

Shire of Broome Annual Report



For the financial year
2013/2014

What is the Annual Report?

As required by the *Local Government Act 1995* and associated regulations the Annual Report for 2013/2014 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, Mission, Strategic Goals, Outcomes and Strategies as set out in the Shire of Broome Strategic Community Plan 2013 – 2023 and the Actions contained in the Corporate Business Plan 2013 – 2017.

These Plans provide strategic focus for elected members and the organisation and affirms our commitments to the community.

Our 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.

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.

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.

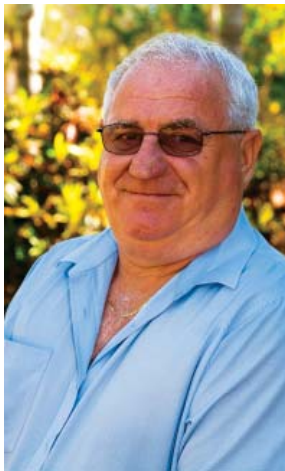
Statistics Snapshot 2013/14

- 3235 tonnes of green waste mulched and reused
- 1084 tonnes of metal and car bodies recycled
- 513 tonnes of paper and cardboard recycled
- 232 tonnes of glass was recycled
- 34 tonnes of plastic was recycled
- 30 tonnes of aluminium cans was recycled
- 11 tonnes of steel cans was recycled
- 26 beach rescues by Shire Lifeguards
- 229 beach first aids by Shire Lifeguards
- 14 beach wheel chair hires
- 37 community organisations received Shire sponsorship grants
- 90,864 visits to the Broome Public Library
- 1405 people attended events in the library
- 555,177 fiction, non fiction and junior items were issued to members of the library
- 7541 uses of Library WiFi service
- 51,355 entries to BRAC aquatic
- 7112 participants in BRAC group fitness classes
- 15,115 swim lessons taught by BRAC staff
- 74 Broome residents became Australian citizens

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Message from the Shire President



The 2013/14 year has been one of both highs and lows for the Shire of Broome.

With Local Government elections held in October 2013, we welcomed Harold Tracey onto Council representing the Broome Ward, and in the Dampier Ward, Mena Lewis for the first time and Philip Matsumoto back onto Council.

We also farewelled Eunice Yu and on behalf of Council and the Broome community I thank her for her significant contribution.

Council was also saddened by the passing of Councillor Peter Matsumoto. Fondly known as "Nugget", Cr Matsumoto had served as a Broome Shire Councillor since 2005.

Peter's contribution to the Broome community was immense and extended well beyond his work on Council, with his leadership of the Kullarri Patrol among his most significant achievements.

Another significant loss was that of Lord Alistair McAlpine, who played an enormous role in shaping Broome as it is today, and who was remembered at a memorial service in the Broome Civic Centre, and with a bronze bust at Cable Beach.

On a more positive note, Council was able to progress a number of projects that will stand the Shire in good stead into the future.

These include the adoption of the new Local Planning Strategy and Local Planning Scheme 6 following extensive consultation with the community, and we now await final approval from the WA Planning Commission.

These new documents have been many years in the making, and give clear direction for land use and development through the whole of the Shire.

The Shire of Broome also continued its considerable support of the community, with more than \$106,000 distributed to 37 different community groups through the community sponsorship program.

The Shire was a major sponsor of events and organisations including Shinju Matsuri, Kullarri NAIDOC, Kimberley Girl, Broome Chamber of Commerce and Industry, Broome Visitor Centre, Australia's North West Tourism, Kullarri Patrol and more.

Council has also played a lead role in preparing Broome for its turn as Guest Town at the 2014 Perth Royal Show.

I would encourage everyone to take an interest in the achievements of local government and to read this annual report as it outlines the work your Council has done in the past year.

Graeme Campbell, Shire President



Australian Citizenship Ceremony in the new Broome Civic Centre.

Message from the Chief Executive Officer



The Shire of Broome has once again performed strongly in what has proven to be both a challenging and yet rewarding year.

This annual report presents the Shire's financial statements, and outlines the work that has been carried out during 2013/14 in line with the goals, strategies and outcomes expressed in the Shire's Plan for the Future.

We have pushed ahead with major infrastructure projects including the Kimberley Regional Offices development, Broome Road Industrial Estate, and Sanctuary Road Caravan Park.

Upgrades to infrastructure included the redevelopment of DeCastilla St in the heavy industrial area, resurfacing the carpark at Cable Beach, further work to improve safety along Frederick St, and resurfacing tennis courts and refurbishing amenities at the Broome Recreation and Aquatic Centre.

The upgrading of Chinatown has continued within tight budgetary constraints and work this year included the planting of new shade trees and other beautification and landscaping, and more Christmas decorations as part of the Shire's commitment to retaining and enhancing the town's CBD.

However, a major disappointment for Broome was the withdrawal of funding by the State for the Broome Boating Project, after the Shire and the community had invested considerable time and effort.

Another significant achievement that deserves particular mention is the Shire of Broome Rangers who were recognised as the best in the State at the WA Rangers Association Annual Conference in 2013.

And finally I would like to thank the more than 160 staff employed by the Shire of Broome across a wide range of areas including Administration, Parks and Gardens, Works, Waste Management Facility, Broome Recreation and Aquatic Centre, and Broome Public Library for their considerable efforts across the year.

With the support of our community and Council, we will continue to work diligently into the coming year to progress the development of the Shire of Broome.

Kenn Donohoe, Chief Executive Officer



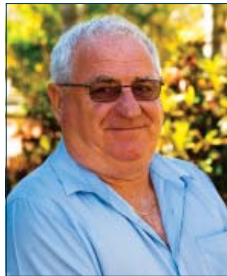
The Shire of Broome Rangers were recognised as the best in the State in 2013/14.

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 generally 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 a Councillor 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 Jenny Bloom



Cr Desiree Male



Cr Mark Manado



Cr Chris Mitchell



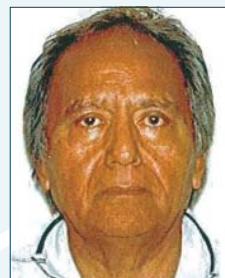
Cr Anne Poelina



Cr Harold Tracey



Cr Philomena Lewis



Cr Philip Matsumoto

Council and Committee Meetings

In 2013 Ordinary Meetings of Council were held monthly approximately every third Thursday, and in 2014 approximately every fourth 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 Peter Matsumoto (passed away 15 September 2013)	2013	Dampier
Cr Philip Matsumoto	Disqualified 26 June 2013	

A Council election was held on Saturday 19 October 2013.

A total of 2496 electors cast a ballot paper for the Broome Ward, of which six were informal. The participation rate was 34.44 per cent which was lower than the 2011 participation rate of 44.03 per cent.

A total of 371 electors cast a ballot for the Dampier Ward, of which eight were informal. The participation rate was 27.38 per cent which was higher than the 2011 participation rate of 25.53 per cent.

Crs Bloom and Male were re-elected for four-year terms. In addition, three new Councillors were elected - Crs Tracey and Matsumoto for four-year terms and Cr Lewis for a two-year term.

Councillor	Term Expires	Ward
Cr Graeme Campbell, Shire President	2015	Broome
Cr Jenny Bloom (elected as Deputy Shire President 21 October 2013)	2017	
Cr Desiree Male	2017	
Cr Mark Manado	2015	
Cr Chris Mitchell, JP	2015	
Cr Anne Poelina	2015	
Cr Harold Tracey	2017	
Cr Philomena Lewis	2015	Dampier
Cr Philip Matsumoto	2017	

About Council

Councillor Meeting Attendance 2013/14

Councillor	No. of Meetings To Attend (OCM's/ SCM's)	Attended	Non-Attendance	Apology/LOA
Cr Graeme Campbell	22	21		1
Cr Jenny Bloom (re-elected 19 October 2013)	22	18		4
Cr Mena Lewis (elected 19 October 2013)	14	13		1
Cr Desiree Male (re-elected 19 October 2013)	22	22		
Cr Mark Manado	22	18		4
Cr Chris Mitchell, JP	22	19		3
Cr Peter Matsumoto (passed away 15 September 2013 – term expired 19 October 2013)	5	0		5
Cr Philip Matsumoto (elected 19 October 2013)	14	6	1	7
Cr Anne Poelina	22	15		7
Cr Eunice Yu (term expired 19 October 2013)	8	8		
Cr Harold Tracey (elected 19 October 2013)	14	11		3

The Shire of Broome forms part of the Kimberley region of WA

Broome is a favourite holiday destination for visitors from all over Australia and the world. Located at the southern corner of 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 coastline, bushland and desert. With a population of about 15,000, this equates to a density of 3sqkm for every person in comparison to 282 people per sqkm within the Perth metropolitan area.



Broome's Chinatown.

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, dinosaur footprints at Gantheaume Point, the Courthouse Markets, guided tours into the history of Broome's pearling industry, the heritage-listed Sun Pictures and the internationally renowned Cable Beach.

Living in Broome

With education facilities, restaurants, shopping, medical centres and a regional 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.

Given its popularity and desirability as a location to live, demand for affordable housing has been high. The establishment of Broome North has helped ensure an ongoing supply of reasonably priced land 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, with the expansion of these sectors expected to generate economic growth for the region and offering greater employment opportunities into the future.

About the Shire of Broome

The Chief Executive Officer, 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, Community Services; 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, Strategy Development, and Community Services

The Deputy CEO, 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, Sam Mastrolembo, oversees this directorate which 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, Andre Schonfeldt, is responsible for providing building, planning, health, environmental, 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, Michael Dale, 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 provide direction to Council and guide the future of the Shire of Broome.

Plan for the Future – Integrated Strategic Planning

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 major projects and activities to those philosophies.

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 Framework and required the adoption of a Strategic Community Plan and a Corporate Business Plan by 30 June 2014. The SCP is the head

document of the IPR framework and was to be for a minimum timeframe of 10 years and the CBP for a minimum of four years.

At a Special Meeting of Council held 27 June 2013 Council adopted the Strategic Community Plan 2013–2023 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 2013–2017 was adopted at the Ordinary Meeting of Council held 17 October 2013. The CBP is for a period of five years and is to be reviewed annually to deliver the annual budget.

Both the SCP and the CBP have primarily been developed from the 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 current day-to-day activities already being undertaken.

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

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 2013/14, the report is to provide an overview of the activities of the Shire for 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 – Corporate Business Plan 2013–2017 form the basis for the development of the Shire budget. The annual budget sets out the forecast income and expenditure for the coming financial year, identifies income sources and outlines proposed projects and activities.

2013/14 Year in Review

This report summarises the Shire of Broome's progress during the 2013/14 financial year toward attaining the Goals, Outcomes and Strategies set out in the Shire's Strategic Community Plan 2013-2023.



The Shire of Broome aims to foster a community environment that is accessible, affordable, inclusive, healthy and safe. The following are outcomes put in place to achieve this, and a summary of progress made during 2013/2014.

1.1 Effective Communication

Media and Marketing



The Shire of Broome works closely with local media.

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

The Shire works proactively with print, electronic and online media outlets in Broome and further afield, both through news content and paid advertising, to keep the community and stakeholders up to date.

During 2013/14 extensive communications programs utilising advertising, media releases, open days and public information sessions have been implemented for strategic projects such as development of the Local Planning Strategy and Local Planning Scheme 6, and Old Broome Development Strategy and Design Guidelines, through to promoting public events at the Broome Recreation and Aquatic Centre, Broome Public Library and Broome Civic Centre, and communicating information on beach closures for jellyfish stings and crocodile sightings, through to road works and wet season road closures.

The Shire of Broome continues to produce through a contractor an annual print and online 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, BRAC, Broome Civic Centre, Broome Public Library, and Club Development Officer. These are updated regularly and are an effective way to disseminate information, as well as providing a forum for community members to ask questions.

An email newsletter is distributed to subscribers each month, and the Shire of Broome website is updated regularly and is a reliable source of a broad range of information.

The Shire of Broome also continues to either host, or be present at, a range of forums, expos, open days and other public events as a further means of engaging with and being accessible to the community.

Community Surveys

Community surveys are an effective tool for obtaining information about the needs of the community and building a co-operative and responsive relationship between the Shire and stakeholders, which ultimately allows the Shire to deliver more effective and appropriate services.

The Shire of Broome Corporate Business Plan, as adopted by Council in October 2013, allocates funding in the 2014/15 financial year for the purpose of facilitating community surveys as a means of encouraging interaction and input between the Council and the Community.

Community internet and email access

Internet and email services were maintained within agreed service levels. An email archiving system has been introduced to provide significantly increased legal discovery capabilities and record keeping compliance. All incoming and outgoing email, including internal email, is stored permanently in a secure, accessible cloud data centre. In addition to compliance benefits, the system provides staff with an efficient tool to effectively manage the large volume of email communications sent and received as part of their daily operations.

Broome Community Sponsorship Program

In 2013/14 the Shire contributed \$106,909 to 37 community organisations to deliver community programs and events.

In addition, the Shire of Broome continued to sponsor and support large-scale events and long-term programs including the Kullarri NAIDOC Festival, Kimberley Girl, the Shinju Matsuri festival, Kullarri Patrol and the Taiji Cultural Exchange Program.

Our People

1. 2 Affordable services and initiatives to satisfy community needs



The FairGame program collected sporting equipment for kids.

Club Development Officer Scheme

The program is a partnership between the WA Department of Sport and Recreation and the Shire of Broome which aims to build capacity of sporting clubs and associations in the town. The Club Development Officer works closely with a range of organisations to develop partnerships that support local sporting clubs. This year, the Minister for Sport and Recreation approved a new agreement for a two-year period from July 2014.

Broome Sport in Focus

Initiated by the CDO and presented by the Broome Sports Network, the major sporting workshop series of the year in May 2014 incorporated six different venues, and provided opportunity for the community to participate in a range of sport and recreation activities. The program attracted members from about 60 local organisations, from sporting clubs to schools, local business to social service agencies. Fifty people attended coaching workshops as part of the week, and more than 500 people were involved in some capacity during the week in a range of activities.

Representatives from 16 different organisations attended a junior sports forum and agreed to work together to promote registration days and a Broome code of conduct.

Sixty members of the Broome Chamber of Commerce attended a business lunch to hear from guest speaker John Worsfold, former West Coast Eagles player and coach.

ClubTalk Workshop

In June 2014 the Shire hosted a highly successful ClubTalk workshop. The workshop focused on the promotion and use of the DSR website, and provided opportunity for clubs to develop a greater understanding of communicating using social media and technology. A key focus of the session was the development of a club app, with seven Broome clubs now online and able to use the technology to the benefit of their club.

KidSport

The KidSport program is an initiative of DSR implemented by the Shire of Broome CDO which 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 30 organisations from the sporting, social services and education industry are involved in the program, either as referral agents or as registered clubs.

More than 250 children are enrolled in the program from 10 different sports clubs with assistance provided to the value of approximately \$25,000, with 83 per cent of applicants Aboriginal and 66 per cent of applicants having never participated in structured club sport before.

Club Development Survey Report

Between September and December 2013, a survey of sporting associations and clubs in Broome was conducted on behalf of the Shire and the WA Department of Sport and Recreation. The survey was distributed to 50 Broome sporting clubs and associations with the specific intention of collecting and collating baseline information including membership statistics, future challenges and goals.

An unprecedented response rate of 44 clubs, or 88 per cent, completed a survey. Seventeen recommendations were created as a result. Nine of these were addressed in the first half of the year. The remaining recommendations were considered as part of the Shire of Broome Sport Recreation and Leisure Plan.

The Broome Regional Talent Development Report

The CDO developed this report in partnership with other members of the Broome Sports Association. Six key recommendations and an implementation plan for the development of pathway programs for talented athletes, coaches and officials will now provide direction for the Broome Sports Association Talent Development Program.

Broome Sports Network

Broome Sports Network consists of the WA Department of Sport and Recreation, Shire of Broome, Kimberley Training Institute, Australian Sports Commission's Active After-school Communities program and Garnduwa, and is supported by local schools and a variety of organisations linked with the local sport and recreation industry. The BSN meets regularly to ensure a co-ordinated and strategic approach to developing local club sport. BSN presented the successful Broome Sport in Focus Week in March 2014.

The Broome Sports Association

The BSA comprises volunteers from the sport and recreation sector in Broome. A key focus is the annual Broome Sports Awards held in November, where high-achieving athletes and volunteers are recognised by the sporting community. The Shire of Broome CDO assisted with sourcing a record 35 nominations from the sporting community, was a key member of the event organising committee, and sat on the judging panel to select the winners in all seven categories.

Access and Inclusion Advisory Committee

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

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 by the Committee and a progress report was provided to the Disability Services Commission in July 2014 for the 2013/14 reporting period which demonstrated the Shire is meeting its obligations in implementing the plan. Key achievements in the implementation of the DAIP in 2013/14 include the conduct of an access and inclusion audit across the Broome town site, and ensuring equitable access to services and events, particularly with the activation of the newly refurbished Broome Civic Centre.

The Access and Inclusion Advisory Committee held four meetings in 2013/14. The terms of reference for the Access and Inclusion Advisory Committee were reviewed in late 2013 to expand membership and formalise meeting structure to improve the process of making recommendations to Council.

Access and Inclusion Audit

A key achievement for the Shire in the area of Access and Inclusion has been the conduct of an access and inclusion audit of facilities and infrastructure across the town site. The audit considered ACROD parking, footpaths and public access in the three main retail and tourism precincts; Chinatown, Town Beach and Cable Beach, as well as 12 key community facilities and public buildings.

An extensive internal audit was also conducted for the Broome Recreation and Aquatic Centre. The access and inclusion audit reports will be presented to the Shire of Broome Access and Inclusion Advisory Committee and subsequently Council, along with a prioritised list of recommendations that takes into account the Shire's available budget, proposed development strategies, current and future capital works programs and Council's strategic priorities.

Public Art Master Plan

A draft Public Art Master Plan was presented to the Arts, Culture and Heritage Advisory Committee and endorsed for public comment in June 2014. Submissions will be considered with a final draft to be presented to Council for endorsement.

Our People



Broome Beach Books was a wonderful initiative of Broome Public Library.

Broome Public Library

The Broome Public Library has expanded its digital services through existing infrastructure and added a highly valued free WiFi service for the public. These services are being delivered with minimal additional costs, relying on upgrades to ICT hardware and existing staff hours.

The Library's public internet terminals have been configured to run services through the fixed-price WiFi contract which has reduced reliance on the Shire's IT services and internet contracts to the benefit of the community.

Minor modifications to services and programs have been undertaken in 2014 which will be monitored over the next financial year for long-term viability. These include an increase in the number of items available for loan to each member at any one time to a total of six, and an expansion of the Lego Club and Baby Rhyme Time programs.

The Library provided access to over 26,000 physical items and undertook 106,602 lending transactions throughout the year. It has 7743 active members and had a total of 90,864 visits by library users throughout the year. In addition to these regular visitors, the library also provides E-book, E-audio, and postal services to residents of the Shire who live remotely.

Relationships between the Broome Public Library and the other public libraries in the Kimberley have been strengthened through the renegotiation of the Kimberley Regional Activity Plan for 2014/15 which describes co-operative service delivery and support as provided through the Broome Public Library's role as Regional Library for the Kimberley. Initiatives that have been agreed upon include the delivery of an Oral History Training course and investigation for the joint-purchasing of online resources such as E-book subscriptions.



Children's activities at Broome Public Library.

Youth Services

Discussions have taken place with the Department of Child Protection, Youth Justice, and WA Police regarding restructuring funding arrangements and duplication of services for youth in Broome.

