

Shire of Broome Annual Report



For the financial year
2012/2013

What is the Annual Report?

As required by the Local Government Act 1995 and associated regulations the Annual Report for 2012/13 provides an overview of the operations, activities and major projects undertaken by the Shire for that period, and includes major initiatives that are proposed to commence or to continue in the next financial year. The performance of the Council is assessed against the Vision, Objectives and Strategies as set out in the Shire of Broome 2011-2016 Strategic and Corporate Plan – Plan for the Future – Forging Ahead (The Plan).

The Plan provides strategic focus for elected members and the organisation and affirms its commitments to the community and includes major projects and everyday activities.

This report reflects the Goals, Strategies and Outcomes for the Shire of Broome's Plan for the Future 2011-2016.

In August 2010 the Local Government Administration (Regulations) 1996 were amended which established new requirements for the Plan for the Future under the Local Government Act 1995.

These changes required the adoption of a Strategic Community Plan (SCP) and a Corporate Business Plan (CBP) by 30 June 2013. The Council adopted the Strategic Community Plan at a Special Meeting of Council held 27 June 2013 noting that the *"Corporate Business Plan is still being progressed, having regard for the informing strategies that have been established as part of the Integrated Planning Framework"* and requested *"the Chief Executive Officer to write to the Department of Local Government to advise that the Shire of Broome has not adopted a Corporate Business Plan by 30 June as further consideration of the financial impacts of the draft document and regard for the Broome 2040 Visioning Project are still underway"*.

The Corporate Business Plan will be presented to Council for adoption in early 2013/14.

The only additions to the original Plan for the Future 2011-2016 document include actions that are relative to the Corporate Business Plan that were deemed part of the Shire's current day-to-day operations ie. the actions are already occurring, however did not form part of the original Plan for the Future document.

Our Vision

A thriving and friendly community that recognises our history and embraces cultural diversity and economic opportunity, while nurturing our unique natural and built environment.

Our Mission

To deliver affordable and quality Local Government services.

Our Values

Values of the organisation are demonstrated through the way employees behave, interact and think. Defining values and clearly articulating what these values look and feel like is very important and are the building blocks to ensuring a consistent customer and staff experience is delivered at all times. Values and the behaviour that they influence are also essential when creating a strong and well respected Corporate Brand both internally and externally. During the revision period of the current Plan, the following values have emerged which will be integrated into the performance management framework.

Communication

Actively consult, engage and communicate with, and on behalf of the community.

Integrity

Be honest, equitable and ethical in all our dealings.

Respect

Recognise and respect the individual and unique requirements of all people, cultures and groups.

Innovation

Drive change through leadership and energy.

Transparency

Be open and accountable in all our activities.

Courtesy

Provide courteous service and helpful solutions.

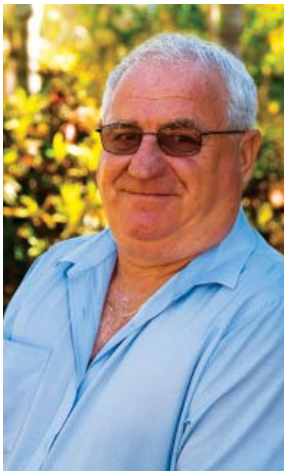
Statistics Snapshot 2012/13

- 6 rescues were made by Beach Services staff
- 21 community organisations received Shire sponsorship grants
- 73 Broome residents became Australian citizens
- 178 planning applications were received
- 562 building permits were issued
- 870 people attended Broome Public Library events
- 902 people attended Story Time sessions at the library
- 1700 first aid incidents were attended by Beach Services staff
- 51,722 items were issued to Broome Public Library members
- 69,467 visits were made to the Broome Public Library

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Message from the Shire President



The 2012/13 year has heralded some groundbreaking achievements by the Shire of Broome that will have lasting positive impacts on the social, cultural and economic future of the town.

A true highlight of the past 12 months was the unveiling of the new Broome Civic Centre following an \$11 million upgrade and refurbishment.

In years gone by, this venue has played a pivotal role in the social and cultural life of the Shire.

The refurbishment provided an opportunity to recognise some of the shining lights of Broome art and culture, with the naming of

the Jimmy Chi Hall and Pigram Garden Theatre, and The Sammy Room, named after the iconic Shinju Matsuri mascot.

The re-opening captured the imagination of the community, with almost 70 entries in a public contest to name the venue, and a community open day attracting thousands who toured the state-of-the-art facility as it was put through its paces by a host of local performers.

Another big step was the adoption by Council of the new Chinatown Development Strategy and Design Guidelines that will help ensure this historic precinct is retained and enhanced as the town's economic and cultural centre.

Again, the community's imagination was captured, with public consultation on this project drawing an unprecedented response with more than 100 submissions.

The most popular elements of this plan included the Jetty to Jetty development including an interpretive coastal boardwalk, pocket parks, shade trees, and trees and public art to define the two main street entries at Short Street and Napier Terrace.

Council has moved swiftly to implement this plan, with work already undertaken including a facelift for the Streeter's Jetty precinct, the continuation of undergrounding power infrastructure, funding secured for new shade structures, and new Christmas street decorations.

The Shire of Broome also stepped into the breach this year to take over running the annual Australia Day fireworks when this traditional event collapsed.

A spectacular program was put together at short notice, with a crowd of thousands turning out for an alcohol-free, family friendly event at Town Beach.

On a final note, one of my great privileges as Shire President is to conduct citizenship ceremonies, and in 2012/13 there were 73 residents welcomed into Australian citizenship at four ceremonies held through the year.

I would encourage you to read this annual report as it outlines the excellent work the Shire of Broome continues to do on behalf of its residents and ratepayers, with much to look forward to in the coming year as existing projects continue to roll out and new ones come to fruition.

Graeme Campbell, Shire President



The new Broome Civic Centre opened in 2012/13.

Message from the Chief Executive Officer



The Shire of Broome has continued to perform strongly in 2012/13 under some difficult economic circumstances, by balancing an ambitious program of works with prudent financial management.

This annual report presents the Shire's financial statements, and outlines the work that has been carried out during the year in line with the goals, strategies and outcomes expressed in the Shire's Plan for the Future.

At the forefront of this work is the development of the new Town Planning Scheme and Town Planning Strategy that will guide the future development of the Shire of Broome.

Extensive public consultation on the Scheme and Strategy will continue, to ensure that the community has every opportunity for input to these important documents, before they are expected to go before Council in the 2013/14 financial year.

Other major undertakings to have been advanced in the past year are significant infrastructure projects including development of a new Sanctuary Road caravan park, in conjunction with the State Government, with expressions of interest now received from interested parties.

The determination of a site for the Shire's new Regional Resource Recovery Park to replace the current Waste Management Facility continues, and is reaching a critical stage, while the Jetty to Jetty project and the Kimberley Regional Offices are among other projects underway that will have enormous benefit to the community once completed.

Advances have been made in managing the Shire of Broome's assets, with the adoption of a composite 10-year capital works program to renew all existing assets, where previously these programs have been spread between multiple departments with a shorter planning period of just five years.

In addition, the Asset Management Plans provide a predicted 20-year capital renewal horizon to further inform long-term strategic and financial planning, with decision making prioritised based on critical risk, renewal intervention points, future demand and meeting the requirements of the Strategic Community Plan.

The Shire of Broome has added to the calibre of its executive staff in the past year with the recruitment of Sam Mastrolembo to the position of Director Corporate Services, and Michael Dale to the position of Director Engineering Services. Both Sam and Michael bring a wealth of experience to what is now a strong and stable executive team.

In addition to this, as Chief Executive Officer I am extremely proud of the work carried out by staff right across the Shire of Broome, and extend my thanks to all of those who have worked diligently in the past year.

I look forward to continuing this good work into the coming year, and to working closely and effectively with Council to progress the development of the Shire of Broome.

KR Donohoe, Chief Executive Officer



Lord Alistair McAlpine was recognised with a bronze bust at Cable Beach.

About Council

Our Elected Members

The Council of the Shire of Broome consists of nine elected members. Council elections are held in October every second year and Councillors are appointed for a four-year term. The Shire of Broome is divided into two wards: Broome Ward (seven Councillors) and Dampier Ward (two Councillors).

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.



Shire President
Cr Graeme Campbell



Deputy Shire President
Cr Anne Poelina



Cr Jenny Bloom



Cr Desiree Male



Cr Mark Manado



Cr Peter Matsumoto



Cr Philip Matsumoto



Cr Chris Mitchell



Cr Eunice Yu

Council and Committee Meetings

Ordinary Meetings of Council are held approximately every third Thursday, beginning at 5pm. All Council and committee meetings (unless decided otherwise by Council) are open to the public. Special Meetings of Council are held as required.

Council agendas and minutes are available at www.broome.wa.gov.au

Councillor	Term Expires	Ward
Cr Graeme Campbell, Shire President	2015	Broome
Cr Anne Poelina, Deputy Shire President	2015	
Cr Jenny Bloom	2013	
Cr Desiree Male	2013	
Cr Mark Manado	2015	
Cr Chris Mitchell, JP	2015	
Cr Eunice Yu	2013	
Cr Philip Matsumoto	Disqualified 26 June 2013	Dampier
Cr Peter Matsumoto	2013	

A Council election will be held on 19 October 2013

Council Meeting Attendance 2012/13

Councillor	No. of Meetings To Attend (OCM's/ SCM's)	Attended	Non-Attendance	Apology/LOA
Cr Graeme Campbell	19	18		1
Cr Anne Poelina	19	15		4
Cr Jenny Bloom	19	18		1
Cr Desiree Male	19	14		5
Cr Mark Manado	19	18		1
Cr Peter Matsumoto	19	7		12
Cr Philip Matsumoto (disqualified 26/6/2013)	18	10	3	5
Cr C Mitchell	19	16		3
Cr Eunice Yu	19	17		2

Broome Snapshot

The Shire of Broome forms part of the Kimberley region of Western Australia.

Broome is a favourite holiday destination for visitors from all over Australia and the world. Located at the southern gateway to the Kimberley, Broome has an extraordinary beauty and unique cultural history.

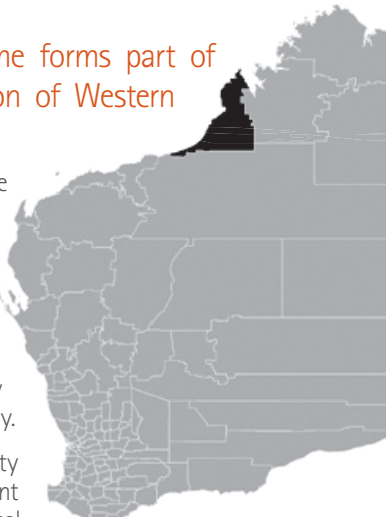
The Shire's cultural diversity is immediately apparent with influences from local Indigenous and Asian cultures including Japanese, Malaysian, Thai, Filipino and Chinese.

The Shire of Broome comprises 56,000sqkm of desert, coastline and bushland. With a population of approximately 14,997, this equates to a density of 3sqkm for every person in comparison to 282 people per square kilometre within the Perth metropolitan area.

Visiting Broome

Tourists from all over the world visit Broome to relax and enjoy the experiences of a town with a unique history, tropical climate and natural attractions.

Remnants of Broome's exotic pearling past are everywhere. The town's multicultural community ensures an array of gourmet tastes, colourful characters and cultural influences. Chinatown is home to some of the world's finest pearl showrooms along with a variety of retail outlets, most of which are open seven days a week. Broome also houses a number of galleries featuring work from renowned international and local artists and offers a unique selection of Aboriginal art.



Broome has many attractions including the natural phenomenon of the Staircase to the Moon, the 130 million year old dinosaur footprints at Gantheaume Point, the Courthouse Markets, guided tours into the history of Broome's pearling history, the heritage-listed Sun Pictures and the internationally renowned Cable Beach.

Living in Broome

With education facilities, restaurants, shopping centres, medical centres and a hospital, together with the opportunity to relax, camp and fish in the Kimberley, Broome's lifestyle is a drawcard for travellers to settle permanently in the town.

Broome is home to many government agencies which service the wider Kimberley region. With a climate ideal for outdoor activities, Broome's many sporting clubs and recreation facilities encourage community participation.

Family friendly events such as the annual Shinju Matsuri Festival see Broome's community celebrate its multicultural roots with a range of activities for all ages.

The establishment of Broome North has helped to ensure an ongoing supply of reasonably priced land in Broome with the capacity to provide several thousand private homes as well as land for social housing, schools, and light industrial and commercial opportunities.

Working in Broome

While the cattle and pearling industries were the main economic drivers in the past, more recently Broome has become a high-profile tourist destination, with many residents employed to share Broome's tourism experiences with the thousands of visitors to the Kimberley during the high season.

Broome's other major industries include fishing, aquaculture, agriculture, horticulture, mining and exploration. Expansion of these sectors will generate economic growth for the region offering greater employment opportunities.



Broome's Chinatown.



Shinju Matsuri's Sammy the Dragon.

About the Shire of Broome

The Chief Executive Officer (CEO), Kenn Donohoe, is the Shire's most senior officer and provides guidance and direction to staff to ensure that Council's policies and decisions are implemented. The CEO works in close partnership with the Shire President to promote the Shire and to link with the community, tiers of government and business sectors.

The overall management of the Shire rests with the CEO who oversees the day-to-day operations while ensuring that Council direction is followed, governance is sound and community outcomes achieved. The human resources, media and promotions staff report directly to the CEO.

The Shire has a management structure of four directorates: Business Enterprise, Property and Strategy Development; Corporate Services; Development Services; and Engineering Services. The directorates are led by an executive management team which co-ordinates the operations of the Shire.

Teams of dedicated staff, with specialist skills and experience, carry out each directorate's responsibilities, duties, programs, and initiatives of Council.

Business Enterprise, Property and Strategy Development, Community Services

The Deputy CEO (DCEO), Paul Martin is responsible for Business, Enterprise, Property, Strategy Development, and Community Services.

This directorate is comprised of specialist staff in the areas of asset and property management, leasing, project management, community development including libraries, sponsorship and donations, disability access and inclusion, sport and recreation, youth, culture and the arts.



Kenn Donohoe
Chief Executive Officer



Paul Martin
Deputy CEO/Director
Business, Enterprise,
Property, Strategy
Development, and
Community Services



Sam Mastrolembo
Director Corporate
Services



Michael Dale
Director Engineering
Services



Andre Schonfeldt
Director Development
Services

About the Shire of Broome

Corporate Services

The Director Corporate Services (DCS), Sam Mastrolembo commenced with the Shire in October 2012. This directorate provides technical and support services to the organisation and elected members. As well as co-ordinating Shire administration, finance, information technology and records management, it also undertakes cemetery management, rates and customer service.

Development Services

The Director Development Services (DDS), Andre Schonfeldt is responsible for providing building, planning, health, environmental, beach, ranger and emergency services across the Shire. These departments aim to ensure the orderly and proper development and use of land to provide a liveable, safe and healthy environment for the community by enforcing compliance with relevant state and local legislation.

Engineering Services

The Director Engineering Services (DES), Michael Dale commenced with the Shire in December 2012. This directorate is responsible for most of the Shire's technical services in the form of the construction and maintenance of the physical infrastructure excluding the Shire's buildings. Engineering Services is responsible for roads, footpaths, drainage, car parking, street lighting, street furniture, depot and nursery, wastewater effluent re-use system, waste management, recreation reserves, parks and ovals, road verges, reticulation systems and bores, and cemetery maintenance.

Council's Long Term Planning and Forecasting Requirements

There are several major strategic documents required by legislation that are produced by the Shire and adopted by Council. While each individual document has a specific purpose, together they give direction to Council and guide the future of the Shire of Broome.

Plan for the Future

The Plan for the Future is a requirement of the Local Government Act (1995). The plan sets out the vision, mission and values the organisation intends to operate by when delivering services to the community and aligns its major projects and activities to those philosophies.

The Act requires a local government set out the major capital projects it intends to deliver in the foreseeable future.

In February 2011 Council adopted The Plan for the Future – Forging Ahead Draft Strategic and Corporate Plan 2011–2016 and requested that the draft plan proceed to community consultation stage. Following community consultation the Strategic and

Corporate Plan 2011–2016 was adopted by Council at its Ordinary Meeting of 7 July 2011.

Amendments to the Local Government (Administration) Regulations 1996 have better defined what comprises a Plan for the Future. These amendments were supported by the State-wide introduction of the Integrated Planning and Reporting (IPR) Framework.

At the Ordinary Meeting of Council held 27 June 2013 Council adopted the Strategic Community Plan (SCP) 2013 – 2023 which is a 10 year Vision for the Shire of Broome and is the head document for the IPR framework. It is anticipated that the Corporate Business Plan (CBP) 2013 – 2017 will be adopted in early 2013/14. The CBP is for a period of 5 years and is to be reviewed annually to deliver the annual budget.

Both the SCP and the CBP have primarily been developed from our previous Plan for the Future – Forging Ahead 2011 – 2016. Some additional actions have been included to capture actions that were deemed to be part of our current day-to-day activities already being undertaken.

There are a number of informing strategies that form part of this framework and they include: Asset Management Plans, Workforce Plans and a Long Term Financial Plan.

This Annual Report has been based on The Plan for the Future – Forging Ahead Strategic and Corporate Plan 2011–2016, however it is noted that future Annual Reports will report on the SCP and CBP.

Annual Report

The Annual Report is a requirement of the Local Government Act (1995) and is produced yearly. In addition to the statutory information, including the financial statements for 2012/13, the report is to provide an overview of the activities of the Shire in the previous financial year and include major initiatives that are proposed to commence or to continue in the next financial year.

Financial Statements

Financial statements outline the income and expenditure associated with the Shire's activities for the previous financial year. Once audited, the Financial Statements are published in the Annual Report.

Annual Budget

Projects identified within the Plan for the Future form the basis for the development of the Shire budget. The annual budget sets out the forecasted income and expenditure for the coming financial year, identifies income sources and outlines proposed projects and activities.

2012/13 Year in Review

This report summarises the Shire of Broome's progress during the 2012/13 financial year toward attaining the goals, strategies and outcomes set out in the Shire's Plan for the Future.



Our People

The Shire of Broome aims to foster a community environment that is accessible, affordable, inclusive, healthy and safe. These are the strategies put in place to achieve this, and a summary of progress made during 2012/13.

1.1 Encourage Communication.

Media

The Shire of Broome utilises a wide range of channels to keep the community informed of its activities, seek feedback and provide access to information.

The Shire works proactively with media outlets, both through news content and paid advertising, to keep the community up to date.

During 2012/13 extensive communications programs utilising advertising, media releases, open days and public information sessions have been activated for projects such as the Chinatown Development Plan and Guidelines, and Broome2040, through to events such as the Broome Civic Centre opening and Australia Day activities.

The Shire of Broome continues to produce through a contractor an annual directory that is provided free to householders and businesses. This directory is an exhaustive source of information including business and residential contact listings, emergency information and more. This is also a source of revenue for the Shire of Broome.

The Shire has also utilised current and emergent communications technology with active Facebook pages for the Shire of Broome, Broome Recreation and Aquatic Centre, Broome Civic Centre, Broome Public Library, and Club Development Officer. These are updated regularly with useful information, and provide a forum for community members to ask questions. Development of the Shire of Broome website has also continued and it is a reliable source for a broad range of information.

The Shire of Broome also continues to take part in events such as North West Expo as a further means of engaging with and being accessible to the community.



Shire CEO Kenn Donohoe speaks to local media.

Broome Public Library

The Broome Public Library added e-books and e-audio to its range of services which makes the library available to the community via its web page 24 hours a day, seven days a week.

Community Sponsorship Program

The Shire runs two streams of community sponsorship. The Annual Community Sponsorship program, which is open from October to February each year, aims to empower community groups to more effectively deliver their projects and build strength through promoting independence, skills and sustainability.

The Ad Hoc sponsorship program, which is open throughout the year, allows organisations to access funding up to \$1000 to assist with smaller initiatives.

