars Well Day Care Centre now boasts more than 70 full-time child care places and the Karratha Airport can accommodate bigger passenger jets like the Boeing 767.

In 2008-2009, almost 600,000 passengers transited through the Karratha Airport, making it easily, the busiest regional airport in Western Australia. These numbers show no signs of slowing in 2009-2010.

Embracing the prospect of growth, we have a vision, to become the City of the North.

We want to move away from our "mining town" past and towards the creation of a vibrant, diverse and inclusive community where people choose to live and call home.

Each of our towns has a role to play in this vision, bringing its own unique character to the mix.

The Shire of Roebourne is busy creating a blueprint to map the exciting journey ahead. It includes major infrastructure projects, multi-million dollar upgrades,

town centre revitalisations and more.

I would like to thank former Shire of Roebourne President Brad Snell for his commitment to Council and the community during his term of leadership 2007-2009.

2009-2010 will be a year of growth, change and a lot of hard work. I look forward to marking our progress this time next year.

Nicole Lockwood
Shire President



Message from the Chief Executive Officer

The Shire of Roebourne has experienced a very exciting year with significant development towards optimising the delivery of our services and meeting community expectations.

Functional review and strategic planning

In early 2009 Roebourne Shire Council decided to seek an independent assessment of the Shire's focus and management of core business, with a view to improve quality of service and customer focus.

As a direct consequence of this assessment, Councillors and Staff have worked hard to develop the following activities:

- A shared strategic direction
- Establish the Strategic and Operational Service Standard framework
- Key Performance Indicators (KPI) for the CEO and Executive Management Team
- Improved communication
- Improved community consultation
- Building effective working relationships between Councillors, staff and the community

These actions have and will continue to improve our service delivery and customer focus.

Projects

The Shire has received encouragement and praise from the community in delivery of projects that address the communities' critical infrastructure needs, specifically within the following areas:

- Airport extension
- Construction of the Millars Well Daycare
- Development of the Learning and Leisure Precinct
- Development of the Bulgarra Community Centre
- Development of the Baynton West Family Centre
- Endorsement of the K2020 Plan and future infrastructure planning
- Rollout of Synergy Enterprise System

Council Elections

On October 19 2009, Cr Nicole Lockwood was elected unopposed as Shire President and Cr John Lally was elected unopposed as Deputy Shire President.

Council welcomed returned councillors Fiona White-Hartig, Sharon Vertigan, Fay Cechner and new councillor Evette Smeathers for a four year term.

Future Direction

This is a very exciting time for the Shire and I personally look forward to working with Council and staff on achieving better services and outcomes for the community we serve.

I am also passionately committed to achieving our strategic goals:

1. Communities - Developing and Maintaining Successful Communities
2. Delivering Services - Delivering Effective and Efficient Local Government
3. Local Economy - Developing a Strong, Diverse and Resilient Economy

I look forward to working with the staff, Council, community and stakeholders in continuing to develop the Shire of Roebourne as the powerhouse of the Pilbara

Finally, I would like to acknowledge the hard work of outgoing Shire of Roebourne chief executive officer Allan Moles during 2008-2009.

Collene Longmore
Chief Executive Officer



2008/2009 Council

Roebourne Shire Council consists of eleven elected members or Councillors. Council elections are held in October every second year and Councillors are appointed for a four year term. Roebourne Shire Council represents four wards—Karratha Ward, Dampier Ward, Roebourne/Pastoral Ward and the Wickham/Point Samson/Cossack Ward.

The role of Councillors is to represent the community, provide leadership and guidance, facilitate communication between community and Council, make decisions on matters before Council, determine Council policy, govern finances and provide forward planning and evaluation of progress for its communities.

Councillors 2008/2009

Karratha Ward

Shire President - Cr Brad Snell
Deputy President - Cr Des Rothe
Cr Fay Cechner
Cr Nicole Lockwood
Cr Gary Weiland
Cr Harry Hipworth

Dampier Ward

Cr Sharon Vertigan
Cr John Lally

Wickham, Point Sampson & Cossack Ward

Cr Ben Lewis
Cr Fiona White-Hartig

Roebourne/Pastoral Ward

Cr Garry Bailey, JP

Executive Management team 2008/2009

Allan Moles - Chief Executive Officer
Ray McDermott - Executive Manager Corporate Services
Bob Sharkey - Executive Manager Development Services
Simon Kot - Executive Manager Community Services
Troy Davis - Executive Manger Technical Services

2008/2009 Council continued...

Karratha Ward



Cr Brad Snell
Shire President



Cr Des Rothe
Deputy President



Cr Fay Cechner



Cr Nicole Lockwood

Dampier Ward



Cr Harry Hipworth



Cr Gary Wieland



Cr John Lally



Cr Sharon Vertigan

Wickham, Point Samson & Cossack Ward



Cr Fiona White-Hartig



Cr Ben Lewis

Roebourne/Pastoral Ward



Cr Garry Bailey, JP

Community Services



Community Services Community Development Report

Community Services is made up of specialist skilled staff in the areas of Rangers, Community Development, Libraries, Sport and Recreation, Youth and Aged, Culture and Arts.

The Community Development Department is responsible for the delivery of arts and culture, youth and families, community events including Australia Day, ANZAC Day, Harmony Week, Youth Festivals, Elder's Birthday, NAIDOC Week, Cossack Art Awards, Twilight Tunes, Thank a Volunteer, Seniors' Week and Seniors Christmas parties. It is also responsible for local history, annual sports and recreation community sponsorships and the early learning specialist scholarship programs.

Community development also create, develop and support community based organisations such as the Pilbara Multicultural Association, indigenous groups, people with disabilities, seniors, youth, art and cultural groups, child care, community safety and community transport.

It also works in consultation with local residents to create, develop and support important community projects that enhance liveability, these exciting projects include:

Karratha 2020 Vision and Community Plan

In 2008, the Shire of Roebourne commissioned a review of Karratha that investigated the impediments to both its basic functional viability and its emerging role as the housing, civic and service centre for the region. The study found that Karratha had the level of amenity expected of the small remote mining town it had started as, rather than the large, and growing, regional service centre it was becoming.

The response was the preparation of the K2020 Vision and Community Plan; a community wellbeing and facilities plan to guide Karratha's growth to 2020. The plan, along with other studies, identified the land, infrastructure and policy issues that were negatively impacting on Karratha's future and have put in place an agenda for turning this around.

The study identified, costed and prioritised community infrastructure projects to be rolled out over the next decade. Central to the Plan are three community wellbeing projects:

- Karratha Leisure and Learning Precinct
- Bulgarra Community Facility
- Baynton West Family Centre

Karratha Leisure and Learning Precinct

The opportunity to develop a multi-purpose Leisure and Learning precinct arose from the WA Education Department's decision to relocate the Karratha High School onto the current TAFE site. The new Precinct will include:

- TAFE facilities (workshops, library and classrooms)
- The Walkington Theatre and outdoor cinema
- The new high school
- Indoor and outdoor hard courts and playing field
- Children facilities
- A gymnasium
- Function spaces and leasable offices
- Aquatic facilities

Total estimated community construction cost is \$60.88 million. In 2008/2009 the Shire secured \$20.3m from the State Government towards the project and will progress design work for the project in the coming financial year. The project is due for completion in 2013.

Bulgarra Community Facility

A priority project in the K2020 plan the Bulgarra Community Facility will accommodate the communities' sporting and children's service needs. The plan formed part of the Bulgarra Sporting Complex master plan. The Shire secured \$1.4m from the State Governments Community Sporting and Recreation facilities Fund and the Department of Local Government and Regional Development in 2008/2009 and will progress design work for the project in the coming financial year. The project is due for completion in 2011.

Baynton West Family Centre

With abundant evidence on the social and economic benefits of multipurpose family centres the Baynton West Family Centre will address health, education and family support issues; the three primary concerns for Karratha residents.

The Shire secured \$3.5m from Landcorp in 2008/2009 and will progress design work for the project in the coming financial year. The project is due for completion in 2011.

Community Services

Karratha & Roebourne Aquatic Centres

With more than 200 days a year when the mercury soars above 30 degrees, the Karratha and Roebourne Aquatic Centres are a popular place for families to beat the heat.

Karratha Aquatic Centre

Open 12 months a year, seven days a week the Karratha Aquatic Centre's comprehensive programs calendar includes children's swimming lessons, aquaerobics classes, adult swim squad, flippa ball and vac swim classes.

The facility is also home to the Karratha Amateur Swim Club, which hosted the highly successful North West Swimming Championships in April 2009, and the Nickol Bay Triathlon Club which hosts a triathlon one Sunday a month.

During the school term, local primary schools also attend swimming lessons at the aquatic centre and local high school students use the facility for fitness classes and school swimming carnivals. While during school holidays hundreds of school-aged children attend summer vac swim classes.

A privately run swim school, Little Guppies, also conducts lessons at the Karratha Aquatic Centre. This has helped relieve pressure for sought after swimming classes.

The Karratha Aquatic Centre ran three, well-attended bronze medallion courses throughout the year.

The aqua runs continues to keep staff busy with bookings and associated venue hire.

Roebourne Aquatic Centre

The Roebourne Aquatic Centre also boasts a comprehensive programs calendar including aquaerobics, flippa ball and children's swimming classes.

The facility is regularly used by Karratha Senior High School's Inclusive Learning Unit, Roebourne Primary School, the Clontarf Football Academy, the Department of Sport and Recreation, the Department of Child Protection and Yaandina Family Centre.

Roebourne Aquatic Centre's weekly Family Night continues to be popular, with families using the

barbecue facilities. In 2009, it was changed from a Tuesday to Wednesday evening to coincide with aquaerobics.

The annual Christmas Party was a huge success and saw about 100 pool patrons enjoy a day of free entertainment including games and a bouncy castle.

Meanwhile the aqua run continues to keep staff busy with bookings and associated venue hire. The aqua fun balls are also a big hit, but usage is restricted by staff numbers.

Roebourne Aquatic Centre has benefitted from an increased local staff base with two lifeguards, one swim teacher and a kiosk attendant living locally.



A group of children enjoy the new aqua run at the Karratha Aquatic Centre.

Community Services Libraries

Library Statistics 2008/2009

Dampier Library	Karratha Library	Roebourne Library	Wickham
119 new members	1,293 new members	53 new members	115 new members
10,614 loans	91,262 loans	3,811 loans	9,280 loans
7,466 library visitors	67,225 library visitors	13,678 library visitors	9,086 library visitors
729 computer users	9,666 computer users	1,574 computer users	1,487 computer users
1,146 children's programs	2,341 children's programs	177 children's programs	824 children's programs

The Shire of Roebourne's well stocked libraries boast thousands of fiction and non-fiction titles including specialist Aboriginal, Pilbara and language learning collections.

The Karratha Community Library is also home to the Shire's local history collection.

The libraries provide an inter-library loan service, photocopying, internet access and public-access computer terminals.

While their shelves stock a comprehensive collection of magazines and newspapers, video and audio cassettes, as well as DVDs.

Each of the libraries runs a weekly story-time session for three to five year olds. Karratha Community Library also runs a fortnightly rhyme-time session for 0 to two year olds.

All Shire of Roebourne libraries are serviced by the State Library of Western Australia.

Visiting Authors

In August 2008, author Michael Robotham visited Karratha Community Library as part of the Australian Council for the Arts' Books Alive promotional tour. Robotham's talk and book signing was well attended and attracted about 80 people. Visiting authors are a regular feature on the libraries' events calendar.

Year 12 Art Perspectives

Each year the Karratha Community Library hosts the annual Healthways Year 12 Art Perspectives exhibition. The exhibition is a celebration of the talents and creativity of our next generation of artists and provides

audiences with a unique opportunity to see the world through the eye's of today's youth.

Fairy Queen Caroline

In April 2009, popular children's story-teller Fairy Queen Caroline cast her magical spell over more than 100 children at special story-time sessions in Karratha, Dampier and Wickham. The Dampier Community Library hosted a highly successful Picnic in the Park to coincide with Fairy Queen Caroline visit.

Better Beginnings

The Better Beginnings early childhood literacy program continues to encourage parents to enjoy reading with their babies across the Shire of Roebourne.

All four libraries are stocked with the Better Beginnings reading packs, with nearly 5000 children attending the story or rhyme time sessions.

Senior's Morning Tea

The Dampier Community Library's Senior's Morning Tea continues to attract strong attendance. Held once a month, local seniors use the sessions to collate the oral and pictorial history of the town.

Renovations Complete

Renovations to the Wickham Community Library's staff room and toilet are complete. While library upgrades, including the new computer station, DVD/CD flip 'n' browse section and kindy floor rug are a hit with patrons.

Community Services

Karratha Entertainment Centre

More than 55,000 people accessed the Karratha Entertainment Centre, the Shire of Roebourne's biggest, multi-purpose recreational facility, in 2008/09.

From squash to badminton, volley ball to indoor soccer, the Karratha Entertainment Centre accommodates a wide range of sporting and recreational pursuits for the entire community.

Group Fitness

Group fitness classes continue to be very popular with Les Mills' PUMP classes averaging about 20 people a session. The new Les Mills' RPM classes, Box Fit and Circuit Classes are also well attended.

Updating the equipment throughout the year has allowed for greater participation in the classes.

Gymnasium

The Karratha Entertainment Centre gymnasium was refurbished last year with a new layout, providing more cardio equipment and free weights whilst maximising the limited space available. Since the refurbishment the number of patrons using the gymnasium has increased.

Ongoing user groups, such as the Karratha Gymnastics Club, Dance Kix and Karratha Squash Club have continued their patronage with the Karratha Gymnastics Club, in particular, requiring additional space to accommodate growing participant numbers.

Junior programs such as arts and crafts classes and junior sports programs are as popular as always with

the holiday activity program expanding to activities in Roebourne and accommodating up to 94 children each day.

Ovals and Pavilions

The Shire of Roebourne active reserves were as always well utilised this year. The staff at the Karratha Entertainment Centre continue to book the ovals and allocate grounds for sports groups seasons with all sporting groups accommodated at the ovals.

A new light control system was installed at each of the lit ovals - a pay as you go token system. The lighting system is now standard across all of the ovals with tokens purchased from the Karratha Entertainment Centre.

Bookings for the Millars Well, Dampier and Roebourne Community Centre pavilions has increased this year for a variety of programs, community meetings and functions.



Community Services

Ranger Services

Overview

The role of Ranger Services is diverse and involves compliance duties, education and facilitation to ensure that the shire's objectives are achieved.

The Shire's Ranger Department has two key objectives:

1. Provide external customer service focused on a proactive, advisory and educational role whilst achieving compliance in the administration of the relevant Acts, Regulations and Local Laws under the jurisdiction of the Ranger Service, and
2. Ensure a consistent approach to the interpretation and management of enforcement of various acts and regulations related to matters of community compliance.

Ranger Services provide services to all town sites within the Shire of Roebourne and several Aboriginal communities and undertake such tasks as:

- Patrol all town sites, including many other areas within the Shire's boundaries.
- Supply a high standard of service to the community.
- Ensure the protection of amenities for residents.
- Provide council members, internal and external customers and the general public with specific advice on all matters relating to Ranger Services.
- Undertake community education programs.
- Undertake proactive patrols and supply a high level of service.

Ranger Services work on a continual, seasonal roster basis and weekday operational hours are from 7:00am to 5:30pm.

A seasonal roster was implemented due to the varying issues between the cooler and hotter months of the year. The months of May to September are covered by a seven day roster and the months of October to April are covered by a six day roster.

From 1 July 2008 to 30 June 2009 Ranger Services have impounded a total of 379 dogs. Many of the dogs impounded did not have any form of identification. A high number of suitable, unclaimed dogs have been handed over to SAFE for re-homing. The Shire and SAFE will continue to work together with re-homing of suitable dogs from the Shire's pound facility.

Other achievements in 2008/2009 include;

- In partnership with Mawarnkarra Aboriginal

Health Services the Healthy Dog Program for indigenous communities

- Introduction of the "Barking Dog Kit" to assist with barking dog complaints. The Shire's annual micro chip day was a great success with approximately 100 dogs and cats micro chipped.

- CARE (Communities Against Rubbish our Environment)

This group has been established to set out the strategic direction for litter prevention within the shire and to raise the awareness and profile of litter. To develop, establish and action a number of strategies to address local litter prevention.

CARE undertakes a week long Clean Up each month which anyone can register to participate. Each bag of litter collected by community group receives \$6 per bag from the Shire. The Shire's Dollars for Bags initiative also supports CARE by providing all bags and gloves free on request.

- The Australian Red Cross Victorian Bushfire appeal in March 2009 was a great success with the various groups collecting over 1000 bags of rubbish. All proceeds were donated by these groups to the appeal.
- The annual 'Clean Up Australia Day' in May saw many of our regular groups out and about cleaning up our Shire. Another success for these groups as over 2500 bags of rubbish was collected.



Community Services Activities

From Australia Day to ANZAC Day, Twilight Tunes to Cossack Art Awards the Shire of Roebourne's community calendar is packed with exciting events and activities.