Officers have also contributed to the development of a West Kimberley Youth Strategy being undertaken by the Kimberley Institute in partnership with a range of stakeholders. Officers attended a meeting of the Kimberley Zone in June 2014 which included agenda items on "Youth Services Review and the Future of Youth Justice in the Kimberley" and "Youth Crime, Education and Prevention".

The Shire hosts monthly meetings of the Broome Youth Coordinators Network, with 11 meetings held in the 2013/14 financial year. Meetings provide an opportunity for youth service providers to share information, provide service updates and identify opportunities for collaboration. BYCN members collaborated to deliver a number of community events during 2013/14 including National Youth Week activities and the Closing the Gap community concert featuring Justice Crew.

Encouraging external service providers to identify alternative funding sources and opportunities

The Shire provides letters of support to community organisations upon request to support funding applications. Officers regularly investigate funding opportunities and forward information to relevant community organisations for their consideration.



Australia Day fireworks at Town Beach.

Supporting community festivals and events

The Closing the Gap Community Concert held at PCYC in March 2014 was a collaborative effort between the Shire and community organisations, featuring local artists and nationally renowned hip hop act, Justice Crew. The event attracted 1300 young people and families and raised over \$15,000 for providing diversionary activities and programs to engage young people during the school holidays.

The Shire worked with youth service providers from the Broome Youth Co-ordinators Network to stage a series of events for young people during National Youth Week in April 2014. Thirteen organisations collaborated to deliver five events including an opening event at Town Beach, a gaming challenge, art jam, basketball competition and skate competition at the BRAC skate park.

The 2014 Australia Day fireworks display attracted hundreds of people to Town Beach despite heavy rain and flooding in the area, after severe storms had earlier forced the cancellation of the Australia Day Family Concert.

The Shire presented a number of high profile shows at the Broome Civic Centre and provided opportunity for local, Perth-based and national organisations to host meetings, conferences, weddings, birthdays, and community events.

Events Management and Support

The Shire continues to assist with and issue permits for events held in public places including weddings, parties, concerts, markets and community celebrations.

In 2013/14, the Shire provided sponsorship and/or assistance with a range of events including but not limited to:

- Staircase to the Moon Markets
- NAIDOC Week
- White Ribbon Ball
- Shinju Matsuri Festival
- Kyle Andrews Walk
- Cable Sounds Concert
- Cable Beach Polo
- Gibb River Prologue
- Chinatown Christmas Party

The Shire of Broome has spearheaded the 2014 Perth Royal Show Guest Town initiative, including forming a community working group, liaison with the project manager, co-ordination of site design, budget, sponsorship, media and the program of events.

An Events Policy review is to be finalised and presented to Council as a priority.



Shinju Matsuri Shire of Broome Acquisitive Art Prize.

Our People

1.3 Accessible and safe community spaces

Public Art Strategy and Register of Art, Plaques and Statues

A draft Public Art Master Plan was presented to the Arts, Culture and Heritage Committee in May 2014. Internal stakeholder feedback has been sought with the intention of a final draft to be presented to Council in July 2014 for endorsement for public comment.

Information has been sought from other local governments regarding commissioning, asset management, decommissioning and cataloguing of collections.

Supporting the Arts in Broome

The Arts, Culture and Heritage Advisory Committee provides advice to Council on matters of arts, culture and heritage. This includes matters relating to the Shinju Matsuri Festival such as the scope of financial and in-kind support provided to the festival and participation in the Shinju Matsuri Acquisitive Arts Prize.

The ACHAC provides advice to Council to guide the implementation of the Shire of Broome Public Art Policy and held four meetings in 2013/14, with projects that progressed through the advice of this committee including:

- Development of a three-year sponsorship agreement with Shinju Matsuri to deliver the 2014, 2015 and 2016 festivals.

- Establishment of MOUs with the Broome Historical Society, Nulungu Research Institute and WA Museum.
- Development of a draft Public Art Strategy and Master Plan.
- Development of a programming policy for the Broome Civic Centre.
- Establishment of partnerships and content for the progression of the Heritage Signage Project starting with the installation of interpretive signage in Chinatown.

Broome Civic Centre

The Broome Civic Centre increased income by more than 300 per cent over the previous year. The Shire presented a number of high profile shows at the Broome Civic Centre and provided the opportunity for local, Perth-based and national organisations to host meetings, conferences, weddings, birthdays, and community events, including:

- Get Hypnotised! The Matthew Hale Comedy Hypnosis Show which sold out, and included a pre-show workshop with high school students to help with memory techniques for study.
- The first Melbourne International Comedy Festival Roadshow which also sold out well before the event and required extra seating to be hired.



Australian Citizenship Ceremony in the Broome Civic Centre.

- Black Swan State Theatre Company's Midsummer (A Play With Songs).
- Free Harmony Day multicultural film screenings.
- Simply Sinatra! featuring Tom Burlinson and his All Star band.
- This Side Up Acrobatics in conjunction with Regional Arts Victoria presented the mind blowing Controlled Falling Project, with the cast also providing a free workshop to 20 Theatre Kimberley students.
- White Ribbon Day Gala Ball in conjunction with the Broome Mango Festival, that raised funds for the White Ribbon anti-violence campaign.
- The Royal Flying Doctor Service Outback Car Trek fundraising dinner for more than 250 people.
- AUSDANCE WA turned the main hall of the Civic Centre into a children's play ground.
- Hosted Pearl Bay Dance Academy and Broome Dance Co-op annual dance concerts.
- WotNow Entertainment presented a night with the world-famous Carlotta.

In May 2014 the Broome Civic Centre employed 10 casual staff including front of house and back of house staff and AV technicians to provide support for Shire-run events and hirers.

Chinatown Shade Project

Under the Chinatown Shade Project, 19 semi-mature street trees were installed on Carnarvon St in the 2013/14 financial year, with the next phase to construct two shade structures on Carnarvon St in the 2014/15 financial year. The inclusion of semi-mature trees will enable the realisation of functional shade along the pedestrian footpaths far earlier than using tube stock.

The shade structures are to be constructed early in the 2014/15 year and will provide coverage for pedestrians and create visual interest for tourists. The project upon completion will make Chinatown a more pedestrian-friendly environment, encouraging patrons to walk between shops and activate the street frontages.

Open Space

Open Space in Broome has been categorised into six types as follows:

- Organised Sport and Destination.
- Other Reticulated.
- Un-reticulated.
- Natural.
- Drainage.
- Cemeteries.



New street trees have been installed in Carnarvon St.

These categories have been allocated to each open space reserve based on the best fit and included on the Shire's GIS. In addition, levels of service have been allocated to each activity required in each type of open space. This has already improved the accuracy of anticipating future budget requirements for the organisation in regard to new developments that include an open space component and to measure levels of service in existing open space for strategic comparison.

Broome Visitor Centre CCTV

The Shire secured a Community Safety Grant to fund a safety initiative at the Broome Visitor Centre with funds used to implement a CCTV system in an effort to reduce anti-social behaviour in and around the facility, as well as increase the security of the building.

The CCTV network was registered with the WA Police Blue Iris CCTV Registry to assist with Police investigations. Further funding will be sought to expand the CCTV system to include various areas in the Chinatown precinct in the coming year.

Our People

1. 4 Participation in recreational activity



West Coast Eagles train at Broome Recreation and Aquatic Centre.

Recreational Facilities

Tennis courts at the Broome Recreation and Aquatic Centre were re-surfaced and opened in April 2014.

Council agreed to re tender the Haynes Oval lighting upgrade in May 2014 and approval has been sought from the WA Department of Sport and Recreation to extend the project until June 2015. The new tender closes on 17 July 2014.

Community and officer feedback was included in the draft Sport, Recreation and Leisure Plan with consideration given to need in relation to existing, upgraded and new facilities along with trends, population projections and asset management principles.

Broome Recreation and Aquatic Centre

BRAC further stamped its claim as the Kimberley Regional Hub for aquatic training with swimming pool staff travelling from across the region to undertake Bronze Medallion and Pool Lifeguard qualifications and Pool Operators certificates. BRAC was also the location of the Leisure Institute of WA North West Aquatic Conference bringing pool managers and industry into the facility.

Swimming lessons continued to have impressive numbers with more than 15,000 entries for Learn to Swim and over 7000 participants taking part in the ever-popular group fitness classes run by BRAC staff (wet and dry).

BRAC undertook significant facility improvements in 2013/14. The poolside amenities block was refurbished and reopened in December 2013, giving the 51,000 swimmers that entered the aquatic space access to fresh new toilets and showers.

The eight tennis courts were resurfaced with a hardcourt pave and cushion surface to bring them up to contemporary standards and

provide the Broome Tennis Club and casual users the ability to play and train on a Tennis West approved surface.

The immediate and long term future of BRAC was discussed at length as part of the Sport and Recreation Strategic Plan and BRAC-specific Master Plan with recommendations for priority investment made to Council and higher management for consideration.

The BRAC Master Plan has been developed in consultation with staff, clubs, Councillors and other key stakeholders. The final draft has been completed and is ready to be considered by Council for endorsement. Major capital works required have been identified with significant capital investment recommended.

Promotion of the centre has continued through print, radio and cinema media. Program development has focused on Learn to Swim, aquatic education and community events.



Virtual Rottneest Channel Swim at BRAC.

Investigate the outsourcing of BRAC from 2014/15

The tender process for outsourced management has been deferred until after Council receives a requested report during the 2014/15 financial year. Upgrades and emergency works are taking place in aquatic area to enable continued operation.

Sport, Recreation and Leisure Plan

Three community consultation workshops were arranged by the Club Development Officer as part of the development of the Broome Sport, Recreation and Leisure plan. The workshops allowed the majority of Broome clubs to actively discuss their ideas and challenges with the consultants, and ensured community input into a report that will provide direction for the future of sport and recreation in Broome.

Documents reviewed as part of the consultant's scope included:

- Broome Active Reserves Facilities and Management Review (ABV, 2009).
- Draft Community Plan (Creating Communities, 2011).
- Draft Shire of Broome Community Infrastructure Planning (CTURP, 2012).
- Shire of Broome Strategic Community Plan 2013 2023.
- Shire of Broome Long Term Financial Plan.
- Draft Shire of Broome Community Facilities Plan for Developer Contributions.
- Draft Local Planning Strategy and Draft Local Planning Scheme No 6.
- Shire of Broome Asset Management Plan.
- Previous BRAC master plans.
- Department of Sport and Recreation Aquatic Sports Strategic Facilities Plan (GHD, 2012).
- Department of Sport & Recreation SD5 – 2011 2015

Motorsport Relocation Project

The Motorsport Relocation Project is a result of sustained residential development in Broome and a push from the Government to provide more affordable housing. As the urban footprint of Broome extends outward it will start to interact with other uses. In this instance, the proposed primary school and Stage 2 of Broome North will be in close proximity to the current speedway and motocross site.

Council engaged consultants to undertake site selection and master planning of a new site for motorsport activities in Broome. The current location is placing restriction upon the residential development of Broome North and as the residential component is developed will in turn place restriction upon the motorsports activities currently undertaken. As Broome continues to grow and develop this interaction is likely to increase. With this in mind, it is prudent to plan for the future of motorsport in the region and provide a location which will enable the clubs to make sound financial decisions for the long term. Providing certainty over their use will go a long way to achieving this.

The project is currently at the detailed site selection phase, which follows on from community workshops held early in 2014. These workshops provided vision and direction for the long-term functionality of the new proposed site. Once a short list of potential sites is identified, further community consultation will be undertaken before a preferred site is selected for advancement. The Master Plan and preferred site should be finalised early in 2015, which will give the clubs direction and provide for continuation of Broome North.

Old Broome Development Strategy

The Old Broome Development Strategy (renamed from the Town Beach Development Strategy) was adopted for public comment on 27 March 2014. The public consultation process that ran until mid May 2014 included pop-up displays at the Broome Courthouse Markets and Broome Boulevard shopping centre, workshops with stakeholders, written submissions and comments through an online survey. More than 200 people provided feedback and this is now being considered by planning officers.



Open day at Broome Recreation and Aquatic Centre.

Our People



The Jetty to Jetty Project will link Chinatown to Town Beach.

Jetty to Jetty Project

The development of the Jetty to Jetty – Roebuck Bay Coastal Walk Business Case and associated Revetment Works Business Case are in their final stages and will be put before Council at the July Ordinary Meeting. The proposed Business Case and Implementation Plan will be undertaken in four stages.

The project will include a heritage signage and walking trail as stage one. This will provide a path and ideally allow tourists and residents to follow the trail and increase understanding of some of the historical and cultural stories Broome has to offer.

Stage two will stabilise the pindan cliffs at the Town Beach end of the project. The pindan cliffs have for some time been eroding at increasingly unsustainable rates. The revetment works will repair this damage and will complement the proposed construction of the Town Beach Jetty. The Town Beach Jetty will provide a book end for the Jetty to Jetty Project and it is anticipated will activate the existing groyne - once the site of the previous jetty.

Stage three of the project will provide a newly constructed jetty and boardwalk at Chinatown. This will form the other book-end of the project and reactivate the Chinatown-Dampier Creek foreshore.

The final stage is the connection of these two jetties via a boardwalk and footpath. Activation along the length through commercial activity will be encouraged and provide for an unbroken pedestrian path from Chinatown to Town Beach.



Proposed Jetty to Jetty – Roebuck Bay Coastal Walk.

1.5 A healthy and safe environment

Local Planning

Local planning policies continue to be reviewed as required to ensure consistency with the Shire of Broome Town Planning Scheme No 4. During this year the following new policies have been adopted:

- Provision of Public Art.
- Design Guidelines – Chinatown.
- Chinatown Development Strategy.
- Public Consultation – Planning Matters.

The following new policy is being advertised: Forms of Residential Accommodation other than a Single House.

Community Safety Programs

The Shire hosted a community forum on juvenile crime at the Broome Civic Centre in March 2014. The forum was held by a community-driven Juvenile Crime Working Group which was established in response to community concerns about young people's involvement in criminal activity in Broome. The forum was attended by almost 50 community members who received presentations from Police, Youth Justice, Department of Child Protection and the Broome Youth Support Group.

HYPE Program

The Shire continued to support the Helping Young People Engage project as an active member of the management committee.

HYPE youth liaison workers patrolled the streets on Friday and Saturday nights, interacting with young people, acting as positive role models and attempting to divert and intervene to prevent negative social behaviour. HYPE workers 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.

Funding provided to Save the Children to run the program came to an end on 30 June 2014. Save the Children was unable to find funding to continue the program and HYPE was transitioned to Broome Youth Support Group in May 2014 to be managed with short-term funding provided by Youth Justice to continue the program to the end of 2014.

Plans are in place to remodel the program to have more of a case management focus and long-term funding will be sought to continue the program in the new format.

Emergency Management

Public safety remains high on the agenda for the Shire, as evidenced by the large numbers of agency and community members that regularly attend the Local Emergency Management Committee meetings. The Shire commenced a review of the Local Emergency Management Arrangements including an Emergency Management Plan and Recovery Plan. It is expected the plan will be ratified by the Local Emergency Management Committee, Council and the State Emergency Management Committee in 2014/15.

Environmental Health Services attended a welfare field exercise organised by the Department for Child Protection and Family Support to provide opportunities for community stakeholders and welfare agencies to develop further resilience and self-reliance in the event of a natural disaster. Environmental Health participated actively in the exercise and gained valuable experience in the capacity to set up and operate a local welfare evacuation centre.

Ranger Services

Ranger services have undertaken significant change since being recognised as Ranger Team of the Year 2013/14 by the WA Rangers Association. In order to build upon such recognition, every facet of the department has been examined with a view to improvement.

As a result, Rangers are now equipped with new utility vehicles custom designed to the unique operational demands placed upon them. Smart new uniforms and modern technology complement an overhaul of procedures in order that the Rangers stay at the forefront of municipal law enforcement.

A number of targeted campaigns have been successfully conducted focusing on very specific areas such as fire hazards, nuisance dogs and illegal camping. Perhaps the most visible part of these operations is the "Rangers Are Targeting" sign, located prominently on Old Broome Rd.



Shire of Broome Rangers were recognised as the best in the state in 2013/14.

Our People

Illegal Camping

In 2013 wheel clamps were introduced by the Shire as a way for Ranger Services to deter serial illegal campers. The Shire implemented procedures for clamping which included where campers had been issued a warning and then infringement, Rangers would then fit a clamp should the same person be found illegally camping again. A number of vehicles were fitted with clamps during the 2014 tourist season. The clamps have proven their worth compelling those that continue to breach the regulations to reconsider their actions.



Wheel clamps were part of a crack-down on illegal camping.

Illegal Dumping

The expertise of Rangers has been further highlighted with the successful prosecution of an illegal dumping incident in the bushland near the waste management facility. These incidents are notoriously challenging to obtain a successful result. A member of the community reported the incident, and through effective evidence gathering, Ranger Services was able to successfully prosecute the offender in court. The Shire was awarded costs for clean up and legal fees as well as a penalty amount of \$700. This matter was promoted by the Shire to deter others from illegal dumping.

Bushfire Management

Rangers have continued to work closely with all agencies and the community to mitigate the risk of bushfire in the landscape. The Shire Volunteer Bushfire Brigade has been very busy during the fire danger period and responded to a number of fires that threatened infrastructure.

The introduction last year of an all-agency integrated bushfire management planning has been further progressed in 2013/14. For the next two years, management of the Volunteer Bushfire

Brigade will continue to be undertaken by the Department of Fire and Emergency Services in a trial that will have full-time fire fighters and officers oversee operations of the Brigade during a response to a fire or other emergency. The trial has already proven that brigade members have access to more resources and greater training opportunities than were available previously.

An upshot of the DFES trial is a dramatically improved number of active volunteers attending both incidents and regular training sessions.

Local Government continue to inspect properties that may present as a fire hazard and issue fire break notices accordingly.

Beach Services

Business/standard operating procedures have been reviewed and are in the process of being amended to reflect the current management systems in place for the beach lifeguards.

Signage audits have taken place to ensure the public is well informed and surveys distributed to ascertain public perception of beach lifeguard services and how they can be improved.

Supervision of Cable Beach has taken place between April and October. Shire lifeguards have worked alongside and mentored volunteer patrols on weekends with satisfactory results. The 2014 season has seen 26 rescues up until June 30 with four months remaining. Planning for the 2015 season has commenced ensuring a smooth start and effective processes are in place.



Shire of Broome Lifeguards on Cable Beach.

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 227 food premises, 58 public buildings, 16 caravan parks, 10 lodging houses, 143 pools at 79 aquatic facilities, 10 hairdressing premises and 15 beauty therapy premises.

Environmental Health also assess onsite wastewater 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. These programs included 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, television and information sheets.

The Shire's Environmental Health Service has been successful forming its own Contiguous Local Authorities Group, enabling the Shire to access funding from the WA Department of Health for subsidised chemicals used in the above treatment programs. Further funding has been obtained through FIMMWA Research Grants which has been used to purchase signage, equipment for the treatment of mosquitoes and staff training.

Healthy and Safe Buildings

The Shire's Health and Building Services undertook a site inspection at the Mallingbarr Aboriginal Community at the end of 2013. Four houses were considered to be unfit for human habitation, of which three were also considered unsafe from a building perspective. The Shire worked closely with the Departments of Housing and Aboriginal Affairs to ensure alternative accommodation was provided for people renting those buildings. The Shire then also worked with the Aboriginal Lands Trust and the Mallingbarr Aboriginal Community to ensure these buildings were demolished. While demolition had not happened by the end of June 2014, the buildings were set for removal during September 2014.