In 2012/13 the Shire contributed \$62,660 to 21 community organisations to deliver community programs and events.

In addition, the Shire of Broome continued to sponsor and support large-scale festivals and events in Broome including the North West Expo, Kullarri NAIDOC Festival, Kimberley Girl and the Shinju Matsuri Festival.

Sport and Recreation Partnerships

A Broome Sports Network, comprised of key overarching sporting bodies in Broome was established in 2013. The main focus of the group is to assist state sporting associations and other related organisations with their visits to Broome to ensure clubs and Aboriginal communities receive a maximum benefit. So far the group has met with representatives from golf, squash, Inclusion WA, Special Olympics, Football West and Little Athletics. The group also played a key role in co-ordinating a coaching conference in April.

The Club Development Officer plays a key role in the newly formed Broome Inclusive Sport and Recreation Network. The group comprises members of key Broome sporting organisations and stakeholders from the access and inclusion industry and aims to develop strategies to provide greater inclusion and participation for people with a disability within the community.

Club Presidents' Breakfast

The 2013 sporting year was launched with the annual Club Presidents' Breakfast. The information session provided 28 Broome club presidents an opportunity to network with their peers. Key Broome sporting organisations including the Department of Sport and Recreation, Active After-Schools and Garnduwa joined Shire of Broome Community Development officers to officially launch the new season.

The BRAC Pac

An information sharing group was established in 2013 to provide structured clubs using the Broome Recreation and Aquatic Centre (BRAC) an opportunity to understand procedures and processes at the centre and discuss their ideas and needs with BRAC management and the team from Parks and Gardens.

The group will now meet three times each year at strategic periods on the calendar to ensure communication is open and clear.

The BRAC Pac has met twice in 2013 to date. Representatives from key sporting bodies in Broome, and the majority of user clubs have consistently attended these sessions, ensuring clear lines of communication between Shire officers and club committee members.

As a result of these meetings BRAC introduced a refined booking process with each club allocating a 'bookings officer' as a single point of contact allowing for greater efficiencies in communication, managing occupancy rates and invoicing.

Club Development Newsletter

A quarterly newsletter provides an extensive sporting community database with information on a range of club development topics, including business planning, upcoming workshops and latest funding opportunities. The newsletter also provides an opportunity to acknowledge high-achieving volunteers and athletes.

The Club Development Officer has consulted with volunteer members from 35 incorporated clubs providing ongoing information and advice on a range of club development topics including funding, business planning, risk management, facility development and club promotion.

Club Conference

The second annual Clubs Conference was successfully held at the Broome Civic Centre. The full day of workshops attracted a record 44 members of the sporting community, more than twice the number received for the inaugural one in 2011.

Representatives from three Kimberley LGAs, and a further three government agencies joined volunteers from 19 different sports to hear speakers from the Shire of Broome, Department of Sport and Recreation, and two keynote speakers from Football West and the North Fremantle Amateur Football League.

The ABC Kimberley morning sports program broadcast live from the Broome Civic Centre during the morning.

Club Talk

The Shire of Broome co-ordinated a Club Talk workshop. The Club Talk workshop focused on the promotion and usage of the WA Department of Sport and Recreation clubs website. The workshop was significant as it attracted a number of different club volunteers from sports not normally engaged with the club development program. During the session club representatives were able to set up their own website. As a result there are now just a small percentage of Broome clubs not online in some capacity.

Risk Management for Events Conference

On 23 November 2012 the Shire hosted industry experts James Sheridan from LGIS and Sid Brodie from Environmental Health Directorate.

In attendance were Environmental Health Officers from Exmouth to Kununurra along with staff from the events industry, WA Police and security workers.

The session was well received and was a great way for agencies to network and discuss similar issues relating to event risk management.



Broome Recreation and Aquatic Centre.

Our People

1.2 Identify affordable services and initiatives to satisfy community needs.

Disability Access and Inclusion

The Access and Inclusion Advisory Committee provides advice to Council on the development, implementation, review and evaluation of the Disability Access and Inclusion Plan (DAIP) to ensure Council meets its obligations under the Disability Services Act 1993.

In 2012 the Shire of Broome submitted to the Disability Services Commission the updated Disability Access and Inclusion Plan 2012-2017.

The Plan was developed through a review of previous DAIP documents to determine what has been achieved and what still needs work, as well as consultation with key staff and stakeholders, including the Access and Inclusion Advisory Committee and wider community. In November 2012 the community was informed of the review through the local newspaper and the Shire website and was invited to provide input to the development of the Plan by taking part in community consultation during November and December 2012.

The Council will integrate the Shire of Broome Disability Access and Inclusion Plan with its overall planning process. The purpose of the Plan is to identify barriers to access and propose solutions to ensure that people with disabilities have equality of access to services and facilities. The Plan is reviewed annually via a range of consultation mechanisms, including by the Shire's Access and Inclusion Advisory Committee. The Access and Inclusion Plan is available from the Shire of Broome website.

The Access and Inclusion Committee is required to meet four times a year. Six meetings were held across the 2012/13 financial year and projects that have progressed through the advice of this committee include:

- Installation of new ACROD parking bays at Broome Primary School, including a disabled bus bay.
- Improved access to the newly refurbished Broome Civic Centre with the installation of a disabled bus bay and access path, as well as rectifying problems with the footpath access ramps leading up to the building.
- Isolated issues with steep crossovers on footpaths in Clementson Street were rectified where possible without a complete retrofit being carried out. The Shire's crossover specifications were updated to comply with current Australian standards.

The Shire of Broome continues to provide two beach wheelchairs to enable all people to enjoy the pleasures of Broome's beautiful beaches. The "FreeWheeler" wheelchair has large inflatable tyres, is relatively lightweight and traverses easily over sand. The "Beach Trekker" chair is more suited to going into the shallow water depending on water conditions. The Shire's lifeguards assist users of the wheelchairs in getting onto the beach and advising how to safely operate the chairs in and around the water. A Platypus Wet Area Self Propelling Wheelchair is also available to enable people of all levels of ability to access the Town Beach Water Park. The wheelchairs are available for use free of charge.

Disability access and inclusion information continues to be included in staff induction packages and on the intranet. Similar information has also been included in the Shire's event package.

International Day of People with a Disability

The Shire recognised Disability Awareness Week (2-8 December 2012) and International Day of Person with a Disability (3 December 2012) by holding disability awareness activities with staff in the administration office.

Staff were invited to volunteer to be in a wheelchair or be blindfolded for half an hour during their work day. The activities were designed to simulate the experience of mobility or vision impairment and to create an understanding and empathy for people with a disability.

Staircase to the Moon Markets – Town Beach Reserve

The Shire of Broome provides a 50 per cent discount to the venue hire for this activity. It also implements and operates a traffic management plan at these markets for the months of June, July and August to improve public safety.

Broome Public Library

Library services are provided free and there are over 20,000 titles, jigsaws, puppets, CDs and DVDs as well as special collections available. There were 69,467 adults and children visit the library in 2012/13, and library membership of 7519.

The free internet service is well used by residents and visitors. This service provides access to up-to-date reference materials as well as social media formats. The immediacy of this information format has changed the level of non-fiction materials purchased by the library. This allows us to concentrate collection development in areas most used by library borrowers.

A Remote Borrower service is available which provides a postal service for residents who live outside the township. In addition access is available at all hours to authoritative information through its webpage and online databases.

1.3 Create community spaces.

Broome Civic Centre



Jimmy Chi Hall in the new Broome Civic Centre.

Opening Weekend

After an extensive refurbishment of this icon venue, the Broome Civic Centre officially re-opened its doors on 20–21 October 2012. A competition was held to name the venue with an overwhelming community preference to maintain the Civic Centre identity but to recognise respected Broome artists also. The Pigram Garden Theatre provides an outdoor space, while the main hall was renamed Jimmy Chi Hall. Shinju Matsuri's mascot, Sammy the Dragon resides in a display case in The Sammy Room.

Saturday 20 October was a free community open day with involvement from schools, community groups, dance groups, musicians and choirs. More than 2000 people visited throughout the day and provided great exposure for the redeveloped facility.

On Sunday 21 October, Minister for the Arts, the Hon. John Day officially opened the venue. St Mary's College provided guests with tableaux depicting previous events held at the Civic Centre while Theatre Kimberley performed a teaser of their show "Staircase to the Moon". This show then premiered as the first ticketed performance in the venue the following week.



Minister for the Arts, Hon. John Day, opens the new Broome Civic Centre.

Usage

Since its re-opening in October 2012, the Broome Civic Centre has hosted a diverse mixture of events ranging from conferences, meetings, weddings and birthdays to comedy, live music and performing arts.

The first Shire-run event, "Cave to the Rave" by Damian Callinan, was a success with community members enjoying his comedy/dance performance.

Memorable community events included the sell-out show "Bust Out Cabaret" by Theatre Kimberley with the Pigram Garden Theatre at capacity for the Kimberley's best acrobatic and circus acts.

"50 Shades of Black" was presented by KPAC over four days. The new tiered seating brought audiences closer to the performance which added to the atmosphere.

Save the Children hosted a Long Table Lunch charity event raising \$25,000, and the WA Police held a community forum on crime in the community.

The Shire celebrated Harmony Day with a free screening of "Colourfest", a multicultural short film festival. This year's theme was "Many Stories - One Australia". The Broome Soccer Association produced a short film to coincide with this event, showcasing the 13 different nationalities involved with the association.

The Broome community has been extremely positive in its praise of the redeveloped venue and it is being utilised for a variety of different uses, as was the intention with its design.



The new Broome Civic Centre.

Our People



St Mary's College performance at the Broome Civic Centre opening.

Arts Culture and Heritage

The Arts Culture and Heritage Advisory Committee was established at the 6 September 2012 Ordinary Meeting of Council. The committee provides advice to Council on matters of art, culture and heritage.

The Arts, Culture and Heritage Advisory Committee is required to meet four times a year. Five meetings were held across the 2012/13 financial year.

Through the advice of the Arts Culture and Heritage Committee the following priorities were identified for arts and culture in Broome for the next 10 years to inform the Integrated Planning and Reporting Framework;

1. Support community festivals and events,
2. Develop and implement a Public Art Strategy,
3. Manage and promote the Broome Civic Centre,
4. Establish and develop partnerships that support and build the capacity of the arts and cultural sector,
5. Undertake and support heritage interpretation activities,
6. Investigate the feasibility of a community art gallery.

Per Cent for Art Policy

It is widely recognised that public art is vital to community and cultural development and plays a key role in urban renewal, place making, urban design and tourism. It contributes to a sense of identity and well-being by reflecting on a place's unique character, history and future aspirations.

Public art can add to an environment, making it welcoming and inclusive, creating an aesthetically pleasing and cultural experience by;

- Enhancing the environment,
- Defining public spaces and place,
- Providing a sense of pride, ownership and belonging,

- Increasing cultural awareness,
- Promoting inclusiveness and harmony,
- Decreasing vandalism,
- Adding value by making the site more desirable to live in or visit,
- Attracting tourists,
- Providing opportunities and employment for artists.

In May 2013, Council endorsed a recommendation to put out for public comment a proposed Local Planning Policy – Provision of Public Art Works. The objectives of this Local Planning Policy – Provision of Public Art Works (LPP) are to;

1. Ensure that new development within the Broome town site makes a fair and reasonable contribution toward public art works that promote and recognise Broome's rich culture, heritage and history,
2. Enhance the sense of place by providing an interpretation and expression of the area's natural physical characteristics, culture and history,
3. Improve legibility and visual amenity of streets, open spaces and buildings, and
4. Improve the functionality of the public domain through the use of public art to provide appropriate street furniture functions.

This policy puts in the necessary criteria upon which Council can require certain forms of development to contribute a percentage of the development's total cost to the development of public art works.

Council requested the CEO to develop "The Shire of Broome Public Art Masterplan" which will identify the preferred locations within the Broome town site and themes and will provide guidelines for developers wishing to include public art in their development as opposed to providing a cash contribution. The Masterplan and Guidelines are expected to be completed by December 2013.

Chinatown Shade Project

One of the key issues raised during the comprehensive community consultation regarding the Chinatown Development Strategy was the provision of shade within the Chinatown area. Following a visit to Broome in late 2012, the WA Premier committed \$210,000 for the Shire to implement shade structures in the Chinatown precinct.

Initially, it was envisaged that one option would be to replicate the bus shelter structure as a mechanism for providing shade, however this structure has the potential to be confused with bona fide bus stops.

In April 2013, Council requested the CEO to work with members of the Chinatown Action Group to call for expressions of interest from suitably qualified artists to submit design concepts for shade structures in Chinatown.

The design brief included the following;

- expression and exploration of the heritage of the Chinatown precinct,
- functionality (seating, shade area, water),
- visual amenity, location and accessibility, existing aesthetic elements,
- climatic conditions,
- materials, maintenance and on-going operational costs, resistance to vandalism,
- potential for local fabrication and installation requirements.

The brief also referenced relevant documents including but not limited to the Chinatown Development Strategy, Chinatown Design Guidelines and the Public Art Policy.

Open Space Management Plan

Open Space Management Plan Stage One

Stage One was completed in 2012/13 with the development of an asset register for open space and drainage reserves with six agreed categories for open space:

- Organised sport and destination parks,
- Other reticulated parks,
- Un-reticulated parks,
- Natural parks or open space,
- Cemeteries,
- Drainage swales.

Another outcome was the allocation of three levels of service against the above categories that will guide the standard of maintenance activities for each open space. The mapping of the above on IntraMaps has allowed Council the opportunity to make informed strategic decisions in regard to service levels on open space across the town site.

A drainage condition assessment and survey started in 2012/13 that will result in a comprehensive asset register of all pipe drains and structures. This data will be utilised to prepare the drainage asset management plan.

Open Space Management Plan Stage Two

The next stage of this project in 2013/14 will result in quantifying the cost of each level of service, allowing the modelling of the effect on expenditure with the adjustment of levels of service up or down. This will allow input into the long-term financial planning and annual budget requirements for Parks and Gardens activities.

Stage Two will also include the survey and pick-up of open space assets (playgrounds, furniture, etc.) to populate an asset register.



The Shire of Broome hosts an annual Seniors Christmas Party.

Our People

1.4 Encourage recreational activity.

Club Development

The Club Development Officer Scheme is an initiative of the WA Department of Sport and Recreation (DSR) and implemented in partnership between DSR and the Shire of Broome.

The program is into the final year of a three-year funding scheme. It aims to build capacity in sporting clubs and associations in the town. The main focus is to ensure clubs in Broome remain sustainable.

The Club Development Officer works closely with a variety of organisations and focuses on assisting volunteers in key areas including education, communication and acknowledgement.

Restructuring of the Community Development department at the Shire of Broome combined with the time to recruit a new officer has meant the Club Development program has not been functioning at full capacity in the months prior to January 2013.

Funding for Sporting Facilities

Five CSRFF grants were received to assist with developing sport and recreation within the Shire. The grants include funding to upgrade the Haynes Oval lights, BRAC tennis courts, and Broome Pistol Club. Funding for future planning included the development of a facility feasibility study for the Broome Squash Club, and a Sport and Recreation Master Plan.

A Tennis Australia National Court Rebate Scheme was successfully applied for to ensure the delivery of the BRAC tennis court resurfacing project.

More than \$6000 has been sourced through the KidSport program to provide young people the opportunity to participate in club sport.

BRAC

A Marketing Plan was put in place which led to the launch of a targeted radio and newspaper campaign. Greater public awareness of the programs and facilities at BRAC has led to participation numbers increasing considerably. For example, the biggest Aqua Group Fitness class reached 80 participants.

The Learn to Swim registration system has been streamlined, with BRAC now using online media and email database mail outs to inform the public of programs, with significant growth as a result. The Learn to Swim program grew 31 per cent on the previous year and indications are that growth will continue into 2013/14.

Broome Public Library



Better Beginnings program at Broome Public Library.

The library continues to engage a wide range of community participation including "Meet the Author" evenings, and birthday clubs are held in the library regularly. Story time sessions which promote a love of reading by parents to their children continued with 902 attendees. Our Rhyme Time program for parents and babies continues to be a success with 324 people attending over the past 12 months. Our new Lego Club has created a lot of excitement in the Library on Thursday afternoons from 3pm-4pm. After starting with one session it needed to be increased by allowing another group to run from 4pm-5pm.

Children's Book Week brought children from all schools in Broome to the library to meet author Dianne Wolfer. The Lioness Teddy Bears Picnic continues to provide a connection to the library for children who are not regular visitors. Themed school holiday activities are run by library staff and attracted participants of all ages.

Various programs were provided by the library including:

- Outreach Programs through CIRCLE House and child care centres,
- Children's Book Week programs were delivered to Dampier Peninsula schools,
- The Hooked on Books program to encourage good reading habits commenced for Year 1 children from all schools in the Broome town site,
- Corrugated Lines writers festival – the library ran sessions across the weekend that provided access to everything from moonlit walks at Cable Beach and flash dance at the markets to book signings and author talks.

1.5 Facilitate a safe environment.

Environmental Health Service

The Shire's Environmental Health Service monitors the environment, both natural and built, to prevent illness in the human population. The Environmental Health program includes routine auditing of premises captured by relevant legislation and includes inspection of 285 food premises, 63 public buildings, 16 caravan parks, 10 lodging houses, 101 pools at 51 aquatic facilities, 10 hairdressing premises and 15 beauty therapy premises.

Environmental Health also assess onsite waste water disposal applications, event applications, development applications and trading applications; responds to and investigates environmentally borne disease outbreaks; noise, water and air pollution; and health concerns associated with housing conditions. Environmental Health is varied and interesting, and is influenced by the community's interaction with our unique environment.

Mosquito Management Strategy

The Shire's Environmental Health Services continued implementation of its Mosquito Management Strategy to minimise risk to public health. Environmental Health Officers monitoring program included weekly trapping of adult mosquitoes, fortnightly blood sample collection from sentinel chicken flocks, visual surveillance for mosquito larvae in pooling water and completion of interviews of patients notified by the WA Department of Health after contracting a mosquito-borne disease.

Using the above monitoring data, together with weather and environmental information, officers implemented chemical control programs including barrier fogging of adult mosquitoes and larviciding of larvae in tanks, drains and other areas of pooling water. In conjunction with these programs, Shire Environmental Health Officers provided regular mosquito disease risk updates to the community in the local newspaper, radio and information sheets.

BRAC Pool Health

A brand new UV filtration unit has been installed at BRAC. This state-of-the-art technology provides additional protection to users by removing practically all 'bugs' out of the water and assists greatly in keeping the pool water clean.

Helping Young People Engage

The Shire continued to support the Helping Young People Engage (HYPE) project as an active member of the management committee. HYPE aims to prevent antisocial and offending behaviour on the streets of Broome by building positive partnerships between young people, service providers, Council, police and community members.

HYPE youth liaison workers patrolled the streets on Thursday, Friday and Saturday nights between 7pm and 1am, interacting with youth, acting as positive role models and attempting to divert and intervene to prevent negative social behaviour, especially violent "mob" activities. HYPE workers then report on the activities and trends to the management team, with referrals for certain at-risk youth to appropriate social service and support agencies available to them in Broome.

Emergency Management

Public Safety remains high on the agenda for the Shire of Broome, as evidenced by the large numbers of agency and community members that regularly attend the Local Emergency Management Committee (LEMC) meetings.

During the year Council commissioned an emergency risk management review. This was undertaken by the Local Government Insurance Service and disseminated to the LEMC and will help inform emergency planning into the future.

Local Government provided support to the responsible agencies during a number of emergency activations including several bushfires and Cyclone Rusty.

Bushfire Management

Rangers have continued to work closely with all agencies and the community to mitigate the risk of bushfire in the landscape. This year also saw the introduction of the concept of all agency integrated bushfire management planning which will be further progressed in the 2013/14 financial year.

The Shire's Volunteer Bushfire Brigade was very busy during the fire danger period and responded to a number of fires that threatened infrastructure.

