

Shire of Broome Annual Report



For the financial year
2014/2015

What is the Annual Report?

As required by the Local Government Act 1995 and associated regulations the Annual Report for 2014/15 provides an overview of the operations, activities and major projects undertaken by the Shire for that period, and includes major initiatives 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, while nurturing our unique natural and built environment.

Our Mission

To deliver affordable and quality Local Government services.

Our Values

Values of the organisation are demonstrated through the way employees behave, interact and think. Defining values and clearly articulating what these values look and feel like is very important and are the building blocks to ensuring a consistent customer and staff experience is delivered at all times. Values and the behaviour 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 2014/15

- 128,957 fiction, non-fiction and junior items loaned by Broome Public Library
- 104,530 visitors to Broome Public Library
- 50,443 uses of library WiFi service
- 3074 people attended events in the library
- 2045 tickets sold to shows at Broome Civic Centre
- 1611m3 of rubbish collected Community Clean-up Crew
- 30 community groups received Shire sponsorship grants
- 31 rescues by Shire Beach Lifeguards



The Shire of Broome Community Clean-Up Crew.

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Message from the Shire President



Broome is a unique and beautiful place and it has been my privilege to again serve as Shire President in 2014/15.

In what will be my last full year on Council after more than 12 years as a Councillor and more than 10 as Shire President, we have continued to work hard to build our community and to balance the great diversity that exists here.

Several unique events during the past year brought me great pride as Shire President.

In April 2015, Anzac Centenary commemorations brought together the Shire, the Broome RSL, St Mary's College, Broome Men's Shed and others to put together a moving and remarkable tribute that attracted record attendances from the community. A fitting upgrade of our war memorial was also unveiled to coincide with this event.

In 2014 Broome made international headlines when some remarkable work by Dion Marinis and Jim Miles uncovered the wreckage of a WWII RAAF Beaufighter aircraft on the seabed off Cable Beach. The Shire then collaborated to erect a memorial to the two pilots who lost their lives, and a memorial service on the 70th anniversary of the crash was attended by family members from around Australia along with senior RAAF personnel and a contingent of the Broome community.

Broome's presence as the Guest Town at the 2014 Perth Royal Show was the result of a collaboration between the Shire and the community, from business and tourism to entertainers and artists, and showcased what makes our Shire such a great place to an enormous audience.

Economic development has become a key focus with difficult economic conditions necessitating local government taking a lead role. Key initiatives including the appointment of a Manager of Economic Development and formation of an Economic Development Advisory Committee with key stakeholders including Nyamba Buru Yawuru, LandCorp, Kimberley Development Commission, Broome Tourism Leadership Group, Broome Port Authority, Broome International Airport, Broome Chamber of Commerce and Industry and more.

A detailed Broome Economic Development Profile has been developed to encourage and inform investors, while the quarterly Broome Business Breakfast Series is keeping the business community informed and up to date.

This has come on top of Council's continued commitment to the grassroots of our community, with events such as Australia Day celebrations, citizenship ceremonies and Christmas street parties a testament to this. Financial support to our community groups in 2014/15 included more than \$70,000 from the Shire and EDL Community Fund, and long-term sponsorship of Kullarri NAIDOC Festival, Kimberley Girl, Kullarri Patrol, the St Mary's College Cultural Exchange Program, Broome Relay for Life, Over 50s Senior Citizens and the Kyle Andrews Foundation.

I would like to thank my fellow Councillors and the hard working staff at the Shire of Broome for their continued commitment to making Broome the wonderful and diverse community that it is, and I would encourage everyone to read the following pages of this annual report as it provides both an overview of what has been achieved, and an outline of where we are headed.

Graeme Campbell, Shire President



Broome Shire President Graeme Campbell and WA Local Government Minister Tony Simpson.

Message from the Chief Executive Officer



The past year has been one of laying foundations for the town's future and establishing the groundwork that will ensure Broome's long-term prosperity.

There have been many challenges in a difficult national and global economic climate, but the Shire of Broome has achieved advances in planning, economic development, financial management and more that will serve to shore up our Shire's future.

The first Local Planning Scheme to cover the whole of the Shire of Broome came into effect on 30 January 2015 and now guides

development throughout the Shire.

The adoption of Local Planning Scheme No. 6 was the culmination of a long process which included significant community involvement - 159 submissions were received during the public submission period in 2013, with many of these comments incorporated into the final document now in place.

The operation of LPS 6 will be guided by the long-term planning framework of the Shire's Local Planning Strategy.

The Old Broome Development Strategy was adopted by Council in November 2014 and sets out a bright future for this historic precinct, and once again incorporated great community involvement.

In addition a Sport, Recreation and Leisure Plan; Public Art Master Plan; and a Kimberley Youth Strategy are all underway or nearing completion.

Further, a review of the Shire's Long Term Financial Plan will help ensure that we stay in a healthy financial situation into the future, along with a desktop review of the Strategic Community Plan.

Our Shire is at a crossroads, and with this strategic groundwork now laid, decisions can be made by Council in collaboration with the community as to whether we push ahead as a vibrant regional centre with high economic and population growth and an emphasis on industry, or whether the community prefers more moderate growth that preserves more of the traditional character of the town. This will need to be managed carefully by Council in the medium term.

Other work of note in 2014/15 has included ongoing efforts to improve road safety particularly on Hamersley, Frederick and Carnarvon St, and the major extension of Lorikeet Dve through to Broome Hwy to alleviate congestion in Roebuck Estate and future estates being established.

Work toward realising a new state-of-the-art Regional Resource Recovery Park to meet Broome's waste management needs into

the future also continues.

In addition to thanking the hardworking Shire staff who undertook these and many more projects, I would also like to thank the members of our community who took the time to make their considered and thoughtful submissions on these various plans and projects.

The Shire of Broome employs more than 170 staff across administration, engineering and works, parks and gardens, waste management, Broome Recreation and Aquatic Centre, and Broome Public Library, and all have played a key role in what has been achieved in the past 12 months, serving Council and the community with often-difficult resource constraints.

Finally, I would thank the Council under the leadership of the Shire President for their hard work and co-operation as we together build the future of our Shire.

Kenn Donohoe, Chief Executive Officer



Shire CEO Kenn Donohoe and President Graeme Campbell sign the Jetty to Jetty Project accord with Yawuru's Tony Lee, Frances Djagween and Patrick Dodson.

About Council

Our Elected Members

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

The next Local Government Ordinary election will be held on Saturday 17 October 2015, with the following Offices of Council being up for election:

Broome Ward – 5 Councillors (Four 4-year terms and one 2-year term);

Dampier Ward – 1 Councillor (4-year term).

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 Harold Tracey



Cr Desiree Male



Cr Mark Manado



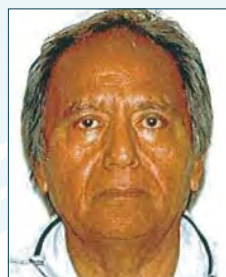
Cr Chris Mitchell



Cr Anne Poelina



Cr Philomena Lewis



Cr Philip Matsumoto

Council and Committee Meetings

Ordinary Meetings of Council are held 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 Harold Tracey, Deputy Shire President	2017	
Cr Jenny Bloom	Resigned 16/10/14	
Cr Desiree Male	2017	
Cr Mark Manado	2015	
Cr Chris Mitchell, JP	2015	
Cr Anne Poelina	2015	
Cr Philip Matsumoto	2017	Dampier
Cr Philomena Lewis	2015	

Councillor Meeting Attendance 2014/15

Councillor	No. of Meetings To Attend (OCM's/SCM's)	Attended	Non-Attendance	Apology/LOA
Cr Graeme Campbell	17	15		2
Cr Harold Tracey	17	13		4
Cr Jenny Bloom – resigned 16/10/14	4	4		
Cr Philomena Lewis	17	12		5
Cr Desiree Male	17	14		3
Cr Mark Manado	17	11		6
Cr Philip Matsumoto	17	15	2	
Cr C Mitchell	17	14		3
Cr Anne Poelina	17	13		4

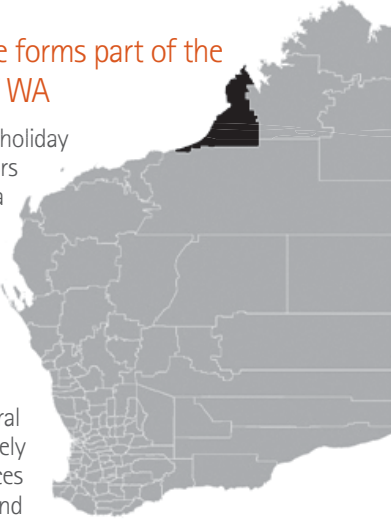
Broome Snapshot

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 16,000, this equates to a density of 3sqkm for every person in comparison to 282 people per sqkm within the Perth metropolitan area.



Visiting Broome

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

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

Broome has many attractions including the natural phenomenon of the Staircase to the Moon, 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, and logistics, with the expansion of these sectors expected to generate economic growth for the region and offering greater employment opportunities into the future.



Shire of Broome Beach Lifeguards patrol world-famous Cable Beach.

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 Shire has a management structure of five directorates: Office of the CEO, Community and Economic Development; Corporate Services; Development Services; and Infrastructure 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.

Office of the CEO

The Chief Executive Officer, Kenn Donohoe, oversees this Directorate which is responsible for Human Resources, Executive Assistance and Media and Promotions. Responsibilities include public relations, internal and external media, coordination of the Business Excellence Service Team, training, organisational development, recruitment, occupational health, safety and risk.



Kenn Donohoe
Chief Executive Officer



Paul Martin
Deputy CEO/
Director Community
and Economic
Development



Sam Mastrolemba
Director Corporate
Services



Michael Dale
Director Infrastructure
Services



Andre Schonfeldt
Director Development
Services

About the Shire of Broome

Community and Economic Development

The Deputy CEO, Paul Martin, is responsible for Community and Economic Development Services. This directorate is comprised of specialist staff in the areas of economic development including project and events management, community development including libraries, disability access and inclusion, beach lifeguards, sport and recreation, youth, culture and the arts.

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 coordinating Shire administration, finance, information technology and records management, it also undertakes cemetery administration, 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.

Infrastructure Services

The Director Infrastructure 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. Infrastructure Services is responsible for roads, footpaths, drainage, car parking, street lighting, street furniture, depot and nursery, commercial and residential property and leasing, asset management, reactive maintenance, 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.

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 2014/2015, 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 forecasted income and expenditure for the coming financial year, identifies income sources and outlines proposed projects and activities.

Plan for the Future – Integrated Strategic Planning (Strategic Community Plan and Corporate Business Plan)

The *Local Government Act 1995* requires all Local Governments in WA to implement a Plan for the Future.

Amendments to the *Local Government (Administration) Regulations 1996* have better defined what comprises a Plan for the Future. These amendments were supported by the state-wide introduction of the Integrated Planning and Reporting (IPR) Framework. This Framework was introduced to ensure the integration of community priorities into strategic planning for Councils. The Strategic Community Plan (SCP) is the head document of the IPR framework and provides the longer term view (10-year plus timeframe) and sets out the vision, aspirations and objectives of the community. The Corporate Business Plan (CBP) is responsible for translating the strategic direction of the Shire articulated within the SCP, into specific priorities and actions at an operational level. The CBP also draws together actions contained within the Long Term Financial Plan, Capital Works Programs and various informing strategies, and is reviewed annually in line with the budget process to ensure priorities are achievable and effectively timed.

A minor (desktop) review of the Shire of Broome's Strategic Community Plan 2013-2023 and Corporate Business Plan 2013-2017 was undertaken in 2014/2015. At a Special Meeting

About the Shire of Broome

of Council held 19 February 2015 Council adopted the Shire of Broome Strategic Community Plan 2015-2025 and the Corporate Business Plan 2015-2019 which will be effective 1 July 2015. Local Public Notice of the adoption of the reviewed plans was provided in the Broome Advertiser on 5 March 2015, notices were placed on the Administration and Library noticeboards and on the website.

The SCP was amended on the following basis:

Outcome 1.6 – High level social capital that increases community capacity; and Outcome 4.5 – Retention and attraction of staff were removed as it was viewed that they were represented in other outcomes.

Some Strategies were amended based on Council direction, various achievements since the development of the original plan and after considering resource constraints.

In addition a new Strategy 1.3.3 – Provide safe accommodation for transient populations has been included to address current issues.

The CBP was reviewed to accommodate the changes that occurred during the desktop review of the SCP, and completed Actions have been removed from the reviewed document.

The following Corporate Business Plan Actions have been completed and therefore removed from the reviewed document.

- 1.1.1.2 Develop an external Community Consultation Framework
- 1.4.1.1 Construct the new Amenities Facility at the Broome Recreation and Aquatic Centre.
- 1.4.2.3 Progress the adopted Town Beach Cultural Plan into a Town Beach Development Strategy incorporating urban design, infrastructure and community planning.
- 1.6.2.1 Develop, implement and review community engagement framework.
- 2.1.3.1 Develop a community consultation and communication process (including social and cultural planning) that will be integrated into the Shire planning processes.
- 2.1.3.2 Provide the opportunity to meet and discuss the proposed local planning strategy/local planning scheme with all interested groups during the public consultation period - include all relevant areas outside of the Broome township ie Dampier Ward including areas such as Coconut Well, pastoral leases, 12 Mile, Aboriginal communities etc.
- 2.1.4.1 Lobby to ensure the land use planning for the Dampier Peninsula is recognised as a major component of the local planning strategy/local planning scheme and the consultation includes those sections of the community.
- 2.1.4.2 Establish a working group to facilitate Dampier Peninsula community input.

- 2.2.1.1 In consultation with the community, review the Municipal List to map all relevant buildings and sites across the Shire of Broome.
- 2.3.4.3 Undertake waste audit for wet and dry season.
- 2.7.5.2 Dampier Ward Working Group.
- 3.1.6.1 Develop a Chinatown Development Strategy and incorporate the 2003 review of the Chinatown Development Strategy.
- 3.1.7.1 In collaboration with the Department of State Development and other key stakeholders: Undertake and audit of the Shire of Broome's capacity to respond and manage future economic growth and development across the Region, Identify financial and resourcing risks, Develop an Organisation Resources and Infrastructure Capability Plan that responds to the gap analysis outlined in the Capacity Audit.
- 3.2.2.2 Engage with LandCorp, State Lands and other agencies to ensure design, development and release of land is adequate and timely.
- 3.2.3.3 Investigate additional and appropriate areas for consideration in LPS6.
- 3.2.4.1 Lobby State Government to ensure that appropriate land is released in response to economic and population growth and demand.
- 3.2.4.2 Support and assist stakeholders with developing new land release sites ie associated development with the Indigenous Land Use Agreement.
- 3.3.1.2 Streamline Shire of Broome processes and policies to encourage business and economic development.
- 3.3.3.1 Prepare information and date for review.
- 3.3.3.2 Commence community consultation and completion of project.
- 4.2.4.3 Project Management Framework developed and implemented.
- 4.2.4.2 Complete the Occupational Safety and Health/ Organisation Risk Management Register and Outcome Plan.
- 4.3.2.3 Undertake the Tourism Differential Rate Review.
- 4.4.1.1 Develop a Customer Complaints Procedure.
- 4.4.1.2 Develop a Customer Service Charter.
- 4.6.6.1 Review and implement the Shire Record Keeping Plan.

2014/15 Year in Review

This report summarises the Shire of Broome's progress during the 2014/15 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 2014/2015.

1.1 Effective Communication

Marketing and Media

The Shire of Broome uses 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 2014/15 extensive communications programs utilising advertising, media releases, direct email, social media, open days and public information sessions have been implemented for strategic projects such as the Cable Beach Development Strategy, Chinatown Revitalisation, Regional Resource Recovery Park, Sport, Recreation and Leisure Plan, and Public Art Master Plan; economic development initiatives; public events such as Anzac Day, Australia Day, Christmas celebrations, 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 continues to use current and emergent communications technology with active and growing Facebook pages for the Shire

of Broome, BRAC, Broome Civic Centre, Broome Public Library, and Club Development. These are updated regularly and are an effective way to disseminate information, as well as providing a forum for community members to ask questions and provide feedback.

A fortnightly Shire newsletter continues to be published in the Broome Advertiser newspaper, and an email newsletter is distributed to a growing database of subscribers each month.

The Shire of Broome website is updated regularly and is a reliable source of a broad range of information, with a new website under development to be launched in 2015/16.

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 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.



Shire Waste Coordinator Jeremy Hall interviewed by ABC Kimberley.

Our People

Community Perceptions Survey

Community surveys are an effective tool for obtaining information about the views 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.

Market research consultant Catalyse was contracted to conduct the Shire of Broome Community Perceptions Survey 2015. Survey forms were distributed in March and April 2015 through Australia Post to PO boxes in Broome, posted directly to non-resident ratepayers, and were available from the Shire Administration and the Shire display at LoveBroome Expo, and the survey was available online through the Shire website. Surveys were conducted face-to-face with residents in the Bidyadanga, Beagle Bay, Lombadina and Ardyaloon (One Arm Pt) remote communities by Aboriginal community engagement specialist Community Development Services Australia.

Questions covered the range of areas over which the Shire of Broome has direct responsibility, and also those in which the Shire has joint responsibility with other levels of government, private organisations and the community.

The initial results of this research were presented to the Shire by the consultant at the end of June and will now be the subject of workshop discussion before the findings and a report are presented to Council and the community in the latter part of 2015. These results can then be incorporated into the Shire's future planning.

Community Sponsorship

In 2014/15, Council allocated \$23,730 of Shire funds and \$48,029 from the EDL reserve as part of the annual community sponsorship program providing up to \$10,000 to a total of 17 organisations and activities. A further 11 groups received a total of \$9,370 in ad-hoc funding (maximum of \$1000 each) from the Shire with a further four activities funded through LandCorp's Community Building Sponsorship which is administered by the Shire of Broome, for activities occurring in Broome North..

Council agreed to renew three-year agreements to continue to sponsor and support large-scale events and long-term programs including the Kullarri NAIDOC Festival, Kimberley Girl, Kullarri Patrol and the Taiji Cultural Exchange Program. Council also agreed to enter into new three-year agreements with Broome Relay for Life, Over 50s Senior Citizens and the Kyle Andrews Foundation.



The Shire continues its sponsorship of Kullarri NAIDOC.

1. 2 Affordable services and initiatives to satisfy community needs



76 Broome people became Australians at citizenship ceremonies hosted by the Shire.

Welcoming New Citizens

The Shire of Broome conducted five Citizenship Ceremonies in 2014/15 at which 76 people became Australian Citizens. Participants were from countries including New Zealand, Philippines, United Kingdom, Canada, Germany, India, USA, South Africa, Scotland, Chile, Cameroon, Mauritius, France, Cuba, Sweden and Indonesia.

Ceremonies were conducted by Broome Shire President, Graeme Campbell, and in addition a welcome was conducted by Yawuru Native Title Holders. The Shire encourages people of all cultures to join the Broome community and share their heritage.

Community Development

Following public advertising of the Sport, Recreation and Leisure Plan, Council adopted a Framework for the Development of Sport and Recreation Facilities 2015-2025 in February 2015. This has informed the Shire's Long Term Financial Plan and projects submitted as part of the annual budget process.

During 2014/15, the Kimberley Zone attracted funding to prepare a Kimberley Youth Strategy which will inform the development of a Youth Action Plan for each local government area in the Kimberley. Broome's Youth Action Plan will be developed during 2015/16.