Cossack Art Award

The Cossack Art Awards, Australia's most isolated art exhibition, enjoyed another successful year attracting 262 entries from across the country, including 116 from artists living in the North West.

Established in 1993, the awards boast a prize pool of more than \$70,000, with local artist Wendy Warrie named this year's overall winner for her painting "Rugged Coastline". Sixty paintings, worth more than \$88,000, were purchased.

About 5000 travelled to the historic town of Cossack to view the exhibition and vote on their favourite piece. This year's People's Choice Award went to Warayute Bannatee for his painting "The Eye".

Clay Pans Ephemeral Art

The Shire of Roebourne commissioned artists Audrey and Arif Satar, to create an ephemeral artwork project on the Cossack clay pans.

Ngarluma Elders from the Roebourne Art Group and more than 400 children from local primary schools were also involved in the project.

Forming the shape of a fish and stretching almost a kilometre, the artwork was created by natural material found on the site such as clay, sand and shells.



The Elders said the story of the fish was the thread that linked the past, present and future for indigenous and non-indigenous communities.

Twilight Tunes

Throughout the year local performers showcase their musical talents at Twilight Tunes events across the Shire of Roebourne.

The popular, open-air concerts attract impressive

crowds and help local community organisations fundraise for worthy causes including the Victorian Bushfire Appeal and RSPCA.

Make a Move Youth Festival

More than four hundred 12 to 25 year olds participated in this year's National Youth Week celebrations including free hip hop dance workshops, outdoor concerts, discos and basketball games.

Community Cultural Plan

The Shire of Roebourne's Community Cultural Plan was launched in November 2008 to recognise the contribution history, arts and shared cultural activities can make to create a social environment that is rich and diverse, equitable, safe and cohesive.

Community Bus

In July 2008, the Shire of Roebourne, Rio Tinto, the North West Shelf Venture and the Public Transport Authority initiated a six-month, pilot bus project to demonstrate the need for a regular, weekday bus service throughout the region.

The project supported a Tuesday and Thursday service between Karratha, Dampier, Roebourne, Wickham and Point Samson, in addition to the existing weekend service.

This project was extended beyond the six month period by a further nine months, however, due to discontinued funding, the Thursday and Sunday services ceased in 2009. The Shire of Roebourne continues to fund a school holiday bus service over the next year.

Point Samson Centenary Park

Point Samson celebrated 100 years in 1999. To commemorate the event, Council funded development of a town entry statement, helped build a sculpture garden in Snake Gully and contributed to celebrations.

Arid Lands Garden

In partnership with the soroptimists, the Shire of Roebourne is developing an Arid Lands Garden on land behind the Shire administration offices.

Development Services



Development Services

Environmental Health

Development Services consists of the Building, Planning and Health Services within the Shire. These sections cover building maintenance, building applications, waste management and litter collection, food safe inspections, strategic and saturator planning, swimming pools and fencing, infectious disease prevention, water sampling and noise assessments.

The Environmental Health Services Department comprises an Environmental Health Manager and two Environmental Health Officers (EHOs). In early 2009 a new manager and Environmental Health Officer were employed to fill vacated positions.

The role of EHOs is very diverse and involves compliance duties, education and facilitation to ensure that the shire's environmental health objectives are achieved. EHOs administer and give advice the various acts and regulations within their jurisdiction such as *the Health Act, Health Regulations, the Caravan and Camping Grounds Act, parts of the Environmental Protection Act (Noise and Unauthorised Discharge), and Tobacco Products Control Act*.

The Shire EHOs have a mandate under the *Food Hygiene Regulations* and the *Food Standards Code* to enforce hygiene and food quality standards within food premises. This is to minimise the likelihood of disease transmission or illness from unsafe food handling practices, unsafe foods and incorrect labelling. Officers assess food hygiene practices, food safety programs, food labelling and undertake risk based audits of premises to determine compliance with the Regulations and Code.

EHOs are delegated to investigate certain food borne, mosquito borne and certain respiratory diseases from environmental sources. During 2008/9 51 cases of mosquito borne disease were identified within the Shire of Roebourne, with the majority of these being in Karratha during March and April. The Shire has an active mosquito control program which includes general surveillance, pre-treatment of areas which may be inundated, control of areas where breeding is prevalent and fogging of adult mosquitoes.

The *Health (Public Buildings) Regulations* are administered by the EHOs and audits of facilities are undertaken routinely to assess compliance. These Regulations are intended to set standards of health, safety and the amenity certain places where people gather. Certain outdoor events such as festivals and outdoor concerts are also regulated by this legislation. The licensed caravan and camping grounds and lodging houses in the Shire were also assessed for

compliance with the legislation. There is a continuing trend towards full time occupation of these facilities for transient work force accommodation which has impacted on availability for tourist visitors.

Public swimming pools are tested at least monthly for bacterial water quality, chlorine, pH and for the presence of amoeba which may give rise to amoebic meningitis. Public swimming pools include hotel pools, facilities on workforce accommodation camps, general public pools, apartments, and pools in caravan parks. Overall the majority of the public swimming pools were well managed and in compliance with the new Aquatic Facilities Regulations 2007.

In July 2009, the Shire's Environmental Health Services Department oversaw the removal of a 25 tonne sub-adult Humpback whale carcass from Point Samson to the 7 Mile Landfill site, utilising local contractors. This required liaison between the Shire and various government agencies including the Department of Environment and Conservation and the Fisheries Department. The carcass was removed from the area adjacent to Honeymoon Cove, Point Samson, to minimise any nuisance to residents, businesses and holiday makers in the area, and reduce any shark attraction to the area.



Development Services Planning Services

Overview

The Planning Services Department is responsible for delivering statutory and strategic planning services to the community, government and non-government agencies, and internally within the organisation and to the Council. In the 2008/09 financial year the Planning Services Department comprised a Manager and two Planning Officers responsible for statutory planning functions including:

- The assessment and determination of development applications for the use and development of land;
- the assessment of applications to subdivide land and restructure titles;
- the assessment of building licence applications where variations to the Residential Design Codes of Western Australia (R-Codes) are sought or where a Detailed Area Plan is applied;
- ensuring compliance and, where necessary taking enforcement action for breaches of the Shire of Roebourne's Town Planning Scheme No. 8 (TPS8);
- the issue of advice to state government agencies for State land dealings and for applications including exploration, mining and miscellaneous licenses, vegetation clearance permits and liquor licenses; and
- the delivery of customer services to the public and private sector including advice on the interpretation of local planning policies, planning-related legislation, the R-Codes and the policies of the Western Australian Planning Commission.

And strategic functions including:

- The assessment of development plans for broad

acre residential and industrial subdivision and detailed area plans for specific sites;

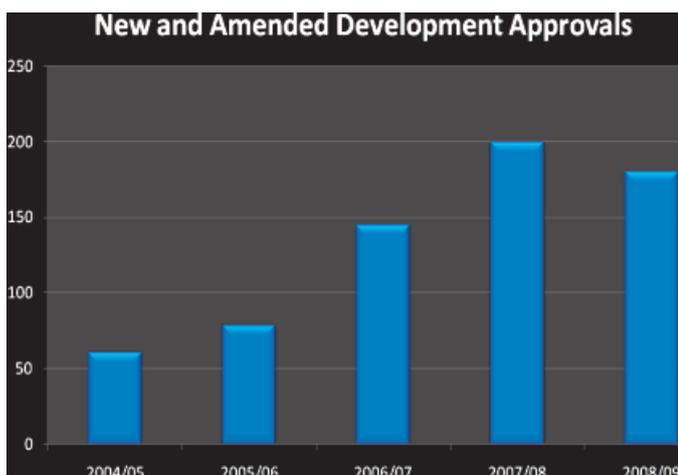
- the review of existing and development of new local planning policies;
- the assessment of applications to amend the TPS8 text and maps; and the development of strategies and documents to guide the orderly development of the Shire, conservation of natural and built heritage, and sustainability of our communities.

2008/2009 Development Activity

The principal drivers of the increase in activity and/or the demands on Planning Services Department's resources during 2008/2009 included, the continuation of construction works associated with the development of Woodside Energy Limited's Pluto Gas Processing Plant and completion of the associated transient workforce accommodation facility at Gap Ridge, development and construction of Citic Pacific's Sino Iron project at Cape Lambert and associated transient workforce accommodation facilities, assessment of Apache Energy Limited's onshore gas fired power station and horizontal directional drilling operation at 40-Mile Beach and associated transient workforce accommodation facility, ongoing assessment and determination of planning applications for medium to large scale transient workforce accommodation facilities, continuation of residential land development within Nickol West Estate and commencement of residential land development within the Baynton West Estate, finalisation and Gazettal of TPS8 amendment No's 8, 9, 12, 13 & 14, completion of the draft Karratha Open Space Strategy and commencement of the Shire of Roebourne Local Planning Strategy and the completion of an annual review of all twelve adopted local planning policies and the development of three new policies specific to tourism development, development in Point Samson, and development in land zoned Commercial.

Planning & Development Activity Anticipated For 2009/10

Major development activities either anticipated, in the preliminary design stage, or approved during 2009/10 that may consume the greatest proportion of Planning Services resources include, ongoing construction activity within LandCorp's Baynton West residential estate, expansion and duplication of Robe River's (Rio Tinto's) Cape Lambert transient workforce accommodation village, ongoing assessment and



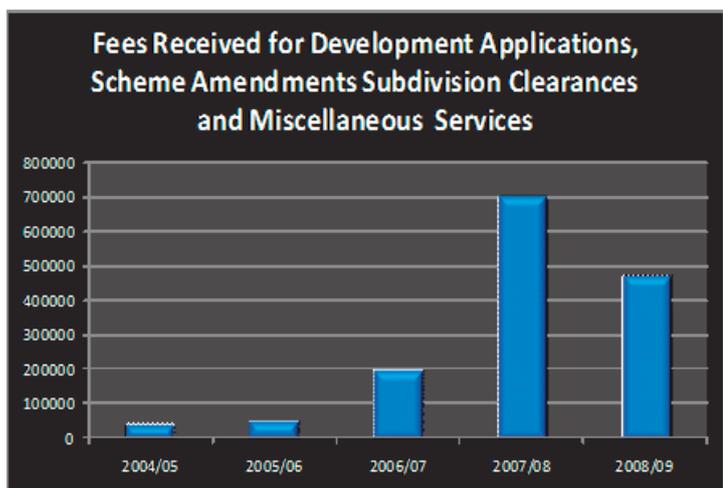
Development Services Planning Services continued...

determination of planning applications for medium to large scale transient workforce accommodation facilities, the preparation and adoption of a Scheme amendment and Development Plan for the Gap Ridge Industrial Estate by LandCorp, the preparation and adoption of a Scheme amendment and development plan for the Ngarluma Aboriginal Sustainable Housing Project in Roebourne, the assessment of a 1500-person transient workforce accommodation facility on Madigan Road, Gap Ridge and the assessment of a Development Plan for the Tambrey District Commercial Centre on Bathgate Road, Nickol.

Town Planning Scheme No 8

A general scheme amendment is scheduled to be advertised during the 2009/10 financial year to update the suite of maps associated with TPS8 to reflect recent development plans approved for new residential estates currently zoned *Future Urban*, and to reflect changes in legislation, the R- Codes and government departments. A further scheme amendment to facilitate the development of high rise residential towers in or adjacent to the Karratha town centre is also anticipated.

TPS8 will likely be superseded by a new scheme in 2010/11 following the completion and input from several strategic policy documents including, but not limited to, Karratha City of the North: Developing Diversity, the K2020, the Karratha Open Space Strategy, the West Pilbara Disaster Mitigation Study, and the Karratha Commercial and Retail Strategy. It is anticipated that a Karratha town centre master plan and community infrastructure contributions and main street policy will also be developed as part of these suite of policy documents.



Local Planning Policies

The follow new local planning policies were adopted by Council in May 2009:

- DP12 Commercial Zone Development Requirements
- DP13 Tourism Zone Development Requirements
- DP14 Point Samson Development Requirements

The following substantively revised and new local planning policy, respectively, are forecast to be completed in the third quarter of 2009/10:

- DP7 Residential Development Requirements
- DP15 Residential Buildings and Share Housing
- DP16 Development Contributions for Infrastructure

The adoption of the revised and additional policies will further assist the Planning Department to respond to the community's changing expectations and, particularly in the case of Point Samson, recognise environmental constraints to development and the need to preserve the existing scale and character of the township.



Development Services

Building Services

The Building Services Department comprises a Building Services Manager and a Building Surveyor. A Development Services Compliance Officer also works closely with the Building Services Department and in 2009 will directly report to the Manager Building Services in the capacity of Building Services Compliance Officer. During 2009 a new Manager was appointed to fill a vacated position and a second building surveyor was appointed to alleviate the need to utilise private consultancy services

The Building Services Department facilitates and regulates the safe development of the built environment. The principal role of the Building Services Department is to provide an efficient approvals service and to ensure compliance in accordance with the *Local Government (Miscellaneous Provisions) Act 1960*, *Building Regulations 1989*, Building Code of Australia (BCA), Residential Design Codes of Western Australia and Australian Standards.

The Building Services Department recognises that the building approval process can at times be complicated, particularly for owner builders, and is committed to providing applicants with a level of advice needed to successfully navigate this process. Building information sheets are constantly reviewed to assist the community prepare the documentation necessary to ensure applications for all classes of buildings can be determined in a timely fashion.

Building Licences

The Building Services Department issued marginally more building licences in 2008/09 from that issued in 2007/08. The scale and complexity of building applications assessed; however, has increased markedly as reflected by the number of commercial and industrial applications approved (up approximately 24.2%) and the overall value of approved construction works (up by approximately \$284m or 979.8%). The overall value of construction works was heavily influenced by the Sino Iron Pty Ltd mining venture that when completed will be the largest mine in the world with infrastructure totaling approx \$5.8 billion, and Woodside Energy Limited's Pluto Gas Project.

Private Swimming Pools and Spas

There are approximately 1400 private swimming pools in the Shire of Roebourne. Private swimming pools and spas are required to be inspected by the Shire upon installation, and then at least once every four years to

ensure that the windows, doors, boundary fences and isolation fencing is compliant with the *Building Regulations* and applicable Australian Standards. Although this requirement has been in place since 1992, the number of non compliant swimming pools and spas illustrates that there is a requirement for the Building Services Department to implement a public awareness program.

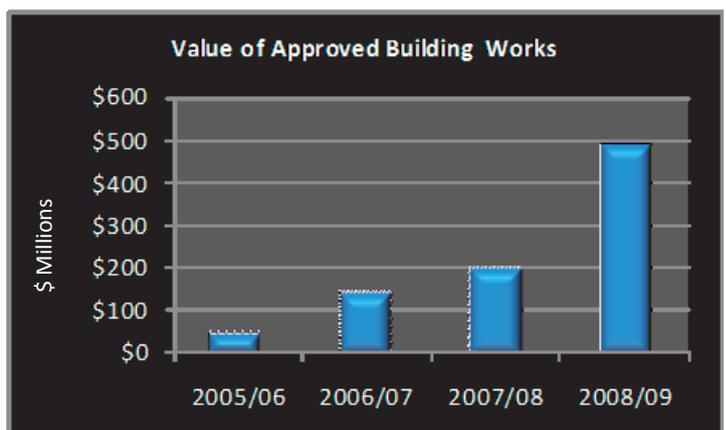
Building Licences Approved	01/07/2005 to 30/06/2006	01/07/2006 to 30/06/2007	01/07/2007 to 30/06/2008	01/07/2008 to 30/06/2009
New Residences	84	221	230	271
Group Dwellings	14 (16)	7 (30)	13 (64)	5 (51)
Transient Workers Accommodation	Nil	6 (535)	17 (2885)	12 (2580)
Commercial/Industrial Developments	31	32	62	77
Miscellaneous (Incl. Additions and Outbuildings)	558	510	417	413
Swimming Pools	73	95	125	91
Total	743	871	864	869
Value	\$49,763,775	\$144,402,282	\$203,109,965	\$487,151,300

Note: Figures in brackets indicate the number of individual dwellings (in the case of grouped dwellings) and individual rooms (in the case of transient workforce accommodation) approved.

Unauthorised Buildings

The *Local Government (Miscellaneous Provisions) Act 1960* requires that building works (unless exempted) are approved by the Local Government Authority before any such works are commenced. The Shire of Roebourne is unable to issue a building licence should building works have commenced.

During 2008/09 the Building Services Department dealt with in excess of 50 applications for unauthorised building work. A new legislated process to deal with unauthorised building works came into effect on 1 July 2008.



Technical Services



Technical Services Infrastructure

Technical Services is responsible for the construction and maintenance of physical infrastructure including the Shire's waste management facilities and Karratha Airport. Technical Services is responsible for roads, footpaths, drainage, car park, street lighting, depot and nursery, wastewater effluent reuse systems, recreation reserves, parks and ovals, road verges, reticulation systems and bores and cemeteries.

Engineering Works

Even with significant staff shortages throughout the year, a considerable number of projects were completed around the Shire in addition to the routine maintenance activities.