For the next three years, management of the Volunteer Bushfire Brigade as they respond to an emergency will be undertaken by the Department of Fire and Emergency Services (DFES) in a trial that will see full-time fire fighters and officers oversee the brigade during a response to a fire or other emergency.

During the trial brigade members will have access to more resources and greater training opportunities. Local Government will continue to inspect properties that may present as a fire hazard and issue fire break notices.

The Bushfire Brigade was successful in gaining a significant capital grant for the purpose of building a new fire station, and Council officers, and officers from DFES and other State agencies are working on ways to build a station that will best meet the future needs of the community.

Our People

1.6 Nurture and build social capital to increase community capacity.



The Shire of Broome welcomed 73 new citizens in 2012/13.

Welcoming New Citizens

The Shire of Broome conducted four Citizenship Ceremonies in 2012/13 at which 73 people became Australian Citizens. The participants were from countries including Iraq, New Zealand, Thailand, Zimbabwe, Philippines, United Kingdom, Canada, Sri Lanka, Germany, Belgium, Columbia, China, India, Ireland and Mexico.

The new citizens pledged their loyalty to Australia in the ceremonies conducted by Broome Shire President Graeme Campbell in front of their friends, family and community members. They are presented with a symbolic memento to mark the occasion.

In addition, a welcome was conducted by the Yawuru community and a certificate was presented on behalf of the Traditional Owners. The Shire encourages people of all cultures to join the Broome community and share their heritage.

Shinju Matsuri Festival 2012

Shinju reclaimed its well-deserved title as the premier festival in Broome. Attendances were up for all events including but not limited to the Long Table Lunch, Float Parade and Mardi Gras, and Closing Ceremony.

The Shire is a Pearl Sponsor of this community festival and provides enormous support through funding, traffic management, site preparation, banner erection, logistical support, marketing and in-kind venue hire.

With the opening of the Broome Civic Centre the Shire will continue to support the festival into the future and assist it to remain the great multicultural event that it is.



The Shire erected new Christmas lights in Chinatown.

Chinatown Christmas Party and Christmas Decorations

On 5 December 2012 the Shire, in conjunction with Spirit FM, Chinatown Traders and Goolarri Media facilitated a community Christmas concert in Chinatown. The highlight was the Shire-funded Christmas decorations erected by the Parks and Gardens team on Carnarvon Street, with the boab tree at the Short Street intersection covered in fairy lights and Christmas baubles.

Chinatown businesses remained open which activated the space and demonstrated part of the Chinatown Development Strategy, and the same organisations have committed to holding the event again in 2013. Feedback from the community was overwhelmingly positive.

Inaugural Shire of Broome Australia Day Family Concert and Fireworks Display

The Shire organised and co-ordinated a highly successful Australia Day celebration with an estimated 3000 people attending at Town Beach Reserve to enjoy the concert and festival atmosphere, and significantly more watching the fireworks from vantage points along the Roebuck Bay foreshore.

Community feedback was positive with many commenting on the relaxed and safe atmosphere brought about by the no-alcohol policy for this event. Entertainment included children's entertainers, a circus performer and Broome musicians Miss Behave and the School of Funk. The climax of the evening was a 25-minute fireworks display launched over Roebuck Bay, and sponsored by Buru Energy.

Following the success of 2013 it was agreed to make it an annual event for the community to enjoy.

In addition to this big event are many smaller events facilitated by the Shire of Broome. In 2012/13 these included International Women's Day, National Families Week, travelling carnivals, sporting events/carnivals, weddings, conferences and live music events. The variety of these events helps to ensure different interest groups catered for. This is set to continue in 2013/14 with a range of strong enquiries.

Work Experience Program – Host Employer

The Shire of Broome hosted a number of students from St Mary's College and Broome Senior High School as part of those schools' 2012 Work Experience Placement Programs.

The students spent time in several departments including Customer Service, Records, Community Development and at BRAC to gain experience across a range of local government functions.

As the largest employer in Broome, the Shire of Broome is pleased to offer opportunities for young people entering the workforce to get a taste of working in Local Government.



The Shire organised a successful Australia Day fireworks and concert.

KidSport

The KidSport program is an initiative of DSR and is implemented by the Shire of Broome CDO. The program provides children with financial difficulties the opportunity to participate in structured club sport, by funding their membership fees and associated equipment costs.

To date more than 60 children are enrolled in the program. The majority are Indigenous and have never participated in structured club sport before. The program has created positive networks across the community. Identifying eligible children requires a partnership between referral agents, the Shire of Broome and clubs and to date more than 30 organisations from the sporting, social services and education sectors are signed up to the program, either as a referral agent or registered club.

A KidSport information session was extremely well received despite being postponed due to unforeseen circumstances. The rescheduled session presented by DSR KidSport project leader Paul Goodley generated 35 RSVPs from across the sporting and community services.

The information session was followed up with a series of seven separate meetings with relevant schools, clubs and key stakeholders, organised for those unable to attend the morning session.



The Shire of Broome again was a major sponsor of NW Expo.

Our Place

The Shire of Broome aims to help protect the natural and built environment and cultural heritage of Broome while recognising the unique sense of the place. These are the strategies put in place to achieve this, and a summary of progress made during 2012/13.

2.1 Engage with local community by presenting realistic and sustainable land use strategies for the Shire within the state and national frameworks.

Development Applications

The subdued economic environment was again reflected in the volume and type of development applications received by the Shire of Broome in 2012/13. Overall the number of planning applications remained steady. Shire staff were also involved in an application submitted to the Kimberley Joint Development Assessment Panel.

During the year, three Detailed Area Plans were endorsed by Council and the Chinatown Development Strategy and Design Guidelines were adopted by Council. Good progress has been made with the review of the Municipal Inventory with a number of new nominations received. The review of Local Planning Policies continued and a number of new policies were adopted that will provide guidance on procedural matters.

There was also a continued focus on compliance during this period, both responding to complaints about unauthorised development and following through to ensure development complied with the approved conditions.

Applications Received	2008/09	2009/10	2010/11	2011/12	2012/13
Planning Applications	189	156	198	172	178
Subdivision	(referrals) 101 lots	(referrals) 593* lots	(referrals) 467# lots	(referrals) 120 lots	(referrals) 391^ lots

*541 of these were for lots in Waranyjarri, Billigungur

#283 of these were for lots in Waranyjarri Billigungur and 153 for Roebuck Djugun

^240 of these were for lots in Waranyjarri Billigungur and 22 for Roebuck Djugun



Capital works in 2012/13 included upgrades to ablutions at Town Beach.

2.2 Ensure that our planning processes result in a built environment that reflects arid tropical climate design principles and historical built form.

Building

The previously introduced WA Building Act has now been in place for about 14 months. There was some initial confusion typically associated with new legislation which required the State Government to make some minor legislative changes to the Act as well as providing extensive advice to Local Government and the building industry in general. The Act has streamlined the building approval process as well introducing a number of service opportunities for both Local Government and private building surveyors.

Building permit numbers for the 2012/13 period increased strongly from the previous financial year along with a substantial increase in the total value of building works. The success and ongoing development of Broome North has contributed to increased residential construction which also includes a number of group dwelling projects.

The adjacent Broome North commercial precinct also led to a number of commercial building permits being issued in this area.

Roebuck Estate has also seen some infill areas of land being developed, opened up and approved for residential construction. This appears to have been well received by the local building industry with a number of project builders already offering house and land packages in these areas.

Building Permits Issued	2009/10	2010/11	2011/12	2012/13
Single Dwellings	107	80	126	240
Group Dwellings	8	9	2	17
Additions	19	13	14	17
Outbuildings	82	87	79	72
Commercial	30	33	37	29
Industrial	6	7	6	4
Pools	106	77	70	84
Tourist	5	3	6	3
Fences	5	12	66	63
Public Nature	10	9	5	9
Demolition	9	5	3	17



The Streeters Jetty precinct has received significant upgrades.

2.3 Nurture and protect our unique natural environment for the benefit and enjoyment of current and future generations.

Yawuru Joint Management Agreements

The Yawuru Joint Management Agreements were signed in February 2010 providing for the formation of a Park Council and setting out its role which included:

- (a) To prepare Management Plans under Part V of the CALM Act and section 49 of the Land Administration Act (as appropriate) and related policies for the management of the Conservation Estate;
- (b) To ensure that the Management Plans for the Conservation Estate are consistent with the visions and policies set out in the Cultural Management Plan for these areas;
- (c) To ensure that all Management Plans overseen by and developed with the Park Council are, to the greatest extent possible, taking into account different legislative frameworks, consistent.

The Yawuru Agreements provide for the creation of a conservation estate comprising marine, intertidal, out-of-town terrestrial and in-town terrestrial areas. The in-town terrestrial estate is to be joint-vested between Yawuru and the Shire. The various land parcels comprising the in-town estate are being assembled, reserves created and management orders issued to Yawuru and the Shire.

Yawuru prepared a Cultural Management Plan (CMP) for its claim area as required by the Yawuru Agreements. The Agreements provide for the CMP to inform the development of management plans for the Estate. Consultants have been appointed to prepare management plans for in-town conservation estate and Shire comments have been compiled and provided for inclusion in the draft management plan.

It is intended that a draft management plan will be prepared by the end of January 2014 for consideration by the Yawuru Park Council (YPC). The YPC may consider the draft suitable for referral to Yawuru and the Shire for consideration, and in that event Council has indicated the draft will be made available for public comment prior to consideration.

Principal Environmental Officer

The Shire has developed a draft five-year Environmental Management Strategy for Broome. The Environmental Management Strategy provides comprehensive information regarding current environmental issues. The strategy provides strategic direction for environmental assessment and addresses environmental issues with actions for implementation.

The Shire has progressed the review and development of environmental policies. The policies will be used as a key strategic tool for assessing best practice standards and defining the direction of environmental management within the Shire. The environmental policies will address best practise standards associated with the natural environment, management, and design. This will provide implementation criteria for industry, commercial premises, developers and the community.

The Shire has successfully completed a range of grants for 2012/13 including the Anne Street Drainage Project – Stage 2 and a drainage water quality monitoring program. The Shire has been successful in a further two grant applications. A Coastal Vulnerability Study will be undertaken through the Northern Planning Fund. The Coastal Vulnerability will address storm surge and coastal inundation models, shoreline stability assessment, hydro-geological and hydraulic model processes for the Broome town site. The Shire has also secured a grant from Rangelands NRM to undertake a State of Environment Report. The Shire will progress the successful grants in the coming financial year.

2.4 Preserve and promote the unique and significant historical and cultural heritage of Broome.

Local History Preservation

The library holds a collection of local study materials and makes these available to the public. In addition to this the Local History Collection is slowly being built to incorporate rare or difficult to obtain items to preserve the unique stories and cultural heritage of Broome.

A microfilm viewer is now available so that information held on microfilm and microfiche can be available for research. The bulk of this material is copies of newspapers from 1905 to 1952.

Following the LotteryWest project of 2009/10 which produced 10 oral histories, a further project was undertaken with another collection of recordings made available. The library encourages and supports people seeking to expand the oral history collection through interviewing those who have been part of the development of the community.

Broome Cemeteries

Broome Cemetery has been operational since the late 1890s and is of significant historical interest to locals and visitors. The Shire aims to provide a suitable environment for respectful recognition of a person's life and public visitation and enjoyment of the Shire's cemeteries is encouraged.

To protect the significant number of unmarked grave sites and the cemetery grounds, the Shire encourages the community not to drive vehicles into the cemetery due to potential damage to grave sites caused by vehicular traffic.

Office staff continued to update the cemetery database with photos and information which will provide a reference in future years and assist with the ever-increasing genealogy requests.

In June 2013 cemetery survey plans were updated and it is proposed these will form the basis of a Cemetery Master Plan. A conceptual Master Plan will be prepared by the Shire's Engineering Department in early 2014. From this a Master Plan will be developed to identify future plots and plan for the development of appropriate public access, landscaping and other infrastructure.

2.5 Retain and build on Broome's iconic tourism assets and reputation.

Tourism Differential Rating

Council commenced a review of the definition and intent of the collection of differential rates for tourism initiatives in 2009. The purpose of the review was to determine the best practice funding model for ensuring equitable support for tourism industry development strategy and marketing. Key stakeholders from the industry were involved in the extensive process.

The review resulted in the development of a Tourism Administration Policy which was adopted by Council at its Ordinary Meeting held 19 April 2012. The policy incorporated a multiplier effect as a more equitable alternative rates distribution model. The policy also provides transparent disclosure of funding allocations provided to key tourism industry bodies that is determined by Council during the annual budget deliberations.

In 2012/13 \$175,000 plus \$110,000 were respectively budgeted as contributions to Australia's North West and the Broome Visitor Centre.

Overflow Caravan Parks

Each year Environmental Health Services works with the Broome Visitor Centre and caravan park operators to facilitate the operation of overflow caravan parks. Overflow caravan parks provide short-term, temporary accommodation for travellers who have not been able to or did not secure accommodation prior to arriving in Broome during the busy tourist season.

Environmental Health Services facilitates an annual meeting with caravan park operators prior to tourist season to discuss the season ahead, and any concerns raised during the year by tourists and the community.

Our Place

Ranger Services

Ranger Services continued to be present at most community events at some level, predominantly to ensure public safety, but also to promote awareness of their roles and to educate the public regarding the local laws for the Shire of Broome. They also provided a presence at educational centres to promote the Ranger as a career choice within local government and to provide information to students about pet care and dog behaviour.

Ranger Services has provided feedback in the development of a service provision agreement between the Department of Parks and Wildlife, Yawuru and the Shire of Broome which will have Shire Rangers working closely with Yawuru Rangers within the jointly vested in-town reserves and elsewhere throughout the town site, to provide awareness and training opportunities for these Rangers.

An audit of parking facilities and potential parking facilities was completed during the year and this will inform future discussions regarding parking in Broome.

In 2013 wheel clamps were introduced by the Shire as a way for Ranger Services to deter serial illegal campers. These clamps were complemented by a "Rangers are Targeting" sign which can display a variety of messages depending on the time of the year or whatever illegal activity is most prevalent.

The Ranger complement is now down to four with the departure of one Ranger.

Beach Services

Beach Services staff were kept busy in 2012/13 conducting six rescues and assisting in more than 1700 first aid incidents, including one major lifesaving resuscitation. The beach was closed on five occasions due to dangerous environmental conditions including irukandji jellyfish, shark or crocodile sightings and/or dangerous surf.

During the year the audit and upgrade of beach safety signage continued, and this audit will now assist in developing a signage strategy for all parts of the conservation estate in line with the partnership between Yawuru, Department of Parks and Wildlife and the Shire of Broome on the Yawuru Park Council.

Beach Services continued its irukandji syndrome awareness training for hospital staff and provided a point of contact on Cable Beach to answer all general queries that related to beach activities.

Beach Services and Rangers continued to collaborate with the Department of Parks and Wildlife with regard to sea life including sharks, crocodiles, sea snakes and whales.

Joint training with St John Ambulance and Broome Surf Life Saving Club members continued to be facilitated by Beach Services throughout the year, and this not only supported these volunteer organisations but also increased safety standards for these community services.

At the end of the financial year the Beach Inspector resigned after eight years in the position.



Shire of Broome Lifeguards again kept Cable Beach safe.

2.6 Implement best practice asset management plans to optimise Council's infrastructure while minimising lifecycle costs.

Council is the custodian of a diverse range of community assets and is responsible for maintaining these assets to a level of service that is acceptable to the community. The effective and sustainable management of these assets is required under the Local Government Act 1995. Legislation specific to asset management is increasing and the maturity level of the Shire's practices is increasing accordingly. These community assets include transport, storm water, open space and community facility infrastructure that are owned or managed by the Shire.

Managing a vast and diverse range of assets requires understanding of how assets are performing in order to know whether the community is getting value for money. Balancing community expectations against resourcing constraints, while delivering services through assets, is a complex problem that all local authorities are under pressure to manage.

Asset Management Plans

The Shire has asset management plans for transport and building infrastructure. These plans are informing documents adopted by Council to manage the long term health of these assets. Key elements of asset management plans are;

- Levels of service – specifies the services and levels of service to be provided by Council.
- Future demand – how this will impact on future service delivery and how this is to be met.
- Life cycle management – how Council will manage its existing and future assets to provide the required services.
- Financial summary – what funds are required to provide the required services.
- Asset management practices – systems, processes and information flow to integrate with other corporate plans.
- Monitoring – how the plan will be monitored to ensure it is meeting Council's objectives.
- Asset management improvement strategy – Action plan to meet defined shortfalls, monitoring requirements, time lines and outline of required resources for continuous improvement.

Drainage and open space asset management plans are underway and will be completed in the next financial year.

Capital Works Programs

The Shire now has a composite 10-year capital works program for renewal of all existing assets and new/upgrade initiatives which is another informing document for the Shire's Long Term Financial Plan. In previous years these programs have sat in isolation in multiple departments and were for a shorter planning period of only five years.

In addition, the asset management plans provide a predicted 20-year capital renewal horizon to further inform long term strategic and financial planning. Decision making is prioritised based on critical risk, renewal intervention points, future demand and meeting the requirements of the Strategic Community Plan.

Processes have been implemented through project management and Council meeting agenda items to ensure life cycle costings are provided to Council when making investment decisions on assets.

Renewal spending requirements from the asset management plans inform the long-term financial plan and reserve funding allocations.

In association with the project management process, all asset expenditure is captured through the use of budget templates and project brief forms. These templates provide the source information to be incorporated into the capital works program and long-term financial plan and annual budgets. The information allows Council to deliberate on prioritising expenditure that maximises the lifecycle of Council's infrastructure assets that support the delivery of services to the Broome community.

This ensures that future generations are not inequitably burdened by the cost of renewing aging infrastructure assets. As asset management plans are developed or updated for each asset category, details of asset renewal expenditure will be incorporated and updated in the long-term financial plan. A full review will be conducted to analyse the resourcing and funding of asset management programs as part of the Integrated Planning Framework to be adopted by June 2013.

Our Place

Asset Management Performance Measures

The three significant measures of Council's performance are:

1. **Condition – assets will be maintained in a serviceable condition as per the asset management plans within adopted intervention levels.**

This is achieved through continued improvements and efficiencies with preventative maintenance planning and actioning reactive maintenance within the thresholds set in the maintenance programs within the asset management plans, across all asset classes.

All property maintenance is now managed through the asset management module, allowing work orders to be raised against the asset component, providing data to analyse and predict failures of critical components. This informs proactive budgeting for replacement of critical components or putting a contingency plan in place, rather than reacting after a critical failure. The goal is to reach the optimum level of preventative maintenance while reducing reactive maintenance expenses and maximising the life of the asset.

Transport infrastructure is maintained through the Civil Maintenance Program that included activity specifications, frequency of inspections and activities and intervention points based on a risk priority matrix.

2. **Function – The Shire's intent is that the asset portfolio is maintained in partnership with other levels of government and stakeholders to deliver affordable and quality local government services to the community, to ensure they meet the current and future needs of the community.**

We need to ensure key functional objectives are met:

- Assets meet community needs.
- Are available to the community to utilise when required.
- That function is a consideration in capital works programming in concert with defects, legislative requirements, safety and condition.

The functional usefulness of an asset may be far shorter than the physical life of an asset and therefore function needs to be assessed and analysed in their management.

3. **Safety – To ensure Shire assets are hazard free, safe, secure and accessible to the community. This is achieved through maintenance inspections and preventative maintenance activities undertaken by inducted contractors to ensure legislative compliance and any hazards are reported and actioned.**

In the following table is an example of a level of service relating to the first parameter of condition, this includes statements on how the Shire currently measures performance against the desired measure of performance the organisation is working towards. These are further divided into technical performance measures that are able to be measured internally and community measures that require community consultation.