The Shire coordinated the successful FairGame program to provide sports equipment for those unable to afford it.

The Shire's Youth and Community Development Officer collaborated with not-for-profit organisations and government agencies to deliver youth programs including National Youth Week activities, Deadly Divas Day and School Holiday Programs. The Youth and Community Development Officer is supported by a three-year partnership with Rio Tinto.

The Club Development Officer worked with Kimberley Training Institute and Department of Sport and Recreation to deliver the Broome Sport in Focus Week and further collaborated with the WA Department of Sport and Recreation and the Broome Sports Association to deliver the Talent Development Program. This position is supported by a three-year partnership with the WA Department of Sport and Recreation. The Shire's Manager Community Development participated in the recruitment process for the new Kimberley Regional Manager for the WA Department of Sport and Recreation.

A Progress Report on the outcomes of the Shire's Disability Access and Inclusion Plan was presented to the Access and Inclusion Advisory Committee and to Council prior to submission to the Disability Services Commission.



The Shire's Sport, Recreation and Leisure Plan will guide development in these areas.

Our People

Festivals and Events

Shire staff coordinated the highly successful 2014 Perth Royal Show Guest Town initiative and were awarded the Best Commercial Exhibition. Staff also worked with NW Expo Inc to present Love Broome Expo at the Broome Civic Centre, the Loritz Circus and Mitro Fun Fair on Male Oval and assisted Cable Beach Polo to change the originally approved dates for its 2015 and future events.

Event support was also provided to events such as Kyle Andrews Walk and Expo, Master Builders Awards Corporate Dinner, Dragon Boat Racing, Broome Marathon, Broome Tri Club Broome Triathlon and the Mothers Day Classic.

Officers have been working with new project managers for Shinju Matsuri to provide information regarding the Shire event approval process and compliance requirements.

In 2014/15, Shire officers collaborated with health agencies to deliver Mental Health Day activities at Town Beach and worked with Spirit FM to deliver the 2014 Chinatown Christmas Street Party. Despite a last-minute reduction in sponsorship, the Shire again presented the highly successful Australia Day Fireworks and Family Celebration at Town Beach.

A proposal was developed and subsequently endorsed by Council for the lease of office space at Broome Civic Centre for Shinju Matsuri to provide an administrative base for Broome's longest running community event.



Broome's entry in the 2014 WALGA Banners in the Terrace competition, designed by Lachlan McMahon.



Shire President Graeme Campbell and 2014 Shinju Matsuri Art Prize winner Karen Morgan.

Broome Civic Centre

In 2015, the Shire launched a dedicated Broome Civic Centre website which includes news, venue and event information and the ability to purchase tickets for events. Patrons are also able to provide feedback to the Shire regarding their experience at the venue.

A new logo was developed for the Broome Civic Centre after seeking concepts from the community. The winning design reflects the cultural heritage of the building, Sammy the Dragon and also the coastline of Roebuck Bay.

As part of the 2015/16 Budget process, fees and charges were reviewed and compared with other local government areas to ensure the Shire's facilities remain accessible and competitive.

In accordance with the Shire's Programming Policy, the following shows were presented by the Shire of Broome during 2014/15 attracting nearly 3000 audience members;

- Midsummer – A Play with Songs Black Swan Theatre
- Managing Carmen
- Dust of Uruzgan
- Swamp Juice
- Squaring the Wheel
- B2M (Bathurst to Melville)
- Kevin Kropinyeri
- Gym and Tonic
- Melbourne International Comedy Festival

The Civic Centre was also well utilised as a venue for hire with over 15,000 people attending events at the Centre including;

- Civic events – Citizenship ceremonies, Happy Broome launch, Thank a Volunteer Breakfast;
- Arts and entertainment – Theatre Kimberley Worn Art, Broome Academy of Dance, Sun Studios;
- Private and community functions – weddings, birthday celebrations, NAIDOC Ball, White Ribbon Gala;
- Meetings/conferences – KLC, Yawuru, Curtin University, KTI, Business Breakfast Series.

Broome Public Library

The Broome Public Library hosted more than 104,000 visitors during 2014/15 with 129,000 books and e-books issued throughout the year. Storytime, Build-Up Lego Club and Rhyme Time were favourites with young families while over 25,000 visitors took advantage of the free wi-fi available at the Library.

Although Library stock funding provided by the State Library of WA was reduced by 38 per cent in October 2014, advocacy by Council and through the Kimberley Zone saw this decision reversed for the 2014/15 financial year.

The Shire of Broome continued to host the Regional Activity Plan on behalf of the Kimberley and has been working with the WA Local Government Association and Public Libraries Australia to develop a vision for the future of public libraries in WA.



Broome Civic Centre Venue Coordinator Sarah Dobson with logo design competition winner Edward Tran.



Star Wars Day at Broome Public Library.

Our People

Support for External Service Providers

The Shire is regularly called upon to support external services providers in a number of ways. In 2014/15, Shire officers;

- Assisted with promotion and facilitation of grant writing workshops for the community presented by Regional Development Australia;
- Assisted in promoting and participated in a FIFO workshop presented by Ngala and Rio Tinto;
- Participated in a meeting of the Kimberley Zone regarding Youth services in the Kimberley;
- Assisted local youth agencies to restructure and develop a joint vision for youth services in Broome.

In addition, the Shire receives ongoing requests for letters of support and during the year provided them for Broome Youth and Families Hub, Marrugeku and Theatre Kimberley among others.

Broome Independent Schools Cluster

Officers worked with the Broome Independent School Cluster Board during the year to develop and present to Council a business case for the establishment of Health and Education Alliance (HEAL) centres proposed to be based at Broome primary schools. Council agreed to auspice funding for the project and officers have provided advice and support for funding submissions.

The Shire also hosted a networking sundowner event for Broome Independent Schools Cluster board members.

Community Storage Shed

The Shire of Broome will construct a new Community Storage Shed in 2015/16 after successfully applying for \$250,000 in grant funding from Lotterywest.

RAAF Beaufighter Memorial and Anniversary Commemoration

In 2014 Broome made international headlines when some remarkable work by Dion Marinis and Jim Miles uncovered the wreckage of a WWII RAAF Beaufighter A19-163 aircraft on the seabed off Cable Beach. On 18 September 1944 the aircraft crashed into the ocean soon after takeoff, claiming the lives of Flt Sgt Ronald S. Kerrigan and Sgt Ronald G. Smith.

Following the discovery of the wreckage, the Shire collaborated to erect a memorial to the two pilots, and a memorial service on the 70th anniversary of the crash was attended by family members from around Australia along with senior RAAF personnel and a contingent of the Broome community.

Anzac Centenary

The Shire collaborated with the Broome RSL, St Mary's College, Broome Men's Shed and others to present Anzac Centenary commemorations in 2015. A successful Dawn Service drew record crowds to Bedford Memorial Park, while an Anzac Eve event at Town Beach was also well supported. Highlights included the attendance of a representative of the WA Police Pipe Band and a moving performance tribute by 40 St Mary's College students to the 56 Broome men killed in service during WWI.

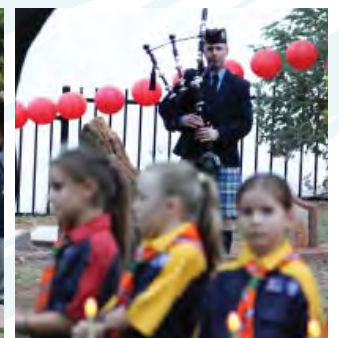
During the Anzac Day ceremony at Bedford Park, the Shire of Broome in conjunction with the Anzac Centenary unveiled a new memorial wall for the 100-year anniversary and upgrades to the existing cenotaph. The wall and memorial revitalisation was made possible through \$10,000 received from the Anzac Centenary Grants Program administered by the Department of Veterans Affairs, the Repatriation Commission and Military Rehabilitation and Compensation Commission.



A memorial service on 18 September 2014 commemorated the crash of a WWII Beaufighter aircraft off Cable Beach with loss of two lives.

Our People

Anzac Centenary



Our People

1.3 Accessible and safe community spaces

Public Art Master Plan

The Public Art Master Plan was advertised for public feedback in November 2014 and taking into account the feedback received, was adopted by Council in February 2015 as a guide for the implementation of public art projects in the Broome town site. This will apply to the Shire's Local Planning Policy 8.20, where development projects with a value of \$2 million or more are required to include a provision for public art, either through a direct cash contribution or by undertaking a public art project within the development.

Through a coordinated approach to public art projects, the Shire aims to:

- Contribute to the amenity of the town;
- Build capacity and economic opportunity for the Broome community;
- Celebrate and reflect the culture, heritage and diversity of the town and its environment;
- Integrate the use of public art into planning, development and built infrastructure as well as festivals, events and celebrations.

Officers are also developing a process for commissioning artists and assessing public art proposals which will be overseen by the Shire's Arts, Culture and Heritage Advisory Committee.

Feedback regarding Public Art Master Plan included the need for capacity building for local artists, which has been incorporated in the revised Plan and a submission has been made to the 2015/16 budget process to hold workshops to increase the capacity of local artists to undertake public art projects. Officers developed and promoted the Broome Arts Register which encourages local artists to register their details for the purposes of:

- Communicating information regarding relevant events and opportunities;
- Collecting information regarding local artists and artworkers available for projects/commissions;
- Providing access to expert advice for Shire projects.



Christmas in Chinatown.

1.4 Participation in recreational activity

Broome Recreation and Aquatic Centre

BRAC has maintained annual programs and expanded through the introduction of a Dry Season Dash & Splash Series to complement the wet season series, as well as the BRAC2Beach Fun Run, Wet and Dry Group Fitness, School Holiday Program, Mixed Netball competition and more.

Swim teaching programs have continued to progress with record numbers learning to swim in the BRAC pool for 2014/15 with a peak of 379 participants in the first term.

BRAC staff have focused on maintaining a social media presence by sharing public notices, event details and program information with the Broome and wider community. It has proven a successful way to target specific markets and to take feedback. Print and radio advertising has continued.

Council has decided to defer the investigation into outsourcing management of BRAC due to the improved operations and financial performance of the centre. Investigation will take place into improving revenue making opportunities in the 2015/16 financial year to assist in continuing to bring BRAC forward as the community and regional sporting hub.

BRAC Upgrade

The Shire of Broome has secured \$1.25 million from the WA Department of Sport and Recreation to upgrade the aquatic component of BRAC. The refurbishment was identified as a key

project in the Sport and Recreation Strategic Plan and BRAC Master Plan, with work expected to start in April 2016.

This is a \$3.2 million project jointly funded through the WA Department of Sport and Recreation, developer contributions and the Shire of Broome and will involve overhauling the plant and water treatment systems as well as a facelift of the pool concourse and lining.

The facility was built more than 20 years ago and is a frontline service that receives considerable patronage from the Broome community and visitors. This necessary mechanical upgrade will allow utilisation of the aquatic centre for years to come.

KidSport

The Club Development Officer continued to promote and administer the KidSport program on behalf of the WA Department of Sport and Recreation. KidSport provides a subsidy of up to \$200 towards sporting club fees for disadvantaged young people. Twelve sporting clubs engaged in the program in 2014/15 with 407 vouchers received – 67 per cent of applicants had not previously been a member of a sporting club. A total of 22 referral agents actively contributed to the program from a variety of organisations, including schools, police and community groups. The KidSport program also assisted with developing new programs in three remote communities, with members of four different remote Aboriginal communities participating.



Dash & Splash run and swim series at Broome Recreation and Aquatic Centre.

Our People

1.5 A healthy and safe environment

Beach Lifeguards

Shire of Broome Beach Lifeguards conducted patrols during the dry season months in 2014/15. Incidents included a major first aid and several beach closures due to the presence of irukandji jellyfish. The lifeguards have also dealt with incidents including beach closures due to jellyfish, crocodiles and sharks.

The Beach Lifeguard Service has been operating at a standard of two-person minimum supervision with additional cover through the warmer middle parts of the day. Standard operating procedures are being continually refined to ensure they remain current with the best practice and current management arrangements. Investigation has commenced into service delivery options for future years, with a decision to be made by Council in late 2015.



Shire of Broome Beach Lifeguards checking for marine stingers on Cable Beach.



Shire Environmental Health Officers monitoring mosquitoes in the community.

Environmental Health Services

The Shire's Environmental Health Team monitors the environment, both natural and built, to promote, protect and maintain the health and wellbeing of our communities.

Staff carry out routine auditing of premises under the relevant legislation and this year included inspections of: 226 food premises, 57 public buildings, 17 caravan parks, 10 lodging houses, 102 pools with 53 aquatic facilities, 10 hairdressing premises and 11 beauty therapy premises on a frequency determined by risk. The team achieved 95 per cent of scheduled routine inspections while having one vacant position for six months.

Staff also assess applications for: onsite wastewater disposal, events, developments, buildings and trading licenses. They also respond to and investigate infectious and communicable diseases, excessive noise complaints, potable water issues, air pollution and health concerns associated with housing.

Mosquito Management Strategy

Environmental Health implemented the Shire of Broome's Mosquito Management Strategy to minimise, protect, promote and maintain the health and wellbeing of the community. Funding was sourced from the Department of Health to employ a part-time mosquito officer for three months, who conducted the annual mosquito monitoring program during the wet season. The program started in February and involved weekly trapping, counting and identifying of mosquitoes. The officer also reviewed the Mosquito Strategy and produced a Business Operating Procedure. Throughout the year fortnightly blood samples are collected from sentinel chicken flocks, visual surveillance for mosquito larvae in pooling water and completion of interviews with patients following notification by the Department of Health of mosquito-borne diseases.

Staff use the monitoring data, together with weather and environmental information to inform the chemical control programs which included larviciding of larvae in tanks, drains and other areas of pooling water. Staff also provided regular mosquito risk updates to the community in the local newspaper, radio, television and information sheets.

This year the Mosquito Technician provided a public information session at the library and a public display at the Boulevard to educate about mosquitoes, inform the public on the Shire's role and actions to prevent mosquitoes breeding, how to prevent breeding sites and how the community can protect themselves against mosquito bites. An online survey was also carried out that gathered information about mosquito knowledge within the population of Broome.

Ranger Services

In 2014/15 Rangers responded to: 1324 customer service requests; impounded 511 dogs and 214 cats; issued 987 infringements and 321 warnings; attended 92 dog attacks; and had 179 dogs/cats euthanised.

Administration

During this year Rangers have completed:

- Service plan for 2015/16;
- Standard Operating Procedures;
- Implemented the Customer Service Records recording system;
- Reviewed the infringement books;
- Feasibility of Call Centre service for Ranger Team;
- Report on Animal Management and feasibility of a Shire Pound;
- Implemented a 2-6 Dog Policy.

Animal Management

The enforcement of the Dog Act is a large component of the work of Rangers. The objective is to increase awareness of, and voluntary compliance with the Dog Act to ensure a safe environment, maintain the amenity of the environment and to maintain the health and wellbeing of the community. This has been achieved by: use of media with both TV and radio interviews, a targeted program to review registration data, provide an amnesty for a period, conducting a door knocking campaign and the implementation of an increased enforcement focus, that offenders against the legislation are infringed.

Information leaflets have been developed and are distributed by Rangers and customer service staff and will be uploaded to the internet when the Shire website is updated.

Rangers conduct patrols and respond to customer service requests that include: dogs wandering, nuisance by barking/howling and dog attacks.

Rangers have investigated a significant number of dog-related complaints, with a significant number of infringements issued and dogs surrendered to the Shire, removing the danger from the community. There has been action undertaken at a number of premises regarding having more than two dogs and in one operation 32 dogs were removed.

Rangers were involved with a consultant report on the animal management within Broome and the options for the provision of pound services. A report has gone to Council to consider options for attaining a complete tender for the provision of these services.

The enforcement of the Cat Act which came into effect in 2011 is slowly increasing with the implementation phase now concluded. Rangers are involved with the registration and management of cats in the community.

Bushfire Control

Rangers are responsible for enforcement under the legislation and in liaison with the Department of Fire and Emergency Services and Department of Parks and Wildlife. This year Rangers have been involved in the process of community planning, preparedness and response to bush fires. As part of this process the team prepared and had gazetted, and circulated, in the local newspaper, the Shire's annual Firebreak Notice. They implemented an inspection program of all appropriate properties to ensure compliance, provide advice, issue fire prevention notices and follow up inspections for enforcement action where necessary.

The objective is to provide a fire-safe community which is prepared for bushfire so as to provide a safe environment and protect the health and wellbeing of our community. There has been a marked improvement in compliance with the Firebreak Notice this year in comparison to 2014.

The Broome Regional Bushfire Brigade has continued to provide a response capability, and has seen a growth in membership. Response areas included large fires in the Coconut Well, Roebuck, Port Smith areas as well as a number of other smaller incidents.

Litter Control

Rangers ensure compliance and enforcement of the unlawful disposal of waste. They educate the public on the benefits of proper disposal of their general waste and encourage the public to dispose of their general waste through the Shire-provided waste management system. This year they coordinated efforts with the Shire's pre-cyclone clean up.

In order to address littering, the mobilisation of the community is necessary as offences tend to be committed out of sight and out of hours. Community help is essential to identify offenders and provide witness statements for further enforcement. This is an area Rangers have identified as requiring further education and community involvement.

Illegal Camping

Illegal campers create a number of antisocial problems including litter and noise, which adversely affect the amenity of the area. Rangers monitor and enforce illegal camping under the Caravan Parks and Camping Grounds Act 1995 and the Local Government Property and Public Places Law 2012. Rangers ensure that visitors to Broome utilise the designated camping facilities and not camp in undesignated areas.

Early morning patrols to known "hotspots" have been a most effective means for enforcing the camping laws.

Our People

Off Road Vehicles

Rangers enforce the Control of Vehicles (Off-Road Areas) Act. In particular, this Act covers those areas of foreshore located at Gantheaume Point, Reddell Beach and Cable Beach that are prohibited for driving vehicles. The objective is to protect the fragile environment and prevent the damaging effect of indiscriminate vehicle access to sensitive areas.

Regular patrols are maintained specifically in culturally and environmentally sensitive areas. Several drivers and riders have been found in these prohibited areas and were issued with infringement notices accordingly.

Local Laws

Rangers ensure compliance with the local laws which are designed for good government so as to ensure a safe environment and that the amenity value of the environment is maintained. In this area the team has carried out compliance and enforcement in:

- Parking – management of the timed parking area in Chinatown, at "hotspots", in school zones, no stopping zones, accessible parking bays and parking on verges/traffic islands;
- Signs in the road reserve;
- Discarded shopping trolleys;
- Traders operating in the town site and on Cable Beach.



New shade structures going up in Chinatown.

1.6 High level social capital that increases community capacity

Planning Services

Local Planning Policies

Local Planning Policies (LPPs) perform an important role to guide development within the Shire of Broome. This year, the following Local Planning Policies were adopted:

- Forms of Residential Accommodation other than a Single Dwelling;
- Non-conforming Use Register.

Further, the Shire undertook a review of all its existing LPP and Planning Policies in anticipation of the gazettal of Local Planning Scheme No 6. In total 33 policies were reviewed and amendments were proposed so that the LPPs are relevant to the new Scheme. An extensive consultation period was undertaken in which all amendments were advertised for public comment with a 42-day comment period.

The public consultation period has closed and it is anticipated the proposed amended LPPs will be presented to Council for adoption early next year.