1.6 High level social capital that increases community capacity

Community Engagement

The Shire continues to ensure effective community engagement through the implementation of the community engagement framework. The framework is used to determine the level of engagement and the appropriate tools for engagement for Shire projects and initiatives. The framework includes a matrix which helps to determine the level of community engagement necessary for individual projects and initiatives. By using the framework, Shire officers determine the level of political interest, community impact and groups of stakeholders who need to be engaged, and at what level. A community engagement plan is then developed for the project.

Welcoming New Citizens

The Shire of Broome conducted four Citizenship Ceremonies in 2013/14 at which 74 people became Australian citizens. The participants were from countries including New Zealand, Thailand, Philippines, UK, Canada, Germany, Belgium, Columbia, India, USA, Trinidad, South Africa, Nepal and Egypt. 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.

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.



Australian Citizenship Ceremony at Broome Civic Centre.

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 outcomes put in place to achieve this, and a summary of progress made during 2013/14.

2.1 Realistic and sustainable land use strategies for the Shire within state and national frameworks and in consultation with the community

Local Planning Strategy and Scheme 6

In December 2012 Council adopted the Local Planning Strategy and Scheme 6 for advertising. Following comments received from the Environmental Protection Agency and the Minister's approval, the Strategy and Scheme were advertised in accordance with the regulations. In order to ensure the community, stakeholders and affected parties were made aware of the changes, Council endorsed a Community Engagement Plan in May 2013.

The Shire subsequently undertook the engagement process in accordance with the plan including:

- About 650 letters posted to residents whose land was proposed to be rezoned under LPS6.
- Traditional Owner groups, government agencies and neighbouring local governments received letters as part of the statutory referral process.
- Business, community and environmental groups received a letter with an invitation to attend an information session.
- The Shire engaged Mamanyjun Cultural Training to assist in conducting information sessions with Traditional Owners and Aboriginal Communities.
- 18 information sessions were conducted. Unless otherwise specified, sessions were held in Broome: Community organisations/non-government organisations (17 July 2013); business and industry representatives (22 July); environmental organisations (23 July); general public (25 July); Yawuru Traditional Owners (26 July); Ardyaloon Community – morning session with Bardi Jawi TOs and afternoon session with Ardyaloon Community Council (30 July); Lombadina Community – morning session with Community Council/residents (31 July); Djarindjin Community – afternoon session with community council/residents (31 July); Beagle Bay Community – morning session with Nyul Nyul TOs and community members (1 August); Bidadanga Community – morning session with Nyangumarta TOs and afternoon session with Karajarri TOs (5 August); Bidadanga

Community – morning session with community council (6 August); Nimanburru TOs (7 August); Djabera-Djabera/Jabirr Jabirr TOs (8 August); Goolarabooloo TOs (28 August); and 12 Mile Residents (27 August). In total these sessions were attended by 179 people.

- Static displays in the Broome Boulevard shopping centre, Shire Administration office, Library and Courthouse Markets. Static displays were present in the Shire Administration office and Library for the entire advertising period. In addition Shire officers attended a static display in the Broome Boulevard shopping centre (20 July) and the Paspaley Plaza shopping centre in Chinatown (14 September).
- A public open day where Shire officers would provide an overview of the documents and be present for community members to visit and view the documents, ask questions, and informally provide feedback was planned, but was changed to a public information session which was publicised in print media, on radio, and on the Shire website. Additionally as discussed above there were two public displays at shopping centres where Shire officers were present to discuss the documents.
- Media campaign including print, online, and radio.
- Establishment of a dedicated email address to receive submissions and public enquiries. A submissions@broome.wa.gov.au email address was established and publicised.

In addition to these actions, Shire officers were available to discuss public enquiries via phone, e-mail, and one-on-one meetings. It is estimated that during the duration of the advertising period about 300 of these interactions took place.

Following the engagement process, Council in November 2013 adopted the Local Planning Strategy and Scheme 6 with modifications and the documents were forwarded to the WA Planning Commission. The Shire worked closely with the Department of Planning in preparation of the report to the Commission. The Commission considered the documents in July 2014 and endorsed the Strategy and recommended the Scheme to the Minister for approval subject to modifications.

It is expected that the Local Planning Strategy will be published and that Local Planning Scheme 6 will be gazetted in the first half of 2014/15.

Collaboration with Traditional Owners

Work has started to scope the project brief for the development of a Local Planning Policy – Aboriginal Cultural Heritage Consultation. It is expected this will commence early in 2015.



Public consultation on Local Planning Scheme 6.

2.2 A built environment that reflects arid tropical climate design principles and historical built form

Building

A reduced number of building applications were received in 2013/14 compared to the previous year. The number of applications for the 2012/13 year was exceptionally high, probably in anticipation of the James Price Point project going ahead.

The numbers for 2013/14 are consistent with recent years prior to 2012/13 and are in fact marginally higher in some areas when compared to those years. These figures would indicate that general building confidence and activity is still reasonably good. Apart from a noticeable drop in single dwelling and group dwelling applications, a number of other sectors including commercial and industrial projects have either held their ground or slightly increased in number.

Residential and associated construction is occurring in both the Broome North precinct and Roebuck Estate, with the majority in Broome North. The majority of the commercial building activity is still occurring in the Broome North commercial precinct with a number of building permits being issued and most of these projects being completed.

Residential Design Codes

The Shire as required has provided submissions to the WA Planning Commission on any proposed changes or amendments to State Planning Policy 3.1 - Residential Design Codes.

The Shire had adopted urban design guidelines for Chinatown and these have been adopted as a Local Planning Policy.

Work is in train to complete the Urban Design Guidelines for development within the Old Broome Precinct to support the Old Broome Development Strategy. The UDG are expected to be considered by Council before the end of the calendar year.

Built Form

All applications for development approval are required to be assessed against the provision of the Shire of Broome Town Planning Scheme No 4 specifically clause 5.10. The required technical report prepared by all planners requires that this matter be addressed and clarified.

BUILDING PERMITS ISSUED	2010/11	2011/12	2012/13	2013/14
Single Dwellings	80	126	240	113
Group Dwellings	9	2	17	2
Additions	13	14	17	21
Outbuildings	87	79	72	94
Commercial	33	37	29	29
Industrial	7	6	4	8
Pools	77	70	84	90
Tourist	3	6	3	3
Fences	12	66	63	43
Public Nature	9	5	9	4
Demolition	5	3	17	7
TOTAL	335	414	562	417

Our Place

2.3 A unique natural environment for the benefit and enjoyment of current and future generations.



Yawuru Conservation Park sign unveiling.

Yawuru Joint Management Agreements

The Yawuru Joint Management Agreements were signed in February 2010 providing for the formation of the Yawuru Park Council and the creation of three Conservation Estates within the Shire. Joint management responsibility and tenure of the town's conservation estate lies with the Yawuru Native Title Holders and the Shire of Broome, with assistance and on-ground management provided by the WA Department of Parks and Wildlife.

The three Conservation Estates have been named Minyirr Buru, Birragun, and Nagulagun. The YPC meets throughout the year to provide guidance in the management of the Conservation Estates. In 2013/14, the YPC met six times and was successful in securing a Lotterywest grant to progress the development of walk trails and a staircase within Minyirr Buru (Minyirr Park).

Yawuru prepared a Cultural Management Plan for the Native Title determined areas as required by the Yawuru Indigenous Land Use Agreements. The agreements provide for the CMP to inform the development of all management plans for the Conservation Estate.

Minyirr Buru (in-town conservation estate) is joint-vested between Yawuru and the Shire of Broome. A draft management plan is being prepared and is intended to be made available for public comment by late 2014.

Birragun (Out-of-Town estates) and Nagulagun (Roebuck Bay Marine Park) are jointly managed by Yawuru and Parks and Wildlife, while the Shire contributes to the joint management of inter-tidal zones within the Conservation Estate.

State of Environment Report

The Shire successfully secured a \$70,000 grant from Rangelands NRM to undertake a review of the Broome Town Site - State of Environment Report September 2000. The review of the State of Environment report will be for the whole Shire boundary. While the project has commenced the majority of the community engagement and completion of the project is likely to occur in the next 12 months.

Coastal Vulnerability Study for the Broome Town Site - Study 1

The Shire of Broome received a \$270,000 grant from the Northern Planning Fund to undertake a Coastal Vulnerability Study for the Broome Town Site Study 1. The Coastal Vulnerability Study articulates the potential impacts of storm surge, tidal movement, sediment transport, stormwater drainage and the interactions of surface and groundwater for the Shire's coastline. The report collates a number of models which incorporate climate change assumptions as accepted by the WA Planning Commission in addressing potential impacts of increased severe weather events and sea level rise.

The report is in the final stages of being completed. The modelling will include the following components:

- Storm surge assessment: Developing a model regarding storm surge impacts on peak water level as a result of tide, storm surge and wave set-up.
- Shoreline sediment assessment: modelling of shoreline erosion and movement to provide an assessment of shoreline changes.
- Hydraulic assessment: Surface water run-off and volumes from stormwater management considering surface water and tidal interactions in relation to flooding.
- Hydro-geological assessment: Interaction of surface water and ground water including gaining information about the salt water wedge.

Coastal Vulnerability Study for the Shire Area - Study 2

Further to this the Shire has been successful in a \$500,000 grant from the Department of Planning to undertake a Coastal Vulnerability Study for the Shire area - study 2. The project area for this study is to include the whole Shire coastline with a primary focus on the four major Aboriginal settlement areas.

The four main settlements include Bidyadanga, Beagle Bay, Lombadina/Djarindjin and One Arm Point. All four settlements and a significant proportion of smaller communities are located within the coastal inundation zone as per the draft State Planning Strategy.

The Coastal Vulnerability Study for the Shire area will address the potential impacts of storm surge, tidal movement, sediment transport, stormwater drainage and the interactions of surface and groundwater for the Shire's coastline. The Shire will progress the successful grant in the coming financial year.

Environmental Management Strategy

The Shire has developed a draft five-year environmental management strategy for Broome. This will be an informing strategy for the Shire of Broome Strategic Community Plan and the Corporate Business Plan. The Environmental Management Strategy provides comprehensive information regarding current environmental issues. It provides strategic direction for environmental assessment and addresses environmental issues with actions for implementation.

Our Place



Visitors to Broome are welcomed with a new entry sign.

2.4 A preserved, unique and significant historical and cultural heritage of Broome.

Cultural Events

Shinju Matsuri returned to the Broome Civic Centre in 2013 for the first time since the building underwent a multi-million dollar upgrade. Hundreds of people flocked to the venue during the week and a half of events.

Dalisa Pigram performed her international show Marrugeku – Gudirr Gudirr in the Pigram Garden Theatre. Jimmy Chi Hall hosted the Long Table Lunch, and the Gala Ball. Both events were at capacity. Entries for the Shire of Broome Acquisitive Art Awards adorned the walls of the venue throughout the festival. YohFest and the Senior Citizens Morning Tea also enjoyed strong patronage.

Other successful Shinju Matsuri events included the Chinatown Opening Ceremony and the Town Beach Dragon Boat Races. Some improvisation and quick thinking from the Shire ensured an unexpected visit by the Indonesian naval ship KRI Dewaruci. The co-ordination resulted in one of the most colourful Shinju Matsuri Closing Ceremonies in recent years. The navy's world-renowned marching band was invited to participate and quickly became the highlight of the Mardi Gras Float Parade, wowing the hundreds of people lining the street with their acrobatics and musical theatrics.

The Shire also continues to support the Kullarri NAIDOC festival through a three-year sponsorship agreement worth \$10,000 annually for the 2013, 2014 and 2015 festivals.

Municipal and Cultural Heritage

The Shire commenced a review of the Municipal Heritage Inventory in 2012. Additional information has been sought on a number of the places nominated as part of the process. Council is likely to consider the updated Heritage Inventory and will consider inclusion of newly nominated places over the course of the coming year.

As part of the Shire's development assessment process, if there is insufficient evidence or detail provided as to how the building design is climatically responsive, energy efficient and appropriate for the Broome lifestyle, further specific information is sought. At all pre-lodgement discussions/communication with applicants/proponents these matters are included.

2.5 Retention and expansion of Broome's iconic tourism assets and reputation

Sanctuary Road Caravan Park

The Shire of Broome and the State Government through Tourism WA had identified a need to ensure diversity of accommodation options in Broome. Tourism WA undertook a feasibility into the development of a new caravan and holiday park located on Sanctuary Dve near Cable Beach.

The Shire put out a Request for Tender in February 2014 for appropriate developers and operators of a proposed caravan park. At the Special Meeting of Council on 26 May 2014 Council resolved to approve Discovery Holiday Parks as the successful tender, subject to lease negotiations. Council further resolved that Shire Officers develop a Business Plan for the redevelopment, subject to public notification under Section 3.59 of the *Local Government Act 1995*. Council retains the right to "not proceed with the lease" following consideration of submissions received on the business plan.

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 in 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 2013/14 \$175,000 plus \$110,000 were respectively budgeted as contributions to Australia's North West Tourism and the Broome Visitor Centre. Council also contributed to the following tourism development initiatives in 2013/14:

- \$15,000 to the Broome Chamber of Commerce for support for a cruise ship co-ordinator and associated Chinatown night markets for cruise ship visits.
- \$10,000 for the Tourism WA Tourism Growth Plan.
- \$1858 for the initial stages of the 2014 Perth Royal Show Guest Town project.

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 communicated relevant information to caravan park operators prior to the tourist season to keep them informed about the season ahead. They also kept in touch weekly with the Broome Visitor Centre about the availability from each caravan park and overflow sites.

2.6 Best practice asset management plans to optimise Shire's infrastructure while minimising lifecycle costs

Asset Management



New ablutions at Town Beach.

The Shire is continuing to build on its asset management maturity particularly in progressing asset management plans for major asset classes such as Buildings, Transport and Drainage.

The Asset Management Plans inform long-term financial planning requirements and levels of service surrounding infrastructure assets from their creation to disposal. They inform Shire officers of roles and responsibilities, maintenance and renewal intervention points and provide an improvement action plan to prioritise asset management progress.

There was further development of the Asset Management Module in Synergy in 2013 to increase functionality. Significant updating and translation of data was conducted to meet preventative maintenance programming requirements and to reflect condition assessments conducted in 2013/14.

There was also development of RAMM the inventory and management system for Infrastructure assets. Significant improvements in the RAMM GIS in particular have made the system more user friendly and accessible to Shire officers. The capacity to access the volume of assets, their location, condition and much more via the desktop is convenient and cost effective.

Asset Management Improvement Strategy

This strategic action plan was updated in May 2013 and focuses on strategic asset management objectives rather than specific-to-each-asset classes. It aims to:

- Ensure organisational commitment to asset management is ongoing and from the top down.
- Ensure that the Shire's commitment to asset management is adequately resourced.

- Develop "first cut" asset management plans for all major asset classes.
- Continually improve the quality of infrastructure asset data.

Systems and Asset Management Plans

Building Asset Management Plan – minor review of plan including update of renewal modelling.

Transport Asset Management Plan – created for roads, footpaths, car parks, pole lighting and bus shelters.

Drainage Asset Management Plan – comprehensive survey and condition assessment of drainage infrastructure.

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



BRAC tennis courts have been resurfaced.

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 lifecycle 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.

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.

Our Place

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	CURRENT			DESIRED				
	Level of Service	Community Performance Measure	Technical Performance Measure	Community Performance Measure	Technical Performance Measure	Actions Required to meet desired level of service	Resources Required	Responsibility
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

Kimberley Regional Offices

The Shire is embarking on an upgrade of the commercial office space on the corner of Weld and Frederick St. Concerted efforts to date have resulted in the development of a Business Plan for the site redevelopment. This Business Plan is scheduled to go before Council for endorsement and to undergo public notification at its August Ordinary Meeting. The Business Plan and notification will fulfil Council's obligations under the *Local Government Act 1995* pertaining to *major trading undertakings*. It is intended to construct a new building on site and undertake different levels of refurbishment to the two existing buildings. This will allow increased utilisation of the site and manage the maintenance costs of the aging infrastructure.

Once the Business Plan has been endorsed for public comment, the document will be made available for a minimum of six weeks. Submissions levied during this period will be used to inform a final decision on the direction of the project moving forward.

Stormwater Drainage

Anne St Drainage Renewal Project Stage 2 (Matsumoto St) allowed for the removal of existing weeds, erosion control structures, mulching and landscaping. The main aim of this project was to retrofit existing drainage to conform with the latest urban water management standards to provide better environmental outcomes. Funding for Stage 3 of this project will be applied for in 2014/15 through Rangelands NRM.

Carpark Renewal

Pavement rehabilitation and stabilisation as well as reseal and line marking was undertaken in the main car park at Cable Beach adjacent to the amphitheatre.

Footpath Installation

In addition to new footpaths throughout Broome's major subdivisions, new footpaths were installed on Dampier Tce, Frederick St, Carnarvon St, Robinson St and Barker St. Footpaths proposed in 2014/15 include Guy St (Pembroke to Hunter), completion of Nightingall St as well as a major footpath installation project in Broome North subdivisional areas.

Urban Roadworks

Urban road projects partly funded under the State Black Spot program included installation of Frederick St channelisation Stage 3 from Coghlan St to Herbert St. This project is the final stage in an ongoing three-year project to provide Frederick St with a channelised carriageway that consists of a single continuous lane of slow-moving traffic with dedicated right-hand turn pockets. Works included pavement construction, kerbing, upgraded drainage and asphalt overlay.

The Shire's other major in town urban roadworks projects were:

- De Castilla St rehabilitation and upgrade. The road required widening to a minimum width of 9m for a heavy industrial area, table drain and culvert upgrades and improvements to alleviate localised flooding, service relocations and a pavement rehabilitation overlay with three-coat PMB seal as original older-style gravel pavements had failed.
- About 1500sqm of stabilisation and asphalt applied to the Carnarvon St and Napier Tce roundabout. This project had required reconstruction for many years and it was able to be completed this year due to specialist contractors being in Broome for other projects. Significant relocation of underground water services was associated with this project.
- Further funds were spent in continuing the Shire's program of bitumen seal renewal as well as road renewal projects at the intersection of Hunter St and Blackman St and along Dora St.

The proposed major urban road project for 2014/15 will be the design and construction of the Lorikeet Dve extension and associated intersection upgrade with Old Broome Rd. This project will include road construction, drainage improvements, pedestrian pathway and significant street lighting installation.

Rural Roadworks

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



Further changes to Frederick St have improved road safety.

Our Place



New Christmas decorations in Chinatown.

Parks and Gardens

In the 2013/14 financial year, capital renewal of parks and gardens assets was undertaken at the Town Beach water park, BRAC oval effluent reuse systems, upgrade of landscaping on the Carnarvon and Napier, Anne and Robinson and Boulevard roundabouts, and upgrades to streetscapes throughout the Chinatown precinct.



New drinking fountain in Roebuck Estate.

Designs and Contracts

In the 2013/14 financial year, the Asset and Design section undertook many and varied projects, including:

- Internal Construction by the Operations Section: Survey, design and documentation for all general footpath construction, Frederick St Stage 3 State Black Spot Project, new bus shelters at Cable Beach and Frederick St, new outfall drain structures at Cable Beach Amphitheatre.

- Major External Design by Consultants and Construction by Contract: Project management, contract preparation and tendering and award of the DeCastilla St reconstruction project, Carnarvon St and Napier Tce rehabilitation project and the upgrade of the Town Beach Boat Ramp.