Table 1 – Example Transport Level of Service

Key Performance Measure	Level of Service	CURRENT		DESIRED		Actions Required to meet desired level of service	Resources Required	Responsibility
		Community Performance Measure	Technical Performance Measure	Community Performance Measure	Technical Performance Measure			
Condition	Sealed roads are well maintained, clean and have the right quality to serve their purpose	Customer maintenance requests Defects Register Maintained	Reactive repairs as reported by customers or as sighted by works crews Renewed based on anecdotal condition and age	Majority of customers satisfied with overall condition of the road network, in terms of smooth ride Number of defects logged reducing Majority of customers satisfied with the response time to repair seals eg. Potholes	Sealed network renewal intervention at condition 4 for all components Sealed network inspected and maintained within Maintenance Intervention Levels as per CMP Meeting target response times for repairs when implemented	Inspection, log and repair to specifications in Civil Maintenance Program (CMP), update of Maintenance Frequency Register Analysis of logs to engineer solutions in problem areas. Include target response times for repairs in the Civil Maintenance Program.	Operational	Manager Operations

Property Disposals

In the 2012/13 financial year the following disposals were considered and resolved by Council:

Property Address	Tenant	Term
Portion of Lot 1816 on Deposited Plan 215913 being the whole of the land in Certificate of Title Volume 1710 Folio 144 otherwise known as 15 Farrell Street, Broome	Telstra Corporation Limited	License: 1 year Further Term Available: 1 year
Lot 4 on Diagram 69750 being the whole of the land in Certificate of Title Volume 1727 Folio 480, also known as 67 Robinson Street, Broome	Broome Historical Society	Lease: 10 years
Reserve 29300 Reserve 33592	Broome Golf Club	Lease: 15 years
Reserve 8656 Tenancy 7 Kimberley Regional Offices	Save the Children Australia	Lease: 1 year Further Term Available: 1 year
Reserve 8656 Tenancy 9 Kimberley Regional Offices	Kimberley Individual and Family Support Association Inc	Lease: 3 years Further Term Available: 3 years
Reserve 38458	Broome Visitor Centre	Variation to Lease: Extension of Leased Area to accommodate Kiosk
Lot 1 on Diagram 90609 which is the whole of the land shown on Certificate of Title Volume 2069 Folio 768 otherwise known as 22 Carnarvon Street, Broome	RFF Pty Ltd	Lease: 2 years Further Term Available: 3 years

Officers have been working closely with legal advisers to develop a comprehensive leasing precedent providing transparency for both the landlord and tenant moving forward.

Property Projects

Cable Beach, Town Beach and Gantheaume Point amenities received required internal fitout, and in the case of Gantheaume Point the external sheeting was also renewed.

Broome Public Library had a facelift with the replacement of carpets and front desk, upgrade of lighting and painting.

Broome Recreation and Aquatic Centre – pump room upgrades including the UV filter for improved filtration and new fencing installed between BRAC and the Medlend Pavilion. The emergency generator was overhauled and weather proofed.

Depot nursery – replacement of undercover planting area and greenhouses at the end of their life.

Child care facilities - BOSCCA fencing renewal at the front entry to the centre and roof repairs at Mulberry Tree Child Care.

Broome Visitor Centre – vandal-proof lighting upgrade and fencing.

Sporting clubs and community groups – the Broome Bowling Club received a new shed and repairing of structural cracks to the historic building. The Broome Scouts shed received an electrical compliance upgrade.

Preventative maintenance schedule for all Shire properties.

Emergency services and electrical audit for all Shire properties.

Our Place

Kimberley Regional Offices Redevelopment

The Kimberley Regional Offices (KRO) comprises two buildings, KRO 1 and KRO 2. KRO 1 was completed in 1979 while KRO 2 was developed in 1984. The KRO buildings are currently owned by the Shire of Broome and house State Government agencies and not-for-profit agencies which service both Broome and the wider Kimberley. The Shire derives income from both buildings through commercial leases. The site is located within the broader mixed use area immediately adjoining the retail centre of Broome and Chinatown.

As part of the 2012/13 budget process Council approved the preparation of a feasibility study into the options available for the Kimberley Regional Offices. The feasibility study was completed in this year which indicated there was demand for more office space and that the KRO site had opportunities for redevelopment.

Further planning work is to be undertaken during the 2013/14 financial year to see how the site can be redeveloped.

Jetty to Jetty

The Jetty to Jetty project is a concept which is proposed to involve a walking trail and boardwalk from the jetty at Town Beach to Streeter's Jetty in Chinatown along the Roebuck Bay foreshore.

The project has been on the Shire's Strategic Plan for some time and in 2003 an earlier feasibility was prepared however could not progress due to limited funding.

To reinvigorate this project, which has the potential to bring significant economic, social and environmental benefits to these areas, Council allocated funding to prepare a business case for the project. The business case will deliver a comprehensive plan for how the project can proceed, what the route should be, and outline the benefits of the project. This is designed to be able to attract funding to implement the exciting project.

To facilitate this process Council established a Jetty to Jetty Working Group comprising key stakeholders who will act as a reference group for the development of the business case.

Streeter's Jetty Upgrade

During the course of this year the Shire undertook an upgrade of the Streeter's Jetty foreshore. This included new paths, paving, signage and seating. These upgrades have proved very popular with the community and tourists alike. Plans are underway to include interpretative signage at this site during the 2013/14 financial year.

Stormwater Drainage

Three drainage culvert installation and associated work projects were undertaken:

- Bypass drain and new culverts on McGuigan Road completed drainage remediation in the area.
- New outlet culvert installation off Hamersley Street at the end of Anne Street allowed for the infilling of the old open drain, creating improvements in streetscape and safety.
- A large detention berm was previously constructed at the eastern end of the BRAC reserve. The installation of the outlet culverts in this financial year including batter stabilisation now finalises this project.

Carpark Construction

A new parallel carpark was designed and constructed adjacent to the Commonwealth Bank on Hamersley Street as well as reseal renewal of several existing carpark surfaces.

Footpath Installation

In addition to new footpaths throughout Broome's major subdivisions, new footpaths were installed on Hamersley Street, Robert Street and Nightingall Street.

Urban Roadworks

Urban road projects partly funded under the State Black Spot program included installation of Frederick Street chanelisation and a new roundabout at Coghlan Street. Also completed was the design and installation of the new roundabout at Sandpiper Avenue and Old Broome Road.

The Shire's other major urban roadworks project was the Clementson Street Road Reconstruction project with Stage 1 works started in 2011/12 and then the full project including Stages 2 and 3 completed this year. This project was needed to rehabilitate pavement and kerbing in one of the main streets in Broome's light industrial area to an upgraded standard. The new design also provides pedestrian footpaths and roadside parallel parking in keeping with the street's function as a hub of commercial activity.

Further funds were spent in continuing the Shire's program of bitumen seal renewal.

Rural Roadworks

Rural roadworks carried out were concentrated on the Cape Leveque Road. It included shoulder reconstruction, further road reforms, drainage upgrades and bitumen seal renewals.

2.7 As required under the Commonwealth Government's Bi-lateral Agreement, Council is requested to mobilise resources to deliver municipal services to Indigenous communities that are compliant, effective and within Council's capacity.

Municipal Services to Indigenous Communities

Progress on the implementation of the bi-lateral agreement is temporarily on hold following a communicate to the State and Federal Governments from affected Local Government Authorities, including the Shire of Broome. However, the Shire of Broome has continued to fulfil its obligations to Indigenous communities within the Shire.

Broome Public Library

The Broome Public Library provides support and assistance to the library in the Bidjardanga Community. Other communities have access to the library through the online catalogue and postal membership services.

Environmental Health Services to Aboriginal Communities

Environmental Health Services continued its role in implementing environmental health services and health advice to Aboriginal communities. The Shire is responsible for regulating health premises, including food premises. The Shire advises on and assesses onsite waste water disposal, water supplies, accommodation services and other health related queries. Broader environmental health services are provided through Nirrumbuk Aboriginal Corporation which is contracted by the WA Department of Health's Office of Aboriginal Health to implement specific programs and activities.



Simultaneous Story Time at the Broome Public Library.

Our Prosperity

The Shire of Broome aims to create the means to enable local jobs creation and lifestyle affordability for the current and future population. These are the strategies put in place to achieve this, and a summary of progress made during 2012/13.

3.1 Work with agencies and others to ensure affordable and equitable services and infrastructure.

Chinatown



Christmas decorations are installed in Chinatown.

The Chinatown Development Strategy was adopted by Council in February 2013. The strategy supports the planning scheme in private development control while also recommending a range of public realm improvements and management measures to help revitalise and better interpret the heritage values of Broome's pre-eminent and historic commercial centre. This strategy is an important document to assist in revitalising and restablisng the predominance of Chinatown as the principle retail centre for Broome.

Implementation of the strategy has already commenced with upgrades to the foreshore area around Streeter's Jetty. Shade structures are also being designed to be installed and improvements to the roundabout at Carnarvon Street are also planned in 2013/14.

Broome Public Library

Broome Public Library is the Regional Library for the Kimberley and as such supports library services in other Kimberley towns.

At a State level the library has been involved in the Strategic Reform of Public Libraries. This provides a voice for country libraries within working groups and forums. A partnership with the State Library provides for central purchasing and processing of most library resources.

3.2 Encourage the provision of affordable land for residential, industrial, commercial and community use.

Regional Resource Recovery Park

There is limited capacity at the existing waste management facility site on Buckleys Road. Consultants GHD were previously engaged to undertake a preliminary investigation of a site at Crab Creek Road and a site at McGuigan Road. To ensure all options are considered in the site selection, Council is looking to investigate an alternative site to the east of Broome.

The Shire's Engineering Services Directorate is involved with the planning of the proposed Regional Resource Recovery Park that will manage waste as a resource into the future, and ensure a safe and sustainable facility is developed. It is anticipated that in 2013/14, Council will select a site for the Regional Resource Recovery Park and detailed investigation will commence.

Sanctuary Road Caravan Park

Lot 3130 (Reserve 51028) Sanctuary Road has an area of 13.5ha and is bounded by Sanctuary Road, Fairway Drive (unconstructed), Oryx Road (north-south portion known as Lullfitz Drive and east-west portion unconstructed). The site has a Management Order in favour of the Shire for caravan park purposes.

Previously the Shire has worked with Tourism WA to prepare a pre-feasibility report, a concept development plan and then a business plan for the development of a caravan park on Lot 3130.

During this year the Shire undertook an Expressions of Interest process and shortlisted two potential caravan park developers. These two companies will be invited to submit a tender for the development and operation of the caravan park.



Broome Beach Books was an initiative of the library.

The Shire of Broome aims to continually enhance its organisational capacity to service the needs of a growing community. These are the strategies put in place to achieve this, and a summary of progress made during 2012/13.

4.1 Develop an organisational culture that strives for service excellence.

Staff Training

Each year a comprehensive organisational training plan is developed through the Shire of Broome's Performance Appraisal Process. In 2012/13 the Shire delivered training in Emotional Intelligence, 360 EQ feedback assessments, leadership training, Equal Employment Opportunity, customer service, project management and performance appraisal training.

North West Environmental Health Group Training

The Shire of Broome's Environmental Health Services organised comprehensive three-day training in November 2012 for all North West Local Government Environmental Health Officers and practitioners. The training was attended by EHOs from Exmouth to Kununurra and overlapped for one day with the Kimberley Environmental Health Worker Forum enabling shared learning and interaction with Environmental Health practitioners working in Aboriginal communities.

The final day culminated in a full-day events workshop, organised by the Shire's Events Co-ordinator, and attended by EHOs, state agencies and event organisers. This was a successful event that enabled a rare opportunity for training with a specific reference to North West issues. The Shire of Broome would like to thank the support received from the WA Department of Health Environmental Health Directorate.

BRAC

BRAC identified the need to stabilise its workforce and worked towards converting its workforce to mostly full-time staff. In doing this, BRAC addressed the limitations of working with large numbers of casual staff and added stability to its workforce. Staff have ownership of their areas and can work toward common goals, also allowing for recognition of achievements.

Risk Management

The Shire has implemented an electronic risk management module within its existing Electronic Record and Document Management System. Relevant staff were trained in the use of the system which allows for the management of existing risks and can be updated easily as new risks are identified.

Guidelines and procedures have been developed to ensure that staff understand the importance of risk management and their ongoing role in managing risks faced by the Shire. The system provides staff with the tools required to identify, assess, and manage risks effectively. Ongoing training is being developed to ensure that risk management continues to be incorporated into all of the Shire's activities.

4.2 Review and analyse strategic and operational plans.

Finance

A draft 10-year Long Term Financial Plan (LTFP) was developed over the year and was used as the basis to inform the 2013/14 Annual Budget process. The plan highlights a particular deficiency in our immediate ability to meet renewal expenditure outlined in adopted and also draft Asset Management Plans. A review of the Integrated Planning Framework (IPF) is proposed in 2013/14 to have further consideration of our financial capacity to meet desired service levels of the community with consideration for the outcomes of the 2040 Visioning Project.

The six-monthly budget review is a statutory compliance requirement to be completed by March each year. In addition, Council implemented a quarterly budget review process in the 2012/13 financial year. This ensured Council was informed of progress on planned strategic projects and that control on expenditure and resourcing was maintained. The reviews were presented to the Audit Committee seeking recommendation to Council.

BRAC

A two-day workshop was held with BRAC staff to create a business plan which focused on the goals and opportunities identified not only by management but those staff who were working at the coal face.

The BRAC Marketing Plan was created and implemented which gave focus to programs.



School holidays at BRAC.

Our Organisation

4.3 Manage resource allocation.

BRAC

System analysis and reporting were developed in 2012/13. The LINKS/Synergy interaction was a focus which produced accurate reporting and the ability to analyse the performance of the business and allocation of resources. Tightening of spending and the increase of income has allowed BRAC to come in well under budget this year.

4.4 Encourage community engagement.

Community Engagement Framework

The Shire's Strategic Plan identified the need to develop an external Community Consultation Framework. In addition, the Shire's Communication Strategy lists consultation as one of its main pillars and recommends that a separate community consultation strategy be developed. At the July 2012 meeting of Council a working group was established to develop a community engagement framework for Council's consideration.

The framework was developed using the International Association for Public Participation (IAP2) model, which identifies and defines various levels of community engagement. The framework includes a matrix which has been developed to determine the level of community engagement necessary for individual projects and initiatives. By using the framework, Shire officers will determine the level of political interest, community impact and groups of stakeholders who need to be engaged, and at what level.

The framework was advertised for public comment and following some amendments in consideration of feedback, the framework and Community Engagement Policy 5.1.10 were adopted by Council in November 2012.

The framework is now used to determine the level of engagement and the appropriate tools for engagement for Shire projects and initiatives. Specific examples of its implementation in 2012/13 include the Chinatown Development Strategy, Broome2040 and the Aarons Drive proposed closure.

Broome2040

As part of the State Government's Local Government Reform Program to improve the practise of strategic planning in local government, all local governments were required to develop a Strategic Community Plan by 30 June 2013. This necessitated a comprehensive, strategic and integrated approach to planning for the future reflecting the community's aspirations, values and priorities.

The Shire of Broome commenced developing the Strategic Community Plan in 2012 focusing on developing a knowledge base and understanding about the key issues, trends and drivers shaping Broome. It was agreed that the Shire would undertake a community visioning process.

From December 2012 to March 2013, the Shire implemented the Broome2040 community visioning project. Key components of the project have included;

- Community surveys,
- Community workshops,
- Community Champions.

Community Surveys – The 2040 process started with a community survey, in paper form and online on a dedicated website commencing in December 2012. There were 332 participants who generated 1568 comments across five questions:

- What do you value most about living in the Shire of Broome?
- What are the biggest issues and challenges for the next 20 to 40 years?
- What would you do to address these issues; what are the solutions?
- What big projects or ideas do you have for the next 10 years?
- Pick five key words/values to be part of the 2040 vision statement.

There was also a children's survey, with 60 participants generating 236 comments.

Community Workshops – After the survey process, there was a call for 2040 Community Champions, who either nominated themselves, or were nominated by others. They had access to the community survey results, and worked through two workshops in March 2013 to identify key values and objectives for the Shire by 2040. Fifty champions took part. They will also be attending another workshop to help finalise the draft 2040 document.

There was also input from a youth forum held by the Shire on April 10, with 30 high school students attending.

Community Champions – About 50 2040 Champions were either nominated, or nominated themselves to take part, and represented a broad range of interests from people who have lived in the community for a long time, and who know it well.

National Youth Week Forum

As part of National Youth Week 2013 the Shire of Broome hosted a Youth Forum, held at the Broome Civic Centre on April 10. The forum centred on the 2013 theme for National Youth Week "Be Active. Be Happy. Be You".

Thirty students from Broome Senior High School and St Mary's College participated in the forum. Workshops were held throughout

the afternoon based around the Broome2040 visioning exercise, allowing the youth of Broome to make a valuable contribution to the Broome2040 project. Participants considered topics including: what makes Broome a great place to live; barriers to progress; where they see themselves in 2040; and how young people contribute to their community.

Participants were inspired by guest speaker Lockie Cooke, a young person himself and founder and CEO of the ICEA Foundation. The forum finished with a celebration and showcase of talent from BSMS music students.

BRAC

A concerted effort to work in partnership with the clubs has been made this year. A number of BRAC Pac meetings were held where all clubs could sit and discuss their ideas and needs with BRAC management and the team from Parks and Gardens.

The BRAC Manager attended a number of discussions and meetings with the Disability and Inclusion groups throughout the Shire. A new harness was purchased for the aquatic wheelchair as a result of those consultations.

BRAC staff have engaged in morning tea chats with the "Aqua Ladies" to ensure they are listening to the needs of these energetic and enthusiastic users. There has been a 20 per cent jump in attendances by senior citizens to both wet and dry circuit classes which have been tailored to suit those clients.

Customer Service

As part of a comprehensive review of the Complaints Management Policy, Shire staff have been developing a Customer Service Charter and a Complaints Resolution Policy.

The Customer Service Charter will be a customer-focused, user-friendly document intended to provide information and assistance to customers. It is anticipated these documents will be presented for Council consideration in 2013/14.

Complaints are currently recorded on a register and are referred to the relevant department for a response. These complaints relate primarily to services and amenities.

4.5 Manage staff attraction and retention.

Staff Attraction and Retention Policies

The Shire of Broome completed its Workforce Plan in June 2013. It was identified through the Workforce Plan that the main focus of future work should be succession planning. Training and development has been scheduled for 2013/14 to deliver appropriate and much-needed training to develop the next generation of supervisors and managers to ensure there is a clear path of succession.

4.6 Improve systems, processes and compliance.

Occupational Safety and Health

The Shire of Broome takes Occupational Safety and Health very seriously. In 2012/13 the Shire employed a dedicated OSH and Risk Co-ordinator to ensure the Shire of Broome was compliant with the changing legislation and requirements that apply to OSH.

This co-ordinator conducted a full safety audit of all Shire buildings and facilities which identified areas that required attention and developed a robust reporting and analysis database to keep the executive team up to date with all health and safety issues.

Commencing 2013/14 the Shire will be working through the outcomes of this audit to ensure that it complies with the relevant OSH legislation.

Auditing

In compliance with the Local Government Act 1995 and associated regulations, the Shire must appoint an Audit Committee and conduct annual financial audits. It is proposed to investigate implementing an internal audit process to regularly monitor and review internal controls and compliance.

Business Operating Procedures

The Shire of Broome Business Operating Procedure (BOP) Manual is an internal document which provides a comprehensive record of BOPs developed by responsible officers, discussed by the Middle Management Group, approved by the Executive Management Group and signed off by the Chief Executive Officer.

BOPs are prepared and updated as required.

Electronic Record and Document Management System

The Shire's Information Services team implemented an electronic document management system which involved migrating the organisation from a paper-based system to an electronic environment. This project involved significant development and change management throughout the organisation.

The project has realised substantial benefits including improved compliance with legislative requirements and increased efficiencies delivered by electronic search capability. Further refinement is planned to consolidate the work done in 2012/13 and to ensure the Shire maintains and improves its record keeping and knowledge management capabilities.