The Structure Plan and Subdivision Standards (Structure Plan LPP) was also prepared and adopted for the purpose of seeking public comment. The principal objective of the draft Structure Plan LPP is to outline variations to State planning documents to ensure that structure plans prepared are appropriate for Broome's conditions particularly with regard to planning for urban water management, climate responsive design, culture and character. The Structure Plan LPP was informed through stakeholder workshops held in 2013, where key stakeholders contributed views on these key planning elements.

Council adopted the draft LPP for the purposes of undertaking public consultation in February 2015 and the adopted Community Engagement Framework has been implemented which included workshops with key stakeholders, direct mail outs, notices in newspapers and notices on the Shire's website.

The public consultation period has closed and it is anticipated the draft policy will be presented to Council for adoption early next year.

The draft Minor Development Policy has been prepared with the intention of streamlining the approval process and remove unnecessary red tape. The policy will achieve this by establishing which forms of development are considered minor and so do not require planning approval from the Shire. The public consultation period has closed and it is anticipated that the draft Policy will be presented to Council for adoption early next year.

The Shire of Broome aims to help protect the natural and built environment and cultural heritage of Broome while recognising the unique sense of the place. These are the strategies put in place to achieve this, and a summary of progress made during 2014/15.

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

Planning Services

Local Planning Scheme 6 and Local Planning Strategy

The first local planning scheme to cover the whole of the Shire of Broome came into effect on 30 January 2015 and now guides development throughout the Shire. It replaced Town Planning Scheme No. 4 which previously covered the Broome township and immediate areas, and Interim Development Order No. 4 that covered the remainder of the Shire.

Within the township of Broome the key changes are:

- Extension of the 'Town Centre' zone west to encompass the land on Coghlan and MacPherson St;
- Creation of a 'Service Commercial' zone on land immediately east of the Broome Boulevard, for future large format and bulky goods retail;
- Reshaping of the intent of the 'Mixed Use' zone to provide an area for residential, office and tourist development with a low density of R10 maintained in parts of Old Broome;
- Zoning of the Broome North residential subdivision in accordance with Local Development Plan 1; and
- Insertion of a 'Landscape Protection Areas' Special Control area to protect the monsoon vine thickets and RAMSAR wetlands.

Within the former IDO area the key changes are:

- Zones and Reserves introduced for the first time so a consistent and contemporary approach to planning for the areas can be applied;
- Pastoral Stations are zoned 'General Agriculture' which will allow for the continuation of pastoral activities as well as for diversification through low-impact tourism;
- Larger Aboriginal communities are zoned 'Settlement' with development to comply with an endorsed Layout Plan;
- A 'Low Impact Tourism' zone is applied to existing tourism developments such as Kooljaman, Eco Beach and Eighty Mile Beach;
- A 'Culture and Natural Resource Use' zone is introduced with development to preserve Aboriginal heritage and cultural areas and conserve the natural environment.

The adoption of LPS6 was the culmination of a long process which included significant community involvement - 159 submissions were received during the public submission period in 2013, with many of the submitters' comments now incorporated into the final document.

The operation of LPS6 will be guided by the long-term planning framework of the Shire's Local Planning Strategy. The LPS was endorsed by Council in November 2013, and approved by the WA Planning Commission in July 2014, with the final document being released in early 2015.

To assist the community with understanding the key changes that have resulted, all submitters were advised of the adoption and gazettal of these key documents, a series of media releases were published and a series of community workshops were held in Beagle Bay, Djarindjin, Lombadina, Ardyaloon and Bidyadanga.

As a result of the gazettal of LPS6, the following administrative processes were also finalised by Planning Services:

- Update of website and preparation of Guidance Notes for developments in different zones;
- Review and updating of delegations; and
- Review and updates to all Local Planning Policies.

State/Regional Land Use Strategies

Planning Services coordinated or provided input into the Shire of Broome response on the following key land use and development strategies prepared to guide development of the Kimberley Region:

- Dampier Peninsula Planning Strategy;
- Kimberley Regional Planning and Infrastructure Framework; and
- Draft 2036 and Beyond: A Regional Blueprint for the Kimberley.



WA Local Government Minister Tony Simpson in Broome.

Our Place

Input to State Planning Reforms

Over the past year, the State released a number of documents for comment and review as a part of the State Planning Reform process. This included:

- Draft Planning and Development (Local Planning Schemes) Regulations 2014;
- Amendments to Planning and Development (Development Assessment Panels) Regulations 2011.

While it was originally foreshadowed that these draft/updated regulations would become operational early next year, the State has advised this is unlikely to occur until mid-October. The changes, although not finalised or released in final form, are likely to result in changes to LPS6 through the introduction of 'deemed provisions'. The 'deemed provisions' and other provisions within the regulations would result in changes to the assessment/approval processes for Structure Plans, Scheme Amendments and the Scheme preparation and review processes.

Planning Services also made submissions on the following State Planning Policies to ensure that local conditions are recognised and incorporated into the State policy framework:

- State Planning Policy 5.2 – Telecommunications Policy;
- State Planning Policy 3.1 – Residential Design Codes; and
- State Planning Policy 3.7 – Planning for Bushfire Risk, and associated Bushfire Risk Guidelines.

Layout Plan Reviews

This year, the Shire of Broome provided comments on proposed amendments to the following layout plans:

- Beagle Bay;
- Djarindjin; and
- Bidyadanga.

Local Development Plan Stage 3 – Broome North

This financial year the assessment of Local Development Plan Stage 3 (LDP3) was finalised and Council adopted LDP3 subject to some modifications.

This document will guide the development/subdivision of a 130.5ha portion of land which is generally bounded by the Waranyjarri Estate to the east, Sunset Rise to the west and the Ecological Cultural Corridor to the north. This Structure Plan would facilitate the creation of approximately 857 new dwellings.

Local Development Plan – Broome North Local Centre

The Planning Service section worked closely with LandCorp and its consultants to review a Local Development Plan prepared for the future Broome North Local Centre. The LDP was adopted by Council to set development control provisions which seek to ensure the development of a safe and vibrant 'main street' based local centre with a high quality public realm, incorporating Broome-style architectural principles.

Broome North Voluntary Developer Contributions

Shire staff have been in negotiation with LandCorp to seek agreement and finalisation of the Broome North Voluntary Contributions which would result in approximately \$5 million worth of developer contribution funds or in-kind works being undertaken. The agreement is anticipated to be finalised early next year to allow for funding and delivery of key capital projects including shared path networks, BRAC aquatic upgrades, scoping and contributions towards the motocross relocation and funding towards preparation of development contribution plans.

Development Contribution Plans

Planning Services is preparing draft Development Contributions Plans for community and hard infrastructure. Development Contributions Plans are adopted under the Local Planning Scheme and enable local government to collect monetary contributions from developers of new residential subdivisions, which will help fund key capital projects within the Broome town site. Contributions are calculated using the principle of 'the need and the nexus,' where developers pay a proportionate share of the cost according to the need for infrastructure that is generated by the residents who will live in their development.

Early next year the Shire will be undertaking a District Traffic Study to understand what transport improvements will be required as a result of predicted population growth, and a feasibility study to examine options to provide a fit for purpose water supply to irrigate public open space. These studies will assist in the preparation of the hard infrastructure plan. The community infrastructure plan will be based on Council's adopted Framework for the Development of Sport and Recreation Facilities 2016-2025, and other strategic documents.

Once finalised, the Development Contributions Plans will facilitate the collection of millions of dollars to contribute to recreational and community facilities and road and shared path network improvements. It is anticipated the Development Contribution Plans will be presented to Council for public advertising next year.

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

Planning Determinations

Planning Services assessed and determined:

- 134 development applications;
- 9 public works referrals;
- 4 Section 40 liquor applications;
- 9 subdivision/amalgamation applications;
- 5 Built Strata - Form 24 applications;

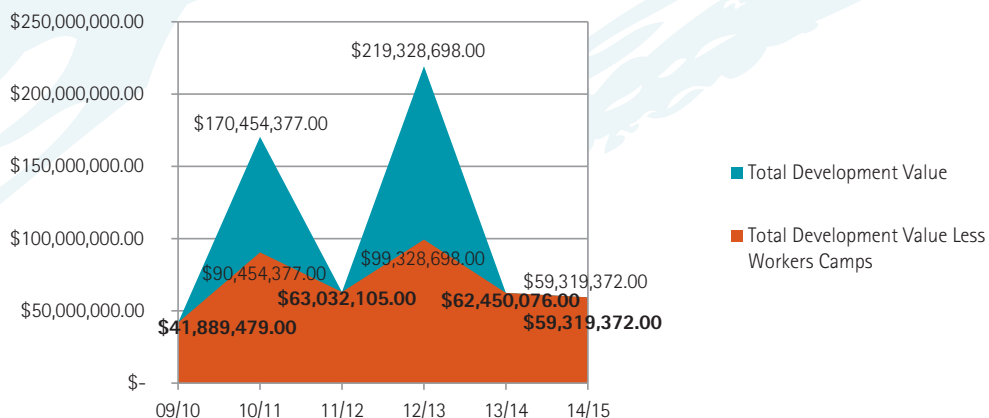
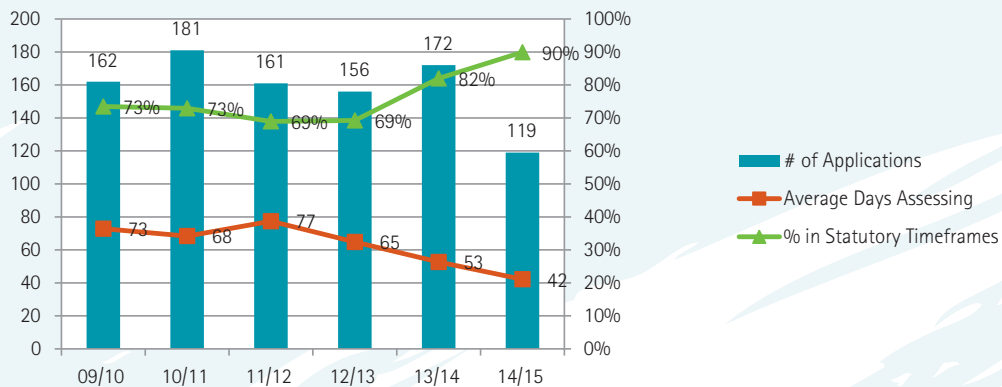
The total value of development applications approved this year was \$59,688,698, which was \$2.6 million less than the total value of development applications last financial year.

One marked improvement in planning determination which has been achieved this financial year is average processing times. The average processing times for development applications in 2013/14 was 69 days, which decreased to 31 days in 2014/15.

Old Broome Development Strategy

The Old Broome Development Strategy was adopted by Council as a Local Planning Policy in November 2014, after an extensive community engagement program which led to 77 public submissions and the completion of 105 online surveys. The Old Broome Development Strategy will guide future land use and development in the Old Broome precinct which extends east of Herbert St to Roebuck Bay and south of Frederick St to Demco.

The Old Broome Development Strategy further contains a Concept Plan showing potential improvements along the Roebuck Bay foreshore, with a particular focus on the Conti Foreshore and Town Beach. The Concept Plan will function as an 'Informing Strategy' under the Shire's Integrated Planning Framework and will be used to leverage funding for capital projects, including the conclusion of the Jetty to Jetty walk trail and the revetment of the eroding pindan cliffs at Town Beach.



Our Place

Building Services

There was a marginal reduction in building applications received in 2014/15 compared to the previous year. While it was a relatively small reduction in overall numbers the most noticeable difference was a drop in new housing and commercial activity. This downturn is a general reflection of the economic downturn experienced by the building industry in Broome over the past year.

Despite this, applications for new dwellings were good including strong numbers for dwelling additions, swimming pools, sheds, carports and other associated minor works.

New residential and associated construction is still occurring in both Broome North and Roebuck Estate, with the majority in Broome North. Cable Beach also had a small increase in new housing starts.

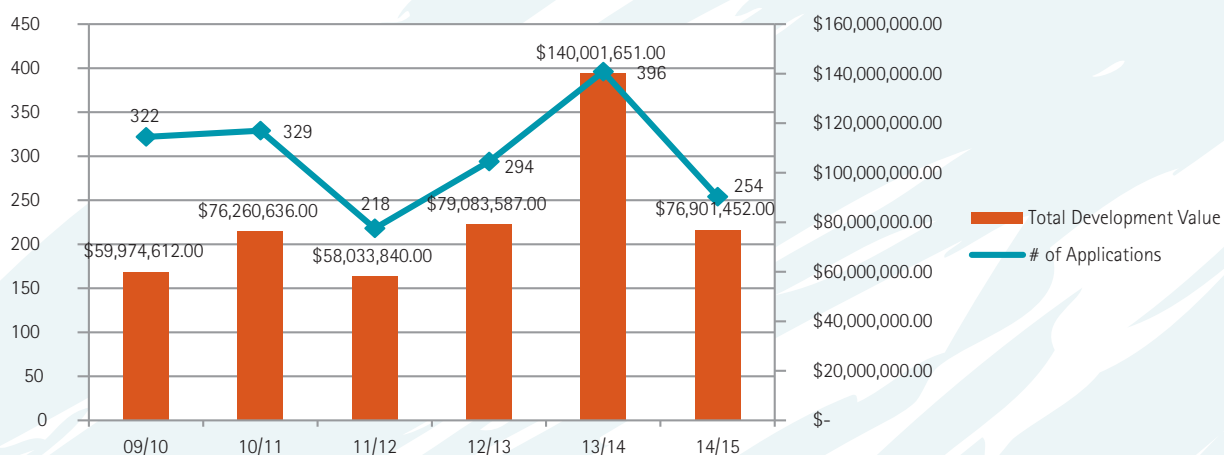
The figures for 2014/15 were consistent with 2013/14 and marginally higher for dwelling additions, outbuildings and other minor building works. These figures indicate that local community

confidence is still high with home owners keen to undertake these types of building works.

Commercial building activity is down from the previous year but is still occurring in Broome including the commercial areas of Broome North and the Port precinct. Several larger commercial projects were completed including aircraft hangar buildings at Broome Airport, KLC office building, GE workshop and the SWACO storage facility.

The Shire undertook a significant number of pool fencing inspections for existing pools required under the mandatory four-yearly inspection program along with inspections of pool fencing of swimming pools. The Shire achieved an increase in compliant pool fencing along with being able to provide pool owners with better information about their obligations under the legislative requirements for pool fencing.

BUILDING PERMITS ISSUED	2011/12	2012/13	2013/14	2014/15
Single Dwellings	126	240	113	91
Group Dwellings	2	17	2	0
Additions	14	17	21	24
Outbuildings	79	72	94	99
Commercial	37	29	29	17
Industrial	6	4	8	2
Pools	70	84	90	86
Tourist	6	3	3	0
Fences	66	63	43	49
Public Nature	5	9	4	5
Demolition	3	17	7	16
TOTAL	414	562	417	389



Coastal Vulnerability Study

The Shire is finalising a Coastal Vulnerability Study for the Broome town site, which will articulate 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 final report collates a number of models which incorporate climate change assumptions as accepted by the WA Planning Commission to address potential impacts of increased severe weather events and sea level rise.

In the coming year Planning Services will use the outcomes of the Coastal Vulnerability to prepare a Coastal Hazard Risk Management and Adaptation Plan (CHRMAP). The CHRMAP will be prepared in accordance with State Planning Policy and will engage stakeholders and the community in assessing the level of risk and considering various options to avoid, adapt to, or mitigate this risk. In tandem with the CHRMAP, the Shire will amend its Local Planning Scheme to identify and manage the risk of coastal hazards on existing and future development.



Live radio broadcast from the BRAC Open Day.



Artist's impression of proposed revetment work at Town Beach.

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

Yawuru Park Council

The WA Department of Parks and Wildlife and Yawuru Native Title Holders progressed the development of the draft Birragun (Out-of-Town Conservation Estate) and Nagulagun (Roebuck Bay Marine Park) Management Plan. These draft plans are both set for release for public comment in July 2015.

The Minyirr Buru (In-Town Conservation Estate) draft management plan is being prepared by Yawuru and the Shire of Broome. It is due for release for public comment in late 2015.

In 2014/15, the Yawuru Park Council met six times and secured a Lotterywest grant to progress the development of walk trails and staircases within Minyirr Buru (Minyirr Park). This design was completed and tenders were called for construction in May 2015. Onsite works are scheduled for August 2015 with completion in September 2015.

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

Municipal Inventory of Heritage Places Review

The Municipal Inventory of Heritage Places (MI) is an important document the Shire is required to prepare and review under the Heritage Act of WA 1990. Further, under the provisions of LPS6, the Shire of Broome's MI acts as the Heritage List which means that any modifications, including demolition, undertaken to a place listed on the MI requires planning approval from the Shire. The review of the Municipal Inventory was completed and to assist with the communities access to this document, the Shire GIS system has been updated so all property owners can access the information through IntraMaps.

Our Place

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

Perth Royal Show Guest Town

Shire staff coordinated the highly successful Perth Royal Show Guest Town initiative with outcomes including:

- A highly interactive, quality exhibition display and activity program;
- Broome Guest Town exhibit hosted over 35,000 people, averaging 4375 people per day;
- Winner of the "Award for Excellence of the 2014 Commercial Exhibitors Award" – IGA Perth Royal Show;
- Created positive public relations for the town via State and local media outlets;
- Creation of the aspirational brand #LoveBroome;
- Captured a database of 7724 people who are actively interested in visiting Broome;
- Created a positive medium-term flow-on effect to the Broome economy from potential increased visitation.



Shire Councillor Chris Mitchell works at the Perth Royal Show.



The Shire coordinated Broome's highly successful appearance as 2014 Perth Royal Show Guest Town.

Tourism Differential rating

Policy 2.1.6 Tourism Administration was reviewed and adopted by Council in preparation for the 2015/16 draft budget at the Ordinary Meeting of Council on 2 June 2015. The policy is the primary mechanism that supports the development of a successful visitor destination, which is implemented through the rating strategy used in the rate setting process as part of the annual budget.

The policy will facilitate collaborative, constructive partnerships with the local community, business groups, tourism industry operators, community organisations, and other stakeholders and agencies to implement this tourism policy. The policy provides for allocations in 2015/16 of: Broome Visitor Centre \$110,000; Australia's North West Tourism \$175,000, Shire Tourism Initiatives (\$10,000 Cruise Ships) and Broome Tourism Leadership Group \$ 20,000.

Other actions arising from the new policy include inviting the Broome Tourism Leadership Group to make a formal submission for consideration of funding; future review and amendment to the Tourism Administration Policy generally in line with the recommendations contained in the report to Council in consultation with key stakeholders; and continued liaison with the Economic Development Advisory Committee regarding the policy going forward.

Caravan Parks

Environmental Health carried out inspections of all caravan parks and held its annual meeting with the Broome Visitor Centre and caravan park operators in April 2015 to share information amongst the stakeholders and to facilitate the operation of overflow caravan parks. Overflow caravan parks provide short-term, temporary accommodation for travellers who have not secured accommodation prior to arriving in Broome during the busy tourist season. Staff maintain weekly contact with the visitor centre to monitor the availability from each caravan park and overflow sites.

Aquatic Facilities

Environmental Health carried out inspections of aquatic facilities in Broome and in March 2015 there were concerns with the increase of Cryptosporidium cases, with preventive measure taken to prevent an outbreak. The proactive approach involved issuing a media release and sending targeted information to child care centres, schools and public swimming pools. Radio coverage was also included to inform the population widely prior to school holidays.



Dash & Splash run and swim series at BRAC.