Fleet Management

The Shire has an annual plant replacement program and a 10-year plant replacement program. This improves efficiency, productivity and reduces overall cost, as well as minimising the risks associated with breakdowns.

Road Closures

During the course of 2013/14 the Shire was required to close many of the unsealed roads for various lengths of time due to significant rainfall events. This included Cape Leveque Rd, Manari Rd, Crab Creek Rd, Willie Creek Rd, Kavite Rd and 80 Mile Beach Rd. A restricted weight limit is also applied on Cape Leveque Rd to protect the condition of the road and enable continued access to the communities on the Peninsula. The Shire issued 18 permits during the year to allow access on the Cape Leveque Rd during restricted or closed road situations. This was for essential services such as fuel, food, infrastructure repairs (electrical and plumbing) and medical emergencies.

Long Term Financial Plan

As part of the new Integrated Planning Framework, Council adopted the 2013-2017 Corporate Business Plan in 2013/14. This document incorporated the 2013-2028 Long Term Financial Plan as an informing document to the Corporate Business Plan. The Shire is planning for a positive and sustainable future and seeks to maintain and, where possible, improve future service levels while maintaining a healthy financial position.

Council's financing activities in summary include forecasted major impacts on reserve funding which will decrease from \$17.9m to \$12.5m over the first five years with borrowings increasing to \$23.6m in year four to fund the replacement of the Waste Management Facility and Kimberley Regional Offices. Reserves increase over the final 10 years of the plan to a high of \$43.2m while borrowings are fully repaid by year 14. This will place the Shire in a strong financial position at the end of the forecast period.

Council has an extensive capital program with Shire resources being utilised primarily for the renewal and maintenance of existing assets. The construction of the Waste Management Facility and Kimberley Regional Offices are the most significant Shire-funded projects. A number of additional projects such as the Jetty to Jetty boardwalk, tramline and sporting facilities have been included based on receipt of external funding. Significant renewals of buildings and roads are contained within the Plan.

2.7 Council is able to mobilise resources to deliver municipal services to Indigenous communities that are compliant, effective and within Council's capacity

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 Office of Aboriginal Health to implement specific programs and activities.

Bidyadanga and Beagle Bay Memorandums of Understanding

Under two separate Memorandums of Understanding the Shire of Broome Rangers work with community councils, service providers and the WA Police on issues associated with dangerous dogs. This program has been successful and Rangers have received positive feedback from the community and WAPOL regarding the outcomes achieved in this regard.

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 outcomes put in place to achieve this, and a summary of progress made during 2013/14.

3.1 Affordable and equitable services and infrastructure

Waste Management



Recycling in Broome.

In 2013/14 the Shire of Broome negotiated a new contract for the collection of kerbside waste and recycling in Broome. From 1 July 2014 Tox Free Australia will continue to provide the collection services for a further five years with the possibility of a further five-year option.

The new contract will bring improvements in customer service and introduce more education to support recycling collections. The Shire has also committed to providing opportunities for increased recycling through the staged renewal of the 240L recycle bin with a larger 360L recycle bin. The Shire will also aim to improve and monitor all collection services by introducing technology options in bin tagging, weighing and GPS tracking to ensure the service is provided efficiently and affordably.

The Buckley's Road Waste Management Facility is nearing the end of its operational life as a landfill. In 2013/14 a total of 38,700m³ of void space was utilised. In about five years the landfill will be fully utilised so from 2014/15 the Shire will begin to progressively cap and rehabilitate the landfill in preparation for its closure. During the transition between the Buckley's Road facility and the new Regional Resource Recovery Park the Shire has created a stockpile and recycling site at Lot 400 Buckley's Road. This site will allow the Shire to stockpile green waste and inert waste streams like metal, tyres and concrete with the aim of recycling them into useable products for the local area.

Old Broome Development Strategy

The Shire of Broome embarked on the development of the Old Broome Development Strategy in early 2013. On completion of the initial workshop outcomes report, consultants Cardno prepared a draft Local Planning Policy and Concept Plan as part of the Strategy. At its Ordinary Meeting on 27 March 2014 Council resolved to advertise a draft Local Planning Policy – Old Broome Development Strategy for 42 days, and endorsed a Community Engagement Plan which set out activities to be undertaken during the advertising period.

Once adopted the Old Broome Development Strategy will be a Local Planning Policy while the Concept Plan that forms part of the Strategy will be considered as an informing strategy to the Shire's Strategic Community and Corporate Business Plans. The strategy will also be complemented by Design Guidelines which are likely to be presented to Council as a separate policy once Scheme 6 is gazetted.

Cable Beach Development Strategy

Upon gazettal of Scheme 6 and the successful adoption of the Old Broome Development Strategy, Shire Planning Officers will commence the in-house drafting of a new Development Strategy for the Cable Beach Tourism Precinct. This strategy will consider work done in the precinct over the past 30 years and set out a 10-15 year planning and development framework similar to the Chinatown Development Strategy and the Old Broome Development Strategy.

3.2 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 Buckley's Rd, and so the selection of a suitable site for the new Regional Resource Recovery Park is a high priority for Council. Talis Consultants have been engaged to undertake a full constraints mapping exercise for the surrounding Broome area to identify possible future sites. Talis will also prepare and implement a community engagement strategy for this project.

It is anticipated that in 2015 Council will select a site for the Regional Resource Recovery Park and detailed investigation will commence. The planning of the Regional Resource Recovery Park will see Council develop a best practice facility where waste is managed as a resource in a sustainable manner.

3.3 Key economic development strategies for the Shire which are aligned to regional outcomes working through recognised planning and development groups/committees

Economic Development Advisory Group

During 2013/14 the Shire of Broome formed an Economic Development Advisory Group to provide advice to the Shire on economic development matters including:

- Advice and guidance to the Shire and other partners on developing options to assist local businesses and economic sustainability in the immediate and short term.
- The formulation of strategic partnerships aimed at ensuring sustained and managed economic growth.
- Guidance on processes and initiatives for the Shire of Broome to implement and create better conditions for economic growth and employment generation in the short, medium and long term.

- Assisting the Shire of Broome in becoming an identified Regional Growth Centre.
- Providing input as appropriate into high-level economic development documents/plans including future growth plans for Broome, the Kimberley Regional Investment Blueprint and Kimberley Planning and Infrastructure Framework.

In addition to the Shire President and Deputy President, membership of the group includes the Broome Chamber of Commerce and Industry, Broome Port Authority, Broome International Airport, Kimberley Training Institute, Landcorp, Kimberley Development Commission, and representatives of industries including tourism, resources, pearling, pastoral/agricultural, building/construction, land development, and transport.

Our Organisation

The Shire of Broome aims to continually enhance its organisational capacity to service the needs of a growing community. These are the outcomes put in place to achieve this, and a summary of progress made during 2013/14.

4.1 An organisational culture that strives for service excellence

Organisational Learning and Development

Organisational training is developed through the Shire of Broome's Performance Appraisal Process. The Shire is committed to the ongoing development of workers and looks to deliver a range of training options to meet the needs of individuals and departments. Learning and Development options include inducting new employees, compliance and statutory training, industry specific, corporate training, professional development and tertiary study.

In 2013/14 the Shire provided training in the areas of Time Management, Finance Training, Conflict Resolution, Customer Service, MS Project, Occupational Health and Safety Representative, Performance and Probation Appraisals, Senior First Aid, Pool Operations, Excel and Minute Taking.

The Shire worked with LGIS to deliver a six-tier leadership program to current and future leaders in the organisation. Workshops ran over a course of one year and included management methodologies of Emotional Intelligence, Performance Management and Feedback, Understanding Teams and Change, Influential Teams, Management and 360 Feedback to all participants.

The Shire continues to promote professional development and looks to increase support networks throughout the Kimberley region. In 2013/14 the Shire hosted the North West Conference and participated in the inaugural LGMA Local Government Management Challenge for the North West branch.

North West Environmental Health Group Training

The Shire of Broome's Environmental Health Services hosted comprehensive two-day environmental health workshops in November 2013 and April 2014, attended by all North West Local Government Environmental Health Officers from Exmouth to Kununurra.

The first meeting included a workshop on asbestos issues while the second meeting included a workshop on sewage and grey water issues. The meetings enabled a rare opportunity for training with a specific reference to North West issues. The Shire of Broome would like to thank the WA Department of Health Environmental Health Directorate who travelled to Broome to present at the workshop.

4.2 Sustainable and integrated strategic and operational plans

Reporting Framework

The Shire has introduced a new database system called Interplan(c) that is being used as a reporting mechanism on the progress of actions contained within the Shire of Broome's Corporate Business Plan 2013-2017. Quarterly reports are produced and presented to the Executive Management Group and to Council for monitoring of organisational performance. This tool has assisted to maintain an organisational focus on the implementation of Council's newly adopted Integrated Planning Framework.

4.3 Responsible resource allocation

Long term Financial Plan

The 2013-2028 Long Term Financial Plan was adopted by Council at its Ordinary Meeting on 17 October 2013 as part of the requirements under the new Integrated Planning Framework. This Long Term Financial Plan has been prepared to achieve compliance with the *Local Government (Administration) Regulations 1996*. Development of the Plan has also been influenced by the Department of Local Government and Communities Framework and Guidelines for Long Term Financial Planning.

The Plan will be the subject of a desktop review each year to take into account changing circumstances with a full revision scheduled every two years in line with the review of the Strategic Community Plan. Monitoring of the Shire's financial rigidity and financial position is undertaken by preparing and monitoring various ratios. These ratios form the basis of the Shire's performance indicators and are utilised to assess the financial performance of the Shire. The Department of Local Government and Communities Advisory Standard provides target levels for each of the ratios. To maintain comparability across the Industry these ratios and their respective target ranges have been derived from the Department of Local Government and Communities Model Long Term Financial Plan and Regulation 50 of *Local Government (Financial Management) Regulation 1996*.

The aim of the regular review of the Long Term Financial Plan is to provide a long range view of the financial sustainability of the Shire of Broome, therefore, providing strategies to be able to provide and maintain existing service levels for future generations.

4.4 Effective community engagement



Customer Service Officers at the Shire of Broome.

Customer Service Charter

Shire staff developed a Shire of Broome Customer Service Charter which reflects the Mission and Values identified within the Strategic Community Plan 2013-2023, and outlines the commitment to the community.

The goal of the charter is to provide a succinct, practical framework for customer service, and to ensure that all Shire employees respond in a courteous, consistent and timely manner when dealing with ratepayers, residents, visitors and stakeholders. The document outlines minimum standards and timeframes that all Shire employees should adhere to.

Civic Events

The Shire of Broome is responsible for receiving diplomatic and other significant guests and introducing them to the community. In 2013/14 guests included the Governor General of Australia, Hon. Quentin Bryce AC CVO; Japanese Ambassador to Australia, His Excellency Yoshitaka Akimoto, along with consular staff; a delegation from Broome's Sister City of Taiji, Japan; and the crew of Indonesian naval ship KRI Dewaruci.



Japanese Ambassador Yoshitaka Akimoto in Broome.

Our Organisation

4.5 Retention and attraction of staff

Staff Attraction and Retention

The Shire of Broome completed its Workforce Plan in June 2013 and annual review looks towards redeveloping alignment with current organisational strategy. The Workforce Plan intends to review recruitment strategies to attract and retain skilled workers as well as deliver learning and development opportunities to support the current workforce.

The Shire has identified that the future success of the organisation requires the succession planning to support the next generation of supervisors and managers, to stabilise workforce turnover and retain critical corporate knowledge.

Roles develop and change over time and in the current economic climate, organisational structure has been reviewed to support performance and productivity. Position descriptions are reviewed when vacancies arise to ensure job tasks meet strategic objectives and daily operations as well as attract and retain the right candidates.

Organisational benefits within the Shire look towards supporting employees within the unique climate of Broome and regional life.

Key Worker Housing in the Kimberley

In an effort to reduce staff turnover and retain key staff, the Shire applied through the Country Local Government Fund Royalties for Regions program for funding to buy residential properties to enable better staff retention.

During 2013/14, using CLGF project funding for Key Worker Housing within the Kimberley the Shire bought six properties. Total expenditure on the six properties amounted to just over \$3 million. These funds were levied through two rounds of CLGF grants; \$1,891,288.77 from the 2010/11 round and \$1,126,421.32 from the 2011/12 round. Co-contributions from the Shire formed part of these funds, with a total Shire contribution to the project of \$460,000.

Work Experience – Host Employer

As one of the biggest employers in Broome, the Shire is pleased to offer work experience to youth and students looking to develop or enhance their career aspirations. Local Government is unique in its ability to offer a diverse range of industries and promote occupations for specialised job functions and trades to students looking to gain job-ready skills.

The Shire is pleased to continue to support the community and work with local secondary schools, education organisations and government agencies looking to place students in work experience programs.

4.6 Improved systems, processes and compliance

IT Strategic Plan

The Information Services team has continued the annual equipment replacement schedule which encompasses the replacement of aging ICT equipment across the organisation. The replacement process has resulted in about 30 per cent of operational hardware being updated including desktop computers, monitors, thin clients, printers and other peripherals.

In addition the following equipment/systems have been replaced or updated:

- Additional server purchased and added to virtualised data centre to provide additional processing capacity for business operations.
- Core switch, router, firewall and remote access devices updated to replace aging networking and security devices.
- New colour photocopiers purchased to replace aging units at the Shire Administration Centre, Shire Depot and Broome Public Library.
- Wireless network upgraded in Shire Administration building with wireless services introduced at Barker St office.
- Audio visual equipment replaced in all meeting rooms to facilitate better video conferencing and meeting capabilities.

The following capital projects were implemented during the year:

- Free public wireless network introduced at the Broome Public Library.
- Video conferencing system implemented.
- New public internet machines designed and developed for use at the Broome Public Library. Units are currently undergoing user acceptance testing before final rollout.
- Penetration testing was undertaken on the Shire network by an external contractor to provide transparent and objective analysis of network security.
- A load centre was installed in the Shire server room to cater for increasing power requirements and battery backup capabilities. The new load centre also takes the server room power off the main switch allowing it to be isolated from the building's mechanical and electrical switchboard.
- InfoCouncil agenda and minute preparation system implemented. Final user acceptance testing is underway.
- Significant improvement of all development services modules in SynergySoft throughout the year including process and system refinement.

Broome Visitor Centre CCTV system was implemented utilising funding from the WA Police Community Safety Grant Funding program.

Annual Financial Audit and Audit Management Report

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.

Geographical Information System

GIS development has continued with the following major milestones achieved during the financial year:

- Major version upgrade of the internal and public IntraMaps GIS sites.
- Major aesthetic update of main IntraMaps modules.
- Introduced automated updates of Landgate cadastre in IntraMaps.
- Delivered mapping services to internal clients for the Local Planning Strategy (Draft) report.
- Introduced several new IntraMaps modules including: Reserve Management Orders - designed to assist with the management of land under Council control; Shire Assets - classifies reserves according to use and physical attributes; Tenements Petroleum and Pastoral - displays rateable properties not included in Landgate's land boundaries; Environmental - displays significant environmental data including endangered plant species and land systems.

Maintenance and Support Services

Maintenance and administration of Shire systems has been provided in accordance with relevant service level agreements. No major outages have occurred with the exception of power outages which are outside the Information Services team's control.

Several minor and major application updates have been undertaken on core software systems throughout the year where required.

Records Management

The Shire's 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 provides a recordkeeping awareness program to staff including online training. A number of information management initiatives were also completed including:

- Clean up and disposal of archive records.
- In house disposal process.
- Initiating an e-learning environment for Shire staff.
- Records satisfaction survey of Shire staff.

The Shire's Information Services team introduced an electronic document management system to manage corporate records in 2012/13. The department has continued to develop and improve this system during the 2013/14 financial year to consolidate the work of previous years.

The electronic recordkeeping system continues to deliver significant benefits for the organisation. Work will continue in the coming year to further improve compliance and efficiencies throughout the organisation to ensure that the Shire maintains and improves its record keeping and knowledge management capabilities.

Business Operating Procedures

The Shire of Broome Business Operating Procedure 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.



WA Minister for Local Government Tony Simpson, left, in Broome.

Our Organisation

Environmental Policies

The Shire has progressed the review and development of draft 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 practice standards associated with the natural environment, management, and design. This will provide implementation criteria for industry, commercial premises, developers and the community.

Broome Cemetery

The Broome Cemetery has been operational since the late 1890s and is of significant historical interest to locals and visitors to Broome. The cemetery database is continually updated with photos and information which will provide a reference for future years and assist with the ever-increasing number of genealogy requests.

As the Shire aims to provide a suitable environment for respectful recognition of a person's life and while public visitation is encouraged, visitors are requested not to drive vehicles into the cemetery due to the potential damage to unmarked grave sites.

Work has commenced on a conceptual Cemetery Master Plan. 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.

There were 22 burials at the Broome Cemetery in 2013/14.

Local Laws

Section 3.16 of the *Local Government Act 1995* requires that a local government must review all local laws within a period of eight years from the day when a local law commenced or a report of review of the local law was accepted. The following Local Laws were gazetted in 2012:

- 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.

At the Ordinary Meeting of Council on 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 requested the Shire to provide an undertaking to amend clause 6.1 to remove

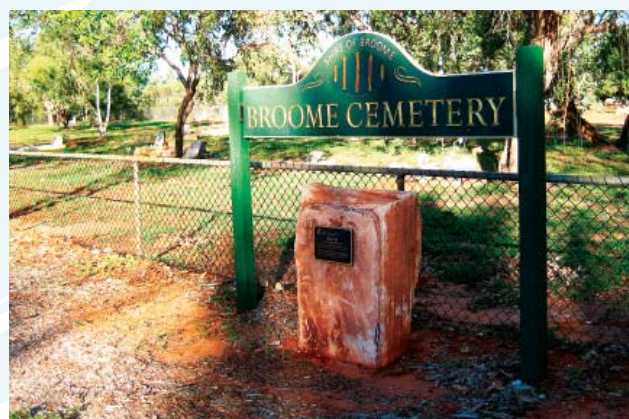
the discretionary power given to Pool Managers and Attendants. These amendments were published in the Government Gazette on 20 September 2013, Gazette No 171 and came into operation on 4 October 2013.

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. These amendments were published in the Government Gazette on 14 January 2014, Gazette No 4 and came into operation on 28 January 2014.

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 \$	2013/14	2012/13
100,000 – 109,999	13	10
110,000 – 119,999	8	2
120,000 – 129,999	2	1
130,000 – 139,999	0	0
140,000 – 149,999	1	0
150,000 – 159,999	0	1
160,000 – 169,999	0	1
170,000 – 179,999	2	1
180,000 – 189,999	1	0
190,000 – 199,999	0	0
200,000 – 209,999	0	1
210,000 – 219,999	1	0



Broome Cemetery.

Complaints

During 2013/14 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's document on Rights and Obligations under the Public Interest Disclosures Act 2003 is available on the Shire's website.

In 2013/14 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 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 2013/14 however the majority of these enquiries were satisfied by other means, such as Minutes of Council meetings. There were 18 FOI applications received of which 17 have been successfully processed with one still being processed. No internal or external reviews were requested.

A general Freedom of Information training session was hosted at the Shire by the Office of the Information Commissioner in November 2013. 52 staff attended and provided an overview of the FOI Act 1992 and an outline of government officer's responsibilities under the act.

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

The Shire has reviewed its Information Statement document as required under the Act. The document is available on the Shire's website: Shire of Broome Information Statement.