Our Organisation

BRAC

BRAC has developed its reporting to allow for monthly documentation to be provided to the Shire. System analysis and reporting were developed in 2012/13. The LINKS/Synergy interaction was a focus which produced accurate reporting.

Learn to Swim (LTS) enrolments went "green". Previously large mail outs were posted and customers had to queue up to register their children. This has now changed. BRAC uses an email database and social media to distribute their information and the result has been a streamlined and user-friendly system. LTS participation increased more than 30 per cent.

Development Services – Compliance and Legal Officer

The Development Services Compliance and Legal Officer started with the Shire Broome in March 2013 and has successfully attended to previously outstanding compliance matters. These include Planning, Building and Environmental Health issues.

Two successful compliance inspection programs have been conducted in relation to sea containers and unauthorised signage. A public awareness program was conducted which included advertising in local media, conducting inspections, and negotiating with owners of offending properties. The majority of properties have reached compliance, and action is being taken under Planning and Development against several property owners.

The Compliance and Legal Officer will continue to conduct inspection programs using local media and utilising an education process to ensure compliance is met. Processes and procedures have also been implemented, and through consultation with external and internal stakeholders these processes and procedures are constantly being improved to provide a high level of service.

Governance

Local Laws

Following a review of Local Laws as required by the Local Government Act 1995, at the Ordinary Meeting of Council on 14 June 2012 Council resolved to make the following local laws:

- Bush Fire Brigades Amendment Local Law 2012.
- Dogs Local Law 2012.
- Parking and Parking Facilities Local Law 2012.
- Repeal Local Law 2012.
- Standing Orders Amendment Local Law 2012.
- Trading, Outdoor Dining and Street Entertainment Amendment Local Law 2012.

These local laws with the exception of the Repeal Local Law 2012 were subsequently gazetted on 31 July 2012 Special Gazette No

140 and came into operation on 14 August 2012. The Repeal Local Law was gazetted on 23 October 2012 Special Gazette No 190.

At the Ordinary Meeting of Council held 9 August 2012 Council resolved to make the Local Government Property and Public Places Local Law 2012 which was accordingly gazetted on 23 October 2012 Special Gazette No 190. The Joint Standing Committee on Delegated Legislation (JSCDL) requested the Shire provide an undertaking to amend clause 6.1 to remove the discretionary power given to Pool Managers and Attendants. The process for the Amendment Local Law has commenced and will be completed in 2013/14.

In addition, at the Ordinary Meeting of Council held 29 November 2012 Council resolved to make the Cemetery Local Law 2012 and it was subsequently gazetted on 19 February 2013 Special Gazette No 31. In June 2013 the JSCDL requested the Shire to also provide an undertaking to make amendments to this local law. The process to prepare the Amendment Local Law will commence in 2013/14.

Policy

In accordance with Council Policy 1.2.1 – Policy Manual, policies are reviewed every two years. The next policy review will be undertaken following the 2013 Local Government elections and presented to Council for adoption in early 2014. Additional and amended policies are presented to Council for adoption as and when required. Current policy documents can be viewed on the Shire's website.

Payments to Employees

In accordance with Section 19B of the Local Government (Administration) Regulations 1996 set out below, in bands of \$10,000, is the number of employees of the Shire of Broome entitled to an annual salary of \$100,000 or more:

Salary Range \$	2012/2013	2011/2012
100,000 – 109,999	10	2
110,000 – 119,999	2	0
120,000 – 129,999	1	4
130,000 – 139,999	0	0
140,000 – 149,999	0	0
150,000 – 159,999	1	1
160,000 – 169,999	1	0
170,000 – 179,999	1	1
180,000 – 189,999	0	
190,000 – 199,999	0	
200,000 – 209,999	1	

Complaints

During 2012/13 there were no complaints received that resulted in action under Section 5.110(6)(b) or (c) of the Local Government Act 1995.

Public Interest Disclosure

In accordance with the requirements of the Public Interest Disclosure Act 2003, the Shire of Broome has established procedures to facilitate the making of disclosures under the Act. These procedures set out the processes in respect to protected disclosures generally, to protect people from reprisal for making protected disclosures, and to provide guidance on investigations.

The Shire reviewed its document on Rights and Obligations under the Public Interest Disclosures Act and the updated document is available on the Shire's website.

In the 2012/13 financial year, no disclosures relating to improper conduct were made to the Shire and therefore no disclosures were referred to the Ombudsman.

Freedom of Information Act 1992

The Shire of Broome is subject to the provisions of the Freedom of Information (FOI) Act 1992, which gives individuals and organisations a general right of access to information held by the Shire. The Act also provides the right of appeal in relation to decisions made by the Shire to refuse access to information applied for under the Act.

The Shire received numerous requests for information in 2012/13 but the majority of these enquiries were satisfied by other means, such as minutes of Council meetings. There were 10 FOI applications for access to information all of which were responded to in accordance with FOI legislation.

The Shire also reviewed its Information Statement document as required under the Act and ensured the document is available on the Shire's website.

For further information on Freedom of Information at the Shire of Broome please visit the FOI page on the Shire website: <http://www.broome.wa.gov.au/foi/foi.htm>.

Record Keeping Plan

The Shire of Broome is committed to accurate and compliant record keeping practices in accordance with the State Records Act 2000. The Shire of Broome operates under a Record Keeping Plan approved by the State Records Commission in 2009 for a period of three years. The State Records Office requires that the Record Keeping Plan is updated and submitted for approval in October 2013.

Our records management program aims to ensure that proper and adequate records are created, maintained and kept to ensure sufficient evidence of the Shire's performance of its functions. Records are recognised as a core information resource in the Shire of Broome and it is acknowledged that sound record keeping practices contribute to the overall efficiency and effectiveness of the organisation.

The Shire also provides a recordkeeping awareness program to staff including online training.

This report has been published in accordance with the requirements of the State Records Act 2000.

Conduct of Councillors and Staff

The Shire of Broome Code of Conduct provides Council members, committee members and staff with consistent guidelines for an acceptable standard of professional conduct. The Code addresses in a concise manner the broader issue of ethical responsibility and encourages greater transparency and accountability.

The Code is complementary to the principles adopted in the Local Government Act and regulations which incorporates four fundamental aims to result in:

- Better decision making by local governments;
- Greater community participation in the decisions and affairs of local governments;
- Greater accountability of local governments to their communities; and
- More efficient and effective local government.

The Code provides a guide and a basis of expectations for Council members, committee members and staff. It encourages a commitment to ethical and professional behaviour and outlines principles in which individual and collective local government responsibilities may be based.



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2012/13 Financial Statements

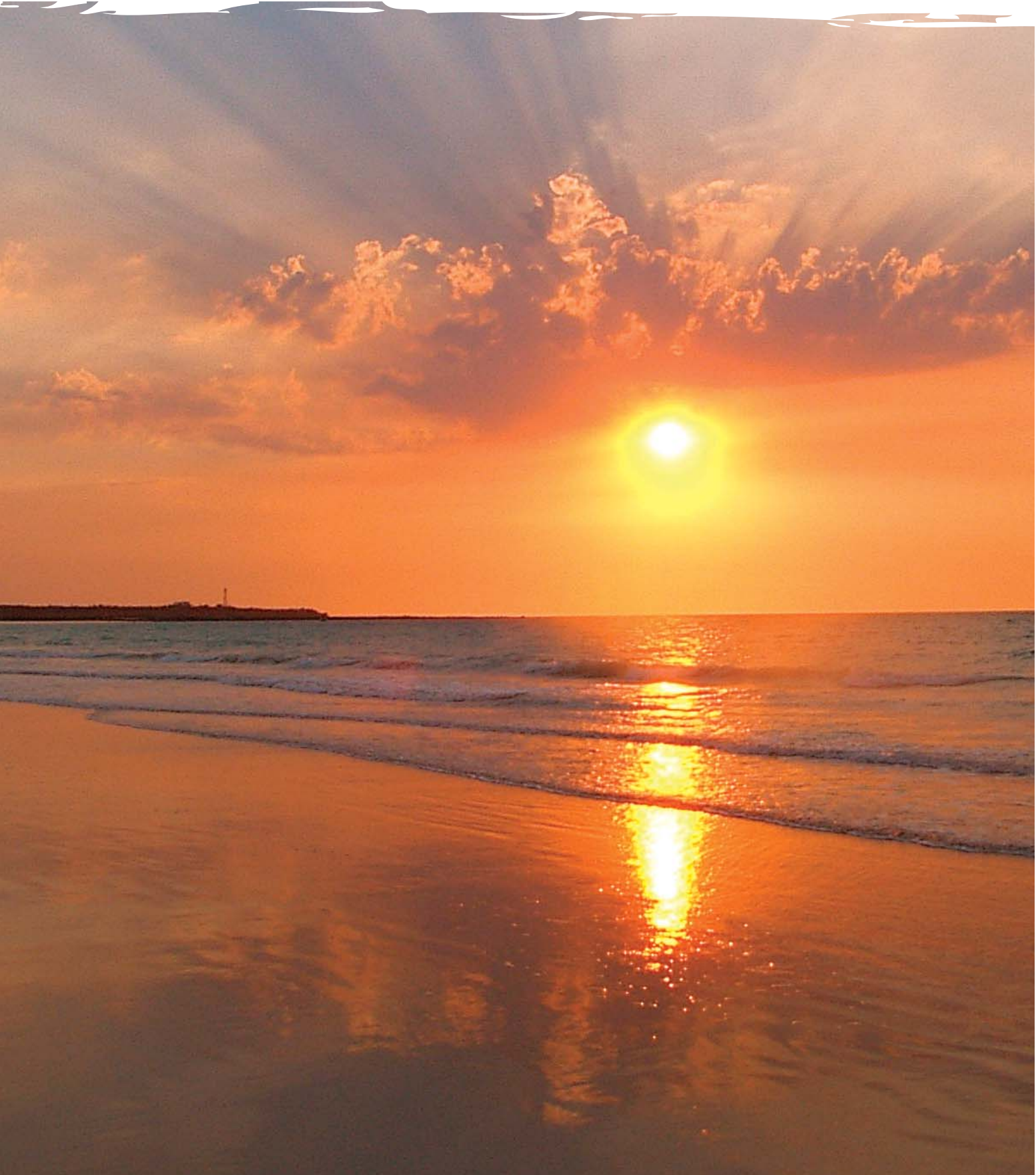


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Statement by the Chief Executive Officer

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

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

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

Signed as authorisation of issue on the

11th

day of

December

2013



Kenn Donohoe
Chief Executive Officer

Statement of Comprehensive Income by Nature or Type

For the Year Ended 30 June 2013

	NOTE	2013 \$	2013 Budget \$	2012 \$
Revenue				
Rates	22	17,347,417	16,689,644	15,051,736
Operating Grants, Subsidies and Contributions	29	4,920,229	3,546,711	6,911,525
Fees and Charges	28	9,221,035	8,365,389	8,362,234
Interest Earnings	2(a)	1,419,542	1,324,170	1,714,614
Other Revenue		<u>16,138,061</u>	<u>25,000</u>	<u>17,019</u>
		<u>49,046,284</u>	<u>29,950,914</u>	<u>32,057,128</u>
Expenses				
Employee Costs		(14,069,418)	(14,837,704)	(12,911,030)
Materials and Contracts		(8,991,539)	(8,633,577)	(8,583,390)
Utility Charges		(1,816,564)	(1,555,581)	(1,450,019)
Depreciation on Non-Current Assets	2(a)	(6,389,858)	(6,430,400)	(5,937,214)
Interest Expenses	2(a)	(426,686)	(394,208)	(318,141)
Insurance Expenses		(555,643)	(507,000)	(476,716)
Other Expenditure		<u>(930,230)</u>	<u>(1,039,810)</u>	<u>(925,569)</u>
		<u>(33,179,938)</u>	<u>(33,398,280)</u>	<u>(30,602,079)</u>
		15,866,346	(3,447,366)	1,455,049
Non-Operating Grants, Subsidies and Contributions	29	9,920,277	8,228,333	4,525,890
Loss on Revaluation of Fixed Assets		(752,872)	0	0
Profit on Asset Disposals	20	252,366	292,400	91,824
Loss on Asset Disposal	20	<u>(41,137)</u>	<u>(64,700)</u>	<u>(37,052)</u>
Net Result		25,244,980	5,008,667	6,035,711
Other Comprehensive Income				
Changes on Revaluation of Non-Current Assets	12	0	0	0
Total Other Comprehensive Income		<u>0</u>	<u>0</u>	<u>0</u>
Total Comprehensive Income		<u>25,244,980</u>	<u>5,008,667</u>	<u>6,035,711</u>

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

Statement of Comprehensive Income by Program

For the Year Ended 30 June 2013

	NOTE	2013 \$	2013 Budget \$	2012 \$
Revenue				
Governance		246,185	12,100	792,647
General Purpose Funding		19,492,235	17,959,612	18,902,197
Law, Order, Public Safety		143,727	130,566	119,294
Health		168,306	126,700	84,719
Education and Welfare		103,179	201,000	104,550
Housing		608,148	545,140	550,526
Community Amenities		6,020,990	5,209,690	4,672,081
Recreation and Culture		17,296,696	1,190,190	1,051,209
Transport		1,191,548	719,735	1,598,407
Economic Services		984,665	955,904	911,945
Other Property and Services		2,790,605	2,900,277	3,269,553
	2(a)	49,046,284	29,950,914	32,057,128
Expenses				
Governance		(2,384,964)	(2,559,241)	(2,277,836)
General Purpose Funding		(109,788)	(93,097)	(207,131)
Law, Order, Public Safety		(1,531,333)	(1,540,359)	(1,409,806)
Health		(576,121)	(613,164)	(520,622)
Education and Welfare		(757,427)	(713,188)	(656,075)
Housing		(643,075)	(546,240)	(603,006)
Community Amenities		(7,850,897)	(9,007,009)	(7,167,641)
Recreation & Culture		(7,683,673)	(8,024,852)	(7,040,990)
Transport		(6,463,892)	(5,861,406)	(5,201,731)
Economic Services		(1,188,574)	(1,199,957)	(1,065,491)
Other Property and Services		(4,316,380)	(2,845,559)	(4,133,607)
	2(a)	(33,506,124)	(33,004,072)	(30,283,936)
Financial Costs				
Law, Order, Public Safety		(2,377)	(2,378)	(3,367)
Community Amenities		(9,844)	(9,737)	(12,963)
Recreation & Culture		(310,865)	(280,390)	(169,166)
Economic Services		(34,811)	(34,811)	(42,507)
Other Property and Services		(68,789)	(66,892)	(90,140)
	2(a)	(426,686)	(394,208)	(318,143)
Non-Operating Grants, Subsidies and Contributions				
Law, Order, Public Safety		0	0	342,656
Community Amenities		522,578	214,000	56,607
Recreation & Culture		2,620,990	1,653,250	2,592,958
Transport		6,776,709	6,351,083	1,513,669
Other Property and Services		0	10,000	20,000
		9,920,277	8,228,333	4,525,890
Profit/(Loss) on Disposal of Assets				
Governance		10,004	(6,900)	0
Law, Order, Public Safety		0	0	2,505
Health		(2,829)	0	0
Education and Welfare		10,306	2,500	0
Community Amenities		(20)	(3,500)	682
Recreation & Culture		15,455	0	0
Economic Services		4,927	8,000	0
Other Property and Services		173,386	227,600	51,585
		211,229	227,700	54,772
Net Result		25,244,980	5,008,667	6,035,711
Other Comprehensive Income				
Changes on Revaluation of Non-Current Assets	12	0	0	0
Total Other Comprehensive Income		0	0	0
Total Comprehensive Income		25,244,980	5,008,667	6,035,711

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

Statement of Financial Position

As at 30 June 2013

	NOTE	2013 \$	2012 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	25,729,206	27,828,261
Trade and Other Receivables	4	3,063,766	1,469,050
Inventories	5	34,681	29,022
TOTAL CURRENT ASSETS		<u>28,827,653</u>	<u>29,326,333</u>
NON-CURRENT ASSETS			
Other Receivables	4	20,267	39,247
Property, Plant and Equipment	6	73,901,256	54,125,635
Infrastructure	7	107,252,727	101,725,611
TOTAL NON-CURRENT ASSETS		<u>181,174,250</u>	<u>155,890,493</u>
TOTAL ASSETS		<u>210,001,903</u>	<u>185,216,826</u>
CURRENT LIABILITIES			
Trade and Other Payables	8	3,480,689	2,881,786
Long Term Borrowings	9	1,240,950	1,316,669
Provisions	10	1,932,344	1,571,412
TOTAL CURRENT LIABILITIES		<u>6,653,983</u>	<u>5,769,867</u>
NON-CURRENT LIABILITIES			
Long Term Borrowings	9	6,042,548	7,283,495
Provisions	10	221,770	324,842
TOTAL NON-CURRENT LIABILITIES		<u>6,264,318</u>	<u>7,608,337</u>
TOTAL LIABILITIES		<u>12,918,301</u>	<u>13,378,204</u>
NET ASSETS		<u>197,083,602</u>	<u>171,838,622</u>
EQUITY			
Retained Surplus		122,678,941	96,351,495
Reserves - Cash Backed	11	22,628,759	23,711,225
Revaluation Surplus	12	51,775,902	51,775,902
TOTAL EQUITY		<u>197,083,602</u>	<u>171,838,622</u>

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

Statement of Changes in Equity

For the Year Ended 30 June 2013

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2011		94,211,550	19,815,459	51,775,902	165,802,911
Comprehensive Income					
Net Result		6,035,711	0	0	6,035,711
Changes on Revaluation of Non-Current Assets	12	0	0	0	0
Total Other Comprehensive Income		6,035,711	0	0	6,035,711
Transfers from/(to) Reserves		(3,895,766)	3,895,766	0	0
Balance as at 30 June 2012		96,351,495	23,711,225	51,775,902	171,838,622
Comprehensive Income					
Net Result		25,244,980	0	0	25,244,980
Changes on Revaluation of Non-Current Assets	12	0	0	0	0
Total Comprehensive Income		25,244,980	0	0	25,244,980
Transfers from/(to) Reserves		1,082,466	(1,082,466)	0	0
Balance as at 30 June 2013		122,678,941	22,628,759	51,775,902	197,083,602

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

Statement of Cash Flows

For the Year Ended 30 June 2013

	NOTE	2013 \$	2013 Budget \$	2012 \$
Cash Flows From Operating Activities				
Receipts				
Rates		17,096,200	16,496,217	14,997,600
Operating Grants, Subsidies and Contributions		3,302,546	3,546,711	6,911,525
Fees and Charges		9,221,035	8,325,389	9,570,054
Interest Earnings		1,419,542	1,324,170	1,714,614
Goods and Services Tax		4,320,804	2,010,043	2,007,617
Other Revenue		61,529	25,000	17,019
		<u>35,421,656</u>	<u>31,727,530</u>	<u>35,218,429</u>
Payments				
Employee Costs		(13,776,312)	(14,637,704)	(13,075,756)
Materials and Contracts		(8,422,551)	(8,383,577)	(8,546,120)
Utility Charges		(1,816,564)	(1,555,581)	(1,450,019)
Interest Expenses		(437,676)	(404,689)	(318,141)
Insurance Expenses		(555,643)	(507,000)	(476,716)
Goods and Services Tax		(4,097,915)	(2,040,043)	(2,088,533)
Other Expenditure		(930,230)	(1,046,383)	(925,569)
		<u>(30,036,891)</u>	<u>(28,574,977)</u>	<u>(26,880,854)</u>
Net Cash Provided By (Used In) Operating Activities	13(b)	<u>5,384,765</u>	<u>3,152,553</u>	<u>8,337,575</u>
Cash Flows from Investing Activities				
Payments for Purchase of Property, Plant & Equipment		(8,175,691)	(11,474,280)	(8,839,085)
Payments for Construction of Infrastructure		(8,490,919)	(9,084,150)	(2,387,870)
Payments for Purchase of Investments		0	0	(91,585)
Non-Operating Grants, Subsidies and Contributions		9,920,277	8,228,333	4,525,890
Proceeds from Sale of Plant & Equipment		508,904	682,000	249,970
Proceeds from Sale of Investments		0	0	7,571,487
		<u>0</u>	<u>0</u>	<u>7,571,487</u>
Net Cash Provided by (Used in) Investment Activities		<u>(6,237,429)</u>	<u>(11,648,097)</u>	<u>1,028,807</u>
Cash Flows from Financing Activities				
Repayment of Debentures		(1,316,666)	(1,269,970)	(881,027)
Proceeds from Self Supporting Loans		70,275	23,580	22,252
Proceeds from New Debentures		0	0	4,278,000
		<u>0</u>	<u>0</u>	<u>4,278,000</u>
Net Cash Provided By (Used In) Financing Activities		<u>(1,246,391)</u>	<u>(1,246,390)</u>	<u>3,419,225</u>
Net Increase (Decrease) in Cash Held		<u>(2,099,055)</u>	<u>(9,741,934)</u>	<u>12,785,607</u>
Cash at Beginning of Year		27,828,261	22,184,254	15,042,654
Cash and Cash Equivalents at the End of the Year	13(a)	<u>25,729,206</u>	<u>12,442,320</u>	<u>27,828,261</u>