Our Place

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

Stormwater Drainage

During the 2014/15 the Shire undertook two major drainage renewal projects:

Frederick St Drainage Renewal

An existing 1200mm diameter drainage system which accepts stormwater from Frederick St as well as localised runoff was renewed. This project involved replacing the failed Helcor pipe (approximately 173m) with 900mm diameter reinforced concrete rubber ring joint pipe. Through this project access for inspection and maintenance was improved and the risk of blockage reduced through improved design. The outlet structure was also replaced as part of the project and localised remedial works carried out in the open drain adjacent to the KRO precinct.

Cable Beach Amphitheatre Drainage Outlet Renewal

This project renewed two failed drainage outlets at the western boundary of the Cable Beach Amphitheatre. These structures were renewed with core filled block work and outlet lids upgraded to fibre reinforced plastic grates to improve access for ongoing maintenance. The renewal of these structures will assist in dissipating run-off post storm events in this area.

Car Park Renewal

The 2014/15 car park renewal program resealed car parks at Jones Pl, Hamersley St, Hamersley St Prison, Cable Beach Ring Rd, Seaview and the Haas St car park. This work involved applying bitumen and aggregate to renew car park surfaces and the reinstallation of line marking post reseal. This work will maintain the car park pavement reducing future maintenance and renewal costs.



Work to improve road safety at a Black Spot on Carnarvon St.

Footpath Installation

The 2014/15 footpath construction program built footpaths in all of Broome's major subdivisions. Due to significant expansion of Broome North an extensive program was completed throughout the estate. Other smaller construction programs were completed in Old Broome Estate, Sunset Rise, Roebuck Estate, Six Seasons and a new footpath connection in Cable Beach on Nightingale Dve and a dual-use footpath installed through bikeways funding on Guy St between Pembroke St and Hunter St.

Urban Roadworks

2014/15 Urban road projects included:

- Frederick St and Carnarvon St Black Spot project. This project installed a slow point on Carnarvon St and involved pavement widening, and improved pedestrian access through installation of footpaths, pram ramps and improved signage.
- Hamersley St State Black Spot Project. This project installed a median island to provide pedestrian refuge when crossing Hamersley St. Trafficable paving was installed to provide a visual and audible surface treatment preceding the pedestrian crossing.
- Lorikeet Dve Extension. This project extended Lorikeet Dve from Sanderling Dve to Old Broome Rd. Work included considerable consultation with residents and Traditional Owners, lighting design and installation, clearing works, construction of road pavement and drainage along with a two-coat bitumen seal and associated line marking. This project also constructed a footpath to connect old Broome Rd and the existing Lorikeet Dve.
- Urban Reseal program. 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 Lucas St, Stewart St shoulder stabilisation and sealing, and stabilisation and sealing of the Old Broome Road causeway shoulders.



Work on the extension of Lorikeet Dve to Broome Hwy.

Rural Roadworks

Rural roadworks were concentrated on the Cape Leveque Rd and included shoulder reconstruction of various sections from SLK 156 – SLK 175. Road reforms and drainage upgrades were undertaken between SLK 100 to SLK 102.

Further funds were spent in continuing the Shire's program of bitumen seal renewal on rural roads with considerable reseals carried out on sections of the Cape Leveque Rd between SLK 172 and SLK 196.

The WA Natural Disaster Relief and Recovery Arrangements were activated following tropical lows and associated flooding (16 January/10 February 2015) as part of AGRN 606. The Shire of Broome coordinated over \$920,000 of reinstatement post flood damage on the Cape Leveque Rd, One Arm Point Rd and Lawrence Rd.

Parks and Gardens

In 2014/15 capital renewal of parks and gardens assets was undertaken with lawn reduction at the Spoonbill park, shower renewals at the Cable Beach Reserve, upgrade to the lawn and entrance to the Cable Beach Amphitheatre, tank lid renewal on the BRAC oval effluent reuse system, and upgrade of the cenotaph at Bedford Park.

Coastal Infrastructure

The Town Beach boat ramp was upgraded to improve user safety and protect the ramp against wave attack during cyclones. To minimise inconvenience to the boating public, the work was completed within a very tight timeframe utilising Shire resources.

Subdivisions

Development and subdivision control services were undertaken throughout the year. The construction of the LandCorp Broome Road Industrial subdivision commenced in 2014/15 and the Yawuru Gubinge Rd industrial subdivision is planned for construction in 2015/16.

Asset management

A 10-year capital works program was developed for all classes of assets, with associated budgets included in the Long Term Financial Plan. The Building and Transport Asset Management Plans were approved by Department of Local Government in September 2014.

The Building Asset Management Plan underwent a minor review in October 2014 and is scheduled for a major review in 2015/16. The Synergy Asset Management Module has been implemented for the Shire's Property Inventory with the database being maintained internally.

The Transport Asset Management Plan is scheduled for a major review in 2015/16. TALIS Consultants have been engaged to maintain the RAMM database for the transport data.

The data has been collected and development of the Drainage Asset Management Plan has commenced and is scheduled for completion in 2015/16. A RAMM database will be utilised for data management.

The collection of the data for the Public Open Space Asset Management Plan has commenced and will be completed in 2015/16. The plan will be developed in 2015/16 and the Public Open Space assets inventory will be maintained in GIS.

A review of the Asset Management Improvement Strategy will be undertaken in 2015/16 and an Asset Management Improvement Strategy Action Plan will be developed for implementation.

The pick up of civil infrastructure assets which include roads, footpaths and public open space assets will be undertaken as part of the infrastructure fair value assessment, which was commenced in 2014/15 and will be completed in August 2015. Each civil infrastructure asset is itemised, costed and aligned with current levels of service.



Work on a \$500,000 renovation of the Town Beach boat ramp.

Our Place

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

Health Services maintained the environmental health services and health advice to Aboriginal communities. Staff were involved with food premises, on-site wastewater disposal, water supplies, accommodation services and other health-related issues outside the Broome town site.

Staff were also involved with Mallingbar (Kennedy Hill) community and in September 2014, four houses and one office were demolished following health and building notices issued in March 2014. This action and subsequent follow-up inspections of this community has involved meetings and correspondence with other agencies working together to ensure community safety and ongoing health and wellbeing is addressed.

Shire staff were also been involved with Ngilirbanjin (One Mile), in December 2014. A health notice was issued to attend some urgent repairs at the community as poor maintenance issues were impacting on the safety and wellbeing of the community

(residents and itinerant campers). Assistance was received from the Department of Aboriginal Affairs and the Aboriginal Land Trust

In May, follow-up house-to-house inspections were carried out and a summary housing report was provided to the community and other stakeholder agencies including the Department of Aboriginal Affairs, Aboriginal Lands Trust, Department of Health, Department of Housing and Nirrumbuk Aboriginal Corporation. The report included areas for immediate action and the reiteration of the importance to gain action and support of all agencies as a whole of government approach to protect, promote and maintain the health and wellbeing of the community.

The Shire was involved with itinerant camps and in January 2015, following the issue of a notice, the itinerant camp structures, illegal campers and litter located behind the Anglican Church was removed and the site cleared in collaboration with Health Services and Nyamba Buru Yawuru.



The Shire of Broome is a sponsor of the Kullarri NAIDOC Festival.

The Shire of Broome aims to create the means to enable local jobs creation and lifestyle affordability for the current and future population. These are the strategies put in place to achieve this, and a summary of progress made during 2014/15.

3.1 Affordable and equitable services and infrastructure

WALGA Kimberley Country Zone

In September 2010 as part of the WA Government's Local Government reform agenda, the four Kimberley Shires (Wyndham/East Kimberley, Halls Creek, Broome and Derby/West Kimberley) formed the Kimberley Regional Collaborative Group (RCG), formalised with the signing of an agreement with the State Government. The RCG was formed with a view to adopting a regional approach to strategic and community planning and facilitating the harmonisation of core functions and services across participating local governments.

The RCG was due to terminate on 30 June 2015. In preparation for this, the Kimberley Shires formed a Kimberley Regional Group (KRG) for the purpose of governing and undertaking shared regional initiatives. The KRG has a Kimberley Local Government Governance Agreement between the four Kimberley Shires, which provides the legal framework for the establishment, membership and operation of the Kimberley Regional Group. This agreement was signed on 24 February 2014 and will expire in four years.

Under the RCG, the Department of Local Government and Communities tasked the group with developing and implementing a Kimberley Strategic Community Plan and Kimberley Regional Business Plan.

The Kimberley Strategic Community Plan 2014-2024 is the primary driver for regional collaboration initiatives by the member Kimberley Shires, setting out the Vision, Goals, Outcomes and Strategies to guide and inform all related regional plans. The Kimberley Strategic Community Plan was developed by the Kimberley Regional Group with direct reference to key stakeholder planning documents, including the four member Shires' Strategic Community Plans and 31 related regional, state and national plans and strategies with direct relevance to the role of Local Government in the Kimberley.

The Kimberley Regional Business Plan 2014-2018 provides the major actions, responsibilities and timeframes over a four-year period to deliver on the strategies and outcomes in the Kimberley Strategic Community Plan.

The Kimberley Regional Group delivers collaborative services that strengthen our member councils. These services and projects assist the Shires to improve their strategic and operational performance, through initiatives such as housing, information/ communication/ technology (ICT), finance, waste, workforce planning, capacity building and community development. The Kimberley Regional Group's performance, major achievements and highlights in 2014/15 against its Budget Statements and five strategic goals of Governance, Natural Environment, Built Environment, Community and Economy are summarised;

Governance Projects:

- Records Management project
- Capacity Audit of Synergy project
- Corporate Performance Management project
- Local Laws Review
- Cocos Island Membership of the Zone
- Elected Member Training Phase 2
- Elected Member Training Phase 3
- KRG Governance Agreement
- Red Tape Reduction Committee
- Regional Audit Tender project

Natural Environment Projects:

- Waste Authority Drop-off Recycling in Broome and Derby
- Development of the Centralised Emergency Management Agency

Built Environment Projects:

- Advocacy of improved regional arterial road networks, ports and airports.
- Pursued improvements to the Savannah Way
- Submission to Federal Green Paper on Developing Northern Australia
- Participating in discussion on municipal service delivery to remote Aboriginal communities
- Research into the NBN rollout
- Partnership with Horizon Power in a lighting project business case

Community Projects:

- 2010, 2011, 2012 Key Worker Housing Projects
- Kimberley Youth Strategy Stage 1 – Consultation
- Kimberley Youth Strategy Stage 2 – Strategy and Action Plan
- Kimberley Volunteering Strategy Stage 1 – Consultation
- Takeaway Alcohol Management System Trial

Economy Projects:

- Rates Exemption submission
- Submission – Green Paper on Developing Northern Australia
- Joint Pilbara and NT Forum
- RDA Investment Prospectus Partnership
- International Engagement Policy and Training

Our Prosperity

3.2 Affordable land for residential, industrial, commercial and community use

Waste Management Site

Progressive landfill capping is planned each year until final closure of the Buckleys Rd landfill site. In 2014/15 work was completed for the capping on the north-west corner of the landfill. The work involved the placement and compaction of a pindan layer, vegetation/rooting zone layer and an erosion protection layer. Further work will be completed in 2015/16 to establish vegetation on the slope which will improve slope stability along with improving the visual amenity. Stage 2 of the landfill capping is scheduled for 2015/16.

A Draft Sites of Interest Report for the Broome Regional Resource Recovery Park was completed by Talis Consultants in May 2015. Community and stakeholder consultation on the draft report was undertaken from May to June 2015. Detailed sites investigations are scheduled for 2015/16 following a decision by Council on the preferred sites.

Broome Rd Industrial/Gubinge Rd Industrial Subdivision

This year the Shire of Broome has reviewed and provided comment on two significant industrial subdivision applications - the NBY application fronting Gubinge Rd which would result in the creation on 28 industrial lots and LandCorp's Broome Rd Industrial Estate which would result in the creation of 55 industrial lots. Work has commenced on the first stage of the Broome Rd Industrial Estate with initial clearances anticipated to be issued next financial year.

Motorsports Facility

Planning consultancy Cardno (WA) was engaged by the Shire to undertake stakeholder engagement, site selection, master planning and business case development for the relocation of the current motocross and speedway facilities. A site selection report was endorsed by Council in April 2015 and officers are now working with LandCorp to facilitate technical studies on the identified sites.

Cable Beach Development Strategy

Planning Services has commenced preparation of a Cable Beach Development Strategy which will update the 2003 Cable Beach Development Plan. Officers have reviewed over 20 years of previous planning for the precinct and have undertaken preliminary community engagement through a direct mail out, one-on-one meetings with key stakeholders, an online survey, a photo competition, and a public display on Cable Beach Reserve. The outcomes of the literature review and community engagement will inform the draft Development Strategy, which will be presented to Council early this year for a further period of public advertising.

Planning Process Improvements

Planning Services has focused on delivering process improvements to streamline process and reduce red-tape. Initiatives achieved this year included:

- Gazettal of Local Planning Scheme No 6 which has exempted a wider range of developments from the need to obtain planning approval. This includes single dwellings and ancillary outbuildings in the Rural Residential and Rural Small Holdings zones and development ancillary to grouped and multiple dwellings;
- The preparation of the Minor Development Policy to exempt development which is considered minor in nature from the need to obtain planning approval.
- Expansion of the DCU process to facilitate the inclusion of other applications/permits made under regulations/local laws in other operational areas. This was undertaken to allow a cross-organisational response to these application thus streamlining the assessment process while also ensuring that views across the organisation are taken into account.



New RFID technology was introduced to waste collection in 2014/15.



Work underway at the Town Beach boat ramp.

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

The Shire of Broome completed the first in-depth Economic Profile of the Shire in consultation with the Kimberley Development Commission and LandCorp in August 2014.

The ongoing Business Breakfast Series started in December 2014 and has gone from strength to strength with numbers now reaching 100 attendees. Featured guest speakers included representatives from UWA, Colliers International, WA Department of Agriculture and Food, Shell, Sheffield Resources, Department of Housing, Morrgul, Broome Future, Nyamba Buru Yawuru and Landcorp.

The Shire coordinated strong collaboration with key stakeholders in the development of a Shire of Broome Inward Investment Prospectus, featuring five key industry inserts on Logistics, Marine Services, Agriculture, Aquaculture and an overview of the townsite from January to June 2015. This included key industry and demographic information based on the Shire of Broome Economic Profile as well as information for investors based on the unique characteristics, economic role and investment vision for Broome. This information is available on the Shire website and has been distributed to key stakeholders.

An investment delegation from Vietnam was hosted in March 2015 with tours of key stakeholder facilities including the Port of Broome, Nyamba Buru Yawuru, LandCorp and Kimberley Training Institute.

The Shire also participated in industry workshops and made presentations or submissions including the Department of Agriculture and Food - La Grange Project Workshop 2015 and the Federal Joint Select Committee on Northern Australia - Enquiry into Aquaculture to support development of this potential growth sector in Broome. Council approval for an innovative Pallet Recycling Trial on Shire-owned land was also granted at its April 30 Ordinary Meeting.

In addition there was ongoing collaboration with the government, not-for-profit and private sectors through the Economic Development Advisory Committee which was transitioned into a formal Advisory Committee of Council at the 30 April Ordinary Meeting. The Economic Development Advisory Committee meets quarterly and provides recommendations to Council that relate to progressing economic opportunities and initiatives within the Shire of Broome.

The Shire has also undertaken economic development activity by supporting Cruise Ship servicing with the Broome Visitor Centre and the Broome Chamber of Commerce and Industry which included use of Shire facilities for meetings, administrative support and \$15,000 in cash this financial year. A review of the Tourism Administration Policy was also commenced in June 2015 to enhance analysis and outcomes for tourism initiatives in Broome.



Economic development has become a key focus in conjunction with stakeholders including LandCorp and the Kimberley Development Commission.

Our Prosperity

Chinatown Revitalisation Business Case

The Chinatown Revitalisation Business case, to be delivered in partnership with the Kimberley Development Commission and LandCorp, received Council endorsement at the 30 April 2015 Ordinary Meeting.

This business case is now undergoing the State Cabinet approval process for \$10 million of funding, with the Shire to consider a further \$2 million in funding if the business case is approved.

Within the remit of the Chinatown Revitalisation the Shire was also successful in achieving Tourism Demand Driver Infrastructure grant funding of \$600,000 through Tourism WA to facilitate the reconnection of Dampier Tce and Frederick St and a creation of a tourist lookout subject to grant conditions being met.

Kimberley Regional Offices

The Kimberley Regional Offices owned by the Shire and occupied by a range of government and non-government agencies are in need of renewal and redevelopment. A business plan was developed and put out for public comment, before Council endorsement of the business plan in February 2015. The redevelopment is valued at \$6.16 million and a project management tender to deliver this and other major projects will be awarded in 2015/16.

Jetty to Jetty Project

An accord between the Shire of Broome and Yawuru Native Title Holders was signed in April 2015 to create a heritage walk trail linking Streeter's Jetty in Chinatown and the site of Broome's old jetty at Town Beach. The walk trail uses existing footpaths and highlights 13 historic locations along the route with interpretive signage and bench seating installed at each, with more locations identified for possible inclusion at a later stage.

Installation of the sign at Streeter's Jetty occurred in April 2015. Stage one signage installation commenced in June 2015 with seating to be installed later in 2015. The signage and seating will be installed by the Shire of Broome, with the content of the signs developed by Yawuru and featuring historical photographs and quotes from senior Broome figures.



New 50 per cent bigger 360L recycling bins are being introduced from 2014/15.

Our Organisation

The Shire of Broome aims to continually enhance its organisational capacity to service the needs of a growing community. These are the strategies put in place to achieve this, and a summary of progress made during 2014/15.

4.1 An organisational culture that strives for service excellence

Organisational Training

The Shire is committed to the ongoing training and development of its workforce with increased training opportunities in compliance, statutory training, industry-specific corporate training, professional development and tertiary study.

In 2014/15 the Shire of Broome Organisational Training Calendar was developed and included training options in the business and workforce skills in the areas of Microsoft Excel, Word and Outlook, Senior First Aid, Managing Conflict at Work, Managing Stress, Fire Warden Planning Training for Emergencies, Chemical Handling, Report Writing, Agendas and Minutes, Equal Employment Opportunity, Workers' Compensation, Conducting Performance Appraisals, Pool Operations, Finance training, Tag and Test, Road Traffic and Performance Management.

The Shire continues to build relationships and networks that develop training opportunities with local training providers, regional local government and metropolitan networks.

North West Environmental Health Group Meeting

The Shire of Broome hosted the annual North West Environmental Health Officer Group Meeting in Broome on 6-7 May 2015. Forty attendees from the North-West Shires took advantage of excellent presenters and networking opportunity with representatives from; Department of Health, Department of Local Government, Local Health Authorities Analytical Committee, NVMS, Department of Mines and Petroleum, Department of Water, Environmental Health Australia, and the Building Commission.



The Shire of Broome hosted the NW Environmental Health Officer Group Meeting.

4.2 Sustainable and integrated strategic and operational plans

Long Term Financial Plan

The draft 2015-2030 Long Term Financial Plan was received by Council at a Special Meeting held 19 February 2015 in support of the adoption of the 2015-2025 Strategic Community Plan and the 2015-2019 Corporate Business Plan, as per 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. The draft plan will be presented to Council as part of the 2015/16 annual budget adoption.

Wellness

The Shire of Broome is an employer of choice and in 2014/15 increased access to wellness opportunities to all staff. A wellness framework has been developed to promote the types of wellness support mechanisms currently offered. The Shire will continue to expand on future opportunities that increase the health and wellbeing of its workforce.