Dampier saw some major works activity with upgrades to the Church Rd / Central Avenue / Esplanade intersections, footpaths installed along Hill Rd and asphalt surfacing along Central Avenue.

Gravel re-sheeting and drainage improvement works were completed on Balla Balla Rd, Withnell Bay Rd, Woodbrook Rd and Roebourne Wittenoom Rd.

A major culvert upgrade was undertaken on Wickham Drive plus footpaths were installed within Hillcrest Estate in Karratha.



Parks and Gardens

Centenary celebrations saw significant activity in Point Samson to ready themselves for this milestone event. Centenary Park was created from an unused drainage reserve and included paved pathways, native gardens, sculptures, seating and signage.

A new and improved public toilet block on the foreshore required works in the adjoining Community Park. Retaining walls, irrigation, pathways and fencing were installed or upgraded to create an amphitheatre effect.

In other parts of the Shire, new drip irrigation was installed in Karratha Cemetery, Cattrall Park received a clean out and a re-plant of about 200 native and exotic plants. New lawn, gardens and irrigation were installed at the Karratha Health Clinic and old Roebourne oval was re-generated after the completion of the new oval at the Roebourne High School.



Technical Services

Karratha Airport

Karratha Airport continued to set unprecedented levels of passenger and traffic growth during the 2008/09 financial year. This has cemented the airport as the busiest airport in regional Western Australia.

Airside Upgrade

Undoubtedly the highlight of the year was the completion of the \$21m upgrade to the Karratha Airport airside facilities. This involved the widening of the main runway to 45m and lengthening to 2,280m. In addition, a new western taxiway to the runway threshold was undertaken, and a completely new airport lighting system was installed, including dual-sided PAPI systems (precision approach path indicator). The upgraded runway was grooved and sealed with asphalt, and all main taxiways were also sealed with asphalt. The main apron was also expanded to create additional parking space.

During the project, the parallel main taxiway was used as a temporary runway, a considerable feat.

The newly expanded facility opened for business on March 12, 2009 and is now able to cater for larger Code D aeroplanes up to and including the Boeing 767-300.

Airlines

Virgin Blue entered the market with twice daily services to Perth utilising Embraer 190 aircraft that commenced on October 21, 2008.

Skywest commenced a 3-times weekly service connecting Karratha to Camarvon and Geraldton using Fokker 50 type aircraft on April 1, 2009. They also increased their Fokker 100 jet services that



support Citic Pacific Mining's Cape Preston iron ore operation.

As at July 2009, there were a total of 63 scheduled airline services operating to Karratha Airport per week.



Aviation Rescue and Firefighting (ARFF)

ARFF facilities were re-established by Airservices Australia at Karratha Airport. There is currently a Category 5 service providing a rescue and fire-fighting capability during hours of operation for scheduled air services. This service will build to a Category 7 service, dictated by the aircraft types serving the airport, and is due to be fully certified by December 2009. 3 fire vehicles are stationed at Karratha Airport in support of this service.

Airport Master Plan

The Shire of Roebourne completed an Airport Master Plan, aimed at forecasting growth and providing a platform for planning future infrastructure requirements during the next 20 years.

This plan was completed in June 2009.

Bird and Wildlife Management

Due to an increase in traffic and associated bird-strike risk, the airport engaged Avisure to review the Karratha Airport Bird and Wildlife Management Plan. The review has resulted in an updated plan, and specialised

Technical Services

Karratha Airport continued...

training for staff. A workshop was held in May 2009 and included representatives from surrounding airports at Paraburdoo, Newman, Port Hedland and Telfer.

Checked Baggage Screening (CBS)

New laws relating to passenger baggage screening came into effect on 1 December 2008, and this required the airport to purchase and install a new X-Ray machine in order to facilitate CBS. This system is in a temporary location and will be further expanded as part of Stage 2 during 2009 / 2010. 100% of baggage is now screened prior to all scheduled jet services.

Flight Information Display System (FIDS) Upgrade

An upgrade was undertaken to the terminal FIDS system in June 2009, which involved the installation of new 42" LCD display screens and a software upgrade. In addition, the flight information is now streamed directly to a new dedicated airport website at www.karrathaairport.com.au

Helicopter Traffic

Helicopter movements continued to increase with Helicopters New Zealand commencing operations in January 2009 in support of the Woodside Pluto project. Helicopters New Zealand, Jayrow and Heliwest have all had leases approved for land proposed for hangar developments at the helicopter precinct on the western side of the airport.

Passenger Numbers

During the 12 months to June 30, 2009, 497,698 passengers arrived and departed from Karratha Airport on the RPT services operated by Qantas, Skywest and Virgin Blue. This represented a growth of 106,000 passengers or 26% on the previous 12-month period.

Traffic continued to grow and the airport is currently subject to a review of air traffic services, with CASA (Civil Aviation Safety Authority) currently looking into the possibility of re-establishing the Air Traffic Control service.

Staff

Chris Fox commenced as the new Airport Manager on 13 October 2008. Following a review of resourcing levels, Allan Wright assumed the new position of Airport Operations Co-ordinator and commenced in this role in February 2009. Two new Airport Reporting Officers were appointed, Peter Moore who started on 11 August 2008, and Ron Butterworth on 15 July 2008.



Technical Services Parks and Gardens

This year has mainly been concerned with reviewing the way we do things and questioning the “what” and “why” to make sure we are doing our jobs effectively and efficiently. Our aim is to plan for the future and make sure this process continues. To this end we have finalised a Panel of Providers to compliment our technical expertise and resources where required. As these providers are to be utilised shire wide a process was also put in place to ensure the engagement process is understood by all.

We have completed an initial investigation into our Waste Water Reuse Scheme which was an overview of our waste water reuse policies and infrastructure to help us identify any improvements we can make. It was written as a broad overview and completed this year. We now have a seven year programme to improve the infrastructure and a number of further investigations that need to be undertaken to further improve the facilities.

Subdivisions

- Tambrey roads and drains have been handed to the Shire; however the park is still under Maintenance (due to be handed over in October).
- Nickol West Development came on line quite quickly and was developed just as quickly. Roads are still under maintenance and the parks are nearing completion for commencement of their maintenance programme.
- Karratha LIA extension underwent final inspection and is now under maintenance.
- Baynton West Stage 1-4 – Stage one has now progressed to the maintenance period for the roads and drains but landscaping is still to be completed

Project and Contract Management

In Progress

- The Staff Shire housing contract, consisting of the construction of 14 houses was awarded and construction is currently underway. A large amount of work has gone on behind the scenes to ensure the designs are modern and functional and we are looking forward to the new houses becoming available in March 2010
- The Roebourne Hall Upgrade is also in progress with a number of items that have been identified for

improvement. We are now working with Council to determine the final list of improvements that can be undertaken within the allocated budget.

- Investigation into the landside electrical services and the design and construction of the car parking at Karratha Airport. We are looking forward to the completion of both these project in the next financial year.
- Karratha Country Club also has a number of small projects underway including the construction of the indoor cricket area, the upgrade of the electrical services and the car parking and lighting improvements. We are working with Community Services as well as contractors and consultants to finalise a list of works and finalise all aspects of this project.

Completed

- Point Samson Centenary Park
- Development of a Landscape Plan and Public Art Park in “Snake Gully” (Lots 258 and 275, Point Samson), featuring works by well-known and local sculptors, educational plaques/signage relating to the history & environment of Point Samson, and seating
- Hold Community-based Events, Activities and Programs that celebrate Point Samson and the Centenary
- Develop publications relating to the history and living environment of Point Samson

Special appreciation goes to Rio Tinto for the supply and delivery of the iron ore for the rock gardens which was added as a feature to the park, the Point Samson local residents who all pitched in and participated in the planting of the park and our own Parks and Gardens Staff who installed the reticulation, acted as our eyes and ears on site and were happy to help with whatever odd jobs we requested.

- Point Samson Ablution block

This project was contracted to Trasan Contracting and included demolition of the existing toilet block, earthworks preparation, hydraulic services, electrical services, concrete and block works, plumbing, retaining walls and carpentry. Technical Services managed the project and all Contractors and Consultants associated with the completion of the project while Parks and Gardens laid reticulation and grass to the stage area.

Technical Services Waste Management

The Shire of Roebourne operates a Licensed Class II or III putrescible waste landfill facility locally known as the 7 Mile Waste Disposal Site and a 4,200m³ Liquid Waste Facility at this same location. The facility is on Lots 85 and 256 Seven Mile Road, Gap Ridge Road and is the only large public waste disposal site in the Shire of Roebourne region with the nearest other site located at Port Hedland.

The Shire of Roebourne also operates a Licensed Waste Transfer Station between Wickham and Roebourne. This is for the use of domestic and light commercial customers from the Wickham, Roebourne, Point Sampson and Cossack area and operates in conjunction with the 7 Mile Waste Disposal Site. All waste types collected here are transferred by a specialised lift on-lift off bulk waste bin truck to the 7 Mile Waste Disposal Site for processing.

The Shire of Roebourne carries out waste collection for residents, businesses and visitors at Dampier, Karratha (including LIA), Roebourne, Cheeditha, Wickham, Point Sampson, Cossack and tourist camping areas at 40 Mile and Cleaverville, servicing a known population of over 6,500 residents.

There were significant increased quantities of all waste types brought to the 7 Mile Waste Disposal Site during the 2008 / 2009 Financial Year.

The Shire of Roebourne has begun preparation of a Strategic Waste Management Plan.

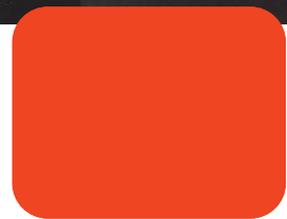
Once completed, the plan will provide the Shire of Roebourne future direction and strategic planning for the most efficient and cost effective method of Waste Collection and Disposal Site Management. It is anticipated the plan will be completed in early 2010.



Waste Stream	Tonnes Received	Increase from 07/08
Hazardous Waste	9,439	115%
Green Waste	834	168%
Putrescible Waste (Waste Compactor Truck)	16,264	14%
Rateable Industrial Waste	24,248	36%
Non – Rateable Waste	22,032	16%
Home and Garden Waste	1,050	5%
Earth - fill	71,609	102%
Liquid Effluent	45,644	116%
Other Waste (car bodies)	329	12%



Corporate Services



Corporate Services

Corporate Services provides the administration, finance, human resources, information technology, records management, property, rates and leasing, customer service and asset management coordination services to Council, the community and the rest of the Shire.

Corporate Services provide the governance, finance and administration, human resources and information services to Council, the community and the rest of the Shire.

Each department is made up of teams of dedicated staff, with specialist skills and experience, who carry out the responsibilities, duties, programs and initiatives of council.

Governance

Effective local government is achieved by applying the fundamental principles of good governance (integrity, accountability and openness) and ensuring those principles underpin our organisational processes. This provides a solid foundation for Council to deliver the highest standards of service to the community.

Freedom of Information

In 2008-2009, the Shire of Roebourne received five applications under the Freedom of Information Act 1992.

The following documents are available for public inspection at the Shire of Roebourne's administration offices:

- Council Minutes and Agenda
- Annual Budget
- Annual Financial Statements
- Annual Reports
- Electoral Rolls

Many of these documents are also available on the Shire of Roebourne website www.roebourne.wa.gov.au

Human Resources

In 2008-2009 Council acknowledged the much appreciated service of the following employees at the Shire of Roebourne.

- 30+ years - Danny Blanket and Don Burleigh
- 20+ years - Wayne Lee, Shane Edwards, Eugene Weidemann, Andrew Maclening, Terry Maclening, Rosemary Clark and Marie Waterstrom
- 15+ years - Kanjan (Tew) Nugent, Allan Wright and Lynette Reeves
- 10+ years - Anne Christensen, Nina Coles, Taarna Cam, Sheeley McEwen, Keith Christensen, Regan Brodie, Ernst Gindl, Gai Harlen, Tim Douglas, Jackie McDonald, Ken Taylor, Sakhon (Penny) Pryor, Craig Davey, Jenny Fox and Brad Pezzali.

To address staff retention challenges, Council has undertaken to commence renewing and refurbishing its housing stock supplemented by leased accommodation along with other measures, such as:

- Developing a workforce plan
- Implementing a new Staff Collective Agreement
- Reviewing the staff performance management system in order to align annual performance to the Shire's strategic plan.

Payments to Employees

Regulation 19B of the Local Government (Administration) Regulations 1996 requires the Annual Report to contain the following information:

- The number of employees entitled to an annual salary of \$100,000 or more
- The number of those employees with an annual salary entitlement that falls within the cash bands of \$10,000 and \$100,000.

Salary	Number of Employees
\$110,000 - \$119,999	4
\$150,000 - \$159,999	1
Total	5

Information Services

In 2008-2009 Information Services rolled out Synergy Soft, the latest accounting software, across the Shire of Roebourne.

This important business system upgrade allowed the conversion of two years of financial data.

Implementation was completed in April 2009.

Record Keeping Plan

The Shire of Roebourne is committed to accurate and compliant record keeping in accordance with the State Records Act 2000. In accordance with the State Records Act 2000 the Shire operates under a 'Record Keeping Plan' approved by the State Records Commission in 2004 for a period of 5 years. A review of the 'Record Keeping Plan' is currently underway which will be submitted in February 2010.

The Shire offers its staff record systems training focusing on utilising the Shire's record keeping system to manage records. This report has been published in accordance with the requirements of the State Record Keeping Act 2000.

Annual Financial Statements



Annual Financial Report

Shire of Roebourne **Financial Report** **for the year ended 30 June 2009**

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Shire of Roebourne
Welcome Road
Karratha WA 6714

Annual Financial Report

Shire of Roebourne **Financial Report** **for the year ended 30 June 2009**

Statement by Chief Executive Officer

The attached financial report of the Shire of Roebourne being the annual financial report, supporting notes and other information for the financial year ended 30 June 2009 are in my opinion properly drawn up to present fairly the financial position of the Shire of Roebourne at 30 June 2009 and the results of the operations for the financial year then ended in accordance with Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed on the 23rd day of DECEMBER 2009

Signed: _____



R McDermott
Acting Chief Executive Officer

Annual Financial Report

Shire of Roebourne Income Statement by Nature or Type for the year ended 30 June 2009

	Note	2008/09 \$	2008/09 Original Budget \$	2007/08 \$
Revenues from Ordinary Activities				
Rates	22.2	13,235,942	12,372,764	10,523,563
Operating Grants, Subsidies and Contributions	26	4,304,386	5,392,272	4,704,059
Fees and Charges	25	26,459,545	19,645,180	19,560,702
Interest Earnings	2(a)	1,928,626	747,132	1,974,690
Other Revenue		817,520	259,113	1,242,720
Total		46,746,019	38,416,461	38,005,734
Expenses from Ordinary Activities				
Employee Costs		(13,912,026)	(14,833,759)	(10,783,627)
Materials and Contracts		(9,384,561)	(8,844,270)	(6,994,942)
Utilities		(2,351,088)	(1,627,730)	(1,941,969)
Depreciation	2(a)	(5,720,183)	(8,005,659)	(5,725,782)
Interest Expenses		(552,169)	(886,739)	(396,786)
Insurance		(544,507)	(510,784)	(622,067)
Other Expenditure		(2,711,814)	(2,869,078)	(3,358,539)
Total		(35,176,348)	(37,578,019)	(29,823,712)
		11,569,671	838,442	8,182,022
Non Operating Grants, Subsidies and Contributions	26	24,981,360	3,755,828	2,638,916
Profit on Asset Disposals	19	33,806	281,098	193,135
Loss on Asset Disposal	19	(1,753,018)	(87,025)	(154,433)
Net Result		34,831,819	4,788,343	10,859,640

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

Annual Financial Report

Shire of Roebourne Income Statement by Programme for the year ended 30 June 2009

	2008/09	2008/09 Original Budget	2007/08
	\$	\$	\$
Revenues from Ordinary Activities			
General Purpose Funding	19,399,005	16,603,287	15,575,657
Governance	101,970	93,882	216,123
Law, Order and Public Safety	127,729	158,737	138,936
Health	21,642	17,715	21,883
Education and Welfare	1,468,176	437,782	70,478
Housing	149,508	492,438	1,154,913
Community Amenities	7,922,265	4,300,641	5,768,237
Recreation and Culture	22,929,428	4,322,122	2,019,563
Transport	17,218,988	14,868,036	13,483,609
Economic Services	1,432,978	714,597	1,147,798
Other Property and Services	989,496	444,150	1,240,588
	<u>71,761,185</u>	<u>42,453,387</u>	<u>40,837,785</u>
Expenses from Ordinary Activities Excluding Borrowing Costs Expense			
General Purpose Funding	(575,814)	(518,635)	(303,764)
Governance	(1,458,458)	(1,416,274)	(1,138,421)
Law, Order and Public Safety	(1,087,595)	(1,189,311)	(1,039,278)
Health	(786,374)	(834,206)	(680,658)
Education and Welfare	(203,150)	(229,179)	(183,050)
Housing	(667,228)	(2,084,766)	(544,538)
Community Amenities	(5,740,019)	(5,653,658)	(4,599,269)
Recreation and Culture	(11,121,852)	(12,031,973)	(9,052,088)
Transport	(12,564,029)	(12,063,023)	(9,553,871)
Economic Services	(1,132,510)	(1,127,382)	(861,981)
Other Property and Services	(1,235,485)	370,102	(1,624,441)
	<u>(36,572,514)</u>	<u>(36,778,305)</u>	<u>(29,581,359)</u>
	35,188,671	5,675,082	11,256,426
Borrowing Costs Expense			
General Purpose Funding	(6,184)	(6,042)	(7,199)
Governance	(187,502)	(183,138)	(209,298)
Housing	(50,142)	(215,583)	(7,726)
Community Amenities	(46,434)	(46,143)	(53,518)
Recreation and Culture	(66,590)	(65,833)	(119,045)
Transport	0	(370,000)	0
	<u>(356,852)</u>	<u>(886,739)</u>	<u>(396,786)</u>
Net Result	<u>34,831,819</u>	<u>4,788,343</u>	<u>10,859,640</u>