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

Rate Setting Statement

For the Year Ended 30 June 2013

	NOTE	2013 Actual \$	2013 Budget \$	2012 Actual \$
Revenue				
Governance		256,189	12,100	792,647
General Purpose Funding		2,144,818	1,263,395	3,850,461
Law, Order, Public Safety		143,727	130,566	467,767
Health		165,477	126,700	84,719
Education and Welfare		113,485	203,500	104,550
Housing		608,148	545,140	550,526
Community Amenities		7,083,463	5,431,690	4,729,370
Recreation and Culture		19,933,141	2,843,440	3,644,167
Transport		7,968,257	7,070,818	3,112,076
Economic Services		989,592	963,904	911,945
Other Property and Services		2,963,991	3,190,750	3,374,878
		<u>42,370,288</u>	<u>21,782,003</u>	<u>21,623,106</u>
Expenses				
Governance		(2,384,964)	(2,566,141)	(2,277,836)
General Purpose Funding		(109,788)	(93,097)	(207,131)
Law, Order, Public Safety		(1,533,710)	(1,542,737)	(1,416,485)
Health		(576,121)	(613,164)	(520,622)
Education and Welfare		(757,427)	(713,188)	(656,075)
Housing		(643,075)	(546,240)	(603,005)
Community Amenities		(7,860,741)	(9,028,246)	(7,180,605)
Recreation and Culture		(7,994,538)	(8,305,242)	(7,210,156)
Transport		(6,463,892)	(5,861,406)	(5,201,731)
Economic Services		(1,223,385)	(1,234,768)	(1,107,998)
Other Property and Services		(4,385,169)	(2,965,324)	(4,257,487)
		<u>(33,932,810)</u>	<u>(33,469,553)</u>	<u>(30,639,131)</u>
Net Result Excluding Rates				
		8,437,478	(11,687,550)	(9,016,025)
Adjustments for Cash Budget Requirements:				
Non-Cash Expenditure and Revenue				
Initial Recognition of Assts Due to Change to Regulations				
- Land		(16,076,532)	0	0
(Profit)/Loss on Asset Disposals	20	(211,229)	(227,700)	(54,772)
Movement in Employee Benefit Provisions (Non-current)		12,084	(10,481)	76,629
Depreciation and Amortisation on Assets	2(a)	6,389,858	6,430,400	5,937,214
Loss on Revaluation of Fixed Assets	6(a)	752,872	0	0
Capital Expenditure and Revenue				
Purchase Land and Buildings	6(a)	(4,739,215)	(7,006,280)	(6,564,873)
Purchase Infrastructure Assets - Drainage	7(a)	(228,541)	(472,800)	(137,584)
Purchase Infrastructure Assets - Roads, Carparks, Footpaths & Bridges	7(a)	(7,138,003)	(7,325,400)	(1,930,888)
Purchase Infrastructure Assets - Recreation Areas	7(a)	(687,227)	(805,350)	(162,385)
Purchase Infrastructure Assets - Other	7(a)	(437,148)	(480,600)	(157,013)
Purchase Plant and Equipment	6(a)	(2,954,904)	(3,940,300)	(1,893,482)
Purchase Furniture and Equipment	6(a)	(481,572)	(527,700)	(380,730)
Proceeds from Disposal of Assets	20	508,904	682,000	249,970
Repayment of Debentures	21(a)	(1,316,666)	(1,269,970)	(881,027)
Proceeds from New Debentures	21	0	0	4,278,000
Self-Supporting Loan Principal Income		70,275	23,580	22,252
Transfers to Reserves (Restricted Assets)	11	(7,147,379)	(3,410,957)	(12,917,012)
Transfers from Reserves (Restricted Assets)	11	8,229,845	11,412,610	9,021,246
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	22(b)	2,663,046	1,920,281	2,121,790
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	22(b)	2,453,448	0	2,663,046
Total Amount Raised from General Rate	22(a)	<u>(16,807,502)</u>	<u>(16,696,217)</u>	<u>(15,051,736)</u>

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Preparation

The financial report is a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 19 to these financial statements.

(c) Goods and Services Tax (GST)

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

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Cash and Cash Equivalents

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

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

(e) Trade and Other Receivables

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

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

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

(f) Inventories

General

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

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

Land Held for Resale

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

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets

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

Mandatory Requirement to Revalue Non-Current Assets

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

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

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

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

(i) that are plant and equipment; and

(ii) that are -

(I) land and buildings; or-

(II) Infrastructure;

and

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

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

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

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

Land Under Control

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

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

Initial Recognition

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

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

Revaluation

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

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

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

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

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

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

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

Transitional Arrangement

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

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

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

Early Adoption of AASB 13 - Fair Value Measurement

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

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

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

Land Under Roads

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

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB1051 - Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

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

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed Assets (Continued)

Depreciation of Non-Current Assets

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

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

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

Item	Estimated Useful Life	Annual Dep'n Rate
Vehicles (High Use 1 year replacement program)	4 years	25.00%
Ride on Mowers	5 years	20.00%
Cars & Light Vehicles (2 to 3 replacement program)	6.67 years	15.00%
Trucks Small 2-5 tonne	6.67 years	15.00%
Trucks Medium 6-12 tonne	8 years	12.50%
Trucks Heavy >12 tonne & Medium Plant	10 years	10.00%
Plant Heavy, Graders, Scrapers, Dozers, etc	12 years	8.33%
Plant Portable (regular use)	5 years	20.00%
Plant Other (low use and/or long life)	16 years	6.25%
Computer Equipment (hardware/software)	4 years	25.00%
Furniture & Equipment	10 years	10.00%
Building Plant & Air Conditioning	15 years	6.67%
Buildings	40 years	2.50%
Buildings - Long Life Structures	50 years	2.00%
Infrastructure Fixed:		
Formation & Earthworks (roads, reserves, landfill)	100 years	1.00%
Pavement (roads, car parks, reserves, landfill)	40 years	2.50%
Seals Asphalt	25 Years	4.00%
Seals Bitumen	15 Years	6.67%
Road Plant & Bus Shelters	20 years	5.00%
Bridges	80 years	1.25%
Drainage facilities	60 years	1.67%
Footpaths, Dual Use Paths	50 years	2.00%

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

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

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

(h) Intangible Assets

Easements

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Financial Instruments

Initial Recognition and Measurement

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

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

Classification and Subsequent Measurement

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

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

Amortised cost is calculated as:

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

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current. They are subsequently measured at Fair Value with changes to carrying amount being included in profit and loss.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

(ii) Loans and receivables

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

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

(iii) Held-to-maturity investments

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

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

(iv) Available-for-sale financial assets

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

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

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

(v) Financial liabilities

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

Impairment

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired.

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition

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

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

(j) Impairment

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

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

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

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

(k) Trade and Other Payables

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

(l) Employee Benefits

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

(m) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Provisions

Provisions are recognised when:

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

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

(o) Leases

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

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

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

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

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

(p) Investment in Associates

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

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Joint Venture

The Council's interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the appropriate line items of the financial statement. Information about the joint venture is set out in Note 16.

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

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

(r) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

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

(s) Superannuation

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

(t) Current and Non-Current Classification

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

(u) Rounding Off Figures

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Comparative Figures

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

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

(w) Budget Comparative Figures

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Adoption of New and Revised Accounting Standards

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

These new and revised standards were:

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

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

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

2. REVENUE AND EXPENSES

(a) Net Result

The Net Result includes:

Auditors Remuneration

- Audit of the annual financial report	50,728	24,584
- Audit of grant acquittals	19,004	15,416

Depreciation

Buildings	1,856,450	1,682,083
Furniture and Equipment	363,014	328,667
Plant and Equipment	1,194,676	1,055,441
Roads, Footpaths & Transport Infrastructure	2,311,503	2,313,598
Recreation Areas	365,789	336,898
Drainage	142,767	140,057
Other Infrastructure	155,659	80,470
	<u>6,389,858</u>	<u>5,937,214</u>

Interest Expenses (Finance Costs)

Overdraft Interest	7	24
Debentures (refer Note 21(a))	426,679	318,117
	<u>426,686</u>	<u>318,141</u>

Rental Charges

- Operating Leases	<u>324,167</u>	<u>639,139</u>
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(ii) Crediting as Revenue:

Significant Expenditure

Other Property and Services	<u>752,872</u>	<u>0</u>
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This significant expenditure relates to the Loss on Revaluation of Plant and Equipment.

Significant Revenue

Recreation and Culture	<u>16,076,532</u>	<u>0</u>
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This significant revenue relates to the initial recognition of Land under the Shire's control in accordance with amendments to the Financial Management Regulations. They have been classified as Other Revenue by Nature or Type.

	2013 Actual \$	2013 Budget \$	2012 Actual \$
Interest Earnings			
Investments			
- Reserve Funds	0	0	91,316
- Other Funds	0	0	269
Interest Earnings			
- Reserve Funds	1,001,716	649,000	1,082,722
- Other Funds	245,856	540,000	403,862
- Self Supporting Loans	7,546	5,670	6,946
Other Interest Revenue (refer note 26)	164,424	129,500	129,499
	<u>1,419,542</u>	<u>1,324,170</u>	<u>1,714,614</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

The Shire has adopted a Strategic Community Plan 2013 which sets out the following vision and mission:

VISION

A thriving and friendly community that recognises our history and embraces cultural diversity and economic opportunity, whilst nurturing our unique natural and built environment.

MISSION

To deliver affordable and quality Local Government services.

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

GOVERNANCE

Administration and operation of facilities and services to members of council; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Supervision of various by-laws, fire prevention, emergency services and animal control.

HEALTH

Food quality, eating house inspection, pest control and child health clinics.

EDUCATION AND WELFARE

Facilities for senior citizens aged care, infant, day care centres, pre-school; assistance to play group and other community services and development activities.

HOUSING

Provision of staff housing.

COMMUNITY AMENITIES

Rubbish collection services, tip operation, administration of the town planning scheme, maintenance of cemeteries, storm water drainage maintenance, sanitation maintenance and environmental protection.

RECREATION AND CULTURE

Operation/maintenance of halls, Broome Recreation and Aquatic Centre (BRAC), various parks and reserves, beaches, library, museum and other cultural activities.

TRANSPORT

Construction and maintenance of streets, roads, bridges, footpaths and street lighting.

ECONOMIC SERVICES

The regulation and provision of tourism facilities, area promotion and building control.

OTHER PROPERTY AND SERVICES

Private works and provision of unclassified civic building facilities. General Administration support for Council's operations, allocated to other functions. Engineering, works and parks and gardens management, allocated to construction and maintenance jobs. Plant and depot operation and maintenance, allocated to construction and maintenance jobs.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

2. REVENUE AND EXPENSES (Continued)

(c) Conditions Over Grants/Contributions

Grant/Contribution	Function/ Activity	Opening Balance (1) 1/07/2011 \$	Received (2) 2011/12 \$	Expended (3) 2011/12 \$	Closing Balance (1) 30/06/2012 \$	Received (2) 2012/13 \$	Expended (3) 2012/13 \$	Closing Balance 30/06/2013 \$
Don't Zoom in Broome Project Grant	Governance	2,096			2,096			2,096
EDL sponsorship and spent	Governance		426,405	(22,600)	403,805	21,918	(99,060)	386,663
DLG Asset Management, Strategic/Financial Planning Grant	Governance		10,700		10,700		(10,700)	0
FESA State Emergency Service & Volunteer Bush Fire Bridgade Operational and Grant funding	Law, Order & Public Safety	1,614		(1,614)	0	17,093		17,093
Clean Up Aboriginal Communities Operational Grant	Health	16,136			16,136			16,136
Office of Crime Prevention Grant - Community Safety & Crime Prevention Plan & LGA Partnership Fund - Initiative Lighting Up Arnie St Precinct	Education & Welfare	30,000		(26,163)	3,837			3,837
HYPE Operational Grants	Education & Welfare	1,500		(1,500)	0			0
Care of Families & Children Grants - Broome Iterants Strategy	Education & Welfare	19,830		(19,830)	0			0
OTCAM Donation for Broome Cemetery Committee from Mollie Bean	Education & Welfare	9,507			9,507			9,507
Urban Stormwater Drainage - Rangeldands Arnie St Drainage	Community Amenities		150	(45,000)	150			150
Minyir Park funding to DEC for 25% contribution of Park Council fire truck	Community Amenities	45,000		(45,000)	0			0
Design & Documentation of Coastal Revetment from Town Beach to Catalinas Grant	Community Amenities	50,000		(50,000)	0			0
	Community Amenities		27,498		27,498		(27,498)	0
Rangeldands NRM Water Quality Monitoring Program - Protection of Environment	Community Amenities		12,000		12,000		(10,909)	1,091
DLG Grant Chinatown Development Grant - Job 107671 (Public Shade Chinatown)	Community Amenities				0	210,000		210,000
DRD Grant CLGF 2012/2013 Funding Allocation job 116129 (Jelly to Jetty Project Design & Construction, Feasibility & Planning)	Community Amenities				0	221,080		221,080
Parks and Ovals Grants - Lions Club BBQ grant.	Recreation & Culture	330			330			330
Multi-purpose Arts & Community Venue (Arts Centre) Trust	Recreation & Culture	40,000		(40,000)	0			0
Library - Children's Book Council Aust (CBCA WA) Contributions	Recreation & Culture	3,806		(3,806)	2,793		(2,793)	0
Multi-purpose Arts & Community Venue (Arts Centre) RLCIP Solar Panels Grant	Recreation & Culture	183,000		(183,000)	0			0
Multi-purpose Arts & Community Venue (Arts Centre) DCA Construction Grant	Recreation & Culture	1,799,945		(4,255,901)	0			0
Swimming Areas & Beaches - Entrance Point Jetty Planning Grant RBFS	Recreation & Culture	36,300			38,300			38,300
Local Government RfOR 12-13 Grant - BRAC Aquatic - Exp job 117127	Recreation & Culture		2,455,956		0	168,789		169,789
Grant from Sport 4 All - Kidsport Grant	Recreation & Culture				0	54,059		54,059
Road Construction - Frederick st at High School Upgrade - Black Spot State	Transport		7,717		7,717		(7,717)	0
Road Construction - Regional Rd Group (RRG) Rural Rd Construction - Camanvon St Napier Toe Roundabout	Transport		93,333		93,333			93,333
RRG Rural Rd Construction - Clemenson St Upgrade Works Stage 1	Transport		186,666	(7,294)	179,372		(179,372)	0
Road Const. - Rural road Construction, Celementson St Upgrade Infra Stage 2	Transport		75,046		75,046		(75,046)	0
Footpath Construction - Shire of Broome contributions to Bilewest RBN local govt grants scheme	Transport		29,499		29,499		(29,499)	0
Rds To Recovery Non Op Grant for Urban Rds - Clemenson St Upgrade Works Stage 2.	Transport		231,667	(122,667)	109,000		(109,000)	0
Road Construction - Gubinge Road Landscaping MRWA grant	Transport	13,378		(13,378)	0			0
Road Maintenance - Office Native Title Monrell Park maintenance	Transport		330,000		330,000		(20,914)	309,086
Balance Carried Forward		2,254,442	3,889,430	(4,792,753)	1,351,119	693,939	(512,508)	1,532,550

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

2. REVENUE AND EXPENSES (Continued)		(c) Conditions Over Grants/Contributions							
	Grant/Contribution	Function/ Activity	Opening Balance (1) 1/07/2011 \$	Received (2) 2011/12 \$	Expended (3) 2011/12 \$	Closing Balance (1) 30/06/2012 \$	Received (2) 2012/13 \$	Expended (3) 2012/13 \$	Closing Balance 30/06/2013 \$
Balance Brought Forward			2,254,442	3,889,430	(4,792,753)	1,351,119	693,939	(512,508)	1,532,550
Roads to Recovery Unspent Grant re Camanvon St Napier Toe Roundabout		Transport				0	116,667		116,667
Roads to Recovery Unspent Grant re Clemonson St Upgrade Infra Stage 3		Transport				0	14,104		14,104
Roads to Recovery Unspent Grant re Unallocated		Transport				0	23,101		23,101
Street Lighting Const Grant - Undergird Power C/Town Upgrade		Transport				0	30,848		30,848
MRD Grant Remote Access Road Grant - (Broome - Cape Leveque Road)		Transport				0	1,006		1,006
WALGA Grant-Road Safety Activities		Transport				0	1,200		1,200
Tourism Grants - Visitors Center & Railway Line Project		Economic Services	50,000			50,000			50,000
Corporate Governance and Support - R4R (KRGs) - Senior Special Project Officer		Other Property & Services	64,688	55,156	(64,688)	55,156		(55,156)	0
Corporate Governance and Support - R4R CLGF Y12 Forward Buildings Capital Works Plan Grant		Other Property & Services	25,737		(1,645)	24,092		(24,092)	0
Corporate Governance and Support - LGIS bonus Risk Management Grant		Other Property & Services	16,988		(16,988)	0			0
WA POLICE HEADQUARTERS Community Safety Grant - (New Visitor Centre Building Upgrade CCTV		Other Property & Services				0	24,905		24,905
Total			2,411,855	3,944,586	(4,876,074)	1,480,367	905,770	(591,756)	1,794,381

Notes:

- (1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.
- (2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.
- (3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.
- (4) - Conditions Over Contributions includes \$1,407,718 of Unspent Grants held in the Restricted Cash Reserve at 30 June 2013 and \$386,663 held in the EDL Reserve at 30 June 2013.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

	Note	2013 \$	2012 \$
3. CASH AND CASH EQUIVALENTS			
Unrestricted		3,100,447	4,117,036
Restricted		<u>22,628,759</u>	<u>23,711,225</u>
		<u>25,729,206</u>	<u>27,828,261</u>
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Leave Reserve	11	1,686,568	1,599,738
Building Reserve	11	3,377,754	3,969,365
Public Open Space Reserve	11	1,210,374	1,551,584
Drainage Reserve	11	1,654,777	1,524,970
Plant Reserve	11	934,010	2,008,363
BRAC (Leisure Centre) Reserve	11	65,795	62,408
Road Reserve	11	1,424,386	1,462,869
Footpath Reserve	11	2,447,133	1,919,041
Car Park Reserve	11	371,046	295,298
IT and Equipment Reserve	11	204,420	325,957
Refuse Site Reserve	11	4,228,863	3,989,933
Restricted Cash Reserve **	11	3,561,971	4,597,894
EDL Reserve *	11	386,662	403,805
Resource Recovery Park Reserve	11	900,000	0
Kimberley Zone Reserve	11	175,000	0
		<u>22,628,759</u>	<u>23,711,225</u>
* At 30 June 2013 the Unspent EDL Sponsorship of \$386,663 was held in the EDL Reserve.			
**Included in the Restricted Cash Reserve is \$1,407,718 of Unspent Grants and Contributions and \$2,154,253 of Unspent Loans at 30 June 2013.			
4. TRADE AND OTHER RECEIVABLES			
Current			
Rates Outstanding		461,429	210,212
Sundry Debtors		2,203,638	756,248
GST Receivable		66,238	289,127
Loans - Clubs/Institutions		18,981	70,276
Bonds and Deposits held by others		246,830	96,035
Other current receivables		66,650	47,152
		<u>3,063,766</u>	<u>1,469,050</u>
Non-Current			
Rates Outstanding - Pensioners		10,366	10,366
Loans - Clubs/Institutions		9,901	28,881
		<u>20,267</u>	<u>39,247</u>
5. INVENTORIES			
Current			
Fuel, Cement		22,646	18,630
BRAC Stock		12,035	10,392
		<u>34,681</u>	<u>29,022</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

	2013 \$	2012 \$
6. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
Land vested in and under the control of Council		
- at cost	16,076,532	0
Freehold Land at:		
- Independent Valuation 2011	<u>3,020,000</u>	<u>3,020,000</u>
Total Land	<u>19,096,532</u>	<u>3,020,000</u>
Buildings at:		
- Cost	11,397,184	6,526,807
- Independent Valuation 2011	65,410,824	65,410,824
Less Accumulated Depreciation	<u>(29,877,682)</u>	<u>(27,962,052)</u>
Total Buildings	<u>46,930,326</u>	<u>43,975,579</u>
Total Land and Buildings	<u>66,026,858</u>	<u>46,995,579</u>
Furniture and Equipment - Cost		
Less Accumulated Depreciation	<u>2,884,071</u> <u>(1,989,479)</u> 894,592	<u>2,402,499</u> <u>(1,626,465)</u> 776,034
Plant and Equipment - Independent Valuation 2013		
Plant and Equipment - Cost	12,891,238	0
Less Accumulated Depreciation	<u>0</u> <u>(5,974,788)</u> 6,916,450	<u>12,933,879</u> <u>(6,617,923)</u> 6,315,956
Work in Progress - Land and Buildings	<u>63,356</u> 63,356	<u>38,066</u> 38,066
	<u><u>73,901,256</u></u>	<u><u>54,125,635</u></u>

Plant and Equipment:

The Shire's Plant and Equipment was revalued at 30 June 2013 by management, having regard for their current replacement cost, condition assessment (Level 2 inputs in the fair value hierarchy), residual values and remaining estimated useful life (Level 3 inputs in the fair value hierarchy).