Wellness initiatives offered in 2014/15 included BRAC membership, health assessments, flu vaccinations, psychological health awareness, ergonomic assessments, heat stress awareness, hearing and skin cancer checks.

Our Organisation

Occupational Health, Safety and Risk

Council has adopted a new Work Health Safety Policy that identifies organisational strategy to increase safety in the workplace. The Shire actively encourages organisational development of workplace safety through the dedicated efforts of the Occupational Safety and Health Committee, volunteer representatives, contractors, workers and management.

Risk management intends to mitigate loss and maximise opportunity by identifying, analysing, treating, monitoring and communicating organisational risk. The Shire recognises best practice requires risk management to be embedded into every aspect of Council operations. This is evident as local government operations expand across a broad range of industries where risk management principles are relevant to multidisciplinary functions that are required to meet, if not exceed, legal compliance.

4.3 Responsible resource allocation

Rural Rating Policy Review

In 2013 the Department of Local Government and Communities identified an anomaly in the Shire of Broome's basis of imposing differential general rates for the Unimproved Value Rural Rating categories. This anomaly was in regard to the rates in the dollar that had historically been applied to certain properties, dependant on their locality. A rates review was commenced and amendments were made to the rating categories to ensure compliance with the Department's advice.

As part of the adoption of the 2014/15 Annual Budget on 27 June 2014, Council resolved to convene a Council workshop for the purpose for providing direction regarding the commencement of a full rates review and community consultation. The community engagement process commenced with the provision of notice to property owners with Unimproved Value rated properties in the locality of Coconut Well, 12 Mile and Skuthorpe advising a rates review which may affect future concession applicability.

A workshop was convened on 26 August 2014 and further information was provided at a follow-up meeting held on 21 October 2014. Council was presented with a number of potential scenarios to phase out the concessions for consideration.

Whelans Town Planning Consultants were engaged to undertake an independent land use survey in the Coconut Well and 12 Mile locations for the purposes of the review of any inconsistencies in land uses in line with the Local Government Act in regards to rural and non-rural basis of rating. This survey will form the basis to progress a change in the basis of valuation methodology on certain properties from Unimproved Value to Gross Rental Value.

Council resolved their intention to phase out the concessions over a three-year period at the Ordinary Meeting held on 18 December 2014 and the Special Meeting held 16 June 2015 as

part of the intention to impose the proposed 2015/16 differential rates. Council will seek to continue to progress the rates review maintaining community consultation with affected property owners.

4.4 Effective community engagement

Engaging with the Community

The Shire of Broome Community Perceptions Survey 2015 was conducted this year as a tool for obtaining information about the views of the community and building a co-operative and responsive relationship between the Shire and stakeholders, to allow the Shire to deliver more effective and appropriate services.

Questions covered the range of areas over which the Shire of Broome has direct responsibility, and also those in which the Shire has joint responsibility with other levels of government, private organisations and the community.

In addition the Shire conducted extensive communications programs utilising advertising, media releases, direct email, social media, open days and public information sessions have been implemented for strategic projects such as the Cable Beach Development Strategy, Chinatown Revitalisation, Regional Resource Recovery Park, Sport, Recreation and Leisure Plan, and Public Art Master Plan; economic development initiatives; public events such as Anzac Day, Australia Day, Christmas celebrations, 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 at LoveBroome Expo 2015.

4.5 Retention and attraction of staff

Staff Attraction and Retention

The Shire of Broome has re-developed the Workforce Plan with the organisational recruitment strategies highlighted as essential to ensure a time/cost effective approach to filling vacant positions. The strategy has identified contemporary labour markets to seek out unique skill sets and match to job requirements. Having the right person in the right job is essential for the Shire to operate efficiently and effectively through times of dynamic change and build organisational culture.

The Shire has reviewed its recruitment methodologies in line with a new strategy that focuses on four primary areas: recruitment, selection, induction and culture. HR policy and recruitment business operating procedures have been updated to increase flexibility for management, cast a wider net into the local and national labour market and increase access and inclusion to the broader community.

Talent development is key to identifying high-performing employees and providing them with suitable development opportunities to progress their careers. This has been achieved through the support of study policy, internal secondments, cadetships, promotions, higher duties and acting roles to better prepare employees progressing to more senior roles.

Work Experience – Host Employer

The Shire continues to support work experience students and offer work place skills to youth and students looking towards their future career aspirations. As a local government, the Shire is able to offer a wide range of experience that caters to students in careers such as administration, horticulture, recreation, customer service, hospitality and events.

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



The Shire of Broome hosted the Clontarf Careers Day at Broome Civic Centre.



The Shire of Broome at the Kimberley Training Institute Careers Day.

Our Organisation

4.6 Improved systems, processes and compliance

Waste Management and Collection

From 1 July 2014 the Shire of Broome and ToxFree Australia entered into a five-year contract for the provision of kerb-side waste collection services. The contract included a provision for the contractor to provide public education sessions to the community. One school session and two public information sessions were completed.

Additionally the contract included new provisions for greater monitoring of the service through the implementation of Radio Frequency Identification technology. The technology collects data each time a bin is collected and allows the Shire to progressively monitor and improve the delivery of this key service. The contractor is continuing to implement the technology and it will be fully operational by early in 2015/16.

The Shire of Broome is required to ensure that landfill licence conditions are being met at the Buckleys Road Waste Management Facility. The Department of Environment Regulation regularly audit the Shire of Broome against the compliance criteria. The waste management facility is operating well and complying with all licence conditions.

A review of waste collection fees and charges was undertaken in 2014/15 as part of the 2015/16 budget development.

In October 2014, the Shire undertook the annual pre-cyclone clean up. This free service is offered to residential properties in the Broome town site and removes debris which could pose a hazard in the event of a cyclone. Residents are requested to place all items on the verge in a neat and tidy manner prior to the designated collection days. This free service will again be offered in 2015.



The Shire again conducted a free pre-cyclone verge-side rubbish collection.

Payroll

A key process improvement initiative in 2014/15 involved the launch of the new Payroll System Upgrade Project. The project will essentially provide enhancements to the user experience for all employees and managers of the Shire in timesheet and leave management and is an upgrade which will impact all staff.

A project team commenced an initial investigation phase in July 2014 involving presentations from a number of software providers. After an extensive scoping phase and cost/benefit analysis, the team consensus was to engage IT Vision to implement their new Online Timesheets Upgrade, in conjunction with a revamped Online Leave module.

This was nominated as the most cost effective option achieving a 54 per cent increase in efficiency and seamless integration with Synergy. SynergySoft Online Timesheets allows employees to enter their timesheets and have their supervisors approve them all via a web browser or smart device. The Shire of Broome will be one of the first Local Governments to implement this new upgrade.

The benefits include: introduction of electronic self-service of leave application and timesheet submission; access to employee profile and up-to-date leave accruals; ability for supervisors to electronically manage timesheets and leave approvals; reduction of manual handling and paper use; reduction of triplicate data entry and management; automation of award, contract and EBA interpretation and calculation; simplification of timesheet entry; ability to set up common fortnightly rosters; automation of entitlement calculations currently conducted manually; and increased reporting and compliance levels.



St Mary's students tour the ToxFree recycling facility.

Audits, Reviews and Strategies

In compliance with the Local Government Act 1995 and associated regulations, the Shire must appoint an Audit Committee and conduct annual financial audits. In response to changes to the Local Government (Audit) Regulations 1996 gazetted in 2013, the CEO is required to review and report on the appropriateness and effectiveness of the Shire's systems and processes in regards to risk management, internal controls and legislative compliance.

The review was conducted in September 2014 and reported to the Audit Committee in November 2014. The outcomes are to be addressed and progress report presented to the Audit Committee biannually. A Technical Advisory Group was established March 2015 to continually monitor and progress the action improvement plan.

Broome Cemetery

There were 27 burials at the Broome Cemetery in 2014/15. The Broome Cemetery has been operational since the late 1890s and is of significant historical interest to locals and visitors to Broome. The Cemetery data base 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.

A Draft Cemetery Master Plan with a public consultation period of no less than 60 days was endorsed by Council at its Ordinary Meeting on 30 April 2015. The Draft Master Plan presents a long-term vision for the Broome Cemetery and planning focused on the existing site and the adjacent vacant land which has been identified for future expansion.

Community input will be sought during the public consultation period with the results being considered by Council in 2015/2016.

A Draft Cemetery Master Plan with a public consultation period of 60 days was endorsed by Council at its Ordinary Meeting on 30 April 2015. The Draft Master Plan presents a long-term vision for the Broome Cemetery with planning focused on the existing site and the adjacent vacant land which has been identified for future expansion. Community input will be sought during the public consultation period with the results being considered by Council in 2015/2016.



Shire of Broome Councillors and staff tour the Lombadina air strip

Information Services

Various network and server components have been upgraded during 2014/15 to improve performance, reliability and security. Existing equipment has been retained and will provide redundancy for critical operations should failures occur. Redundant equipment will also be utilised to provide essential services in the event of a disaster.

An offsite replicated backup system has been implemented which replicates Shire data to a secure data centre in Perth and provides the final link in the ICT disaster recovery process. The new replication capabilities allow for accelerated business recovery in the event of major disaster impacting the region.

Utility power concerns have also been addressed with the separation of the electrical circuits delivering power into the Shire data centre. This has not only increased the available power in the data centre but has also removed risks associated with the inadvertent shutdown of data centre power by electrical contractors.

A number of critical business system upgrades have also been completed during the year including upgrades of the Shires principle enterprise and finance system as well as library, recreation centre and waste facility systems.

Electronic Council Business Papers

An electronic Council Business Paper system was introduced to facilitate a transition away from hard copy business paper distribution. Council staff now utilise a streamlined process to develop and authorise business paper content with administrative staff utilising the system to compile, convert and publish business papers seamlessly to the Shire website.

Councillors and senior staff have been provided with tablet devices to further enhance the electronic distribution system. This has significantly improved business efficiencies while reducing the environmental footprint of the organisation through considerable less paper and toner use.

Mobile Device Management System

In an effort to improve management capabilities around the increasing number of smartphone and tablet devices in use across the organisation a Mobile Device Management (MDM) system has been introduced.

The MDM streamlines the management process for ICT staff allowing them to define and police access to corporate ICT services and quickly lock down lost or stolen devices, ensuring Shire data is secure. By establishing a secure and robust management framework the organisation now has the opportunity to exploit mobile device efficiencies.

Our Organisation

Governance

Local Government (Financial Management) Regulations 1996

The Shire of Broome is required to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures regulation (not less than every four financial years) and report to the local government the results of those reviews. Such a review was completed in 2012, and the next review will be undertaken in 2016.

Local Laws

No local laws were adopted or amended during the report period.

The following Local Laws are available on the Shire of Broome website:

- Bush Fire Brigades Local Law 2003;
- Cemeteries Local Law 2012;
- Dogs Local Law 2012;
- Health Local Law 2006;
- Local Government Property and Public Places Local Law 2012;
- Parking and Parking Facilities Local Law 2012;
- Trading, Outdoor Dining and Street Entertainment Local Law 2003.

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 \$	2014/2015	2013/2014
100,000 – 109,999	10	13
110,000 – 119,999	7	8
120,000 – 129,999	5	2
130,000 – 139,999	0	0
140,000 – 149,999	0	1
150,000 – 159,999	1	0
160,000 – 169,999	0	0
170,000 – 179,999	2	2
180,000 – 189,999	1	1
190,000 – 199,999	0	0
200,000 – 209,999	0	0
210,000 – 219,999	1	1

Complaints

During 2014/15 there were no complaints received under section 5.121 of the Local Government Act 1995 that resulted in action under Section 5.110(6)(b) or (c).

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 place 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 the 2014/15 financial year, no disclosures relating to improper conduct were made to the Shire and therefore no disclosures were referred to the Ombudsman.

Freedom of Information Act 1992

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

The Shire received numerous requests for information in 2014 - 2015, however the majority of these enquiries were satisfied by other means, such as Minutes of Council meetings. There were 7 FOI applications received of which have all been successfully processed within legislated timeframes. No internal or external reviews were requested.

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 of Broome'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.

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

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

A number of information management initiatives were also completed including:

- Clean up and disposal of archive records
- In house disposal process
- Online records awareness training for Shire staff.

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

Disability Access and Inclusion Plan

The Access and Inclusion Advisory Committee (AIAC) met four times during the year to oversee the implementation of the Shire's Disability Access and Inclusion Plan (DAIP) to ensure Council meets its obligations under the Disability Services Act 2004.

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 2015 for the 2014/15 reporting period which demonstrated the Shire is meeting its obligations in implementing the plan. Key achievements in the implementation of the DAIP in 2014/15 were:

- The findings of the Access and Inclusion Audit completed in 2014 were prioritised by the AIAC and Council and compiled into an implementation plan. Short term priorities identified in the implementation plan have been included in the 2015/16 budget process. The plan will continue to be used to monitor the ongoing implementation of initiatives and determine priorities for funding;

- The library continues to provide access to books in various formats, including a new e-audio platform launched in 2015 which allows library members to download e-books from the web;
- A number of minor improvements were made to the Broome Recreation and Aquatic Centre as a result of findings of the Access and Inclusion Audit completed in 2014. Several major improvements are planned as part of an aquatic upgrade in 2016;
- Some improvements were made to ACROD parking during 2014/15 including installation of a new bay in Dampier Tce and maintenance of existing bays;
- Accessible information guidelines were considered in the development of a new website for the Broome Civic Centre;
- The Shire's Recruitment Business Operating Procedure has been updated to include Diversity Access and Inclusion. The Shire's Workforce Plan is currently being developed to include Diversity Access and Inclusion, with specific reference to Youth, Indigenous Employment, English as a second language, Impairment and Women.

Conduct of Council Members, 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 (the Code) to be observed by Council members, committee members and employees.

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.



The Shire of Broome provides free use of aquatic wheelchairs at Cable Beach, Town Beach and BRAC.

Our Organisation

Property Department Disposals/Acquisitions

In 2014/15 the following disposals/acquisitions were considered and resolved by Council:

Property Address	Tenant	Term
Portion Reserve 8656 Kimberley Regional Offices Tenancy 2 & 3	Anglicare WA	Lease 3 years 1st further term: 3 years
Unit 6/14 Archer St Broome	Shire of Broome Community Storage	Further term: 1 year
Portion Reserve 8656 Kimberley Regional Offices Tenancy 1	Lingiari Foundation	Lease 3 years 1st further term: 3 years
Portion Reserve 8656 Kimberley Regional Offices Tenancy 10	Youth Justice	Lease 5 years 1st further term: 1 year 2nd further term: 1 year
Sunset Bar – Portion reserve 36477	Castle Peak Pty Ltd	Sub lease
Buckleys Rd	Pallet recycling	License 1 year
Broome Civic Centre	Shinju Matsuri	Lease 2 years (office space only)

Policy

Council Policies are reviewed at least every two years. This is in accordance with Council Policy 1.2.1 – Policy Manual. 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. A full policy review will be undertaken and presented to Council for adoption following the Shire of Broome 2015 Local Government Election.

Our Organisation



2014/15 Financial Statements



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Statement by the Chief Executive Officer

**SHIRE OF BROOME
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

**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 2015 are in my opinion properly drawn up to present fairly the financial position of the Shire of Broome at 30th June 2015 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

2nd day of October 2015.



KR DONOHOE
Chief Executive Officer

Statement of Comprehensive Income by Nature or Type

For the Year Ended 30 June 2014

	NOTE	2015 \$	2015 Budget	2014 \$
Revenue				
Rates	22(a)	20,315,923	19,696,295	18,310,570
Operating Grants, Subsidies and Contributions	29	12,726,245	5,579,769	6,707,106
Fees and Charges	28	10,186,692	10,471,810	10,376,153
Interest Earnings	2(a)	1,269,519	1,028,826	1,206,358
Other Revenue		31,850	25,000	1,784,345
		<u>44,530,229</u>	<u>36,801,700</u>	<u>38,384,532</u>
Expenses				
Employee Costs		(16,365,611)	(16,549,791)	(15,944,766)
Materials and Contracts		(9,526,859)	(10,447,636)	(9,352,936)
Utility Charges		(1,774,891)	(2,120,625)	(1,788,334)
Depreciation on Non-Current Assets	2(a)	(5,579,994)	(6,052,000)	(5,926,365)
Interest Expenses	2(a)	(271,433)	(281,674)	(346,901)
Insurance Expenses		(712,005)	(692,897)	(687,303)
Other Expenditure		(5,973,525)	(1,140,507)	(4,060,018)
		<u>(40,204,318)</u>	<u>(37,285,130)</u>	<u>(38,106,623)</u>
		4,325,911	(483,430)	277,909
Non-Operating Grants, Subsidies and Contributions	29	3,099,710	4,208,684	4,840,478
Loss on Revaluation of Assets				
Profit on Asset Disposal	20	18,102	0	9,182
Loss on Asset Disposal	20	(6,393)	(92,676)	(115,596)
		<u>3,111,419</u>	<u>4,116,008</u>	<u>4,734,064</u>
NET RESULT		7,437,330	3,635,578	5,011,973
Other Comprehensive Income Items not reclassified subsequently to profit or loss				
Changes on revaluation of Land & Buildings non-current assets	12	0	0	12,272,228
Changes on revaluation of Infrastructure including roads non-current assets	12	200,542,663	0	0
Changes on revaluation of Furniture and Equipment non-current assets		439,874	0	0
		<u>200,982,537</u>	<u>0</u>	<u>12,272,228</u>
Total Other Comprehensive Income		200,982,537	0	12,272,228
TOTAL COMPREHENSIVE INCOME		208,419,867	3,635,578	17,284,201

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	2015 \$	2015 Budget \$	2014 \$
Revenue				
Governance		5,628,678	89,743	3,416,182
General Purpose Funding		23,808,634	22,030,045	19,521,571
Law, Order, Public Safety		143,012	100,123	127,978
Health		185,763	165,661	171,869
Education and Welfare		128,753	41,500	96,546
Housing		549,624	586,866	646,622
Community Amenities		6,795,634	7,308,910	7,022,941
Recreation and Culture		1,252,605	1,312,505	1,180,917
Transport		2,411,221	1,889,886	718,800
Economic Services		1,006,342	892,049	975,539
Other Property and Services		2,619,962	2,384,412	4,505,568
		<u>44,530,228</u>	<u>36,801,700</u>	<u>38,384,533</u>
Expenses Excluding Finance Costs				
Governance		(8,241,505)	(3,372,450)	(5,914,015)
General Purpose Funding		(380,972)	(339,522)	(266,170)
Law, Order, Public Safety		(1,384,312)	(1,541,833)	(1,475,125)
Health		(723,080)	(742,899)	(688,488)
Education and Welfare		(742,261)	(801,139)	(777,671)
Housing		(645,306)	(626,680)	(599,107)
Community Amenities		(7,593,800)	(8,507,531)	(9,114,734)
Recreation & Culture		(9,078,395)	(10,224,566)	(9,106,405)
Transport		(7,285,896)	(8,103,701)	(6,202,488)
Economic Services		(1,392,884)	(1,244,549)	(1,259,564)
Other Property and Services		(2,464,473)	(1,495,586)	(2,355,956)
		<u>(39,932,884)</u>	<u>(37,000,456)</u>	<u>(37,759,723)</u>
Finance Costs				
Law, Order, Public Safety		(253)	(284)	(1,330)
Community Amenities		(4,868)	(4,883)	(7,433)
Recreation & Culture		(235,159)	(238,187)	(272,265)
Economic Services		(18,155)	(18,700)	(26,820)
Other Property and Services		(12,998)	(19,620)	(39,053)
		<u>(271,433)</u>	<u>(281,674)</u>	<u>(346,901)</u>