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

Annual Financial Report

Shire of Roebourne Balance Sheet for the year ended 30 June 2009

	Note	2008/09 \$	2007/08 \$
Current Assets			
Cash and Cash Equivalents	3	60,057,558	32,332,193
Trade and Other Receivables	4	7,059,704	5,425,366
Inventories	5	728,361	259,136
Total Current Assets		67,845,623	38,016,695
Non-Current Assets			
Trade and Other Receivables	4	108,774	132,765
Property, Plant and Equipment	6	47,885,325	44,580,841
Infrastructure	7	72,490,219	58,167,017
Total Non-Current Assets		120,484,318	102,880,623
Total Assets		188,329,941	140,897,318
Current Liabilities			
Trade and Other Payables	8	5,536,730	7,130,698
Current Portion of Long Term Borrowings	9	1,728,038	704,490
Provisions	10	1,781,296	1,465,568
Total Current Liabilities		9,046,064	9,300,756
Non-Current Liabilities			
Long Term Borrowings	9	18,188,610	5,416,647
Provisions	10	233,485	149,952
Total Non-Current Liabilities		18,422,095	5,566,599
Total Liabilities		27,468,159	14,867,355
Net Assets		160,861,782	126,029,963
Equity			
Retained Surplus		113,846,355	90,450,464
Reserves - Cash Backed	11	35,334,417	23,898,489
Reserves - Asset Revaluation	12	11,681,010	11,681,010
Total Equity		160,861,782	126,029,963

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

Annual Financial Report

Shire of Roebourne Statement of Changes in Equity for the year ended 30 June 2009

	Note	2008/09 \$	2007/08 \$
Retained Surplus			
Balance as at 1 July 2008		90,450,464	83,663,725
Net Result		34,831,819	10,859,640
Transfer from Reserves		9,289,486	2,956,371
Transfer to Reserves		(20,725,414)	(7,029,272)
Balance as at 30 June 2009		<u>113,846,355</u>	<u>90,450,464</u>
Reserves - Cash Backed			
Balance as at 1 July 2008		23,898,489	19,825,588
Transfer from Retained Surplus		20,725,414	7,029,272
Transfer to Retained Surplus		(9,289,486)	(2,956,371)
Balance as at 30 June 2009	11	<u>35,334,417</u>	<u>23,898,489</u>
Reserve - Asset Revaluation			
Balance as at 1 July 2008		11,681,010	11,681,010
Revaluation Increment		0	0
Revaluation Decrement		0	0
Balance as at 30 June 2009		<u>11,681,010</u>	<u>11,681,010</u>
Total Equity	12	<u>160,861,782</u>	<u>126,029,963</u>

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

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Shire of Roebourne Cash Flow Statement for the year ended 30 June 2009

	2008/09	2008/09 Original Budget	2007/08
Note	\$	\$	\$
Cash Flows from Operating Activities			
Receipts			
Rates	13,140,513	14,724,303	10,333,272
Grants and Subsidies - Operating	2,628,963	4,295,223	4,193,342
Fees and Charges	25,756,695	19,491,786	18,900,003
Contributions, Reimbursements and Donations	389,214	1,165,357	1,601,982
Interest Earnings	2,005,290	747,132	1,913,163
Goods and Service Tax	1,139,443	2,500,000	41,704
Other	1,057,753	259,113	1,131,894
	<u>46,117,871</u>	<u>43,182,914</u>	<u>38,115,360</u>
Payments			
Employee Costs	(12,995,117)	(14,809,123)	(10,581,785)
Materials and Contracts	(12,293,786)	(10,376,133)	(2,568,281)
Utilities (gas, electricity, water etc)	(2,382,979)	(1,505,243)	(2,005,398)
Insurance	(544,507)	(510,784)	(622,067)
Interest	(356,851)	(880,126)	(396,786)
Goods and Service Tax	(1,139,443)	(2,500,000)	(41,704)
Other	(2,432,676)	(2,784,868)	(4,055,896)
	<u>(32,145,359)</u>	<u>(33,366,277)</u>	<u>(20,271,917)</u>
Net Cash Provided by Operating Activities	13 <u>13,972,512</u>	<u>9,816,637</u>	<u>17,843,443</u>
Cash Flows from Investing Activities			
Payments for Purchase of Property, Plant and Equipment	(6,228,701)	(19,457,334)	(3,853,395)
Payments for Construction of Infrastructure	(19,291,014)	(30,897,834)	(8,444,314)
Grants and Contributions for the Development of Assets	24,981,360	3,755,828	1,692,615
Proceeds from Sale of Plant and Equipment	19 452,632	2,360,956	694,829
Net Cash Used in Investing Activities	<u>(85,723)</u>	<u>(44,238,384)</u>	<u>(9,910,265)</u>
Cash Flows from Financing Activities			
Repayment of Debentures	21.3 (704,489)	(1,135,236)	(677,056)
Proceeds from Self Supporting Loan	21.5 16,170	16,170	27,655
Proceeds from Local Group Loans	26,895	20,616	26,616
Proceeds from New Debentures	21.2 14,500,000	14,500,000	0
Net Cash Provided by (Used in) Financing Activities	<u>13,838,576</u>	<u>13,401,550</u>	<u>(622,785)</u>
Net increase (Decrease) in Cash Held	27,725,365	(21,020,197)	7,310,393
Cash at Beginning of Year	32,332,193	31,048,805	25,021,800
Cash and Cash Equivalents at the End of the Year	3 <u>60,057,558</u>	<u>10,028,608</u>	<u>32,332,193</u>

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

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Shire of Roebourne Rate Setting Statement for the year ended 30 June 2009

	Note	2008/09 \$	2008/2009 Budget \$
Revenue			
General Purpose Funding (Excluding Rates)		6,163,063	4,230,523
Governance		101,970	93,882
Law, Order and Public Safety		127,729	158,737
Health		21,642	17,715
Education and Welfare		1,468,176	437,782
Housing		149,508	492,438
Community Amenities		7,922,265	4,300,641
Recreation & Culture		22,929,428	4,322,122
Transport		17,218,988	14,868,036
Economic Services		1,432,978	714,597
Other Property and Services		989,496	444,150
		<u>58,525,243</u>	<u>30,080,623</u>
Expenses			
General Purpose Funding		(581,998)	(524,677)
Governance		(1,645,960)	(1,599,412)
Law, Order and Public Safety		(1,087,595)	(1,189,311)
Health		(786,374)	(834,206)
Education and Welfare		(203,150)	(229,179)
Housing		(717,370)	(2,300,349)
Community Amenities		(5,786,453)	(5,699,801)
Recreation & Culture		(11,188,442)	(12,097,806)
Transport		(12,564,029)	(12,433,023)
Economic Services		(1,132,510)	(1,127,382)
Other Property and Services		(1,235,485)	370,102
		<u>(36,929,366)</u>	<u>(37,665,044)</u>
Adjustments for Cash Budget Requirements:			
Non-Cash Expenditure & Revenue			
(Profit)/Loss on Asset Disposals		1,719,212	(194,073)
Movement in Accrued Interest		0	(6,613)
Movement in Employee Benefit Provisions		399,261	24,636
Depreciation on Assets		5,720,183	8,005,659
Capital Expenditure and Revenue			
Purchase of Assets - Land		(889,030)	(1,434,581)
Purchase of Assets - Buildings		(2,960,454)	(14,102,497)
Purchase of Assets - Equipment		(419,361)	(764,740)
Purchase of Assets - Furniture & Equipment		(331,341)	(445,444)
Purchase of Assets - Plant		(1,628,515)	(2,710,072)
Purchase of Assets - Infrastructure		(19,291,014)	(30,897,834)
Repayment of Debentures		(704,489)	(1,135,236)
Transfer to Reserves		(20,725,414)	(5,365,461)
Income Set Aside As Restricted Funds		(23,193,970)	(21,000)
Proceeds from Sale of Assets		452,632	2,360,956
Transfer from Reserves		9,289,486	20,966,698
Proceeds from New Debentures		14,500,000	14,500,000
Proceeds from Self Supporting Loan		16,170	16,170
Proceeds from Local Group Loans		26,895	20,616
Surplus/(Deficit) July 1 Brought Forward		6,630,524	6,315,373
(Surplus)/Deficit June 30 Carried Forward		(3,442,594)	79,100
Amount required to be raised from Rates		<u>(13,235,942)</u>	<u>(12,372,764)</u>

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

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

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 report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other mandatory professional reporting requirements and the Local Government Act 1995 and accompanying regulations. The report has also been prepared on the accrual basis under the convention of historical cost accounting as modified by the accounting treatment relating to the revaluation of financial assets and liabilities at fair value through profit and loss and certain classes of non-current assets.

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 for 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 17 to these financial statements.

(c) Goods and Services Tax

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

(d) Cash and Cash Equivalents

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

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

(e) Trade and Other Receivables

Trade receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts.

Collectibility of trade 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.

Annual Financial Report

Shire of Roebourne Notes to and forming part of the Financial Report for the year ended 30 June 2009

1. Significant Accounting Policies (con't)

(f) Inventories

General

Inventories are valued 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.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

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 and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

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

(g) Fixed Assets

Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Municipality includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

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.

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.

Land under Roads

Land under roads is excluded from infrastructure in accordance with the transitional arrangements available under AASB 1045 and in accordance with legislative requirements.

Annual Financial Report

Shire of Roebourne **Notes to and forming part of the Financial Report** **for the year ended 30 June 2009**

1. Significant Accounting Policies (con't)

(g) Fixed Assets (con't)

i) Assets are classified into the following categories:

- Land
- Artwork/Sculptures
- Buildings
- Furniture and (internal) Equipment
- Plant
- Equipment (external)
- Tools
- Roads
- Footpaths and Cycleways
- Aerodrome
- Parks and Gardens
- Hardcourt Facilities
- Bridges and Culverts
- Drainage
- Miscellaneous Structures
- Boat Ramps/Jetties

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

iii) Land - All purchases are capitalised at cost.

iv) Artwork/Sculptures - All purchases are capitalised at cost.

v) Buildings - Expenses totalling less than \$1,000 on any building in any one year are not capitalised.

vi) Furniture and (internal) Equipment - Expenses totalling less than \$500 on any one item in any year are not capitalised.

vii) Plant and (external) Equipment and Tools - Expenses totalling less than \$1,000 on any one item in any year are not capitalised.

viii) Infrastructure Assets - Roads - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.

ix) Infrastructure Assets - Footpaths and Cycleways - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.

x) Infrastructure Assets - Aerodrome - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.

xi) Infrastructure Assets - Parks and Reserves - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.

xii) Infrastructure Assets - Hardcourt Facilities - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.

xiii) Infrastructure Assets - Bridges and Culverts - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.

xiv) Infrastructure Assets - Drainage - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

1. Significant Accounting Policies (con't)

(g) Fixed Assets (con't)

xv) Infrastructure Assets - Miscellaneous Structures - Expenses totalling less than \$2,000 on any one item in any year are not capitalised.

xvi) 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.

(h) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are separately and systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

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

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%

Depreciation on each asset is charged to the programme to which the asset principally relates or, where possible, to the activity in which the asset was actually used.

i) Investments and Other Financial Assets

Classification

Council classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

Annual Financial Report

Shire of Roebourne Notes to and forming part of the Financial Report for the year ended 30 June 2009

1. Significant Accounting Policies (con't)

i) Investments and Other Financial Assets (con't)

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. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

iii) Held-to-maturity Investments

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

iv) Available-for-sale financial assets

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

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when Council's right to receive payments is established. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Annual Financial Report

Shire of Roebourne Notes to and forming part of the Financial Report for the year ended 30 June 2009

1. Significant Accounting Policies (con't)

i) Investments and Other Financial Assets (con't)

Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available-for-sale are not reversed through the income statement.

(j) 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 balance sheet date. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. 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.

(k) 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 estimate of the recoverable amount of the asset is made in accordance with AASB 136 'Impairment of Assets' and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income Statement.

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.

(l) Trade and Other Payables

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

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

1. Significant Accounting Policies (con't)

(m) Employee Benefits

The provision for employee benefits relates to amounts expected to be paid to employees 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 that the municipality has a present obligation to pay resulting from employees' services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

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 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 number 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

(n) Interest-bearing Loans and Borrowings

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

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

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

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.

(o) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Annual Financial Report

Shire of Roebourne **Notes to and forming part of the Financial Report** **for the year ended 30 June 2009**

1. Significant Accounting Policies (con't)

(p) 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 company, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

(q) Joint Venture

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

(r) Rates, Grants, Donations and Other Contributions

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

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

(s) Superannuation

The Shire of Roebourne contributes 13% with employees having "Choice of Super fund" for 9% and the remaining 4% going to the Local Government Superannuation Scheme.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(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) 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 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.

Annual Financial Report

Shire of Roebourne Notes to and forming part of the Financial Report for the year ended 30 June 2009

1. Significant Accounting Policies (cont'd)

(w) New Accounting Standards and interpretations

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 2009.

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

	Title and Topic	Issued	Applicable (*)	Impact
(i)	AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8	February 2007	1 January 2009	Nil – The Standard is not applicable to not-for-profit entities.
(ii)	Revised AASB 123 Borrowing Costs and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 2009 1 & 12]	June 2007 and April 2009	1 January 2009	Nil – The revised Standard has removed the option to expense all borrowing costs and, when adopted, will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. There will be no impact on the financial report of the Council as the council already capitalises borrowing costs relating to qualifying assets.
(iii)	Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 and AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101	September 2007 and December 2007	1 January 2009	Nil – The revised Standard requires the presentation of a Statement of comprehensive income and makes changes to the Statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If Council has made a prior period adjustment or has reclassified items in the financial statements, it is likely it will need to disclose a third balance sheet (Statement of financial position), being as at the beginning of the comparative period.
(iv)	AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project	July 2008	1 January 2009	Nil – The revisions are part of the AASBs annual improvement project to help ensure consistency with presentation, recognition and measurement criteria of IFRSs

Annual Financial Report

Shire of Roebourne Notes to and forming part of the Financial Report for the year ended 30 June 2009

1. Significant Accounting Policies (con't)

(w) New Accounting Standards and interpretations (con't)

Title and Topic	Issued	Applicable (*)	Impact
(vi) AASB 2008-9 Amendments to AASB 1049 for Consistency with con't AASB 101	September 2008	1 January 2009	
AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17 - Distributions of Non-Cash Assets to Owners	December 2008	1 July 2009	
Interpretation 1 – Changes in Existing, Decommissioning, Restoration and Similar Liabilities	June 2007	1 January 2009	
Interpretation 12 – Service Concession Arrangements	June 2007	1 January 2009	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
Interpretation 15 – Agreements for the Construction of Real Estate	August 2008	1 January 2009	
Interpretation 16 – Hedges of a Net Investment in a Foreign Operation	August 2008	1 October 2008	
Interpretation 17 – Distributions of Non-Cash Assets to Owners	December 2008	1 July 2009	
Interpretation 18 – Transfers of Assets from Customers	March 2009	Ending 1 July 2009	

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

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

	Note	2008/09 \$	2007/08 \$
2. Revenues and Expenses			
(a) Result from Ordinary Activities			
The result from ordinary activities includes:			
(1) Charging as an Expense:			
Auditors Remuneration			
- Audit		23,255	19,750
- Other Services		6,078	5,240
Depreciation			
Artwork/Sculptures		2,502	2,521
Buildings		888,822	884,114
Equipment		185,671	165,670
Furniture and Equipment		240,153	211,617
Plant		848,075	931,539
Infrastructure - Roads		2,071,938	2,138,095
Infrastructure - Paths and Cycleways		169,326	205,135
Infrastructure - Aerodromes		694,319	548,899
Infrastructure - Parks and Gardens		84,139	83,850
Infrastructure - Hardcourt Facilities		58,225	57,269
Infrastructure - Bridges and Culverts		195,913	226,615
Infrastructure - Drainage		14,743	14,743
Infrastructure - Miscellaneous Structures		179,750	169,170
Infrastructure - Boat Ramps		86,607	86,545
		<u>5,720,183</u>	<u>5,725,782</u>
Rental Charges			
- Operating Leases		115,840	227,558
(2) Crediting as Revenue:			
Interest Earnings			
Earnings on Reserve Funds			
Airport Reserve		603,767	710,618
Airconditioner Replacement Reserve		7,505	6,843
Dampier Drainage Reserve		1,394	702
Walkington Theatre Operating Reserve		1,536	1,311
Plant Replacement Reserve		86,797	38,529
Workers Compensation Reserve		56,431	40,934
Waste Management Reserve		153,247	17,697
Infrastructure Reserve		286,946	243,918
Housing Reserve		69,446	85,927
Parks, Ovals and Recreation Facilities Reserve		7,234	6,175
Information Technology Reserve		14,018	14,650
Aged Persons Homes Reserve		3,045	1,984
Junior Sport Reserve		3,802	2,516
Public Open Space Reserve		33,714	28,778
History & Cultural Publications Reserve		3,016	2,575
Mosquito Control Reserve		70	31
Medical Services incentive Scheme Reserve		14,606	8,395
Earnings on Municipal Funds			
General Funds		558,741	743,041
Long Service Leave (Cash Backed)		23,311	20,066
Total		<u>1,928,626</u>	<u>1,974,690</u>

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

2. Revenues and Expenses (con't)

(b) Statement of Objective

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

GENERAL PURPOSE FUNDING

Rating and Government Grant functions.

includes the financial assistance grant received from the Local Government Grants Commission and all rate income.