Given the significance of the Level 3 inputs into the overall fair value measurement, the assets are deemed to have been valued using Level 3 inputs.

The Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

The revaluation resulted in an overall decrease of \$752,872 in the net value of the Shire's Plant and Equipment, which has been recognised as a loss on revaluation of fixed assets in the Statement of Comprehensive Income.

Plant and Equipment with a written down value of \$109,187 was reclassified as Buildings (\$97,272) and other infrastructure (\$11,915) prior to the revaluation of Plant and Equipment.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Land - Vested in and under the Control of Council

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

Under this regulation Crown Reserve 22648 being operated as the Broome Turf Club and Crown Reserves 293000 and 33592 being operated as the Broome Golf Course, have been recognised as Land Under Control as at 30 June 2013, in accordance with AASB 116 at a cost of \$16,076,532

Buildings:

The above management valuation in relation to Building assets was performed in 2011 and was not subject to the current requirements of Local Government (Financial Management) Regulations 17A. It was performed in accordance with AASB116. In accordance with the new regulation, all non-current assets are due for revaluation by 30 June 2015 (if not performed prior) and will be subject to the requirements of AASB 13 upon revaluation.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

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

	Land \$	Buildings \$	Total Land and Buildings \$	Plant and Equipment (Level 3) \$	Furniture and Equipment \$	Work in Progress \$	Total \$
Balance as at the beginning of the year	3,020,000	43,975,579	46,995,579	6,315,956	776,034	38,066	54,125,635
Additions	0	4,713,925	4,713,925	2,954,904	481,572	25,290	8,175,691
(Disposals)	0	0	0	(297,675)	0	0	(297,675)
Revaluation - Increments - (Decrements)	0	0	0	0	0	0	0
Impairment - (Losses) - Reversals	0	0	0	(752,872)	0	0	(752,872)
Initial Recognition of Assets Due to Change to Regulations	16,076,532	0	16,076,532	0	0	0	16,076,532
Depreciation (Expense)	0	(1,856,450)	(1,856,450)	(1,194,676)	(363,014)	0	(3,414,140)
Reclassifications	0	97,272	97,272	(109,187)	0	0	(11,915)
Carrying amount at the end of year	19,096,532	46,930,326	66,026,858	6,916,450	894,592	63,356	73,901,256

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

	2013 \$	2012 \$
7. INFRASTRUCTURE		
Roads - Management Valuation 2011	100,970,790	100,970,790
Roads - At Cost	8,426,369	1,692,294
Less Accumulated Depreciation	<u>(28,813,939)</u>	<u>(26,732,749)</u>
	80,583,220	75,930,335
Carparks, Footpaths & Bridges - At cost	10,092,902	9,688,976
Less Accumulated Depreciation	<u>(2,595,119)</u>	<u>(2,364,808)</u>
	7,497,783	7,324,168
Recreation Areas - At cost	13,172,643	12,485,416
Less Accumulated Depreciation	<u>(3,208,316)</u>	<u>(2,842,527)</u>
	9,964,327	9,642,889
Drainage - At cost	8,747,086	8,518,544
Less Accumulated Depreciation	<u>(1,904,726)</u>	<u>(1,761,958)</u>
	6,842,360	6,756,586
Other Infrastructure - At cost	3,747,479	2,608,450
Less Accumulated Depreciation	<u>(1,382,442)</u>	<u>(536,817)</u>
	2,365,037	2,071,633
	<u>107,252,727</u>	<u>101,725,611</u>

Road Infrastructure:

The above management valuation in relation to Road Infrastructure was performed in 2011 and was not subject to the current requirements of Local Government (Financial Management) Regulations 17A. It was performed in accordance with AASB116. In accordance with the new regulation, all infrastructure assets are due for revaluation by 30 June 2015 (if not performed prior) and will be subject to the requirements of AASB 13 upon revaluation.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

7. INFRASTRUCTURE (Continued)

Movements in Carrying Amounts

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

	Roads Infrastructure \$	Carparks, Footpaths & Bridges \$	Recreation Areas \$	Drainage \$	Other Infrastructure \$	Total \$
Balance at the beginning of the year	75,930,335	7,324,168	9,642,889	6,756,586	2,071,633	101,725,611
Additions	6,734,077	403,926	687,227	228,541	437,148	8,490,919
(Disposals)	0	0	0	0	0	0
Revaluation - Increments - (Decrements)	0	0	0	0	0	0
Impairment - (losses) - Reversals	0	0	0	0	0	0
Depreciation (Expense)	(2,081,192)	(230,311)	(365,789)	(142,767)	(155,659)	(2,975,718)
Reclassification	0	0	0	0	11,915	11,915
Carrying amount at the end of year	80,583,220	7,497,783	9,964,327	6,842,360	2,365,037	107,252,727

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

	2013 \$	2012 \$
8. TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	2,216,729	1,949,890
Accrued Interest on Debentures	31,639	42,629
Accrued Salaries and Wages	132,672	108,101
ATO Amounts Payable	35,317	24,642
Excess Rates	137,078	41,369
Prepaid Rent, Grants and Services	196,357	270,317
Accrued Expenses	730,897	444,838
	<u>3,480,689</u>	<u>2,881,786</u>
9. LONG-TERM BORROWINGS		
Current		
Secured by Floating Charge Debentures	<u>1,240,950</u>	<u>1,316,669</u>
	<u>1,240,950</u>	<u>1,316,669</u>
Non-Current		
Secured by Floating Charge Debentures	<u>6,042,548</u>	<u>7,283,495</u>
	<u>6,042,548</u>	<u>7,283,495</u>
Additional detail on borrowings is provided in Note 21.		
10. PROVISIONS		
Analysis of Total Provisions		
Current	1,932,344	1,571,412
Non Current	<u>221,770</u>	<u>324,842</u>
	<u>2,154,114</u>	<u>1,896,254</u>
	Provision for Annual Leave \$	Provision for Long Service Leave \$
	Total \$	
Opening balance at 1 July 2012	916,004	980,250
Movement in provision	<u>345,446</u>	<u>(87,586)</u>
Balance at 30 June 2013	<u>1,261,450</u>	<u>892,664</u>
	<u>2,154,114</u>	<u>1,896,254</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

	2013 \$	2013 Budget \$	2012 \$
11. RESERVES - CASH BACKED			
(a) Leave Reserve			
Opening Balance	1,599,738	1,802,648	1,500,673
Amount Set Aside / Transfer to Reserve	86,830	386,000	99,065
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>1,686,568</u>	<u>2,188,648</u>	<u>1,599,738</u>
(b) Building Reserve			
Opening Balance	3,969,365	2,764,947	3,150,647
Amount Set Aside / Transfer to Reserve	581,530	751,900	1,647,423
Amount Used / Transfer from Reserve	<u>(1,173,141)</u>	<u>(2,102,950)</u>	<u>(828,705)</u>
	<u>3,377,754</u>	<u>1,413,897</u>	<u>3,969,365</u>
(c) Public Open Space Reserve			
Opening Balance	1,551,584	1,064,003	935,717
Amount Set Aside / Transfer to Reserve	91,715	52,953	703,908
Amount Used / Transfer from Reserve	<u>(432,925)</u>	<u>(585,900)</u>	<u>(88,041)</u>
	<u>1,210,374</u>	<u>531,056</u>	<u>1,551,584</u>
(d) Drainage Reserve			
Opening Balance	1,524,970	1,338,011	1,035,779
Amount Set Aside / Transfer to Reserve	350,202	199,300	536,776
Amount Used / Transfer from Reserve	<u>(220,395)</u>	<u>(278,800)</u>	<u>(47,585)</u>
	<u>1,654,777</u>	<u>1,258,511</u>	<u>1,524,970</u>
(e) Plant Reserve			
Opening Balance	2,008,363	2,048,384	2,112,871
Amount Set Aside / Transfer to Reserve	430,079	605,000	1,412,093
Amount Used / Transfer from Reserve	<u>(1,504,432)</u>	<u>(1,557,100)</u>	<u>(1,516,601)</u>
	<u>934,010</u>	<u>1,096,284</u>	<u>2,008,363</u>
(f) BRAC (Leisure Centre) Reserve			
Opening Balance	62,408	34,225	53,854
Amount Set Aside / Transfer to Reserve	3,387	1,700	8,554
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>65,795</u>	<u>35,925</u>	<u>62,408</u>
(g) Road Reserve			
Opening Balance	1,462,869	1,112,552	3,401,143
Amount Set Aside / Transfer to Reserve	1,276,225	602,926	1,272,022
Amount Used / Transfer from Reserve	<u>(1,314,708)</u>	<u>(959,930)</u>	<u>(3,210,296)</u>
	<u>1,424,386</u>	<u>755,548</u>	<u>1,462,869</u>
(h) Footpath Reserve			
Opening Balance	1,919,041	1,813,218	1,583,678
Amount Set Aside / Transfer to Reserve	725,219	175,900	484,517
Amount Used / Transfer from Reserve	<u>(197,127)</u>	<u>(321,800)</u>	<u>(149,154)</u>
	<u>2,447,133</u>	<u>1,667,318</u>	<u>1,919,041</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

	2013 \$	2013 Budget \$	2012 \$
11. RESERVES - CASH BACKED (continued)			
(i) Car Park Reserve			
Opening Balance	295,298	212,817	59,133
Amount Set Aside / Transfer to Reserve	135,028	127,300	268,304
Amount Used / Transfer from Reserve	<u>(59,280)</u>	<u>(214,500)</u>	<u>(32,139)</u>
	<u>371,046</u>	<u>125,617</u>	<u>295,298</u>
(j) IT and Equipment Reserve			
Opening Balance	325,957	358,354	435,579
Amount Set Aside / Transfer to Reserve	205,692	198,100	207,754
Amount Used / Transfer from Reserve	<u>(327,229)</u>	<u>(499,700)</u>	<u>(317,376)</u>
	<u>204,420</u>	<u>56,754</u>	<u>325,957</u>
(k) Refuse Site Reserve			
Opening Balance	3,989,933	3,051,642	3,016,132
Amount Set Aside / Transfer to Reserve	1,280,703	309,878	1,442,593
Amount Used / Transfer from Reserve	<u>(1,041,773)</u>	<u>(1,251,700)</u>	<u>(468,792)</u>
	<u>4,228,863</u>	<u>2,109,820</u>	<u>3,989,933</u>
(l) Restricted Cash Reserve			
Opening Balance	4,597,894	4,090,738	2,530,253
Amount Set Aside / Transfer to Reserve	883,852	0	4,407,598
Amount Used / Transfer from Reserve	<u>(1,919,775)</u>	<u>(3,560,230)</u>	<u>(2,339,957)</u>
	<u>3,561,971</u>	<u>530,508</u>	<u>4,597,894</u>
(m) EDL Reserve			
Opening Balance	403,805	390,949	0
Amount Set Aside / Transfer to Reserve	21,917	0	426,405
Amount Used / Transfer from Reserve	<u>(39,060)</u>	<u>(80,000)</u>	<u>(22,600)</u>
	<u>386,662</u>	<u>310,949</u>	<u>403,805</u>
(n) Resource Recovery Park Reserve			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	900,000	0	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>900,000</u>	<u>0</u>	<u>0</u>
(n) Kimberley Zone Reserve			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	175,000	0	0
Amount Used / Transfer from Reserve	<u>0</u>	<u>0</u>	<u>0</u>
	<u>175,000</u>	<u>0</u>	<u>0</u>
TOTAL CASH BACKED RESERVES	<u><u>22,628,759</u></u>	<u><u>12,080,835</u></u>	<u><u>23,711,225</u></u>

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

11. RESERVES - CASH BACKED (continued)

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

Leave Reserve -	To be used to fund annual and long service leave requirements.
Building Reserve -	To be used for renewal, upgrade, replacement or new building construction.
Public Open Space Reserve -	To be used for renewal, upgrade, replacement or new public open space facilities. Any contributions from developers are held in Trust.
Drainage Reserve -	To be used to pay for renewal, upgrade or new office equipment and IT hardware.
Plant Reserve -	To be used for the current and future costs of maintaining the refuse site in accordance with operational needs and environmental guidelines.
BRAC (Leisure Centre) Reserve -	To be used for the construction of drainage headworks. Typically funds are from contributions made by developers.
Road Reserve -	To be used for the renewal, upgrade or purchase of new mobile plant and engineering equipment.
Footpath Reserve -	To be used for the construction of a Recreation infrastructure and facilities.
Carpark Reserve -	To be used for renewal, upgrade, replacement or new streets and roads.
IT and Equipment Reserve -	To be used for renewal, upgrade, replacement or new footpaths. Typically funds are from contributions made by developers.
Refuse Site Reserve -	To be used for renewal, upgrade, replacement or new carparks. Typically funds are from "Cash In Lieu" payments from developers.
Restricted Cash Reserve -	To be used for the future expenditure of unspent loans, grants and special council restricted funds.
EDL Reserve -	To hold funds to be spent on community projects as approved by Energy Development Limited.
Resource Recovery Park Reserve-	To hold funds set aside annually and any year end operational profit generated from refuse site business unit to fund: i) The future construction of a new facility; ii) the future subsequent and ongoing costs of maintaining the site in accordance with operational requirements and environmental guidelines; or iii) the costs of future rehabilitation of the site.
Kimberley Zone Reserve -	To hold funds set aside annually to fund future projects and initiatives for the Kimberley Zone of WALGA and/or Regional Collaborative Groups.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

12. REVALUATION SURPLUS

	2013	2012
	\$	\$
Revaluation surpluses have arisen on revaluation of the following classes of non-current assets:		
(a) Land and Buildings		
Opening balance	23,419,682	23,419,682
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>23,419,682</u>	<u>23,419,682</u>
(b) Roads		
Opening balance	28,356,220	28,356,220
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>28,356,220</u>	<u>28,356,220</u>
TOTAL ASSET REVALUATION SURPLUS	<u>51,775,902</u>	<u>51,775,902</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

13. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

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

	2013 \$	2013 Budget \$	2012 \$
Cash and Cash Equivalents	<u>25,729,206</u>	<u>12,442,320</u>	<u>27,828,261</u>
(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net Result	25,244,980	5,008,667	6,035,711
Depreciation	6,389,858	6,430,400	5,937,214
(Profit)/Loss on Sale of Asset	(211,229)	(227,700)	(54,772)
(Increase)/Decrease in Receivables	(1,646,011)	(280,481)	1,153,684
(Increase)/Decrease in Inventories	(5,659)	(10,000)	(5,153)
Increase/(Decrease) in Payables	574,332	250,000	(38,493)
Increase/(Decrease) in Employee Prov.	282,431	210,000	(164,726)
Loss on Revaluation of Fixed Assets	752,872	0	0
Grants Contributions for the Development of Assets	(9,920,277)	(8,228,333)	(4,525,890)
Non-Current Assets recognised due to changes in legislative requirements	<u>(16,076,532)</u>	<u>0</u>	<u>0</u>
Net Cash from Operating Activities	<u>5,384,765</u>	<u>3,152,553</u>	<u>8,337,575</u>
(c) Undrawn Borrowing Facilities			
Credit Standby Arrangements			
Bank Overdraft limit	701,000		701,000
Bank Overdraft at Balance Date	0		0
Credit Card limit	25,000		25,000
Credit Card Balance at Balance Date	(4,644)		0
Total Amount of Credit Unused	<u>721,356</u>		<u>726,000</u>
Loan Facilities			
Loan Facilities - Current	1,240,950		1,316,669
Loan Facilities - Non-Current	6,042,548		7,283,495
Total Facilities in Use at Balance Date	<u>7,283,498</u>		<u>8,600,164</u>
Unused Loan Facilities at Balance Date	<u>0</u>		<u>0</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

14. CONTINGENT LIABILITIES	2013 \$	2012 \$
Shinju Matsuri Loan/Overdraft	15,000	15,000
North West Expo Payment Guarantee	25,000	25,000
	<u>40,000</u>	<u>40,000</u>
15. CAPITAL AND LEASING COMMITMENTS		
(a) Finance Lease Commitments		
Council has no finance lease commitments.		
(b) Operating Lease Commitments		
Non-cancellable operating leases contracted for but		
Payable:		
- not later than one year	279,347	353,186
- later than one year but not later than five years	44,820	87,984
- later than five years	0	0
	<u>324,167</u>	<u>441,170</u>
(c) Capital Expenditure Commitments		
Contracted for:		
- Building Construction & Fixed Plant	352,784	4,191,723
- Infrastructure Construction	77,124	905,032
Payable:		
- not later than one year	429,908	5,096,755
The capital expenditure projects outstanding at the end of the reporting periods are:		
<u>30 June 2013</u>		
Arts Centre Building Design & Construction & Renewal Energy Upgrade (Final retention payment)		
Amenities Upgrade Works at various amenities including BRAC		
Clementson St Reconstruction Stages 1 & 2 (Final retention payment)		
<u>30 June 2012</u>		
BOSCCA Building Renewal Works		
Shire Office Barker St - Building Upgrade Wks		
Clementson St Reconstruction Stages 1 & 2		
Arts Centre Building Design & Construction & Renewal Energy Upgrade		

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

16. JOINT VENTURE

The Shire is not involved in any joint venture arrangements

17. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2013	2012
	\$	\$
Governance	563,026	406,532
General Purpose Funding	7,123,848	4,337,614
Law, Order, Public Safety	1,410,528	1,576,111
Health	22,444	25,009
Education and Welfare	0	1,528
Housing	67,788	38,066
Community Amenities	16,018,519	14,366,019
Recreation and Culture	52,010,808	32,334,391
Transport	92,472,828	86,943,552
Economic Services	8,780,088	9,530,815
Other Property and Services	28,911,919	29,757,460
Unallocated	2,620,107	5,899,729
	<u>210,001,903</u>	<u>185,216,826</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

18. FINANCIAL RATIOS	2013	2012	2011
Current Ratio	1.25	1.35	1.31
Asset Sustainability Ratio	0.72	0.52	0.18
Debt Service Cover Ratio	12.70	6.48	6.16
Operating Surplus Ratio	0.52	0.06	0.08
Own Source Revenue Coverage Ratio	0.87	0.86	0.92

The above ratios are calculated as follows:

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

Notes:

Information relating to the **Asset Consumption Ratio** and the **Asset Renewal Funding Ratio** can be found at Supplementary Ratio Information on Page 61 of this document.