Statement of Comprehensive Income by Program

For the Year Ended 30 June 2014

	NOTE	2015 \$	2015 Budget \$	2014 \$
Non-Operating Grants, Subsidies and Contributions				
Housing		561,758	0	2,585,684
Community Amenities		87,080	240,000	66,400
Recreation & Culture		402,682	927,500	324,942
Transport		1,748,190	3,041,184	1,863,452
Economic Services		300,000	0	0
	29	<u>3,099,710</u>	<u>4,208,684</u>	<u>4,840,478</u>
Profit/(Loss) on Disposal of Assets				
Law, Order, Public Safety		0	(5,552)	(32,863)
Housing		0	0	(63,356)
Community Amenities		(6,393)	(34,216)	0
Recreation & Culture		0	0	(1,386)
Other Property and Services		18,102	(52,908)	(8,809)
	20	<u>11,709</u>	<u>(92,676)</u>	<u>(106,414)</u>
NET RESULT		<u>7,437,330</u>	<u>3,635,578</u>	<u>5,011,973</u>
Other Comprehensive Income Items not reclassified subsequently to profit or loss				
Changes on revaluation of Land & Buildings non-current assets	12	0	0	12,272,228
Changes on revaluation of Infrastructure including roads non- current assets	12	200,542,663	0	0
Changes on revaluation of Plant and Equipment non-current assets		439,874	0	0
Total Other Comprehensive Income		<u>200,982,537</u>	<u>0</u>	<u>12,272,228</u>
TOTAL COMPREHENSIVE INCOME		<u>208,419,867</u>	<u>3,635,578</u>	<u>17,284,201</u>

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

Statement of Financial Position

As at 30 June 2014

	NOTE	2015 \$	2014 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	29,437,472	27,339,666
Trade and Other Receivables	4	2,437,907	2,079,966
Inventories	5	28,560	45,345
TOTAL CURRENT ASSETS		<u>31,903,939</u>	<u>29,464,977</u>
NON-CURRENT ASSETS			
Other Receivables	4	17,498	17,498
Property, Plant and Equipment	6	88,618,790	89,462,110
Infrastructure	7	311,858,675	108,905,008
TOTAL NON-CURRENT ASSETS		<u>400,494,963</u>	<u>198,384,616</u>
TOTAL ASSETS		<u>432,398,902</u>	<u>227,849,593</u>
CURRENT LIABILITIES			
Trade and Other Payables	8	2,669,411	4,962,334
Long Term Borrowings	9	988,046	1,273,806
Provisions	10	1,890,407	2,166,958
TOTAL CURRENT LIABILITIES		<u>5,547,864</u>	<u>8,403,098</u>
NON-CURRENT LIABILITIES			
Long Term Borrowings	9	3,780,696	4,768,742
Provisions	10	282,673	309,950
TOTAL NON-CURRENT LIABILITIES		<u>4,063,369</u>	<u>5,078,692</u>
TOTAL LIABILITIES		<u>9,611,233</u>	<u>13,481,790</u>
NET ASSETS		<u>422,787,669</u>	<u>214,367,803</u>
EQUITY			
Retained Surplus		132,061,540	126,856,665
Reserves - Cash/Investment Backed	11	25,695,463	23,463,008
Reserves - Asset Revaluation	12	265,030,666	64,048,130
TOTAL EQUITY		<u>422,787,669</u>	<u>214,367,803</u>

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/ \$	ASSET REVALUATION \$	TOTAL EQUITY \$
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)		(834,249)	834,249	0	0
Balance as at 1 July 2014		126,856,665	23,463,008	64,048,130	214,367,803
Comprehensive Income Net		7,437,330	0	0	7,437,330
Changes on Revaluation of Non-Current Assets	12	0	0	200,982,536	200,982,536
Reserve Transfers To/(From)		(2,232,455)	2,232,455	0	0
Balance as at 30 June 2015		132,061,540	25,695,463	265,030,666	422,787,669

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

Statement of Cash Flows

For the Year Ended 30 June 2014

	NOTE	2015 Actual \$	2015 Budget \$	2014 Actual \$
Cash Flows From Operating Activities				
Receipts				
Rates		19,902,856	19,596,295	18,203,453
Operating Grants, Subsidies and Contributions		13,023,456	5,579,769	7,923,582
Fees and Charges		10,163,415	10,671,810	10,037,621
Interest Earnings		1,269,548	1,028,826	1,206,418
Goods and Services Tax		3,246,778	2,046,026	3,054,475
Other Revenue		31,326	25,000	22,463
		<u>47,637,379</u>	<u>38,947,726</u>	<u>40,448,012</u>
Payments				
Employee Costs		(16,630,100)	(16,546,791)	(15,537,685)
Materials and Contracts		(11,855,043)	(10,237,636)	(7,740,693)
Utility Charges		(1,774,891)	(2,120,625)	(1,788,334)
Interest expenses		(281,675)	(281,674)	(356,420)
Insurance Expenses		(712,005)	(692,897)	(687,303)
Goods and Services Tax		(3,494,381)	(2,076,026)	(3,185,662)
Other Expenditure		(5,931,189)	(1,140,507)	(3,942,937)
		<u>(40,679,284)</u>	<u>(33,096,156)</u>	<u>(33,239,254)</u>
Net Cash Provided By Operating Activities	13(b)	<u>6,958,095</u>	<u>5,851,570</u>	<u>7,208,758</u>
Cash Flows from Investing Activities				
Land Held for Resale				
Payments for Purchase of Property, Plant & Equipment		(1,588,035)	(3,115,500)	(4,788,832)
Payments for Construction of		(5,350,835)	(8,407,624)	(4,530,068)
Non-Operating Grants, Subsidies and Contributions used for the Development of Assets		3,099,710	4,208,684	4,840,478
Proceeds from Sale of Plant & Equipment		242,776	278,000	102,091
		<u>(3,596,384)</u>	<u>(7,036,440)</u>	<u>(4,376,331)</u>
Net Cash Provided By (Used In) Investing Activities		<u>(3,596,384)</u>	<u>(7,036,440)</u>	<u>(4,376,331)</u>
Cash Flows from Financing Activities				
Repayment of Debentures		(1,273,806)	(1,273,805)	(1,240,948)
Proceeds from Self Supporting Loans		9,901	9,901	18,981
		<u>(1,263,905)</u>	<u>(1,263,904)</u>	<u>(1,221,967)</u>
Net Cash Provided By (Used In) Financing Activities		<u>(1,263,905)</u>	<u>(1,263,904)</u>	<u>(1,221,967)</u>
Net Increase (Decrease) in Cash Held		2,097,806	(2,448,774)	1,610,460
Cash at Beginning of Year		27,339,666	22,342,107	25,729,206
Cash and Cash Equivalents at the End of the Year	13(a)	<u>29,437,472</u>	<u>19,893,333</u>	<u>27,339,666</u>

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

Rate Setting Statement

For the Year Ended 30 June 2014

	NOTE	2015 Actual \$	2015 Budget \$	2014 Actual \$
Revenue				
Governance		5,628,678	89,743	3,416,182
General Purpose Funding		3,492,711	2,182,795	1,211,001
Law, Order, Public Safety		143,012	100,123	127,978
Health		185,763	165,661	171,869
Education and Welfare		128,753	41,500	96,546
Housing		1,111,382	586,866	3,232,306
Community Amenities		6,882,714	7,548,910	7,089,341
Recreation and Culture		1,655,287	2,240,005	1,505,859
Transport		4,159,411	4,931,070	2,582,252
Economic Services		1,306,342	892,049	975,539
Other Property and Services		2,638,065	2,384,412	4,514,750
		<u>27,332,118</u>	<u>21,163,134</u>	<u>24,923,623</u>
Expenses				
Governance		(8,241,505)	(3,372,450)	(5,914,015)
General Purpose Funding		(380,972)	(339,522)	(266,170)
Law, Order, Public Safety		(1,384,565)	(1,547,669)	(1,509,317)
Health		(723,080)	(742,899)	(688,488)
Education and Welfare		(742,261)	(801,139)	(777,671)
Housing		(645,306)	(626,680)	(662,463)
Community Amenities		(7,605,060)	(8,546,630)	(9,122,167)
Recreation & Culture		(9,313,554)	(10,462,753)	(9,380,056)
Transport		(7,285,896)	(8,103,701)	(6,202,488)
Economic Services		(1,411,039)	(1,263,249)	(1,286,384)
Other Property and Services		(2,477,472)	(1,568,114)	(2,413,004)
		<u>(40,210,710)</u>	<u>(37,374,806)</u>	<u>(38,222,223)</u>
Net Result Excluding Rates		(12,878,592)	(16,211,672)	(13,298,600)
Adjustments for Cash Budget Requirements:				
Non-Cash Expenditure and Revenue				
(Profit)/Loss on Asset Disposals	20	(11,709)	92,676	106,414
Movement in Deferred Pensioner Rates (Non-Current)		0		(7,131)
Movement in Employee Benefit Provisions		37,542	0	126,774
Non-Cash Contribution of Assets Acquisition		0	0	(1,756,875)
Depreciation on Assets	2(a)	5,579,994	6,052,000	5,926,365

Rate Setting Statement

For the Year Ended 30 June 2014

	NOTE	2015 Actual	2015 Budget	2014 Actual
Capital Expenditure and Revenue				
Purchase Land and Buildings	6(a)	(526,751)	(1,530,500)	(3,786,169)
Purchase Infrastructure Assets - Drainage	7(a)	(438,616)	(1,424,500)	(162,897)
Purchase Infrastructure Assets - Roads, Carparks,	7(a)	(2,633,065)	(4,267,992)	(3,418,619)
Purchase Infrastructure Assets - Recreation Areas	7(a)	(1,185,189)	(961,132)	(345,509)
Purchase Infrastructure Assets - Other	7(a)	(1,093,966)	(1,754,000)	(603,044)
Purchase Plant and Equipment	6(a)	(947,859)	(1,296,500)	(817,246)
Purchase Furniture and Equipment	6(a)	(113,424)	(288,500)	(185,418)
Proceeds from Disposal of Assets	20	242,776	278,000	102,091
Repayment of Debentures	21(a)	(1,273,804)	(1,273,805)	(1,240,949)
Self-Supporting Loan Principal Income		9,901	9,901	18,981
Transfers to Reserves and Restricted Cash Assets	11	(5,672,908)	(3,362,009)	(4,124,165)
Transfers from Reserves and Restricted Cash Assets	11	3,440,453	5,656,555	3,289,916
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	22(b)	587,938	434,228	2,453,448
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	22(b)	3,438,644	0	587,938
Amount Required to be Raised from Rates	22(a)	<u>20,315,923</u>	<u>19,847,250</u>	<u>18,310,571</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 2015

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 2015

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 2015

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Land Under Roads

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

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard 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 2015

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 2015

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 2015

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 2015

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 2015

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 2015

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 2015

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 2015

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 2015

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 (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	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)	September 2012	1 January 2018	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]			
(iii)	AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2017	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the Council has with those third parties it has dealings with. It may or may not be significant.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(iv)	AASB 2013-9 Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments [Operative date: Part C Financial Instruments - 1 January 2015]	December 2013	Refer title column	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. As the bulk of changes relate either to editorial or reference changes it is not expected to have a significant impact on the Council.
(v)	AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	August 2014	1 January 2016	This Standard amends AASB 11: <i>Joint Arrangements</i> to require the acquirer of an interest (both initial and additional) in a joint operation in which the acquirer constitutes a business, as defined in AASB 3: <i>Business Combinations</i> , to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations. Since adoption of this Standard would impact only acquisitions of interests in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the Council's financial statements.
(vi)	AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]	August 2014	1 January 2016	This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. Given the Council currently uses the expected pattern of the future economic benefits of an asset as the basis of calculation of depreciation, it is not expected to have a significant impact.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(vii) AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	December 2014	1 January 2017	<p>Consequential changes to various Standards arising from the issuance of AASB 15.</p> <p>It will require changes to reflect the impact of AASB 15.</p>
(viii) AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]	January 2015	1 January 2016	<p>This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements.</p> <p>This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title column.</p> <p>It is not anticipated it will have any significant impact on disclosures.</p>
(ix) AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality	January 2015	1 July 2015	<p>This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing it to be completely withdrawn.</p> <p>It is not anticipated it will have a significant impact as the principles of materiality remain largely unchanged.</p>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(x) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]	March 2015	1 July 2016	The objective of this Standard is to extend the scope of AASB 124 <i>Related Party Disclosures</i> to include not-for-profit sector entities. The Standard is expected to have a significant disclosure impact on the financial report of the Council as both Elected Members and Senior Management will be deemed to be Key Management Personnel and resultant disclosures will be necessary.

Notes:

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

(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 2011-7
AASB 2012-3
AASB 2013-3
AASB 2013-8
AASB 2013-9 Parts A & B

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 2015

2. REVENUES AND EXPENSES	2015	2014
	\$	\$
(a) Net Result		
The Net Result includes:		
(i) Charging as an Expense:		
Auditors Remuneration		
- Audit	35,332	44,372
- Other Services	22,636	7,050
	<u>57,968</u>	<u>51,422</u>
Depreciation		
Buildings	1,536,947	1,926,074
Furniture and Equipment	352,384	432,142
Plant and Equipment	750,829	690,361
Roads, Footpaths & Transport Infrastructure	2,254,365	2,167,425
Parks and Reserves	389,203	380,208
Drainage	148,272	145,788
Other Infrastructure	147,994	184,367
	<u>5,579,994</u>	<u>5,926,365</u>
Interest Expenses (Finance Costs)		
Debentures (<i>refer Note 21(a)</i>)	271,433	346,901
	<u>271,433</u>	<u>346,901</u>
Rental Charges		
- Operating Leases	565,569	621,066
	<u>565,569</u>	<u>621,066</u>
Significant Expenditure		
Governance - CLGF Key Worker Housing	4,795,477	2,874,026
Governance - other	3,446,028	3,039,989
	<u>8,241,505</u>	<u>5,914,015</u>
Significant expenditure in 2014 and 2015 relates to the distribution of a CLGF Key Worker Housing Grant to three Kimberley Shires.		
(ii) Crediting as Revenue:		
Other Revenue		
- Other Revenue	31,850	27,470
- Reimbursements and Recoverables	1,295,420	1,155,565
	<u>1,327,270</u>	<u>1,183,035</u>
Significant Revenue		
Other Property & Services		
- St John Ambulance Building	0	1,588,125
- Naval Cadets Training Facility Building	0	168,750
	<u>0</u>	<u>1,756,875</u>

This significant revenue in 2014 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 2015

2. REVENUES AND EXPENSES (Continued)

(ii) Crediting as Revenue: (Continued)

	2015 \$	2015 Budget \$	2014 \$
Interest Earnings			
Interest Earnings			
- Reserve Funds **	779,283	671,542	815,640
- Other Funds	240,516	186,000	189,005
- Self Supporting Loans	297	284	1,417
Other Interest Revenue (<i>refer note 27</i>)	249,423	171,000	200,296
	<u>1,269,519</u>	<u>1,028,826</u>	<u>1,206,358</u>

** Interest received on reserve accounts has been reported in advance of the receipt date. The maturity date of the term deposit was 30 June 2015, while the interest was received on the 1 July 2015 of \$ 167K.

(b) Statement of Objective

The Shire has adopted a Strategic Community Plan 2015 - 2025 which sets out the following vision and mission: (Adopted at Special Council Meeting 19 February 2015)

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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

2. REVENUES AND EXPENSES (Continued)

(b) Statement of Objective (Continued)

RECREATION AND CULTURE

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

TRANSPORT

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

ECONOMIC SERVICES

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

OTHER PROPERTY AND SERVICES

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

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

2. REVENUES AND EXPENSES (Continued)

(c) Conditions Over Contributions

Grant/Contribution	Program	Opening	Received ⁽¹⁾	Expended ⁽²⁾	Closing	Received ⁽¹⁾	Expended ⁽²⁾	Closing
		Balance ⁽¹⁾ 1 July 2013	2013/2014	2013/2014	Balance ⁽¹⁾ 30 June 2014	2014/2015	2014/2015	Balance 30 June 2015
		\$	\$	\$	\$	\$	\$	\$
Don't Zoom in Broome Project Grant	Governance	2,096	0	0	2,096	0	0	2,096
EDL sponsorship and spent	Governance	386,663	15,339	(44,576)	357,426	13,430	(77,029)	293,826
DLGC National Youth Week Grant	Governance	0	1,000	(753)	247	0	0	247
FESA State Emergency Service & Volunteer Bush Fire Brigade Operational and Grant funding	Law, Order & Public Safety	17,093	0	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 - FIMMVA Mosquito Control Advisory Committee Funding 2013/2014 for Mosquito control	Health	0	13,268	(5,822)	7,446	21,200	(25,106)	3,540
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 - Hypemight Grant	Education & Welfare	0	50,000	(47,500)	2,500	0	0	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 Officer	Community Amenities	0	174,410	(85,234)	89,176	0	(89,176)	0
Rangelands NRM Water Quality Monitoring Program - Protection of Environment	Community Amenities	1,091	0	0	1,091	0	0	1,091
Rangelands NRM State of the Environment Report - Protection of Environment	Community Amenities	0	50,000	(21,800)	28,200	0	(28,200)	0
DLG Grant Chinatown Development Grant Job 107671 (Public Shade Chinatown)	Community Amenities	210,000	0	(126,843)	83,157	0	(83,157)	0
DRD Grant CLGF 2012/2013 Funding Allocation job 116129 (Jetty to Jetty Project Design & Construction, Feasibility & Planning)	Community Amenities	221,080	0	(199,647)	21,433	0	(21,433)	0
Local Government RforR 12-13 Grant - BRAC Aquatic - Exp job 117127	Recreation & Culture	169,789	0	(169,289)	500	0	(500)	0
Parks and Ovals Grants - Lions Club BBQ grant.	Recreation & Culture	330	0	0	330	0	0	330
State Library of WA - Library Grant	Recreation & Culture	0	23,387	(21,280)	2,107	21,544	(17,971)	5,680
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	54,059	0	(18,420)	35,639	33,250	(64,639)	4,250
Road Construction - Regional Rd Group (RRG) Rural Rd Construction - Carnarvon St Napier Toe Roundabout	Transport	93,333	0	(93,333)	0	0	0	0

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

2. REVENUES AND EXPENSES (Continued)

(c) Conditions Over Contributions (Continued)

Grant/Contribution	Program	Opening	Received ⁽¹⁾	Expended ⁽¹⁾	Closing	Received ⁽²⁾	Expended ⁽²⁾	Closing
		Balance ⁽¹⁾ 1 July 2013	2013/2014	2013/2014	Balance ⁽¹⁾ 30 June 2014	2014/2015	2014/2015	Balance 30 June 2015
		\$	\$	\$	\$	\$	\$	\$
Road Maintenance - Office Native Tille Morrell Park maintenance	Transport	309,086	0	(29,849)	279,237	0	(8,163)	271,074
Roads to Recovery Unspent Grant re Carnarvon St Napier Tce Roundabout	Transport	116,667	0	(116,667)	0	0	0	0
Roads to Recovery Unspent Grant re Clementson St Upgrade Infra Stage 3	Transport	14,104	0	0	14,104	0	0	14,104
Roads to Recovery Unspent Grant re Unallocated	Transport	23,101	0	0	23,101	0	0	23,101
Royalties for Regions Grant Lorricket Drive	Transport	0	0	0	0	200,000	(59,245)	140,755
Street Lighting Const Grant Undergrnd Power C/Town Upgrade	Transport	30,848	0	(30,800)	48	0	0	48
MRD Grant Remote Access Road Grant - (Broome - Cape Leveque Road)	Transport	1,006	0	0	1,006	0	0	1,006
WALGA Grant Road Safety Activities	Transport	1,200	0	0	1,200	0	0	1,200
Frederick Street and Dampier St Connection - Urban New Infra	Transport	0	0	0	0	300,000	0	300,000
Sanderling/ Spoonbill Pedestrian Improvements - Upgrade Rd Const	Transport	0	0	0	0	21,333	0	21,333
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	25,000	(19,341)	5,659	110,000	(115,659)	0
WA POLICE HEADQUARTERS Community Safety Grant - (New Visitor Centre Building Upgrade CCTV)	Other Property & Services	24,905	0	(22,870)	2,035	0	0	2,035
Key Worker Housing	Housing	0	0	0	0	561,758	(5,916)	555,842
Total		1,794,381	352,404	(1,054,024)	1,092,761	1,282,515	(596,194)	1,779,081

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 \$1,344,500 of Unspent Grants held in the Restricted Cash Reserve at 30 June 2015, \$140,755 held in the Road Reserve at 30 June 2015, and \$293,826 held in the EDL Reserve at 30 June 2015.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

	2015 \$	2014 \$
3. CASH AND CASH EQUIVALENTS		
Unrestricted	3,742,009	3,876,658
Restricted	25,695,463	23,463,008
	<u>29,437,472</u>	<u>27,339,666</u>

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

Leave Reserve	1,789,985	1,725,163
Building Reserve	2,922,792	2,832,185
Public Open Space Reserve	731,954	1,195,098
Drainage Reserve	1,637,696	1,729,997
Plant Reserve	1,047,874	1,055,259
BRAC Reserve	49,887	58,867
Road Reserve	1,816,575	1,146,835
Footpath Reserve	2,450,843	2,818,310
Car Park Reserve	445,040	397,832
Equipment & Insurance Reserve	303,028	291,662
Refuse Site Reserve	4,053,026	4,640,534
Restricted Cash Reserve **	3,254,337	2,769,059
EDL Reserve	293,826	357,425
Resource Recovery Reserve	4,243,920	2,005,562
Kimberly Zone Reserve	670,331	427,722
Community Sponsorship Reserve	30,194	11,498
Public Art Reserve	154,155	0
	<u>25,695,463</u>	<u>23,463,008</u>

**Included in the Restricted Cash Reserve at 30 June 2015 is \$1,344,500 of Unspent Grants and \$1,909,837 of Unspent Loans (refer Note 21(c)).