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

Shire of Broome Amended Recordkeeping Plan 2014

The State Records Commission, on behalf of the State Records Office, approved the Shire of Broome amended Recordkeeping Plan in February 2014. The amended plan details the goals and strategies for recordkeeping within the Shire of Broome and demonstrates the Shire's commitment to accurate and compliant record keeping practices in accordance with the State Records Act 2000.

The amended recordkeeping plan will be reviewed in 2019.

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

Our Organisation



Broome Shire Councillors.

Disability Access and Inclusion Plan

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

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 by the Shire's Access and Inclusion Advisory Committee and a progress report is to be provided to the Disability Services Commission in July 2014 for the 2013/14 reporting period which demonstrated the Shire is meeting its obligations in implementing the plan. Key achievements in the implementation of the DAIP in 2013/14 include the conduct of an access and inclusion audit across the Broome town site and ensuring equitable access to services and events, particularly with the activation of the newly refurbished Broome Civic Centre. The Access and Inclusion Plan is available from the Shire of Broome website.

The Access and Inclusion Advisory Committee held four meetings in 2013/14. The Terms of Reference for the Access and Inclusion Advisory Committee were reviewed in late 2013 to expand membership and formalise meeting structure to improve the process of making recommendations to Council.

Code of Conduct for Councillors, Committee and Working Group Members and Employees

Section 5.103 of the *Local Government Act 1995* requires every Local Government to prepare or adopt a Code of Conduct to be observed by Council members, committee members and employees.

A review of the Shire of Broome Code of Conduct for Council Members, Committee and Working Group Members and Employees was undertaken and subsequently adopted at the Ordinary Meeting of Council held 22 May 2014.

The Code provides Council Members, Committee and Working Group Members and Employees 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.

Property Department Disposals/Acquisitions

In the 2013/14 financial year the following disposals/acquisitions were considered and resolved by Council:

Property Address	Tenant	Term
Portion Reserve 8656 Kimberley Regional Offices Tenancy 4	Minister for Works Department of Corrective Services	Lease: 5 years 1st Further Term: 2 Years 2nd Further Term: 2 years
Reserve 38458 Broome Visitor Centre Complex	Broome Tourist Bureau The Courthouse Collection Pty Ltd	Variation to Leases Clarifying: immediate surrounds; management issues; and the kiosk leased area
Reserve 36477 Portion Cable Beach Reserve	Kimberley Events Pty Ltd (trading as Beach Flicks)	License Term 1 Year Proposed Licensee did not proceed with License
Portion Reserve 42502 Broome Lotteries House	Broome Lotteries House Inc	Lease Term: 21 years
Portion Reserve 42502 Broome Enterprise Centre	Broome Enterprise Centre Inc (trading as Small Business Centre West Kimberley)	Lease Term: 6 months 1st Further Term: 6 months 2nd Further Term: 6 Months
Portion Reserve 8656 Kimberley Regional Offices Tenancy 2 & 3	Anglicare WA Incorporated	Lease Term: 3 years Further Term: 3 years
Reserve 22648 Portion Reserve: Broome Turf Club Portion Reserve: Crown Lease & Sub Lease RAC Wilderness Retreat	Broome Turf Club Inc Shire of Broome RAC Consortium - Royal Automotive Club of Western Australia and Eco Beach Pty Ltd	Lease Term: 21 years Lease Term: 21 Years Further Term: 21 Years Sub Lease Term: 21 Years Further Term: 21 years
Reserve 38845 4 Jones Place Broome	Shire of Broome	Acquisition of Reserve 38845
Unit 6/14 Archer Street Broome	Shire of Broome Community Storage	Acquisition of Rental Property Term: 1 year

Council also consented to the following ancillary leasing arrangements:

Reserve 38458 Broome Visitor Centre	Broome Tourist Bureau Magabala Books Aboriginal Corporation	Consent to Sub Lease of Portion of Broome leased Premises
Reserve 29300 & Reserve 33592 Broome Golf Club	Broome Golf Club Serenbear Pty Limited	Consent to License for Golf Pro Shop Business

Our Organisation

Policy

In accordance with Council Policy 1.2.1 – Policy Manual, policies are reviewed at least every two years. Policies were reviewed and presented to Council for adoption at the Ordinary Meeting of Council held 27 March 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.

The next policy review will be undertaken following the 2015 Local Government elections and presented to Council for adoption in early 2016.

Information Services

In 2013/14 many strategic improvement projects in Information Services have been undertaken. The department continued to work to increase speed, reliability and capability of Information Systems and reduce organisational impact in the event of disaster.

Various network components have been upgraded to improve network performance, reliability and security. Existing equipment has been retained and will provide redundancy for critical network operations should failures occur. Redundant equipment will also be utilised to provide essential services in the event of a disaster.

A replicated data centre has been developed to further improve disaster recovery capabilities allowing for accelerated business recovery in the event of significant hardware failure or a disaster event. A number of critical business system upgrades were also completed during the year.

2013/14 Financial Statements

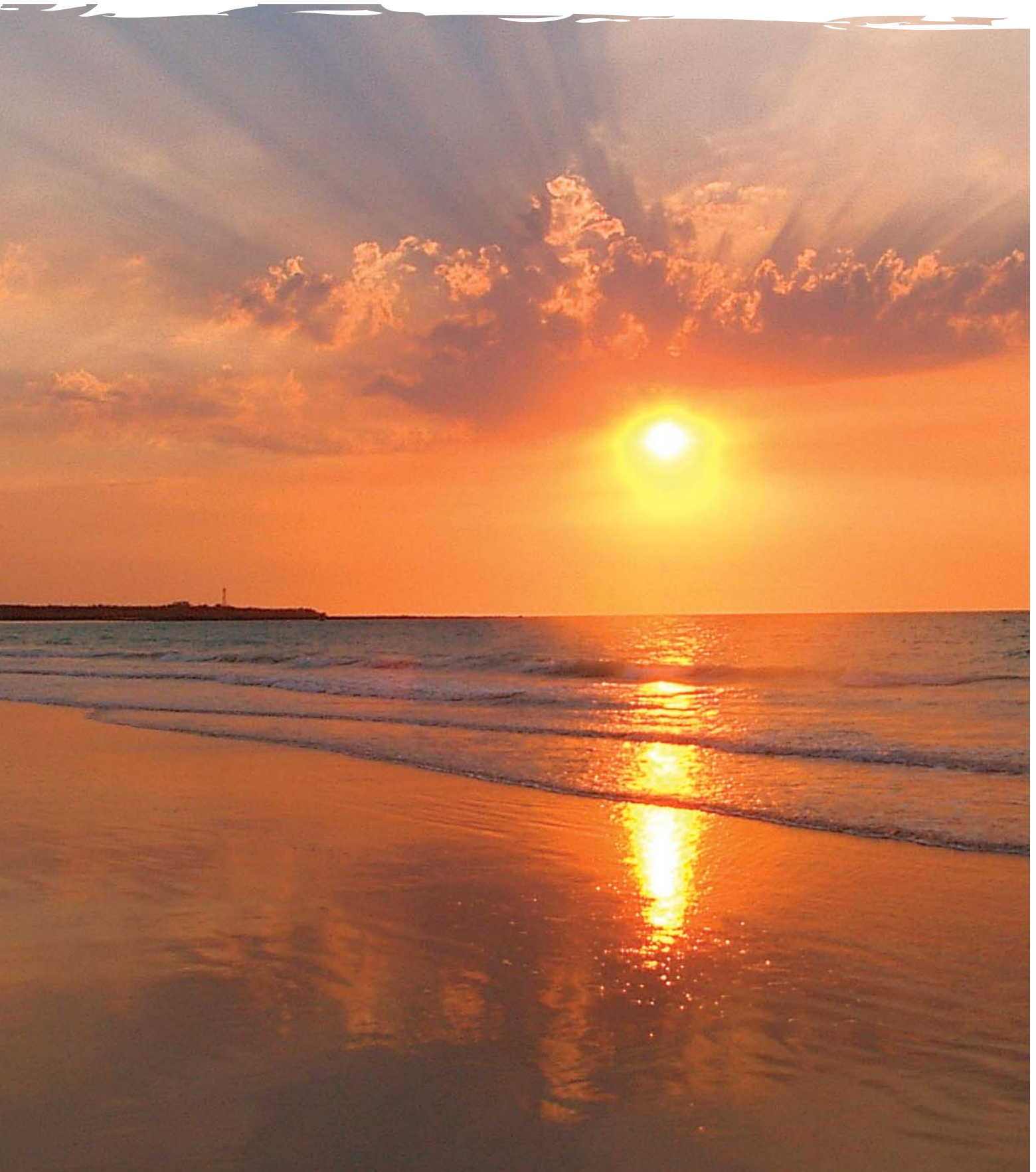


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Statement by the Chief Executive Officer

**SHIRE OF BROOME
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014**

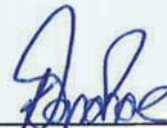
**LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

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 2014 are in my opinion properly drawn up to present fairly the financial position of the Shire of Broome at 30th June 2014 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

10th day of October 2014.



K R DONOHOE
Chief Executive Officer

Statement of Comprehensive Income by Nature or Type

For the Year Ended 30 June 2014

	NOTE	2014 \$	2014 Budget	2013 \$
Revenue				
Rates	22(a)	18,310,570	18,144,245	17,347,417
Operating Grants, Subsidies and Contributions	29	6,707,106	3,205,504	4,920,229
Fees and Charges	28	10,376,153	10,326,370	9,221,035
Interest Earnings	2(a)	1,206,358	899,828	1,419,542
Other Revenue		<u>1,784,345</u>	<u>81,000</u>	<u>16,138,061</u>
		38,384,532	32,656,947	49,046,284
Expenses				
Employee Costs		(15,944,766)	(15,503,751)	(14,069,418)
Materials and Contracts		(9,352,936)	(9,440,153)	(8,991,539)
Utility Charges		(1,788,334)	(1,646,640)	(1,816,564)
Depreciation on Non-Current Assets	2(a)	(5,926,365)	(6,521,400)	(6,389,858)
Interest Expenses	2(a)	(346,901)	(346,011)	(426,686)
Insurance Expenses		(687,303)	(648,892)	(555,643)
Other Expenditure		<u>(4,060,018)</u>	<u>(1,367,817)</u>	<u>(930,230)</u>
		(38,106,623)	(35,474,664)	(33,179,938)
		277,909	(2,817,717)	15,866,346
Non-Operating Grants, Subsidies and Contributions	29	4,840,478	6,936,807	9,920,277
Loss on Revaluation of Assets				(752,872)
Profit on Asset Disposal	20	9,182	51,424	252,366
Loss on Asset Disposal	20	<u>(115,596)</u>	<u>(77,000)</u>	<u>(41,137)</u>
		4,734,064	6,911,231	9,378,634
NET RESULT		5,011,973	4,093,514	25,244,980
Other Comprehensive Income				
Changes on revaluation of Land & Buildings non-current assets	12	<u>12,272,228</u>	<u>0</u>	<u>0</u>
Total Other Comprehensive Income		<u>12,272,228</u>	<u>0</u>	<u>0</u>
TOTAL COMPREHENSIVE INCOME		<u>17,284,201</u>	<u>4,093,514</u>	<u>25,244,980</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 2014

	NOTE	2014 \$	2014 Budget \$	2013 \$
Revenue				
Governance		3,416,182	192,600	246,185
General Purpose Funding		19,521,571	19,285,245	19,492,235
Law, Order, Public Safety		127,978	197,906	143,727
Health		171,869	124,000	168,306
Education and Welfare		96,546	56,300	103,179
Housing		646,622	529,798	608,148
Community Amenities		7,022,941	7,135,833	6,020,990
Recreation and Culture		1,180,917	1,193,913	17,296,696
Transport		718,800	663,818	1,191,548
Economic Services		975,539	1,001,640	984,665
Other Property and Services		4,505,567	2,275,894	2,790,605
	2 (a)	<u>38,384,532</u>	<u>32,656,947</u>	<u>49,046,284</u>
Expenses Excluding Finance Costs				
Governance		(5,914,015)	(3,099,729)	(2,384,964)
General Purpose Funding		(266,170)	(152,672)	(109,788)
Law, Order, Public Safety		(1,475,125)	(1,518,789)	(1,531,333)
Health		(688,488)	(751,341)	(576,121)
Education and Welfare		(777,671)	(700,006)	(757,427)
Housing		(599,107)	(536,806)	(643,075)
Community Amenities		(9,114,734)	(9,555,132)	(7,850,897)
Recreation & Culture		(9,106,405)	(9,261,245)	(7,683,673)
Transport		(6,202,488)	(6,276,695)	(6,463,892)
Economic Services		(1,259,564)	(1,248,040)	(1,188,574)
Other Property and Services		(2,355,955)	(2,028,198)	(4,316,380)
	2 (a)	<u>(37,759,722)</u>	<u>(35,128,653)</u>	<u>(33,506,124)</u>
Finance Costs				
Law, Order, Public Safety		(1,330)	(1,328)	(2,377)
Community Amenities		(7,433)	(7,296)	(9,844)
Recreation & Culture		(272,265)	(271,681)	(310,865)
Economic Services		(26,820)	(26,724)	(34,811)
Other Property and Services		(39,053)	(38,982)	(68,789)
	2 (a)	<u>(346,901)</u>	<u>(346,011)</u>	<u>(426,686)</u>

Financial Report

For The Year Ended 30 June 2010

	NOTE	2014 \$	2014 Budget \$	2013 \$
Non-Operating Grants, Subsidies and Contributions	29			
Housing		2,585,684	2,510,600	0
Community Amenities		66,400	170,560	522,578
Recreation & Culture		324,942	1,320,169	2,620,990
Transport		1,863,452	2,775,478	6,776,709
Other Property and Services		0	160,000	0
		<u>4,840,478</u>	<u>6,936,807</u>	<u>9,920,277</u>
Profit/(Loss) on Disposal of Assets	20			
Governance		0	0	10,004
Law, Order, Public Safety		(32,863)	(14,000)	0
Health		0	0	(2,829)
Education and Welfare		0	0	10,306
Housing		(63,356)	0	0
Community Amenities		0	11,700	(20)
Recreation & Culture		(1,386)	0	15,455
Economic Services		0	0	4,927
Other Property and Services		(8,809)	(23,276)	173,386
		<u>(106,414)</u>	<u>(25,576)</u>	<u>211,229</u>
NET RESULT		<u>5,011,973</u>	<u>4,093,514</u>	<u>25,244,980</u>
Other Comprehensive Income				
Changes on revaluation of Land & Buildings non-current assets	13	<u>12,272,228</u>	<u>0</u>	<u>0</u>
Total Other Comprehensive Income		<u>12,272,228</u>	<u>0</u>	<u>0</u>
TOTAL COMPREHENSIVE INCOME		<u>17,284,201</u>	<u>4,093,514</u>	<u>25,244,980</u>

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

Statement of Financial Position

As at 30 June 2014

	NOTE	2014 \$	2013 \$	
CURRENT ASSETS				
Cash and Cash Equivalents	3	27,339,666	25,729,206	3,189,205
Trade and Other Receivables	4	2,079,966	3,063,766	930,352
Inventories	5	45,345	34,681	18,154
TOTAL CURRENT ASSETS		<u>29,464,977</u>	<u>28,827,653</u>	#REF!
NON-CURRENT ASSETS				
Other Receivables	4	17,498	20,267	128,530
Property, Plant and Equipment	6	89,462,110	73,901,256	28,360,252
Infrastructure	7	108,905,008	107,252,727	102,285,895
TOTAL NON-CURRENT ASSETS		<u>198,384,616</u>	<u>181,174,250</u>	130,774,677
TOTAL ASSETS		<u>227,849,593</u>	<u>210,001,903</u>	#REF!
CURRENT LIABILITIES				
Trade and Other Payables	8	4,962,334	3,480,689	2,312,372
Long Term Borrowings	9	1,273,806	1,240,950	851,431
Provisions	10	2,166,958	1,932,344	
TOTAL CURRENT LIABILITIES		<u>8,403,098</u>	<u>6,653,983</u>	3,163,803
NON-CURRENT LIABILITIES				
Long Term Borrowings	9	4,768,742	6,042,548	4,255,565
Provisions	10	309,950	221,770	289,626
TOTAL NON-CURRENT LIABILITIES		<u>5,078,692</u>	<u>6,264,318</u>	4,545,191
TOTAL LIABILITIES		<u>13,481,790</u>	<u>12,918,301</u>	7,708,994
NET ASSETS		<u>214,367,803</u>	<u>197,083,602</u>	#REF!
EQUITY				
Retained Surplus		126,856,665	122,678,941	92,700,000
Reserves - Cash/Investment Backed	11	23,463,008	22,628,759	22,628,759
Reserves - Asset Revaluation	12	64,048,130	51,775,902	51,775,902
TOTAL EQUITY		<u>214,367,803</u>	<u>197,083,602</u>	167,104,661

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

Statement of Changes in Equity

For the Year Ended 30 June 2014

	NOTE	RETAINED SURPLUS \$	RESERVES CASH/ INVESTMENT BACKED \$	ASSET REVALUATION RESERVES \$	TOTAL EQUITY \$
Balance as at 1 July 2012		96,351,495	23,711,225	51,775,902	171,838,622
Comprehensive Income Net		25,244,980	0	0	25,244,980
Land & Buildings Revaluation Increment		0	0	0	0
Changes on Revaluation of Non-Current Assets	12	0	0	0	0
Reserve Transfers To/(From)		<u>1,082,466</u>	<u>(1,082,466)</u>	<u>0</u>	<u>0</u>
Balance as at 1 July 2013		122,678,941	22,628,759	51,775,902	197,083,602
Comprehensive Income Net		5,011,973	0	0	5,011,973
Changes on Revaluation of Non-Current Assets	12	0	0	12,272,228	12,272,228
Reserve Transfers To/(From)		<u>(834,249)</u>	<u>834,249</u>	<u>0</u>	<u>0</u>
Balance as at 30 June 2014		<u>126,856,665</u>	<u>23,463,008</u>	<u>64,048,130</u>	<u>214,367,803</u>