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.

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 and Roebourne Swimming Pools, 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 aerodrome. 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 Bureaus and the Pilbara Tourism Association, and the costs associated with building control.

Annual Financial Report

Shire of Roebourne

**Notes to and forming part of the Financial Report
for the year ended 30 June 2009**

2. Revenues and Expenses (con't)

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 costs are then reallocated to the other functions.

The costs associated with financing and administration are allocated direct to the relevant functions.

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

2. Revenues and Expenses (con't)

	2008/09	2007/08
	\$	\$
(c) Conditions Over Contributions		
Grants recognised as revenues in a previous reporting period which were not expended at the close of the previous reporting period (ie opening balances).		
PDC Andover Way Park	3,600	3,600
Regional Youth Co-Ordinators	2,509	2,617
Office of Crime Prevention-Community Safety Plan (formerly known as "Living Well Myself")	27,513	32,691
PDC Hydrology Grant	20,000	20,000
Bush Tucker & Medicine Plant	40,000	40,000
CSSU/DoTRS/PDC-Millars Well Daycare	2,093	2,093
Youth Leadership	276,488	1,107,813
City of Belmont-"Finding My Place"	0	593
PDC-Cultural Planning & Development (formerly Art Consultancy)	4,877	5,272
WA Tourism Commission-Tourism Feasibility Study	50,000	50,000
MRWA-Bridge works	2,273	2,273
Waterways Grant-St Luke's oval	0	364,000
Country Housing-Doctors' Housing	45,455	0
	858,000	0
	1,332,808	1,630,952
Add:		
New grants which were recognised as revenues during the reporting period and which had not yet been fully expended by the contributor.		
Waterways Grant-St Luke's oval	0	45,455
Country Housing-Doctors' Housing	0	858,000
Leisure & Learning Precinct	20,300,000	0
Nickol West Skate Park	280,000	0
Wickham Skate Park	56,000	0
Dampier Pavillion	56,000	0
Roebourne Enhancement Scheme	111,909	0
Baynton West Family Centre	1,000,000	0
Roads to Recovery	77,930	0
	21,881,839	903,455

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

2. Revenues and Expenses (con't)

	2008/09	2007/08
	\$	\$
(c) Conditions Over Contributions (con't)		
Less:		
Grants which were recognised as revenues in a previous reporting period and which were expended in the current reporting period in the manner specified by the contributor.		
Regional Youth Co-Ordinators	356	108
Office of Crime Prevention-Community Safety Plan	27,513	5,178
Bush Tucker & Medicine Plant	2,093	0
CSSU/DoTRS/PDC-Millars Well Daycare	276,488	831,325
Youth Leadership	0	593
City of Belmont-"Finding My Place"	0	395
MRWA Bridegworks	0	364,000
PDC-Cultural Planning & Development (formerly Art Consultancy)	29,019	0
Country Housing-Doctors' Housing	858,000	0
	<u>1,193,469</u>	<u>1,201,599</u>
Closing balances of unexpended grants	<u>22,021,178</u>	<u>1,332,808</u>
Comprises:		
PDC Andover Way Park	3,600	3,600
Regional Youth Co-Ordinators	2,153	2,509
Office of Crime Prevention-Community Safety Plan (formerly known as "Living Well Myself")	0	27,513
PDC Hydrology Grant	40,000	40,000
Bush Tucker & Medicine Plant	0	2,093
CSSU/DoTRS/PDC-Millars Well Daycare	0	276,488
City of Belmont-"Finding My Place"	4,877	4,877
PDC-Cultural Planning & Development (formerly Art Consultancy)	20,981	50,000
WA Tourism Commission-Tourism Feasibility Study	2,273	2,273
Waterways Grant-St Luke's oval	45,455	45,455
Country Housing-Doctors' Housing	0	858,000
Leisure & Learning Precinct	20,300,000	0
Royalties for Regions-Nickol West Skate Park	224,000	0
Country Regional Council Funding-Nickol West Skate Park	56,000	0
Royalties for Regions-Wickham Skate Park	56,000	0
Royalties for Regions-Dampier Pavillion	56,000	0
Roebourne Enhancement Scheme	50,909	0
Dept of Sport & Rec-Roebourne Enhancement Scheme	61,000	0
Baynton West Family Centre	1,000,000	0
Roads to Recovery	77,930	0
	<u>22,021,178</u>	<u>1,332,808</u>

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report
for the year ended 30 June 2009

	Note	2008/09 \$	2007/08 \$
3. Cash and Cash Equivalents			
Cash on Hand		89,890	18,240
Cash at Bank		59,967,668	32,313,953
Total Cash		60,057,558	32,332,193
Represented by:			
Cash Unrestricted		1,221,515	4,447,458
Cash Restricted		58,836,043	27,884,735
Total		60,057,558	32,332,193
Restricted Cash Summary:			
Reserve Funds			
Aerodrome Reserve		12,473,340	12,962,105
Walkington Theatre Reserve		4,297	22,761
Airconditioning Reserve		118,741	111,236
Dampier Drainage Reserve		32,056	20,662
Plant Replacement Reserve		1,810,736	1,213,528
Infrastructure Reserve		7,624,334	4,252,883
Workers Compensation Reserve		1,056,442	836,368
Waste Management Reserve		5,345,051	2,271,303
Housing Reserve		5,706,614	1,029,275
Parks, Ovals & Recreation Facilities Reserve		7,586	107,216
Information Technology Reserve		110,972	207,760
Aged Person Reserve		58,867	45,133
Public Open Space Reserve		533,402	499,688
History & Cultural Publications Reserve		47,722	44,706
Junior Sport Reserve		67,532	56,357
Mosquito Control Reserve		1,601	1,031
Medical Services Assistance Package Reserve		335,124	216,477
Reserve Funds Total	11	35,334,417	23,898,489
Other Restricted Funds			
Long Service Leave Liability (Cash Backed)		330,967	307,656
Unspent Loan Money		942,220	2,056,383
Income from Roebourne Community Recreation Assoc inc		23,024	23,024
Pilbara Mesquite Committee		5,766	29,933
Medical Services incentive Scheme		0	9,288
West Pilbara Disaster Mitigation Study		0	22,158
Walking Paths Network		1,797	1,797
Pilbara Iron/Burrup Fertiliser-Early Learning Scholarship		0	26,525
Landcorp-Nickol West Footpaths		16,995	16,995
Stage 1 Hillcrest Footpath		17,662	17,662
Stage 2 Hillcrest Footpath		45,796	45,796
Stage 3 Hillcrest Footpath		49,107	49,107
Stage 4 Hillcrest Footpath		5,602	5,602
Stage 5 Hillcrest Footpath		15,525	15,525
Stage 6 Hillcrest Footpath		5,468	5,468
Stage 8 Hillcrest Footpath		8,977	8,977
Stage 9 Hillcrest Footpath		11,542	11,542
Other Restricted Funds Total		1,480,448	2,653,438

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report
for the year ended 30 June 2009

Restricted Cash Summary (con't)

	2008/09	2007/08
	\$	\$
Government Grants		
PDC Andover Way Park	3,600	3,600
Regional Youth Co-ordinators	2,153	2,509
Office of Crime Prevention-Community Safety Plan	0	27,513
Office of Crime Prevention-"Roebourne Sports Activity officer" Programme (formerly known as "Living Well Myself")	20,000	20,000
PDC Hydrology Grant	40,000	40,000
Bush Tucker & Medicine Plant	0	2,093
CSSU/DoTRS/PDC-Millars Well Daycare	0	276,488
City of Belmont-"Finding My Place"	4,877	4,877
PDC-Cultural Planning & Development (formerly Art Consultancy)	20,981	50,000
WA Tourism Commission-Tourism Feasibility Study	2,273	2,273
Waterways Grant-St Luke's Oval	45,455	45,455
Country Housing-Doctors' Housing	0	858,000
Leisure & Learning Precinct	20,300,000	0
Royalties for Regions-Nickol West Skate Park	224,000	0
Country Regional Council Funding-Nickol West Skate Park	56,000	0
Royalties for Regions-Wickham Skate Park	56,000	0
Royalties for Regions-Dampier Pavillion	56,000	0
Roebourne Enhancement Scheme	50,909	0
Dept of Sport & Rec-Roebourne Enhancement Scheme	61,000	0
Baynton West Family Centre	1,000,000	0
Roads to Recovery-unexpended grants	77,930	0
Government Grants Total	<u>22,021,178</u>	<u>1,332,808</u>
Restricted Cash Total	<u>58,836,043</u>	<u>27,884,735</u>

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report
for the year ended 30 June 2009

	Note	2008/09 \$	2007/08 \$
4. Trade and Other Receivables			
Current			
Sundry Debtors - Rates		756,656	662,188
Sundry Debtors - Rubbish		14,711	20,465
Sundry Debtors - Legal Costs Rates		2,285	4,887
Sundry Debtors - Fees & Charges for Services		1,366,044	1,258,657
Sundry Debtors - Private Works		243,667	154,356
Sundry Debtors - Income from Property		2,936	55,253
Sundry Debtors - Aerodrome		2,303,617	1,708,843
Sundry Debtors - Government Grants		1,495,621	488,906
Sundry Debtors - Reimbursements & General		579,736	963,131
Sundry Debtors - Self Supporting Loans		0	18,708
Staff Housing bonds		86,048	30,942
Self Supporting Loans		11,137	16,170
Interest Free Loans		7,536	20,616
Accrued Income		483,388	285,398
Prepayments		177,161	173,148
less Provision for Doubtful Debts		(470,839)	(436,302)
		<u>7,059,704</u>	<u>5,425,366</u>
Non-Current			
Loans to Local Groups		30,109	43,925
Self Supporting Loans		67,224	78,360
Deferred Pensioner Rates		11,441	10,480
Total		<u>108,774</u>	<u>132,765</u>
5. Inventories			
Current			
Materials and Fuel		211,376	223,205
Food, Drinks and Merchandise Tien Tsin Inne		14,221	21,283
Food, Drinks and Merchandise Karratha Entertainment Centre		896	2,424
Food, Drinks and Merchandise Cossack Café		5,568	8,121
Food, Drinks and Merchandise Karratha Swimming Pool		2,148	3,233
Food, Drinks and Merchandise Roebourne Swimming Pool		275	870
Land Held for Sale - Work in Progress			
Cost of Acquisition		37,370	0
Development Costs		456,507	0
		<u>728,361</u>	<u>259,136</u>

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report
for the year ended 30 June 2009

6. Property, Plant and Equipment	2008/09 \$	2007/08 \$
Land		
Land at Cost	4,116,881	4,116,881
	<u>4,116,881</u>	<u>4,116,881</u>
Buildings		
Buildings at Cost	52,091,860	49,351,713
Less Accumulated Depreciation	(16,572,355)	(15,779,344)
	<u>35,519,505</u>	<u>33,572,369</u>
Plant		
Plant At Cost	6,222,163	7,886,522
Less Accumulated Depreciation	(3,746,183)	(3,607,080)
	<u>4,475,980</u>	<u>4,279,442</u>
Equipment		
Equipment (External) At Cost	3,276,237	3,004,599
Less Accumulated Depreciation	(2,681,263)	(2,643,315)
	<u>594,974</u>	<u>361,284</u>
Furniture and (internal) Equipment		
Furniture and (Internal) Equipment At Cost	2,297,210	2,336,086
Less Accumulated Depreciation	(1,591,351)	(1,709,959)
	<u>705,859</u>	<u>626,127</u>
Artwork/Sculptures		
Artwork/Sculptures Assets At Cost	125,774	125,774
Less Accumulated Depreciation	(16,857)	(14,355)
	<u>108,917</u>	<u>111,419</u>
Works in Progress		
Works in Progress	2,363,209	1,513,319
	<u>47,885,325</u>	<u>44,580,841</u>

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.

Type of Asset	Land	Building	Plant	Equipment	Furniture & Equipment	Artwork	Works in Progress	Total
Balance at beginning of the year	4,116,881	33,572,369	4,279,442	361,284	626,127	111,419	1,513,319	44,580,841
Additions	936,654	3,502,227	1,628,516	419,361	331,342	0	1,773,810	8,591,910
Works in Progress	(936,654)	(499,252)	0	0	(3,383)	0	(923,920)	(2,363,209)
Disposals At Cost	0	(262,828)	(1,292,875)	(147,724)	(366,831)	0	0	(2,070,258)
Adjustments	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0
Increments/Decrements	0	0	0	0	0	0	0	0
Depreciation Expense	0	(888,822)	(848,075)	(185,671)	(240,153)	(2,502)	0	(2,165,223)
Written Back Depreciation	0	95,811	708,972	147,724	356,757	0	0	1,311,264
Carrying amount at the end of year	<u>4,116,881</u>	<u>35,519,505</u>	<u>4,475,980</u>	<u>594,974</u>	<u>705,859</u>	<u>108,917</u>	<u>2,363,209</u>	<u>47,885,325</u>

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

7. Infrastructure	2008/09 \$	2007/08 \$
Roads		
Infrastructure Assets At Cost	62,042,818	61,172,705
Less Accumulated Depreciation	(40,138,139)	(38,066,202)
	<u>21,904,679</u>	<u>23,106,503</u>
Paths and Cycleways		
Infrastructure Assets At Cost	5,492,084	5,361,565
Less Accumulated Depreciation	(3,105,756)	(2,936,429)
	<u>2,386,328</u>	<u>2,425,136</u>
Aerodromes		
Infrastructure Assets At Cost	35,585,211	15,686,685
Less Accumulated Depreciation	(5,196,004)	(5,633,471)
	<u>30,389,207</u>	<u>10,053,214</u>
Parks and Gardens		
Infrastructure Assets At Cost	8,596,206	8,404,624
Less Accumulated Depreciation	(870,836)	(786,697)
	<u>7,725,370</u>	<u>7,617,927</u>
Hardcourt Facilities		
Infrastructure Assets At Cost	2,518,407	2,439,965
Less Accumulated Depreciation	(738,928)	(680,703)
	<u>1,779,479</u>	<u>1,759,262</u>
Bridges and Culverts		
Infrastructure Assets At Cost	5,141,228	5,141,228
Less Accumulated Depreciation	(3,745,232)	(3,549,319)
	<u>1,395,996</u>	<u>1,591,909</u>
Drainage		
Infrastructure Assets At Cost	371,188	819,058
Less Accumulated Depreciation	(14,743)	(447,870)
	<u>356,445</u>	<u>371,188</u>
Boat Ramps		
Infrastructure Assets At Cost	1,847,689	1,847,689
Less Accumulated Depreciation	(1,217,519)	(1,130,912)
	<u>630,170</u>	<u>716,777</u>
Miscellaneous Structures		
Infrastructure Assets At Cost	4,092,141	4,003,316
Less Accumulated Depreciation	(961,901)	(899,015)
	<u>3,130,240</u>	<u>3,104,301</u>
Works in Progress		
Works in Progress	2,792,305	7,420,800
	<u>72,490,219</u>	<u>58,167,017</u>

Annual Financial Report

Shire of Roebourne Notes to and forming part of the Financial Report for the year ended 30 June 2009

7. Infrastructure (cont'd)

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.