4. TRADE AND OTHER RECEIVABLES

Current		
Rates Outstanding	895,914	494,038
Sundry Debtors	1,234,471	1,365,755
ATO Receivable	250,249	162,654
Loans - Clubs/Institutions	0	9,901
Bonds and Deposits held by others	45,768	42,098
Other current receivables	11,505	5,520
	<u>2,437,907</u>	<u>2,079,966</u>
Non-Current		
Rates Outstanding - Pensioners	17,498	17,498
	<u>17,498</u>	<u>17,498</u>

5. INVENTORIES

Current		
Fuel, Cement	24,355	35,806
BRAC Stock	4,205	9,539
	<u>28,560</u>	<u>45,345</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

	2015 \$	2014 \$
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 2014	5,820,000	5,820,000
Total Land	<u>21,896,532</u>	<u>21,896,532</u>
Buildings at:		
- Cost	652,969	0
- Independent Valuation 2014	59,724,538	59,724,538
Less Accumulated Depreciation	<u>(1,536,947)</u>	<u>0</u>
Total Buildings	<u>58,840,560</u>	<u>59,724,538</u>
Total Land and Buildings	<u>80,737,092</u>	<u>81,621,070</u>
Furniture and Equipment - Cost	847,395	3,061,293
- Management Valuation 2015	0	0
Less Accumulated Depreciation	<u>0</u>	<u>(2,414,812)</u>
	<u>847,395</u>	<u>646,481</u>
Plant and Equipment - Independent Valuation 2013	6,916,450	6,916,450
Plant and Equipment - Cost	1,359,185	665,878
Less Accumulated Depreciation	<u>(1,410,101)</u>	<u>(682,756)</u>
	<u>6,865,534</u>	<u>6,899,572</u>
Work in Progress - Land and Buildings	<u>168,769</u>	<u>294,987</u>
	<u><u>88,618,790</u></u>	<u><u>89,462,110</u></u>

Furniture and Equipment:

The Shire's Furniture and Equipment was revalued at 30 June 2015 by management. All of the valuations were made on the basis of open market values of similar assets adjusted for condition and comparability (Level 3 inputs in the fair value hierarchy).

The revaluation resulted in an overall increment of \$439,874 in the net value of the Shire's Furniture and Equipment. All of this increment was credited to the revaluation surplus in the Shire's equity (refer Note 12(c) for further details) and was recognised as changes on Revaluation of non-current assets in the Statement of Comprehensive Income.

The fair value of property, plant and equipment is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires property, plant and equipment to be shown at fair value.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

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 2015

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(a) - 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 (Level 3) \$	Work in Progress \$	Total \$
Balance as at the beginning of the year	21,896,532	59,724,538	81,621,070	6,899,572	646,481	294,987	89,462,110
Additions	0	405,597	405,597	947,859	113,424	121,154	1,588,034
(Disposals)	0	0	0	(231,067)	0	0	(231,067)
Revaluation - Increments	0	0	0	0	439,874	0	439,874
Transfer of Work in Progress	0	247,372	0	0	0	(247,372)	0
Depreciation (Expense)	0	(1,536,947)	(1,536,947)	(750,829)	(352,384)	0	(2,640,160)
Carrying amount at the end of year	<u>21,896,532</u>	<u>58,840,560</u>	<u>80,737,092</u>	<u>6,865,535</u>	<u>847,395</u>	<u>168,769</u>	<u>88,618,791</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

	2015 \$	2014 \$
7. INFRASTRUCTURE		
Roads - Management Valuation 2011	0	100,970,790
Roads - Management Valuation 2015	323,849,950	0
Roads - At cost	1,965,174	11,327,785
Less Accumulated Depreciation	<u>(92,351,199)</u>	<u>(30,747,074)</u>
	233,463,925	81,551,501
Carparks, Footpaths & Bridges - At cost	623,241	10,545,224
Carparks, Footpaths & Bridges - Management Valuation 2015	48,127,680	0
Less Accumulated Depreciation	<u>(18,405,020)</u>	<u>(2,829,410)</u>
	30,345,901	7,715,814
Recreation Areas - At cost	1,215,579	13,487,762
Recreation Areas - Management Valuation 2015	3,883,913	0
Less Accumulated Depreciation	<u>(2,396,529)</u>	<u>(3,588,524)</u>
	2,702,963	9,899,238
Drainage - Cost	360,282	8,909,983
Drainage - Management Valuation 2015	65,843,215	0
Less Accumulated Depreciation	<u>(25,044,609)</u>	<u>(2,050,513)</u>
	41,158,888	6,859,470
Other Infrastructure - At cost	621,563	4,107,204
Other Infrastructure - Management Valuation 2015	5,869,936	0
Less Accumulated Depreciation	<u>(3,208,090)</u>	<u>(1,566,810)</u>
	3,283,409	2,540,394
Work in Progress - Recreation Areas Infrastructure	0	30,390
Work in Progress - Roads, F/Paths & Bridges Infrastructure	109,532	64,882
Work in Progress - Other Infrastructure	715,723	243,319
Work in Progress - Drainage Infrastructure	78,334	0
	<u>903,589</u>	<u>338,591</u>
	<u>311,858,675</u>	<u>108,905,008</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

7. INFRASTRUCTURE(Continued)

The fair value of infrastructure is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost. Given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and, where appropriate, the fair value is updated to reflect current market conditions.

This process is considered to be in accordance with *Local Government (Financial Management) Regulation 17A (2)* which requires infrastructure to be shown at fair value.

The Shire's Infrastructure was revalued at 30th June 2015 by ARRB Group an independent specialist valuer. The revaluation resulted in an increment of \$200,542,662 in the net value of the Shire's infrastructure, which has been recognised in the Statement of Comprehensive Income and as an increase in the Shire's Infrastructure Revaluation Reserve (refer Note 12 for further details).

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 2015

7. INFRASTRUCTURE (Continued)

(a) - 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 (Level 3) \$	Carparks, Footpaths & Bridges (Level 3) \$	Recreation Infrastructure (Level 3) \$	Drainage Infrastructure (Level 3) \$	Other Infrastructure (Level 3) \$	Work in Progress \$	Total \$
Balance as at the beginning of the year	81,551,501	7,715,814	9,899,238	6,859,470	2,540,394	338,591	108,905,008
Additions	1,965,174	558,359	1,185,190	360,282	585,995	695,837	5,350,837
Revaluation - Increments - (Decrements)	151,957,027	22,251,434	0 (8,022,651)	34,087,407	269,446	0	208,565,314 (8,022,651)
Transfer of Work in Progress	0	64,882	30,389	0	35,568	(130,839)	0
Depreciation (Expense)	(2,009,777)	(244,588)	(389,203)	(148,272)	(147,994)	0	(2,939,834)
Balance as at 30 June 2015	<u>233,463,925</u>	<u>30,345,901</u>	<u>2,702,963</u>	<u>41,158,887</u>	<u>3,283,409</u>	<u>903,589</u>	<u>311,858,674</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

	2015 \$	2014 \$
8. TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	2,175,912	4,509,639
Accrued Interest on Debentures	11,878	22,120
Accrued Salaries and Wages	253,675	212,278
Excess Rates	177,552	153,918
Prepaid Rent, Grants and Services	0	2,743
Accrued Expenses	50,394	61,636
	<u>2,669,411</u>	<u>4,962,334</u>
9. LONG-TERM BORROWINGS		
Current		
Secured by Floating Charge Debentures	988,046	1,273,806
	<u>988,046</u>	<u>1,273,806</u>
Non-Current		
Secured by Floating Charge Debentures	3,780,696	4,768,742
	<u>3,780,696</u>	<u>4,768,742</u>
Additional detail on borrowings is provided in Note 21.		
10. PROVISIONS		
Analysis of Total Provisions		
Current	1,890,407	2,166,959
Non Current	282,671	309,950
	<u>2,173,078</u>	<u>2,476,909</u>
	Provision for Annual Leave \$	Provision for Long Service Leave \$
	\$	\$
Opening balance at 1 July 2014	1,341,441	1,135,468
Movement in provision	(146,571)	(157,260)
Balance at 30 June 2015	<u>1,194,870</u>	<u>978,208</u>
	<u>2,173,078</u>	<u>2,173,078</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

	2015 \$	2015 Budget \$	2014 \$
11. RESERVES - CASH BACKED			
(a) Leave Reserve			
Opening Balance	1,725,163	1,684,468	1,686,568
Amount Set Aside / Transfer to Reserve	64,823	58,956	67,863
Amount Used / Transfer from Reserve	0	(35,782)	(29,268)
	<u>1,789,986</u>	<u>1,707,642</u>	<u>1,725,163</u>
(b) Building Reserve			
Opening Balance	2,832,185	2,665,193	3,377,754
Amount Set Aside / Transfer to Reserve	208,877	93,282	183,157
Amount Used / Transfer from Reserve	(118,269)	(255,000)	(728,726)
	<u>2,922,793</u>	<u>2,503,475</u>	<u>2,832,185</u>
(c) Public Open Space Reserve			
Opening Balance	1,195,098	947,046	1,210,374
Amount Set Aside / Transfer to Reserve	44,961	27,088	55,390
Amount Used / Transfer from Reserve	(508,105)	(233,904)	(70,666)
	<u>731,954</u>	<u>740,230</u>	<u>1,195,098</u>
(d) Drainage Reserve			
Opening Balance	1,729,997	1,676,487	1,654,777
Amount Set Aside / Transfer to Reserve	79,528	58,677	133,260
Amount Used / Transfer from Reserve	(171,828)	(247,500)	(58,040)
	<u>1,637,697</u>	<u>1,487,664</u>	<u>1,729,997</u>
(e) Plant Reserve			
Opening Balance	1,055,259	997,261	934,010
Amount Set Aside / Transfer to Reserve	39,614	34,904	307,695
Amount Used / Transfer from Reserve	(47,000)	(47,000)	(186,446)
	<u>1,047,873</u>	<u>985,165</u>	<u>1,055,259</u>
(f) BRAC (Leisure Centre) Reserve			
Opening Balance	58,867	57,620	65,795
Amount Set Aside / Transfer to Reserve	2,212	2,017	49,072
Amount Used / Transfer from Reserve	(11,192)	(57,000)	(56,000)
	<u>49,887</u>	<u>2,637</u>	<u>58,867</u>
(g) Road Reserve			
Opening Balance	1,146,835	1,089,254	1,424,386
Amount Set Aside / Transfer to Reserve	528,368	38,124	311,865
Amount Used / Transfer from Reserve	(58,628)	(150,409)	(589,416)
	<u>1,616,575</u>	<u>976,969</u>	<u>1,146,835</u>
(h) Footpath Reserve			
Opening Balance	2,818,310	2,683,769	2,447,133
Amount Set Aside / Transfer to Reserve	126,176	93,932	581,430
Amount Used / Transfer from Reserve	(493,644)	(599,784)	(210,253)
	<u>2,450,842</u>	<u>2,177,917</u>	<u>2,818,310</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

	2015 \$	2015 Budget \$	2014 \$
11. RESERVES - CASH BACKED (continued)			
(i) Car Park Reserve			
Opening Balance	397,832	394,076	371,046
Amount Set Aside / Transfer to Reserve	75,178	13,793	26,786
Amount Used / Transfer from Reserve	(27,970)	(30,000)	0
	<u>445,040</u>	<u>377,869</u>	<u>397,832</u>
(j) IT and Equipment Reserve			
Opening Balance	291,662	285,735	204,420
Amount Set Aside / Transfer to Reserve	11,366	10,001	124,242
Amount Used / Transfer from Reserve	0	(12,000)	(37,000)
	<u>303,028</u>	<u>283,736</u>	<u>291,662</u>
(k) Refuse Site Reserve			
Opening Balance	4,640,534	4,333,883	4,228,863
Amount Set Aside / Transfer to Reserve	758,725	741,286	759,455
Amount Used / Transfer from Reserve	(1,346,233)	(2,044,000)	(347,784)
	<u>4,053,026</u>	<u>3,031,169</u>	<u>4,640,534</u>
(l) Restricted Cash Reserve			
Opening Balance	2,769,059	2,484,434	3,561,971
Amount Set Aside / Transfer to Reserve	888,538	0	135,335
Amount Used / Transfer from Reserve	(403,261)	(1,664,176)	(928,247)
	<u>3,254,336</u>	<u>820,258</u>	<u>2,769,059</u>
(m) EDL Reserve			
Opening Balance	357,425	317,262	386,662
Amount Set Aside / Transfer to Reserve	13,430	11,104	15,339
Amount Used / Transfer from Reserve	(77,029)	(80,000)	(44,576)
	<u>293,826</u>	<u>248,366</u>	<u>357,425</u>
(n) Resource Recovery Park Reserve			
Opening Balance	2,005,562	1,971,533	900,000
Amount Set Aside / Transfer to Reserve	2,415,652	2,178,306	1,105,562
Amount Used / Transfer from Reserve	(177,295)	(200,000)	0
	<u>4,243,919</u>	<u>3,949,839</u>	<u>2,005,562</u>
(o) Kimberley Zone Reserve			
Opening Balance	427,722	220,300	175,000
Amount Set Aside / Transfer to Reserve	242,609	0	252,722
Amount Used / Transfer from Reserve	0	0	0
	<u>670,331</u>	<u>220,300</u>	<u>427,722</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

	2015 \$	2015 Budget \$	2014 \$
11. RESERVES - CASH BACKED (continued)			
(p) Community Sponsorship Reserve			
Opening Balance	11,498	5,142	0
Amount Set Aside / Transfer to Reserve	18,695	539	14,992
Amount Used / Transfer from Reserve	0	0	(3,494)
	<u>30,193</u>	<u>5,681</u>	<u>11,498</u>
(r) Public Art Reserve			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	154,155	0	0
Amount Used / Transfer from Reserve	0	0	0
	<u>154,155</u>	<u>0</u>	<u>0</u>
TOTAL CASH BACKED RESERVES	<u>25,695,461</u>	<u>19,518,917</u>	<u>23,463,008</u>

All of the reserve accounts are supported by money held in financial institutions and match the amounts shown as restricted cash in Note 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.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

11. RESERVES - CASH BACKED (continued)

Carpark Reserve

To be used for renewal, upgrade, replacement or new carpark.
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.

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.

Public Art Reserve

To hold funds set aside annually to fund public art projects and initiatives within the Shire.

Tourism Reserve

To hold funds set aside annually to fund future tourism projects and initiatives within the Shire.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

12. RESERVES - ASSET REVALUATION

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

	2015 \$	2014 \$
(a) Land and Buildings		
Opening Balance	35,691,910	23,419,682
Revaluation Increment	0	12,272,228
	<u>35,691,910</u>	<u>35,691,910</u>
(b) Infrastructure Including Roads		
Opening Balance	28,356,220	28,356,220
Revaluation Increment	200,542,663	0
	<u>228,898,883</u>	<u>28,356,220</u>
(c) Furniture and Equipment		
Opening Balance	0	0
Revaluation Increment	439,874	0
	<u>439,874</u>	<u>0</u>
TOTAL ASSET REVALUATION RESERVES	<u>265,030,667</u>	<u>64,048,130</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

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:

	2015 \$	2015 Budget \$	2014 \$
Cash and Cash Equivalents	<u>29,437,472</u>	<u>19,893,332</u>	<u>27,339,666</u>
(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net Result	7,437,330	3,635,578	5,011,973
Depreciation	5,579,994	6,052,000	5,926,365
(Profit)/Loss on Sale of Asset	(11,709)	92,676	106,414
(Increase)/Decrease in Receivables	(367,842)	70,000	967,588
(Increase)/Decrease in Inventories	16,785	(10,000)	(10,664)
Increase/(Decrease) in Payables	(2,292,922)	220,000	1,481,641
Increase/(Decrease) in Employee Provisions	(303,831)	0	322,794
Grants/Contributions for the Development of Assets	(3,099,710)	(4,208,684)	(4,840,478)
Non-Current Assets recognised due to changes in legislative requirements	0	0	(1,756,875)
Net Cash from Operating Activities	<u>6,958,095</u>	<u>5,851,570</u>	<u>7,208,758</u>
(c) Undrawn Borrowing Facilities			
Credit Standby Arrangements			
Bank Overdraft limit	700,000	700,000	700,000
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	0
Total Amount of Credit Unused	<u>725,000</u>	<u>725,000</u>	<u>725,000</u>
Loan Facilities			
Loan Facilities - Current	988,046	988,046	1,273,806
Loan Facilities - Non-Current	3,780,696	3,813,553	4,768,742
Total Facilities in Use at Balance Date	<u>4,768,742</u>	<u>4,801,599</u>	<u>6,042,548</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 2015

14. CONTINGENT LIABILITIES

Shinju Matsuri Loan/Overdraft Guarantee
North West Expo Payment Guarantee

2015	2014
\$	\$
15,000	15,000
0	25,000
<u>15,000</u>	<u>40,000</u>

Contaminated Sites

The Shire has reported 2 sites to the Department of Environmental Regulation (DER) as potentially contaminated under the *Contaminated Sites Act 2003 (WA)*. Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk and agree with the DER the need and criteria for remediation, the Shire is unable to accurately quantify its clean-up liabilities for potentially contaminated sites. The Shire is continuing to monitor the sites and will progressively undertake site investigations and remediation on a risk based approach. This approach is consistent with the DER guidelines.