Three of the 2013 ratios disclosed above are distorted by items of significant revenue and expenses relating to:

- The initial recognition of Land under the Shire's control in accordance with amendments to the Financial Management Regulations amounting to \$16,076,532 (refer to Notes 1(g), 1(h) and 2(a)(ii) for further details). This forms part of operating revenue.

- The significant expense relating to the reduction in the fair value of the Shire's plant and equipment amounting to \$752,872 (refer to Notes 1(g) and 2(a)(i) for further details). This forms part of operating expenses.

These items of significant revenue and expenditure are considered to be "one-off" and are non-cash in nature and, if they were ignored, the calculations disclosed in the 2013 column above would be as follows:

	2013
Debt Service Cover Ratio	3.91
Operating Surplus Ratio	0.00
Own Source Revenue Coverage Ratio	0.89

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

19. TRUST FUNDS

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

	Balance 1 July 2012 \$	Amounts Received \$	Amounts Paid (\$)	Balance 30 June 2013 \$
Footpath Damage Deposits	31,335	287	0	31,622
Library Transient Borrower Deposits	10,744	0	(1,755)	8,989
Other General Purpose Deposits	7,508	28,832	(16,035)	20,305
BCITF Collection & Refund Deposits	9,346	284,385	(272,785)	20,946
Town Planning Related Bond Deposits	169,815	6,507	0	176,322
Cemetery Plot Reservation Deposits	7,704	7,821	(629)	14,896
Recreation Facility use Bond Deposits	7,166	17,630	(10,955)	13,841
Cash In Lieu Of Public Open Space	93,129	2,005	0	95,134
Road & Footpath Facilities Bond Deposits	623,259	112,481	(13,031)	722,709
Capital Works Bond Deposits	2,927	41	0	2,968
Bank Guarantee Deposits Received	31,766	0	(31,766)	0
Unclaimed Monies	19,143	0	0	19,143
BRB Levy	6,579	145,292	(142,785)	9,086
Staff Rental Bonds	26,313	40,367	(13,875)	52,805
	<u>1,046,734</u>			<u>1,188,766</u>

20. DISPOSALS OF ASSETS - 2012/13 FINANCIAL YEAR

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)		
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$	
Plant and Equipment							
Governance	29,087	29,900	39,091	23,000	10,004	(6,900)	
Health	12,011	0	9,182	0	(2,829)	0	
Education and Welfare	18,785	12,500	29,091	15,000	10,306	2,500	
Community Amenities	118,072	120,500	118,052	117,000	(20)	(3,500)	
Recreation and Culture	0	0	15,455	0	15,455	0	
Economic Services	5,982	9,000	10,909	17,000	4,927	8,000	
Other Property and Services	113,738	282,400	287,124	510,000	173,386	227,600	
	<u>297,675</u>	<u>454,300</u>	<u>508,904</u>	<u>682,000</u>	<u>211,229</u>	<u>227,700</u>	
					Profit	252,366	292,400
					Loss	(41,137)	(64,700)
						<u>211,229</u>	<u>227,700</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

21. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

Particulars	Loan #	Principal 1 July 2012 \$	New Loans \$	Principal Repayments		Principal 30 June 2013		Interest Repayments	
				Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Law Order & Public Safety									
New SES Shed (FESA Self Supporting) *	176	46,817		17,936	17,936	28,881	28,881	2,377	2,378
Community Amenities									
Millington Road Drainage Construction	181	165,452		37,592	37,592	127,860	127,861	9,844	9,737
Recreation & Culture									
BRAC (Recreation Centre) Stage 1	171	475,269		82,955	82,955	392,314	392,314	30,324	(152)
BRAC Stage 2A	186	694,803		122,428	122,428	572,375	572,375	39,235	39,235
BRAC Stage 2A	189	93,990		93,990	93,990	0	0	4,049	4,049
BRAC Stage 2B (Car Park & Oval Completion)	191	354,811		41,614	41,614	313,197	313,197	22,065	22,065
Arts Centre Redevelopment	193	4,278,000		356,500	356,500	3,921,500	3,921,500	165,341	165,341
BRAC Pavillion	194	877,742		76,555	76,555	801,187	801,187	49,851	49,852
Economic Services									
Visitors Centre Construction	182	427,956		97,234	97,234	330,722	330,722	25,460	25,460
Visitor Centre Stage 2	185	165,595		29,178	29,178	136,417	136,417	9,351	9,351
Other Property & Services									
Administration Building	168	907,843		279,324	279,324	628,519	628,519	61,148	61,148
Additional Street Sweeper	192	59,546		29,020	29,020	30,526	30,526	2,552	2,552
Bowling Club Synthetic Lawn *	195	52,340		52,340	5,644	0	46,696	5,082	3,192
		8,600,164	0	1,316,666	1,269,970	7,283,498	7,330,195	426,679	394,208

(*) Self supporting loan financed by payments from third parties.

All other loan repayments were financed by general purpose revenue.

(b) New Debentures - 2012/13

The Shire of Broome did not take up any new debentures during the year ended 30 June 2013.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

21. INFORMATION ON BORROWINGS (Continued)

(c) Unspent Debentures

Particulars	Date Borrowed	Balance 1 July 2012 \$	Borrowed During Year \$	Expended During Year \$	Balance 30 June 2013 \$
Loan # 193 Arts Centre Redevelopment	27/06/2012	3,521,332	0	1,367,079	2,154,253
		3,521,332	0	1,367,079	2,154,253

(d) Overdraft

Council has utilised an overdraft facility during previous financial years with a maximum amount of \$701,000 with the Commonwealth Bank. The overdraft is established to cover periods when there are delays in receiving funding at the beginning/end of financial years. It is anticipated that this facility will not be required to be utilised during budget year prior to the due date of the rates.

The Credit Card with a maximum amount of \$25,000 with the Commonwealth Bank is used to procure goods & services typically paid for by a credit card such as travel, accommodation and IT equipment.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

22. RATING INFORMATION - 2012/13 FINANCIAL YEAR

(a) Rates	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
DIFFERENTIAL GENERAL RATE											
Gross Rental Valuations											
GRV - Broome Residential	7.6282	4,149	105,386,638	8,063,277	96,597	14,857	8,174,731	7,919,905	100,000	15,000	8,034,905
GRV - Broome Residential - Vacant	13.9501	496	3,856,680	536,893	114,372	974	652,239	581,100	50,000	0	631,100
GRV - Broome Commercial Group	8.8711	603	52,049,861	4,623,967	(10,350)	0	4,613,617	4,617,067	25,000	0	4,642,067
GRV - Broome Tourism Group	11.1900	894	18,454,910	2,065,104	(44)	0	2,065,060	2,063,840	25,000	0	2,088,840
GRV - Exempt	0.0000	642	2,986,960	13,025	(10,904)	(15)	2,106	0	0	0	0
Unimproved Value Valuations											
UV - Dampier Pastoral	2.5130	15	5,106,649	128,330	0	(337)	127,993	128,333	0	0	128,333
UV - Dampier Mining	12.5678	70	679,670	85,420	4,005	253	89,678	91,640	0	0	91,640
UV - Dampier Coconut Wells	0.2523	37	45,685,000	115,263	0	0	115,263	115,256	0	0	115,256
UV - Dampier Twelve Mile	0.3547	78	32,689,000	115,948	229	0	116,177	115,933	0	0	115,933
UV - Dampier Short Stay Accommodation	2.1976	6	1,205,300	26,488	0	0	26,488	26,487	0	0	26,487
UV - Dampier Commercial Operations & Pearling Leases	2.2443	12	1,963,000	44,056	0	0	44,056	53,034	0	0	53,034
UV - Dampier Horticultural & Wattle Downs	0.4308	9	1,900,000	15,439	(1,020)	2,886	17,305	6,462	0	0	6,462
UV - Dampier Skuthorpe	0.4866	7	3,362,000	16,360	0	0	16,360	16,360	0	0	16,360
UV - Exempt	0.0000	74	0	0	0	0	0	0	0	0	0
Sub-Totals		7,092	275,325,668	15,849,570	192,885	18,618	16,061,073	15,735,417	200,000	15,000	15,950,417
Minimum Rates											
Gross Rental Valuations											
GRV - Broome Residential	1,070	124		132,680	0	0	132,680	74,900	0	0	74,900
GRV - Broome Residential - Vacant	1,070	79		84,530	0	0	84,530	134,820	0	0	134,820
GRV - Broome Commercial Group	1,070	12		12,840	0	0	12,840	12,840	0	0	12,840
GRV - Broome Tourism Group	1,070	437		467,590	0	0	467,590	467,590	0	0	467,590
GRV - Exempt	0	0		0	0	0	0	0	0	0	0
Unimproved Value Valuations											
UV - Dampier Pastoral	1,070	2		2,140	0	0	2,140	2,140	0	0	2,140
UV - Dampier Mining	740	34		25,160	0	0	25,160	25,160	0	0	25,160
UV - Dampier Coconut Wells	1,070	2		2,140	0	0	2,140	2,140	0	0	2,140
UV - Dampier Twelve Mile	1,070	0		0	0	0	0	0	0	0	0
UV - Dampier Commercial Operations & Pearling Leases	1,070	1		1,070	0	0	1,070	1,070	0	0	1,070
UV - Dampier Horticultural & Wattle Downs	1,070	2		2,140	0	0	2,140	2,140	0	0	2,140
UV - Dampier Skuthorpe	1,070	0		0	0	0	0	0	0	0	0
UV - Exempt	0	0		0	0	0	0	0	0	0	0
Sub-Totals		693	0	730,290	0	0	730,290	722,800	0	0	722,800
Ex-Gratia Rates							16,791,363				16,673,217
Discounts (refer note 26)							22,712				23,000
Total Amount Raised from General Rate							(6,573)				(6,573)
Waste Collection Rate (Refer Note 24)							539,915				539,915
Total Rates							16,807,502				16,689,644
											0
											16,689,644

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

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

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

	2013 (1 July 2013 Carried Forward) \$	2013 (1 July 2012 Brought Forward) \$	2012 (30 June 2012 Carried Forward) \$
Surplus/(Deficit) 1 July 2012 Brought Forward	<u>2,663,046</u>	<u>2,121,790</u>	<u>2,663,046</u>
Comprises:			
Cash - Unrestricted	3,100,447	4,117,036	4,117,036
Cash - Restricted	22,628,759	23,711,225	23,711,225
Rates Outstanding	461,429	210,212	210,212
Sundry Debtors	2,203,638	756,248	756,248
GST Receivable	66,238	289,127	289,127
Sundry Bonds and Receivables	313,480	143,187	143,187
Inventories			
- Fuel and Materials	22,646	18,630	18,630
- History Books	12,035	10,392	10,392
Loans - Clubs/Institutions Receivable	18,981	70,276	70,276
Less:			
Reserves - Cash Backed	(22,628,759)	(23,711,225)	(23,711,225)
Loans - Clubs/Institutions Receivable	(18,981)	(70,276)	(70,276)
Sundry Creditors	(2,216,729)	(1,949,890)	(1,949,890)
Other Payables	(1,099,649)	(781,166)	(781,166)
Accrued Interest on Debentures	(31,639)	(42,629)	(42,629)
Accrued Salaries and Wages	(132,672)	(108,101)	(108,101)
Current Employee Benefits Provision	(1,932,344)	(1,571,412)	(1,571,412)
Leave Liability not expected to be paid within 12 months	1,686,568	1,571,412	1,571,412
Surplus/(Deficit)	<u>2,453,448</u>	<u>2,663,046</u>	<u>2,663,046</u>

Difference

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

23. SPECIFIED AREA RATE - 2012/13 FINANCIAL YEAR

The Shire of Broome did not impose any Specified Area Rates.

24. WASTE COLLECTION RATE - 2012/13 FINANCIAL YEAR

	Rate in \$	Basis of Rate	Rateable Value \$	Rate Revenue \$	Budget Rate Revenue \$
Public Landfill Levy					
- Rate	0.0015	GRV	210,773	533,544	0
- Interim Rate				6,371	0
- Back Rate				0	0
				539,915	0

A waste collection rate was imposed in accordance with Section 66 of the Waste Avoidance and Resource Recovery Act 2007.

25. SERVICE CHARGES - 2012/13 FINANCIAL YEAR

The Shire of Broome did not impose any service charges.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

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

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	Nil	0	0
Minimum Rate	Discount	Nil	0	0
			0	0
Rate Assessment	Write-Off		6,573	10,000

No discount on rates is available.

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

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00%		76,358	53,000
Interest on Instalments Plan	5.50%		87,649	76,000
Charges on Instalment Plan		7	35,448	34,000
Pensioner Deferred Rate Interest	4.02%		417	500
			199,872	163,500

Ratepayers had the option of paying rates by one, two or four equal instalments, due on:

- 28 September 2012 (All instalment options)
- 28 November 2012 (Four instalment option)
- 28 January 2013 (Two and four instalment options)
- 28 March 2013 (Four instalment option)

28. FEES & CHARGES	2013 \$	2012 \$
General Purpose Funding	78,943	78,623
Law, Order, Public Safety	68,958	54,338
Health	168,093	84,219
Education and Welfare	3,156	24
Housing	606,273	550,526
Community Amenities	5,114,786	4,308,133
Recreation and Culture	959,914	871,501
Transport	26,007	7,273
Economic Services	862,228	766,611
Other Property and Services	1,332,677	1,640,986
	<u>9,221,035</u>	<u>8,362,234</u>

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

29. GRANT REVENUE

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

	2013	2012
	\$	\$
By Nature and Type:		
Operating Grants, Subsidies and Contributions	4,920,229	6,911,525
Non-Operating Grants, Subsidies and Contributions	9,920,277	4,525,890
	<u>14,840,506</u>	<u>11,437,415</u>
By Program:		
Governance	224,268	766,242
General Purpose Funding	2,441,367	3,642,339
Law, Order, Public Safety	72,305	404,111
Health	213	500
Education and Welfare	100,023	104,526
Housing	1,875	0
Community Amenities	546,783	136,139
Recreation and Culture	2,793,638	2,707,341
Transport	7,742,662	2,771,833
Economic Services	122,436	145,334
Other Property and Services	794,936	759,050
	<u>14,840,506</u>	<u>11,437,415</u>

30. ELECTED MEMBERS REMUNERATION

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

	2013	2013	2012
	\$	Budget	\$
		\$	
Meeting Fees	70,000	90,400	90,500
President's Allowance	32,400	21,636	22,350
Deputy President's Allowance	4,050	2,000	2,400
Travelling Expenses	35,980	72,000	79,560
Telecommunications Allowance	30,600	20,564	18,950
	<u>173,030</u>	<u>206,600</u>	<u>213,760</u>

31. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date

	2013	2012
	<u>183</u>	<u>153</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

32. MAJOR LAND TRANSACTIONS

Council did not participate in any Major Land Transactions during the 2012/13 financial year.

33. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

34. FINANCIAL RISK MANAGEMENT

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

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

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

The Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2013 \$	2012 \$	2013 \$	2012 \$
Financial Assets				
Cash and cash equivalents	25,729,206	27,828,261	25,729,206	27,828,261
Receivables	3,084,033	1,508,297	3,084,033	1,508,297
	<u>28,813,239</u>	<u>29,336,558</u>	<u>28,813,239</u>	<u>29,336,558</u>
Financial Liabilities				
Payables	3,480,689	2,881,786	3,480,689	2,881,786
Borrowings	7,283,498	8,600,164	7,283,498	8,439,727
	<u>10,764,187</u>	<u>11,481,950</u>	<u>10,764,187</u>	<u>11,321,513</u>

Fair value is determined as follows:

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

34. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

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

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

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

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

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

	2013	2012
	\$	\$
Impact of a 1% (*) movement in interest rates on cash		
- Equity	257,292	278,283
- Statement of Comprehensive Income	257,292 (*)	278,283 (*)

Notes:

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

34. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

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

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

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

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

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

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

	2013	2012
Percentage of Rates and Annual Charges		
- Current	1.00%	29%
- Overdue	99.00%	71%
Percentage of Other Receivables		
- Current	72.00%	71%
- Overdue	28.00%	29%

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

34. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and Borrowings

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

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

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2013					
Payables	3,480,689	0	0	3,480,689	3,480,689
Borrowings	1,597,367	4,496,199	2,532,337	8,625,903	7,283,498
	<u>5,078,056</u>	<u>4,496,199</u>	<u>2,532,337</u>	<u>12,106,592</u>	<u>10,764,187</u>
2012					
Payables	2,244,849	0	0	2,244,849	2,881,786
Borrowings	1,703,288	5,390,526	3,256,844	10,350,658	8,600,164
	<u>3,948,137</u>	<u>5,390,526</u>	<u>3,256,844</u>	<u>12,595,507</u>	<u>11,481,950</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013

34. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables Borrowings (Continued)

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

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

	<1 year \$	>1<2 years \$	>2<3 years \$	>3<4 years \$	>4<5 years \$	>5 years \$	Total \$	Weighted Average Effective Interest Rate %
Year Ended 30 June 2013								
Payables Borrowings								
Fixed Rate								
Debtentures	30,525	657,401	0	1,559,687	0	5,035,884	7,283,497	5.12%
Weighted Average Effective Interest Rate	5.12%	7.86%	0.00%	6.38%	0.00%	4.41%		
Year Ended 30 June 2012								
Payables Borrowings								
Fixed Rate								
Debtentures	146,330	59,546	954,660	593,408	1,335,667	5,510,553	8,600,164	5.28%
Weighted Average Effective Interest Rate	6.90%	5.12%	7.85%	6.31%	6.40%	4.41%		

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013



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INDEPENDENT AUDITOR'S REPORT TO THE ELECTORS OF THE SHIRE OF BROOME

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of the Shire of Broome, which comprises the statement of financial position as at 30 June 2013, statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and the rate setting statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by Chief Executive Officer.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL REPORT

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the financial report based on our audit. 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 about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 Council, as well as evaluating the overall presentation of the financial report.

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

AUDITOR'S OPINION

In our opinion, the financial report of the Shire of Broome 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 2013 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards, the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

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Powerful insights
Astute advice

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2013



INDEPENDENT AUDITOR'S REPORT TO THE ELECTORS OF THE SHIRE OF BROOME (CONTINUED)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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) No 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) In relation to the Supplementary Ratio Information presented at page 61 of this report, we have reviewed the calculations as presented and nothing has come to our attention to suggest they are not:
 - i) reasonably calculated; and
 - ii) based on verifiable information
- d) All necessary information and explanations were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit.

UHY HAINES NORTON
CHARTERED ACCOUNTANTS



GREG GODWIN
PARTNER

Date: 11 December 2013
Perth, WA

Supplementary Ratio Information

For the Year Ended 30 June 2013

RATIO INFORMATION

The following information relates to those ratios which only require attestation they have been checked and are supported by verifiable information.

	2013	2012	2011
Asset Consumption Ratio	0.741	0.694	0.702
Asset Renewal Funding Ratio	3.049	N/A	N/A

The above ratios are calculated as follows:

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

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

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



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Feedback

If you have a comment or questions about the Annual Report here's how to contact us

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