Type of Asset	Roads	Paths and Cycleways	Aerodromes	Parks and Gardens	Hardcourt Facilities	Bridges and Culverts	Drainage	Boat Ramps	Miscellaneous Structures	Works In Progress	Total
Balance at beginning of the year	23,106,503	2,425,136	10,053,214	7,617,927	1,759,262	1,591,909	371,188	716,777	3,104,301	7,420,800	58,167,017
Additions	1,949,482	436,735	22,453,987	392,210	228,503	0	501,368	41,967	707,562	(4,628,495)	22,083,319
Works in Progress	(1,079,368)	(306,217)	(55,461)	(200,628)	(150,058)	0	(501,368)	(41,967)	(457,237)	0	(2,792,305)
Disposals At Cost	0	0	0	0	0	0	0	0	(161,500)	0	(161,500)
Adjustments	0	0	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0	0	0
Increments/Decrements	0	0	(2,500,000)	0	0	0	0	0	0	0	(2,500,000)
Depreciation Expense	(2,071,938)	(169,326)	(694,319)	(84,139)	(58,225)	(195,913)	(14,743)	(86,607)	(179,750)	0	(3,554,960)
Written Back Depreciation	0	0	1,131,786	0	0	0	0	0	116,864	0	1,248,650
Carrying amount at the end of year	21,904,679	2,386,328	30,389,207	7,725,370	1,779,479	1,395,996	356,445	630,170	3,130,240	2,792,305	72,490,219

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report
for the year ended 30 June 2009

	2008/09 \$	2007/08 \$
8. Trade and Other Payables		
Current		
Sundry Creditors	3,833,699	3,582,360
Accrued Expenses	1,601,432	3,416,662
Income Received in Advance	101,599	131,676
	<u>5,536,730</u>	<u>7,130,698</u>
9. Long-Term Borrowings		
Current		
WA Treasury Corporation Loan	1,602,251	586,406
Commonwealth Bank Loan	125,787	118,084
Total	<u>1,728,038</u>	<u>704,490</u>
Non Current		
WA Treasury Corporation Loan	17,680,265	4,782,517
Commonwealth Bank Loan	508,345	634,130
Total	<u>18,188,610</u>	<u>5,416,647</u>
Additional detail on borrowings is provided in Note 21.		
10. Provisions		
Current		
Provision for Annual Leave		
Opening Balance	909,754	842,119
Leave accrued	1,154,926	807,046
Leave taken	(938,684)	(739,411)
Closing Balance	<u>1,125,996</u>	<u>909,754</u>
Provision for Long Service Leave		
Opening Balance	555,814	485,363
Leave accrued	185,369	174,480
Leave taken	(85,883)	(104,029)
Closing Balance	<u>655,300</u>	<u>555,814</u>
Total	<u>1,781,296</u>	<u>1,465,568</u>
Non-Current		
Provision for Long Service Leave		
Opening Balance	149,952	61,341
Leave accrued	83,533	88,611
Leave taken	0	0
Closing Balance	<u>233,485</u>	<u>149,952</u>
Total	<u>233,485</u>	<u>149,952</u>

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Shire of Roebourne

Notes to and forming part of the Financial Report
for the year ended 30 June 2009

11. Reserves - Cash Backed	2008/09	2008/09 Original Budget	2007/08
	\$	\$	\$
Aerodrome Reserve			
Opening Balance	12,962,105	13,513,204	11,628,117
Transfer from Accumulated Surplus	6,623,936	144,577	1,333,988
Transfer to Accumulated Surplus	(7,112,701)	(11,447,813)	0
Closing Balance	<u>12,473,340</u>	<u>2,209,968</u>	<u>12,962,105</u>
Walkington Theatre Operating Reserve			
Opening Balance	22,761	2,723	21,451
Transfer from Accumulated Surplus	1,536	191	1,310
Transfer to Accumulated Surplus	(20,000)	0	0
Closing Balance	<u>4,297</u>	<u>2,914</u>	<u>22,761</u>
Air-Conditioning Reserve			
Opening Balance	111,236	108,234	111,968
Transfer from Accumulated Surplus	7,505	1,976	6,843
Transfer to Accumulated Surplus	0	(80,000)	(7,575)
Closing Balance	<u>118,741</u>	<u>30,210</u>	<u>111,236</u>
Plant Replacement Reserve			
Opening Balance	1,213,528	1,070,969	630,464
Transfer from Accumulated Surplus	924,208	925,008	1,048,529
Transfer to Accumulated Surplus	(327,000)	(657,000)	(465,465)
Closing Balance	<u>1,810,736</u>	<u>1,338,977</u>	<u>1,213,528</u>
Dampier Drainage Reserve			
Opening Balance	20,662	12,175	11,493
Transfer from Accumulated Surplus	11,394	852	9,169
Transfer to Accumulated Surplus	0	0	0
Closing Balance	<u>32,056</u>	<u>13,027</u>	<u>20,662</u>
Infrastructure Reserve			
Opening Balance	4,252,883	4,619,817	3,991,327
Transfer from Accumulated Surplus	4,983,566	2,655,483	2,071,041
Transfer to Accumulated Surplus	(1,612,115)	(6,318,942)	(1,809,485)
Closing Balance	<u>7,624,334</u>	<u>956,358</u>	<u>4,252,883</u>
Workers Compensation Reserve			
Opening Balance	836,368	804,224	669,815
Transfer from Accumulated Surplus	220,074	193,089	166,553
Transfer to Accumulated Surplus	0	0	0
Closing Balance	<u>1,056,442</u>	<u>997,313</u>	<u>836,368</u>
Waste Management Reserve			
Opening Balance	2,271,303	2,443,628	289,578
Transfer from Accumulated Surplus	3,073,748	214,626	2,146,243
Transfer to Accumulated Surplus	0	(1,315,458)	(164,518)
Closing Balance	<u>5,345,051</u>	<u>1,342,796</u>	<u>2,271,303</u>
Housing Reserve			
Opening Balance	1,029,275	1,054,462	1,406,059
Transfer from Accumulated Surplus	4,677,339	8,725	85,928
Transfer to Accumulated Surplus	0	(929,815)	(462,712)
Closing Balance	<u>5,706,614</u>	<u>133,372</u>	<u>1,029,275</u>

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

	2008/09	2008/09 Original Budget	2007/08
	\$	\$	\$
11. Reserves - Cash Backed (con't)			
Parks, Ovals & Recreation Facilities Reserve			
Opening Balance	107,216	107,033	101,041
Transfer from Accumulated Surplus	7,234	12	6,175
Transfer to Accumulated Surplus	(106,864)	(106,864)	0
Closing Balance	7,586	181	107,216
Information Technology Reserve			
Opening Balance	207,760	111,206	239,726
Transfer from Accumulated Surplus	14,018	28	14,650
Transfer to Accumulated Surplus	(110,806)	(110,806)	(46,616)
Closing Balance	110,972	428	207,760
Aged Persons Unit Reserve			
Opening Balance	45,133	45,075	32,461
Transfer from Accumulated Surplus	13,734	13,844	12,672
Transfer to Accumulated Surplus	0	0	0
Closing Balance	58,867	58,919	45,133
Public Open Space Reserve			
Opening Balance	499,688	498,836	470,910
Transfer from Accumulated Surplus	33,714	1,191,626	28,778
Transfer to Accumulated Surplus	0	0	0
Closing Balance	533,402	1,690,462	499,688
History & Cultural Publications Reserve			
Opening Balance	44,706	44,630	42,131
Transfer from Accumulated Surplus	3,016	3,124	2,575
Transfer to Accumulated Surplus	0	0	0
Closing Balance	47,722	47,754	44,706
Junior Sport Reserve			
Opening Balance	56,357	58,977	41,172
Transfer from Accumulated Surplus	11,175	4,160	15,185
Transfer to Accumulated Surplus	0	0	0
Closing Balance	67,532	63,137	56,357
Mosquito Control Reserve			
Opening Balance	1,031	530	500
Transfer from Accumulated Surplus	570	572	531
Transfer to Accumulated Surplus	0	0	0
Closing Balance	1,601	1,102	1,031
Medical Services Assistance Package Reserve			
Opening Balance	216,477	216,229	137,375
Transfer from Accumulated Surplus	118,647	7,568	79,102
Transfer to Accumulated Surplus	0	0	0
Closing Balance	335,124	223,797	216,477
Total	35,334,417	9,110,715	23,898,489

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash and restricted investments in Note 3 and 4 to this financial report.

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

11. Reserves - Cash Backed (con't)

Notes relating to Reserve transactions

Aerodrome Reserve

The purpose of this reserve is to fund future developments and maintenance of the airport. Any surplus funds generated by the airport are transferred to this reserve.

Walkington Theatre Reserve

The purpose of this reserve is to fund future capital works at the Walkington Theatre. It is anticipated that these funds will be utilised over the next 5 years.

Air-Conditioning Reserve

The Council maintains this reserve so that funds are available on an as need basis for the replacement of major airconditioning plant. The funds in this reserve will be utilised by Council over an expected period of 10 years.

Plant Replacement Reserve

This reserve is operated in line with a Plant Replacement Schedule and Council Policy to enable the cost of replacing plant to be funded over the course of its useful life. This reserve is funded by annual allocations from the Municipal Fund.

Dampier Drainage Reserve

This reserve is maintained as a result of an agreement between the Council and Hamersley Iron, the purpose of the reserve is to ensure funds are available for the maintenance of drainage in Dampier. Hamersley Iron pay to the Council each year a \$10,000 contribution towards this maintenance with any additional works required being drawn from this reserve and similarly, any funds remaining unspent being transferred to this reserve.

Infrastructure Reserve

The purpose of this reserve is to fund the replacement of major infrastructure items which includes large buildings and facilities. It is anticipated that these monies will be utilised in the next two years.

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 to which it is a member. This reserve will continue to build up until Council is satisfied that sufficient liability is covered. It is likely that the benefits of this reserve will be evident after year 5 of participating in the scheme. This reserve is funded by annual allocations from the Municipal Fund.

Waste Management Reserve

The purpose of this reserve is to fund the replacement and rehabilitation of Waste Management Facilities.

Housing Reserve

The purpose of this reserve is to fund the replacement of staff housing. This reserve is funded by annual allocations from the Municipal Fund and from sale of Staff Housing.

Parks, Ovals & Recreation Facilities Reserve

The purpose of this reserve is to fund the development /replacement of Parks, Ovals and Recreation Facilities. It is anticipated that these monies will be utilised in the next two years.

Information Technology Reserve

The purpose of this reserve is to fund future major upgrades to Corporate Software and Hardware. As equipment reaches the end of its useful life this Reserve will have sufficient funds to replace it if and when required.

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

11. Reserves - Cash Backed (con't)

Aged Persons Unit Reserve

This Reserve is in accordance with the joint venture agreement with the Department of Housing and Works for future major maintenance/upgrading of the Aged Persons Units.

Public Open Space Reserve

The purpose of this reserve is to fund future developments of public open spaces with contributions coming from developers of new subdivisions. The money is to be spent in the locality of the new subdivision.

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.

Junior Sport Reserve

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

Mosquito Control Reserve

The purpose of this reserve is to fund any future major mosquito control programmes.

Medical Services Assistance Package Reserve

The purpose of this reserve is to fund future assistance to Medical Services.

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

12. Reserves - Asset Revaluation	2008/09 \$	2007/08 \$
Land		
Opening Balance	3,594,711	3,594,711
Revaluation Adjustment	0	0
Closing Balance	<u>3,594,711</u>	<u>3,594,711</u>
Buildings		
Opening Balance	8,086,099	8,086,099
Revaluation Increment	0	0
Closing Balance	<u>8,086,099</u>	<u>8,086,099</u>
Artwork		
Opening balance	200	200
Revaluation Increment	0	0
Closing Balance	<u>200</u>	<u>200</u>
Total	<u>11,681,010</u>	<u>11,681,010</u>

The asset revaluation reserve includes the net revaluation increments and decrements arising from the revaluation of non-current assets measured at fair value prior to the Initial adoption of AAS38 (1 July 2000). As a consequence the amount of \$11,681,010 is not available for future asset write down.

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

13. Notes to the Cash Flow Statement

13.1 Reconciliation of Cash

For the purpose of the cash flow statement, 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 Balance Sheet as follows:

	2008/09	2008/09 Original Budget	2007/08
	\$	\$	\$
Cash and Cash Equivalents	60,057,558	10,028,608	32,332,193

13.2 Reconciliation of Net Cash Provided by Operating Activities to Net Result

Net Result	34,831,819	4,788,343	10,859,640
Non Cash Flows in change in Net Assets			
Depreciation	5,720,183	8,005,659	5,725,782
Non Cash Contributions	0	0	0
Loan Accrual	0	6,613	0
(Profit)/Loss on Sale Of Assets	1,719,212	(194,073)	(38,702)
Change in Long Service and Annual Leave Provisions	399,261	24,636	226,696
Change in Assets and Liabilities			
Change in Sundry Debtors	(1,538,311)	2,351,539	(1,050,516)
Change in Provision for Doubtful Debts	34,537	0	60,065
Change in Retentions and Bonds (Ex Trust)	0	84,210	(416,994)
Change in Stock on Hand	(469,224)	70,136	(15,550)
Change in Accrued Income	(197,990)	(153,394)	222,027
Change in Income Received in Advance	(30,077)	68,308	(53,613)
Change in Prepayments	(4,013)	122,487	(123,180)
Change in Accrued Expenses	(1,815,230)	(836,094)	2,123,019
Change in Deferred Rates (Pensioner)	(961)	0	3,725
Change in Sundry Creditors	304,666	(765,905)	2,013,659
Take out Grants and Contributions for the Development of Assets	(24,981,360)	(3,755,828)	(1,692,615)
Total	13,972,512	9,816,637	17,843,443

13.3 Credit Facilities Available

Bank Overdraft Limit	1,000,000	1,000,000	1,000,000
Bank Overdraft in use as at end of Reporting Period	0	0	0
Total Amount of Credit Unused	1,000,000	1,000,000	1,000,000

13.4 Bank Overdrafts in Use

General Operating Bank Overdraft	0	0	0
	0	0	0

The bank overdraft was approved 26th July 1996 for the purpose of providing sufficient funds to enable Council to effectively continue its works and undertakings pending the collection of ordinary revenues.

Annual Financial Report

Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

14. Contingent Liabilities

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

	2008/09	2007/08
	\$	\$
Nor West Jockey Club		
Amount of Original Guarantee	65,000	65,000
Amount required as at 30 June 2009	65,000	65,000

15. Capital and Leasing Commitments

15.1 Operating Lease Commitments

At the reporting date, the local government had the following obligations under non cancellable operating leases (these obligations are not recognized as liabilities):

	2008/09	2007/08
	\$	\$
Not later than one year		
Light Vehicle Leases	0	12,247
Staff Housing Leases	1,028,274	612,405
Later than one year and not later than two years		
Staff Housing Leases	325,430	537,619
Later than two years and not later than five years		
Staff Housing Leases	417,145	319,469

15.2 Commitments for Major Expenditure

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

	2008/09	2007/08
	\$	\$
Not later than one year		
Information System Upgrade	75,000	276,821
Staff Housing-Infill subdivision works	9,200,000	1,500,000
Karratha Airport building/carpark improvements	2,000,000	0
Baynton West Family Centre	270,000	0
Various outstanding purchase orders	855,876	3,416,662
Later than one year and not later than two years		
Baynton West Family Centre	730,000	0
Later than two years and not later than five years		
Leisure & Learning Precinct	20,300,000	0

Council is also committed to the following expenditure in 2009/10 (to be funded from either Loans or Reserves):

Airport Works	5,385,000
Cossack Trenching & Benching	2,020,792
Improvements to Dampier & Johns Creek Boat Ramps	1,325,000
Catral Park Upgrade/Refurbishment	812,371
Roebourne Community Centre Improvements	500,000
Construct Indoor Cricket Facility	360,000
Karratha LIA Drainage Upgrade	280,000
7 Mile Tip Building Improvements	247,000
Playground Equipment Replacement	149,500

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 be 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 properties.