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

Statement of Cash Flows

For the Year Ended 30 June 2014

	NOTE	2014 Actual \$	2014 Budget \$	2013 Actual \$
Cash Flows From Operating Activities				
Receipts				
Rates		18,203,453	18,044,245	17,096,200
Operating Grants, Subsidies and Contributions		7,923,582	3,205,504	3,302,546
Fees and Charges		10,037,621	10,526,370	9,221,035
Interest Earnings		1,206,418	899,828	1,419,542
Goods and Services Tax		3,054,475	2,066,868	4,320,804
Other Revenue		22,463	81,000	61,529
		<u>40,448,012</u>	<u>34,823,815</u>	<u>35,421,656</u>
Payments				
Employee Costs		(15,537,685)	(15,303,751)	(13,776,312)
Materials and Contracts		(7,740,693)	(9,130,153)	(8,422,551)
Utility Charges		(1,788,334)	(1,646,640)	(1,816,564)
Interest expenses		(356,420)	(356,252)	(437,676)
Insurance Expenses		(687,303)	(648,892)	(555,643)
Goods and Services Tax		(3,185,882)	(2,096,868)	(4,097,915)
Other Expenditure		(3,942,937)	(1,367,817)	(930,230)
		<u>(33,239,254)</u>	<u>(30,550,373)</u>	<u>(30,036,891)</u>
Net Cash Provided By Operating Activities	13(b)	<u>7,208,758</u>	<u>4,273,442</u>	<u>5,384,765</u>
Cash Flows from Investing Activities				
Payments for Purchase of Property, Plant & Equipment		(4,788,832)	(6,921,510)	(8,175,691)
Payments for Construction of		(4,530,068)	(8,468,330)	(8,490,919)
Non-Operating Grants, Subsidies and Contributions used for the Development of Assets		4,840,478	6,936,807	9,920,277
Proceeds from Sale of Plant & Equipment		102,091	277,000	508,904
		<u>102,091</u>	<u>277,000</u>	<u>508,904</u>
Net Cash Provided By (Used In) Investing Activities		<u>(4,376,331)</u>	<u>(8,176,033)</u>	<u>(6,237,429)</u>
Cash Flows from Financing Activities				
Repayment of Debentures		(1,240,948)	(1,240,949)	(1,316,666)
Proceeds from Self Supporting Loans		18,981	18,981	70,275
		<u>18,981</u>	<u>18,981</u>	<u>70,275</u>
Net Cash Provided By (Used In) Financing Activities		<u>(1,221,967)</u>	<u>(1,221,968)</u>	<u>(1,246,391)</u>
Net Increase (Decrease) in Cash Held		1,610,460	(5,124,559)	(2,099,055)
Cash at Beginning of Year		25,729,206	24,442,143	27,828,261
Cash and Cash Equivalents at the End of the Year	13(a)	<u>27,339,666</u>	<u>19,317,584</u>	<u>25,729,206</u>

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

Rate Setting Statement

For the Year Ended 30 June 2014

	NOTE	2014 Actual \$	2014 Budget \$	2013 Actual \$
Revenue				
Governance		3,416,182	192,600	256,189
General Purpose Funding		1,211,001	1,141,000	2,144,818
Law, Order, Public Safety		127,978	197,906	143,727
Health		171,869	124,000	165,477
Education and Welfare		96,546	56,300	113,485
Housing		3,232,306	3,040,398	608,148
Community Amenities		7,089,341	7,318,093	7,083,463
Recreation and Culture		1,505,859	2,514,082	19,933,141
Transport		2,582,252	3,439,296	7,968,257
Economic Services		975,539	1,001,640	989,592
Other Property and Services		4,514,750	2,475,618	2,963,991
		<u>24,923,623</u>	<u>21,500,933</u>	<u>42,370,288</u>
Expenses				
Governance		(5,914,015)	(3,099,729)	(2,384,964)
General Purpose Funding		(266,170)	(152,672)	(109,788)
Law, Order, Public Safety		(1,509,317)	(1,534,117)	(1,533,710)
Health		(688,488)	(751,341)	(576,121)
Education and Welfare		(777,671)	(700,006)	(757,427)
Housing		(662,463)	(536,806)	(643,075)
Community Amenities		(9,122,167)	(9,562,428)	(7,860,741)
Recreation & Culture		(9,380,056)	(9,532,926)	(7,994,538)
Transport		(6,202,488)	(6,276,695)	(6,463,892)
Economic Services		(1,286,384)	(1,274,764)	(1,223,385)
Other Property and Services		(2,413,004)	(2,130,180)	(4,385,169)
		<u>(38,222,223)</u>	<u>(35,551,664)</u>	<u>(33,932,810)</u>
Net Result Excluding Rates		(13,298,600)	(14,050,731)	8,437,478
Adjustments for Cash Budget Requirements:				
Non-Cash Expenditure and Revenue				
Initial Recognition of Assets Due to Change in Regulations				
- Land		0	0	(16,076,532)
(Profit)/Loss on Asset Disposals	20	106,414	25,576	(211,229)
Movement in Deferred Pensioner Rates (Non-Current)		(7,131)		
Movement in Employee Benefit Provisions		126,774	(10,241)	12,084
Non-Cash Contribution of Assets Acquisition		(1,756,875)	0	0
Depreciation on Assets	2(a)	5,926,365	6,521,400	6,389,858
Loss on Revaluation of Assets	6(a)			752,872

Rate Setting Statement

For the Year Ended 30 June 2014

	NOTE	2014 Actual	2014 Budget	2013 Actual
Capital Expenditure and Revenue				
Purchase Land and Buildings	6(a)	(3,786,169)	(5,511,725)	(4,739,215)
Purchase Infrastructure Assets - Drainage	7(a)	(162,897)	(309,790)	(228,541)
Purchase Infrastructure Assets - Roads, Carparks,	7(a)	(3,418,619)	(4,625,200)	(7,138,003)
Purchase Infrastructure Assets - Recreation Areas	7(a)	(345,509)	(1,781,990)	(687,227)
Purchase Infrastructure Assets - Other	7(a)	(603,044)	(1,751,350)	(437,148)
Purchase Plant and Equipment	6(a)	(817,246)	(1,117,800)	(2,954,904)
Purchase Furniture and Equipment	6(a)	(185,418)	(291,985)	(481,572)
Proceeds from Disposal of Assets	20	102,091	277,000	508,904
Repayment of Debentures	21(a)	(1,240,949)	(1,240,950)	(1,316,666)
Self-Supporting Loan Principal Income		18,981	18,981	70,275
Transfers to Reserves and Restricted Cash Assets	11	(4,124,165)	(2,360,622)	(7,147,379)
Transfers from Reserves and Restricted Cash Assets	11	3,289,916	6,246,290	8,229,845
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	22(b)	2,453,448	1,818,891	2,663,046
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	22(b)	587,938	0	2,453,448
Amount Required to be Raised from Rates	22(a)	<u>18,310,571</u>	<u>18,144,246</u>	<u>16,807,502</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 2014

1. SUMMARY OF 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 comprises general purpose financial statements which have 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. Material accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

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.

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. A separate statement of those monies appears at Note 19. to these financial statements.

(b) 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 are stated inclusive of GST receivable or payable.

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.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments 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 reported as short term borrowings in current liabilities in the statement of financial position.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Trade and Other Receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service 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.

Collectability 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.

(e) 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.

(f) Fixed Assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and 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.

In 2013, Council commenced the process of adopting Fair Value in accordance with the Regulations.

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Land Under Control

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

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

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

Initial Recognition and Measurement between Mandatory Revaluation Dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, 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.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

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

Transitional Arrangements

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Early Adoption of AASB 13 - Fair Value Measurement

Whilst the new accounting standard in relation to Fair Value, AASB 13 – Fair Value Measurement only become applicable for the year ended 30 June 2014 (in relation to Council), given the legislative need to commence using Fair Value methodology in the previous reporting period (year ended 30 June 2013) the Council chose to early adopt AASB 13

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

Land Under Roads

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

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

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

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

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

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in the following way:

- a) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Major depreciation periods used for each class of depreciable asset 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 disposed of, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities

When performing a revaluation, the Council uses a mix of both independent and management valuations using the following as a guide:

Fair Value is the price that Council would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair Value Hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Council selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Council are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities (Continued)

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability and considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

(h) Financial Instruments

Initial Recognition and Measurement

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

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 and any reduction for impairment; and
- (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.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that 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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Classification and Subsequent Measurement (Continued)

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

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. 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 that the Council 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 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Impairment

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 (a "loss event") 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 assets, 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.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

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 continual 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.

(i) Impairment of Assets

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.

(j) Trade and Other Payables

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Employee Benefits

Short-Term Employee Benefits

Provision is made for the Council's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Council's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other Long-Term Employee Benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations or service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(l) 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 until such time as the asset is substantially ready for its intended use or sale.

(m) Provisions

Provisions are recognised when the Council has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and 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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) 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.

(o) 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 operations for the current reporting period.

(p) 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.

(q) 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 sale where it is held as non-current based on the Council's intentions to release for sale.

(r) 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 sale where it is held as non-current based on the Council's intentions to release for sale.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Rounding Off Figures

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

(t) 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, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

(u) 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 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) 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 pronouncements that are relevant to the Council, applicable to future reporting periods and which have not yet been adopted are set out as follows:

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(i) AASB 9 – Financial Instruments	December 2013	1 January 2017	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 2010 -7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	December 2013	1 January 2017	Nil - The revisions embodied in this standard give effect to the consequential changes arising from the issuance of AASB 9 which is not anticipated to have any material effect on the Council (refer (i) above).

[AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(iii)	AASB 2011 - 7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards [Not-For-Profit entities]	December 2012	1 January 2014	Consequential changes to various standards arising from the issuance of AASB 10, 11, 12, 127 and 128. It is not expected to have a significant impact on Council.
	[AASB 1, 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]			
(iv)	AASB 2012-3: Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities	June 2012	1 January 2014	This Standard adds application guidance to AASB 132: Financial Instruments: Presentation 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. This Standard is not expected to significantly impact the Council's financial statements.
	[AASB 132]			

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(v) AASB 2013 - 3: Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets	June 2013	1 January 2014	<p>This standard makes amendments to AASB 136 and includes requirements to disclose additional information when present value techniques are used to measure the recoverable amount of impaired assets.</p> <p>It is not expected to have a significant impact on Council.</p>
(vi) AASB 2013-8: Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities [AASB 10, 12 & 1049]	October 2013	1 January 2014	<p>This standard adds Appendix E to AASB 10 to provide implementation guidance for Not-for-Profit entities regarding control criteria from the perspective of not-for-profit entities.</p> <p>It is not expected to have a significant impact on Council.</p>
(vii) AASB 2013-9: Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments [Operative dates: Part A Conceptual Framework – 20 December 2013; Part B Materiality – 1 January 2014; Part C Financial Instruments – 1 January 2015]	December 2013	Refer Title column	<p>Part A of this standard makes various editorial corrections to Australian Accounting Standards.</p> <p>Part B of this standard deletes references to AASB 1031 in various Australian Accounting Standards in advance of the withdrawal of AASB 1031.</p> <p>Part C of this standard makes consequential amendments to AASB 9 and numerous other standards and amends the permissions around certain applications relating to financial liabilities reissued at fair value.</p> <p>As the bulk of changes related either to editorial or reference changes it is not expected to have a significant impact on Council.</p>

Notes:

⁽¹⁾ Applicable to reporting periods commencing on or after the given date.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Adoption of New and Revised Accounting Standards

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

These new and revised standards were:

AASB 10	AASB 128	AASB 2012 - 2
AASB 11	AASB 2011 - 7	AASB 2012 - 3
AASB 12	AASB 2011 - 9	AASB 2012 - 5
AASB 119	AASB 2011 - 10	AASB 2012 - 10
AASB 127		

Most of the standards adopted had a minimal effect on the accounting and reporting practices of the Council as they did not have a significant impact on the accounting or reporting practices or 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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

2. REVENUES AND EXPENSES	2014	2013
(a) Net Result	\$	\$
The Result from Ordinary Activities includes:		
(i) Charging as an Expense:		
Auditors Remuneration		
- Audit	44,372	50,728
- Other Services	7,050	19,004
	<u>51,422</u>	<u>69,732</u>
Depreciation		
Buildings	1,926,074	1,856,450
Furniture and Equipment	432,142	363,014
Plant and Equipment	690,361	1,194,676
Roads, Footpaths & Transport Infrastructure	2,167,425	2,311,503
Parks and Reserves	380,208	365,789
Drainage	145,788	142,767
Other Infrastructure	184,367	155,659
	<u>5,926,365</u>	<u>6,389,858</u>
Interest Expenses (Finance Costs)		
Overdraft Interest	0	7
Debentures (<i>refer Note 21(a)</i>)	346,901	426,679
	<u>346,901</u>	<u>426,686</u>
Rental Charges		
- Operating Leases	621,066	324,167
Other Revenue		
- Other Revenue	27,470	61,530
- Reimbursements and Recoverables	1,155,565	1,176,005
Significant Expenditure		
Governance	2,874,026	0
Other Property and Services	0	752,872
	<u>2,874,026</u>	<u>752,872</u>
2013. Significant expenditure relates to the Loss on Revaluation of Plant and Equipment.		
2014. Significant expenditure relates to the distribution of a CLGF Key Worker Housing Grant to three Kimberley Shires.		
Significant Revenue		
Recreation and Culture	0	16,076,532
Other Property & Services		
- St John Ambulance Building	1,588,125	
- Naval Cadets Training Facility Building	168,750	
	<u>1,756,875</u>	<u>16,076,532</u>

2013. 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.

2014. This significant revenue relates to the initial recognition of Buildings on 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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

2. REVENUES AND EXPENSES (Continued)

(ii) Crediting as Revenue:	2014 \$	2014 Budget \$	2013 \$
Interest Earnings			
Interest Earnings			
- Reserve Funds	815,640	549,939	1,001,716
- Other Funds	189,005	183,000	245,856
- Self Supporting Loans	1,417	1,328	7,546
Other Interest Revenue (<i>refer note 27</i>)	200,296	165,561	164,424
	<u>1,206,358</u>	<u>899,828</u>	<u>1,419,542</u>

(b) Statement of Objective

The Shire has adopted a Strategic Community Plan 2013 - 2023 which sets out the following vision and mission: (Adopted at Special Council Meeting 27 June 2013)

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

2. REVENUES AND EXPENSES (Continued)

(b) Statement of Objective (Continued)

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 2014

2. REVENUES AND EXPENSES (Continued)

(c) Conditions Over Contributions

Grant/Contribution	Program	Opening			Closing			Closing Balance
		Balance ⁽¹⁾	Received ⁽²⁾	Expended ⁽³⁾	Balance ⁽¹⁾	Received ⁽²⁾	Expended ⁽³⁾	
		1 July 2012	2012/2013	2012/2013	30 June 2013	2013/2014	2013/2014	30 June 2014
		\$	\$	\$	\$	\$	\$	\$
Don't Zoom in Broome Project Grant	Governance	2,096			2,096	0	0	2,096
EDL sponsorship and spent	Governance	403,805	21,918	(39,060)	386,663	15,339	(44,576)	357,426
DLG Asset Management, Strategic/Financial Planning Grant	Governance	10,700	0	(10,700)	0	0	0	0
DLGC National Youth Week Grant	Governance	0	0	0	0	1,000	(753)	247
FESA State Emergency Service & Volunteer Bush Fire Bridgade Operational and Grant funding	Law, Order & Public Safety	0	17,093	0	17,093	0	0	17,093
Clean Up Aboriginal Communities Operational Grant	Health	16,136	0	0	16,136	0	0	16,136
Department of Health - FIMMWA Mosquito Control Advisory Committee Funding 2013/2014 for Mosquito control	Health	0	0	0	0	13,268	(5,822)	7,446
Office of Crime Prevention Grant - Community Safety & Crime Prevention Plan & LGA Partnership Fund - Initiative Lighting Up Anne St Precinct	Education & Welfare	3,837	0	0	3,837	0	0	3,837
Department of Attorney-General - Hypernight Grant	Education & Welfare	0	0	0	0	50,000	(47,500)	2,500
Care of Families & Children Grants - Broome Iterants Strategy	Education & Welfare	9,507	0	0	9,507	0	0	9,507
OTCAM Donation for Broome Cemetery Committee from Mollie Bean	Community Amenities	150	0	0	150	0	0	150
Department of Regional Development - Northern Planning Fund - Land Use Supply	Community Amenities	0	0	0	0	174,410	(85,234)	89,176
Design & Documentation of Coastal Revetment from Town Beach to Catalinas Grant	Community Amenities	27,498	0	(27,498)	0	0	0	0
Rangelands NRM Water Quality Monitoring Program - Protection of Environment	Community Amenities	12,000	0	(10,909)	1,091	0	0	1,091
Rangelands NRM State of the Environment Report - Protection of Environment	Community Amenities	0	0	0	0	50,000	(21,800)	28,200
DLG Grant Chinatown Development Grant Job 107671 (Public Shade Chinatown)	Community Amenities	0	210,000	0	210,000	0	(126,843)	83,157
DRD Grant CLGF 2012/2013 Funding Allocation job 116129 (Jetty to Jetty Project Design & Construction, Feasibility & Planning)	Community Amenities	0	221,080	0	221,080	0	(199,647)	21,433
Local Government RforR 12-13 Grant - BRAC Aquatic - Exp job 117127	Recreation & Culture	0	169,789	0	169,789	0	(169,289)	500
Parks and Ovals Grants - Lions Club BBQ grant.	Recreation & Culture	330	0	0	330	0	0	330
Library - Children's Book Council Aust (CBCA WA) Contributions	Recreation & Culture	2,793	0	(2,793)	0	0	0	0
State Library of WA - Library Grant	Recreation & Culture	0	0	0	0	23,387	(21,280)	2,107
Swimming Areas & Beaches - Entrance Point Jetty Planning Grant RBFS	Recreation & Culture	38,300	0	0	38,300	0	0	38,300
Grant from Sport 4 All - Kidsport Grant	Recreation & Culture	0	54,059	0	54,059	0	(18,420)	35,639
Road Construction - Frederck st at High School Upgrade - Black Spot State	Transport	7,717	0	(7,717)	0	0	0	0
Road Construction - Regional Rd Group (RRG) Rural Rd Construction - Camarvon St Napier Tce Roundabout	Transport	93,333	0	0	93,333	0	(93,333)	0
RRG Rural Rd Construction - Clementson St Upgrade Works Stage 1	Transport	179,372	0	(179,372)	0	0	0	0

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

2. REVENUES AND EXPENSES (Continued)

(c) Conditions Over Contributions (Continued)

Grant/Contribution	Program	Opening	Received ⁽²⁾	Expended ⁽³⁾	Closing	Received ⁽²⁾	Expended ⁽³⁾	Closing
		Balance ⁽¹⁾ 1 July 2012	2012/2013	2012/2013	Balance ⁽¹⁾ 30 June 2013	2013/2014	2013/2014	Balance 30 June 2014
		\$	\$	\$	\$	\$	\$	\$
Road Const. - Rural road Construction Cleumentson St Upgrade Infra Stage 2	Transport	75,046	0	(75,046)	0	0	0	0
Footpath Construction - Shire of Broome contributions to Bikewest RBN local govt grants scheme	Transport	29,499	0	(29,499)	0	0	0	0
Rds To Recovery Non Op Grant for Urban Rds - Cleumentson St Upgrade Works Stage 2	Transport	109,000	0	(109,000)	0	0	0	0
Road Maintenance - Office Native Title Morrell Park maintenance	Transport	330,000	0	(20,914)	309,086	0	(29,849)	279,237
Roads to Recovery Unspent Grant re Carnarvon St Napier Tce Roundabout	Transport	0	116,667	0	116,667	0	(116,667)	0
Roads to Recovery Unspent Grant re Cleumentson St Upgrade Infra Stage 3	Transport	0	14,104	0	14,104	0	0	14,104
Roads to Recovery Unspent Grant re Unallocated	Transport	0	23,101	0	23,101	0	0	23,101
Street Lighting Const Grant Undergrnd Power C/Town Upgrade	Transport	0	30,848	0	30,848	0	(30,800)	48
MRD Grant Remote Access Road Grant - (Broome - Cape Leveque Road)	Transport	0	1,006	0	1,006	0	0	1,006
WALGA Grant Road Safety Activities	Transport	0	1,200	0	1,200	0	0	1,200
Tourism Grants - Visitors Center & Railway Line Project	Economic Services	50,000	0	0	50,000	0	0	50,000
Perth Royal Show - Guest Town Promotion Contributions	Economic Services	0	0	0	0	25,000	(19,341)	5,659
Corporate Governance and Support - R4R (KRGs) - Senior Special Project Officer	Other Property & Services	55,156	0	(55,156)	0	0	0	0
Corporate Governance and Support - R4R CLGF Yr2 Forward Buildings Capital Works Plan Grant	Other Property & Services	24,092	0	(24,092)	0	0	0	0
WA POLICE HEADQUARTERS Community Safety Grant - (New Visitor Centre Building Upgrade CCTV)	Other Property & Services	0	24,905	0	24,905	0	(22,870)	2,035
Total		1,480,367	905,770	(591,756)	1,794,381	352,404	(1,054,024)	1,092,761

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 and which were expended in the current reporting period in the manner specified by the contributor.
- (4) - Conditions Over Contributions includes \$735,336 of Unspent Grants held in the Restricted Cash Reserve at 30 June 2014 and \$357,425 held in the EDL Reserve at 30 June 2014.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

	2014 \$	2013 \$
3. CASH AND CASH EQUIVALENTS		
Unrestricted	3,876,658	3,100,447
Restricted	23,463,008	22,628,759
	<u>27,339,666</u>	<u>25,729,206</u>

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

Leave Reserve	1,725,163	1,686,567
Building Reserve	2,832,185	3,377,754
Public Open Space Reserve	1,195,098	1,210,374
Drainage Reserve	1,729,997	1,654,777
Plant Reserve	1,055,259	934,010
BRAC Reserve	58,867	65,795
Road Reserve	1,146,835	1,424,386
Footpath Reserve	2,818,310	2,447,133
Car Park Reserve	397,832	371,046
Equipment & Insurance Reserve	291,662	204,420
Refuse Site Reserve	4,640,534	4,228,863
Restricted Cash Reserve **	2,769,059	3,561,971
EDL Reserve	357,425	386,663
Resource Recovery Reserve	2,005,562	900,000
Kimberly Zone Reserve	427,722	175,000
Community Sponsorship Reserve	11,498	0
	<u>23,463,008</u>	<u>22,628,759</u>

**Included in the Restricted Cash Reserve at 30 June 2014 is \$735,336 of Unspent Grants and \$2,033,723 of Unspent Loans (refer Note 21(c)).