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	226,063	322,459
- later than one year but not later than five years	0	3,552
- later than five years	0	0
	<u>226,063</u>	<u>326,011</u>

(c) Capital Expenditure Commitments

Contracted for:

- Building Construction & Fixed Plant	0	217,692
- Infrastructure Construction	271,697	74,799
- Mobile Plant and Equipment	294,334	0
- Furniture and Equipment	30,164	0

Payable:

- not later than one year	596,195	292,491
- later than one year but not later than five years	0	0

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

(c) Capital Expenditure Commitments (continued)

The capital expenditure projects outstanding at the end of the reporting periods are:

30 June 2015

- Infrastructure Construction

Amphitheatre Project Outlet Structure Renewal (Stage 1 & 2) Muni Funded
Town Beach Boat Ramp
Lorrikeet Extension
Archer St
Morgan Road Upgrade
Footpaths at old broome estate as per RFT 13/08
Archer Street Reconstruction Project
Frederick Street Drainage
De Castilla Street urban road

30 June 2015

- Mobile Plant and Equipment

Water truck - Hino
D-MAX Tilt Tray
Squirrel - Machinery West
Elite Pool Covers Pty Ltd - Thermal blanket system as per RFQ15-18

30 June 2015

- Furniture and Equipment

Payroll Project - IT Vision

30 June 2014

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

30 June 2014

Arts Centre Building Design & Construction & Renewal Energy Upgrade (Final retention payment)
Amenities Upgrade Works at various amenities including BRAC
Clementson St Reconstruction Stages 1 & 2 (Final retention payment)

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

16. FINANCIAL RATIOS	2015	2014	2013
Current Ratio	1.65	0.90	1.25
Asset Sustainability Ratio	1.24	1.87	0.72
Debt Service Cover Ratio	6.59	4.06	12.70
Operating Surplus Ratio	0.13	0.01	0.52
Own Source Revenue Coverage Ratio	0.82	0.87	0.09
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 63 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. 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. 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 2015

17. JOINT VENTURE

The Shire is not involved in any joint venture arrangements

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2015	2014
	\$	\$
General Purpose Funding	7,909,758	7,157,254
Governance	964,157	785,147
Law, Order, Public Safety	871,124	908,017
Health	17,314	19,879
Education and Welfare	358	748
Housing	2,942,434	2,972,098
Community Amenities	53,328,212	17,565,591
Recreation and Culture	38,154,512	62,192,665
Transport	269,957,795	93,893,185
Economic Services	8,208,460	9,132,232
Other Property and Services	32,472,021	31,481,096
Unallocated	17,572,757	1,741,681
	<u>432,398,902</u>	<u>227,849,593</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

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 2014 \$	Amounts Received \$	Amounts Paid (\$)	Balance 30 June 2015 \$
Footpath Damage Deposits	32,276	0	0	32,276
Library Transient Borrower Deposits	8,169	40	(5,258)	2,951
Election Nomination Deposits	0	0	0	0
Civic Centre Takings	5,320	19,956	(25,276)	0
Other General Purpose Deposits	8,494	0	0	8,494
BCITF Collection & Refund Deposits	14,104	107,524	(113,041)	8,587
Japanese Cemetery Improvements Deposit	0	0	0	0
Town Planning Related Bond Deposits	184,597	0	(38,390)	146,207
Cemetery Plot Reservation Deposits	15,713	3,795	(55)	19,453
Recreation Facility use Bond Deposits	11,960	31,676	(32,063)	11,573
Parking Facilities Bond Deposits	0	0	0	0
Road & Footpath Facilities Bond Deposits	758,506	0	0	758,506
Capital Works Bond Deposits	3,060	0	0	3,060
Cash In Lieu Of Public Open Space	99,877	0	0	99,877
Bank Guarantee Deposits Received	52,618	0	0	52,618
BRB Levy	6,785	55,532	(56,521)	5,796
Overpayments Held	0	0	0	0
Unclaimed Monies	19,143	828	0	19,971
Contract Bonds & Retentions	0	0	0	0
Staff Rental Bonds	45,316	12,749	(17,583)	40,482
Key Deposits	2,434	210	(625)	2,019
	<u>1,268,372</u>	<u>232,310</u>	<u>(288,812)</u>	<u>1,211,870</u>

20. DISPOSALS OF ASSETS - 2014/2015 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	0	0	0	0	0
General Purpose Funding	0	0	0	0	0	0
Law, Order, Public Safety	0	12,552	0	7,000	0	(5,552)
Health	0	0	0	0	0	0
Education and Welfare	0	0	0	0	0	0
Housing	0	0	0	0	0	0
Community Amenities	133,211	134,216	126,818	100,000	(6,393)	(34,216)
Recreation and Culture	0	0	0	0	0	0
Transport	0	0	0	0	0	0
Economic Services	0	0	0	0	0	0
Other Property and Services	97,856	223,908	115,958	171,000	18,102	(52,908)
	<u>231,067</u>	<u>370,676</u>	<u>242,776</u>	<u>278,000</u>	<u>11,709</u>	<u>(92,676)</u>
			Loss		(6,393)	0
			Profit		18,102	(92,676)
					<u>11,709</u>	<u>(92,676)</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

21. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Loan Number	Loan Particulars/Purpose	Principal 1 July 2014 \$	New Loans \$	Principal Repayments		Principal 30 June 2015		Interest Repayments	
				Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Law Order & Public Safety									
176	New SES Shed (*)	9,900		9,900	9,900	0	0	253	284
Community Amenities									
181	Millington Rd Drainage Construction (Interest paid by third party)	87,860		42,566	42,566	45,294	45,293	4,868	4,883
Recreation & Culture									
171	BRAC (Recreation Centre)	303,708		94,642	94,642	209,066	209,065	18,616	18,789
186	BRAC Stage 2 A	442,188		138,438	138,437	303,750	303,751	23,341	25,466
191	BRAC Stage 2B - Oval Infrastructure	268,872		47,211	47,211	221,661	221,661	16,465	16,490
193	Arts Centre Redevelopment	3,550,779		385,509	385,509	3,165,270	3,165,269	136,319	136,486
194	BRAC Pavilion	720,080		85,929	85,929	634,151	634,152	40,418	40,956
Economic Services									
182	Visitors Centre Construction	227,255		110,099	110,099	117,156	117,156	12,592	12,630
185	Visitors Centre Construction Stage 2	105,388		32,994	32,994	72,394	72,394	5,563	6,070
Other Property & Services									
168	Loan # 168 Administration Building	326,518		326,518	326,518	0	0	12,998	19,620
		6,042,548	0	1,273,806	1,273,805	4,768,742	4,768,741	271,433	281,674

(*) 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 2015

21. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2014/2015

The Shire of Broome did not take up any new borrowings during the year ended 30 June 2015

(c) Unspent Debentures

Particulars	Date Borrowed	Balance 1 July 2014 \$	Borrowed During Year \$	Expended During Year \$	Balance 30 June 2015 \$
Loan # 193 Arts Centre Redevelopment	27/06/2012	2,033,723	0	(123,886)	1,909,837
		2,033,723	0	(123,886)	1,909,837

(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 2015

22. RATING INFORMATION - 2014/15 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	8.5490	4,604	118,547,650	10,205,162	122,804	13,986	10,341,952	9,896,439	85,918	0	9,981,357
GRV - Residential - Vacant	15.6350	392	3,944,885	595,259	47,379	16,088	658,726	654,075	0	0	654,075
GRV - Commercial	10.0600	595	52,509,789	5,340,538	29,535	98,090	5,468,163	5,238,839	0	0	5,238,839
GRV - Tourism	12.5000	877	17,705,290	2,213,161	6,558	0	2,219,719	2,295,729	0	0	2,295,729
GRV - Exempt	-	000	2,910,478	0	0	(4,564)	(4,564)	0	0	0	0
Unimproved Value Valuations											
UV - Rural	0.5450	141	88,509,810	540,485	(68,769)	1,281	472,997	467,916	0	0	467,916
UV - Mining	15.0000	85	960,879	144,132	65,720	18	209,870	145,516	0	0	145,516
UV - Commercial Rural	2.5150	44	8,577,808	207,359	21,820	57,681	286,860	205,043	0	0	205,043
UV - Exempt	0.0000	0	0	0	0	0	0	0	0	0	0
Sub-Totals		7,544	293,672,589	19,246,096	225,047	182,580	19,853,723	18,902,557	85,918	0	18,988,475
Minimum Payment											
Differential General Rate / General Rate							0				0
GRV - Residential	1,200	106	3,957,154	127,200	0	0	127,200	80,400	0	0	80,400
GRV - Residential - Vacant	1,200	67	560,230	80,400	0	0	80,400	159,600	0	0	159,600
GRV - Commercial	1,200	12	132,942	14,400	0	0	14,400	14,400	0	0	14,400
GRV - Tourism	1,200	437	2,371,248	524,400	0	0	524,400	524,400	0	0	524,400
Unimproved Value Valuations							0				0
UV - Rural	1,200	4	380,000	4,800	0	0	4,800	4,800	0	0	4,800
UV - Mining	1,200	36	829,691	43,200	0	0	43,200	43,200	0	0	43,200
UV - Commercial Rural	1,200	5	229,400	6,000	0	0	6,000	6,000	0	0	6,000
Sub-Totals		667	6,440,665	800,400	0	0	800,400	832,800	0	0	832,800
Ex-Gratia Rates							20,454,123				19,821,275
Concessions (refer note 26)							35,682				25,975
Discounts							(173,862)				(171,211)
Difference to Statement of Comprehensive Income											(7,451)
Total Amount Raised From General Rate							20,315,923				19,696,295
Write-Offs (refer note 26)							(1,641)				(3,500)
Waste Collection Rate (refer Note 24)							583,635				589,600
Totals							20,897,917				20,261,947

General Note:

- (1) The difference is due to Note 8 in the adopted 2014 - 2015 budget not reconciling to the Statement of Comprehensive Income.
 (2) The Total Amount Raised from General Rate as per adopted 2014 - 2015 Budget does not agree back to the Rate Setting Statement Budget 2014 - 2015 due to the incorrect disclosure of Concessions and Discounts and the reconciliation difference to the Statement of Comprehensive Income as above. As illustrated below.

Balance as per Rate Setting Statement	19,847,250
Concessions (refer note 26)	(171,211)
Discounts	(7,451)
Difference	27,707
	<u>19,696,295</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

22. RATING INFORMATION - 2014/15 FINANCIAL YEAR (Continued)

(b) Information on Surplus/Deficit Brought Forward

	2015 (30 June 2015 Carried Forward)	2014 (1 July 2014 Brought Forward)	2014 (30 June 2014 Carried Forward)
	\$		\$
Surplus/(deficit) 1 July 2014 Brought Forward	<u>587,939</u>	<u>2,453,448</u>	<u>2,453,448</u>
Comprises:			
Cash - Unrestricted	3,742,009	3,876,658	3,876,658
Cash - Restricted	25,695,463	23,463,008	23,463,008
Rates Outstanding	895,914	494,038	494,038
Sundry Debtors	1,234,471	1,365,755	1,365,755
ATO Receivable	250,249	162,654	162,654
Sundry Bonds and other receivables	57,273	47,618	47,618
Inventories			
- Fuel and Materials	24,355	35,806	35,806
- History Books	4,205	9,539	9,539
Loans - Clubs/Institutions Receivable	0	9,901	9,901
Less:			
Reserves - Cash Backed	(25,695,463)	(23,463,008)	(23,463,008)
Loans - Clubs/Institutions Receivable	-	(9,901)	(9,901)
Sundry Creditors	(2,175,912)	(4,509,639)	(4,509,639)
Other Payables	(227,946)	(218,297)	(218,297)
Accrued Interest on Debentures	(11,878)	(22,120)	(22,120)
Accrued Salaries and Wages	(253,675)	(212,278)	(212,278)
Current Employee Benefits Provision	(1,890,407)	(2,166,959)	(2,166,958)
Leave Liability not expected to be paid within 12 months	1,789,986	1,725,163	1,725,163
Surplus/(Deficit)	<u>3,438,644</u>	<u>587,938</u>	<u>587,939</u>

Difference:

There was no difference between the Surplus/(Deficit) 1 July 2014 Brought Forward position used in the 2015 audited financial report and the Surplus/(Deficit) Carried Forward position as disclosed in the 2014 audited financial report.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

23. SPECIFIED AREA RATE - 2014/2015 FINANCIAL YEAR

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

24. WASTE COLLECTION RATE - 2014/15 FINANCIAL YEAR

	Rate in \$	Basis of Rate	Rateable Value \$	Rate Revenue \$	Budget Rate Revenue \$
Public Landfill Levy					
- Rate	0.015	GRV & UV	221,932	576,224	589,600
- Interim Rate				7,411	0
- Back Rate				0	0
				583,635	589,600

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

25. SERVICE CHARGES - 2014/2015 FINANCIAL YEAR

The Shire Of Broome did not impose any service charges.

26. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS - 2014/2015 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%	8,366	0
General Rates	Concession	48.00%	114,322	119,951
General Rates	Concession	27.00%	48,997	49,175
General Rates	Concession	11.00%	2,197	2,085
			173,882	171,211
Other Discounts and Write-Offs				
Rate Assessment	Write-Offs		1,641	3,500

No discount on rates is available.

27. INTEREST, CHARGES AND INSTALMENTS - 2014/2015 FINANCIAL YEAR

	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	11.00%		152,863	75,000
Interest on Rates Instalments Plan	5.50%		96,560	96,000
Charges on Rates Instalment Plan		7	35,532	36,000
Pensioner Deferred Rate Interest	3.27%		0	0
			284,955	207,000

Ratepayers had the options of paying rates in either two or four equal instalments, due on 5th September 2014, 5th November 2014, 5th January 2015 and 5th March 2015.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

28. FEES & CHARGES	2015	2014
	\$	\$
Governance	0	44
General Purpose Funding	63,759	68,224
Law, Order, Public Safety	100,871	80,337
Health	164,440	158,294
Education and Welfare	0	0
Housing	547,472	645,307
Community Amenities	6,340,976	6,253,146
Recreation and Culture	952,475	1,025,183
Transport	19,779	24,619
Economic Services	725,623	719,257
Other Property and Services	1,271,297	1,401,742
	<u>10,186,692</u>	<u>10,376,153</u>

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

29. GRANT REVENUE	2015	2014
	\$	\$
By Nature and Type:		
Operating Grants, Subsidies and Contributions	12,726,245	6,707,106
Non-Operating Grants, Subsidies and Contributions	3,099,710	4,840,478
	<u>15,825,955</u>	<u>11,547,584</u>
By Program:		
Governance	5,599,261	3,393,115
General Purpose Funding	3,179,529	942,480
Law, Order, Public Safety	41,844	44,442
Health	21,323	13,575
Education and Welfare	128,753	96,546
Housing	563,910	2,586,999
Community Amenities	194,197	494,407
Recreation and Culture	655,639	431,677
Transport	3,975,310	2,379,370
Economic Services	580,719	256,282
Other Property and Services	885,468	908,691
	<u>15,825,953</u>	<u>11,547,584</u>

30. COUNCILLORS' REMUNERATION	2015	2015	2014
	\$	Budget	\$
		\$	
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees - Council and Local Government Association	150,252	158,749	151,323
President's Allowance	46,350	46,350	45,000
Deputy President's Allowance	13,791	11,587	11,250
Travelling and Conference Expenses	34,338	55,450	39,830
Telecommunications and IT Allowances	29,750	31,950	30,541
	<u>274,481</u>	<u>304,086</u>	<u>277,944</u>

31. EMPLOYEE NUMBERS	2015	2014
The number of full-time equivalent employees at balance date	<u>141</u>	<u>148</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

32. MAJOR LAND TRANSACTIONS

Council did not participate in any Major Land Transactions during the year to 30 June 2015

33. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during the 2014/2015 financial year.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

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	
	2015	2014	2015	2014
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	29,437,472	27,339,666	29,437,472	27,339,666
Receivables	2,455,405	2,097,464	2,455,405	2,097,464
	<u>31,892,877</u>	<u>29,437,130</u>	<u>31,892,877</u>	<u>29,437,130</u>
Financial Liabilities				
Payables	2,669,411	4,962,334	2,669,411	4,962,334
Borrowings	4,768,742	6,042,548	4,768,742	6,042,548
	<u>7,438,153</u>	<u>11,004,882</u>	<u>7,438,153</u>	<u>11,004,882</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 2015

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 banks. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

	30 June 2015	30 June 2014
	\$	\$
Impact of a 1% (*) movement in interest rates on cash		
- Equity	294,375	273,397
Statement of Comprehensive Income	294,375	273,397

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 2015

34. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables (Continued)

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

	30 June 2015	30 June 2014
Percentage of Rates and Annual Charges		
- Current	1%	1%
- Overdue	99%	99%
Percentage of Other Receivables		
- Current	63%	85%
- Overdue	37%	15%

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

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 \$
2015					
Payables	2,669,411	0	0	2,669,411	2,669,411
Borrowings	1,215,180	4,367,462	1,188,775	6,771,417	4,768,741
	<u>3,884,591</u>	<u>4,367,462</u>	<u>1,188,775</u>	<u>9,440,828</u>	<u>7,438,152</u>
2014					
Payables	4,962,334	0	0	4,962,334	4,962,334
Borrowings	1,560,342	3,668,540	1,827,999	7,056,881	6,042,546
	<u>6,522,676</u>	<u>3,668,540</u>	<u>1,827,999</u>	<u>12,019,215</u>	<u>11,004,880</u>

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

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 2015								
Borrowings								
Fixed Rate Debentures	0	747,659	0	221,661	0	3,799,421	4,768,741	4.70%
Weighted Average Effective Interest Rate	0.00%	6.38%	0.00%	6.41%	0.00%	4.27%		
Year Ended 30 June 2014								
Borrowings								
Fixed Rate Debentures	336,419	0	1,166,397	0	268,872	4,270,861	6,042,549	5.12%
Weighted Average Effective Interest Rate	7.89%	0.00%	6.38%	0.00%	6.41%	4.27%		

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015

35. SUPPLEMENTARY 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

	2015	2014	2013	2012
Asset Consumption Ratio	0.734	0.703	0.741	0.694
Asset Renewal Funding Ratio	0.533	2.114	3.049	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 preceding year (being 2012) have not been reported as financial information is not available.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015



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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 2015 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.

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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

RSM Bird Cameron is a member of the RSM network. Each member of the RSM network is an independent accounting and advisory firm which practises in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Notes to and Forming Part of the Financial Report

For the Year Ended 30 June 2015



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.

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 2015 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 in Note 35, 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.

A handwritten signature in dark ink that reads "RSM Bird Cameron".

RSM BIRD CAMERON

A handwritten signature in dark ink that reads "D J Wall".

D J WALL
Director

Perth, WA
Dated: 5 October 2015

Feedback

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

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Email: shire@broome.wa.gov.au

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