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

17. Trust Funds

Funds over which the municipality has no control and which are not included in the Financial Statements are as follows:

	Balance 1/07/2008	Receipts 08/09	Payments 08/09	Balance 30/06/2009
	\$	\$	\$	\$
Building/Kerb Deposits	9,150	97,500	0	106,650
BCITF Levy	75,805	1,409,693	(1,010,516)	474,982
Hall Hire Bonds	6,245	950	(1,050)	6,145
Pool Hire Bonds	100	110	(100)	110
BRB Levy	3,589	32,116	(24,577)	11,128
Other Deposits				
Bonds and Guarantees	383,333	1,038,725	(429,064)	992,994
Bonds and Guarantees (old)	2,520	0	0	2,520
Kerb Deposits (old)	2,800	0	0	2,800
Stale Cheques	1,825	0	0	1,825
ATM monies	820	0	0	820
Unclaimed Wages	37	0	0	37
Housing Bonds	2,079	2,099	0	4,178
NADC Research Funds	805	0	0	805
Total	489,108	2,581,193	(1,465,307)	1,604,994

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Shire of Roebourne

Notes to and forming part of the Financial Report
for the year ended 30 June 2009

18. Total Assets Classified by Function and Activity

	2008/09 \$	2007/08 \$
General Purpose Funding	108,774	132,765
Governance	6,970,228	7,751,484
Law, Order and Public Safety	669,489	712,786
Health	524,855	862,319
Education and Welfare	3,660,120	1,959,492
Housing	6,352,632	7,322,550
Community Amenities	2,130,504	2,549,330
Recreation and Culture	11,734,694	23,789,092
Transport	28,377,621	57,451,398
Economic Services	56,629,986	209,852
Other Property and Services	876,828	175,486
Unallocated	70,294,210	37,980,764
Total	188,329,941	140,897,318

19. Disposal of Assets

19.1 Disposal of Assets by Class

	Book Value		Sale Proceeds		Profit /(Loss)	
	2008/09 \$	Budget \$	2008/09 \$	Budget \$	2008/09 \$	Budget \$
Land	0	0	0	0	0	0
Building	167,017	1,443,965	0	1,680,000	(167,017)	236,035
Equipment	0	163	5,550	5,920	5,550	5,757
Furniture and Equipment	8,074	0	0	0	(8,074)	0
Plant	583,903	722,755	447,082	675,036	(136,821)	(47,719)
Infrastructure - Miscellaneous	44,636	0	0	0	(44,636)	0
Infrastructure - Aerodromes	1,368,214	0	0	0	(1,368,214)	0
	2,171,844	2,166,883	452,632	2,360,956	(1,719,212)	194,073

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Shire of Roebourne

Notes to and forming part of the Financial Report
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19.2 Disposal of Assets Classified According to Function

	Book Value		Sale Proceeds		Profit /(Loss)	
	2008/09	Budget	2008/09	Budget	2008/09	Budget
	\$	\$	\$	\$	\$	\$
Governance						
Furniture & Equipment	1,456	0	0	0	(1,456)	0
Plant	41,345	57,326	48,182	66,000	6,837	8,674
	<u>42,801</u>	<u>57,326</u>	<u>48,182</u>	<u>66,000</u>	<u>5,381</u>	<u>8,674</u>
Law, Order & Public Safety						
Plant	78,151	79,115	78,182	92,091	31	12,976
	<u>78,151</u>	<u>79,115</u>	<u>78,182</u>	<u>92,091</u>	<u>31</u>	<u>12,976</u>
Health						
Furniture & Equipment	89	0	0	0	(89)	0
Equipment	0	20	0	20	0	0
Plant	15,337	15,847	6,364	13,500	(8,973)	(2,347)
	<u>15,426</u>	<u>15,867</u>	<u>6,364</u>	<u>13,520</u>	<u>(9,062)</u>	<u>(2,347)</u>
Housing						
Land	0	1,443,965	0	1,680,000	0	236,035
Buildings	167,017	0	0	0	(167,017)	0
	<u>167,017</u>	<u>1,443,965</u>	<u>0</u>	<u>1,680,000</u>	<u>(167,017)</u>	<u>236,035</u>
Community Amenities						
Furniture & Equipment	389	0	0	0	(389)	0
Equipment	0	0	1,400	0	1,400	0
Plant	64,389	210,660	55,445	127,500	(8,944)	(83,160)
	<u>64,778</u>	<u>210,660</u>	<u>56,845</u>	<u>127,500</u>	<u>(7,933)</u>	<u>(83,160)</u>
Recreation and Culture						
Furniture & Equipment	5,464	0	0	0	(5,464)	0
Equipment	0	16,300	0	200	0	(16,100)
Plant	92,874	79,798	73,454	95,136	(19,420)	15,338
Infrastructure-Miscellaneous	44,636	0	0	0	(44,636)	0
	<u>142,974</u>	<u>96,098</u>	<u>73,454</u>	<u>95,336</u>	<u>(69,520)</u>	<u>(762)</u>
Transport						
Furniture & Equipment	152	0	0	0	(152)	0
Equipment	466	0	0	5,600	(466)	5,600
Plant	194,138	194,863	100,060	210,409	(94,078)	15,548
Infrastructure-Airport	1,368,214	0	0	0	(1,368,214)	0
	<u>1,562,970</u>	<u>194,863</u>	<u>100,060</u>	<u>216,009</u>	<u>(1,462,910)</u>	<u>21,146</u>
Economic Services						
Furniture & Equipment	165	0	0	0	(165)	0
Plant	67,898	38,233	69,545	40,500	1,647	2,267
	<u>68,063</u>	<u>38,233</u>	<u>69,545</u>	<u>40,500</u>	<u>1,482</u>	<u>2,267</u>
Other Property and Services						
Furniture & Equipment	294	0	0	0	(294)	0
Equipment	0	0	0	0	0	0
Plant	29,370	30,756	20,000	30,000	(9,370)	(756)
	<u>29,665</u>	<u>30,756</u>	<u>20,000</u>	<u>30,000</u>	<u>(9,664)</u>	<u>(756)</u>
Total	<u>2,171,844</u>	<u>2,166,883</u>	<u>452,632</u>	<u>2,360,956</u>	<u>(1,719,212)</u>	<u>194,073</u>

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Shire of Roebourne Notes to and forming part of the Financial Report for the year ended 30 June 2009

20. Financial Ratios

	2008/09	2007/08	2006/07	2005/06	2004/05
Current Ratio					
= $\frac{\text{(current assets minus restricted assets)}}{\text{current liabilities - liabilities offset by restricted assets}}$	1.034	1.132	1.057	0.532	0.579
Debt Ratio					
= $\frac{\text{total liabilities}}{\text{total assets}}$	0.146	0.106	0.101	0.100	0.098
Debt Service Ratio					
= $\frac{\text{debt service cost (this year principal \& Interest expense)}}{\text{available operating revenue (operating revenue plus self supporting loan contributions)}}$	0.015	0.026	0.039	0.035	0.017
Rate Coverage Ratio					
= $\frac{\text{net rate revenue (includes all interest, admin \& interim charges)}}{\text{operating revenue}}$	0.186	0.264	0.314	0.286	0.262
Outstanding Rates Ratio					
= $\frac{\text{outstanding rates (includes unpaid arrears, interest, admin charges, backrates and interim)}}{\text{rates collectable (all current year rates, interims, Interest, admin charges, write offs and back rates plus all arrears from previous years)}}$	0.052	0.053	0.063	0.046	0.049
Gross Debt to Revenue Ratio					
= $\frac{\text{gross debt}}{\text{total revenue}}$	0.422	0.164	0.228	0.290	0.348
Note: The first payment of the 2009/10 Financial Assistance Grant of \$609,032 was received in June 2009					
Untied Cash to Unpaid Trade Creditors Ratio					
= $\frac{\text{untied cash}}{\text{unpaid trade creditors}}$	0.319	1.252	0.418	(1.281)	(2.627)
Gross Debt to Economically Realisable Assets Ratio					
= $\frac{\text{gross debt}}{\text{economically realisable assets}}$	0.175	0.142	0.158	0.212	0.226

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Notes to and forming part of the Financial Report
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21. Information on Borrowings

21.1 Repayments - Debentures

	Balance 1/07/2008	Interest Paid	Principal Paid	New Loans 08/09	Balance 30/06/2009
	\$	\$	\$	\$	\$
86A - Hampton Harbour Boat & Sailing Club	9,114	508	2,859	0	6,255
88 - Chamber of Commerce	68,297	4,786	2,072	0	66,225
91 - Administration Building Renovation	3,258,918	187,502	389,015	0	2,869,903
92 - Aged Persons Units	134,943	6,537	24,356	0	110,587
93 - Wickham Transfer Station	752,216	46,434	118,084	0	634,132
94 - Staff Housing	0	0	0	4,500,000	4,500,000
95 - Staff Housing	757,887	43,605	90,468	0	667,419
96 - Cossack Infrastructure	1,122,644	66,590	66,397	0	1,056,247
97 - Hampton Harbour Boat & Sailing Club	17,118	890	11,238	0	5,880
98 - Karratha Airport Upgrade	0	0	0	10,000,000	10,000,000
Total	6,121,137	356,852	704,489	14,500,000	19,916,648

21.2 New Loans Taken During the Year

Loan No. and Purpose	Source	Loan Type	Interest % Rate	Interest Charge	Term (Years)	Amount Borrowed 2008/09	Amount Spent 2008/09	Amount Spent Budget
94 Staff Housing	WA Treasury	Debenture Loan with Half Yearly Repayments	6.35%	2,550,928	15	4,500,000	0	4,500,000
98 Karratha Airport Upgrade	WA Treasury	Debenture Loan with Half Yearly Repayments	4.78%	2,752,909	10	10,000,000	10,000,000	10,000,000
Totals				5,303,837		14,500,000	10,000,000	14,500,000

21.3 Loans by Function

	Principal 1/07/2008	Interest Paid 2008/09	Budget	Principal Paid 2008/09	Budget	New Loans 2008/09	Budget	Principal 30/06/2009
	\$	\$	\$	\$	\$	\$	\$	\$
General Purpose Funding	94,529	6,184	6,184	16,169	16,170	0	0	78,360
Governance	3,258,918	187,502	187,502	389,014	389,015	0	0	2,869,905
Housing	134,943	50,142	216,642	114,824	199,165	4,500,000	4,500,000	4,520,118
Community Amenities	752,216	46,434	46,434	118,084	118,084	0	0	634,132
Recreation & Culture	1,880,531	66,590	66,590	66,398	66,398	0	0	1,814,133
Transport	0	0	370,000	0	346,404	10,000,000	10,000,000	10,000,000
Totals	6,121,137	356,852	893,352	704,489	1,135,236	14,500,000	14,500,000	19,916,648

21.4 Unspent Loan Funds

	Balance 1/07/2008	Utilised	Balance 30/06/2009
	\$	\$	\$
Loan 95 Staff Housing (originally Bulgarra Pavilion)	756,383	756,383	0
Loan 96 Cossack Infrastructure	1,300,000	357,780	942,220
Total	2,056,383	1,114,163	942,220

21.5 Contributions to Loans (Self Supporting)

	Actual Interest Paid	Actual Principal Paid	Income Received for Interest	Income Received for Principal	Total Cost to Council
	\$	\$	\$	\$	\$
General Purpose Funding					
Loan No. 86A - Hampton Harbour Boat Club	508	2,859	508	2,859	0
Loan No. 88 Chamber of Commerce	4,786	2,072	4,786	2,073	0
Loan No. 97 Hampton Harbour Boat Club	890	11,238	890	11,238	0
Totals	6,184	16,170	6,184	16,170	0

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

22. Rating Information

22.1 Rating Information

2008 / 2009 Differential Rates

The Shire of Roebourne levied differential rates on all properties that are rated on the basis of their Gross Rental Valuation.

This allowed Council to set a different "Rate in the Dollar" based on the zoning of the property under the relevant Town Planning Scheme and where applicable, a combination of the properties zoning and the existing land use.

Gross Rental Value Properties

The differential rating model changed considerably in 2001/2002 with the introduction of Town Planning Scheme 8 and the General Revaluation that took place at 1st July 2001. A further revaluation has taken place and was effective from 1st July 2005. As a result of those changes, the Council grouped properties with the intention of minimising the shifts in relativities of the Gross Rental Valuations as supplied by the Valuer General. This resulted in properties that had their rates assessed based on Gross Rental Values being grouped into categories as follows:

	Rate in \$	Minimum
Residential	0.083537	\$921
Commercial/Tourism/Town Centre/Airport industry/Mixed Business	0.083427 0.080444	\$921 \$921
Transient Workforce Accommodation	0.273868	\$921

REASONS:

The reason for the introduction of differential rates is to allow Council to adjust the rates charged on different properties in order to minimise shifts in the relativities of the Gross Rental Valuations as supplied by the Valuer General's Office. Council has maintained these reasons but with the recent revaluation has created additional groups in order to meet these objectives.

These Differential Rates give Council more flexibility in setting rates at a level that matches the level of service provided to the different groups of properties.

Overall, Council applied a 10% increase to Gross Rental Valued properties.

OBJECTS:

The object for setting the level of rates is listed below:

Residential (includes properties with the following zoning codes)

- Residential R10
- Residential R20
- Residential R30
- Residential R40
- Residential R50
- Urban Development
- Town Centre (land use Residential)
- Parks, Recreation & Drainage (land use Residential)
- Conservation, Recreation & Natural Landscapes (land use Residential)
- Education (land use Residential)

Council has grouped residential zones in order to minimise the shifts in relativities across these properties. The rate applied to Residential is used as the base rate on which the other groups are calculated.

Residential properties make up approximately 72.11% of the total GRV rates collected.

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

22.1 Rating Information (con't)

Commercial/Tourism/Town Centre/Airport (includes properties with the following zoning codes)

Commercial
Mixed Business (land use Motel/Service Apartments)
Transient Workforce
Tourism
Town Centre
Community
Residential R30 (land use Motel/Service Apartments)
Rural (land use Roadhouse)
Rural (land use Hotel/Motel)
Telecommunications
Education
Health
Conservation, Recreation & Natural Landscapes
Airport

Council has grouped Commercial, Tourism, Town Centre and airport in order to minimise the shifts in relativities across these properties.

Commercial/Tourism/Town Centre/Airport properties make up approximately 15.66% of the total GRV rates collected.

Industry/Mixed Business (includes properties with the following zoning codes)

Mixed Business
industry
Rural

Council has grouped industry and Mixed Business zones in order to minimise the shifts in relativities across these properties.

Industry/Mixed Business properties make up approximately 6.43% of the total GRV rates collected.

Transient (includes properties with the following zoning codes)

Transient Workforce (land use Transient Workforce Accommodation)
Tourism (land use Transient Workforce Accommodation)
Town Centre (land use Transient Workforce Accommodation)

Council has grouped Transient in order to minimise the shifts in relativities across these properties.

Transient properties make up approximately 5.72% of the total GRV rates collected.

Unimproved Value Properties

Council does not apply a differential rate on Unimproved Valuation (UV) properties. The general rate in the dollar is as follows:

	Rate in \$	Minimum
175 UV General Rate Pastoral Leases	0.097227	\$200
225 UV General Rate Other Unimproved Properties	0.097227	\$200
303 UV General Rate Mining Tenements	0.097227	\$200
307 UV General Rate Prospecting Licences	0.097227	\$100

Rate Concessions

Council allowed a concession of \$871 to apply to each property in the Cossack Townsite, in recognition of the fact that the properties are part of the Heritage precinct and are unable to be developed at this point in time.

Pastoral Concessions

Council allowed a concession of 28.5% to apply to each property to offset the increase in unimproved valuations.

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Shire of Roebourne Notes to and forming part of the Financial Report for the year ended 30 June 2009

22.2 Statement of Rating Information

Particulars	General			Rate Yield	Min Valuation	837	Min \$200 Valuation	Min \$100 Valuation	Total Rates
	Valuation	No.	Rate in						
Gross Rental Values									
Residential	78,006,538	4,594	0.083537	6,516,406	1,370,448				7,886,854
Commercial/Tourism/Town Centre	17,593,680	200	0.083427	1,467,787	178,674				1,646,461
Industry/Mixed Business	6,963,638	210	0.080444	560,183	146,439				706,622
Airport	582,390	10	0.083427	48,587	1,842				50,429
Transient Workforce	2,764,736	4	0.273868	757,173					757,173
Cossack Rates Concession				(16,549)					(16,549)
Interim Rates	9,328,708	171		806,285	(2,587)				803,698
Back Rates				359,678					359,678
Rates Written Off				(21,307)					(15,578)
Doubtful Debts				(58,804)					(58,804)
Total	115,239,690	5,189		10,419,439	1,694,816				12,119,984
Unimproved Values									
General Rate	11,185,769	245	0.097227	1,087,558		98	65,614	19,600	1,107,758
Pastoral Lease Concession				(12,436)					(12,436)
Interim Rates	(11,045)	(1)		23,822					23,938
Back Rates				(3,302)					(3,302)
Total	11,174,724	244		1,095,642		98	65,614	19,600	1,115,958
Grand Total	126,414,414	5,433		11,515,081	1,694,816	98	65,614	19,600	13,235,942

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

22.3 Summary of Rating Information

Note	Valuations \$	2008/09 \$	Budget \$	2007/08 \$
General Rate				
GRV Residential (General) Rate in \$0.083537	78,006,538	6,516,406	6,467,050	5,614,070
GRV Commercial Rate/Tourism/Town Centre in \$0.083427	17,593,680	1,467,787	1,467,200	1,310,039
GRV industry/Mixed Business Rate in \$0.080444	6,963,638	560,183	560,056	482,955
GRV Airport Rate in \$0.083427	582,390	48,587	48,587	26,386
GRV Transient Workforce Rate in \$0.273868	2,764,736	757,173	619,747	563,405
UV Mining Rate in \$0.097227	11,185,769	1,087,558	1,037,551	770,603
Minimum Rate				
GRV Residential 1488 assessments at \$921 each	9,749,008	1,370,448	1,343,739	1,201,932
GRV Commercial/Tourism/Town Cntr 194 ass at \$921 each	1,463,603	178,674	178,674	159,867
GRV industry/Mixed Business 159 assessments at \$921 each	902,001	146,439	144,597	128,898
GRV Airport 2 assessments at \$921 each	45,500	1,842	1,842	3,348
UV Mining 98 assessments at \$200 each	70,857	19,600	19,400	19,800
UV Prospecting 6 assessments at \$100 each	3,964	600	400	600
Interim Rates				
GRV Rate in \$	3,972,593	803,698	432,000	216,741
UV Rate in \$	1,842,420	23,938	80,000	155,171
Back Rates				
GRV Rate in \$		359,678	4,000	(134,122)
UV Rate in \$		(3,302)	1,500	84,943
Less Write Offs				
		(15,578)	0	(1)
Less Doubtful Debts				
		(58,804)	0	(61,865)
Less Cossack Concession				
		(16,549)	(16,549)	(8,657)
Less Pastoral Concession				
		(12,436)	(17,030)	(10,550)
Total Valuations				
	135,146,697			
Total General Rates Levied				
22.2		13,235,942	12,372,764	10,523,563
Plus Administration and Instalment Interest Charges		49,198	50,053	44,138
Plus Late Payment Penalties		90,449	103,000	137,156
Plus Ex Gratia Rates		263,035	264,200	14,022
Plus Search / Legal Fees		0	6,500	6,228
Plus Deferred Pensioner Interest		649	800	830
Total Amount made up from Rates				
		13,639,273	12,797,317	10,725,937

Annual Financial Report

Shire of Roebourne Notes to and forming part of the Financial Report for the year ended 30 June 2009

22.4 Late Payment Penalties

Interest was charged on outstanding Rates, Emergency Services Levy and Rubbish collection at the rate of 11%.
(See Note 16.2 for details of amounts)

22.5 Rates Instalment Options

(See Note 16.2 for details of amounts)

Option No. 1

Number of Payments	One
Payment Due	1) 35 Days from Issue Date
Date instalment Due	1) Friday 12 September 2008
Instalment Interest Rate	Nil
Administration Charge	Nil

Option No. 2

Number of Payments	Two
Payments Due	1) 35 Days from Issue Date 2) 63 Days from Due Date
Date instalment Due	1) Friday 26 September 2008 2) Friday 28 November 2008
Instalment Interest Rate	5.50%
Administration Charge	\$3.00

Option No. 3

Number of Payments	Four
Payments Due	1) 35 Days from Issue Date 2) 63 Days from Due Date 3) 126 Days from Due Date 4) 189 Days from Due Date
Date Instalment Due	1) Friday 26 September 2008 2) Friday 28 November 2008 3) Friday 30 January 2009 4) Friday 3 April 2009
Instalment Interest Rate	5.50%
Administration Charge	\$9.00

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

22.6 Rates Incentive Scheme

Ratepayers who paid their rates in full by the due date (35 days from date of issue) were entered into a draw for the following prizes. The draw was conducted 1 October 2008.