4. TRADE AND OTHER RECEIVABLES

Current

Rates Outstanding	494,038	461,429
Sundry Debtors	1,365,755	2,203,638
ATO Receivable	162,654	66,238
Loans - Clubs/Institutions	9,901	18,981
Bonds and Deposits held by others	42,098	66,650
Other current receivables	5,520	246,830
	<u>2,079,966</u>	<u>3,063,766</u>

Non-Current

Rates Outstanding - Pensioners	17,498	10,366
Loans - Clubs/Institutions	0	9,901
	<u>17,498</u>	<u>20,267</u>

5. INVENTORIES

Current

Fuel, Cement	35,806	22,646
BRAC Stock	9,539	12,035
	<u>45,345</u>	<u>34,681</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

	2014 \$	2013 \$
6. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
Land vested in and under the control of Council		
- at cost	16,076,532	16,076,532
Freehold Land at:		
- Independent Valuation 2011		3,020,000
- Independent Valuation 2014	5,820,000	
Total Land	<u>21,896,532</u>	<u>19,096,532</u>
Buildings at:		
- Cost	0	11,397,184
- Independent Valuation 2012	0	65,410,824
- Independent Valuation 2014	59,724,538	
Less Accumulated Depreciation	0	(29,877,682)
Total Buildings	<u>59,724,538</u>	<u>46,930,326</u>
Total Land and Buildings	<u>81,621,070</u>	<u>66,026,858</u>
Furniture and Equipment - Cost	3,061,293	2,884,071
Less Accumulated Depreciation	<u>(2,414,812)</u>	<u>(1,989,479)</u>
	646,481	894,592
Plant and Equipment - Independent Valuation 2013	6,916,450	6,916,450
Plant and Equipment - Cost	665,878	0
Less Accumulated Depreciation	<u>(682,756)</u>	<u>0</u>
	6,899,572	6,916,450
Work in Progress - Land and Buildings	<u>294,987</u>	<u>63,356</u>
	<u>89,462,110</u>	<u>73,901,256</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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

	2014	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

Land - Freehold

The Shire's Freehold Land was revalued at 30th June 2014 by Liquid Pacific. The revaluation resulted in an increment of \$1,440,000 in the net value of the Shire's Freehold Land, which has been recognised in the Statement of Comprehensive Income and as an increase in the Shire's Land and Buildings Revaluation Reserve.

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.

Buildings:

The Shire's Buildings were revalued at 30th June 2014 by Liquid Pacific. The revaluation resulted in an increment of \$10,832,228 in the net value of the Shire's Buildings, which has been recognised in the Statement of Comprehensive Income and as an increase in the Shire's Land and Buildings Revaluation Reserve.

The Shire also recognised the value of two buildings constructed on Land the subject of a management order in favour of the Shire. The \$1,756,875 value of the buildings has been recognised in the Statement of Comprehensive Income as other revenue.

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

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

	Land (Level 3) \$	Buildings (Level 3) \$	Total Land and Buildings \$	Plant and Equipment (Level 3) \$	Furniture and Equipment \$	Work in Progress \$	Total \$
Balance as at the beginning of the year	19,096,532	46,930,326	66,026,858	6,916,450	894,592	63,356	73,901,256
Additions	1,360,000	3,888,058	5,248,058	817,246	185,417	294,987	6,545,708
(Disposals)				(143,763)	(1,386)	(63,356)	(208,505)
Revaluation - Increments - (Decrements)	1,440,000	10,832,228	12,272,228 0				12,272,228 0
Depreciation (Expense)		(1,926,074)	(1,926,074)	(690,361)	(432,142)		(3,048,577)
Reclassifications			0				0
Carrying amount at the end of year	<u>21,896,532</u>	<u>59,724,538</u>	<u>81,621,070</u>	<u>6,899,572</u>	<u>646,481</u>	<u>294,987</u>	<u>89,462,110</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

7. INFRASTRUCTURE	2014 \$	2013 \$
Roads - Management Valuation 2011	100,970,790	100,970,790
Roads - At cost	11,327,785	8,426,369
Less Accumulated Depreciation	<u>(30,747,074)</u>	<u>(28,813,939)</u>
	81,551,501	80,583,220
Carparks, Footpaths & Bridges - At cost	10,545,224	10,092,902
Less Accumulated Depreciation	<u>(2,829,410)</u>	<u>(2,595,119)</u>
	7,715,814	7,497,783
Recreation Areas - At cost	13,487,762	13,172,643
Less Accumulated Depreciation	<u>(3,588,524)</u>	<u>(3,208,316)</u>
	9,899,238	9,964,327
Drainage - Cost	8,909,983	8,747,086
Less Accumulated Depreciation	<u>(2,050,513)</u>	<u>(1,904,726)</u>
	6,859,470	6,842,360
Other Infrastructure - At cost	4,107,204	3,747,479
Less Accumulated Depreciation	<u>(1,566,810)</u>	<u>(1,382,442)</u>
	2,540,394	2,365,037
Work in Progress - Recreation Areas Infrastructure	30,390	0
Work in Progress - Roads, F/Paths & Bridges Infrastructure	64,882	0
Work in Progress - Other Infrastructure	<u>243,319</u>	<u>0</u>
	338,591	0
	<u>108,905,008</u>	<u>107,252,727</u>

In accordance AASB116 all Road and Other Infrastructure 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 2014

7. INFRASTRUCTURE (Continued)

Movements in Carrying Amounts

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

	Roads Infrastructure \$	Carparks, Footpaths & Bridges \$	Recreation Infrastructure \$	Drainage Infrastructure \$	Other Infrastructure \$	Work in Progress \$	Total \$
Balance as at the beginning of the year	80,583,220	7,497,783	9,964,327	6,842,360	2,365,037	0	107,252,727
Additions	2,901,416	452,322	315,119	162,897	359,724	338,591	4,530,069
(Disposals)							0
Depreciation (Expense)	(1,933,135)	(234,291)	(380,208)	(145,787)	(184,367)		(2,877,788)
Balance as at 30 June 2014	<u>81,551,501</u>	<u>7,715,814</u>	<u>9,899,238</u>	<u>6,859,470</u>	<u>2,540,394</u>	<u>338,591</u>	<u>108,905,008</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

	2014 \$	2013 \$
8. TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	4,509,639	2,216,729
Accrued Interest on Debentures	22,120	31,639
Accrued Salaries and Wages	212,278	132,672
ATO Amounts Payable	0	35,317
Excess Rates	153,918	137,078
Prepaid Rent, Grants and Services	2,743	196,357
Accrued Expenses	61,636	730,897
	<u>4,962,334</u>	<u>3,480,689</u>
9. LONG-TERM BORROWINGS		
Current		
Secured by Floating Charge Debentures	1,273,806	1,240,950
	<u>1,273,806</u>	<u>1,240,950</u>
Non-Current		
Secured by Floating Charge Debentures	4,768,742	6,042,548
	<u>4,768,742</u>	<u>6,042,548</u>
Additional detail on borrowings is provided in Note 21.		
10. PROVISIONS		
Analysis of Total Provisions		
Current	2,166,959	1,932,345
Non Current	309,950	221,770
	<u>2,476,909</u>	<u>2,154,115</u>
	Provision for Annual Leave	Provision for Long Service Leave
	\$	\$
Opening balance at 1 July 2013	1,261,450	892,665
Movement in provision	79,991	242,803
Balance at 30 June 2014	<u>1,341,441</u>	<u>1,135,468</u>
	Total	\$
	<u>2,476,909</u>	<u>2,154,115</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

	2014 \$	2014 Budget \$	2013 \$
11. RESERVES - CASH BACKED			
(a) Leave Reserve			
Opening Balance	1,686,568	1,672,325	1,599,738
Amount Set Aside / Transfer to Reserve	67,863	51,100	86,830
Amount Used / Transfer from Reserve	<u>(29,268)</u>	<u>0</u>	<u>0</u>
	<u>1,725,163</u>	<u>1,723,425</u>	<u>1,686,568</u>
(b) Building Reserve			
Opening Balance	3,377,754	2,985,200	3,969,365
Amount Set Aside / Transfer to Reserve	183,157	97,500	581,530
Amount Used / Transfer from Reserve	<u>(728,726)</u>	<u>(921,711)</u>	<u>(1,173,141)</u>
	<u>2,832,185</u>	<u>2,160,989</u>	<u>3,377,754</u>
(c) Public Open Space Reserve			
Opening Balance	1,210,374	1,168,419	1,551,584
Amount Set Aside / Transfer to Reserve	55,390	39,737	91,715
Amount Used / Transfer from Reserve	<u>(70,666)</u>	<u>(468,921)</u>	<u>(432,925)</u>
	<u>1,195,098</u>	<u>739,235</u>	<u>1,210,374</u>
(d) Drainage Reserve			
Opening Balance	1,654,777	1,576,774	1,524,970
Amount Set Aside / Transfer to Reserve	133,260	128,860	350,202
Amount Used / Transfer from Reserve	<u>(58,040)</u>	<u>(88,790)</u>	<u>(220,395)</u>
	<u>1,729,997</u>	<u>1,616,844</u>	<u>1,654,777</u>
(e) Plant Reserve			
Opening Balance	934,010	533,412	2,008,363
Amount Set Aside / Transfer to Reserve	307,695	21,300	430,079
Amount Used / Transfer from Reserve	<u>(186,446)</u>	<u>(139,997)</u>	<u>(1,504,432)</u>
	<u>1,055,259</u>	<u>414,715</u>	<u>934,010</u>
(f) BRAC (Leisure Centre) Reserve			
Opening Balance	65,795	65,239	62,408
Amount Set Aside / Transfer to Reserve	49,072	1,400	3,387
Amount Used / Transfer from Reserve	<u>(56,000)</u>	<u>(40,000)</u>	<u>0</u>
	<u>58,867</u>	<u>26,639</u>	<u>65,795</u>
(g) Road Reserve			
Opening Balance	1,424,386	1,697,075	1,462,869
Amount Set Aside / Transfer to Reserve	311,865	41,900	1,276,225
Amount Used / Transfer from Reserve	<u>(589,416)</u>	<u>(657,832)</u>	<u>(1,314,708)</u>
	<u>1,146,835</u>	<u>1,081,143</u>	<u>1,424,386</u>
(h) Footpath Reserve			
Opening Balance	2,447,133	2,880,818	1,919,041
Amount Set Aside / Transfer to Reserve	581,430	83,200	725,219
Amount Used / Transfer from Reserve	<u>(210,253)</u>	<u>(298,170)</u>	<u>(197,127)</u>
	<u>2,818,310</u>	<u>2,665,848</u>	<u>2,447,133</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

	2014 \$	2014 Budget \$	2013 \$
11. RESERVES - CASH BACKED (continued)			
(i) Car Park Reserve			
Opening Balance	371,046	382,053	295,298
Amount Set Aside / Transfer to Reserve	26,786	23,030	135,028
Amount Used / Transfer from Reserve	0	0	(59,280)
	<u>397,832</u>	<u>405,083</u>	<u>371,046</u>
(j) IT and Equipment Reserve			
Opening Balance	204,420	89,048	325,957
Amount Set Aside / Transfer to Reserve	124,242	109,315	205,692
Amount Used / Transfer from Reserve	(37,000)	0	(327,229)
	<u>291,662</u>	<u>198,363</u>	<u>204,420</u>
(k) Refuse Site Reserve			
Opening Balance	4,228,863	3,911,793	3,989,933
Amount Set Aside / Transfer to Reserve	759,455	720,268	1,280,703
Amount Used / Transfer from Reserve	(347,784)	(1,810,080)	(1,041,773)
	<u>4,640,534</u>	<u>2,821,981</u>	<u>4,228,863</u>
(l) Restricted Cash Reserve			
Opening Balance	3,561,971	3,344,534	4,597,894
Amount Set Aside / Transfer to Reserve	135,335	0	883,852
Amount Used / Transfer from Reserve	(928,247)	(1,740,789)	(1,919,775)
	<u>2,769,059</u>	<u>1,603,745</u>	<u>3,561,971</u>
(m) EDL Reserve			
Opening Balance	386,662	386,475	403,805
Amount Set Aside / Transfer to Reserve	15,339	10,600	21,917
Amount Used / Transfer from Reserve	(44,576)	(80,000)	(39,060)
	<u>357,425</u>	<u>317,075</u>	<u>386,662</u>
(n) Resource Recovery Park Reserve			
Opening Balance	900,000	900,000	0
Amount Set Aside / Transfer to Reserve	1,105,562	1,026,412	900,000
Amount Used / Transfer from Reserve	0	0	0
	<u>2,005,562</u>	<u>1,926,412</u>	<u>900,000</u>
(o) Kimberley Zone Reserve			
Opening Balance	175,000	0	0
Amount Set Aside / Transfer to Reserve	252,722	175,000	175,000
Amount Used / Transfer from Reserve	0	5,300	0
	<u>427,722</u>	<u>180,300</u>	<u>175,000</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

	2014 \$	2014 Budget \$	2013 \$
11. RESERVES - CASH BACKED (continued)			
(o) Community Sponsorship Reserve			
Opening Balance	0	22,000	0
Amount Set Aside / Transfer to Reserve	14,992	700	0
Amount Used / Transfer from Reserve	(3,494)	0	0
	<u>11,498</u>	<u>22,700</u>	<u>0</u>
TOTAL CASH BACKED RESERVES	<u>23,463,008</u>	<u>17,904,497</u>	<u>22,628,759</u>

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

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 for the construction of drainage headworks. Typically funds are from contributions made by developers.

Plant Reserve

To be used for the renewal, upgrade or purchase of new mobile plant and engineering equipment

BRAC (Leisure Centre) Reserve

To be used for the construction of recreation infrastructure and facilities.

Road Reserve

To be used for renewal, upgrade, replacement or new streets and roads.

Footpath Reserve

To be used for renewal, upgrade, replacement or new footpaths. Typically funds are from contributions made by developers.

Carpark Reserve

To be used for renewal, upgrade, replacement or new carparks. Typically funds are from "Cash In Lieu" payments from developers.

IT and Equipment Reserve

To be used to pay for renewal, upgrade or new office equipment and IT hardware.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

11. RESERVES - CASH BACKED (continued)

Refuse Site Reserve

To be used for the current and future costs of maintaining the refuse site in accordance with operational needs and environmental guidelines.

Restricted Cash Reserve

To be used for unspent grant and loan 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.

Community Sponsorship Reserve

To hold funds remaining as at 30 June after allocation of both Annual and Ad-hoc sponsorships and external donations to be spent on both annual and ad-hoc sponsorships in accordance with the Community Sponsorship Program Policy.

12. RESERVES - ASSET REVALUATION

2014

2013

\$

\$

Asset revaluation reserves 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	12,272,228	0
	<u>35,691,910</u>	<u>23,419,682</u>

(b) Infrastructure Including Roads

Opening Balance	28,356,220	28,356,220
	<u>28,356,220</u>	<u>28,356,220</u>

TOTAL ASSET REVALUATION RESERVES

	<u>64,048,130</u>	<u>51,775,902</u>
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Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

13. NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of Cash

For the purposes of the cash flow statement, cash includes cash on hand and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the balance sheet as follows:

	2014 \$	2014 Budget \$	2013 \$
Cash and Cash Equivalents	<u>27,339,666</u>	<u>19,317,584</u>	<u>25,729,206</u>
(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net Result	5,011,973	4,093,514	25,244,980
Depreciation	5,926,365	6,521,400	6,389,858
(Profit)/Loss on Sale of Asset	106,414	25,576	(211,229)
(Increase)/Decrease in Receivables	967,588	109,759	(1,646,011)
(Increase)/Decrease in Inventories	(10,664)	(10,000)	(5,659)
Increase/(Decrease) in Payables	1,481,641	270,000	574,332
Increase/(Decrease) in Employee Provisions	322,794	200,000	282,431
Loss on Revaluation of Assets			752,872
Grants/Contributions for the Development of Assets	(4,840,478)	(6,936,807)	(9,920,277)
Non-Current Assets recognised due to changes in legislative requirements	<u>(1,756,875)</u>		<u>(16,076,532)</u>
Net Cash from Operating Activities	<u>7,208,758</u>	<u>4,273,442</u>	<u>5,384,765</u>
(c) Undrawn Borrowing Facilities			
Credit Standby Arrangements			
Bank Overdraft limit	700,000	701,000	701,000
Bank Overdraft at Balance Date	0	0	0
Credit Card limit	25,000	25,000	25,000
Credit Card Balance at Balance Date	0	0	(4,644)
Total Amount of Credit Unused	<u>725,000</u>	<u>726,000</u>	<u>721,356</u>
Loan Facilities			
Loan Facilities - Current	1,273,806	1,273,806	1,240,950
Loan Facilities - Non-Current	4,768,742	4,768,742	6,042,548
Total Facilities in Use at Balance Date	<u>6,042,548</u>	<u>6,042,548</u>	<u>7,283,498</u>
Unused Loan Facilities at Balance Date	<u>0</u>	<u>0</u>	<u>0</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

	2014	2013
	\$	\$
14. CONTINGENT LIABILITIES		
Shinju Matsuri Loan/Overdraft Guarantee	15,000	15,000
North West Expo Payment Guarantee	0	25,000
	<u>15,000</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 not capitalised in the accounts.		
Payable:		
- not later than one year	322,459	279,347
- later than one year but not later than five years	3,552	44,820
- later than five years	0	0
	<u>326,011</u>	<u>324,167</u>
(c) Capital Expenditure Commitments		
Contracted for:		
- Building Construction & Fixed Plant	217,692	352,784
- Infrastructure Construction	74,799	77,124
- Mobile Plant and Equipment	0	0
- Furniture and Equipment	0	0
Payable:		
- not later than one year	292,491	429,908
- later than one year but not later than five years	0	0
The capital expenditure projects outstanding at the end of the reporting periods are:		
<u>30 June 2014</u>		
Public Shade Chinatown - Final Payment		
Broome Motorsports Complex - Relocation Feasibility Study		
KRO Building Upgrade - Detailed Design and Business Case		
Haynes Oval Floodlighting - Consultancy Work		
De Castilla Street - Rehabilitation and Upgrade		
Broome Road to Roebuck Estate - Extension of Road		
<u>30 June 2013</u>		
Arts Centre Building Design & Construction & Renewal Energy Upgrade (Final retention payment)		
Amentities Upgrade Works at various amentities including BRAC		
Clementson St Reconstruction Stages 1 & 2 (Final retention payment)		

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

	2014	2013	2012
16. FINANCIAL RATIOS			
Current Ratio	0.90	1.25	1.35
Asset Sustainability Ratio	1.87	0.72	0.52
Debt Service Cover Ratio	4.06	12.70	5.95
Operating Surplus Ratio	0.01	0.52	0.06
Own Source Revenue Coverage Ratio	0.87	0.09	0.86
Current Ratio	$\frac{\text{current assets minus restricted current assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$		
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 60 of this document.