		Won by
1st Prize	\$1,500 Cash Donated by Shire of Roebourne	Gregory Jensen Karratha
2nd Prize	A deluxe spa suite for two people for one night with a dinner voucher at TATA's restaurant \$100 to be used together (ie not on separate occasions) - value \$670 (offer not available on long weekends and public holidays) Courtesy of the Point Samson Resort	Beverley Skurulis Latrobe
3rd Prize	\$500 Cash donated by Shire of Roebourne	Anusit Theetarak Karratha
4th Prize	2 nights accommodation in a newly refurbished deluxe room with complimentary full buffet breakfast daily for 2 adults both mornings - value \$316 Courtesy Perth Ambassador Hotel	Jason Marr Karratha

The Total Cost to Council is \$2,000.

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Shire of Roebourne

Notes to and forming part of the Financial Report
for the year ended 30 June 2009

	2008/09 \$	2007/08 \$
23. Debts Written Off		
General Purpose Income	21,307	3,659
Law, Order & Public Safety	57	9,250
Education & Welfare	0	0
Health	0	0
Community Amenities	4,155	4,111
Recreation & Culture	25,988	1,479
Transport	26,898	99
Economic Services	0	0
Other Property and Services	3,707	14,067
Total	<u>82,112</u>	<u>32,665</u>

24. Provision for Doubtful Debts		
General Purpose Income	58,804	61,865
Community Amenities	689	1,778
Recreation & Culture	803	470
Transport	23,340	0
Economic Services	1,300	0
Other Property and Services	(1,865)	(4,049)
Total	<u>83,071</u>	<u>60,064</u>

25. Fees and Charges by Function		
General Purpose Funding	164,652	254,750
Governance	16,944	18,574
Law, Order and Public Safety	36,588	33,269
Health	9,920	4,605
Welfare & Education	22,858	2,700
Housing	149,508	294,939
Community Amenities	7,893,461	5,559,006
Recreation & Culture	708,790	599,123
Transport	15,569,977	11,439,254
Economic Services	1,423,031	1,132,525
Other Property and Services	463,816	221,957
Total	<u>26,459,545</u>	<u>19,560,702</u>

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Shire of Roebourne Notes to and forming part of the Financial Report for the year ended 30 June 2009

	2008/09 \$	2007/08 \$
26. Grant Revenue		
Grants, Subsidies and Contributions are included as operating revenues in the income Statement:		
By Nature or Type:		
Grants, Subsidies and Contributions - Operating	4,304,386	4,704,059
Grants, Subsidies and Contributions - Non Operating	24,981,360	2,638,916
	<u>29,285,746</u>	<u>7,342,975</u>
By Programme:		
General Purpose Funding	4,069,331	2,821,155
Governance	14,160	139,180
Law, Order and Public Safety	73,308	78,884
Health	11,722	2,580
Education and Welfare	1,445,317	67,778
Housing	0	858,000
Community Amenities	15,646	19,246
Recreation and Culture	22,058,623	1,297,941
Transport	1,597,639	2,024,435
Economic Services	0	0
Other Property and Services	0	33,776
	<u>29,285,746</u>	<u>7,342,975</u>

Note: The first payment of the 2009/10 Financial Assistance Grant of \$609,032 was received in June 2009

27. Employee Numbers

The number of full-time equivalent Employees
at balance date

148	132
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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

	2008/09 \$	2008/09 Original Budget \$	2007/08 \$
28. Payments to Councillors			
The Local Government Act 1995 provides for the payment to Councillors of the following fees, expenses and allowances;			
Sitting Fees			
Shire President at \$14,000 per year	14,000	14,000	18,667
Deputy President at \$7,000 per year	7,000	7,000	7,000
9 Councillors at \$7,000 each per year	63,000	63,000	58,833
	<u>84,000</u>	<u>84,000</u>	<u>84,500</u>
Local Government Allowance			
Shire President at \$60,000 per year	60,000	60,000	60,000
Deputy Shire President at \$15,000 per year (25% of Presidents allowance)	15,000	15,000	10,000
	<u>75,000</u>	<u>75,000</u>	<u>70,000</u>
Telephone Expenses			
11 Councillors at \$2,400 per year	26,400	26,400	25,600
	<u>26,400</u>	<u>26,400</u>	<u>25,600</u>
Information Technology			
Each Councillor receives an annual allowance of \$1,000	11,000	11,000	10,166
	<u>11,000</u>	<u>11,000</u>	<u>10,166</u>
Other Expenses			
Childcare (actual costs or \$20 per hour whichever is lower)	0		0
Travelling Expenses (actual costs)	0		0
or			
Travelling Expenses (as per Local Government Officers Award)			
Councillors will receive a Professional Development Allowance of \$5,500 which will include the above expenses and also costs associated with conferences.	26,699	60,500	15,624
An additional allowance has been made for Councillors not residing in Karratha for travel associated with Council meetings.	3,356	8,000	3,750
	<u>30,055</u>	<u>68,500</u>	<u>19,374</u>
Total	<u>226,455</u>	<u>264,900</u>	<u>209,640</u>

29. Employees Remuneration

Set out below, in bands of \$10,000, is the number of employees of the Shire entitled to an annual salary of \$100,000 or more.

Salary Range	2008/09	2007/08
100,000 - 109,999	1	0
110,000 - 119,999	1	4
120,000 - 139,999	3	0
140,000 - 149,999	1	1

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Shire of Roebourne Notes to and forming part of the Financial Report for the year ended 30 June 2009

30. Major Land Transactions

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 proceeding with the purchase, development and sale of said land at the Ordinary Council Meeting of 16 June 2008 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 occurred primarily in 2008/2009 with some costs to occur in 2009/2010.

Sale of land is to occur in 2009/2010.

The 9 lots for disposal include 2 lots (Lots 1 and 2 Clarkson Way) that are subject to native title review and will not be transferred to Council if clearance cannot be secured. Consequently 7 lots have been developed for sale as described below.

The net proceeds from sale of these lots are for POS development within the Shire.

Number of Lots			Location	Land Held for Resale		
Develop	Staff Housing	For Sale		\$ Development Costs to 30/6/09	\$ Cost of Acquisition to 30/6/09	\$ Total Costs to 30/6/09
12	7	3	Clarkson Way	198,461	16,193	214,655
9	5	4	Teesdale Place	258,046	21,176	279,222
21	12	7		456,507	37,370	493,877

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

31. Trading Undertakings

The Tien Tsin Inne Kiosk & Bar operate inside the Karratha Airport Terminal Building. Any surplus is transferred to Airport Reserve. The Tien Tsin Inne is expected to be self-funded without the expectation that rate revenue is needed. A rate of return is paid to the Shire each year.

	2008/09	2008/09 Original Budget	2007/08
	\$	\$	\$
Operating Revenue			
Kiosk/Bar	2,095,244	1,422,000	1,535,183
Total	<u>2,095,244</u>	<u>1,422,000</u>	<u>1,535,183</u>
Expenditure			
Employment Costs	(861,529)	(568,454)	(648,816)
Office Expenses	(14,152)	(3,838)	(1,291)
Write Off Bad Debts	0	0	(99)
Building Costs	(19,219)	(30,600)	(9,269)
Insurance	(189)	(241)	(166)
Equipment Repairs & Replacement	(2,680)	(1,500)	(13,270)
Consumables/Shrinkages	(14,764)	(11,700)	(9,467)
Kiosk Expenses	(441,922)	(300,000)	(340,852)
Bar Expenses	(399,569)	(300,000)	(319,457)
Depreciation	(4,108)	(4,597)	(2,937)
Employee Leave Provisions	(40,371)	(739)	6,277
Total	<u>(1,798,503)</u>	<u>(1,221,669)</u>	<u>(1,339,347)</u>
Net Operating Surplus/(Deficit)	<u>296,741</u>	<u>200,331</u>	<u>195,836</u>
Capital Expenditure			
Purchase - Building	0	(63,000)	0
Purchase - Furniture & Equipment	(22,349)	(10,000)	(15,660)
Transfer To Airport Reserve	(312,940)	(129,854)	(174,973)
	<u>(335,289)</u>	<u>(202,854)</u>	<u>(190,633)</u>
Add Back Non Cash			
Depreciation	4,108	4,597	2,937
Employee Leave Provisions	40,371	739	(6,277)
	<u>44,479</u>	<u>5,336</u>	<u>(3,340)</u>
Rate of Return	(5,931)	(2,813)	(1,863)
Net Surplus/(Deficit)	<u>0</u>	<u>0</u>	<u>0</u>

This statement does not include any of the following expenses as they are imbedded in the total cost of running the airport:

- Administration
- Utilities-power, water consumption, water rates, ESL
- Lease/rent expenses-nil applicable
- Airport security

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Shire of Roebourne

Notes to and forming part of the Financial Report
for the year ended 30 June 2009

31. Trading Undertakings (con't)

Balance Sheet	2008/09	2007/08
	\$	\$
Current Assets		
Cash and Cash Equivalents	8,600	7,000
Inventories	53,070	21,283
Total Current Assets	61,670	28,283
Non-Current Assets		
Property, Plant and Equipment	34,579	19,791
Total Non-Current Assets	34,579	19,791
Total Assets	96,249	48,074
Current Liabilities		
Provisions	71,624	37,910
Total Current Liabilities	71,624	37,910
Non-Current Liabilities		
Provisions	10,413	3,756
Total Non-Current Liabilities	10,413	3,756
Total Liabilities	82,037	41,666
Net Assets	14,212	6,408

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

32. 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.

Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2009 \$	2008 \$	2009 \$	2008 \$
Financial Assets				
Cash and Cash Equivalents	60,057,558	32,332,193	60,057,558	32,332,193
Receivables	7,168,479	5,558,131	7,168,479	5,558,131
	<u>67,226,037</u>	<u>37,890,324</u>	<u>67,226,037</u>	<u>37,890,324</u>
Financial Liabilities				
Payables	5,536,730	7,130,698	5,536,730	7,130,698
Borrowings	19,916,648	6,121,137	13,193,701	4,379,787
	<u>25,453,378</u>	<u>13,251,835</u>	<u>18,730,431</u>	<u>11,510,485</u>

Fair value is determined as follows:

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

Borrowings, Held-To-Maturity Investments - estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

32. Financial Risk Management (con't)

a) Cash and Cash Equivalents

Council's objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio.
Council has an investment policy and the policy is subject to review by council. A Cash Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

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

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

Council manages these risks by depositing funds with major banking institutions.

	2009	2008
	\$	\$
Impact of a 1% (*) movement in interest rates on cash and cash equivalents		
- Equity	600,000	300,000
- Income statement	600,000	300,000

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.

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

32. Financial Risk Management (con't)

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:

	2009	2008
Percentage of Rates and Annual Charges		
- Current	43%	41%
- Overdue	57%	59%
Percentage of Other Receivables		
- Current	79%	56%
- Overdue	21%	44%

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

32. Financial Risk Management (con't)

c) Payables Borrowings

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

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

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2009					
Payables	5,536,730	0	0	5,536,730	5,536,730
Borrowings	2,800,630	11,055,013	12,664,459	26,520,102	19,916,648
	<u>8,337,360</u>	<u>11,055,013</u>	<u>12,664,459</u>	<u>32,056,833</u>	<u>25,453,378</u>
2008					
Payables	7,130,698	0	0	7,130,698	7,130,698
Borrowings	1,061,341	4,196,184	2,520,081	7,777,606	6,121,137
	<u>8,192,039</u>	<u>4,196,184</u>	<u>2,520,081</u>	<u>14,908,304</u>	<u>13,251,835</u>

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.

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Shire of Roebourne

Notes to and forming part of the Financial Report for the year ended 30 June 2009

32. Financial Risk Management (con't)

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 2009								
Borrowings								
Fixed Rate								
Debentures	5,881	6,255			744,719	19,159,793	19,916,648	5.45%
Weighted Average Effective Interest Rate	6.20%	6.04%			6.22%	5.42%		
Year Ended 30 June 2008								
Borrowings								
Fixed Rate								
Debentures		17,118	9,114		134,943	5,959,962	6,121,137	5.94%
Weighted Average Effective Interest Rate		6.20%	6.04%		5.07%	5.95%		

Annual Financial Report



23 December 2009

Ms C Longmore
Chief Executive Officer
Shire of Roebourne
PO Box 219
KARRATHA WA 6714

Dear Collene

**AUDIT OF SHIRE OF ROEBOURNE
FOR THE YEAR ENDED 30 JUNE 2009**

We advise that we have completed the audit of your Shire for the year ended 30th June 2009 and enclose our Audit Report and a copy of the Management Report.

A copy of the Audit Report and Management Report has also been sent directly to the President as is required by the Act.

We would like to take this opportunity to thank you and your staff for the assistance provided during the audit.

Please contact us if you have any queries.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'G. Godwin', written over a light blue horizontal line.

GREG GODWIN
PARTNER

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Annual Financial Report



INDEPENDENT AUDIT REPORT TO THE ELECTORS OF THE SHIRE OF ROEBOURNE

Report on the Financial Report

We have audited the accompanying financial report of the Shire of Roebourne, which comprises the balance sheet as at 30 June 2009 and the income statement by nature or type, income statement by program, statement of changes in equity, cash flow statement, rate setting statement for the year ended on that date and a summary of significant accounting policies and other explanatory notes.

Council's Responsibility for the Financial Report

Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal controls 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 judgment, 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.

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 have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report of the Shire of Roebourne is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended), including:

- a giving a true and fair view of the Shire's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

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Annual Financial Report



INDEPENDENT AUDIT REPORT TO THE ELECTORS OF THE SHIRE OF ROEBOURNE (continued)

Statutory Compliance

During the course of the audit we became aware of the following instances where the Council did not comply with the Local Government (Financial Management) Regulations 1996 (as amended).

Banking of Trust Funds

Trust funds received are not in all instances, being banked into the designated Trust Bank accounts, as required by Financial Management Regulation 8(1) (b).

Budget Disclosures

The adopted budget for 2008-09 did not include information on estimated assets or liabilities relating to the Major Land Transaction disclosed as required by Financial management Regulation 27 (k) (ii) and (iii), nor information relating to Unspent Loan Funds as required by Financial Management Regulation 29 (a)(iii).

Other Matters

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

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Shire.
- b) Except as noted above no other matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) All necessary information and explanations were obtained by us.
- d) All audit procedures were satisfactorily completed in conducting our audit.

Date: 23 December 2009
Perth, WA

UHY HAINES NORTON
CHARTERED ACCOUNTANTS

GREG GODWIN
PARTNER