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

- 2013 - 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.

- 2014- The initial recognition of Buildings on Land under the Shire's control in accordance with amendments to the Financial Management Regulations amounting to \$1,756,875 (refer to Notes 1(g), 1(h) and 2(a)(ii) for further details). This forms part of operating revenue.

- 2013 - 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 2014 and 2013 column above would be as follows:

	2014	2013
Debt Service Cover Ratio	2.95	3.91
Operating Surplus Ratio	-0.05	0.00
Own Source Revenue Coverage Ratio	0.82	0.89

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

17. JOINT VENTURE

The Shire is not involved in any joint venture arrangements

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2014	2013
	\$	\$
General Purpose Funding	7,157,254	7,123,848
Governance	785,147	563,026
Law, Order, Public Safety	908,017	1,410,528
Health	19,879	22,444
Education and Welfare	748	0
Housing	2,972,098	67,788
Community Amenities	17,565,591	16,018,519
Recreation and Culture	62,192,665	52,010,808
Transport	93,893,185	92,472,828
Economic Services	9,132,232	8,780,088
Other Property and Services	31,481,096	28,911,919
Unallocated	1,741,681	2,620,107
	<u>227,849,593</u>	<u>210,001,903</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

19. TRUST FUNDS

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

	Balance 1 July 2013 \$	Amounts Received \$	Amounts Paid (\$)	Balance 30 June 2014 \$
Footpath Damage Deposits	31,622	654	0	32,276
Library Transient Borrower Deposits	8,989	0	(820)	8,169
Election Nomination Deposits	0	880	(880)	0
Civic Centre Takings	0	33,154	(27,835)	5,319
Other General Purpose Deposits	18,201	207	(9,914)	8,494
BCITF Collection & Refund Deposits	20,945	183,258	(190,100)	14,103
Japanese Cemetery Improvements Deposit	0	0	0	0
Town Planning Related Bond Deposits	176,321	8,276	0	184,597
Cemetery Plot Reservation Deposits	14,896	818	0	15,714
Recreation Facility use Bond Deposits	13,841	20,349	(22,230)	11,960
Parking Facilities Bond Deposits	0	0	0	0
Road & Footpath Facilities Bond Deposits	722,710	35,796	0	758,506
Capital Works Bond Deposits	2,969	92	0	3,061
Cash In Lieu Of Public Open Space	95,135	4,742	0	99,877
Bank Guarantee Deposits Received	0	52,618	0	52,618
BRB Levy	9,086	92,214	(94,515)	6,785
Overpayments Held	0	0	0	0
Unclaimed Monies	19,143	0	0	19,143
Contract Bonds & Retentions	0	0	0	0
Staff Rental Bonds	52,804	32,484	(39,972)	45,316
Key Deposits	2,104	685	(355)	2,434
	1,188,766	466,227	(386,621)	1,268,372

20. DISPOSALS OF ASSETS - 2013/2014 FINANCIAL YEAR

The following assets were disposed of during the year.

	Net Book Value		Sale Price		Profit (Loss)	
	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Governance	0	28,000	0	28,000	0	0
Law, Order, Public Safety	55,636	58,000	22,773	44,000	(32,863)	(14,000)
Housing	63,356	0	0	0	(63,356)	0
Community Amenities	0	28,300	0	40,000	0	11,700
Recreation and Culture	1,386	0	0	0	(1,386)	0
Other Property and Services	88,127	188,276	79,318	165,000	(8,809)	(23,276)
	208,505	302,576	102,091	277,000	(106,414)	(25,576)
			Profit		9,182	51,424
			Loss		(115,596)	(77,000)
					(106,414)	(25,576)

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

21. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Loan Number	Loan Particulars/Purpose	Principal 1 July 2013 \$	New Loans \$	Principal Repayments		Principal 30 June 2014		Interest Repayments	
				Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Law Order & Public Safety									
176	New SES Shed (*)	28,881		18,981	18,981	9,900	9,900	1,330	1,328
Community Amenities									
181	Millington Rd Drainage Construction (Interest paid by third party)	127,861		40,002	40,001	87,859	87,860	7,433	7,296
Recreation & Culture									
171	BRAC (Recreation Centre)	392,314		88,606	88,606	303,708	303,708	24,663	24,607
186	BRAC Stage 2 A	572,375		130,187	130,187	442,188	442,188	31,865	31,788
191	BRAC Stage 2B - Oval Infrastructure	313,197		44,325	44,325	268,872	268,872	19,353	19,401
193	Arts Centre Redevelopment	3,921,500		370,721	370,721	3,550,779	3,550,779	151,114	150,730
194	BRAC Pavillion	801,187		81,106	81,107	720,081	720,080	45,271	45,155
Economic Services									
182	Visitors Centre Construction	330,722		103,467	103,467	227,255	227,255	19,226	19,147
185	Visitors Centre Construction Stage 2	136,416		31,028	31,028	105,388	105,388	7,594	7,577
Other Property & Services									
168	Loan # 168 Administration Building	628,519		302,001	302,001	326,518	326,518	38,013	37,942
192	Loan # 192 Street Sweeper New Plant	30,526		30,526	30,526	0	0	1,039	1,040
		7,283,498	0	1,240,950	1,240,950	6,042,548	6,042,548	346,901	346,011

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

21. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2013/2014

The Shire of Boome did not take up any new borrowings during the year ended 30 June 2014

(c) Unspent Debentures

Particulars	Date Borrowed	Balance 1 July 2013 \$	Borrowed During Year \$	Expended During Year \$	Balance 30 June 2014 \$
Loan # 193 Arts Centre Redevelopment	27/06/2012	2,154,253	0	120,530	2,033,723
		2,154,253	0	120,530	2,033,723

(d) Overdraft

Council has utilised an overdraft facility during previous financial years with a maximum amount of \$700,000 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 2014

22. RATING INFORMATION - 2013/14 FINANCIAL YEAR

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Differential General Rate / General Rate											
GRV - Residential	8.0653	4,117	109,520,104	8,831,527	229,515	32,345	9,093,387	8,742,470	124,851	4,200	8,871,521
GRV - Residential - Vacant	14.7494	338	5,133,050	688,819	0	0	688,819	681,503	97,346	15,000	793,849
GRV - Commercial	9.3794	590	52,366,375	4,911,652	0	(24,933)	4,886,719	4,873,532	18,750	0	4,892,282
GRV - Tourism	11.7902	455	18,393,370	2,168,616	0	0	2,168,616	2,175,550	14,500	0	2,190,050
GRV - Exempt	-	662	3,120,460	0	0	0	0	0	0	0	0
Unimproved Value Valuations											
UV - Rural	0.5145	127	86,653,000	452,780	0	(6,600)	446,180	438,946	0	0	438,946
UV - Mining	13.2879	43	990,212	138,106	1,468	1,778	141,352	109,550	0	0	109,550
UV - Commercial Rural	2.3729	30	8,495,529	201,700	0	0	201,700	196,356	0	0	196,356
UV - Exempt	0.0000		0	0	0	0	0	0	0	0	0
Sub-Totals		6,362	284,672,100	17,393,200	230,983	2,590	17,626,773	17,217,907	255,447	19,200	17,492,554
Minimum Payment											
Differential General Rate / General Rate							0				0
GRV - Residential	1,131	70	792,604	79,170	0	0	79,170	76,908	0	0	76,908
GRV - Residential - Vacant	1,131	187	619,140	211,497	0	0	211,497	180,960	0	0	180,960
GRV - Commercial	1,131	12	122,060	13,572	0	0	13,572	13,572	0	0	13,572
GRV - Tourism	1,131	437	2,309,268	494,247	0	0	494,247	494,247	0	0	494,247
Unimproved Value Valuations							0				0
UV - Rural	1,131	4	499,000	4,524	0	0	4,524	4,524	0	0	4,524
UV - Mining	782	28	102,638	21,896	0	0	21,896	22,678	0	0	22,678
UV - Commercial Rural	1,131	3	34,800	3,393	0	0	3,393	3,393	0	0	3,393
Sub-Totals		741	4,479,510	828,299	0	0	828,299	796,282	0	0	796,282
Ex-Gratia Rates							18,455,072				18,288,836
Concessions (refer note 26)							24,518				22,712
Total Amount Raised From General Rate							18,310,570				18,144,245
Write-Offs (refer note 26)							(7,090)				(10,000)
Waste Collection Rate (refer Note 24)							571,289				575,000
Totals							18,874,769				18,709,245

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

22. RATING INFORMATION - 2013/14 FINANCIAL YEAR (Continued)

(b) Information on Surplus/Deficit Brought Forward

	2014 (30 June 2014 Carried Forward)	2014 (1 July 2013 Brought Forward)	2013 (30 June 2013 Carried Forward)
	\$		\$
Surplus/(deficit) 1 July 2013 Brought Forward	<u>2,453,448</u>	<u>2,663,046</u>	<u>2,663,046</u>
<u>Comprises:</u>			
Cash - Unrestricted	3,876,658	3,100,447	3,100,447
Cash - Restricted	23,463,008	22,628,759	22,628,759
Rates Outstanding	494,038	461,429	461,429
Sundry Debtors	1,365,755	2,203,638	2,203,638
ATO Receivable	162,654	66,238	66,238
Sundry Bonds and other receivables	47,618	313,480	313,480
Inventories			
- Fuel and Materials	35,806	22,646	22,646
- History Books	9,539	12,035	12,035
Loans - Clubs/Institutions Receivable	9,901	18,981	18,981
<u>Less:</u>			
Reserves - Cash Backed	(23,463,008)	(22,628,759)	(22,628,759)
Loans - Clubs/Institutions Receivable	(9,901)	(18,981)	(18,981)
Sundry Creditors	(4,509,639)	(2,216,729)	(2,216,729)
Other Payables	(218,297)	(1,099,649)	(1,099,649)
Accrued Interest on Debentures	(22,120)	(31,639)	(31,639)
Accrued Salaries and Wages	(212,278)	(132,672)	(132,672)
Current Employee Benefits Provision	(2,166,959)	(1,932,344)	(1,932,344)
Leave Liability not expected to be paid within 12 months	1,725,163	1,686,568	1,686,568
	<u>587,938</u>	<u>2,453,448</u>	<u>2,453,448</u>
Difference:			

There was no difference between the Surplus/(Deficit) 1 July 2013 Brought Forward position used in the 2014 audited financial report and the Surplus/(Deficit) Carried Forward position as disclosed in the 2013 audited financial report.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

23. SPECIFIED AREA RATE - 2013/2014 FINANCIAL YEAR

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

24. WASTE COLLECTION RATE - 2013/14 FINANCIAL YEAR

	Rate in \$	Basis of Rate	Rateable Value \$	Rate Revenue \$	Budget Rate Revenue \$
Public Landfill Levy					
- Rate	0.015	GRV	221,932	561,792	575,000
- Interim Rate				9,497	0
- Back Rate				0	0
				571,289	575,000

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

25. SERVICE CHARGES - 2013/2014 FINANCIAL YEAR

The Shire Of Broome did not impose any service charges.

26. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS - 2013/2014 FINANCIAL YEAR

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	NIL	0	0
Minimum Rate	Discount	NIL	0	0
General Rates	Concession	100.00%	6,950	6,950
General Rates	Concession	48.00%	112,705	112,824
General Rates	Concession	27.00%	47,404	45,568
General Rates	Concession	11.00%	1,961	1,961
			169,020	167,303
Other Discounts and Write-Offs				
Rate Assessment	Write-Offs		7,090	10,000

No discount on rates is available.

27. INTEREST CHARGES AND INSTALMENTS - 2013/2014 FINANCIAL YEAR

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00%		104,910	74,000
Interest on Rates Instalments Plan	5.50%		95,386	91,500
Charges on Rates Instalment Plan		7	35,539	37,000
Pensioner Deferred Rate Interest	3.27%		0	500
			235,835	202,500

Ratepayers had the options of paying rates in either two or four equal instalments, due on 18th October 2013, 18th December 2013, 18th February 2014 and 23rd April 2014.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

28. FEES & CHARGES	2014	2013
	\$	\$
Governance	44	0
General Purpose Funding	68,224	78,943
Law, Order, Public Safety	80,337	68,958
Health	158,294	168,093
Education and Welfare	0	3,156
Housing	645,307	606,273
Community Amenities	6,253,146	5,114,786
Recreation and Culture	1,025,183	959,914
Transport	24,619	26,007
Economic Services	719,257	862,228
Other Property and Services	1,401,742	1,332,677
	<u>10,376,153</u>	<u>9,221,035</u>

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

29. GRANT REVENUE	2014	2013
	\$	\$
By Nature and Type:		
Operating Grants, Subsidies and Contributions	6,707,106	4,920,229
Non-Operating Grants, Subsidies and Contributions	4,840,478	9,920,277
	<u>11,547,584</u>	<u>14,840,506</u>
By Program:		
Governance	3,393,115	224,268
General Purpose Funding	942,480	2,441,367
Law, Order, Public Safety	44,442	72,305
Health	13,575	213
Education and Welfare	96,546	100,023
Housing	2,586,999	1,875
Community Amenities	494,407	546,783
Recreation and Culture	431,677	2,793,638
Transport	2,379,370	7,742,662
Economic Services	256,282	122,436
Other Property and Services	908,691	794,936
	<u>11,547,584</u>	<u>14,840,506</u>

30. COUNCILLORS' REMUNERATION	2014	2014	2013
	\$	Budget	\$
		\$	
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees - Council and Local Government Association	151,323	154,125	70,000
President's Allowance	45,000	45,000	32,400
Deputy President's Allowance	11,250	11,250	4,050
Travelling and Conference Expenses	39,830	67,450	35,980
Telecommunications and IT Allowances	30,541	31,500	30,600
	<u>277,944</u>	<u>309,325</u>	<u>173,030</u>

31. EMPLOYEE NUMBERS	2014	2013
The number of full-time equivalent employees at balance date	<u>148</u>	<u>183</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

32. MAJOR LAND TRANSACTIONS

Council did not participate in any Major Land Transactions during the year to 30 June 2014

33. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2013/2014 financial year.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

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	
	2014	2013	2014	2013
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	27,339,666	25,729,206	27,339,666	25,729,206
Receivables	2,097,464	3,084,033	2,097,464	3,084,033
	<u>29,437,130</u>	<u>28,813,239</u>	<u>29,437,130</u>	<u>28,813,239</u>
Financial Liabilities				
Payables	4,962,334	3,480,689	4,962,334	3,480,689
Borrowings	6,042,548	7,283,498	6,042,548	7,283,498
	<u>11,004,882</u>	<u>10,764,187</u>	<u>11,004,882</u>	<u>10,764,187</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.

(a) Cash and Cash Equivalents

Financial assets at fair value through profit or loss

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

34. FINANCIAL RISK MANAGEMENT (Continued)

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

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

	30 June 2014	30 June 2013
	\$	\$
Impact of a 1% (*) movement in interest rates on cash		
- Equity	273,397	257,292
Statement of Comprehensive Income	273,397	257,292

Notes:

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

(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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

34. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables (Continued)

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

	30 June 2014	30 June 2013
Percentage of Rates and Annual Charges		
- Current	1%	1%
- Overdue	99%	99%
Percentage of Other Receivables		
- Current	86%	72%
- Overdue	14%	28%

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

34 FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables Borrowings

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

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

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2014					
Payables	4,962,334	0	0	4,962,334	4,962,334
Borrowings	<u>1,560,342</u>	<u>3,668,540</u>	<u>1,827,999</u>	<u>7,056,881</u>	<u>6,042,548</u>
	<u>6,522,676</u>	<u>3,668,540</u>	<u>1,827,999</u>	<u>12,019,215</u>	<u>11,004,882</u>
2013					
Payables	3,480,689	0	0	3,480,689	3,480,689
Borrowings	<u>1,597,367</u>	<u>4,496,199</u>	<u>2,532,337</u>	<u>8,625,903</u>	<u>7,283,498</u>
	<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>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

34 FINANCIAL RISK MANAGEMENT (Continued)

(c) 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 2014								
Borrowings								
Fixed Rate								
Debentures	336,419	0	1,166,397	0	268,872	4,270,861	6,042,549	4.98%
Weighted Average Effective Interest Rate	7.89%	0.00%	6.38%	0.00%	6.41%	4.27%		
Year Ended 30 June 2013								
Borrowings								
Fixed Rate								
Debentures	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%		

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014



RSM Bird Cameron
8 St Georges Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844
T +61 8 9261 9100 F +61 8 9261 9111
www.rsmi.com.au

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

Report on the Financial Report

We have audited the financial report of the Shire of Broome (the Shire), which comprises the statement of financial position as at 30 June 2014 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and a summary of significant accounting policies and other explanatory notes and the statement by the Chief Executive Officer.

Shire's Responsibility for the Financial Report

The Shire is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

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

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Liability limited by a
scheme approved under
Professional Standards
Legislation

Birdanco Nominees Pty Ltd
ABN 33 009 321 377
Practising as
RSM Bird Cameron
ABN 65 319 382 479

Major Offices in:
Perth, Sydney,
Melbourne, Adelaide
and Canberra

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Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014



Independence

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

Auditor's opinion on the Financial Report

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

- (i) gives a true and fair view of the financial position of the Shire of Broome as at 30 June 2014 and of its financial performance for the year ended on that date;
- (ii) complies with the Local Government Act 1995 Part 6 and the Regulations under that Act and Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (iii) in relation to the Supplementary Ratio Information presented of this report, we have reviewed the calculations as presented and in our opinion these are based on verifiable information and reasonable assumptions.

Statutory Compliance

We did not during the course of our audit become aware of any instances where the Shire did not comply with the requirements of the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996 as they relate to the financial report.

RSM Bird Cameron
RSM BIRD CAMERON

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Director

Perth, WA
Dated:

10 October 2014

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2014

35. RATIO INFORMATION

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

	2014	2013	2012	2011
Asset Consumption Ratio	0.703	0.741	0.694	0.702
Asset Renewal Funding Ratio	2.114	3.049	N/A	N/A

The above ratios are calculated as follows:

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

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

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

Feedback

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

Web: www.broome.wa.gov.au

Email: shire@broome.wa.gov.au

Telephone: 08 9191 3456

Fax: 08 9191 3455

